NORWICH
City Council

Cabinet

Date: **Wednesday, 08 February 2023**
Time: **17:30**
Venue: **Mancroft room, City Hall, St Peters Street, Norwich, NR2 1NH**

Committee members:

Councillors:

Waters (chair)
Harris (vice chair)
Giles
Hampton
Jones
Kendrick
Oliver
Stonard

For further information please contact:

Committee officer: Alex Hand
t: (01603) 989398
e: alexhand@norwich.gov.uk

Democratic services
City Hall
Norwich
NR2 1NH

www.norwich.gov.uk

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Agenda

EXEMPT ITEMS:

(During consideration of these items the meeting is not likely to be open to the press and the public.)

To consider whether the press and public should be excluded from the meeting during consideration of an agenda item on the grounds that it involves the likely disclosure of exempt information as specified in Part 1 of Schedule 12 A of the Local Government Act 1972 or it being confidential for the purposes of Section 100A(2) of that Act.

In each case, members are asked to decide whether, in all circumstances, the public interest in maintaining the exemption (and discussing the matter in private) outweighs the public interest in disclosing the information.

Page nos

***14 Department of Levelling Up, Housing and Communities funding opportunities for housing - exempt appendix (report to follow)**

***15 Corporate performance assurance Q3 2022-2023 - exempt appendix**

- This report is not for publication because it would disclose information relating to the financial or business affairs of any particular person (including the authority holding that information) as in para 3 of Schedule 12A to the Local Government Act 1972.

Date of publication**: Tuesday, 31 January 2023**

NORWICH City Council

Item 4

MINUTES

Cabinet

17:30 to 18:15 **18 January 2022**

Present:	Councillors Waters (chair), Harris (vice chair), Giles, Hampton, Jones, Kendrick, Oliver and Stonard
Also present:	Councillors Galvin, Green Group Leader

1. Declarations of interest

Councillor Stonard, cabinet member for inclusive and sustainable growth, declared an interest in relation to item 3 (below) in that he was a director of Norwich Regeneration Limited and would not take part in the vote on this item.

2. Public questions/ petitions

There were no public questions or petitions.

3. Minutes

Councillor Waters proposed an amendment to item 16 of the minutes, Norwich Regeneration Ltd Business Plan 2023-2030, recommendation 6 to amend to read the following:

To both grow, deliver and to mitigate overexposure to commercial risk from one sector, cabinet will support more detailed work on the part of NRL to spread risk and build resilience further into the business, by committing to its scoping in detail the business case for projects like energy saving pilots and skills building for young people.

With no members indicating that they wished to discuss the exempt minutes it was:-

RESOLVED to agree the accuracy of the minutes of the meeting held on 14 December 2022 subject to the above amendment

4. Greater Norwich Local Plan consideration of consultation regarding possible gypsy and traveller sites for inclusion within the plan

Councillor Stonard, cabinet member for inclusive and sustainable growth, presented the report. He noted that cabinet gave approval for a focussed consultation in July 2022 which was due to be conducted over the summer. However, as the consultation was not agreed by South Norfolk District Council (SNDC) it could not take place. The Greater Norwich Local Plan (GNLP) Inspectors required Gypsy and Traveller provision to be considered as part of the GNLP.

There had been engagement with the Gypsy and Traveller community and he highlighted that the accommodation needs of the community had increased as detailed in the report. Following the consultation on site allocations, a report would be presented to cabinet to agree the proposed sites.

The Executive Director of development and city services provided a verbal update to the report. He noted that for the consultation to take place there had to be unanimity on the contents of the consultation across the three local authorities of SNDC, Broadland District Council (BDC) and Norwich City Council. As detailed in paragraph 6 of the report SNDC decided to omit one contingency site at Costessey from the proposals. BDC's cabinet mirrored SNDC's decision to omit the site. Therefore, if the consultation were to progress the recommendation to the report would require amending to omit the contingency site at Costessey in line with the other local authorities. He advised that he considered that there was still a comfortable number of sites included within the proposal to meet the accommodation needs of the Gypsy and Traveller community.

Councillor Waters advised that the proposals had been agreed by the three councils at the Greater Norwich Growth Board which had taken a substantial amount of negotiation to achieve. It was unfortunate that SNDC had reneged on this agreement and exercised its right of veto. However, it was important to move forward with the consultation to meet the needs of the community which had a right to have their accommodation needs met.

In response to Councillor Galvin's question on whether to remove the site at North Burlingham from the consultation, the Executive Director of development and city services advised to make a robust decision it would be best to include the site which following consultation might be edited from the list. Councillor Stonard, cabinet member for inclusive and sustainable growth, added that if cabinet omitted the site there would not be unanimity across the three authorities and the consultation would not be able to progress.

RESOLVED to:

1) approve the focused consultation on the Greater Norwich Local Plan proposed allocations for Gypsy and Traveller sites with reference to the contingency site for Gypsy and Traveller pitches at Costessey being deleted; and
2) delegate authority to the Executive director of development and city services, in consultation with the Cabinet member for inclusive and sustainable growth, to agree consultation documentation and materials prior to the public consultation.

5. Local Development Scheme Update

Councillor Stonard, cabinet member for inclusive and sustainable growth, presented the report. He noted that the report had been to a meeting of the Sustainable Development Panel and agreed. The Local Development Scheme (LDS) was a work programme to develop key planning documents and was required to be produced as part of a statutory process. The last LDS was adopted in 2021 and covered the period to 2023, with the new LDS superseding this one.

Councillor Stonard provided a verbal update to the report. The main change related to nutrient neutrality and a report on the issue was due to come to this meeting of cabinet but would be presented at a later date. Further, there was an update in relation to paragraph 6a), as at the time of publishing the report there was a lack of clarity in relation to the planning reforms contained within the Levelling Up and Regeneration Bill. The government published a consultation on proposals which closes on 2 March 2023. Officers were in the process of reviewing the consultation and the LDS would be updated with any changes to the planning system reported to cabinet as necessary.

The last update related to paragraph 6h) as the Article 4 direction removing permitted developments rights for some offices to residential conversions had now been submitted to the Secretary of State. The planning policy team leader noted that depending on the reforms a revised LDS may come back to cabinet earlier than anticipated.

In response to Councillor Galvin's question, Councillor Stonard, cabinet member for inclusive and sustainable growth noted the capacity of officers to begin engagement to establish broad areas for review in relation to development management policies was limited. The planning policy team leader highlighted that there were several additional consultations on proposed national development management policies that would determine what work the council could do on its own policies.

RESOLVED to consider the draft revised Local Development Scheme. This is the work programme for producing key planning documents, which will form part of the local plan for Norwich. The scheme is attached at Appendix 1 and covers a two-year period to 2025.

6. Scrutiny Committee Recommendations

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

The monitoring officer noted that the first two recommendations would be subject to the approval of the council's budget in February 2023. Councillor Waters, leader of the council, thanked scrutiny committee for its work and the useful recommendations provided.

In response to Councillor Galvin's question on how to make the current cost of living crisis real to local MP's, the leader of the council concurred that all councillors were coming across terrible stories of deprivation. He referred to the work of the 2040 City Vision partnership responding to the cost of living crisis and advised that this work was made known to local MP's.

Councillor Jones, the cabinet member for safe, strong and inclusive neighbourhoods confirmed that there were no plans to remove the 100% Council Tax reduction scheme.

RESOLVED:

1) That the council maintains a 100% Council Tax reduction scheme, subject to approval of the council's budget in February 2023;

2) That the council maintain its financial support of the Financial Inclusion Consortium, subject to approval of the council's budget in February 2023;

3) That cabinet lobbies against the punitive elements of the benefit system such as the recovery of overpayments and the Spare Room Subsidy;

4) That the council campaigns to encourage everyone to claim what benefits they are entitled to;

5) That officers circulate a list to councillors of any additional subsidiary advice agencies that could assist residents;

6) That council tax and housing benefit letters when revised are brought to scrutiny committee to be reviewed and that partners such as the tenant improvement panel, leaseholder group, Citizens Advice Bureau and Norfolk Community Law Service are consulted on changes;

7) If collected, that information as to why households fall into debt is provided; and

8) To illustrate how many people access debt information and by what means; in person, online or by telephone.

7. An update on Health, Safety and Compliance in Council Homes and Buildings

Councillor Waters, leader of the council referred to the supplementary agenda which had been circulated and included the item.

The deputy leader and cabinet member for social housing, presented the report. She noted that steady progress was being made and that this was the fourth update to cabinet since the council self-reported to the Regulator for Social Housing (RSH). The Health and Safety Compliance Board continued to meet monthly, and the council had entered a new voluntary arrangement with the Regulator for Social Housing.

The compliance improvement plan was separated into housing and non-housing areas. The General Fund had been prioritised to ensure that resource was focussed on high risk, high liability assets. Real progress had been made in council owned properties, in relation to electrical safety and water hygiene remediation with gas safety and lifts remaining compliant. The asbestos and fire programmes were within targets set by the RSH. There were a small number of properties where access remained an issue and the housing team worked with tenants to provide support. Failing this legal action could be taken to gain access.

Fire risk assessments for all high-risk residential buildings and specialist housing had been completed. As part of this process concerns were identified with the installation and materials used for fire doors which may not perform as required. Fire risk assessments had been updated to reflect this and the RSH notified. Residents within affected tower blocks had been written to in December to advise that all affected doors would be replaced and extra heat alarms installed to mitigate the risk in the meantime.

The deputy leader and cabinet member for social housing highlighted that whilst considerable work had been conducted there was a lag in invoices being received and asked officers to provide a verbal update to the meeting.

The interim head of building safety and compliance advised that the programme to install heat detectors in properties was on track. The interim head of asset management advised that in terms of finances a process was ongoing to review monies spent which had been coded incorrectly and a further update would be provided next month.

In response to a question from Councillor Galvin, the interim head of building safety and compliance advised that all non-housing assets had been categorised as high, medium and low risk based on the use of the building and property type. Councillor Waters agreed with Councillor Galvin that it would be useful to have an update on a timeline for works in due course.

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

8. Managing Assets (Non-Housing)

Councillor Kendrick, cabinet member for resources presented the report. He noted that it was a small parcel of land being considered for disposal and that he was supporting the recommendation without prejudice to the broader issue in relation to the bypass. He noted that no monies would be received for the transfer but conversely there would be no maintenance costs to bear.

RESOLVED to approve the transfer of land identified in the report.

***9. Minutes – Exempt (para 3)**

This item was noted under item 3 above.

CHAIR

NORWICH City Council

Item 5

Committee name: Cabinet

Committee date: 08/02/2023

Report title: Local Council Tax Reduction Scheme 2023/24

Portfolio: Councillor Jones, Cabinet member for safe, strong and inclusive neighbourhoods

Report from: Head of revenues and benefits

Wards: All wards

OPEN PUBLIC ITEM

KEY DECISION

Purpose

To consider and recommend that Council resolves to adopt a Local Council Tax Reduction Scheme (LCTRS) for 2023/24.

Recommendation:

1) That Council retains a maximum 100 per cent LCTRS for working age recipients.

2) That Council make the following changes to the LCTRS for 2023/24 by continuing with the 2022/23 scheme with the following annual modifications:

   a) include provision for future central and local government financial support payments (such as energy rebates/council tax support funding) to be disregarded from the scheme;

   b) to increase the working age applicable amounts for allowances and premiums by the September 2022 Consumer Price Index (CPI) rate of 10.1 per cent;

   c) to increase the level of income brackets used to decide non-dependant deductions and level of non-dependant deductions by the September 2022 Consumer Price Index (CPI) rate of 10.1 per cent;

   d) to increase the level of income brackets used to decide entitlement to second adult reduction by the September 2022 Consumer Price Index (CPI) rate of 10.1 per cent;

   e) to retain the maximum household capital limit of £16,000;

   f) to amend the wording of the LCTRS to use self-employed earnings figures for Universal Credit (UC) claimants as determined by the Secretary of State from 1 April 2023;

g) to amend the wording of the LCTRS to take into account the prescribed regulations as notified by the Department for Levelling Up, Housing and Communities.

Policy framework

The council has five corporate priorities, which are:

- People live independently and well in a diverse and safe city.
- Norwich is a sustainable and healthy city.
- Norwich has the infrastructure and housing it needs to be a successful city.
- The city has an inclusive economy in which residents have equal opportunity to flourish.
- Norwich City Council is in good shape to serve the city.

This report meets the following corporate priorities:

- People live independently and well in a diverse and safe city
- The city has an inclusive economy in which residents have equal opportunity to flourish

This report addresses our Norwich 2040 city vision that Norwich is a ‘Fair City’ and is a place where many already enjoy a great quality of life. By 2040, the health, wellbeing and life chances of all our citizens will be improved. We will remove barriers to achievement and a high standard of living will be enjoyed by everyone.

Report details

1. Since 1 April 2013 the council has operated a LCTRS for working age recipients, which replaced council tax benefit.

2. Councils are required to review their LCTRS for working age recipients on an annual basis and consider any appropriate revisions.

3. The LCTRS helps people on low incomes and/or certain welfare benefits to pay their council tax bill. This provides support to those under the greatest financial pressure.

4. The scheme that exists for pension age recipients is a national scheme prescribed by regulations and cannot be varied locally. The council can therefore only control the cost of LCTRS in relation to working age claims.

5. The council adopted the government's default CTRS in 2013, having made various changes since then but maintaining the principle of a full support (100% discount) scheme.

6. The LCTRS must take account of and support:

   - Work incentives and in particular avoid disincentives for those moving into work
   - The Council's duties to protect vulnerable people (under the Equality Act 2010, the Care Act 2014, the Child Poverty Act 2010 and the Housing Act 1996)
   - The Armed Forces Covenant.

7. Since 2019 there has been no revenue support grant to help cover the cost of the LCTRS. The cost of funding the LCTRS is incorporated into the Medium-Term Financial Strategy (MTFS). If the Council were to reduce the % award, or ask all claimants to pay a set amount, the Council's tax base (the total of Band D properties used in the calculation of council tax income) would increase, as there would be fewer Band D equivalents lost as a result of awarding Council Tax Reduction (CTR).

8. The council tax reduction scheme cross party member working group met on 20 September 2022 and 30 November 2022 to review in detail the options. The minutes of those meetings are attached as Appendix 1.

9. The council tax reduction scheme cross party member working group resolved unanimously to recommend the LCTRS 2023/24 to cabinet and council at its meeting of 20 September 2022.

10. Following that meeting, a further proposal was made to the member working group meeting held on 30 November 2022 to consult on revising the scheme to use the self-employed earnings figure determined by the Secretary of State for Universal Credit (UC) claimants from 1 April 2023.The cross-party member working group supported this additional proposal.

Proposed recommendations:

11. The proposed recommendations are:

1) That Council retains a maximum 100 per cent LCTRS for working age recipients.

2) That Council make the following changes to the LCTRS for 2023/24 by continuing with the 2022/23 scheme with the following annual modifications:

(a) include provision for future central and local government financial support payments (such as energy rebates/council tax support funding) to be disregarded from the scheme;

(b) to increase the working age applicable amounts for allowances and premiums by the September 2022 Consumer Price Index (CPI) rate of 10.1 per cent;

(c) to increase the level of income brackets used to decide non-dependant deductions and level of non-dependant deductions by the September 2022 Consumer Price Index (CPI) rate of 10.1 per cent;

(d) to increase the level of income brackets used to decide entitlement to second adult reduction by the September 2022 Consumer Price Index (CPI) rate of 10.1 per cent;

(e) to retain the maximum household capital limit of £16,000;

(f) to amend the wording of the LCTRS to use self-employed earnings figures for Universal Credit (UC) claimants as determined by the Secretary of State from 1 April 2023;

(g) to amend the wording of the LCTRS to take into account the prescribed regulations as notified by the Department for Levelling Up, Housing and Communities.

Consultation

12. Both major preceptors (Norfolk County Council and the Office of the Police and Crime Commissioner) and the Financial Inclusion Consortium (FIC) have been consulted on the proposed changes:

1) A view if the Council's decision is to no longer retain a maximum 100 per cent entitlement for working age LCTRS recipients for 2023-24, instead reducing this to a maximum of 90 per cent.

In addition, further recommendations under consideration are that we;

2) Increase the working-age applicable amount by the September 2022 Consumer Price Index (CPI) level of 10.1 per cent;

3) Increase the income brackets used to decide non-dependent deductions and level of non-dependent deductions by the September 2022 Consumer Price Index (CPI) level of 10.1 per cent;
4) Increase the income brackets used to decide entitlement to second adult reduction by the September 2022 Consumer Price Index (CPI) level of 10.1 per cent;

5) Retain the maximum household capital limit of £16,000;

6) In 2020/21, we made a change to our council tax reduction scheme to allow us to calculate earnings for self-employed working age customers in receipt of Universal Credit based on their actual self-employed income rather than using information provided by the Department for Work and Pensions. As part of our discussions for our 2023/24 scheme, we have carried out detailed analysis work. Based on a sample of cases, we have established that it would be more advantageous for 98% of our self-employed customers in receipt of Universal Credit if we revert to basing our calculations on income details determined by the Secretary of State.

13. Responses were received from all those consulted. There was a preference from the precepting authorities to reduce the level of support and thus reducing the cost. The FIC supported the retention of a 100% LCTRS. There was support for the use of self-employed earnings figures as determined by the Secretary of State to benefit more residents, and for using CPI for the upratings.

14. Other options the council was asked to consider by those consulted were:

- To work with colleagues across Norfolk to establish a cap for all LCTRS suggested at 75%
- Reducing/increasing the £16,000 capital limit
- To limit support to occupants of properties no higher than Band D Council Tax

15. The considered responses submitted are appreciated, however in the context of the overall Council budgetary position, it is recommended it continues with a 100% scheme without limiting it to residents in particular Council Tax bands, and to continue with a Capital limit of £16,000 above which there would be no entitlement to CTR.

Implications

Financial and Resources

16. Any decision to reduce or increase resources or alternatively increase income must be made within the context of the council's stated priorities, as set out in its Corporate Plan 2022-26 and Budget.

17. This council remains one of only a few that retains a 100% LCTRS i.e. one that requires no minimum payment of council tax but provides financial support at much the same level for claimants as existed within the old Council Tax Benefit scheme prior to 1 April 2013.

18. Most councils have reduced the cost of their schemes by providing a lower level of support. Whilst the Government initially provided some funding for the new LCTRS, that funding reduced each year in line with the reduction in the Council's Revenue Support Grant (RSG), and since 2019 no government funding is provided towards the cost of the LCTRS.

19. By continuing to award a reduction of up to 100%, this Council continues to support the residents of Norwich from going further into poverty and building up Council Tax debts. It is felt important that those on low incomes are not penalised by reducing the support currently available.

20. The social and economic benefits are many. By providing this level of support residents have more income to pay their bills and housing costs. The council is protecting its most vulnerable residents during the cost-of-living crisis and as the city recovers from the pandemic.

21. The current estimated cost of the working age LCTRS for 2022/23 is £10.163m of which the cost to Norwich City Council is £1.378m. This cost will fluctuate depending on the number of claimants and the amount of any reduction awarded.

22. The cost of the scheme for 2023/24 has been modelled. The estimated cost for the working age scheme for this council is £1.453m based on an assumed overall increase in Council Tax of 4.61%. (The referendum levels for 2023/24 are 3% for County with a 2% extra allowed for Adult Social Care, 3% for Norwich & £15.00 maximum for Police. Going a fraction below to ensure the referendum levels aren't breached would be: 2.99% for County plus 1.99% ASC, 2.99% for Norwich & £14.99 for Police - the composite percentage comes out at just under 4.61%).

23. This means an estimated increase in the cost to the council of the revised scheme to be c£75,000

24. To date we have not seen a large increase in LCTRS claims due to the cost-of-living crisis, but these could increase over the winter period into spring as the impact deepens and seasonal work ceases.

25. In previous years Central Government has issued a grant to compensate local authorities for the cost of administering LCTRS. This is now absorbed within the Revenue Support Grant.

26. The proposed changes to the scheme may increase the scheme's cost slightly. Increasing the applicable amounts mirrors the DWP uprating by CPI of 10.1%. The change to using UC figures for Self-employed claimants may also increase spend slightly.

Legal

27. The Local Council Tax Reduction Scheme (LCTRS) came into effect on 1 April 2013 pursuant to the Local Government Finance Act 1992. Section 13A(2) of that Act (as amended) provides:

    "Each billing authority in England must make a scheme specifying the reductions which are to apply to amounts of council tax payable, in respect of dwellings in its area, by—

(a) persons whom the authority considers to be in financial need, or
(b) persons in classes consisting of persons whom the authority considers to be, in general, in financial need.”

28. Schedule 1A of that Act prescribes what must be included in a LCTRS, and places a duty on the authority, each financial year, to consider whether to revise its scheme or replace it with another scheme. The scheme states the classes of person who are to be entitled to a reduction, the type of reduction and whether there are different reductions for different classes. The scheme should also set out the procedure to apply for a reduction and the appeal procedure.

29. Before preparing a scheme, the authority must (in the following order)—

(a) Consult any major precepting authority which has power to issue a precept to it;
(b) Publish a draft scheme in such manner as it thinks fit; and
(c) consult such other persons as it considers are likely to have an interest in the operation of the scheme.

30. In considering changes to the LCTRS, the Council must take into account the provisions of The Council Tax Reduction Schemes (Prescribed Requirements) (England) 2012 and subsequent amendments.

31. Since the introduction of LCTRS, there have been a number of legal challenges against other local schemes. Most of these challenges have been in relation to the consultation undertaken and have questioned whether due regard was given to any equality impact assessment when changes were made to schemes. A Supreme Court ruling in 2014 (R (Moseley) v London Borough of Haringey) has determined that consultation on changes to LCTRS must also include an option for any current scheme to be retained on the same level of funding with a consequent reduction in funding for other services. The council has considered this during the budget process.

32. The LCTRS itself must be adopted by Council, and the approval of the scheme cannot be delegated to an officer or committee.

33. Council is required to adopt its scheme by 28 February of the start of the following financial year, or by 11 March if retaining the scheme.

Statutory Considerations

Consideration	Details of any implications and proposed measures to address:
Equality and diversity	See Equality Impact Assessment at Appendix 2 The changes proposed in this report do not have any new equality impacts attached to them. If self-employed UC income figures are used, this will have a benefit to those residents When the scheme is published on the Council website, we will ensure customers are aware of our translating and interpreting services available.
Health, social and economic impact	By retaining a 100% CTR Scheme the council is contributing to improving this consideration
Crime and disorder	N/A
Children and adults safeguarding	N/A
Environmental impact	N/A

Risk management

Risk	Consequence	Controls required
Council fails to consider a LCTRS for 2023/24	Assessment of cases will be ultra vires, therefore subject to legal challenge	A LCTRS is designed and recommended to Cabinet for adoption by Council

Other Options Considered

34. The cross-party member working group dismissed introducing a resident contribution rate, therefore the council is looking to retain 100% entitlement to CTR.

Reasons for the decision/recommendation

35. The council is required to review its LCTRS for working age recipients on an annual basis and consider any appropriate revisions.

Background papers:
None

Appendices:

Appendix 1: Minutes of the council tax reduction scheme cross party working group on 20 September 2022 and 30 November 2022.
Appendix 2: Equality Impact Assessment

Contact officer:

Name: Tanya Bandekar

Telephone number: 01603 987648

Email address:tanyabandekar@norwich.gov.uk

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Minutes

Cross-Party Working Group – Council Tax Reduction Scheme

17:00 to 17:35 **20 September 2022**

Present:	Councillors Jones (chair, following appointment), Ackroyd, Davis, Haynes, Kendrick and Young
In attendance:	Annabel Scholes (executive director corporate and commercial services), Tanya Bandekar (head of revenues and benefits) Julie Gowling (revenues and benefits operations manager)
Apologies:	Councillor Thomas (Va)

1. Appointment of chair

RESOLVED to appoint Councillor Jones as chair.

2. Declarations of interest

There were no declarations of interest.

3. Minutes

RESOLVED to approve the accuracy of the minutes of the meetings held on 2 November 2021.

4. Council Tax Reduction Scheme (CTRS) 2023-24

Tanya Bandekar, head of revenues and benefits, presented the report.

Members were advised of a correction to paragraph 8, to reflect that the CPI figure used for annual applicable amount increases (and non-dependent deductions, second adult rebate) for July was 10.1 per cent in July. This figure was currently 9.4 per cent and was likely to drop but had the potential to increase the cost of the scheme to the council, estimated at £9,000. Modelling using the composite council tax rate was 3 per cent.

Annabel Scholes, executive director of corporate and commercial services, explained the importance of understanding members' priorities to consider options for modelling the scheme. Officers were aware of members views on the scheme.

The advantage of Tanya Bandekar's appointment was that she could bring a fresh pair of eyes to the scheme when reviewing the options.

During discussion, a member asked for clarification on the Minimum Income Floor (MIF) and asked how many self-employed customers would be affected. She considered that it was important that assessments were based on earnings in real time. She also considered that the Consumer Price Index (CPI) should be applied to the annual applicable amount increases because of rising prices. Julie Gowling, revenues and benefits operations manager, referred to the report and said that it was not possible to identify where the DWP had applied the MIF figure. The options set out in the report to change to a 6 monthly re-assessment or accept income given to the DWP were for consideration and that the current process of assessment could continue.

A member said that she considered that the composite council tax would not increase as much as CPI and therefore would be reluctant for the scheme to change. Annabel Scholes pointed out that the government had yet to give guidance on the threshold for the increase in council tax without triggering a referendum, currently 2 per cent for council tax increase, and the county council had the ability to increase social care by 4 per cent. An announcement was expected in the mini budget on 23 September 2022, which would provide further details to inform the council's position. Members concurred with the difficult position councils would be in next year, given the cost of living crisis and rising fuel prices, without increasing council tax by 10 per cent.

The chair summed up members' view that with the cost of living crisis they could not consider a scheme other than a 100 per cent reduction scheme as it would be "negligent to our residents". She pointed out that the maximum savings from a 75 per cent reduction scheme of around £344,000 would be offset by administration and enforcement costs. Tanya Bandekar said that potentially the scheme could be reduced to 0 per cent reduction. Smaller amounts were difficult to collect, and consideration needed to be taken into account that it would require debt collection from people who were financially vulnerable. At 75 per cent reduction, an additional two recovery officers (£65,000 and oncosts) would be required. The scheme would need to be reduced further to get any benefit. Kings Lynn's CTRS scheme had been reduced for one year to 75 per cent and then increased to 84 per cent maximum entitlement. A 99 per cent scheme would be too difficult to collect. Members were advised that modelling at a 5 per cent and 10 per cent reduction would need to be conducted to demonstrate that the council had considered it when consulting the county council and the PCC.

Discussion ensued on ethical debt collection at Hammersmith and Fulham, and the practice at the city council. The scrutiny committee would be looking at debt advice as part of its current work programme.

RESOLVED, unanimously, to:

(1) recommend to cabinet when considering the Council Tax Reduction Scheme for 2023-24, that the scheme retains a maximum 100 per cent entitlement for working age CTR recipients and taking into consideration the following:

(a) include provision for future financial assistance payments (such as energy rebates) to be disregarded from the scheme;

(b) increase the working age applicable amount in relation to premiums and allowances, income brackets used to decide non-dependent deductions and level of non-dependent deductions, and income brackets used to decide entitlement to “second adult reduction” by the Consumer Price Index (CPI) level at the rate of 10.1[1] per cent in September 2022;

(c) retain the assessment of self-employed income in real time, in line with each month’s Universal Credit assessment each month;

(d) agree the wording changes set out in paragraph 11 of the report;

(2) having considered the proposals from Norfolk County Council for all billing authorities **not** to adopt the following:

(a) to limit Council Tax Support where claimant has savings to a lower level than £16,000;

(b) to limit Council Tax Support discount to occupants of properties no higher than Band D Council Tax;

(c) to work with district colleagues across the county to establish the cap for the Council Tax Support discount for working age claimants at a uniform amount in Norfolk, suggested at 75 per cent of the maximum council tax charge.

CHAIR

[1] These minutes were approved on 30 November subject to updating resolution 1(b) to reflect that the CPI for September 2022 had been confirmed at 10.1 per cent.

NORWICH
City Council

Minutes

Cross-Party Working Group – Council Tax Reduction Scheme

13:20 to 13:25 **30 November 2022**

Present:	Councillors Kendrick (in the chair), Ackroyd, Haynes, Thomas (Va) and Young
In attendance:	Tanya Bandekar (Head of Revenues and Benefits) Julie Gowling (Revenues and Benefits Operations Manager)
Apologies:	Councillor Jones (chair) and Davis

1. Appointment of the chair

RESOLVED to appoint Councillor Kendrick to chair the meeting, as Councillor Jones had sent apologies as she had been unavoidably delayed.

2. Declarations of interest

There were no declarations of interest.

3. Minutes

The Head of Revenues and Benefits said that the Consumer Price Index (CPI) level for September 2022 had been confirmed at 10.1 per cent, and proposed that with regard to item 4, Council Tax Reduction Scheme (CTRS) resolution (1)(b) be amended to reflect this.

RESOLVED to approve the accuracy of the minutes of the meetings held on 20 September 2022, subject to the following amendment to item 4, Council Tax Reduction Scheme (CTRS) 2023-24, Resolution (1)(b) deleting 9.4 and replace with 10.1. to read:

(1)(b) increase the working age applicable amount in relation to premiums and allowances, income brackets used to decide non-dependent deductions and level of non-dependent deductions, and income brackets used to decide entitlement to "second adult reduction" by the

Consumer Price Index (CPI) level at the rate of 10.1 per cent in September 2022.

4. Council Tax Reduction Scheme (CTRS) 2023-24

The Head of Revenues and Benefits presented the discussion papers and the proposal to amend the CTRS scheme to use the self-employed earnings figure determined by the Secretary of State from April 2023. The council had a duty to do the best for its residents and the use of actual self-employed income figures was less generous than using the Department for Work and Pensions (DWP) figures. If members were to agree to use DWP figures for the self-employed residents in receipt of Universal Credit, then it would need to be included in the consultation on the CTRS and included in budget papers for determination at cabinet and budget council in February 2023.

During discussion, members sought assurance that if the DWP were to change the basis for its assessment then the council would have the opportunity to review the arrangement. The Head of Revenues and Benefits said that the scheme was reviewed annually and set for a year. Should the DWP change its figures to the detriment of self-employed residents mid-year, then the council could use discretionary payments.

Members, based on the analysis, considered that the proposal to use the DWP figures was in the best interest of residents. They praised officers for presenting the analysis in chart form so that the comparisons could be easily understood.

RESOLVED, unanimously, to recommend that consultation takes place on amending the wording of the CTR scheme to use the self-employed earnings figure determined by the Secretary of State from April 2023.

Chair

Equality Impact Assessment

What is being assessed	The Local Council Tax Reduction Scheme 2023 - 2024	**Status**	Annual assessment of statutory function
Officer completing	Tanya Bandekar	**Role**	Head of Revenues and Benefits
Team	Revenues and Benefits	**Directorate**	Corporate and Commercial Services
Senior leadership team sponsor	Neville Murton	**Role**	Interim Executive Director

What are the main aims or purpose of the policy, practice, service or function?

Local Authorities are required to set a working age Local Council Tax Reduction Scheme (LCTRS) annually which provides a local discount to for working age low-income residents. Government prescribes a statutory Council Tax Reduction Scheme for Pensioners which local authorities have no control over. The Council proposes to make the following changes to its LCTRS for 2023/24 by continuing with the 2022/23 scheme www.norwich.gov.uk/CTRscheme with the following changes:

1) That Council retains a maximum 100 per cent LCTRS for working age recipients.

2) That Council make the following changes to the LCTRS for 2023/24 by continuing with the 2022/23 scheme with the following annual modifications:

   (a) include provision for future central and local government financial support payments (such as energy rebates/council tax support funding) to be disregarded from the scheme;

   (b) to increase the working age applicable amounts for allowances and premiums by the September 2022 Consumer Price Index (CPI) rate of 10.1 per cent;

   (c) to increase the level of income brackets used to decide non-dependant deductions and level of non-dependant deductions by the September 2022 Consumer Price Index (CPI) rate of 10.1 per cent;

   (d) to increase the level of income brackets used to decide entitlement to second adult reduction by the September 2022 Consumer Price Index (CPI) rate of 10.1 per cent;

(e) to retain the maximum household capital limit of £16,000; (f) to amend the wording of the LCTRS to use self-employed earnings figures for Universal Credit (UC) claimants as determined by the Secretary of State from 1 April 2023; (g) to amend the wording of the LCTRS to take into account the prescribed regulations as notified by the Department for Levelling Up, Housing and Communities.
How does it fit with other services and policies, and how does it support our corporate objectives and City Vision? This supports the council's priorities • People live independently and well in a diverse and safe city • The city has an inclusive economy in which residents have equal opportunity to flourish The scheme supports our Norwich 2040 city vision that Norwich is a 'Fair City' and is a place where many already enjoy a great quality of life. By 2040, the health, wellbeing and life chances of all our citizens will be improved. We will remove barriers to achievement and a high standard of living will be enjoyed by everyone.
What is the reason for the proposal or change (financial, legal etc)? Reductions in grants from central Government, inflation, and the overall commercial environment are placing pressure on Norwich City Council finances. Councillors are able to decide whether or not to increase expenditure on Local Council Tax Support. **Legal**: Local Council Tax Reduction Schemes (LCTRS) came into effect on 1 April 2013 pursuant to the Local Government Finance Act 1992. Section 13A(2) of that Act (as amended) provides: Each billing authority in England must make a scheme specifying the reductions which are to apply to amounts of council tax payable, in respect of dwellings in its area, by— (a) persons whom the authority considers to be in financial need, or (b) persons in classes consisting of persons whom the authority considers to be, in general, in financial need.' **Financial:** The council remains one of only a few that retains a 100% LCTRS i.e. one that requires no minimum payment of council tax but provides

financial support at much the same level for claimants as existed within the old Council Tax Benefit scheme, before the new LCTRS came into force on 1st April 2013. Most other councils have reduced the cost of their schemes by providing a lower level of support. Whilst the Government initially provided funding for the new local schemes, the funding reduced each year in line with the reduction in the Council's Revenue Support Grant (RSG), and since 2019 has reduced to zero. Consequently no government funding is provided towards the cost of the LCTRS. By continuing to award up to 100% CTR this continues to support the residents of Norwich from going further into poverty and building up Council Tax debts. It is important that those on low incomes are not penalised by reducing the support currently available. By using the self-employed earnings figures as determined by the Secretary of State for Universal Credit claimants from 1 April 2023 more claimants will better off by this change, although there will be a small increase in cost of the scheme by using these figures. By ignoring financial assistance payments as income at the start of the scheme claimants will have assurance that they will not be penalised if they receive additional monies, such as energy grant payments. Using CPI is in line with the Department for Work and Pensions (DWP) upratings for 2023/24.
Who implements, carries out or delivers the policy, practice, service or function? The Revenues and Benefits Service at Norwich City Council
What outcomes do we want to achieve, why and for who? To provide maximum financial support to help residents on low incomes who are required to pay Council Tax to the Council. The social and economic benefits are many. By providing this level of support residents have more income to pay their bills and housing costs. The council is protecting its most vulnerable residents during the cost-of-living crisis and as the city recovers from the pandemic. In Norwich, before the pandemic council tax arrears were the most common form of debt, followed by credit, store and charge card debts - but this is now energy debts as energy costs rise (Citizens Advice Cost of Living dashboard: How does the cost of living crisis differ between local areas? | Flourish.

Will anyone be disproportionately affected by the programme, and/or will it create any benefits?					
All residents on a low income can claim a reduction in their Council Tax liability, based on their domestic and financial circumstances and that the same maximum discount is applied to all resident and client groups, subject to means testing. The Council's local Scheme replicates the Government's previously prescribed Council Tax Benefit Scheme in its qualifying rules and assessment, continuing with practices established over many years and long-standing compliance with Equalities legislation. The scheme continues to retain the Department for Work and Pensions (DWP) established conventions for benefit assessment. The Financial Inclusion Consortium regularly works with customers to support applications for CTR. By using the self-employed earnings figures as determined by the Secretary of State from 1 April 2023, we have identified that more customers will receive additional CTR, creating an additional benefit. By retaining a 100% scheme the council is retaining a scheme that benefits some of the most economically vulnerable residents in the city.					
If yes, complete the relevant sections below for any benefits and adverse impacts identified.					
Affected group	**Key findings from analysis of data and evidence. Identify any gaps in data here**	**Level & type of impact: low/medium/high, positive/adverse**	**Justifiable if adverse**	**Actions to mitigate impacts, maximise benefits or address identified gaps in data**	**By when**
Age	There is a separate nationally set scheme for pensioners. The Council Tax Reduction Scheme that this assessment refers to is the locally set scheme that applies to working age residents of Norwich.				
Disability	No changes are proposed to affect people with this characteristic			Additional allowances are already in place for people receiving specified disability benefits.	

Gender reassignment	No distinction is made in the assessment of entitlement as a result of gender identity.				
Marriage and civil partnership	There is no distinction between the treatment of married persons or persons in a civil partnership				
Pregnancy and maternity	No changes are proposed to affect people with this characteristic			Households with children will have a higher applicable amount. Norwich City Council has not implemented the wider welfare benefit policy which restricts that assistance to the first two children in a household.	
Race/ethnicity Includes ethnic or national origins	Brexit removed entitlement from EU nationals without 'settled status'. This is in addition to the restrictions to benefit already in place on non-EU nationals	Negative		This element of the policy is dictated by Government by way of statutory instrument and cannot be amended by the Council	
Religion and belief	No distinction is made in the assessment of entitlement as a result of religious belief				
Sex/gender	No distinction is made in the assessment of entitlement as a result of biological gender				
Sexual orientation	No distinction is made in the assessment of entitlement as a result of sexual orientation.				
Other groups	By using the self-employed earnings figures as determined by the Secretary of State from 1 April 2023, we have identified	Positive			

	that more customers will receive additional CTR, creating an additional benefit. By retaining a 100% scheme the council is retaining a scheme that benefits some of the most economically vulnerable residents in the city.	 Positive			

What evidence and data has been used for this assessment, including community engagement and consultation?

The major precepting authorities (Norfolk County Council and the Office of the Police and Crime Commissioner) and the Financial Inclusion Consortium (FIC) were invited to comment on the proposals.

The council received responses from all those consulted with.

Citizens Advice Cost of Living dashboard - [How does the cost of living crisis differ between local areas? | Flourish]

Incomes, capital holdings, age, sex and household make-up of existing recipients of Council Tax Reduction Scheme are known. Data regarding disability can be inferred from both income and qualification for additional premiums. Data regarding ethnicity, sexual orientation, religious beliefs and language is minimal as these characteristics are not relevant when assessing entitlement. Respondents to the budget consultation were given the option to provide ethnicity, age, sexual orientation, disability and religious beliefs in addition to their answers.

The Equality Impact Assessment must be able to influence the proposal and decision. This section asks how your understanding of the impacts identified has influenced your proposal, and how the findings of the Equality Impact Assessment can be measured going forward.

How has the equality impact assessment informed or changed the proposal?

Given the continuation of the existing 100% scheme with annual up ratings of the applicable amounts is being recommended, the impact on applicants has not changed.

What actions have been identified going forward? To look at examples of other schemes to simplify the process as the scheme should be operated as a discount not a benefit.
How will the impact of your proposal and actions be measured moving forward? The next annual review due later in 2023 for the 2024/2025 scheme will consider, in the usual way, any proposals for the following year's scheme.

Officer completing assessment	Tanya Bandekar	**Date**	20/01/2023
Senior leadership team sponsor	Neville Murton	**Date**	26/01/2023
Equality lead (strategy team)	Emma Smith	**Date**	24/01/2023

NORWICH
City Council

Item 6

Committee Name: Cabinet

Committee Date: 08/02/2023

Report Title: The council's 2023/24 budget and medium-term financial strategy

Portfolio: Councillor Kendrick, cabinet member for resources

Report from: Interim Head of finance, audit and risk (Section 151 officer)

Wards: All Wards

OPEN PUBLIC ITEM

Purpose

To consider proposals for the council's 2023/24 budget (general fund, HRA and capital programme) along with the council's medium-term financial plans and the treasury management strategy.

Recommendation:

Cabinet is asked to:

a) Note the 2023/24 budget proposals and the Medium-Term Financial Strategy.

b) Note the budget consultation process that was followed and consider, as part of finalising the 2023/24 budget proposals for Council, the feedback as outlined in Section 2, Appendix 2 (I).

c) Note the Section 7 report of the chief finance officer on the robustness of the budget estimates, the adequacy of reserves, and the key financial risks to the council.

d) Note that the Council Tax resolution for 2023/24, prepared in accordance with Sections 32-36 of the Local Government Finance Act 1992 as amended by the Localism Act 2011, will be calculated, and presented to Council for approval once Norfolk County Council and the Office of the Police and Crime Commissioner for Norfolk have agreed the precepts for the next financial year.

Cabinet is asked to recommend to Council to approve:

General Fund

i. The council's net revenue budget requirement as £19.041m for the financial year 2023/24 including the budget allocations to services shown in Section 2, Appendix 2 (C) and the savings and growth proposals set out in Section 2, appendices 2 (F) and 2 (G).

ii. An increase to Norwich City Council's element of the council tax of 2.99%, meaning that that the Band D council tax will be set at £288.59 (Section 2, paragraph 2.17) with the impact of the increase for all bands shown in Section 2, Appendix 2 (E).

iii. The prudent minimum level of reserves for the council as £5.400m (Section 2, paragraph 2.38).

iv. Delegation to the chief finance officer (S151 Officer), in consultation with the portfolio holder for resources and the portfolio holder for safe, strong and inclusive neighbourhoods, the award of any new business rates reliefs announced by government using discretionary relief powers.

v. The following additional Council Tax premiums be determined from 1 April 2024 (Section 2, paragraphs 22-26), or as soon as possible thereafter, subject to the required legislation being in place:

- 100% premium for second homes;
- 100% premium for properties which have been empty and unfurnished for a period of between 1 and 5 years.

vi. Delegation to the chief finance officer (S151 Officer) in consultation with the portfolio holder for resources inclusion of any minor changes consequent on the publication of the final local government settlement or subsequent additional grant allocations.

vii. Delegate to the chief finance officer (S151 Officer) the approval of technical virements for general fund, housing revenue account and capital budgets, to make budget transfers where there is no underlying change in the budget intention.

viii. Delegate to the chief finance officer (S151 Officer) the approval of adjustments to the 2023/24 revenue and capital budgets to reflect the inclusion of expenditure in line with the UK Shared Prosperity Fund grant.

Housing Revenue Account

ix. The proposed Housing Revenue Account gross expenditure budget of £71.540m and gross income budgets of £77.070m for 2023/24 (Section 3, paragraph 3.25).

x. The use of the estimated surplus of £5.530m along with a further £1.210m of HRA general reserves to make a revenue budget contribution of £6.740m towards funding the 2023/24 HRA capital programme (Section 3, paragraph 3.25).

xi. A 7.0% increase in dwelling rents for 2023/24, in accordance with the government cap. This will result in an average weekly rent increase of £5.85 for Norwich social housing tenants (Section 3, paragraphs 3.30 to 3.36).

xii. That garage rents increase by 10.1%, based on CPI in September 2022 (Section 3, paragraph 3.37).

xiii. That the setting of tenants' service charges is delegated to the executive director of community services in consultation with the portfolio holder for Social Housing after engagement with tenant representatives (Section 3, paragraph 3.38)

xiv. The prudent minimum level of Housing Revenue Account reserves as £5.848m (Section 3, paragraph 3.55 and table 3.4).

xv. The use of £0.500m of the HRA underspend in 2022/23, to increase an existing earmarked reserve formed to fund costs associated with HRA service transformation linked to a programme of review and improvement, with the release of funds being approved in accordance with paragraph 26 of the Council's Financial Regulations.

Capital and Commercial Strategy

xvi. The proposed general fund capital programme 2023/24 to 2027/28 (2023/24: £28.545m; 5 years: £48.543m) and its method of funding as set out in Section 4, table 4.2, table 4.4 and Appendix 4 (B).

xvii. The proposed HRA capital programme 2023/24 to 2027/28 (2023/24: £35.606m; 5 years: £182.181m) and its method of funding as set out in Section 4, table 4.2, table 4.5 and Appendix 4 (B).

xviii. The capital strategy, as required by CIPFA's Prudential Code.

xix. Delegating to Cabinet, approval to include in the capital programme, additional capital schemes funded wholly by grant where it meets the Council's aims.

xx. Delegating to the chief finance officer in consultation with the executive director of development and city services and executive director of community services, approval of adjustments to the 2023/24 and future capital programmes to reflect the funding requirements of projects funded from the Towns' Deal and UK Shared Prosperity Fund (UKSPF).

Treasury Management Strategy

xxi. The borrowing strategy 2023/24 through to 2027/28 (Section 5, paragraphs 5.25 to 5.29).

xxii. The capital and treasury prudential indicators and limits for 2023/24 through to 2027/28 contained within Section 5, paragraphs 5.29 to 5.59 and table 5.3, including the Authorised Borrowing Limit for the council.

xxiii. The Minimum Revenue Provision (MRP) policy statement described in paragraphs 5.38 to 5.42 and contained in Appendix 5 (Section 5)

xxiv. The (financial) Investment Strategy 2023/24 including changes to counterparty limits (Section 5, paragraphs 5.69 to 5.104).

Summary of key financial indicators

xxv. Additional indicators for 2023/24 through to 2027/28 as contained in section 6.

Policy Framework

The Council has five corporate aims, which are:

- Aim 1 - People live independently and well in a diverse and safe city.
- Aim 2 – Norwich is a sustainable and healthy city.
- Aim 3 – Norwich has the infrastructure and housing it needs to be a successful city.

- Aim 4 – The city has an inclusive economy in which residents have equal opportunity to flourish.
- Aim 5 – Norwich City Council is in good shape to serve the city.

This report is relevant for all five corporate aims.

This report helps to meet the securing the council's finances objective of the COVID-19 Recovery Plan and provides the resources required to deliver the wider aims and objectives of the Plan.

Report Details

Background

1. Like all local authorities, Norwich City Council continues to face substantial financial challenges. Following on from a sustained period of austerity, the council is facing increasing demand for local services and significant inflationary rises in costs. The wider economic situation is putting huge financial pressures not just on council resources, but those of partners, local businesses, and residents, particularly the most vulnerable. The council also continues to manage the ongoing risk and uncertainty over future funding.

2. It is within this context and financial uncertainty that the council has developed the budget options for 2023/24 and its approach to ensuring a sustainable medium term financial strategy.

3. Nevertheless, the council's ambition for Norwich is undiminished. In February 2022, Full Council approved the Corporate Plan 2022-26. That document sets out the vision for the city and for the council over the next four years. It is also shaped by the Norwich 2040 City Vision. The corporate plan provides a framework for the decisions taken - how we prioritise and how we allocate the resources we have available to achieve these priorities.

4. A key priority in the corporate plan is putting the council on a sustainable financial footing and delivering services effectively and efficiently. Future budget decisions will need to balance delivering on the ambition and priorities of the council whilst ensuring the authority remains financially sustainable over the medium and longer term. As part of delivering this priority, it is important to ensure the continuous review and development of the council's medium-term financial strategy. This then informs the options and decisions for delivering balanced and sustainable budgets over the next four years and beyond.

5. The council is ambitious and wants to make a real difference to both the physical fabric of the city and to the lives of residents who live and work here. But given the financial constraints the council is unable to fund all the investment required itself and, in some cases, there will be other groups and sectors better placed to lead the response to the challenges and opportunities ahead.

6. The council will therefore work with others to secure investment in the city's future and deliver the ambitious shared vision for Norwich, acting as an "enabler" or "catalyst" for change, and ensure that its own resources, particularly its capital investment, are flexed as far as possible to deliver the key outcomes set out in the Corporate Plan.

Summary

7. This report sets out 2023/24 budget proposals across the General Fund, the Housing Revenue Account and the capital programme along with medium term expenditure and financing plans. It updates the report considered by cabinet in December 2022 which formed the basis for developing options to address the budget gap identified at that time.

8. This report also provides an update on the implications from the recent Provisional Local Government Financial Settlement and the results of the

public consultation on the general fund revenue and capital budgets for 2023/24.

General Fund

9. The Chancellor's Autumn Statement confirmed the scale of the financial challenges in the coming years, with significant tightening of departmental spending especially in the latter years of the spending review period. Much of this will be through not uprating funding allocations in line with inflation for all departments and the prioritisation of areas such as defence spending and the NHS, giving rise to real terms spending reductions for other areas of public services. The details of the provisional local government finance settlement are outlined in Section 1.

10. The pressures of the current inflationary levels are having a huge impact on council budgets, with funding not keeping pace with the rises in expenditure budgets, meaning that the council will not receive adequate resources to cover its costs over the medium term.

11. To balance the provisional general fund budget for 2023/24, £5.527m of savings and income proposals have been identified, the full detail of which is provided in Section 2 of the report, subject to consultation where appropriate.

12. Given the lack of clarity on future local government funding, particularly from April 2025, local authorities have no reliable basis on which to appropriately plan their medium-term budgets as it is unclear how much funding there will be, how it will be distributed, and the means of delivery particularly the extent to which some will be conditional or subject to bidding processes. This makes financial planning over the medium term very difficult.

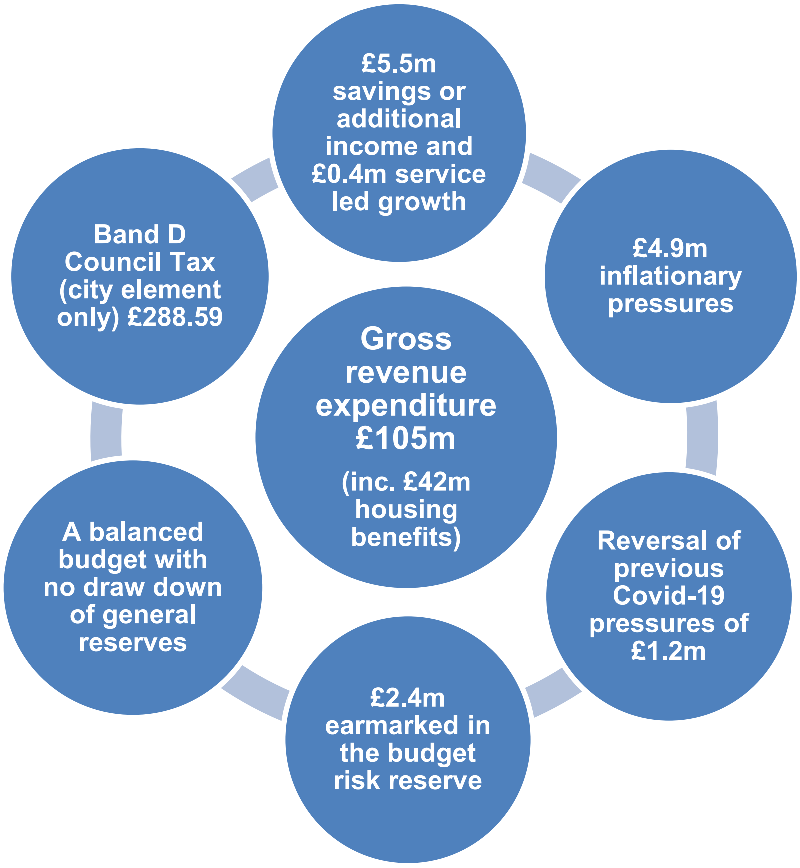
13. Consequentially, the forecasts for 2025/26 onwards in the MTFS are not to be taken as robust figures and they are largely based on the current status quo continuing, particularly concerning government grants and how much business rates income the government allows the city council to retain in the future. These forecasts will be monitored and adjusted at least annually in line with further detail from Government about future funding for the sector.

14. Current forecasts, given the caveats highlighted above, show that a further £5.593m of gross savings will need to be found from the general fund over the three-year period from 2024/25. This level of savings represents a further 9% of the 2023/24 provisional gross expenditure budget (excluding the housing benefits budget).

15. It is important to note that the council's approach to business planning and setting its budget annually – and its approach over the medium term – seeks to take a holistic approach to ensure that adequate resources are allocated to priority services. As well as identifying opportunities for efficiencies through service change and income generation, our approach to business planning also seeks to identify service areas which require increased funding to respond to increased demand or other pressures such as inflation.

16. Through this approach, the council identifies areas which might require increased resources because they are a particular priority or because current resources are insufficient to deliver the quality of service required. The increasing cost of housing benefit to the council, above the level of government subsidy, is an example of this which has been highlighted through the council's budget monitoring processes in 2022.

Chart 1: Key figures in 2023/24 proposed general fund revenue budget



Responding to the medium-term challenge through a programme of service reform

17. As the council takes decisions about how to achieve the required savings it will need to consider the balance not only between how savings are made – for instance, savings to workforce, suppliers and assets – but also the relative balance between spending reductions and increased income.

18. As part of the Future Shape Norwich programme, focus areas have been identified which have the potential to improve service delivery, operational efficiency and/or support the financial sustainability of the council. These themes cover:

- Contract reform
- Commercialisation
- Driving value from our assets
- Growth and regeneration
- Service redesign
- Workforce, culture and organisational development

19. Workstreams have been set up to support these key themes with business cases being developed for options spanning the period of the medium-term financial plan. The aim of the reviews is to improve the overall efficiency and effectiveness of service delivery to avoid a reliance on service cuts to balance the budget. However, given the scale of the challenge, reductions to some services cannot be ruled out.

20. The council will plan to implement these savings in a controlled manner and by taking a strategic approach and doing whatever it can to avoid a short-term approach. It has prudently built-up general fund reserves in recent years, both purposefully and through in-year underspending of the approved budget. These can be used to partially fund the budget in a planned way over the next four financial years or to support the costs of making the changes required, until the reserves are forecast to reduce gradually towards the minimum prudential level as recommended by the chief finance officer.

Housing Revenue Account (HRA)

21. The council's HRA comprises expenditure and income plans related to the ownership and management of the council's social housing stock.

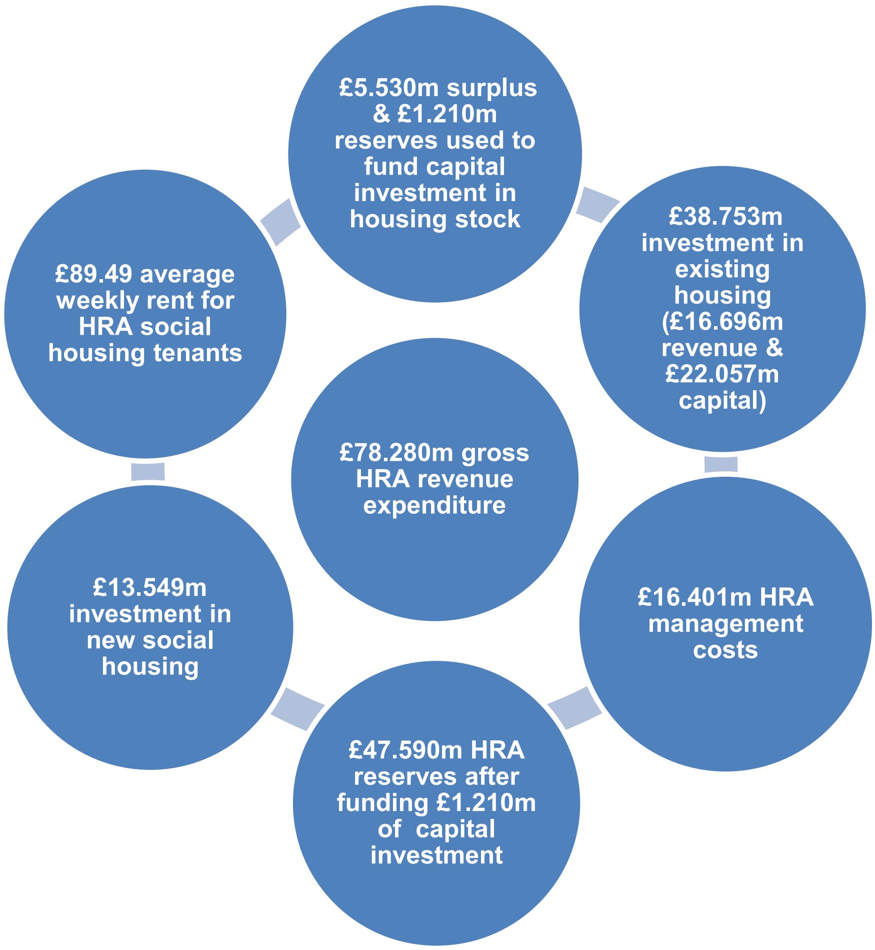
22. Although the HRA is in a relatively stable position in the short-term, there are future pressures and competing priorities for the budget linked to the council's ambitions around continuing to develop high quality new council housing and maintaining and renewing existing homes. The HRA has also lost significant income in recent years from the government's enforced four-year rent reduction enacted in the Welfare Reform and Work Act 2016.

23. Additionally, there continues to be potential risks to rental income streams arising from the roll out of Universal Credit and the Right-to-Buy legislation.

24. The HRA is forecast to make a surplus of income over expenditure of £5.530m in 2023/24 and it is proposed to use this surplus along with £1.210m of reserves to fund capital investment in new social housing.

25. The direction on the Rent Standard 2019 enables authorities to increase rent annually by up to CPI (Consumer Price Index) as at the preceding September plus 1%. In September 2022, CPI increased to 10.1% which would have resulted in a rent increase of 11.1%, however as part of the Autumn Statement, the government capped social housing rent increases for 2023/24 at 7% which would result in the average HRA rent increasing to £89.49. The increase in rents is necessary to fund the council's future ambitions to continue to build new council homes in response to demand and the increasing need to invest in existing homes.

Chart 2: Key figures in 2023/24 proposed HRA Business Plan



Capital Programme

26. The council's proposed capital investment programme for 2023/24 is £64.151m, with £230.724m to be invested in housing and infrastructure over the five years of the programme. An illustration of some of the key projects and programmes are given in charts 3 and 4 and the detail can be found in Appendix 4 (B).

Chart 3: Illustration of proposals within the general fund capital programme

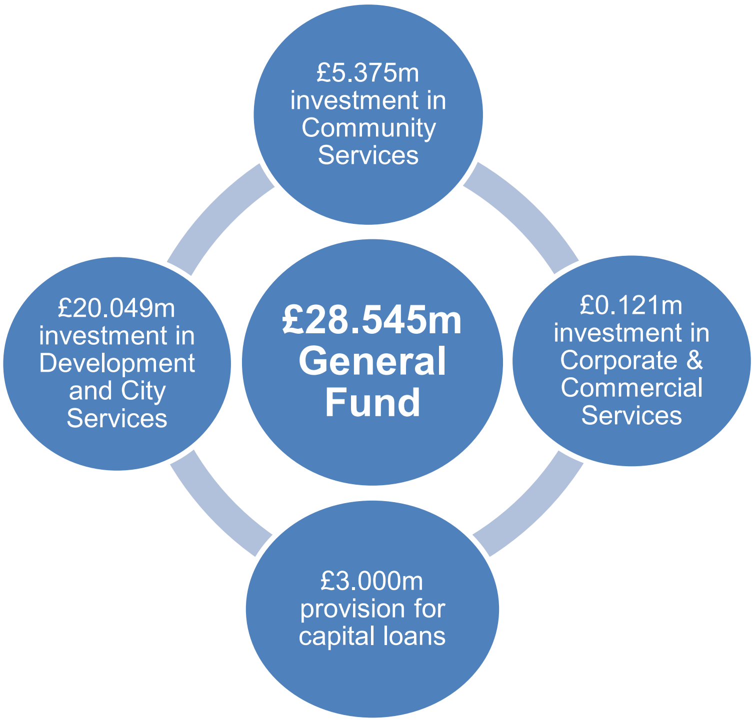
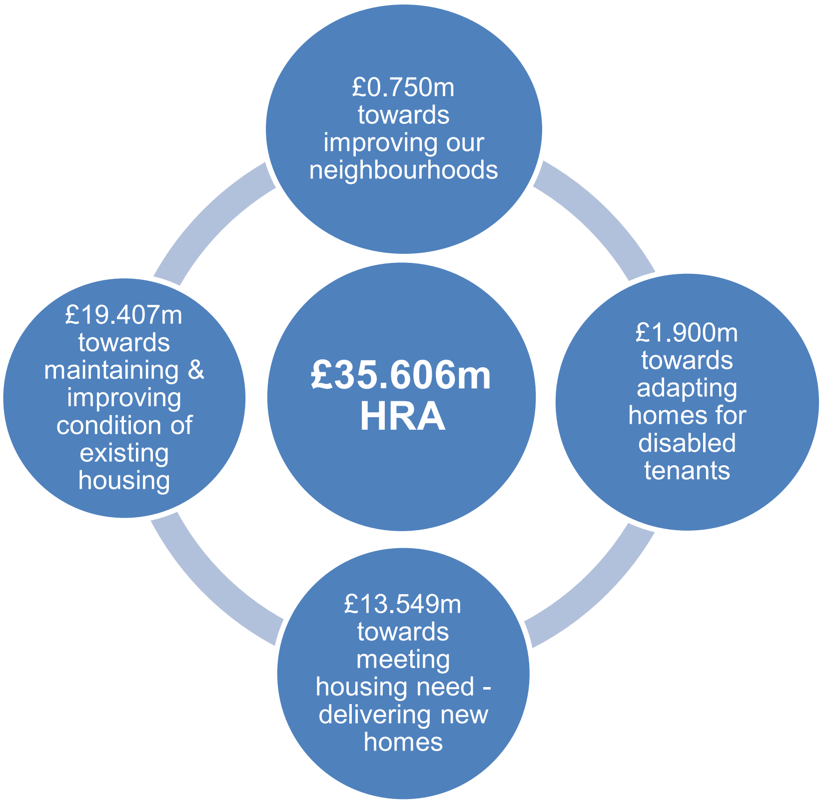


Chart 4: Illustration of proposals within the HRA capital programme



Equality Impact of budget proposals

27. To discharge our public sector equality duty and ensure we have due regard to the need to eliminate discrimination, advance equality of opportunity, and foster good relations we will undertake an initial screening of all budget

proposals to ascertain where there is a possible impact. This will identify those proposals that require a full Equality Impact Assessment or further consultation.

28. An overall Equality Impact Assessment is contained in Section 5. Equality Impact Assessments for specific proposals will be developed as proposals are being finalised. This ensures that the impact is understood and mitigating actions that minimise disadvantage and tackle inequality are identified where possible. There may be some proposals that have implications for council employees for which details of consultation or Equalities Impact Assessments cannot be published owing to data protection or employment legislation.

29. Information on the residents of the city as well as council customers and employees can be found in the annual Equality Information Report published on the council's website.

The council's overall financial position

30. The council has a strong balance sheet and owns over £1 billion of long-term assets (mostly land and property). In addition, it has significant reserves both for the general fund and HRA (see tables 2.3, 2.4 and 3.3).

31. The council's general fund services are under the most financial pressure, both for revenue and capital expenditure. The huge uncertainties surrounding the changes in the local government finance regime hinder robust forward financial planning for the general fund.

32. Total commercial income will equate to 14% of the general fund's net revenue stream for 2023/24 (table 6.3). To smooth any potential short term revenue losses associated with these commercial activities, income is set aside in earmarked reserves to mitigate against the risks.

33. The council's policy for using borrowing as a means of funding capital expenditure is also described in Appendix 4 (C). Essentially the council will only borrow money (increase its capital financing requirement) in cases where there is a clear financial benefit, such as a new income stream or budget saving, that, at the very least, will fund the costs arising from the borrowing (interest and MRP costs).

The council's approach to financial planning

34. The council's approach to financial planning and budgeting across all its activities is underpinned by the following key principles:

    - A prudent rather than optimistic assessment of future resources and unfunded cost pressures.
    - An approach which identifies and funds pressures in priority services alongside the identification of opportunities for savings and increased investment and makes resources available to invest in services which require it.
    - A prudent and planned use of general reserves to fund expenditure and an annual risk-based assessment of the minimum amount of reserves the council should hold (minimum prudent level).
    - The setting aside of some of the net income arising from commercial property investment into an earmarked reserve to mitigate against the risks inherent in holding these assets.

- A prudent approach to the amount of reserves held from Collection Fund surpluses given the inherently volatile nature of business rate collection and the impact of Covid on both business rates and council tax collection rates.
- A prudent approach in estimating future income from business rates and council tax, and the growth in the tax bases, given that changes to the local government funding regime could impact on the former, and both taxes may be affected by uncertainties surrounding the country's macro-economic position and its potential impact on the local economy.
- A maximisation of external funding that meets the council's priorities.
- The holding of relevant contingency budgets at the corporate level to help ensure the council does not overspend in any one year.
- The full integration of revenue, capital, and treasury management decision making processes to ensure (a) the revenue implications of capital projects are accurately reflected in the MTFS and the annual budget, and (b) the authorised borrowing limit is sufficient to fund the council's capital plans whilst being prudent, affordable, and sustainable.
- The inclusion of the costs of external borrowing to fund capital projects (interest and MRP costs) into the revenue budget, even if in practice the expenditure is temporarily funded from internal borrowing (use of the council's cash holdings).

Contents of this budget report

35. The council's budget and finances are becoming increasingly complex and to understand the full picture Members and key stakeholders need to appreciate the distinctions between revenue and capital expenditure, general fund and the Housing Revenue Account, and the different funding sources and constraints for each, whilst at the same time recognising that they all interconnect and impact on the council's balance sheet position, its cash flows and future borrowing requirements.
36. In addition, regulatory codes of practice require Members to form views on the council's proposed approach to commercial investments, its lending to third parties including its wholly owned subsidiary companies, and its equity investments whilst understanding financial indicators showing the risks, proportionality and affordability of the commercial activities being proposed.
37. This report comprises a series of interlinked and comprehensive papers setting out proposals for the 2023/24 budget along with medium term expenditure and financing plans across the whole of the city council's activities. Members may wish to consider each section in turn. A brief explanation of the contents is shown below.

1: Local Government Finance Settlement

This gives a summary of the provisional local government finance settlement.

2: General Fund 2023/24 budget and MTFS

This sets out the proposed general fund revenue budget and its financing for 2023/24, including the proposed Council Tax for 2023/24, along with a forecast of the medium-term position.

3: Housing Revenue Account 2023/24 Budget and Business Plan

Contains expenditure and income proposals that relate to the ownership and management of the council's social housing stock, including 2023/24 rental charges for tenants.

4: Capital and Commercial Strategy (including capital programme)

A requirement of CIPFA's Prudential Code, the Strategy sets out the council's budget and preliminary plan for capital expenditure over the next five years along with how it will be financed and delivered.

It also includes the council's non-financial investment strategy. This is a requirement of DLUHC Investment Code. The Strategy covers the council's change of approach to investments in commercial property, as well as its lending and equity investments in third party organisations.

5: Treasury Management Strategy

The strategy sets out proposals and indicators required for the effective management of the City's borrowing, investments and cash flows, its banking, money market and capital market transactions; and the effective control of the risks associated with those activities.

6: Summary of key financial indicators

This section gives various indices, required under the Prudential and Investment codes, that allow members to come to a judgement on the proportionality, affordability, and the extent of its potential risk exposure through the budget proposals, those contained within the capital strategy and the non-financial investments strategy.

7: Chief Finance Officer's Statement

This is a requirement of section 25 of the Local Government Act 2003. It covers the key financial risks facing the council and the chief finance officer's opinion on the robustness of the estimates and the adequacy of the council's reserves.

8: Financial glossary

The budget papers by their very nature contain technical financial terms and concepts. An attempt is made in the glossary to explain these.

9: EQIA

The initial cumulative impact of the budget proposals are considered in this section prior to individual consultations and impact assessments being undertaken where necessary and before implementation.

Consultation

38. In line with the approach used in previous years, citizens, partners, and local businesses have been consulted on the proposed approach to meeting the savings target for 2023/24 and the proposed council tax level.

39. The council carried out an online budget consultation survey which closed on 20 January 2023.

40. Appendix 2 (I) provides further detail on the results of the online budget consultation responses.

41. Tenant Involvement Panel representatives were consulted on the proposed rent increase at a meeting on 18th January 2023. The impact was discussed with concerns raised regarding the effect of an increase on those struggling financially in the current climate, particularly considering the rising cost of living. However, the panel recognised that increases are inevitable if the level of investment in existing and new homes is to be maintained and endorsed the proposed rent increase in line with the Rent Standard 2019.

42. In accordance with the recommendations in this report, levels of tenants' service charges are usually determined by officers under delegated powers, in consultation with the portfolio holder and after engagement with tenant representatives.

Implications

Financial and Resources

43. Any decision to reduce or increase resources or alternatively increase income must be made within the context of the council's stated priorities, as set out in its proposed Corporate Plan 2022-26 and Budget.

44. This report presents the council's proposed 2023/24 budgets across all its activities along with its medium-term financial strategy. The financial implications of these proposals are given throughout the report.

Legal

45. There is a statutory duty to consult on the Council's budget with business ratepayers (S65 Local Government Finance Act 1992). It is also considered best practice to seek broader views through meaningful consultation with service users, residents, and partners. Further duties to consult on specific proposals impacting users, including staff and unions also exist prior to implementation.

46. The Council has a legal duty to set a balanced budget before the statutory deadline. The Council's legal service has had opportunity to review all proposed budgetary savings and, as appropriate, outline specific legal requirements that will require consideration as savings proposals are implemented.

47. The Council's Chief Finance Officer (S151) has a duty to report to Council on the adequacy of its reserves and the robustness of its budget estimates before the final decisions are taken on the budget and setting of the council tax.

Statutory Considerations

48. The proposed budget within this paper covers a wide range of council activity and spend. As a result, it is not possible to provide a detailed assessment of, for example, the impact on residents and others with protected characteristics under The Equality Act at this level. Existing council processes for equality impact assessments will continue to be carried out at an appropriate time for the individual projects, activities and policies that constitute this budget and service review programme.

Consideration	Details of any implications and proposed measures to address:
Equality and Diversity	Equality Impact Assessments are required for any specific budget proposals and the impact of the totality of all measures. The overarching assessment is included in Section 7.
Health, Social and Economic Impact	Budget savings and investment proposals including capital investments are likely to have economic impacts on the area.
Crime and Disorder	No specific crime and disorder impacts are considered to arise from the Council's budget setting processes.
Children and Adults Safeguarding	No specific safeguarding issues are considered to arise from the Council's budget setting processes.
Environmental Impact	The proposed capital investment strategy will provide for improvements to the council's assets and the surrounding environment.

Risk Management

49. The budget paper clearly outlines several financial risks to the council, some of which have increased considering changes to the wider economic environment.

50. Several measures have been put in place to mitigate the increased risks, including:

a) Maintaining earmarked reserves, established to help mitigate risk, including:
   - The budget risk reserve to manage the financial risks associated with both the continuing impacts of the pandemic and the delivery of the 2023/24 budget savings.
   - The business change reserve to fund costs linked to the council's change programme.
   - The commercial property reserve to manage the risks and costs associated with holding commercial property.
   - The Norwich Regeneration Limited reserve to mitigate financial risks from lending to the council's wholly owned company.

b) The maintenance of a Prudent Minimum Level of General Fund reserve.

c) The requirement to produce robust business cases for large capital projects (many of which will generate returns or savings) before a project commences.

Reasons for the decision/recommendation

51. The Council has a legal duty to consult on proposals and set a balanced budget before the statutory deadline.

Background papers: None

Appendices:

- Section 1: Local Government Finance Settlement
- Section 2: General Fund – MTFS and 2023/24 Budget
- Section 3: HRA 2023/24 Budget
- Section 4: Capital and Commercial strategy (Incl. Capital Programme)
- Section 5: Treasury Management Strategy
- Section 6: Summary of Key Financial Indicators
- Section 7: Chief Finance Officers Statement
- Section 8: Financial Glossary
- Section 9: Equality Impact Assessment

Contact

Name: Neville Murton, Interim Head of Finance, Audit and Risk (Section 151 Officer)

Telephone number: 01603 987766

Email address: nevillemurton@norwich.gov.uk

1. Local Government Finance

1.1 On 17th November 2022 the government announced its Autumn Statement, a six-month update on the Spring Budget. The Chancellor set out three priorities for the government's budget - stability, growth, and public services. Details of the statement and the associated Economic & Fiscal Report from the Officer of Budget Responsibility were outlined in the Budget Update report to Cabinet in December.

Provisional Local Government Settlement

1.2 Following the autumn statement and subsequent policy statement on local government financing (12 December 2022), the provisional local government finance settlement was announced on 19 December 2022.

1.3 There is still some uncertainty for 2024/25, so, despite commentary about greater certainty, this is not a fixed two-year settlement.

1.4 The policy statement gave local authorities advanced notice of the principles that ministers would use in both the 2023/24 and 2024/25 local government finance settlements. The subsequent provisional finance settlement has set out more detail on the assumptions and the individual funding allocations for Norwich.

1.5 **Council Tax.** The core referendum limit for increases in council tax will be up to 3% from 2023/24.

1.6 Alongside the settlement, there will be £100 million new council tax support funding for local authorities to support the most vulnerable households in England with council tax payments. Funding has been allocated to councils based on their share of local council tax support claimants, with Norwich City Council receiving an allocation of £347,698. The Government expects local authorities to use the majority of their funding allocations to reduce bills for current working age and pension age Local Council Tax Support (LCTS) claimants by up to £25. Councils can use their remaining allocation as they see fit to support vulnerable households with council tax bills.

1.7 **Business Rates.** The decision to freeze the business rates multiplier will be fully funded, and, from 2023/24 onwards, compensation to authorities for under-indexation would be paid based on Consumer Price Index (CPI) (10.1%) rather than the Retail Price Index (RPI) (12.6%).

1.8 Although the business rates multiplier is "frozen" (it remains at 49.9p), the multiplier contains (a) a reduction to reflect increases in rateable values in the 2023 Revaluation and (b) an offsetting uplift for inflation (3.74%).

1.9 Compensation to authorities will be part-paid via an uplift to Baseline Funding Level (BFL) (3.74%), with the remainder paid via cap compensation section 31 grant. In Norwich the impact of moving certain properties to the central list (Virgin cabling) has been compensated for through the tariff calculation.

1.10 **Core Spending Power:** A new grant has been created to ensure every authority has an increase in Core Spending Power (CSP) of at least 3%. This new guarantee is funded from the Lower Tier Services Grant (LTSG) and the reduced cost of New Homes Bonus (NHB). The increase in CSP for Norwich is 4.7% - one of the lowest of all councils and below the average 5% for district councils. The all-English authorities average is 9.2% and the

District Council's Network (DCN) are proposing to comment on this disparity as part of consultation.

1.11 Grants worth £238m have been rolled into the settlement in 2023/24. Two have been rolled into RSG (£78m): Family Annex Council Tax Discount Grant and LCTS Administration Subsidy grant. The rolling in of these grants has been reflected in the guarantee baseline.

1.12 New Homes Bonus (NHB) will continue for one, or perhaps two, more years, but there will be no more legacy payments. The cost of NHB will fall from £556m in 2022/23 to £291m in 2023/24. A decision on whether NHB will continue into 2024/25 will be made before next year's settlement. In Norwich the value of the NHB fell by around £0.5m because growth, at 0.36%, did not meet the 0.4% disregard on growth; this cliff edge is a significant issue for the council. As NHB was included in the 3% guarantee calculation, the majority of the lost grant has been replaced via that mechanism but that now becomes a critical feature for the council in 2024/25.

1.13 Revenue Support Grant (RSG) has been increased for inflation at 10.1%.

1.14 There is still some uncertainty for 2024/25, so, despite commentary about greater certainty, this is not a fixed two-year settlement. We do not yet know the future of NHB, or on any funding guarantee for 2024/25. More importantly, we do not yet know the level of inflation next September or whether ministers will decide to freeze the business rates multiplier again.

2. GENERAL FUND 2023/24 BUDGET AND MTFS

Forecast 2022/23 Outturn

2.1 The latest position on the General Fund, as at Quarter 3 shows a forecast underspend of £1.764m.

2.2 Most of the underspend has been generated within corporate finance, where a significant increase in the level of interest generated by the council's day to day cash investments continues to be seen. This is due to the increase in interest rates and the relatively high cash balances as capital expenditure has slipped; the capital receipt from the sale of Norwich airport industrial estate has been received and the externalisation of some debt which took place last year when interest rates were lower. Once the impact of the additional treasury management income is removed services overall are showing a broadly balanced position.

2.3 In the updates to the medium-term financial strategy in this report, it has not been assumed that the Q3 forecast underspend level is returned to general fund reserves, rather it is expected that any costs of implementing the council's change programme incurred in 2022/23 will have first call on the final underspend, with the remainder being allocated to the Business Change Earmarked Reserve to assist in the future funding of those costs. The final proposed approach will be set out for members once the outturn position is known.

Proposed 2023/24 Revenue Budget

2.4 Appendix 2 (A) summaries the key movements in the base budget (i.e. from the 2022/23 approved budget) to arrive at the proposed 2023/24 budget. Appendix 2 (B) shows a subjective breakdown of the gross income and expenditure proposed.

2.5 Following the December budget report to Cabinet there are several areas where the proposed budget figures have been updated based on additional information being available and the refinement of budget options. The main areas of change are:

- An additional £0.389m of inflationary costs, including higher expected costs in relation to the waste and recycling contract and an allowance for any further emerging general inflationary pressures.
- Additional business rates income £0.687m following confirmation from government on the council's business rates baseline level and updated analysis on forecast taxbase revenues.
- A reduction in proposed savings of £0.131m reflecting minor amendments to the savings figures following review and refinement, in particular the final confirmation from the pension fund of the profile of costs savings resulting from pre-payment of the secondary element of the council's pension contribution.
- A reduction in grants of £34k following the provisional local government finance settlement.
- A reduction of £135k following the updates to internal recharges.

Savings, growth and investment

2.6 Permanent savings or additional income of £5.5m have been identified. Overall, this is slightly lower than the savings target of £6.2m identified in the MTFS update presented to Cabinet in July 2022. However, other updates to the MTFS assumptions, such as the higher increase in council tax receipts and lower permanent growth, means that the provisional budget shows a balanced position, with no requirement to draw down on general reserves. A detailed summary of the proposed budget savings and growth is shown in Appendices 2 (F) and 2 (G).

2.7 Included within the savings figure are amounts relating to updated assumptions on the council's borrowing costs (£1.4m) and the income generated from the council's cash investments (£1.7m). The loan interest budget for 2023/24 assumes that maturing loans can be refinanced at lower rates based on the current borrowing rate forecasts, thereby reducing the overall costs to the council. As set out in paragraph 2.2 the council is also benefiting from the increases in interest rates on its cash balances and this is expected to continue to benefit the budget position in 2023/24. The improvements in these budgets are expected to reduce over the medium term as borrowing and interest rates stabilise and then fall, and this has been incorporated into the medium-term financial projections on a prudent basis.

2.8 The savings options for 2023/24 have been proposed from service areas and reviewed by the council's newly constituted Design Authority which includes representation from strategy and transformation, finance, HR, IT, procurement and legal. Proposals have then been reviewed by the Corporate Leadership Team to assess the deliverability and impact against the corporate plan. Service leads have completed outline or full business cases as appropriate for each option which include deliverability assessments for savings items as well as setting out key milestones, resource requirements and risks.

2.9 In line with the approach used in previous years, the council has consulted the public on the proposed approach to setting the budget and on the proposals for a council tax rise. The consultation closed on 20 January 2023. An analysis of the results is given in Appendix 2 (I) and will provide useful feedback as the council shapes its future budget proposals. The consultation found that 50% of people agree or strongly agree with the proposed council tax increase, while 61% of people either agree or strongly agree with continuing to provide council tax relief at 100 per cent for those working age residents on low incomes.

2.10 The budget proposals include £0.401m of permanent budget growth (i.e. increases to the budget not arising from inflationary factors). The full list is shown in Appendix 2 (G). At this stage, the budget options are proposals, some of which will be subject to further consultation exercises before implementation.

2.11 The 2022/23 budget included a £1.2m allowance for the continuing impacts of Covid-19, around the council's car parking and rental income levels. These have been fully reversed in the provisional 2023/24 budget on the assumption that these budgets are able to recover to pre-pandemic levels.

2.12 There is investment of £0.955m from the business change, invest to save and commercial property earmarked reserves to support specific projects in 2023/24. The full detail is shown in Appendix 2 (H).

Inflation

2.13 The increasing inflation levels have placed additional pressures on the council's finances. £4.9m of inflationary costs have been incorporated into the 2023/24 proposed budget across pay, utilities and other contract costs.

2.14 The council's pay structure is primarily based on national negotiating body pay spines and nationally negotiated settlements. The process has not concluded for the 2023/24 financial year and therefore an estimate of payroll inflation at 4% has been included within the proposed budget. Given that pay costs form a significant proportion of the council's budget and the uncertainty over future pay awards, this is a key budget risk.

2.15 Many of the council's contracts have inflationary increases incorporated within them and therefore the significant increases in CPI and RPI measures has created a clear pressure on the budget position. Inflationary increases have been applied across the council's main contracts based on relevant CPI levels, although there remains a risk that further cost pressures emerge as contracts come up for re-tender.

Council Tax & Business Rates

2.16 Any increase in the level of council tax is limited by referendum principles, which for a district council have been set at a maximum of up to 3% for 2023/24.

2.17 A 2.99% increase to the Band D rate is proposed in the 2023/24 budget figures (£0.320m additional income). The proposed 2023/24 Band D rate is therefore £288.59 compared to the current year rate of £280.21 – an increase of £8.38. This is for the Norwich City Council share of total council tax only and does not include the amounts added from preceptors - Norfolk County Council and the Office of the Police and Crime Commissioner for Norfolk. Appendix 2 (E) shows the proposed increases by each Council Tax band.

2.18 The figures shown will be reduced, for qualifying council taxpayers, by the council's Council Tax Reduction Scheme (CTRS). Currently the total cost of the CTR scheme is £14.4m, of which the Norwich share is around £1.9m.

2.19 The current estimate of the Council taxbase is 38,260 (Band D equivalent properties) which combined with the Band D rate above gives an expected income of £11.041m in 2023/24.

2.20 The 2023/24 amount of retained business rates has been budgeted at £7.613m along with a forecast deficit distribution from 2020/21, 2021/22 and 2022/23 of £0.132m after allowing for transfers to the S31 earmarked reserve. The transfers to the reserves are to offset the timing differences created as a result of changes in the relative proportions of income received as business rates payments or government S31 grant in 2021/22 and 2022/23 compared to the initial estimates. A breakdown of the business rates calculation is shown in Appendix 2 (E). On 22 September 2022, all Norfolk local authorities confirmed to MHCLG an intention to create a Norfolk business rates pool in 2023/24 – further detail on this was provided in the budget report to Cabinet in December.

2.21 There remains a financial risk on business rates income from the impact of valuation appeals and allowance for a contribution to an appeals provision is also included in the forecasts and reviewed annually.

Council Tax Premiums

2.22 As a billing authority, the council must adopt policies for the application of discretionary Council Tax premiums.

2.23 In May 2022 the Government's 'The Levelling Up and Regeneration Bill' put forward discretionary Council Tax premium options on empty properties and second homes. Through this Bill it is the Government's intention to: a) reduce the minimum period for the implementation of a Council Tax premium for empty premises from two years to one year; and b) allow Councils to introduce a Council Tax premium of up to 100% in respect of second homes.

2.24 The Government has confirmed that billing authorities that wish to adopt any changes arising from the Bill are required to make a Council resolution confirming their requirements at least 12 months prior to the financial year in which the changes will come into effect; meaning that the Bill will need to obtain Royal Assent prior to 1 April 2023 in order to adopt the changes for the year commencing 1 April 2024.

2.25 This report recommends an in-principle decision from Members to agree proposals in accordance with the Council Tax premium proposals set out within the Bill, subject to Royal Assent being obtained.

2.26 Initial, high-level analysis shows that the application of a 100% premium on second homes within Norwich could generate around £1.37m in additional Council Tax revenue, with circa £0.18m retained by Norwich City Council.

Grants

2.27 The Provisional Local Government Financial Settlement was released on 19 December 2022 providing details on the grant funding levels for the council in 2023/24. The key elements of the settlement are outlined in Section 1 of the budget report, including details of a new 'guarantee' grant to ensure all councils have an increase of at least 3% to their core spending power.

2.28 Overall, as shown in the table below for the confirmed grants there is a £34k reduction. The new guarantee grant has been vital in offsetting the reduction in New Homes Bonus (NHB) allocation for 2023/24. The value of NHB has reduced by £0.5m from the prior year because Norwich's percentage growth in housing stock of 0.36% fell below the national baseline for the bonus of 0.4%. There is still uncertainty over the future of NHB beyond 2023/24, creating a clear risk to the council's future funding levels when the funding guarantee mechanism may also not be in place.

2.29 In previous versions of the MTFS, it had been assumed the council would see a reduction of one-third in its core un-ringfenced grants; this was based on the understanding future funding for the sector may be prioritised towards authorities with adult social care responsibilities when the resource need assessment was updated.

	December Report £000	**Provisional Settlement £000**
Revenue Support Grant	(225)	(491)
New Homes Bonus	(491)	(45)
Lower Tier Services	(268)	-

Services Grant	(272)	(233)
Local Council Tax Support Admin	(250)	-
Housing Benefit Admin Grant	(491)	(546)
Funding Guarantee Grant	-	(653)
Business Rates cost of collection allowance	(268)	(264)
	(2,266)	**(2,232)**

Budget Risks

2.30 At this stage, the combination of uncertainty over the government financial settlement, wider economic conditions, service pressures and the level of savings to be delivered, means the level of risk associated with the provisional budget is higher than usual. Some of the key risks are outlined below which will continue to be closely monitored. The council holds a budget risk reserve (current balance £2.4m) to provide resilience against emerging pressures and delays in the delivery of savings.

- **Savings delivery & cost of change.** The budget includes £5.5m of savings and income proposals for delivery in 2023/24. This is a significant undertaking and will require resources (e.g. project management, backfill, redundancy costs) to implement successfully. Delays in the implementation timelines will impact on the deliverability of savings in next financial year. To facilitate delivery a corporate change team has been set up to co-ordinate and programme manage the full range of projects. Close monitoring of delivery will be undertaken, and any financial risks managed within year or through the strategic use of reserves.

- **Inflation.** The scale of volatility in inflation, including the scale of increases in gas and electric costs, means forecasts are subject to change. The Office for Budget Responsibility in its November 2022 update noted that, given the number of recent changes in fiscal policy and the volatility in financial and energy markets, the range of external forecasts for CPI and GDP is wide. There is also uncertainty over the level of pay award and the impact of an additional 1% above our budget assumption would add around £0.240m of additional cost.

- **Housing Benefit.** In recent years the council has seen reducing levels of subsidy recovery against its housing benefit expenditure, attributable to continuing growth in rent levels against fixed subsidy caps. The projection is this will continue to worsen over the life of the MTFS. Whilst every council is seeing increased natural migration to Universal Credit, Department of Work & Pensions (DWP) rules mean cases that attract 100% subsidy return are lost to councils, whilst DWP's strategy is to continue to leave temporary, exempt and supported accommodation cases with councils and it is these cases subject to punitive subsidy rules. Along with increased demand and rental market pressures, councils are therefore seeing increased subsidy loss.

- **Service Pressures.** The economic situation is putting huge financial pressures on local businesses and residents, particularly the most vulnerable. It is likely that service demand pressures will emerge in the coming months for example through the council's homelessness service. It may also impact on council income streams and the levels of council tax and business rates collected, coming on top of the previous Covid-19 challenges.

- **Parking Agreement.** Under an agreement with Norfolk County Council, Norwich City Council delivers a range of parking services on city roads including permit parking, controlled parking extensions, tariffs and enforcement activity for on-street parking and bus lanes. The County Council has been undertaking an options appraisal for the future delivery arrangements for on-street parking and enforcement.

  A proportion of costs are charged to the County Council as part of the agreement. This includes the direct costs of the enforcement team as well as corporate overheads to reflect the roles of support services (primarily customer contact) in delivering the requirements of the agreement. When a decision is notified to us from the County Council about the future operating model and timeline for implementation, the full cost implications on the council will need to be assessed.

Chart 2.1: 2023/24 provisional gross expenditure budget by type of spend

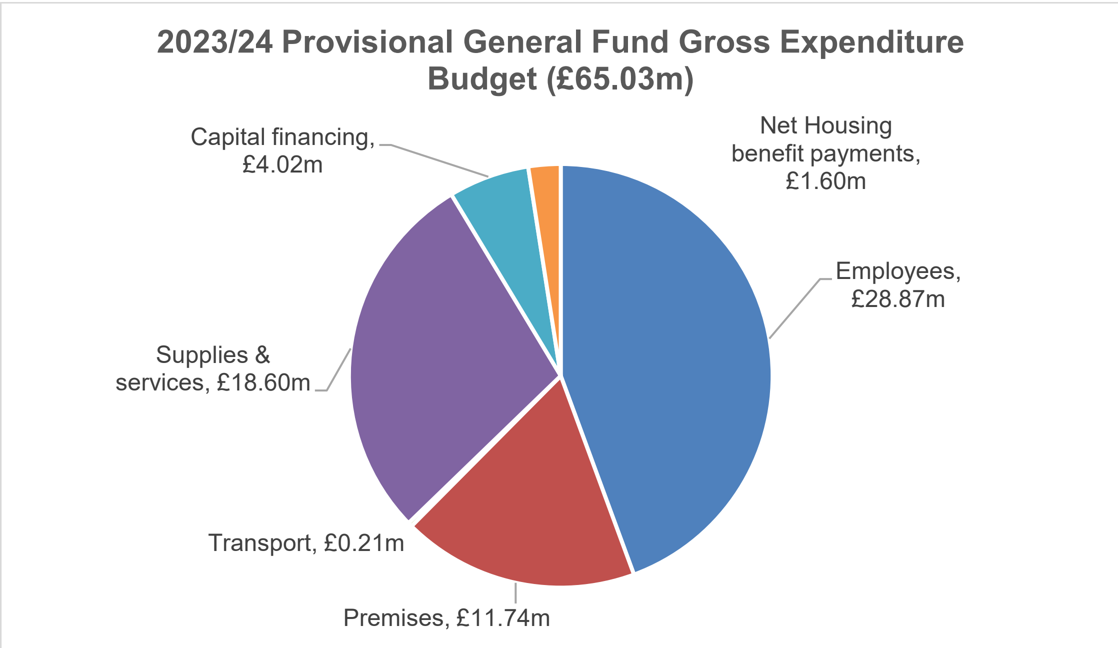
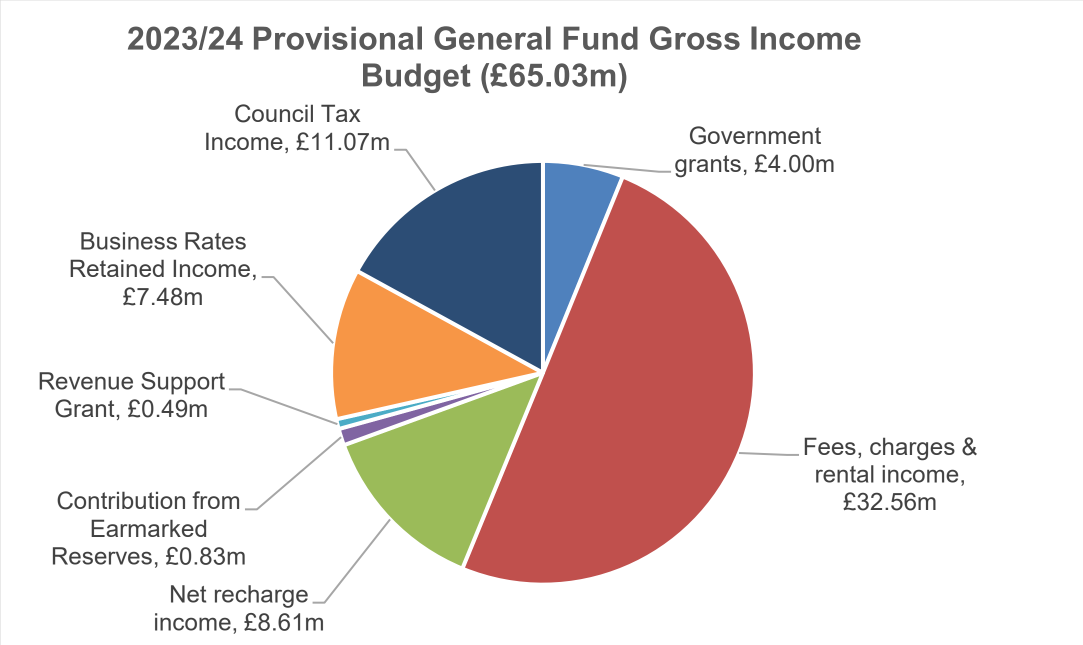


Chart 2.2: 2022/23 provisional gross income budget by type of income



Medium Term Financial Strategy (MTFS)

2.31 The MTFS is a forecast of the estimated cost of delivering current services over the next five years, compared to the anticipated funding streams to support council services. This results in a projected budget gap from which the future savings requirements are estimated.

2.32 The July MTFS update identified a savings requirement of £10.953m over the four-year period to 2026/27 (Table 2.1). The updated MTFS is showing a savings requirement over the same period of £11.1m, of which £5.5m has been identified and incorporated into the 2023/24 budget proposals. This leaves a forecast requirement to deliver a further £5.6m of savings by 2026/27 (Table 2.2). The full MTFS by subjective group is shown in Appendix 2 (D).

2.33 Detail on the key assumptions in the MTFS was provided in the Budget Update Report to Cabinet in December 2022.

Table 2.1: July 2022 Medium Term Financial Position – Figures are in £000s

	2023/24	2024/25	2025/26	2026/27
Budget base	23,684	19,589	21,090	21,131
Resources	(17,484)	(18,458)	(19,024)	(19,575)
Savings required (in-year)	**6,200**	**1,131**	**2,066**	**1,556**
Savings required (cumulative)	**6,200**	**7,331**	**9,397**	**10,953**

Table 2.2: Updated Medium Term Financial Position – Figures are in £000s

	2023/24	2024/25	2025/26	2026/27

Budget base	19,041*	22,565	21,641	22,641
Resources	(19,041)*	(19,851)	(20,410)	(20,991)
Contribution from reserves	0			
Savings required (in-year)	**0**	**2,713**	**1,230**	**1,650**
Savings required (cumulative)	**0**	**2,713**	**3,944**	**5,593**

* Includes £5.527m of savings – see Appendix F

2.34 The council has identified a range of potential future savings of £6.692m against the revised cumulative target of £5.593m. These are provisional options and are still subject to a full budget validation process. All options will continue to be refined as part of future corporate business planning processes.

2.35 It is important at this stage that the provisional options identified exceed the target for several reasons. Firstly, it allows for options to be reviewed and feedback from the public consultation to shape the future budget direction. Secondly, as the options are still subject to a full validation process it is likely that the savings figures may evolve and change as this work is completed. Lastly, there is a high degree of risk associated with the MTFS projections especially around government funding from 2025/26 onwards considering the fiscal challenges outlined in the Autumn Statement. It is therefore important the council has plans that can flex to the financial position as a clearer view emerges.

MTFS Risks & Uncertainties

2.36 There are number of significant financial risks and uncertainties over the period of the medium-term financial strategy. These include:

- Future funding levels given the clear message in the Autumn Statement about the need to reduce public spending and the prioritisation of local government funding to address challenges in adult social care.
- Uncertainty over future inflationary levels and impacts on council expenditure.
- The quantum of the savings to be delivered and the associated costs to enable the required changes.
- Capital requirements arising from the ongoing strategic review of the council's asset portfolio.
- Uncertainty over the cost implications of delivering the council's net zero carbon objective.
- Impacts of future government policies e.g. National Waste Strategy, Planning White Paper, Levelling up and local government reorganisation.

General Fund Reserves Position

The General Fund reserve

2.37 The prudent minimum level for the general fund reserve has been reviewed for 2023/24 by the Chief Finance Officer and has been set at £5.4m; an increase over the 2022/23 level of £5.1m and reflecting the overall rise in the council budget requirement and other relevant factors.

Table 2.3: Estimated General Fund reserves position (Figures are in £000s)

	2022/23	2023/24	2024/25	2025/26	2026/27

Brought forward	**(10,336)**	**(8,236)**	**(8,236)**	**(8,236)**	**(8,236)**
Transfers (to)/from	2,100	0	0	0	0
Carried forward	**(8,236)**	**(8,236)**	**(8,236)**	**(8,236)**	**(8,236)**

* Note the opening 2022/23 reserve balance is still subject to the finalisation of the 2021/22 external audit process.

2.38 The forecast reserves position incorporates the budget contribution from reserves for 2022/23 (£2.1m) and assumes a balanced budget in 2023/24. This would leave general reserves at £8.2m which is above the prudent minimum level of £5.4m.

2.39 On the basis that provisional options have been identified to close the budgetary shortfall in the years 2024/25 to 2026/27 no further drawn downs from general reserves are currently forecast. If the timetable for savings delivery changes to mean identified amounts cannot be delivered until later in the MTFS period, there is capacity to utilise up to £2.8m of additional reserves (down to the prudent minimum level) in the short term to support the budget position. Reserves are however a one-off source of funding and therefore this is not sustainable in the long term but could be considered where there is a clear and robust plan to address the budget shortfall.

Earmarked Reserves

2.40 The General Fund holds several earmarked reserves which are held for specific purposes. The balances held in earmarked reserves are regularly reviewed to assess whether the funds are held at an appropriate level. The key reserves are summarised in Table 2.4.

Table 2.4: General Fund earmarked reserves (Figures are in £000s)

	Actual 31 March 2022	Forecast 31 March 2023	Forecast 31 March 2024
Invest to Save Reserve To support the delivery of savings and efficiencies through the Future Shape Norwich Programme.	2,011	1,513	1,097
Budget Risk Reserve To manage the financial risks associated the delivery of the budget savings identified.	2,391	2,391	2,391

	Actual 31 March 2022	Forecast 31 March 2023	Forecast 31 March 2024
Business Change Reserve To fund costs linked to the council's change programme which are not delivering specific savings, for example project management, benchmarking and potential redundancies. It will also support training and development of our workforce to ensure we have the skills required to deliver the ambitions of the Council.	1,577	986	234
Commercial Property Reserve Established to reduce the risks associated with holding commercial property by providing funding for any future void and rent-free periods as well as repairs and upgrades to the investment portfolio.	2,490	1,480	1,353
Insurance Reserve This is to cover the excesses carried in respect of claims under various insurance policies and is subject to annual actuarial review.	1,133	1,133	1,133
Norwich Regeneration Ltd Reserve Originally established to smooth any fluctuations in net income received by the Council from lending to NRL. The reserve level was increased in 2019/20 to mitigate against any potential future Minimum Revenue Provision charges required to cover for estimated non-recovery of the loan balance. The recoverability of the loan will continue to be reviewed and should any element of the reserve not be required it can be returned to general reserves.	2,700	2,050	1,400

	Actual 31 March 2022	Forecast 31 March 2023	Forecast 31 March 2024
S31 Grant Reserve Unutilised balance of S31 grant monies received in prior years from Central Government to fund Business Rates reliefs. The reserve was increased in 2021/22 due the additional grant income received to compensate the council for additional business rates reliefs announced by HM Treasury as part of the Covid-19 response. This will be returned to the general fund over the following years to match the timing of the related collection fund deficits.	11,645	629	2,277
Revenue Grants Unapplied Holds grants and contributions received which have yet to be applied to meet expenditure. The use of the balance is restricted and can only be used to fund the specific service area awarded the grant income. The majority of the balance is made up of Section 106 contributions which are released each year to support the maintenance costs on specific assets.	4,477	3,674	3,374
General Fund Repairs Reserve To provide future funding for required maintenance on general fund properties. £0.2m budgeted to be used in 2021/22 to fund required property maintenance.	600	475	475
Business Rates Pool Reserve The council received a distribution of £0.675m from the Norfolk Business Rates Pool as agreed by Norfolk Leaders. It is set aside in this reserve to support future spend in line with the economic development objectives of the fund.	675	110	110

	Actual 31 March 2022	Forecast 31 March 2023	Forecast 31 March 2024
Other minor reserves	150	150	150
Total	**29,849**	**14,591**	**13,994**

Appendix 2 (A): Movements from the approved 2022/23 base budget

	£000
2022/23 Budget Resources	**(17,713)**
Budget movements:	
Increase in business rates income	(582)
Increase in council tax income	(481)
Movement in revenue support grant	(266)
2023/24 Budget Resources	**(19,041)**

2022/23 Budget Requirement	**17,713**
Budget movements	
Reverse prior year contribution from reserves	2,100
Reversal of one-off items in the 2022/23 budget	(528)
MTFS movements	87
Inflation	4,893
Reduction in grant income	563
Other movements and recharges	(679)
Permanent growth Appendix 2 (G)	401
Permanent savings & additional income Appendix 2 (F)	(5,527)
Short term growth	18
New service investment from earmarked reserves	999
Earmarked reserve transfers to meet service investment	(999)
Revised 2023/24 Budget Requirement	**19,041**

Appendix 2 (B): 2023/24 provisional budget by subjective group

Subjective group	Budget 2022/23 £000	Budget 2023/24 £000	Movement £000
Employees	30,224	28,865	(1,359)
Premises	10,489	11,744	1,255
Transport	249	209	(40)
Supplies & services	17,779	18,598	819
Housing benefit payments	41,492	41,639	147
Capital financing	4,377	4,016	(361)
Gross expenditure	**104,610**	**105,071**	**461**
Government grants	(44,845)	(44,037)	808
Fees, charges & rental income	(27,683)	(32,558)	(4,875)
Net recharge income	(10,051)	(8,606)	1,445
Gross income	**(82,579)**	**(85,201)**	**(2,622)**
Contribution from General Reserves	(2,100)	0	2,100
Contribution to/from Earmarked Reserves	(2,218)	(829)	1,389
Total Budgetary Requirement	**17,713**	**19,041**	**1,328**

Explanation of key variances:

- Employee costs have decreased by £1.359m. Although the 2023/24 employee budget includes inflationary adjustments for salaries and on-costs (£2.0m), the transfer of some property services employees directly into the Housing Revenue Account (£1.7m which would previously have been a recharge) combined with other service review impacts and reductions in pension deficit costs has resulted in an overall net decrease in costs.
- The premises increase in costs is primarily due to significant inflationary increases, in particular in relation to gas, electric and insurance costs.
- Fees, charges and rental income has increased mainly as a result of the prior year Covid-19 growth being reversed (£1.2m) and additional interest of cash investments (£3.8m). A share of the additional interest is recharged to the Housing Revenue Account (£2.1m) which can be seen in the reduction in net recharge income line.
- The reduction in the contributions from reserves is due to being able to balance the 2023/24 budget without support from general reserves. The contribution from earmarked reserves reflects the current allocations as detailed in Appendix 2(H).

Appendix 2 (C): 2023/24 provisional General Fund budget by service

	Gross Expenditure £000	Gross Income £000	Net Expenditure £000
Chief Executive	**267**	**0**	**267**
Corporate Financing	**2,517**	**(6,828)**	**(4,311)**
Corp & Commercial Services Management	476	0	476
Finance, Audit & Risk	2,005	(1,139)	866
HR & Organisational Development	1,241	(504)	737
Legal & Procurement	3,153	(1,371)	1,782
Revenues & Benefits	44,659	(41,381)	3,278
Total Corporate & Commercial Services	**51,534**	**(44,395)**	**7,139**
Community Services Management	407	0	407
Customers, IT & Digital	8,396	(3,026)	5,370
Strategy, Engagement & Culture	3,990	(1,297)	2,693
Housing & Community Safety	6,868	(5,663)	1,205
Total Community Services	**19,661**	**(9,986)**	**9,675**
Development & City Services Management	556	0	556
Environment Services	18,553	(14,324)	4,229
Planning & Regulatory Services	4,439	(2,041)	2,398
Property & Economic Development	7,543	(7,626)	(83)
Total Development & City Services	**31,091**	**(23,991)**	**7,100**
Total General Fund	**105,070**	**(85,200)**	**19,870**
Contribution from General Reserves	0	0	0
Contribution from Earmarked reserves	0	(829)	(829)
Contribution to Earmarked reserves	0	0	0
Budget Requirement	**105,070**	**(86,029)**	**19,041**
Revenue Support Grant		(491)	(491)
Business Rates Retained Income		(7,480)	(7,480)
Council Tax Income		(11,070)	(11,070)
Budget Resources		**(19,041)**	**(19,041)**

Note: Corporate financing includes interest costs, minimum revenue provision, New Homes Bonus, Council Tax Support Admin Subsidy Grants and contingency.

Appendix 2 (D): Breakdown of MTFS by subjective group

	2023/24	2024/25	2025/26	2026/27
	£000	£000	£000	£000
Employees	28,865	29,239	29,591	30,523
Premises	11,744	12,271	12,362	12,447
Transport	209	210	210	211
Supplies & Services	18,597	18,814	18,955	19,097
Capital Charges	4,016	3,404	2,991	2,866
Housing Benefit Payments	41,639	40,466	39,589	39,024
Benefit Subsidy	(40,036)	(38,358)	(37,148)	(36,186)
Net recharge income	(8,605)	(8,215)	(8,215)	(8,215)
Contribution to Capital	0	0	0	0
Fee, charges, rental income	(32,558)	(31,892)	(31,209)	(30,966)
New Homes Bonus	(45)	(45)	(45)	(45)
Benefit/CTS Admin grant	(665)	(599)	(539)	(485)
Other Government Grants	(3,291)	(3,186)	(3,187)	(3,186)
Earmarked reserves transfer	(829)	(44)	0	0
Assumed growth cumulative	0	500	1,000	1,500
Subtotal budgets (no savings)	**19,042**	**22,565**	**24,355**	**26,585**
Business Rates	(7,480)	(7,772)	(7,839)	(7,906)
Formula Funding (RSG)	(491)	(491)	(491)	(491)
Council Tax	(11,070)	(11,589)	(12,081)	(12,595)
Total funding	**(19,041)**	**(19,852)**	**(20,411)**	**(20,992)**
Budget Gap	**0**	**2,713**	**3,944**	**5,593**

Appendix 2 (E): Calculation of retained Business Rates income and Council Tax

A. Business Rates Retained Income

	£000
Retained Income (including S31 grants for reliefs)	(7,893)
Less: Levy to the Norfolk Pool for economic development & pooled growth	279
Plus: Net surplus distribution 2020/21 – 2022/23	(4,351)
Less: Transfer to S31 grant from earmarked reserves	4,483
Total Business Rates Income 2023/24	**(7,481)**

B. Council Tax Calculation 2023/24

	No.	£
Budgetary requirement		**19,041,562**
- Revenue Support Grant		(490,604)
- Business Rates Distribution		(7,481,452)
= Council tax requirement		**11,069,506**
- Surplus on collection fund 2022/23		(28,053)
=Total Council tax income		**11,041,453**
Band D Equivalent properties		38,260
Council tax (Band D)		**288.59**

C. Norwich City Council tax increase 2022/23 to 2023/24, Bands A to H

Band	A	B	C	D	E	F	G	H
2022/23	**£186.81**	**£217.94**	**£249.08**	**£280.21**	**£342.48**	**£404.75**	**£467.02**	**£560.42**
Increase	£5.58	£6.52	£7.44	£8.38	£10.24	£12.10	£13.96	£16.76
2023/24	**£192.39**	**£224.46**	**£256.52**	**£288.59**	**£352.72**	**£416.85**	**£480.98**	**£577.18**

Appendix 2 (F): 2023/24 list of proposed budget savings/increased income

Theme	Directorate	Description	2023/24 £000	2024/25* £000	2025/26* £000	2026/27* £000	TOTAL
Efficiencies, funding changes and budget rebasing	Community	Detailed line-by-line review of budgets	182	9	4		195
	Community	Review of shared amenities recharge to the HRA for maintenance on communal areas.	120				120
	Community	Additional grant income to support private sector leasing team for its role in housing refugees.	24				24
	Community	Reduction in the costs of the Citizen magazine through a review of frequency and combining with tenant magazine.	25				25
	Community	Move Community Enabling team to (50:50) HRA/GF split, supporting delivery of tenant engagement requirements of Housing White Paper		135			135
	Corp & Commercial	Detailed line-by-line review of budgets Key items: • £83k reduction in added-years pension payments • £100k Reduction in insurance settlements budget in line with historic trends	293	25	95	15	428
	Corp & Commercial	Assumed future reduction in the general fund contingency level (currently £400k)			25	25	50

Theme	Directorate	Description	2023/24 £000	2024/25* £000	2025/26* £000	2026/27* £000	TOTAL
	Development & City	Detailed line-by-line of utilised budgets and rebasing of income budgets based on historic levels. Significant items are: • Recycling credits income rebasing • Garden waste income rebasing	468	27	2	2	499
Service Reviews	Community	Efficiencies from the implementation of the customer and digital strategy from improved processes and channel shift.	112	160			272
	Community	Community Services – service reviews	85	284	45		414
	Community	Removal of Big Boom fireworks from the events calendar.	33				33
	Cross-cutting	Enabling services – to assess how we can generate efficiencies through sharing of administrative functions and delivering of benefits from investment in corporate systems.	25	44	35	35	139
	Corp & Commercial	Corporate & Commercial Services – service reviews	95	241	128	43	507
	Development & City	Development & City Services – service reviews	293	37	157	120	607
Fees & Charges	Community	The Halls – increased income assumptions after market analysis		10	138		148
	Community	Additional income through external hire of open spaces and sponsorship opportunities	30	20			50

Theme	Directorate	Description	2023/24 £000	2024/25* £000	2025/26* £000	2026/27* £000	TOTAL
	Corp & Commercial	Income generation through operation of an assessment centre and selling learning and development places to other local authorities.		7	5	5	17
	Development & City	HMO licence fee increase based on 5yr licences	20				20
	Development & City	Expansion of charges for Parking in parks – charges for parking in parks to be extended to car parks that have suitable infrastructure and space	10	10			20
	Development & City	Review of Car Parking charges – charges will be reviewed to reflect the current market		480	360	120	960
	Development & City	Review of markets income in line with lease terms	61	38			99
	Development & City	Migrate all Garden Waste customers to Direct Debit payment	21				21
	Development & City	Align Allotment Rents to ensure that service is cost neutral		10			10
	Development & City	Street Traders' Licences. This proposal would seek to increase the number of licences issued and review the tariff based on independent benchmarking.		49	49		98
	Development & City	Planning fee increase (legislatively set fees)		140			140

Theme	Directorate	Description	2023/24 £000	2024/25* £000	2025/26* £000	2026/27* £000	TOTAL
	Development & City	Increase in cost recovery position of service through improvements in working practices and refocus of staff time.			30	100	130
	Development & City	Introduction of food safety pre-inspection audits	10	20	24	26	80
	Development & City	Introduction of additional HMO licensing scheme			60		60
Contracts & External grants	Community	IT contract saving through reduce reliance on NDL middleware and rationalisation of licences.		65	81	4	150
	Community	The council funds a commissioned countywide service - Norfolk Integrated Domestic Abuse Service (NIDAS). Revised approach reviews other contract costs.	38	23			61
	Community	Review of external grant levels.	57	23			80
	Corp & Commercial	Reduction in external costs by HR guidance on a like-for-like in house solution.		14			14
	Development & City	Review of NCSL environment contract specification.	198	198	396	419	1,211
	Development & City	Review of waste and recycling collections – savings to be delivered through increased efficiencies of collection service and options for back-office efficiencies.		256	164		420

Theme	Directorate	Description	2023/24 £000	2024/25* £000	2025/26* £000	2026/27* £000	TOTAL
Asset Management	Development & City	Commercial approach to generate electrical energy which can be sold back to the grid.		100			100
	Development & City	Estimated longer term savings from move to community centre leases		16	49		65
	Development & City	Rental income from Old Carrow House following refurbishment as part of the Towns Fund project – income following associated capital expenditure to bring the building back into use.	50	50			100
	Development & City	Advertising - Roll out of advertising on vacant land in prominent locations to generate income. £50k a target estimate for year 1 but would require more research to firm up options and target.		50			50
	Development & City	Gypsy and Traveller Site Management – resulting from a change in provider of site management		50			50
	Development & City	Review use of corporate buildings.			1,000		1,000
	Development & City	Upgrade of district light network to LED thereby reducing energy and repair costs.		70			70
	Development & City	A review of commercial opportunities within environment services.		72	156	156	384
Taxation	Corp & Commercial	Additional Council Tax income from introducing a premium of 100% on second homes.		185			185

Theme	Directorate	Description	2023/24 £000	2024/25* £000	2025/26* £000	2026/27* £000	TOTAL
Treasury & debt management	Corporate financing	Improved income returns on council cash investments.	1,773				1,773
	Corporate financing	Reduction in interest costs as borrowing refinanced at maturity at lower interest rates.	1,423				1,423
	Corporate financing	Prepayment of the council's pension deficit payment - all three years paid over to the pension fund in 2023/24 realising a cash reduction in overall contributions.	81				81
		Estimated HRA recharge impact		(227)	(108)	36	(299)
			5,527	**2,691**	**2,895**	**1,106**	**12,219**

* The council has identified potential future savings of £6.692m against the cumulative target of £5.593m. These provisional options are shown the table above and will continue to be subject to validation work and potential savings values refined as part of the 2024/25 corporate business planning cycle.

Appendix 2 (G): 2023/24 list of proposed budget growth

Permanent Growth

Directorate	Description	2023/24 £000
Community	Upgrade of current corporate contact system to a cloud-based version. Moving to the cloud solution allows for additional levels of resilience for service delivery and provides call handling opportunities that are not available with the current solution.	70
Community	Rebasing of budget for grants the council awards externally.	30
Corporate & Commercial	Additional costs of the external audit contract arising from the re-tender exercise completed by Public Sector Appointments Limited. This approach was approved by Full Council in January 2022.	71
Corporate & Commercial	Growth relating to a reducing level of subsidy recovery against its housing benefit expenditure, more than previously estimated in the MTFS. This is attributable to continuing growth in rent levels against fixed subsidy caps. Whilst every council is seeing increased natural migration to Universal Credit, Department of Work & Pensions (DWP) rules mean cases that attract 100% subsidy return are lost to councils, whilst DWP's strategy is to continue to leave temporary, exempt and supported accommodation cases with councils and it is these cases subject to punitive subsidy rules. Along with increased demand and rental market pressures, councils are therefore seeing increased subsidy loss.	230
		401

Appendix 2 (H): Earmarked Reserve Allocations 2023/24

	Invest to Save Reserve allocations	2023/24
		£000
1	To fund the cost of additional technical IT resources to support the delivery of the customer & digital strategy.	416
		416

	Business Change Reserve allocations	2023/24
		£000
2	Transformation resource including change manager, graduate scheme members, programme manager and project accountant	368
		368

	Commercial Property Reserve allocations	2023/24
		£000
3	Estimated use of reserve to fund any loss of income arising from void or rent-free periods.	170
		170

	Revenue Grants Unapplied	2023/24
		£000
4	Use of unutilised grant allocations to support income recovery within revenues and benefits.	44
		44

At this stage the figures are estimates of the required funding and other projects are expected to be identified during the year as part of the service reviews and as business cases are brought forward. Updates to the use of the Invest-to-Save and Business Changes reserves will be made through the budget monitoring reports taken to Cabinet throughout 2023/24.

Appendix 2 (I): Consultation responses on the proposed budget for 2023/24

This appendix summarises the responses to Norwich City Council's budget consultation for the financial year 2023/24.

Summary

- Feedback from the consultation indicated stakeholders, businesses and residents broadly support the council's approach to how it intends to manage its budget and meet the forecasted budget gap in 2023-24.
- The majority supported the council's proposal to increase the city council's share of council tax to just under 3 per cent (50% strongly support or somewhat support), compared to 38% who strongly or somewhat oppose.
- There was strong support (61%) for the council to retain its scheme to provide up to 100 per cent council tax relief to those on low incomes, despite only 17% of respondents receiving this support at present.
- The top-rated services were as follows: housing services, waste and recycling collections and the provision of parks and open spaces.

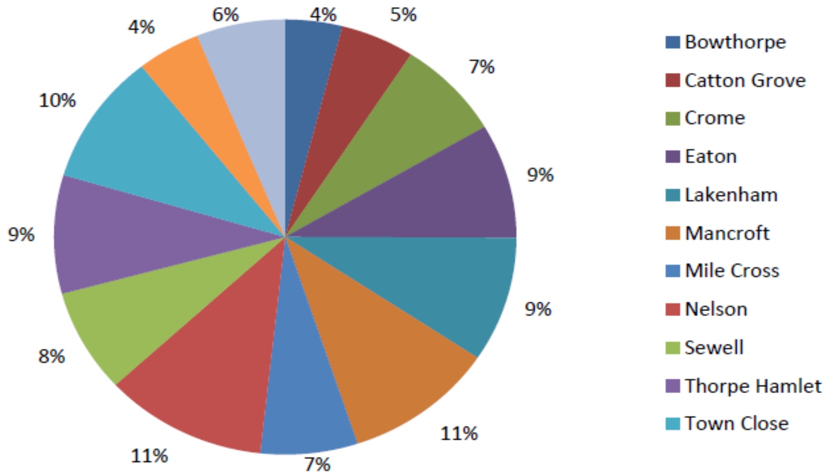
Part 1: Consultation and engagement approach

- The consultation, which ran from 15 December 2022 to 20 January 2023, was hosted on the council's new consultation and engagement website 'Get Talking Norwich'. To help inform people's views, a number of key documents were made available on Get Talking Norwich – the council's provisional budget and financial strategy 2023-24; its corporate plan for 2022-26 and the Norwich 2040 City Vision.
- The 2023-24 survey was hosted online via the Get Talking Norwich website, with a total of 2,654 responses.
- This year's engagement focused on two main sections – one seeking quantitative data, the other seeking qualitative data. Direct engagement was sought from residents, partners/key stakeholders, local businesses and wider service users.
- 10 community groups were also approached with an offer of funding to host community conversations with their user groups and community members regarding our proposed budget for 2023/24. Two of these groups responded to our invitation and hosted face-to-face sessions with their client base to gather their feedback on behalf of Norwich City Council. Their feedback from these sessions is included in the analysis presented below.
- The budget consultation was promoted widely throughout the 37 days it was live via a number of channels and methods, including text messages, emails to local businesses, social media promotion and engagement through the community enabling team's networks.

Part 2: detailed analysis

Respondents' profile

The following section of the report outlines demographic data about the respondents who completed the budget consultation survey via Get Talking Norwich.



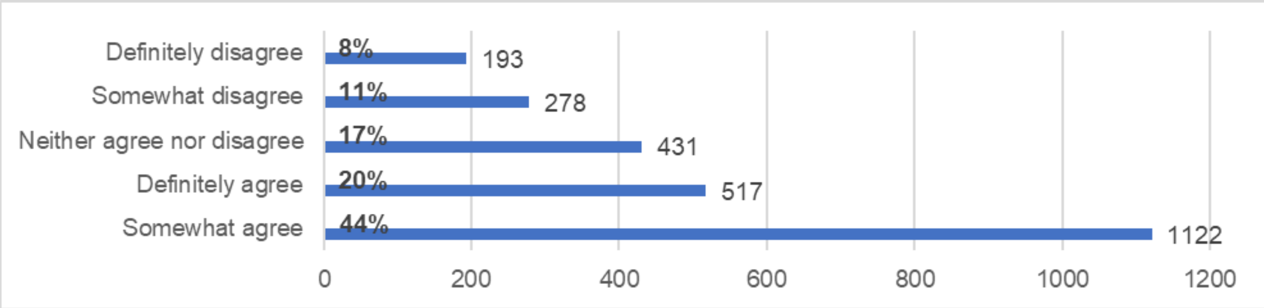
- 20% of respondents identified as having a disability, while 74% did not. 6% of respondents preferred not to say.
- 79% of respondents do not receive council tax relief, while 17% of respondents do. 4% of respondents were not sure whether they received this support.
- 61% (1,591) of the respondents own their own home (with or without a mortgage), while many rent from the council (17%), from a private landlord (14%) or from a housing association (6%).
- The majority (51%) of those who responded work full time, with 14% also working part-time and 18% wholly retired from work. Only 1% (8) of the respondents are in full-time education.

Quantitative survey results:

The following section of the report breaks down the quantitative survey responses by question. Supplementary commentary is only presented alongside the graphs to draw out trends where this provides additional value to the figures provided.

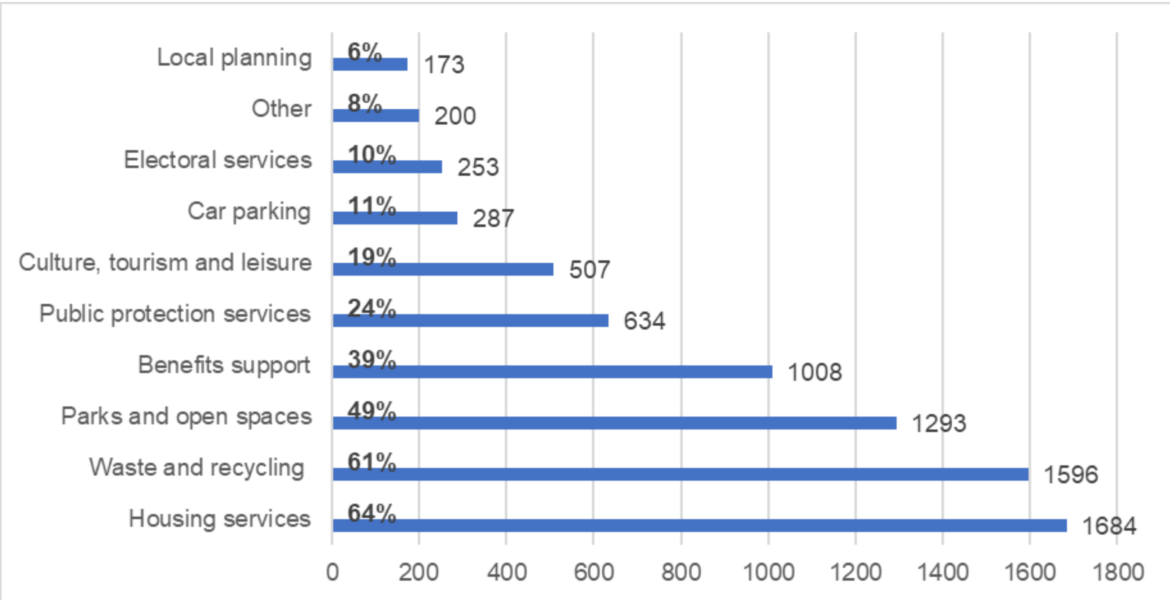
To note, percentages will not add up to 100 where respondents are asked to provide their top three choices (Q2, Q5, Q6 and Q11).

Q1. Looking at the above themes and examples of what they do, to what extent to do you agree with our approach to help us bridge our budget gap?

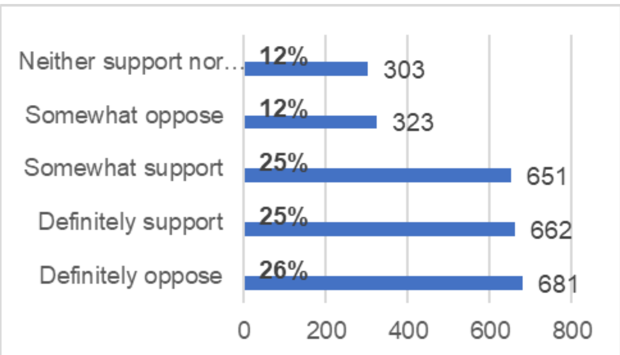


A strong majority of respondents support the council's approach to bridging its budget gap. 64% of respondents somewhat/definitely agree and 19% of respondents somewhat/definitely disagree.

Q2. Please take a look at some of the core council services we provide and choose the top three that you value most.



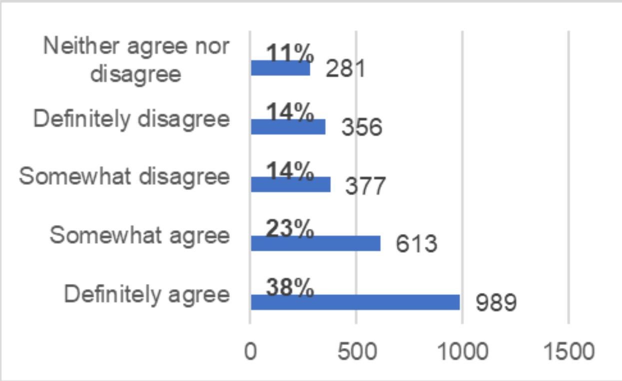
Q3. To what extent do you support the council increasing its share of council tax by up to 3 per cent in 2023-24 to help towards paying for council services?



The majority of respondents support the council increasing its share of council tax by up to 3 per cent:

- 50% of residents either strongly support or somewhat support
- 38% of residents either strongly oppose or somewhat oppose

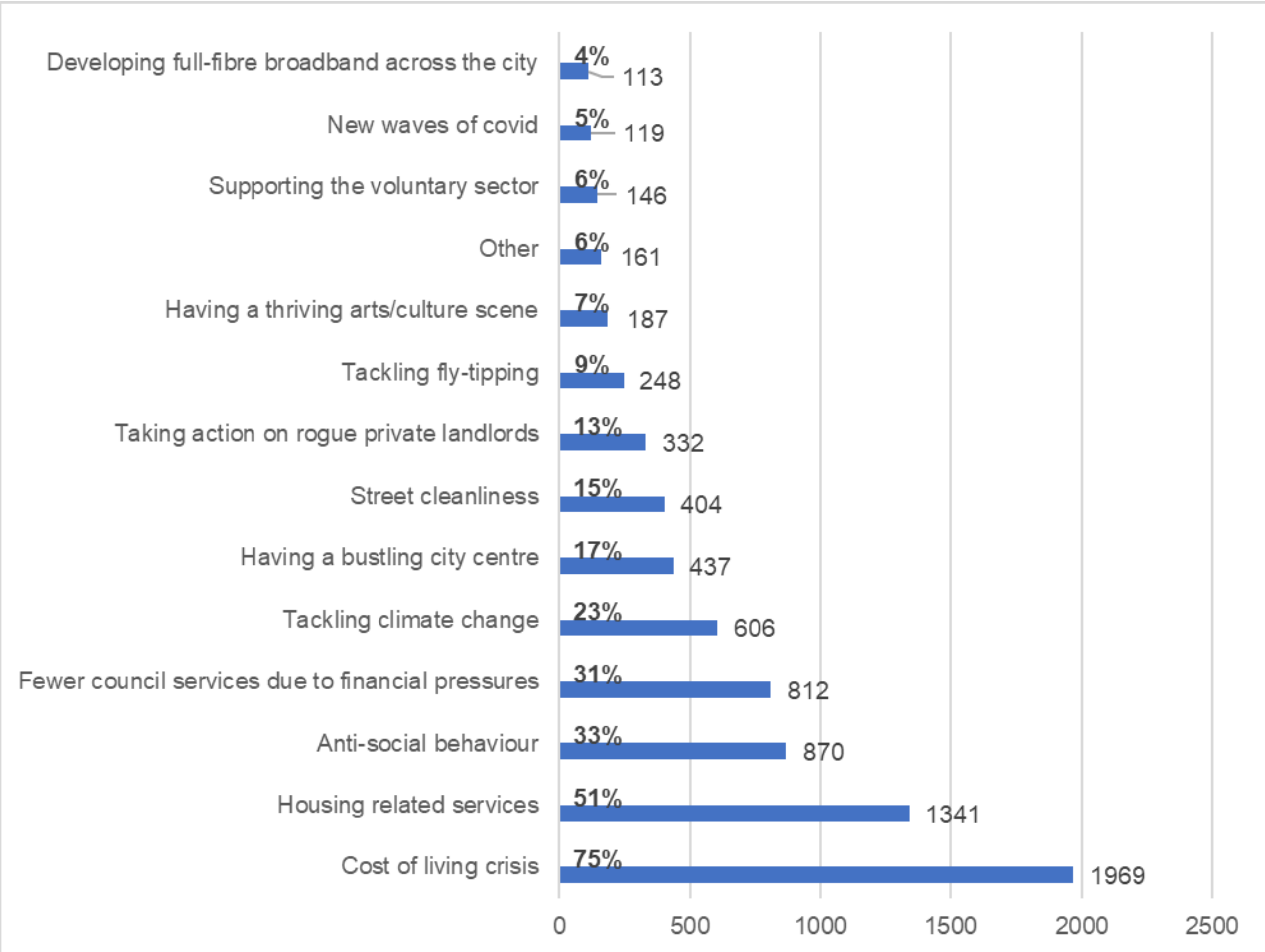
Q4. To what extent do you agree with providing up to 100 per cent to those who qualify for the Council Tax Reduction Scheme?



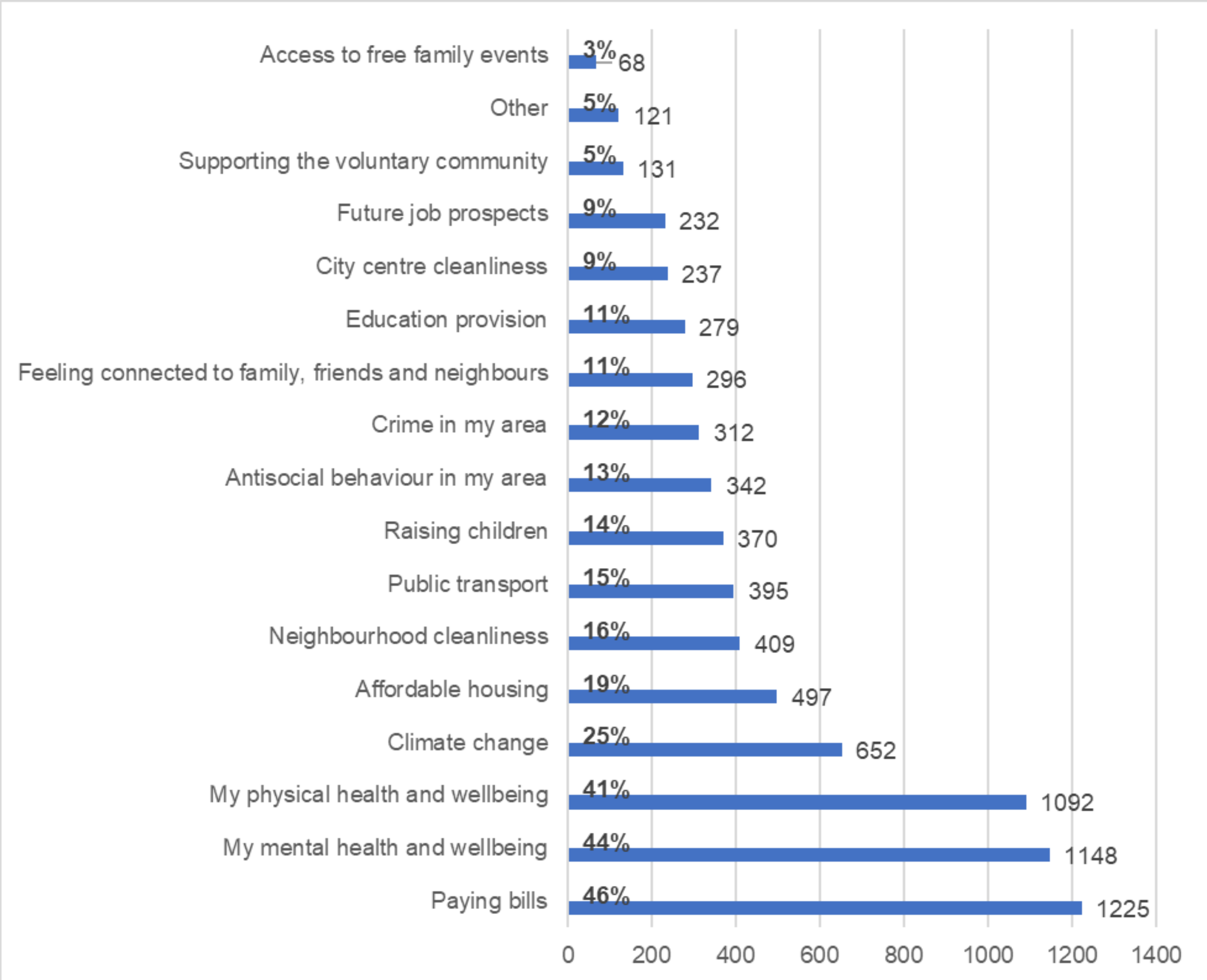
A strong majority of respondents ***support*** the council retaining its scheme to provide up to 100 per cent council tax relief to those on low incomes.

- 61% of residents either strongly agree or somewhat agree
- 28% of residents either strongly disagree or somewhat disagree

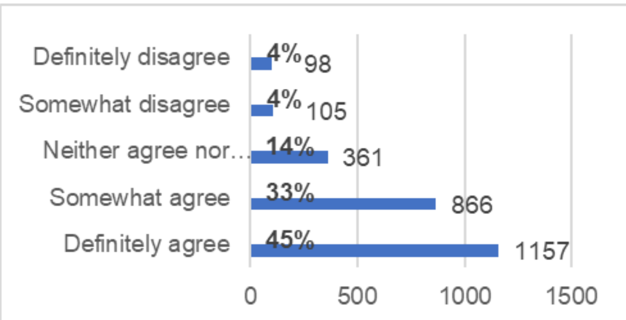
Q5. What do you think will be the three most important issues facing Norwich in the next year?



Q6. Which three things are the most important to you at the moment?



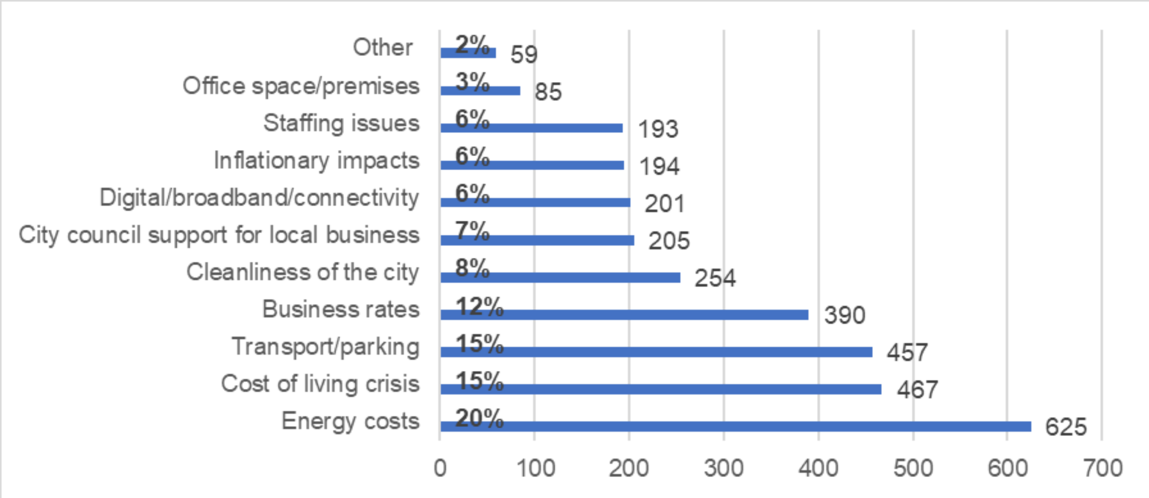
Q8. To what extent to do you agree that we should continue to review our assets by assessing which ones to sell or finding ways of generating additional income from letting out our assets?



A strong majority of residents **support** the council's approach to asset management:

- 78% of residents strongly/somewhat agree
- Only 8% of residents strongly/somewhat disagree

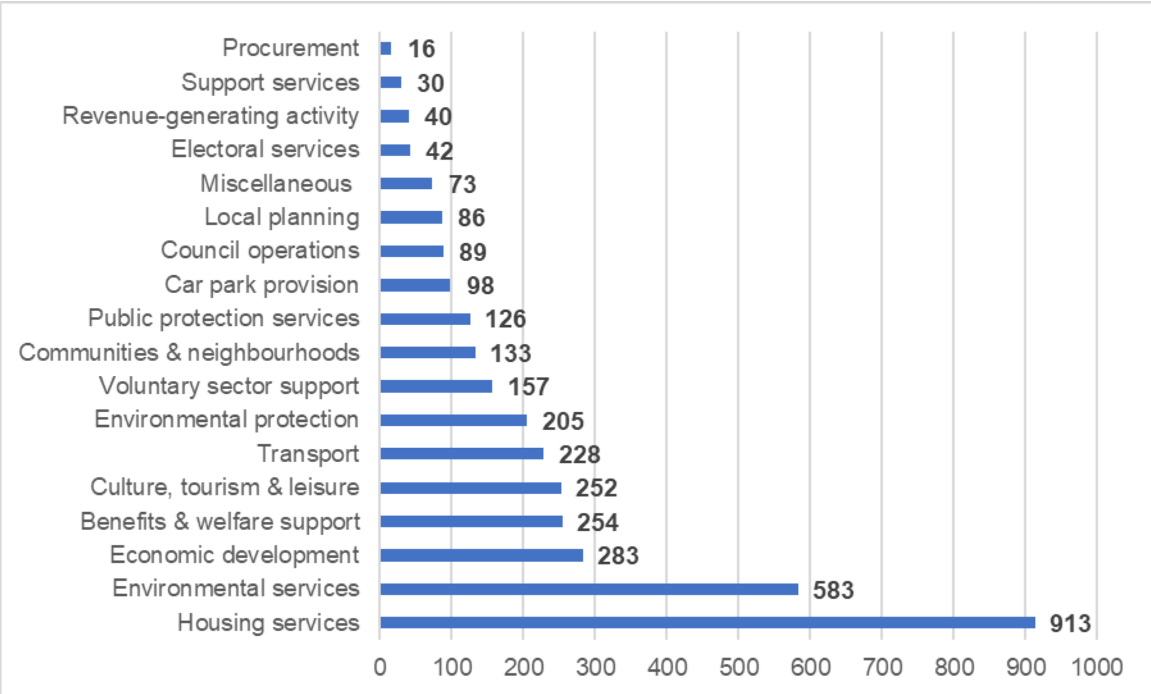
Q11. If you own or run a business in Norwich what are three things that most concern you from a business perspective?



Qualitative survey results

Q7. With these key aims and services in mind, if you had £1m to invest in Norwich, what would your spending priorities be?

Question 7 provided an open-ended text box for residents to provide additional detail in response to the above question. Out of the 2121 responses received, 2072 of these provided additional comments. Resident responses have been grouped into the below key themes are shown in the graph below. To note, comments often touched upon various themes, so the percentages for each theme will not equate to 100. Further analysis and example comments are provided for the top themes.



44% (913) of responses focused on **housing services**, including increasing and improving council housing stock as well as promoting the development of affordable housing through planning policies. Comments included:

- *“Ensuring housing can deliver the service required to residents through support to sustain tenancies and providing high quality repairs and maintenance”*
- *“Social rent housing and quality temporary accommodation stock would save money going forward on hotels and bed and breakfasts”*
- *“Providing accessible, safe, long-term housing for the homeless and other vulnerable or low-income communities”*
- *“Building quality homes like the ones at Goldsmith Street and Trinity Gardens in Bowthorpe”*
- *“Housing is the most important to city, keeping in mind many can’t and won’t be able to pay for the high price of private houses rent”*
- *“Housing services, the number of people homeless and insecure tenancies needs to be addressed”*

28% (583) of comments mentioned investing in **environmental services** such as waste collections and recycling. The comments below reflect the wider tone of responses captured by this theme:

- *“Make the streets cleaner, over the last 12 months the bins are overflowing with rubbish”*
- *“Keeping streets and parks clean from litter, to protect wildlife and make them safe places for children and adults. Recycling is very important and something that is done well here in Norwich I think. Our parks and open spaces are lovely, make Norwich special, and we should carry on investing in making them wildlife friendly and nice places for everyone to be in”*
- *“More recycling bin options and collections including food waste”*

The maintenance of green spaces featured as a prominent response type within this theme. Many residents highlighted their importance in providing free leisure options for families with children, as well as the mental and physical health benefits of being outside in nature. A selection of these comments included:

- *“Norwich is outstandingly attractive and these green spaces help inhabitants enjoy a good quality of life with no charge at the point of use. Good for fitness and mental health support.”*
- *“Keeping parks and such areas clean and inviting. Everyone needs somewhere cheap and safe for their days out at the moment and places to entertain children when money is tight. People need open safe spaces to walk and breathe and escape for while”*

14% (283) of responses focused on **economic development**. This theme captured comments including supporting local business, job creation, regeneration projects, workforce upskilling and attracting inward investment. A selection of these comments are detailed below:

- *“Creating more jobs or more assistance/opportunities for people to find work”*
- *Supporting local, independent businesses, especially when redevelopment of areas is being considered (e.g. Anglia Square)”*

- *“Building the economy to attract inward investment, through new businesses, new employment opportunities, and new shops/attractions so that the council tax base is funded more through commercial activities than residents”*

A subsection of comments within this theme put forward ideas for the city centre to be redeveloped with a view to providing a space for community engagement and leisure, as opposed to being predominantly geared towards retail.

12% (254) of responses focused on providing **benefits and welfare support**. As demonstrated by the data from questions 5 and 6, the cost of living crisis and the ability to pay bills are regarded as the most important issues affecting the city and its residents. Comments included:

- *“The cost of living crisis is the most immediate pressure and difficulty facing Norwich residents, so I would invest most of the money in supporting the most vulnerable through housing services and benefits”*
- *“Council Tax Benefit as cost of living has increased and people are struggling”*
- *“Investing in early intervention support to prevent people getting into debt or more serious problems”*

A subsection of comments within this theme also touched upon improving benefits administration with regards to means testing, as well as expanding benefits eligibility criteria to account for low-middle earners. Comments included:

- *“Ensure council tax benefits are appropriate- not everyone in a certain ‘group’ needs the same benefits or reductions”*
- *“Support for middle earners who are above threshold help and don’t earn enough”*
- *“Investigating benefit fraud”*
- *“Council tax should be means tested. It would be well worth surveying communities as to income of households so that council tax could be implemented on a sliding scale. Those on the highest incomes would be taxed the most. A blanket rise in each tax band will annoy those on low incomes when wages have not risen in line with inflation”*

12% (252) of responses mentioned investing in **culture, tourism and leisure** including council-run events, with the vast majority of these highlighting their place-making value and importance in promoting a sense of community. Comments included:

- *“The more you can invest in tourism the more money will be spent in the city and more money will be able to be spent on the above services”*
- *“Promotion of our city to encourage both tourism and people moving to our city. Both will increase revenues for the city, businesses and make our city even more desirable. Yes, it’s an expenditure but one that will be recouped many times over. Let’s make Norwich a destination”*
- *“Retaining the amazing feeling of civic pride the council has created via events such as art trails, Christmas lights etc”*

With the budget shortfall in mind, it is worth noting that a small minority of responses within this theme opposed council budgets being used to fund these services instead of funding core, statutory services.

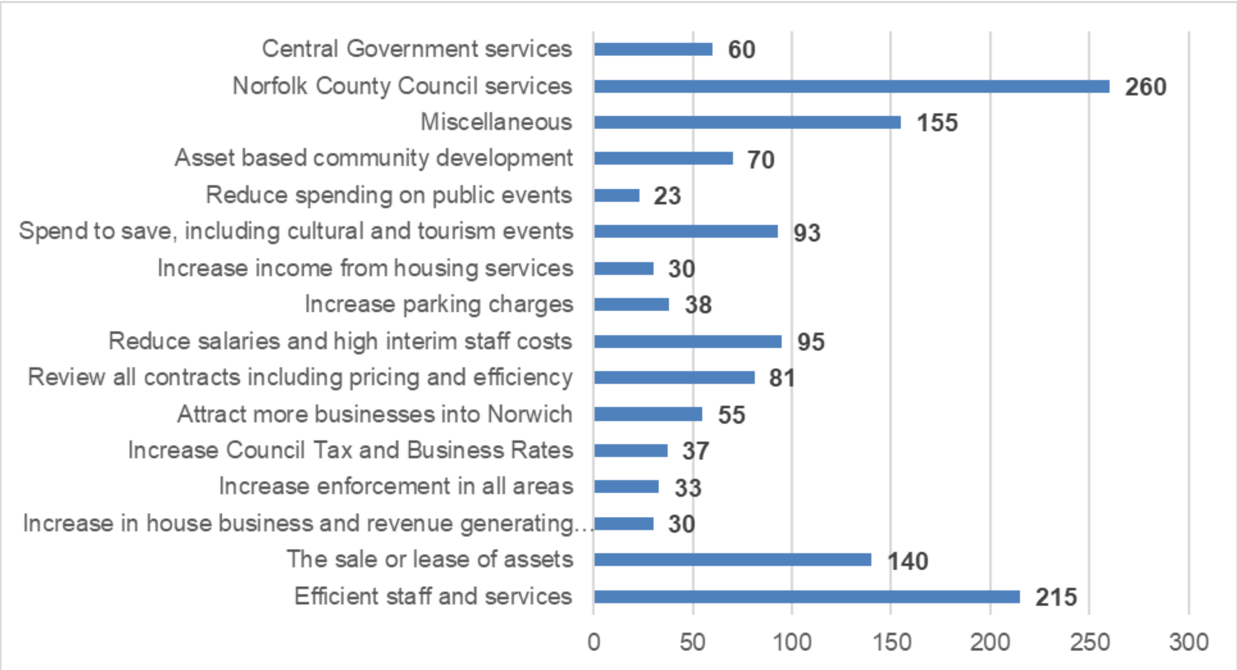
11% (228) of the survey responses focused on **transport** investments. Although Norfolk County Council is predominantly responsible for this, Norwich City Council has a role in influencing plans and policies for local transport and associated infrastructure through partnerships such as Transport for Norwich.

A significant proportion of comments within this theme supported initiatives to pedestrianise the city and prioritise greener forms of travel such as cycling and walking over car access to the city. However, recent road closures, increased traffic congestion and reduced public transport services were highlighted as negatively impacting respondents' access to the city centre.

10% (205) of the consultation responses focused on **environmental protection** across a broad range of issues such as sustainability, carbon reduction, and biodiversity. A subsection of comments within this theme specifically highlighted investing in initiatives to improve the energy efficiency of the city's housing stock as a means of reducing cost of living pressures for residents.

Q9. Do you have any other ideas about how we can balance our budget by doing things differently, finding additional ways to bring in more money or make savings?

Question 9 provided respondents with the opportunity to express their own ideas about how Norwich City Council might balance its budget via an open text box. Out of the 1509 responses received, 963 provided additional comments in response to question 9. These responses have been grouped into key themes to facilitate effective analysis, as shown in the graph below.



The following section provides an overview of responses across each of the above themes. To note, comments often touched upon various themes, so the percentages for each theme will not equate to 100. Further analysis and example comments are provided for the top themes.

27% (260) responses mentioned **Norfolk County Council services**. Comments included:

- *"Be more careful with money spent on road repairs"*
- *"Introduce a congestion charge"*
- *"Build a light railway network (similar to DLR) - this would reduce traffic congestion - it's impossible to travel outside of the city centre without a car - and earn ongoing revenue"*
- *"Invest in young people. Their education and their wellbeing - they have done nothing to deserve this misery you put them through"*

22% (215) of the responses mentioned **efficient services and council staff**. Comments included:

- *"Use technology to allow your teams to work more efficiently together rather than duplicating work"*
- *"Make sure jobs on council properties are done efficiently so no one has to have a job redone. Employ people who work properly and quickly so work is not dragged out costing more money"*
- *"Improve networking between departments therefore improve time constraints on projects"*
- *"Looking at efficiency in each department and eliminating duplication"*

15% (140) of the responses mentioned **the sale or lease of council assets**. Comments included:

- *"Enable more staff to work from home so office space can be sold off"*
- *"A better use of city hall, if less office space is needed these spaces could be used for other income generating or charitable purposes"*
- *"Let out rooms in city hall for other agencies to work in or for private functions"*
- *"Further rationalising the number of office buildings you own and renting out surplus space to other organisations"*

10% (95) of the responses mentioned **reducing salaries** and high interim staffing costs. Comments included:

- *"Have less high paid managers and red tape would be a good start*
- *"Less wastage on agency staff salaries"*
- *"Make temporary senior positions permanent and pay a fair salary. Too many senior management staff are receiving unrealistic wages. This money could be saved or put back into services by employing more officers for teams that are short staffed"*
- *"Look at staff costs and aim to reduce these and get people back into city hall to increase their spending in local services"*

10% (93) of the responses mentioned **spending to save** including cultural and tourism events. Comments included:

- *“Solar farms on council properties to generate income”*
- *“Make more of opportunities to bring more cultural investment to the city by collaborating with educational & cultural institutions”*
- *“Leverage the incredible tourist potential of our medieval city”*
- *“Increase city events. Make more revenue from tourism”*

Q10. Do you have any other ideas about which capital expenditure projects would make a difference to our residents or businesses?

Question 10 provided respondents the opportunity to express their own ideas about possible capital expenditure projects that would make a difference to residents and businesses across the city. Out of the 986 responses received, 818 provided additional comments.

The findings from this data conclude that the majority of responses did not directly relate to capital expenditure projects. Instead, responses put forward suggestions that included broad themes related to the sale/use of assets, cutting services and reducing spending on all services that are non-statutory.

3. HOUSING REVENUE ACCOUNT 2023/24 BUDGET

The HRA Business Plan

3.1 The HRA 30-year Business Plan is reviewed each year to reflect the updated budget and any known material changes. Whilst there is no longer a legal requirement to produce a HRA Business Plan, it is recognised as good practice, in particular for local authorities with development programmes where the need to understand the impact of investment costs, and borrowing capacity need to be evidenced.

3.2 The Business Plan is based on various data sets, which includes stock condition data and rental income streams, investment plans and a set of financial assumptions e.g., inflation and loan costs. The Business Plan is a key planning tool, and acts as an early warning system to indicate the overall viability of managing, investing, and developing the Council's housing stock.

3.3 The plan has regard to existing priorities regarding investment in existing stock, development of new stock, the estate environment, and the housing management service, as well as our need to respond to the emerging issues arising from the cost-of-living crisis, addressing health and safety compliance issues, and the new investment challenges arising from building safety legislation and climate change targets, including retrofitting our homes.

3.4 This year we undertook a comprehensive review of the whole model which underpins the HRA Business Plan, using a new model and rebased our understanding of our stock, the operating environment, and key aspirations of the council. The rationale for updating the model relates to:

i. Significant change in the operating environment since the last model was developed (e.g. rent standard)

ii. Need to respond to emerging investment requirements (e.g. health and safety and carbon reduction)

iii. General good practice, bringing in expert support to create a new base line.

3.5 The new HRA Business Plan confirms that the income, investment, and expenditure the Council has assumed and planned for is sustainable over the 30-year term.

Introduction

3.6 The city council owns, lets, and manages approximately 14,500 homes across the city, and provides services to approximately 3,500 leaseholders who own homes within its buildings. The money that tenants pay in rent, coupled with income from a small number of commercial assets, goes into the 'ring fenced' Housing Revenue Account (HRA). It is this money, alongside receipts for sold properties, any grants received and borrowing that pays for services to our tenants, building new homes and the repair and improvement of tenant's homes.

3.7 We continue to see an increase in demand for the services we provide to support our most vulnerable tenants, which has been compounded by the emerging cost of living crisis and following significant price hikes in utility costs along with rising inflation and interest rates. These factors combine to increase pressure both on the housing service and the demand for affordable housing.

3.8 We have also been addressing historic performance issues relating to health and safety compliance in our homes, where we have seen significant improvement on our journey to full compliance over the course of 2021-23. The work we are doing is identifying areas where further investment is required, which need to be addressed to protect our tenants. This work is timely with the implementation of the Building Safety Act 2022, legislation which has both increased and defined the responsibilities of landlords.

3.9 We continue to face the challenge of funding improvements to our council homes in line with our zero carbon ambitions. We will implement the Social Housing Regulation Bill which sets out a Charter for social housing tenants and outlines plans for the strengthened Regulator for Social Housing and their consumer regulation, a strengthened Housing Ombudsman to speed up complaints resolution, and future sector wide reporting against tenant satisfaction measures.

3.10 The current HRA Strategy 'Fit for the Future' describes our four primary goals:

- Meeting Housing need - Delivering new homes
- Maintaining and improving condition of existing housing
- Improving the use and management of our existing stock
- Improving our neighbourhoods

3.11 The HRA budget 2023/24 reflects and underpins the priorities we have set to meet our ambitions and the challenges ahead.

Delivering new homes

3.12 The council works in partnership with registered providers, charities and developers, including its own wholly owned housing company, to increase the supply of council and housing association homes. Over the next 5 years, approximately 220 new homes are planned to be built on small and medium sized sites, including at Mile Cross, Argyle Street and Three Score.

Maintaining and improving condition of existing housing

3.13 Next year, it is proposed to spend £16.674m on repairing and maintaining our tenants' homes. Significant improvement to these services is required and the Council has been clear about its ambition for Norwich City Services Ltd to deliver an excellent, value for money service to tenants. To that end an improvement plan is being implemented seeking to start the improvement journey before the end of the current financial year. In 2023/24 it is planned to develop a new approach to deliver a stronger, more responsive, and efficient service for our tenants. This new service will be implemented and improved over a three-year period up to 2025.

3.14 Stock condition surveys of our homes form the basis of our 30-year investment plan and capital improvement program. The work which is planned to maintain and improve our existing homes is based on meeting the 'Norwich Standard.' The national Decent Homes standard is currently under review, and we will in turn review our own 'Norwich Standard' in light of these changes, to ensure we are compliant with legislative requirements and meet the needs of our tenants.

3.15 Our major works investment program proposes investment of £22.045m over the next 12 months, details of which are set out Section 4 of the report. We are developing a medium-term five-year investment plan which would smooth delivery, maximise efficiency and improve value for money.

Improving our neighbourhoods

3.16 Our ambition is for all our neighbourhoods to be clean, feel safe to live in and have facilities and activities that provide for the community. We know that there are some neighbourhoods where we need to improve standards. To this end we have developed a housing management strategy which will guide the development of our services, with the aim of improving their neighbourhoods.

3.17 This year we will continue to invest £0.750m in our programme of estate improvement works. We will set a robust performance framework to drive improvements and tenants' satisfaction.

3.18 We have drafted a new community safety strategy and have reviewed our anti-social behaviour services to complement our ongoing programmes to improve community safety and deter crime.

Improving the use and management of our existing housing

3.19 Overall demand for housing, the services we provide, and the support required to sustain and retain tenancies is increasing. We will collaborate with tenants to guide our development of a new delivery model for the housing service in 2023/24, which takes advantage of the new housing management software, NEC. To support this, and in response to the Social Housing Regulation Bill White Paper, we will develop a tenant engagement strategy which sets out a wide range of opportunities for our tenants to be involved in the management of their homes and the shaping of their services.

3.20 This fresh approach, will seek to provide a better service through early intervention, delivering the right level of support for our tenants, at the right time. We will bring services and partners together where appropriate to improve services for tenants. This will be supported by our new housing and estates management strategy.

3.21 We will also implement a new asset management strategy, in which capital investment and revenue spending programmes take account of the age and condition of our homes, the future needs of the tenants of Norwich, and the need to respond to new agendas such as climate change. Options to consider will be to remodel existing homes and buildings, and/or redevelop some properties to improve suitability and condition. We will continue to invest £1.900m in services which deliver disabled adaptations

Financial Background and Budget

3.22 The Housing Revenue Account (HRA) was established by the Local Government and Housing Act 1989 as a ring-fenced account separate to the general fund and contains income and expenditure related to the ownership and management of the council's social housing stock.

3.23 Prior to 2012/13, the HRA was funded at a national level through the housing subsidy regime. Since then, it has been run on a self-financing basis i.e. all revenue and capital expenditure needs to be funded from the rents and service charges paid by tenants or funded by housing benefit.

Forecast 2022/23 Outturn

3.24 The latest position on the Housing Revenue Account (HRA), as at quarter 3, shows a forecast underspend of £3.376m.

Proposed 2023/24 Revenue Budget

3.25 The budget proposes revenue expenditure of £71.540m and income of £77.070m, generating a surplus of £5.530m, as shown in appendix 3 (A). It is proposed to utilise this surplus along with a further £1.210m of HRA reserves to make a revenue contribution of £6.740m towards the funding of the 2023/24 HRA capital programme.

Chart 3.1: 2023/24 HRA gross revenue expenditure budget

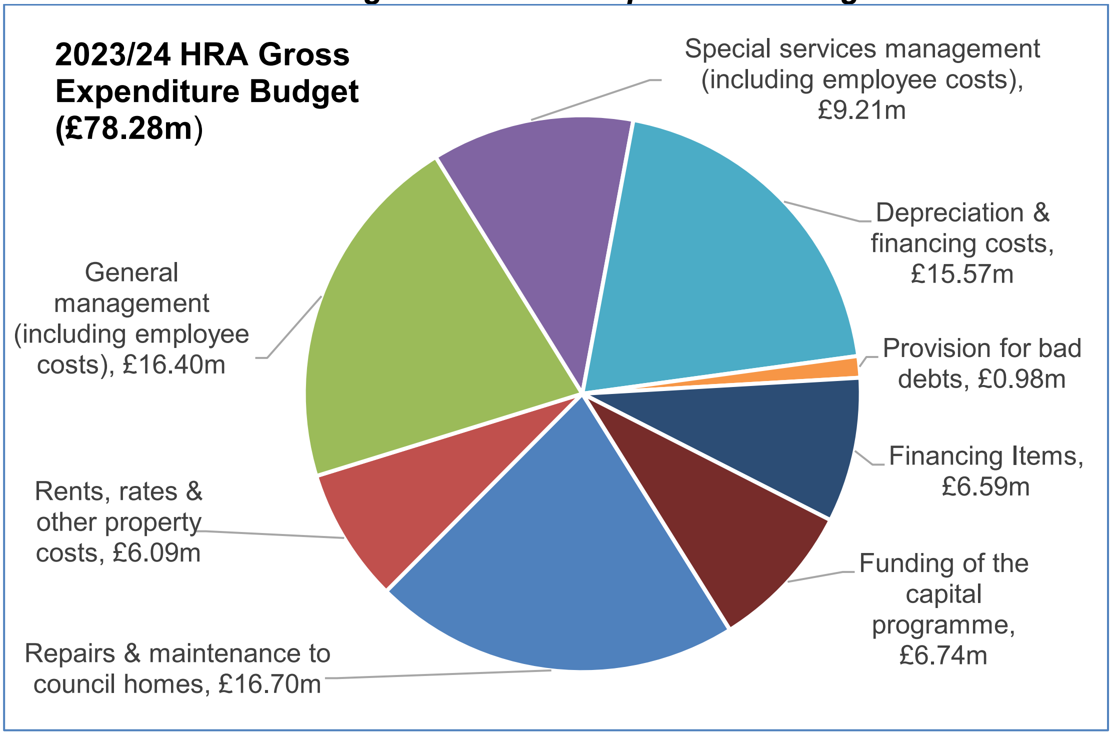
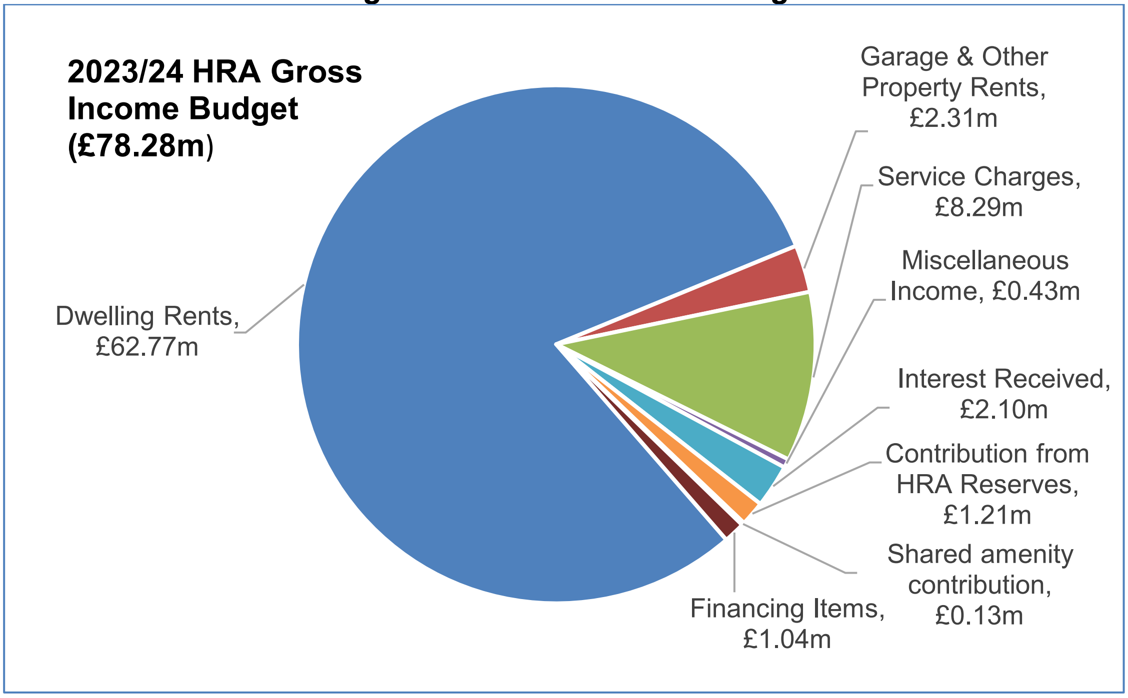


Chart 3.2: 2023/24 HRA gross revenue income budget



HRA Business Plan

3.26 The longer-term financial strategy for the HRA is based upon a 30-year business plan, which models the revenue costs of intended capital investment alongside other forecasts of revenue expenditure and income to determine the resultant surplus or deficit over the life of the plan and the resources required to implement the HRA Strategy.

3.27 The longer-term perspective is crucial to ensure that the service and its primary assets, the housing stock, are fit for purpose and that intended investments in the stock are affordable and sustainable for the whole plan.

3.28 The business plan relies upon a combination of known and assumed economic factors and government announcements to generate a financial forecast. The key assumptions within the business plan are summarised in the paragraphs that follow.

3.29 The current HRA business plan was approved by Cabinet on 14th December 2022 subject to approval of the 2023/24 HRA budget at Council in February 2023.

Council housing rents, garage rents, and service charges

3.30 Historically, the level at which council housing rents were set was decided by the Council in line with guidance set out by the government and information provided by the HRA Business Plan. However, in 2016/17 the rent policy was replaced by a government enforced minimum 1% reduction in rent for a four-year period until March 2020, as set out in the Welfare Reform and Work Act 2016. The impact of this over a 60-year period was an estimated loss of over £200m in rental income.

3.31 From 2020/21, the enforced 1% rent reduction ended and the Secretary of State issued the Direction on the Rent Standard 2019 which from April 2020 enabled authorities to increase rent annually by up to CPI (Consumer Price Index) as at the preceding September plus 1%.

3.32 In September 2022, CPI was 10.1%, which in accordance with the Direction on the Rent Standard 2019, would have resulted in a rent increase of 11.1%. However, following a consultation, the government implemented a cap of 7% on all social housing rent increases for 2023/24.

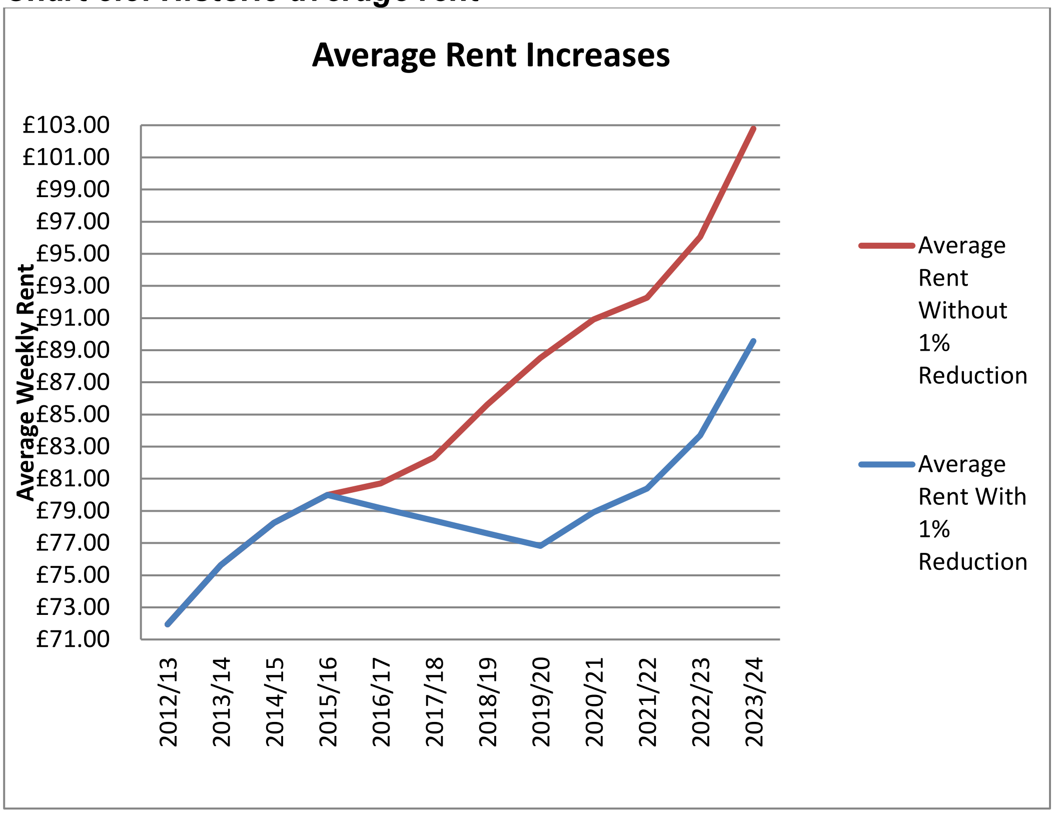
3.33 A dwelling rent increase for 2023/24 of 7% would generate an average weekly rent increase of £5.85 for Norwich social housing tenants (excluding larger dwellings leased to care agencies). The table below shows the minimum and maximum rent increases at 7%.

Table 3.1: Proposed dwelling rent increase 2023/24

Item	Average £	Maximum £	Minimum £
Rent 2022/23	83.63	129.99	59.58
Capped Increase (7%)	5.85	9.10	4.17
Proposed Rent 2023/24	89.49	139.09	63.75

3.34 The impact of the four-year rent reduction is shown in the chart below, which plots the actual average rent against the calculated average rent had a rent reduction not been enforced.

Chart 3.3: Historic average rent



3.35 The impact of not applying a rent increase over the 30-year business plan period is shown in the table below. Alternative rent increases have also been reviewed along with the forecast impact on HRA borrowing over varying terms.

Table 3.2: Impact of rent increase 2023/24

Rent Increase	Average increase	Resulting Loss of Rental Income over period
		30 Years
Capped 7%	£5.85	-
No increase	£0.00	£72m

3.36 Tenant Involvement Panel representatives were consulted over the proposed 7% increase on 18th January 2023. The impact on both tenants and the long-term viability of the HRA was discussed at length, with concerns raised regarding the effect of an increase on those struggling financially in the current climate. However, the panel recognised that increases are inevitable if the level of investment in existing and new homes is to be maintained alongside the decarbonisation programme, and endorsed the proposed rent increase of 7.0% in line with the government rent cap.

3.37 For 2023/24 it is proposed to increase garage rents by 10.1%, based on CPI in September 2022.

3.38 In accordance with the constitution, levels of tenants' service charges will be determined by officers under delegated powers, in consultation with the portfolio holder and after engagement with tenant representatives.

3.39 The void turnaround (period during which a property is unoccupied) has increased to 59 days. This is due to a backlog of 147 voids which have arisen as part of the transfer of services from Norse to NCSL on 1st April 2022. In the first quarter of this financial year two additional contractors were appointed to undertake this work, and it is anticipated that this work will be completed by the end of the financial year. A dip in performance was anticipated in this area of activity due to the historic nature and scale of works required to these properties.

3.40 The current budget provision is calculated on a void rate of 1.42%, which equates to rental income loss for void periods of £0.904m for 2023/24.

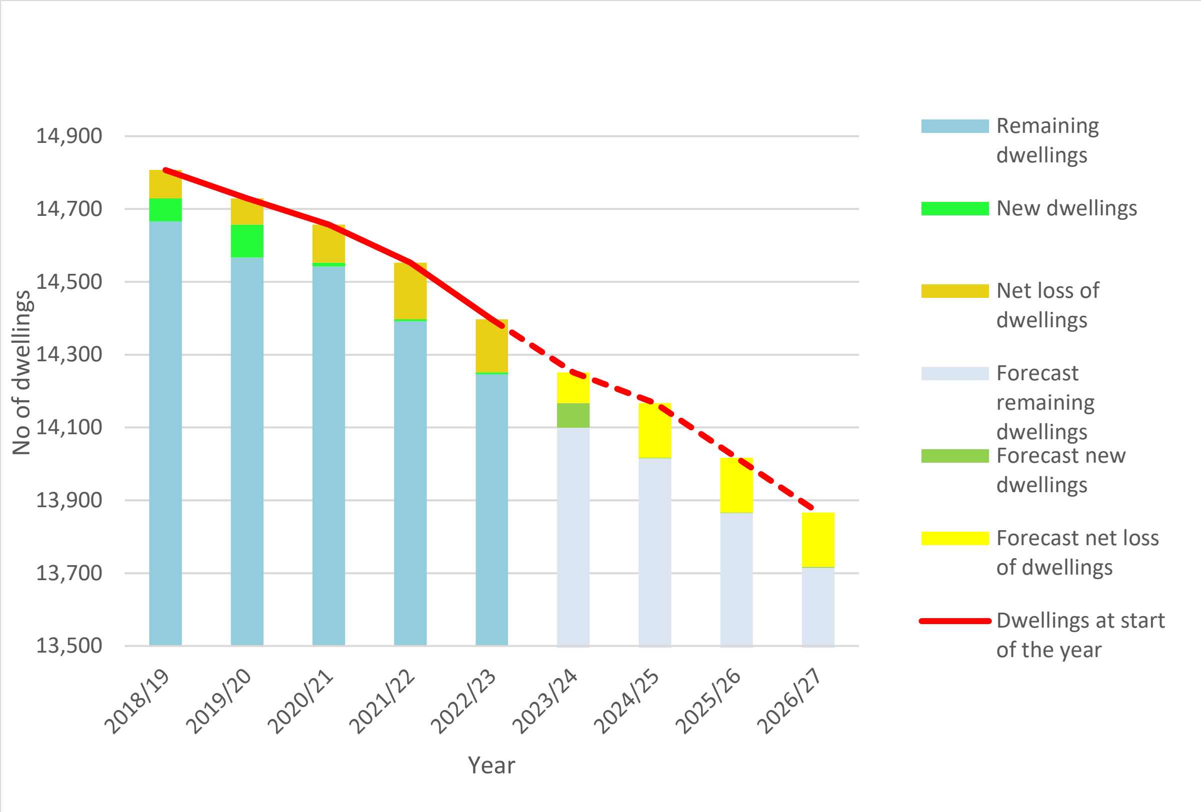
Council dwelling stock levels

3.41 Following a reduction in 2020/21, the number of Right-to-Buy purchases of HRA dwellings increased significantly in 2021/22 and continued to remain high in 2022/23. This is reflected in the business plan, with future losses estimated at 140 each year throughout the plan.

3.42 Over the past five years, 752 homes have been lost from social rent. Whilst the council is ambitious in its plans to build new social housing to meet local need, these are at risk of being subject to Right to Buy.

3.43 Chart 3.4 below sets out the movement in the level of council housing stock over the past five years along with a forward projection over the next five years. Further detail is provided in Appendix 3 (B).

Chart 3.4: HRA dwelling stock movements



Capital expenditure plans

3.44 The HRA business plan includes expenditure arising from the proposed HRA capital budget as set out in section 4 of this report.

3.45 The proposed HRA capital programme is based upon the HRA Strategy which contains the following neighbourhood housing primary goals:

- Delivering new homes
- Maintaining and improving condition of existing housing
- Improving the use and management of our existing housing stock
- Improving our neighbourhoods.

Capital financing plans

3.46 Following the abolition of the HRA borrowing cap in 2018, the council can determine how much it will borrow to fund capital expenditure, as long as it can demonstrate that the borrowing is affordable, prudent and sustainable as required by CIPFA's Prudential Code. The council does this for general fund capital expenditure by agreeing and monitoring a number of prudential indicators. These indicators now include the HRA and these are included in the Treasury Management Strategy 2023/24 which is included as section 5.

3.47 The decision to remove the borrowing cap gives the council more flexibility to invest in the existing housing stock and to increase its holdings. Future investment will be guided by the housing strategy

3.48 How an individual capital scheme is funded will depend on the prevailing financial circumstances and the nature of the scheme (e.g. new build or enhancement of an existing asset). In practice, there are seven key funding sources which the council uses in the following priority order (more information is given on capital financing strategy in Appendix 4 (C):

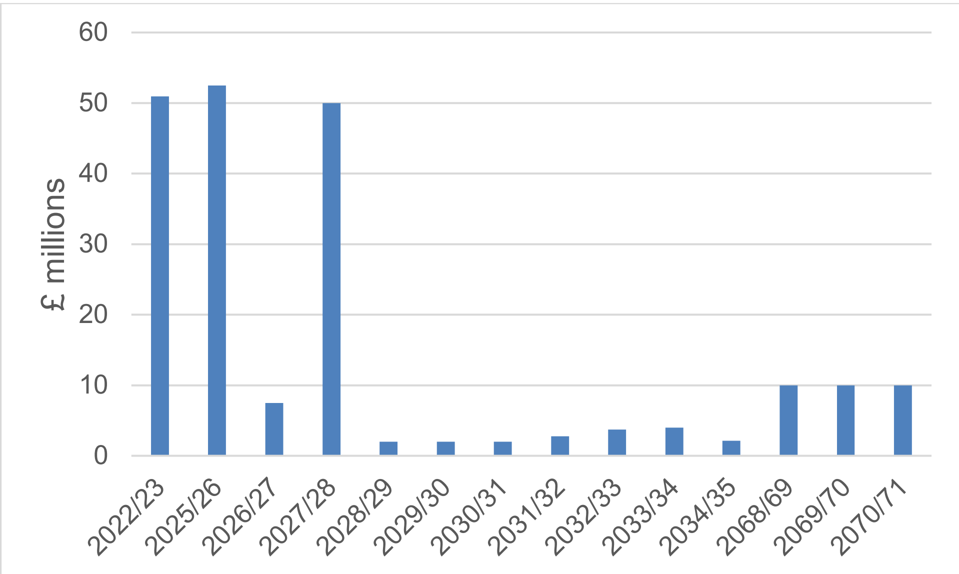
1. Right-to-Buy Retained ‘One for One’ capital receipts.
2. Capital Grants
3. Major Repairs Reserve
4. General HRA capital receipts
5. General reserves
6. Revenue budget contributions
7. Borrowing

3.49 The current HRA Capital Financing Requirement (the underlying need to borrow) is £208.533m. The most recent HRA external borrowing of £30m was taken in advance to support the refinancing in 2022/23 of an existing loan of £49m which itself formed part of the £149m loan undertaken to fund the HRA self-financing settlement when the HRA subsidy system was abolished.

3.50 HRA assets are currently valued at £827.029m (31 March 2022), against a borrowing requirement of £208.533m (31 March 2022), equates to a loan-to-value gearing of 25.215%. This is lower than the national average gearing for local authorities of 28% and the national average for registered providers which is in excess of 60%.

3.51 Chart 3.5 sets out the redemption dates and values of current HRA external borrowing. The most recent borrowing is represented by loans totalling approximately £179m from the Public Works Loans Board (PWLB), whilst all other loans shown is historic borrowing which will be repaid within 13 years.

Chart 3.5: Existing HRA external borrowing



3.52 The 2023/24 HRA capital budget proposed in section 4 of this report does not require any new borrowing, although it is anticipated that to deliver significant levels of new social housing, additional borrowing will be required in future years.

HRA Reserves Position

3.53 The proposed budget will impact on the HRA balance as follows:

Table 3.3: Estimated HRA reserves position

Item	£000
Brought Forward from 2021/22	(51,373)
Budgeted utilisation of balances in 2022/23	6,096
Adjustment to forecast utilisation of balances in 2022/23	(147)
Forecast HRA underspend 2022/23	(3,376)
Carried Forward to 2023/24	**(48,800)**
Proposed utilisation of balances in 2023/24	1,210
Carried Forward to 2024/25	**(47,590)**

3.54 The level of general reserves is forecast to slightly reduce in 2023/24, but this is due to the council's planned investment in new social housing during the year. The estimated reserves to carry forward into 2024/25 remain substantial (£47.590m) which not only provides a flexible funding resource for the HRA, but also ensures the financial resilience of the account, and provides the council with options for service delivery and the funding of future capital expenditure whilst managing overall debt.

3.55 It is proposed that the prudent minimum level set for the HRA reserve should remain unchanged for 2023/24 as set out in Table 3.4. Provision has been made for the risk of additional costs and risk arising from the impact of welfare reforms, the economy and jobs in the city. Further provision is also made for other potential risks and unforeseen events.

Table 3.4: Prudent minimum level of HRA reserves

Potential Financial Risk	£000
Calculated operational risk	1,348
Potential issues arising from welfare reform	500
Potential issues arising from economic issues	1,000
Potential interest costs relating to retained one for one receipts	1,000
Unforeseen events	2,000
Estimated required level of HRA reserves	**5,848**

Appendix 3 (A): 2022/23 proposed HRA budget by service

Division of Service	Original Budget 2022/23 £000	Proposed Budget 2023/24 £000	Change £000
Repairs & Maintenance	18,395	16,696	(1,699)
Rents, Rates, & Other Property Costs	6,336	6,092	(244)
General Management	16,813	16,401	(412)
Special Services (not provided to all tenants)	5,025	9,207	4,182
Depreciation & Impairment	23,176	22,164	(1,012)
Provision for Bad Debts	619	980	361
Gross HRA Expenditure	**70,364**	**71,540**	**1,176**
Dwelling Rents	(59,358)	(62,766)	(3,408)
Garage & Other Property Rents	(2,177)	(2,309)	(132)
Service Charges – General	(7,914)	(8,290)	(376)
Miscellaneous Income	(82)	(431)	(349)
Amenities shared by whole community	(254)	(130)	124
Interest Received	0	(2,104)	(2,104)
Adjustments & Financing Items	(827)	(1,041)	(214)
Gross HRA Income	**(70,610)**	**(77,070)**	**(6,460)**
Total Housing Revenue Account	**(246)**	**(5,530)**	**(5,284)**
Revenue contribution to capital	6,342	6,740	398
Contribution to/(from) HRA reserve	(6,096)	(1,210)	4,886
Total	**0**	**(0)**	**(0)**

Explanation of key variances:

- Repairs & maintenance costs have reduced by £1.699m due to the removal of 2022/23 short-term growth for the backlog of repairs and additional sub-contractor costs.
- Special Services cost have increased by £4.182m, primarily due to the increase in utility costs (gas £3.072m; electricity £1.172m)
- Depreciation & Impairment has reduced due to a reduction in the cost of borrowing as a result of significant self-financing borrowing being due for repayment in January 2023 (£0.738m) and an anticipated reduction in the depreciation charge (£0.287m).
- Dwelling rent income will increase as a result of a proposed 7% rent increase (£3.408m).
- Interest received has increased by £2.104m following substantial increases in the Bank of England interest rate during 2022/23 which is expected to continue into 2023/24.

Appendix 3 (B): HRA dwelling stock movements

Council dwellings	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27
No of dwellings at start of year	**14,987**	**14,807**	**14,729**	**14,657**	**14,553**	***14,397***	***14,251***	***14,167***	***14,017***	***13,867***
RTB sales in year	(187)	(138)	(156)	(112)	(159)	*(151)*	*(140)*	*(140)*	*(140)*	*(140)*
Non-RTB sales/leased in year	(7)	(3)	(6)	(3)	(2)	*0*	*(12)*	*(12)*	*(12)*	*(12)*
Dwellings demolished	0	0	0	0	0	*0*	*0*	*0*	*0*	*0*
Dwelling conversions	4	2	2	0	0	*0*	*0*	*0*	*0*	*0*
New build dwellings	10	61	87	0	0	*5*	*66*	*0*	*0*	*0*
Dwelling acquisitions	0	0	1	11	5	*0*	*2*	*2*	*2*	*2*

Shaded cells in italics denote forecast movements

4. CAPITAL AND COMMERCIAL STRATEGY

The wider context and capital investment objectives

4.1. Norwich City Council's Capital and Commercial Strategy provides a valuable opportunity for engagement with council to ensure that overall strategy, investment ambition, risk appetite and governance procedures are fully understood by all elected Members and other Council stakeholders.

4.2. It is also a requirement of the Investment Code and the Prudential Code that a commercial strategy exists to inform investments, which are not Treasury Management investments, but which include investing in assets, shares or loans to companies and third parties in support of its corporate priorities. The approach to commercial investments has changed significantly in recent times through changes to the prudential code and capital regulations.

4.3. The overall strategy sets out the council's programme and budget for capital investment over the next five years in support of all its capital expenditure items. It describes how the council will manage, finance, and allocate capital investment towards assets that will help to achieve the council's priorities, as well as its operational and statutory requirements.

4.4. It covers projects and programmes and investments financed through both the council's General Fund and Housing Revenue Account (HRA).

4.5. At the highest level the council's proposed Corporate Plan sets out the key aims that the council wishes to deliver, either itself or with other key partners, namely:

- Aim 1 - People live independently and well in a diverse and safe city.
- Aim 2 – Norwich is a sustainable and healthy city.
- Aim 3 – Norwich has the infrastructure and housing it needs to be a successful city.
- Aim 4 – The city has an inclusive economy in which residents have equal opportunity to flourish.
- Aim 5 – Norwich City Council is in good shape to serve the city.

4.6. There are however additional drivers or needs for capital expenditure. These comprise:

- Using assets to support the improvement of council services through the Future Shape Norwich programme. Asset investment in services can be designed to generate both new sustainable income streams as well as improving efficiency of service delivery and the reduction of costs.
- The need to maintain or improve the physical condition of existing assets as they deteriorate, are less "fit-for-purpose", or fail to comply with regulatory requirements. These considerations are part of the Council's asset management planning processes.

4.7. The council's investment objectives for capital expenditure are shown in table 4.1 along with specific projects, either within the capital budget or future projects, that will deliver these objectives.

4.8. The council holds some data regarding the condition of its HRA property although continues to undertake condition surveys on both its general fund and HRA assets which will enable it to prepare longer term capital plans in the future.

4.9. This strategy will continue to evolve, and the time period it covers lengthen, as the council learns more about the condition of its assets. It will be reviewed on an annual basis and officers will also keep under review good practice amongst other local authorities.

Commercial property investment

4.10. Whilst the council has held commercial property for decades, until recently it has been purchasing new property investments in line with its previous Commercial Property Investment Strategy and within the council's approved capital expenditure budget. Because of changes to the Treasury Management and Prudential Codes of practice, the Council will no longer be making new investments in commercial property primarily for yield where this would be funded by borrowing and the capital programme has been amended accordingly.

4.11. For those authorities utilising Public Works Loans Board (PWLB) borrowing the government now requires a high-level outline of their capital planning for the years ahead, categorising projects as service delivery, housing, regeneration, or the refinancing of existing debt, based on the S151 officer's assessment of which category is the best fit for the project. At the point of applying for a PWLB loan, applicants will be asked to confirm that this outline remains current, and that the authority does not intend to buy commercial assets primarily for yield.

4.12. However, the Code's statement that authorities 'must not borrow to invest for the primary purpose of financial return' is not intended to require the forced sale of existing commercial investments, whether commercial properties or financial investments. Selling these investments and using the proceeds to net down debt does, however, reduce treasury risks and is therefore an option which should be kept under review, especially if new long-term borrowing is being considered.

4.13. The Code requires that authorities which are net borrowers should review options for exiting their financial investments for commercial purposes in their annual treasury management or investment strategies. The options should include use of the sale proceeds to repay debt or reduce new borrowing requirements. Authorities should not take new borrowing if financial investments for commercial purposes can reasonably be realised, based on a financial appraisal which takes account of financial implications and risk reduction benefits.

4.14. This enables authorities to weigh the risk reduction benefits of sale against the loss of income and the current sale value of the investments; the code also makes it clear that where an authority has existing commercial properties, the requirement that an authority must not borrow to invest for the primary purpose of financial return, is not intended to prevent authorities from appropriate capital repair, renewal or updating of existing properties.

Setting aside net rental income into an earmarked reserve

4.15. The council has agreed to the establishment of a commercial property earmarked reserve. The reserve is held to help mitigate the financial risks of holding commercial property and can be used to fund any future void periods, the granting of rent-free periods to new tenants, and any landlord repairs.

4.16. In line with the existing commercial strategy, an amount equivalent to 20% of future new net rental income will be credited annually to a commercial property earmarked reserve, some of which may be supported by earmarked capital receipts. The amount of money in the reserve will be reviewed every year as part of the budget setting process and will consider the results of the annual portfolio review.

Capital Loans

4.17. The Council can borrow funds at preferential rates to fund capital expenditure from the PWLB. Once borrowed, current capital rules allow these funds to be used to make capital loans (onward lending) to other organisations including those that do not have access to PWLB loans.

4.18. In being a provider of capital finance, the Council is subject to statutory controls that restrict the loans that can be offered to avoid subsidy control (State Aid) issues. Specifically, the Council:

- Must lend funds at a rate that is competitive with market rates for similar loan products.
- Must not on-lend funds at a rate lower than its own average borrowing rate, even if such rates are subsequently competitive; and
- Must not use the loan to provide subsidy in other ways, e.g. full or partial discounts on fees or charges incurred for: deferred instalment repayments; late payment of instalments; and full or partial premature loan redemption.

4.19. Additionally, proposed changes to the Capital Financing Regulations have been consulted on which would require all capital expenditure, including capital loans and investment assets, to be subject to a Minimum Revenue Provision (MRP) charge. Currently NCC's MRP policy allows for no MRP to be charged to the revenue account where repayment of a capital loan is certain.

4.20. Although there have been no further announcements since the consultation closed, the proposed changes would have a material impact on future considerations relating to the provision of capital loans; the draft proposals indicated that no changes would be made prior to April 2023 and would not be applied retrospectively.

4.21. The council has a loan book of £8.012m with three borrowing organisations (as at 31 Dec 22): Norwich Regeneration Limited (£6.150m), Norwich City Services Limited (£1.740m) and the Norwich Preservation Trust (£0.082m).

4.22. In making loans the council is exposing itself to the risk that the borrower defaults on repayments. The council must therefore ensure that the loan is prudent and that the risk implications have been fully considered, both regarding the individual loan and the cumulative total of the loan book. The application of a charge on assets is a way of mitigating risk on external loans.

Norwich Regeneration Limited (NRL)

4.23. The NRL business plan for 2023-2030 was presented to Cabinet on 14th December 2022.

4.24. An expected credit loss model calculation is undertaken annually to measure the credit risk of the loan book and reported in the council's Statement of Accounts. This is a requirement of International Financial Reporting Standards.

4.25. At the end of 2021/22 there was an impairment of £1.87m on the council's loan to NRL. This was based on an assessment of how much of the current loan balance may not be recoverable from the company. The Council has established an earmarked reserve to cover the full cost of the impairment, which can be drawn down if the future business plan is not able to fully recover the investment to date.

NRL Business Model

4.26. Although specific details will vary for each development project undertaken by the company, and the detail of the proposals are commercially confidential, the basic business model proposed in the company's Business Plan can be described as follows:

- The council to purchase further shares in the company to meet capitalisation and subsidy control requirements. This requires that the company receives a reasonable amount of its funds from shareholders rather than all the funding being obtained from external borrowing.
- The company to develop housing that is planning policy compliant for affordable housing.
- The remainder of the housing to be a mix of private sector sales and homes for private sector rental.
- The company to borrow, at commercial interest rates and terms, from the council to fund the development of the private sector housing for rent and for sale.
- The company to repay the loan used to fund the development costs of the private sector homes for sale once those homes have been sold.

Chart 4.1: The proposed key drivers for capital investment

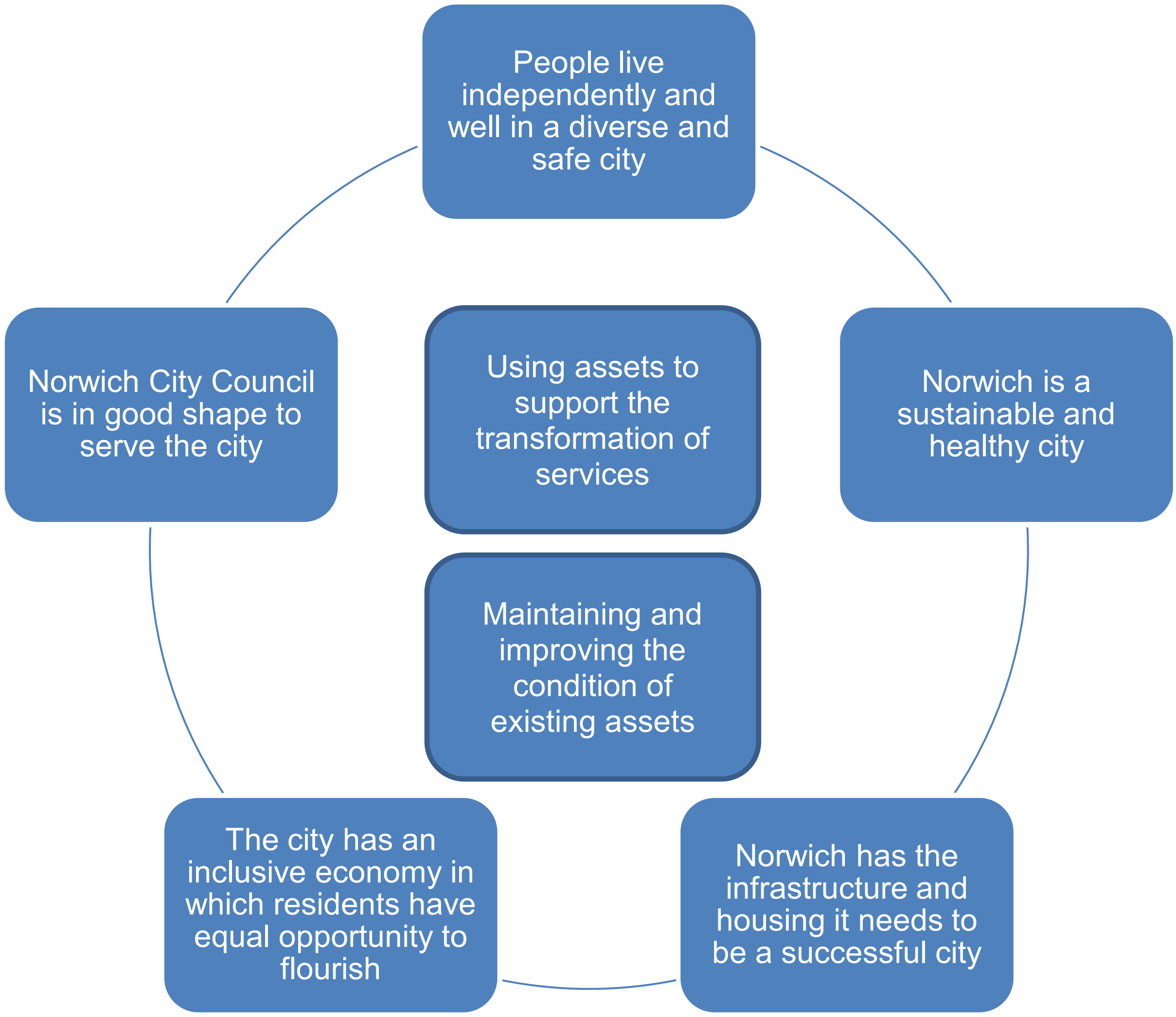


Table 4.1: The council's proposed capital investment objectives

People live independently and well in a diverse/ safe city	Norwich is a sustainable and healthy city	Norwich has the infrastructure and housing to be a successful city	The city has an inclusive economy which residents have equal opportunity to flourish	Norwich City Council is in good shape to serve the city
Capital expenditure plans can contribute to this corporate aim by: • Supporting people to feel safe and welcomed • Providing means for people to lead connected, fulfilling lives • Ensuring there is a range of cultural, leisure and social opportunities and activities for all • Comply with health & safety and other regulatory requirements	Capital expenditure plans can contribute to this corporate aim by: • Providing means for people to lead healthy, connected, fulfilling lives • Continuing with the sensitive regeneration of the city that retains its unique character and meets local needs • Keeping streets clean • Undertaking environmental improvements.	Capital expenditure plans can contribute to this corporate aim by: • Building and maintaining a range of social and private housing • Tackling homelessness and rough sleeping	Capital expenditure plans can contribute to this corporate aim by: • Supporting investment that promotes a growing, diverse, innovative and resilient economy	The Council aims to be financially self-sufficient, to ensure the long-term sustainability of service delivery to residents and businesses. Capital expenditure plans can contribute to this aim by: • Investing in projects that generate or protect income streams, or which can deliver efficiencies in the revenue budget. • Maintain or improve the physical condition of assets owned by the City
The capital strategy includes: • Ketts Heights habitat improvements and castle gardens projects • Disabled Facilities Grants • Make Space at the Norwich Halls project •	The capital strategy includes: • Public realm improvements • Rolling programme of major repairs to the city wall and closed churchyards	The capital strategy includes: • New social housing developments at Mile Cross, Three Score, Argyle Street, • Significant council house upgrade programme	The capital strategy includes: • Compulsory Purchase Order revolving fund • Establishment of a digital hub	The capital strategy includes: • Maintenance of investment property portfolio • Investment in City Hall • Regulatory Services digitalisation project

Asset management planning

4.27. The overriding objective of asset management planning is to ensure that the council's land and property is appropriate, fit-for-purpose, and affordable.

4.28. The council holds a significant and diverse asset portfolio in comparison to similar district councils within the CIPFA comparator group. The total value of the council's land and property assets as at the end of 2021/22 was £1.143 billion.

General Fund asset management planning

4.29. The council adopted a new Strategic Asset Management Framework on 9th March 2022. The implementation of the action plan is progressing well and improved data including condition and valuation data is being gathered on assets. The improvement of asset data will continue during Q4 2022/23 and into 2023/24. External consultancy advice has also been sought to help inform asset specific decisions and a full review of the investment portfolio has been undertaken. This is being progressed into a strategy which will inform a five-year profile for revenue income, capital spend and capital receipts, this will continue to be developed over the next six months.

4.30. In the past focus has been largely on using the council's limited capital resources on responsive rather than planned improvements. This can be seen in the pattern of investment made in each asset class over recent years with capital expenditure continuing to be being undertaken for health and safety reasons rather than being for planned and sustained strategic investment.

4.31. When the focus is on reactive instead of planned improvements, the cost of works tends to be greater. This also has an adverse impact on the council's revenue repairs and maintenance budget. There has also been a tendency to consider capital investment proposals for a particular asset class in isolation rather than holistically and in relation to other potential priorities.

4.32. Going forward the aim is for capital spend to be planned to follow an asset review and informed decision making in relation to the assets' future. This MTFS is being prepared at a time of flux whilst we are in the process of moving from the old way of working to the new. This is partly why the strategic property remediation fund is being proposed, to allow us to respond to issues identified within the new condition data as required and undertake emergency works whilst we plan for the longer term. It will also allow more time to consider future capital spend in a more holistic manner

Housing Revenue Account asset management planning

4.33. Condition surveys exist for HRA assets, although these are being reviewed by way of an external stock condition survey that will survey 25% of the current stock, 100% of communal areas and the structure of blocks. This work will give a greater understanding of future requirements, including the backlog repairs and compliance work and an initial understanding of the investment needs of the existing stock of HRA dwellings which are typically built with a 60–80-year life span in mind.

4.34. A shift in approach is currently moving from planned long term maintenance of the existing dwelling stock towards a strategy of remodelling existing provision, replacing existing provision, and growth in the stock held by building/purchasing new homes.

4.35. A review of the Norwich Standard is taking place in 2023/24, to look at where efficiencies can be achieved at no detriment to the service delivered to our residents. An initial review indicates a potential saving of circa £121m over 30 years (without inflation).

4.36. A council housing strategy was adopted by Cabinet in November 2019 covering a five-year period and identifies the following four primary goals:

- Delivering new homes.
- Maintaining and improving condition of existing housing
- Improving the use and management of our existing housing stock
- Improving our neighbourhoods.

4.37. The proposed HRA capital programme seeks to contribute towards achieving these goals. Further detail is included within section 3 of this report – HRA 2023/24 budget.

Capital expenditure plans

4.38. The expenditure plans consist of two kinds:

Short to medium term plans (1 to 5 years):

- These are the projects and programmes that are being proposed to council as part of the 2023/24 to 2027/28 capital programme for delivery within that period.

Medium to long-term plans (5 to 10 years):

- There is typically a long lead in time from identifying investment need or opportunities to implementation. Additional future projects that may arise will require a full business case for cabinet and council approval before they can be incorporated into the capital programme and implemented.

Forecast 2022/23 outturn

4.39. The latest forecast position as at quarter 3 shows the general fund capital programme is forecast to underspend by £9.825m and the Housing Revenue Account (HRA) capital programme is forecast to underspend by £8.591m. However, it is anticipated that an element of this will form a carry-forward request to enable some of the unspent budgets to be utilised in 2023/24.

2023/24 to 2027/28 capital programme

4.40. Within a shorter timeframe, the focus of the capital strategy is towards the delivery of schemes within an approved budget. The focus traditionally has been an annual investment plan for the next financial year, however, moving forward the council continues to work towards a published five-year rolling capital programme, which will provide greater certainty for delivery as well as for financial and resource and procurement planning

4.41. Table 4.2 below summarises the proposed 2023/24 overall capital budget along with indicative spending plans from 2024 to 2028, which has been categorised into the projects that have already been agreed as part of the five year programme in previous years, new projects that are proposed as part of the capital programme and may proceed upon approval of the budget and projects that are proposed to form part of the capital programme but require a business case to be approved before they may proceed and any expenditure be incurred. Details setting out the proposed projects and programmes within the general fund and HRA are found in Appendix 4 (B).

Table 4.2 Capital Programme 2023 – 2028

	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	5 year Total £000
General Fund Summary programme (Approved)						
Community Services	4,915	1,585	1,571	0	0	**8,071**
Corporate & Commercial Svcs	121	0	0	0	0	**121**
Development & City Services	11,027	1,565	2,109	1,761	0	**16,461**
Capital Loans	3,000	2,000	1,000	0	0	**6,000**
Total GF Summary programme (Approved)	**19,062**	**5,150**	**4,680**	**1,761**	**0**	**30,653**
General Fund Summary Programme (Proposed)						
Community Services	335	0	0	1,515	1,515	**3,365**
Development & City Services (Adjustment to Approved)	206	42	(194)	1	1,733	**1,788**
Total General Fund Summary Programme (proposed)	**541**	**42**	**(194)**	**1,516**	**3,248**	**5,153**
General Fund Summary Programme (Business Case Required)						
Community Services	125	45	45	40	0	**255**
Development & City Services	8,777	3,130	185	175	175	**12,442**
Corporate & Commercial Svcs	40	0	0	0	0	**40**
Total General Fund Summary Programme (Business Case Req'd)	**8,942**	**3,175**	**230**	**215**	**175**	**12,737**
Total GF Programme	**28,545**	**8,367**	**4,716**	**3,492**	**3,423**	**48,543**

Housing Revenue Account Summary Programme (Approved)						
HRA - Development & City Services	13,549	14,303	8,189	9,487	0	**45,528**
Housing Revenue Account Summary Programme (Proposed)						
HRA - Development & City Services	0	(30)	6,121	3,154	6,560	**15,805**
HRA - Community Services	22,057	24,912	24,583	24,746	24,550	**120,848**
Total Housing Revenue Account Programme	**35,606**	**39,185**	**38,892**	**37,387**	**31,110**	**182,181**

Total Capital programme	**64,151**	**47,552**	**43,608**	**40,879**	**34,533**	**230,724**

Note: Minor differences in totals due to the rounding of values within the table

4.42. In 2023/24 the capital programme aims to deliver the following key outcomes:

General Fund:

- £10.3m of investment in infrastructure, skills and economic development through projects funded by the £25m Towns' Fund grant.
- £1.4m to improve private homes for older or disabled residents to enable them to continue living in their own home.

Housing Revenue Account:

- Meeting housing need - delivering 234 council homes over next 5 years.
- Repair and maintenance of existing housing stock- £18.4m including 260 new kitchens, 126 new bathrooms plus 179 adapted bathrooms, 250 upgraded doors, 651 electrical upgrades or rewires and 34 communal sites receiving new windows.
- Improving the use and management of the existing housing stock - including improvements to communal areas, 299 new heating systems and 4 communal boiler upgrades plus disabled adaptation and stair-lift installation programme.
- Improving neighbourhoods - including 34 door entry system upgrades and a £0.75m estate aesthetics programme.

Towns' Deal Funding

4.43. The most significant non-housing capital expenditure next year continues to be associated with the Towns' Deal. Whilst the Towns' Deal projects are being delivered in accordance with the council's normal governance procedures additional Towns' Deal specific governance has been put in place.

4.44. The Towns' Deal is intended to help drive forward long term, inclusive economic and productivity growth in Norwich. An overall Towns' Deal programme board oversees delivery which includes not only council members and officers but also the local MPs, the chair of the Norwich 2040 Vision and a variety of business and education organisations.

Future capital programme

4.45. As well as the proposed capital programme, the council is continuing with its ambitions to make sustainable improvements to the city and the lives of the residents. The Council recognises that it is likely to need significant investment to advance the priorities and ambitions being identified and continues to explore the possibility of working with both the private sector and other public sector bodies to identify new funding streams and delivery mechanisms that can deliver this.

4.46. These schemes will all need to follow the principles as set out in this Capital Strategy and full business cases will need to be submitted and approved before the schemes are recommended for inclusion in the capital budget.

4.47. The future capital programme will also continue to develop and reflect the priorities identified within the Council Housing Strategy which was approved by Cabinet in November 2019 and the action plan from the Strategic Asset Management Framework which was adopted in March 2022.

People Live Well

- Options for improving the provision of temporary accommodation for the homeless continue to be explored.

Inclusive economy

- The council continues to explore the potential to develop under-used land and brown-field sites held by the council to help regenerate the city economically, as well as socially and in terms of its environment. This may be through the HRA with the development of new social housing or through other delivery mechanisms.

Meeting housing need and delivering new homes:

- There is a shortage of housing in the city and the council intends to invest in the development of new housing. The Council Housing Strategy 2020-26 sets out the ambition to deliver new homes through the HRA, following the Future Housing Commissioning report approved by Cabinet and Council in July 2020 which identifies the capacity within the HRA to develop further sites in future years.

Maintaining and improving the condition of existing HRA housing:

- The council is the largest provider of social housing in the city and ensuring that its housing stock is safe and well-maintained is the biggest contribution the council can make to addressing housing need in the city. This is also covered in the Council Housing Strategy 2020-26 which identifies the requirement to establish longer-term plans for the maintenance and regeneration of HRA housing and estates.

Improving the quality and safety of private sector housing:

- As a private landlord, the council's wholly owned company, Norwich Regeneration Limited, aims to be an exemplar of good private landlord practice, by ensuring that properties built for private sector rental are of good quality and managed in a way that reflects best practice.

4.48. The financial consequences of capital projects identified within the 2019 Future Housing Commissioning report have been considered in the council's financial plans in the following manner:

- The HRA Business Plan does not include all potential projects identified within the Future Housing Commissioning report. However, a financial viability assessment of their impact on the HRA Business Plan demonstrates that their inclusion within the HRA capital programme would continue to allow the HRA to remain sustainable over the 30 years planning period.
- The borrowing that the council may need to undertake to finance the projects has been included in the capital financing requirement, operational boundary for external debt, and authorised limit for external debt calculations which will be set out in the Treasury Management Strategy in February 2023.

Funding the capital strategy

4.49. The availability of funding plays a key part in the size and content of the capital programme. The impact of national cuts in grant funding has significantly reduced the level of government support for capital investment since 2010 and the council must now rely more on its own funding and leveraging in other sources of external funding where this is possible.

4.50. The sources of funding available for capital investment by both the general fund and HRA and the proposed strategy for their use is found in Appendix 4 (C). It needs to be emphasised that many of these funding sources can only be used to fund capital expenditure and not the day-to-day costs of providing services.

Proposed funding of the general fund capital programme

4.51. There are two main influences on the overall size of the general fund capital programme, namely:

- The level of capital resources available, and
- The extent to which the revenue consequences of the programme, in terms of cost of borrowing or direct revenue funding, can be accommodated within the revenue budget.

4.52. In the past, capital receipts have been the main funding source for the general fund capital programme. However, until the asset management review concludes the level of predicted receipts and intended sales is unclear The sale of the airport industrial estate in August 2022, Cambridge Science Park and cabinet decisions to dispose of assets at Guildhall Hill will inform future estimations of capital receipts. Table 4.3 below sets out the expected availability of capital receipts over the MTFS planning period to 2028.

Table 4.3: **Projected General Fund Capital Receipts 2022 – 2028**

	2022/23	**2023/24**	**2024/25**	**2025/26**	**2026/27**	**2027/28**
Capital Receipts Analysis	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**
Existing capital receipts reserve brought forward from previous year	(18,155)	(21,967)	(11,497)	(8,688)	(10,871)	**(10,308)**
Anticipated capital receipts in year	(11,247)	0	(727)	(2,700)	(1,230)	**0**
Other income anticipated	0	0	0	0	0	**0**
Total capital receipts	**(29,402)**	**(21,967)**	**(12,224)**	**(11,388)**	**(12,101)**	**(10,308)**
Funding requirement (inc c/f from previous year) based on capital programme	3,446	10,470	3,536	517	1,793	**1,750**
MRP repayment related to disposals	3,988	0	0	0	0	**0**
Total potential funding requirement	**7,435**	**10,470**	**3,536**	**517**	**1,793**	**1,750**
Balance at end of year	**(21,967)**	**(11,497)**	**(8,688)**	**(10,871)**	**(10,308)**	**(8,558)**

Note: Minor differences in totals due to the rounding of values within the table

4.53. The level of capital receipts relies upon the completion of asset sales which cannot be guaranteed. Furthermore, additional potential capital liabilities such as costs arising from the future review of assets or other expenditure requirements that generate no income may arise, which would place a further demand on resources. To fund additional capital costs, further capital receipts will need to be raised from the disposal of existing assets or revenue budget contributions will need to be increased either to make direct revenue contributions or in support of additional borrowing.

Table 4.4: Proposed funding of the General Fund capital programme

Funding	2023/24	2024/25	2025/26	2026/27	2027/28	5 year Total
General Fund	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**
Capital Receipts	10,014	3,536	517	1,793	1,750	**17,610**
Capital Receipts (Ringfenced)	0	0	0	0	0	**0**
Grants & Contributions	13,129	1,564	1,440	0	0	**16,133**
Revenue contribution from earmarked reserves	66	0	0	0	0	**66**
Borrowing	3,000	2,000	1,000	0	0	**6,000**
CIL/GNGB/S106	2,335	1,267	1,759	1,699	1,673	**8,733**
Total	**28,545**	**8,367**	**4,716**	**3,492**	**3,423**	**48,543**

Note: Minor differences in totals due to the rounding of values within the table

Proposed funding of the HRA capital programme

4.54. The funding of the HRA capital programme follows the funding strategy set out in Appendix 4 (C). In addition, the £5.530m surplus income estimated for 2022/23 plus £1.210m of existing HRA general reserves are proposed to be used to fund 2023/24 capital expenditure.

4.55. The remaining HRA general reserves (forecast at £47.590m at the end of 2023/24) will be held to provide a versatile resource to support priorities identified within the HRA Strategy, including the regeneration of existing assets and provision of new social housing.

Table 4.5: Proposed funding of the HRA capital programme

HRA Funding	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	5 year Total £000
HRA Capital Receipts	5,956	9,940	9,657	9,923	7,420	**42,896**
Retained One for One Receipts	6,020	6,309	6,324	5,657	2,624	**26,933**
Major Repairs Reserve	15,852	14,722	14,676	14,572	16,880	**76,702**
HRA Revenue Contribution	6,740	7,964	7,986	6,985	3,936	**33,611**
HRA Grants and contributions	250	250	250	250	250	**1,250**
Section 106	789	0	0	0	0	**789**
HRA Borrowing	0	0	0	0	0	**0**
Total	**35,606**	**39,185**	**38,892**	**37,387**	**31,110**	**182,181**

Enabling our future vision

4.56. The capital programme captures the council’s vision and desire for projects and investment at a point in time. However, as the vision continues to grow, new projects and investments will continue to be developed throughout the year, which will require business cases and financing plans to be formulated prior to approval by cabinet and council. If the project requires funding from external borrowing, it will need to generate new income to cover at least the financing costs of the borrowing or will be funded off the council’s balance sheet through alternative delivery routes.

Alternative delivery routes

4.57. The Council will review the best delivery routes for implementing new capital projects as part of the options appraisal undertaken in the business case. These delivery routes largely fall into the following categories:

- Self-develop: this involves the council undertaking the project independently and therefore provides the greatest level of potential return and control but also the greatest cost and exposure to risk.
- Partnerships: these allow the council to use its assets (usually land and buildings) and possibly some finance, to attract long term investment from the private sector, in order to deliver socio-economic development and regeneration. They are designed to encourage parties to pool resources to deliver projects, with an acceptable balance of risk and return for all involved. This approach would be a new area for the council and would need considerable further work to progress.
- Developer led: this usually involves selling the opportunity to a developer, perhaps with an outline planning consent and Development Agreement in place. As an example, the council takes a developer led approach with housing associations.
- Community Involvement: changes in legislation brought in under the Localism Act have introduced the concept of Community Asset Transfer, Community Right to Challenge and Community Right to Bid for services. This has opened up a whole spectrum of opportunities of private sector investment in community-led capital projects, where deemed appropriate.

Delivering the capital strategy

Governance

4.58. The council undertakes democratic decision-making and scrutiny processes which provide overall political direction and accountability for the investment proposed in the capital strategy. These processes include:

- The Council which is ultimately responsible for approving investment in the Capital Strategy.
- The Cabinet which is responsible for setting the corporate framework and political priorities to be reflected in the Capital Strategy.
- Scrutiny Committee which is responsible for the annual scrutiny of the proposed budget including the Capital Strategy and which can make recommendations to the Cabinet.
- Audit Committee which scrutinises the capital investment made in any financial year as reported in the annual Statement of Accounts and the risk of future capital investment proposals. The committee can also make recommendations to the Cabinet.
- A new Treasury Management working group providing review and advice on all investment activity to the cabinet and council.
- Additionally, to support the committee structure and Corporate Leadership Team with future governance, including delivery of projects, a new governance board structure will be established.

4.59. The capital programme is approved by full council as part of its annual budget report which sets out the funding of the capital programme, the schemes being proposed and how they contribute to the achievement of the council’s priorities, any consequential revenue budget implications, and information on the affordability, proportionality, and risk of the proposals.

4.60. A recommendation has been included that will continue to allow officers to seek approval from Cabinet to approve the inclusion of schemes where they are fully funded from additional grants, that can only be expended on the proposed scheme, and where it meets the Council's aims. This will permit such schemes to progress at pace where alternative application of the funding is not permitted, and where there is no need for additional Council resources to be used.

4.61. Some projects have been included in the proposed capital programme, as their strategic importance to one or more of the council's objectives has been recognised. However, the detailed business case has not been sufficiently developed to identify the expected costs and benefits of these proposals now. These projects have been separately identified within the proposed capital programme, the broad financing has been included but these projects cannot commence until a full business case has been approved; any funding variances will also need to follow the council's financial regulations in relation to capital virements.

4.62. In addition, new projects not included within the existing or proposed capital programme, require a full business case to be submitted to council for approval as and when the information and analysis is available to make a robust decision.

4.63. All capital expenditure must be carried out in accordance with the council's constitution, financial regulations, and contract procedures. Internal audit undertake regular audits of compliance. The monitoring of expenditure against the approved budget, and the forecasting of the year-end outturn, is coordinated by Finance and reported to Cabinet every quarter as part of the overall corporate budget monitoring process.

Corporate Planning Process

4.64. Capital project proposals should form part of the council's annual resource planning processes. Service and project level planning both informs and is derived from the overall policy framework of the agreed corporate plan and budget. This means that by autumn each year, capital project proposals for the following year(s) should be prepared for the corporate and political governance processes, which culminate in the annual budget setting meeting of the Council in February.

Commissioning, appraisal, and programme/project management

4.65. The financial restrictions on both capital and revenue expenditure in the general fund require a step change in the quality of commissioning and project management and delivery.

4.66. To support the council's approach to capital investment:

- An asset management strategy to inform and support the capital programme is being actively developed.
- All capital projects will be subject to a comprehensive but proportionate appraisal through a Design Authority process prior to proceeding to business case submission.

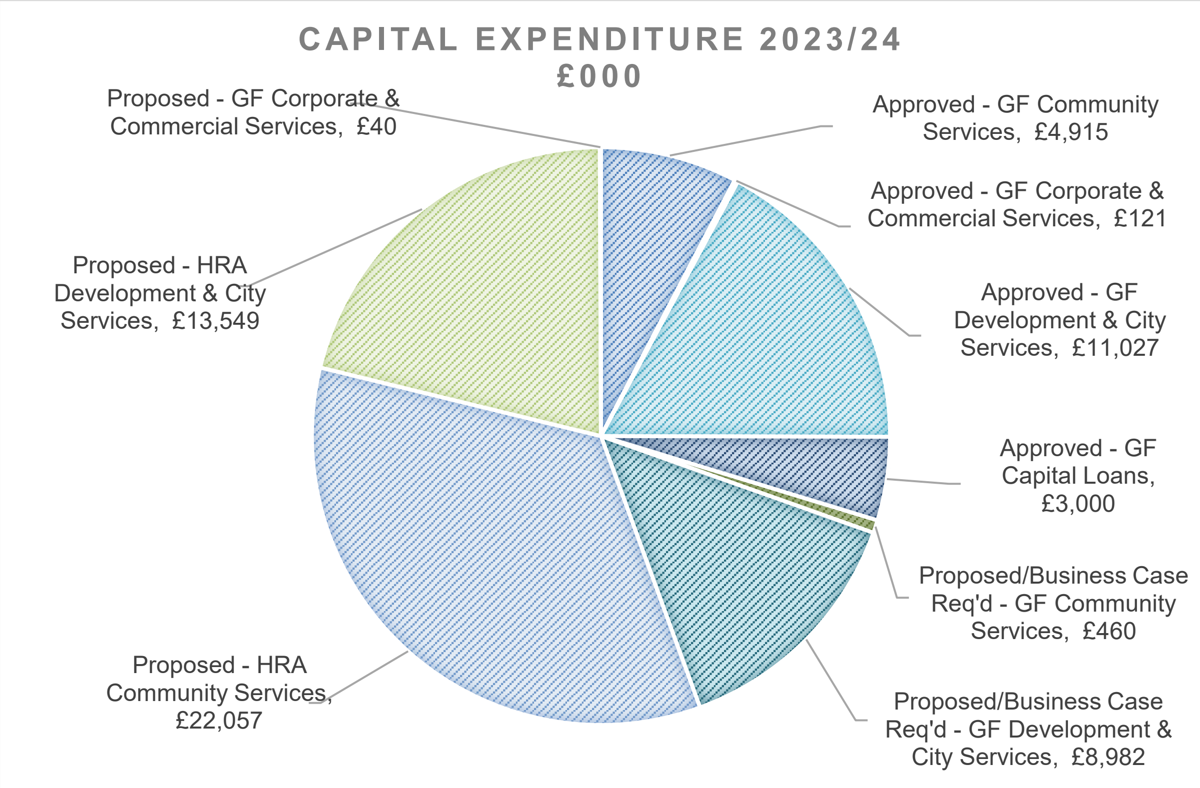
Knowledge and skills

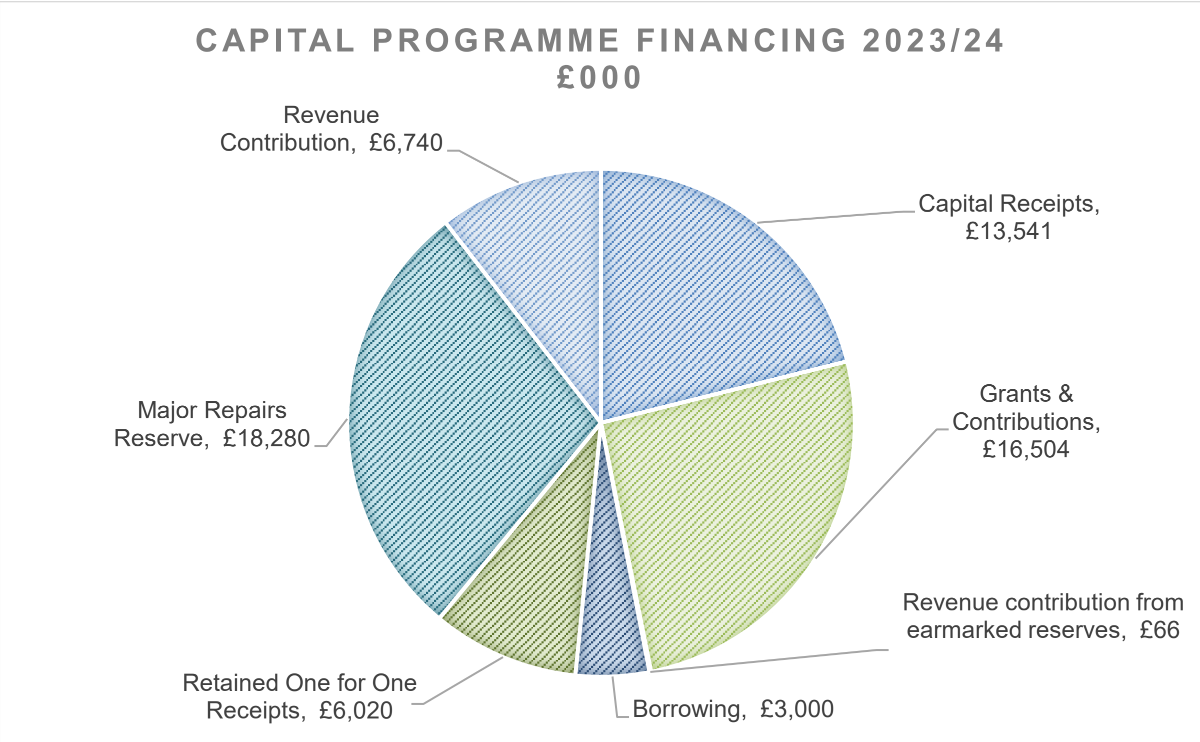
4.67. The council has professionally qualified staff, or access to such staff across a range of disciplines including finance, legal, planning and property that allow for capital investment decisions to be robustly considered. These individuals follow continuous professional development (CPD) and attend courses on an ongoing basis to keep abreast of new developments and skills.

4.68. External professional advice is taken as and when required and will always be sought in consideration of any major regeneration investment decision or joint venture development. The council has current arrangements with Link Asset Services for providing treasury management guidance, PS Tax for tax advice, covering both public sector as well as commercial tax issues, and Carter Jonas for property related matters.

4.69. Internal and external training continues to be offered to members to ensure they have up-to-date knowledge and expertise to understand and challenge capital investment decisions.

Appendix 4 (A): Proposed capital programme and financing 2023/24





Appendix 4 (B): Proposed capital projects 2023/24 to 2027/28

Approved General Fund Programme	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	5 year Total £000
Community Services						
Norman Centre replace boilers	165	0	0	0	0	165
Riverside Leisure replacement plant/equipment	170	33	56	0	0	259
TF make space at the halls	2,989	37	0	0	0	3,027
Empty Homes Grant	35	0	0	0	0	35
S106 Bowthorpe Clover Hill Access	41	0	0	0	0	41
IT Investment Fund	75	75	75	0	0	225
Disabled Facilities Grant	1,440	1,440	1,440	0	0	4,320
Approved Programme - Community Services	**4,915**	**1,585**	**1,571**	**0**	**0**	**8,071**
Corporate and Commercial Services						
HR system 2023	121	0	0	0	0	121
Approved Programme - Corporate and Commercial Services	**121**	**0**	**0**	**0**	**0**	**121**
Development & City Services						
Hay Hill Public Realm TF	1,573	0	0	0	0	1,573
Ketts Heights repairs/habitat	272	0	0	0	0	272
St John Maddermarket retaining wall	14	0	0	0	0	14
Riverside Rd Yacht Stat rep Quay	10	0	0	0	0	10
Old carrow house	8	0	0	0	0	8
Demolition & Site Maintenance	200	0	0	0	0	200
GNGB Castle Gardens	207	0	0	0	0	207
Market Shops & Toilets - Roof	40	0	0	0	0	40
TF- Digital hub	2,005	0	0	0	0	2,005
Churchman House Cupola repairs	130	0	0	0	0	130
GNGB Comm Access Imp-20 Acre Wood	1	8	0	0	0	9
GNGB Marriot's Way/ Hellesdon Station Green	144	0	0	0	0	144
Transforming Cities Fund Contribution	80	0	0	0	0	80

Development & City Services (continued)	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	5 year Total £000
ACE Centre CCN TF	82	0	0	0	0	82
St Giles Public Realm TF	653	0	0	0	0	653
Park toilet refurbishment (Wensum/Heigham/Eaton)	0	0	0	0	0	0
TF Compulsory Purch order revolving fund	3,640	0	0	0	0	3,640
TF - Programme management	14	87	0	0	0	101
NCC Water Hygiene Contract	51	13	6	3	0	73
City Walls repair programme	40	40	40	0	0	120
Closed Churchyards repair prog	10	10	10	0	0	30
CIL Contribution Strategic	1,853	1,407	2,053	1,758	0	7,071
Approved Programme - Development and City Services	**11,027**	**1,565**	**2,109**	**1,761**	**0**	**16,461**
Capital Loans						
Norwich Preservation Trust Loan	1,000	0	0	0	0	1,000
NRL Loan	2,000	2,000	1,000	0	0	5,000
Approved Programme - Capital Loans	**3,000**	**2,000**	**1,000**	**0**	**0**	**6,000**
Total General Fund Approved Programme	**19,062**	**5,150**	**4,680**	**1,761**	**0**	**30,653**

Proposed General Fund Capital Schemes for approval	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	5 year Total £000
Community Services						
IT Investment Fund - continuation of programme	0	0	0	75	75	150
Disabled Facilities Grant - continuation of programme	0	0	0	1,440	1,440	2,880
Neighbourhood CIL grant funding pot	335	0	0	0	0	335
Proposed Programme - Community Services	**335**	**0**	**0**	**1,515**	**1,515**	**3,365**
Development & City Services						
City Walls repair programme - continuation of programme	0	0	0	40	40	80
Closed Churchyards repairs - continuation of programme	0	0	0	10	10	20
CIL Contribution Strategic - continuation of programme	(597)	(148)	(294)	(59)	1,673	575
DA 13 - Norwich Yacht Station	10	10	10	10	10	50
DA 16 - LED Lighting in City Hall and District Lighting	103	180	90	0	0	373
Traveller Site	690	0	0	0	0	690
Proposed Programme - Development and City Services	**206**	**42**	**(194)**	**1**	**1,733**	**1,788**
Total General Fund Proposed Programme	**541**	**42**	**(194)**	**1,516**	**3,248**	**5,153**

Proposed and amended General Fund Capital Schemes for approval - subject to Business Case	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	5 year Total £000
Community Services						
DA 1 - Wide Area Network Refresh 2023/24	100	0	0	0	0	100
DA 2 - Mobile Handsets Refresh 2022-27	25	45	45	40	0	155
Proposed Programme - Community Services	125	45	45	40	0	255
Development & City Services						
DA 4 - Regulatory Services Digitisation Project	472	228	0	0	0	700
DA 5 - Tennis Courts Surface Refurbishment	122	0	0	0	0	122
DA 6 - Park Play Equipment Refurbishment	75	75	75	75	75	375
DA 7 - Strategic Property Remediation Fund	750	1,500	0	0	0	2,250
DA 9 - Property Services IT	285	0	0	0	0	285
DA 10 - St Andrews Hall	950	0	0	0	0	950
DA 11 - Future of City Hall	5,650	0	0	0	0	5,650
DA 12 - Cemetery Railings Replacement	150	150	0	0	0	300
DA 14 - Parking in Parks (phase 2)	38	0	0	0	0	38
DA 15 - NCSL Asset Replacement	215	1,177	110	100	100	1,702
DA 18 - Electrical Switch Gear Replacement	70	0	0	0	0	70
Proposed Programme - Development & City Services	8,777	3,130	185	175	175	12,442
Corporate & Commercial Services						
DA 17 - Revenues & Benefits Programme Improvements	40	0	0	0	0	40
Proposed Programme – Corporate & Commercial Services	**40**	**0**	**0**	**0**	**0**	**40**
Total General Fund Proposed Programme subject to business case	**8,942**	**3,175**	**230**	**215**	**175**	**12,737**

Total General Fund Programme	**28,545**	**8,367**	**4,716**	**3,492**	**3,423**	**48,543**

Housing Revenue Account	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	5 year Total £000
Development & City Services						
HRA Demolition & Site Maintenance	320	70	70	70	0	530
LANB Mile Cross Depot Site	4,239	9,103	6,590	7,917	0	27,849
New Build Opportunities	500	500	500	500	0	2,000
Three Score phase 3	6,039	1,269	0	0	0	7,308
Capital Grants to Registered Housing Providers	1,000	1,000	1,000	1,000	0	4,000
LANB Argyle Street	1,285	2,361	29	0	0	3,675
LANB Kings Arms	16	0	0	0	0	16
LANB Hethersett	150	0	0	0	0	150
Approved Programme - Development and City Services	13,549	14,303	8,189	9,487	0	45,528
Development & City Services						
LANB Mile Cross Depot Site	0	-30	6,121	3,154	6,560	15,805
Proposed Programme - Development and City Services	0	-30	6,121	3,154	6,560	15,805
Community Services						
HRA upgrades - Electrical	2,000	2,688	2,538	2,438	2,188	11,850
HRA upgrades - Whole House Improvements	1,500	1,200	1,000	1,000	1,000	5,700
HRA upgrades - Kitchens	1,550	1,238	1,653	2,363	2,163	8,965
HRA upgrades - Bathrooms	1,440	1,553	1,503	1,403	1,553	7,450
HRA upgrades - Heating/Boilers Communal	2,665	2,000	2,000	2,000	2,000	10,665
HRA upgrades - Heating/Boilers Domestic	1,000	2,050	1,750	1,750	1,750	8,300
HRA upgrades - Thermal Comfort	200	200	200	200	200	1,000
HRA upgrades - Solar Thermal/Photovoltaic	746	500	500	500	500	2,746
HRA upgrades - Windows	2,000	2,750	2,750	2,750	2,750	13,000
HRA upgrades - Doors	400	400	400	235	235	1,670

Community Services (continued)	**2023/24 £000**	**2024/25 £000**	**2025/26 £000**	**2026/27 £000**	**2027/28 £000**	**5 year Total £000**
HRA upgrades - Door Access Controls	650	719	703	623	727	3,420
HRA upgrades - Estate Aesthetics	750	250	200	200	200	1,600
HRA upgrades - HRA Shops	150	150	150	150	150	750
HRA upgrades - Sheltered Housing Comm Facilities	90	38	38	38	38	240
HRA upgrades - Re-Roofing	1,000	1,000	1,500	1,500	1,500	6,500
HRA upgrades - Structural	1,600	1,600	1,600	1,600	1,600	8,000
HRA upgrades - Tower Block Regeneration	0	3,125	3,125	3,125	3,125	12,500
HRA upgrades - Lift Upgrades	75	75	50	75	75	350
HRA upgrades - Water Hygiene Upgrades	500	787	334	257	257	2,136
HRA upgrades - Disabled Adaptations	1,900	1,750	1,750	1,750	1,750	8,900
HRA upgrades - Community Alarm	150	150	150	100	100	650
HRA upgrades - Compliance Upgrades	1,000	0	0	0	0	1,000
HRA upgrades - Property Services fees - future years	691	691	691	691	691	3,456
Proposed Programme - Community Services	22,057	24,912	24,583	24,746	24,550	120,848

Total HRA Programme	**35,606**	**39,185**	**38,892**	**37,387**	**31,110**	**182,181**

Total Overall Capital Programme	**64,151**	**47,552**	**43,608**	**40,879**	**34,533**	**230,724**

Note: Minor differences in totals due to the rounding of values within the table

Appendix 4 (C): The council's capital funding sources & strategy for their use

Funding source	Description and proposed strategy for its use
Revenue budget	**Description:** The use of the annual revenue budget to directly fund capital expenditure (also known as a Revenue Contribution to Capital Outlay (RCCO)). **General Fund strategy**: The revenue budget can be used to fund capital projects where there is no financial return from the investment to cover the costs of borrowing. **HRA strategy:** The HRA RCCO is the most versatile funding source and is therefore only utilised for capital expenditure after first taking into account resources available from grants, contributions, the Major Repairs Reserve (MRR), and retained one for one Right to Buy capital receipts.
Capital receipts	**Description:** Income receipt arising from the sale of assets or repayment of capital loans. Can only be used to fund capital expenditure or repay capital debt. **General Fund strategy**: Capital receipts are held centrally and used as a corporate resource. Capital receipts income (along with the revenue budget) is used to fund capital projects where there is no financial return from the investment to cover the costs of borrowing. Where proceeds from the disposal of commercial properties, which were originally funded by borrowing, are received, where appropriate those sums will be applied to reduce debt. **HRA strategy**: Non-Right-to-Buy HRA capital receipts arise from the disposal of HRA property and land other than dwellings and may be utilised to fund any HRA capital expenditure, except for projects that are being part funded by Right to Buy Retained 'One for One' Receipts. Due to this restriction, this resource is utilised to fund the HRA capital upgrade programme after resources arising from grants, contributions and the MRR have been applied, but prior to the use of general reserves and borrowing. **Use of capitalisation flexibilities**: Regulations around the flexible use of capital receipts allow the council to use new capital receipts to fund the revenue costs of council service reviews that will generate savings in future years. This is subject to the council approving a policy on the flexible use of capital receipts. The council currently has sufficient funds in its earmarked spend-to-save reserves and therefore has no proposal to make use of these flexibilities.

Funding source	Description and proposed strategy for its use
Leasing	**Description:** A lease is a contractual arrangement between the lessee (user) to pay the lessor (owner) for use of an asset. Property, equipment and vehicles are common assets that are leased. Leasing offers a way of financing the use of assets over a period of time without actually having to buy them outright. **Strategy for its use:** Some assets used by the Council are financed by a lease arrangement; for example, vehicles. There may be instances where leasing can offer value for money, and it will remain a consideration when options are being appraised. However, given the current relatively low cost of borrowing through PWLB compared to the implicit interest rates within any leased asset arrangement, it is likely to be better value for money if the council funds the asset itself via borrowing. Leasing cannot be undertaken without the specific approval of the S151 Officer to ensure that new accounting arrangements have been considered fully.

Funding source	Description and proposed strategy for its use
Right-to-buy capital receipts	**Description:** Income arising from Right-to-Buy sales of Council dwellings comprise three elements, the Treasury Share, which is passed to the government, the local authority share and the retained 'one for one' receipts. These funding sources are only available to the HRA. **Local Authority Share:** An element of capital receipts arising from the sale of an HRA dwelling under Right-to-Buy that may be retained indefinitely by the council and utilised to fund any HRA capital expenditure. **Strategy for its use**: As with other HRA capital receipts, these may be utilised to fund any HRA capital expenditure, except for projects that are being part funded by Right to Buy Retained 'One for One' Receipts. Due to this restriction, this resource is utilised to fund the HRA capital upgrade programme after resources arising from grants, contributions and the MRR have been applied, but prior to the use of general reserves and borrowing. **Retained 'One for One' Receipts:** The use of this share is limited under statute and can only be used to fund up to 40% of the overall cost of new social housing and must be utilised within 5 years of the date of retention or be returned to central government along with a punitive interest charge. **Strategy for its use**: The use of this resource is maximised, and monitoring will be undertaken during the year to ensure the council is not at risk of having to pay the receipts plus interest to central government. Council has prioritised the funding of its own HRA capital programme in utilising these receipts, but when unable to do so the priorities are: 1. Providing grant to Registered Providers to develop additional social rented housing, or when unable to do so. 2. Providing grant to Registered Providers to develop additional affordable rented housing.
General Reserves	**Description:** General (un-earmarked) reserves can be used to fund either revenue or capital expenditure. **General Fund strategy**: The general fund reserve is planned to be used to help finance the revenue budget over the MTFS until the reserve reaches the prudent minimum level. There are no plans for it to be used to fund capital expenditure. **HRA strategy:** The HRA general reserve is planned to be used as necessary to finance revenue and capital budgets in line with the HRA business plan, until the reserve reaches the prudent minimum balance.
Major Repairs Reserve (MRR)	**Description:** The Major Repairs Reserve is created from an annual depreciation charge to HRA revenue budgets. **Strategy for its use**: This is used as the first source of funding for the HRA capital upgrade programme.

Funding source	Description and proposed strategy for its use
Capital grants	**Description**: Grants given to the council to fund, either in whole or in part, specific capital projects **Strategy for their use**: the council will actively pursue grants and other contributions as well as other innovative solutions for the funding of capital investment schemes. This funding will be utilised in the first instance if the capital projects they fund meet the city's priorities and have no revenue budget or other onerous implications.
Section 106, GNGB and CIL	**Description:** Contributions paid by developers to mitigate the impact of new development across the city. **Section 106:** Contributions may be utilised to fund capital schemes but must be used in accordance with any obligations imposed by each legal agreement, such as time limits, area restrictions or service restrictions. These are now diminishing as S106s have instead largely been replaced by CIL contributions. **CIL (Community Infrastructure Levy)**: 80% of CIL contributions collected are paid to the Greater Norwich Growth Board (GNGB) to fund the Infrastructure Investment Fund in accordance with an existing memorandum of understanding. Where appropriate the council submits bids which may be utilised to fund capital schemes. 15% of CIL contributions are retained for local neighbourhood sponsored schemes and allocated to fund minor capital schemes. Contributions may provide matched funding to secure grant funding from central government or the local enterprise partnership.

Funding source	Description and proposed strategy for its use
Borrowing	**Description: Internal borrowing** is the *temporary* use of the council's cash holdings to fund capital expenditure. **External borrowing** is the process of taking debt finance from an external institution. The council will only borrow money (either internally or externally) in cases where there is a clear financial benefit, such as a new income stream or a budget saving, that can, at the very least, fund the costs arising from the borrowing, namely interest charges & any Minimum Revenue Provision (MRP) costs. The council's borrowing will be proportionate to the size of the council's balance sheet and revenue budget. All executive decisions on borrowing, investment or financing, within the limits and principles agreed by Council in the annual Treasury Management Strategy, are delegated to the Section 151 officer (chief finance officer), under the council's constitution, who is required to act in accordance with CIPFA's Treasury Management Code of practice. The Section 151 officer will decide whether to use internal instead of external borrowing as a temporary source of financing if at the time: (a) The council's overall cash holdings are above the minimum amount of cash deemed necessary for working capital purposes– (see the Treasury Management Strategy in part 6). (b) The net return from the new income stream (or budget saving), arising from the capital expenditure, is above that which would be obtained by depositing the cash on a short-term basis in a bank or building society. (c) The current interest rate environment is extremely volatile and as such opportunities to redeem debt or other capital financing decisions will be kept under review in conjunction with advice from the council's treasury advisers, Link Asset Services, if necessary.

5. TREASURY MANAGEMENT STRATEGY

Background

5.1 The Council is required to operate a balanced budget; income and expenditure should match. Part of the treasury management operation is to ensure that cash flow is planned, so that cash is available when it is needed. Surplus monies are invested in counterparties or instruments commensurate with the Council's low risk appetite, providing liquidity before considering investment return.

5.2 The second main function of treasury management is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer-term cash flow planning, to ensure that the Council can meet its capital spending obligations. This management of longer-term cash may involve arranging loans or using cash flow surpluses. Sometimes, when it is prudent and economic, loan debt previously drawn may be restructured to support the Council's risk or cost objectives.

5.3 The contribution the treasury management function makes to the authority is critical, as the balance of debt and investment operations ensure liquidity or the ability to meet spending commitments as they fall due, either on day-to-day expenditure or for larger capital projects. The treasury operations will see a balance of the interest costs of debt and the investment income arising from cash deposits affecting the budget. Since cash balances generally result from reserves and balances, it is paramount to ensure adequate security of the sums invested, as a loss of principal will result in a loss of resources to the General Fund.

5.4 CIPFA (the Chartered Institute of Public Finance & Accountancy) defines treasury management as: "The management of the local authority's borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."

5.5 This section of the budget report meets the council's legal obligation under the Local Government Act 2003 to have regard to relevant codes of practice and guidance issued by CIPFA (Chartered Institute of Public Finance & Accountancy) and the DLUHC (Department for Levelling Up, Housing and Communities).

5.6 This section therefore fulfils the need for council to approve:

- A treasury management strategy before the start of each financial year (as required by CIPFA's Treasury Management Code).
- Prudential indicators to ensure that the council's capital investment plans are affordable, prudent and sustainable (as required by CIPFA's Prudential Code).
- An investment strategy before the start of each financial year (as required by DLUHC's Investment Code).
- A Minimum Revenue Provision (MRP) policy (as required by DLUHC's MRP guidance).

5.7 The council's investment in commercial property, equity shares, and lending to third parties is considered in the capital strategy in Section 4.

5.8 However, for the purposes of clarity, the projections, indicators and limits given in this section of the budget report include:

- The general fund and HRA proposed capital programme and its funding as set out in Section 4, tables 4.4 and 4.5.

- The implications for the council's capital financing requirement and borrowing position arising from the non-financial investments proposed in section 4 of this report.

Reporting Requirements

Capital Strategy

5.9 The CIPFA 2021 Prudential and Treasury Management Codes require all local authorities to prepare a Capital Strategy report which will provide the following: -

- a high-level long-term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services
- an overview of how the associated risk is managed
- the implications for future financial sustainability

5.10 The aim of the strategy is to ensure that all the Authority's elected members fully understand the overall long-term policy objectives and resulting Capital Strategy requirements, governance procedures and risk appetite.

Treasury management reporting requirements

5.11 On 27 September 2022, the Council agreed to establish and appoint to a Treasury Management Committee to support the in-depth consideration of a range of matters related to the governance of the Council's treasury management activity.

5.12 To support the Committee to meet its terms of reference and schedule forward meeting dates.an annual workplan has been adopted as follows:

January	**Treasury Management Committee - January Meeting** Consider the Annual Treasury Management Strategy Statement (TMS) prior to adoption by council
February	Full Council to receive Treasury Management Strategy
April	**Treasury Management Committee - April Meeting** Review proposed treasury activity for forthcoming year Initial update on end of year position
May	Statutory Accounts preparation
June	Treasury Management Outturn Report preparation
July	**Treasury Management Committee - July Meeting** Consider outturn position report
August	Full Council to receive Treasury Management Outturn Report
October	Treasury Management Mid-Year Review Report preparation
November	**Treasury Management Committee - November Meeting** Consider mid-year report Consider initial Treasury Management Strategy changes for forthcoming year
December	Full Council to receive Treasury Management Mid-Year Review Report

5.13 All Treasury Management reports will initially be presented to the Treasury Management Committee before onward reporting to Full Council.

5.14 The council is required to receive and approve as a minimum, three main reports each year, which incorporate a variety of, polices, estimates and actuals.

- Annual reporting requirements before the start of the year including - a review of the organisation's approved clauses, treasury management policy statements, Prudential and treasury indicators and treasury strategy (this report).

- A mid-year treasury management report – This will update members with the progress of activities undertaken, any material decisions, interim performance including an update on the capital position and amend any polices or prudential indicators as necessary.

- An annual treasury report after year-end – This provides details of compliance with prudential and treasury indicators, the impact of actual treasury operations compared to the estimates within the strategy.

5.15 As part of implementing the new requirements of the Treasury Management Code of Practice, in addition to the three major reports detailed above, from 2023/24 quarterly reporting (end of June/end of December) is also required. These additional reports will also be reported to the Treasury Management Committee.

Treasury management - role of the Section 151 Officer

5.16 The council's S151 officer is responsible for:

- Recommending treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance;
- Submitting regular treasury management policy reports;
- Submitting budgets and budget variations;
- Receiving and reviewing management information reports;
- Reviewing the performance of the treasury management function;
- Ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function;
- Ensuring the information required by internal or external audit is supplied;
- Recommending the appointment of external service providers;
- Ensuring that due diligence has been carried out on all treasury investments and is in accordance with the risk appetite and approved policies of the authority;
- Ensuring that members are adequately informed and understand the risk exposures taken on by an authority;
- Ensuring that the authority has adequate expertise, either in house or externally provided, to carry out the above;
- Training and qualifications of members responsible for treasury management approval and scrutiny as well as officers responsible for the day to day operations of treasury management.

Treasury management practices

5.17 A new CIPFA Treasury Management Code was published in December 2021. The revised TM Code provides details of what CIPFA recommends an organisation's treasury management practices (TMPs) should include;

- TMP1 Risk management
- TMP2 Performance measurement
- TMP3 Decision making and analysis
- TMP4 Approved instruments, methods and techniques
- TMP5 Organisation, clarity and segregation of responsibilities and dealing arrangements
- TMP6 Reporting requirements and management information arrangements
- TMP7 Budgeting, accounting and audit arrangements
- TMP8 Cash and cash flow management
- TMP9 Money laundering
- TMP10 Training and qualifications
- TMP11 Use of external service providers
- TMP12 Corporate governance

5.18 Each TMP requires a detailed explanation of the practices undertaken by the Council's Treasury Management team. The council's TMP's will continue to be developed to respond to best practice and regulatory updates.

Training

5.19 The CIPFA Code requires the responsible officer to ensure that all staff and members with responsibility for treasury management receive adequate training in this area (TMP10). The S151 officer is responsible for this function.

5.20 As a minimum, authorities should carry out the following to monitor and review knowledge and skills:

- Record attendance at training and ensure action is taken where poor attendance is identified.
- Prepare tailored learning plans for treasury management officers and board/council members.
- Require treasury management officers and council members to undertake self-assessment against the required competencies
- Have regular communication with officers and board/council members, encouraging them to highlight training needs on an ongoing basis."

5.21 The training needs of treasury management officers are recorded and periodically reviewed as part of the formal annual employee performance review. Member training is delivered via the Treasury Management Committee. At its meeting on14th November the members of the newly established Treasury Management Committee received three training presentations from the Councils Treasury Advisors including an Economic Outlook, an Update on the Treasury and Prudential code and a balance sheet review.

Treasury management advisers

5.22 The council uses Link Asset Services as its external treasury management advisors (TMP11).

5.23 Responsibility for treasury management decisions remains with the council at all times. Although the council will from time to time require the services of specialists, consultants and advisers in order to acquire access to specialist skills, undue reliance will not be placed upon the services and advice provided.

The Capital Prudential Indicators 2023/24 – 2027/28

5.24 The council's capital expenditure plans are a key driver of treasury management activity. A summary of the council's capital budget plans and how these are being financed is shown in table 5.1.

Capital Expenditure and Financing

5.25 This prudential indicator is a summary of the Authority's capital expenditure plans, both those agreed previously, and those forming part of the new budget cycle. The table below summarises the capital expenditure plans and how these plans are being financed by capital or revenue resources. Any shortfall of capital resources results in a need for borrowing.

Table 5.1: The council's capital expenditure and financing plans

	2022/23 Estimate £000	2023/24 Estimate £000	2024/25 Estimate £000	2025/26 Estimate £000	2026/27 Estimate £000	2027/28 Estimate £000
Capital expenditure						
General Fund	16,430	25,545	6,367	3,716	3,492	3,423
Equity investment	0	0	0	0	0	0
Capital Loans	1,000	3,000	2,000	1,000	0	0
Total General Fund Expenditure	**17,430**	**28,545**	**8,367**	**4,716**	**3,492**	**3,423**
Housing Revenue Account	**38,417**	**35,594**	**39,173**	**38,880**	**37,375**	**31,098**
TOTAL CAPITAL EXPENDITURE	**55,847**	**64,138**	**47,540**	**43,596**	**40,867**	**34,521**
Financing						
Capital receipts	8,350	15,957	13,464	10,162	11,704	9,158
Capital receipts (ringfenced)	0	0	0	0	0	0
Retained "one for one" RTB receipts	5,166	6,020	6,309	6,324	5,657	2,624
Major repairs reserve	18,454	15,852	14,722	14,676	14,572	16,880
Contributions and grants	14,667	12,689	1,814	1,690	250	250
Revenue contribution	5,949	6,740	7,964	7,986	6,985	3,936
Revenue contribution from earmarked reserves	751	66	0	0	0	0
Greater Norwich growth partnership	260	565	8	0	0	0
Community infrastructure levy	881	1,591	1,259	1,759	1,699	1,673
S106	369	968	0	0	0	0
Total	54,847	60,448	45,540	42,596	40,867	34,521
Borrowing need for the year	**1,000**	**3,690**	**2,000**	**1,000**	**0**	**0**
TOTAL FINANCING	**55,847**	**64,138**	**47,540**	**43,596**	**40,867**	**34,521**

The Authority's Borrowing Need (the Capital Financing Requirement)

5.26 The Capital Financing Requirement (CFR) calculation for 2023/24 and future years of the capital programme is shown below in table 5.2. This is the total historic outstanding capital expenditure yet to be financed from revenue or capital resources and a future projection of CFR based on capital expenditure plans. It is a measure of the council's indebtedness, and therefore its underlying borrowing need. The CFR also includes other long-term liabilities such as finance leases.

5.27 The CFR incorporates interim figures in relation to the new reporting requirements detailed within IFRS16. The reporting standard requires certain leases currently accounted for through the revenue spend of the Council, to have its liabilities shown on the balance sheet, for example, if the lease has more than a year to run or is above a de-minimis value. An example for Norwich is vehicles procured through an operating lease.

5.28 This is a requirement of closing the accounts for 2024/25 and officers continue to undertake the required data gathering exercise, which will clarify the full impact on the CFR for the Council. It is therefore important to note that there may be a requirement to refresh the authorised limit and operational boundary once the review is substantially complete later in the 2024/25 financial year.

5.29 The general fund CFR does not increase indefinitely, as a Minimum Revenue Provision (MRP) is made each year which is a statutory annual revenue charge which broadly reduces indebtedness in line with each asset's expected life.

5.30 The repayment of loan debt made to external organisations also reduces the CFR where the loan is financed by borrowing.

Table 5.2: Capital Prudential Indicators

	2022/23 Estimate £000	2023/24 Estimate £000	2024/25 Estimate £000	2025/26 Estimate £000	2026/27 Estimate £000	2027/28 Estimate £000
Capital financing requirement at end of year						
General Fund	112,652	116,036	116,367	115,643	114,023	112,362
Housing Revenue Account	208,533	209,223	209,223	209,223	209,223	209,223
TOTAL	**321,185**	**325,259**	**325,590**	**324,866**	**323,246**	**321,585**
Annual change in capital financing requirement						
General fund	(351)	3,384	331	(724)	(1,620)	(1,661)
Housing Revenue Account	-	690	-	-	-	-
TOTAL	**(351)**	**4,074**	**331**	**(724)**	**(1,620)**	**(1,661)**

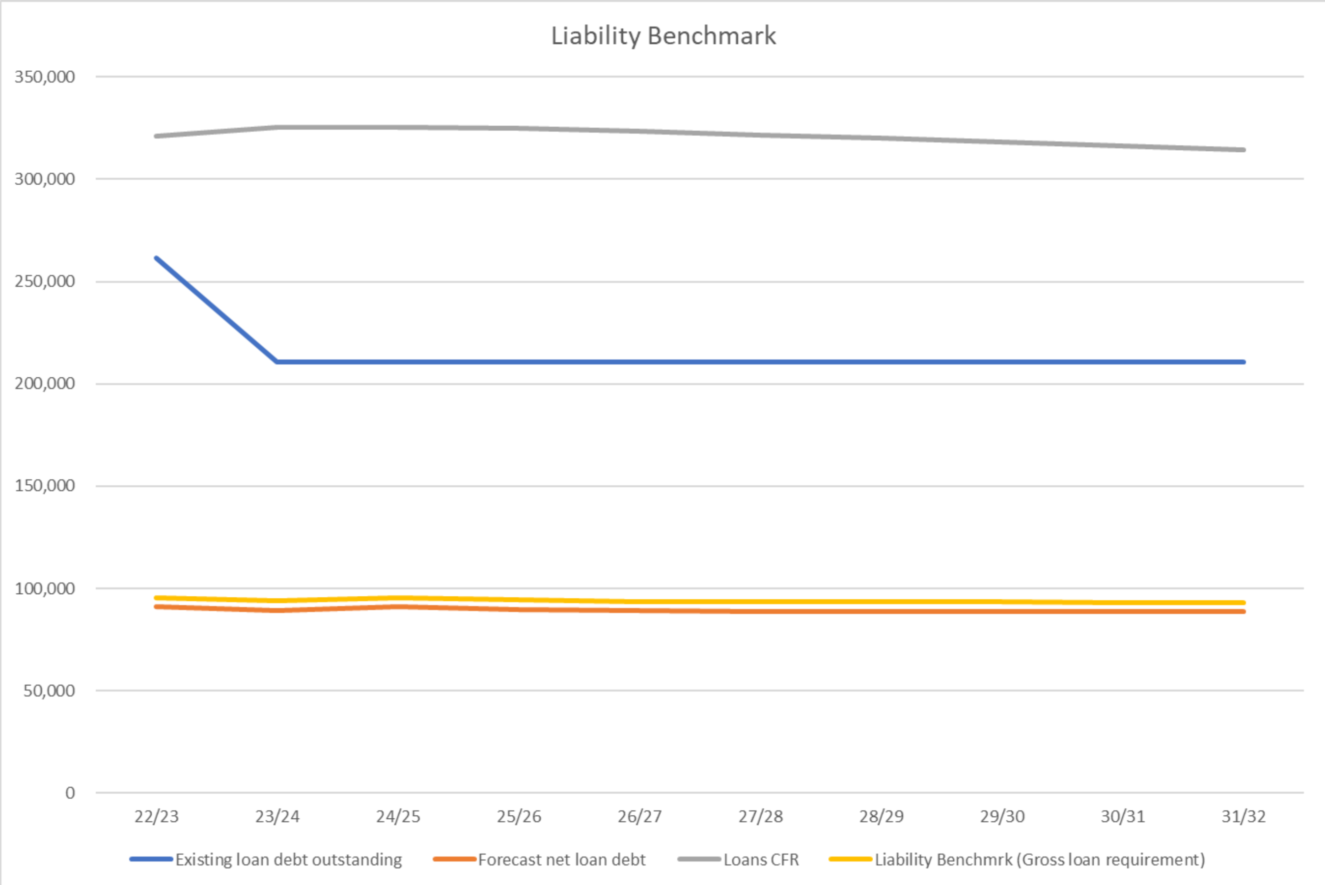
Liability Benchmark

5.31 A Liability Benchmark measure as defined in the new CIPFA Prudential and Treasury Management Codes is required to be included in the Council's Treasury Management Strategy from 2023/24. The Benchmark is included to determine the appropriate structure of the Councils external loans profile and is presented as a chart reflecting four balances as follows:

- Existing loan debt outstanding: the authority's existing loans which are still outstanding in future years;
- Loans CFR: calculated in accordance with the loans CFR definition in the Prudential Code, and projected into the future based on approved prudential borrowing and planned MRP taking account of approved prudential borrowing;
- Net loans requirement: the authority's gross loan debt, less treasury management investments, at the last financial year end, projected into the future based on its approved prudential borrowing, planned MRP and any other forecast major cash flows and;
- Liability benchmark (or Gross Loans Requirement) = Net loans requirement + short term liquidity allowance.

5.32 Chart 5.1 shows the Council's existing outstanding loan debt on the blue line which is below the grey CFR line demonstrating an under borrowed position which is being met by internal borrowing. The dark orange line shows the net outstanding loan position after deducting treasury management investments. The yellow line is the Liability Benchmark (Gross Loan requirement) which is net loans plus a liquidity allowance. The yellow liability Benchmark is significantly below the CFR demonstrating the Councils under borrowed and internally borrowed position.

Chart 5.1Liability Benchmark



Maturity Structure of borrowing Strategy

5.33 These lower and upper limits are set to reduce the Council's exposure to large fixed rate sums falling due for refinancing.

Table 5.3: Maturity structure of borrowing

Maturity structure of fixed interest rate borrowing		
2 years to 5 years	0%	60%
5 years to 10 years	0%	60%
10 years to 15 years	0%	60%
15 years to 20 years	0%	60%
20 years and above	0%	80%

The table below summarises the council's forward projections for borrowing based on the assumptions given in table 5.1 above.

Table 5.4a: Estimated forward projections for borrowing

	2022/23 Estimate £000	2023/24 Estimate £000	2024/25 Estimate £000	2025/26 Estimate £000	2026/27 Estimate £000	2027/28 Estimate £000
External Debt						
Debt as at 1 April	261,607	210,648	210,648	210,648	210,648	210,648
Expected change in debt	(50,959)	0	0	0	0	0
Other long-term liabilities	559	432	296	152	0	0
Actual gross debt as at 31 March	**211,207**	**211,080**	**210,944**	**210,800**	**210,648**	**210,648**
Capital Financing Requirement	321,185	325,259	325,590	324,866	323,246	321,585
Under/(Over) borrowing	**109,978**	**114,179**	**114,646**	**114,066**	**112,598**	**110,937**

N.B. Other long-term liabilities are any liabilities and other credit arrangements that are outstanding for periods in excess of 12 months e.g. finance leases.

5.34 Over the six year period covered by this TM Strategy, the following loan maturities and new borrowing will occur:

Table 5.4b: Estimated forward projections for borrowing

Maturities	Financial Year	New Borrowing	Financial Year
2,061,140	2022-23	0	2022-23
48,898,000	2022-23	0	2022-23
4,000,000	2023-24	4,000,000	2023-24
2,500,000	2024-25	2,500,000	2024-25
2,500,000	2025-26	2,500,000	2025-26
700,000	2025-26	700,000	2025-26
50,000,000	2025-26	50,000,000	2025-26
2,500,000	2026-27	2,500,000	2026-27
5,000,000	2026-27	5,000,000	2026-27
50,000,000	2027-28	50,000,000	2027-28
2,500,000	2027-28	2,500,000	2027-28
170,659,140		**119,700,000**	

5.35 During 2022/23 the council will not take any new long-term borrowing. £45M of borrowing was taken out during 2021/22 whilst interest rates were at historical low levels ahead of a scheduled repayment of self-financing debt in March 2023.

5.36 The council is currently maintaining an under-borrowed position. This means that the capital borrowing need (CFR) has not been fully funded with external loan debt, as cash supporting the council's reserves, balances and cash flow is used as a temporary measure. This strategy is prudent as external loan costs are currently high with interest rising and set to be at higher levels for sometime.

5.37 The council has been well served by this policy over the last few years. The Section 151 Officer will continue to review and adopt a pragmatic approach to changing circumstances to avoid incurring higher borrowing costs as set out below:

- If it is felt that there is a significant risk of a sharp FALL in long and short term rates (e.g. due to a marked increase of risks around relapse into recession or of risks of deflation), then long term borrowings will be postponed and a potential rescheduling from fixed rate funding into short term borrowing will be considered.
- If it was felt that there was a significant risk of a much sharper RISE in long and short term rates than that currently forecast, perhaps arising from sudden increase in inflation risks, then the portfolio position will be re-appraised. Most likely, fixed rate funding will be drawn whilst interest rates are lower than they are projected to be in the next few years.

Minimum Revenue Provision Policy Statement

5.38 The proposed MRP Policy Statement is set out in Appendix 5.

5.39 The Council is required to pay off a proportion of the accumulated unfunded general fund capital expenditure each year (capital financing requirement) through an annual revenue charge (the MRP). This includes MRP for commercial properties and other non-treasury investments financed by borrowing.

5.40 The Council overpaid £6.982m of MRP in previous years. This amount is being gradually released to the general fund revenue budget on a straight-line basis over 40 years. From the 2023/24 TM Strategy onwards, there is £5.934m over 34 years still to be released.

5.41 It should be noted that it is not the council's policy to charge minimum revenue provision (MRP) on loans to third parties so long as there is no indication that the loan will not be repaid in full. All third-party loans will be reviewed annually with an assessment made of any MRP payments required. This provision is being kept under review in the light of recent consultation exercises and the potential for changes to the codes of practice in the future.

5.42 Currently there is no requirement for the HRA to make MRP provisions, although a voluntary revenue provision is being considered. This will provide a mechanism for the prudential repayment of debt over the life of the business plan. In the absence of a repayment mechanism, the business plan demonstrates that debt could continue to be financed. However, continued right-to-buy sales will lead to a decrease in the number of properties available to generate the income necessary to continue to make interest repayments. Therefore, given the cumulative impact of increasing interest charges it is considered sensible to put in place a means of extinguishing both the capital and interest element of debt.

Investment Property Review

5.43 The revised Treasury Management and Prudential codes require Councils to review assets held for investment purposes against ongoing borrowing requirements and consider disposal of those investments to finance borrowing where the sale of an investment is financially viable.

5.44 To inform its Investment Strategy and take into account the CIPFA code requirements, the Council commissioned a review of its investment portfolio in conjunction with Jones Lang LaSalle (JLL) to determine asset condition, assets returns and the potential cost of disposal, provide a high-level health check of the portfolio, outline a 5 year strategy for the portfolio and provide recommendations around the retention/disposal of each asset.

5.45 The review has identified a number of assets that can be considered for sale, in addition the Council disposed of the Norwich Airport Industrial Estate jointly owned with The County Council earlier in the year and in January completed the sale of another investment asset at Cambridge Science Park,which was wholly owned by the City Council. The Cabinet has also recently resolved to dispose of properties at Guildhall Hill, Norwich. Any further asset disposals identified through the review will also be approved by Cabinet and Council as required. The review by JLL identifies the potential to dispose of a number of additional assets over the next 5 years and these are being profiled to ensure that the timing of such disposals is appropriate and in line with the needs of the council's budget and MTFS. Further asset disposals are therefore planned over the next 5 years and such decisions will be taken in due course alongside a strategy for determining the most appropriate application of the capital receipts received.

Borrowing Strategy

5.46 The capital expenditure plans set out in tables 5.2 above, provide details of the service activity of the council. The treasury management function ensures that the council's cash is organised in accordance with the relevant professional codes, ensuring that sufficient cash is available to meet this service activity. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities.

Table 5.5: The Council's current investment and borrowing position

	31/03/2022 Actuals £000	%	31/12/2022 Actuals £000	%
Investments				
Banks	68,525	41.6	65,000	34.9
Building Societies	25,000	15.2	30,000	16.1
Local Authority	45,000	27.4	45,000	24.2
UK Government	2,000	1.2	21,000	11.3
Money Market Funds	24,000	14.6	25,000	13.4
TOTAL	**164,525**	**100.0**	**186,000**	**100.0**
Borrowing				
PWLB	256,607	97.8	256,607	97.8
Banks	5,000	1.9	5,000	1.9
Others	694	0.3	694	0.3
TOTAL	**262,301**	**100.0**	**262,301**	**100.0**

5.47 On the 31st of December 2022, the council held £262m of external borrowing and £186m of treasury investments.

5.48 During 2022/23 the council has not taken any new long-term borrowing. £45M of borrowing was taken out during 2021/22 whilst interest rates were at historical low levels ahead of a scheduled repayment of self-financing debt in March 2023.

5.49 The additional borrowing, combined capital and grant receipts front loaded in the year, has meant that investment balances have increased since the start of 2022/23. These are expected to decrease towards the year end following a scheduled repayment of PWLB debt and business rates grants to the government.

Treasury Indicators 2023/24 – 2027/28

5.50 Table 5.6 below sets out the required affordable borrowing limit, namely:

a. The operational boundary - the limit beyond which external debt is not normally expected to exceed.

b. The authorised limit for gross external debt - a statutory limit determined under section 3 (1) of the Local Government Act 2003. It represents the legal limit on the maximum level of borrowing beyond which external debt is prohibited, and this limit needs to be set or revised by the full Council. It is also the level of external debt which, while not desired, could be afforded in the short term, but is not sustainable in the longer term.

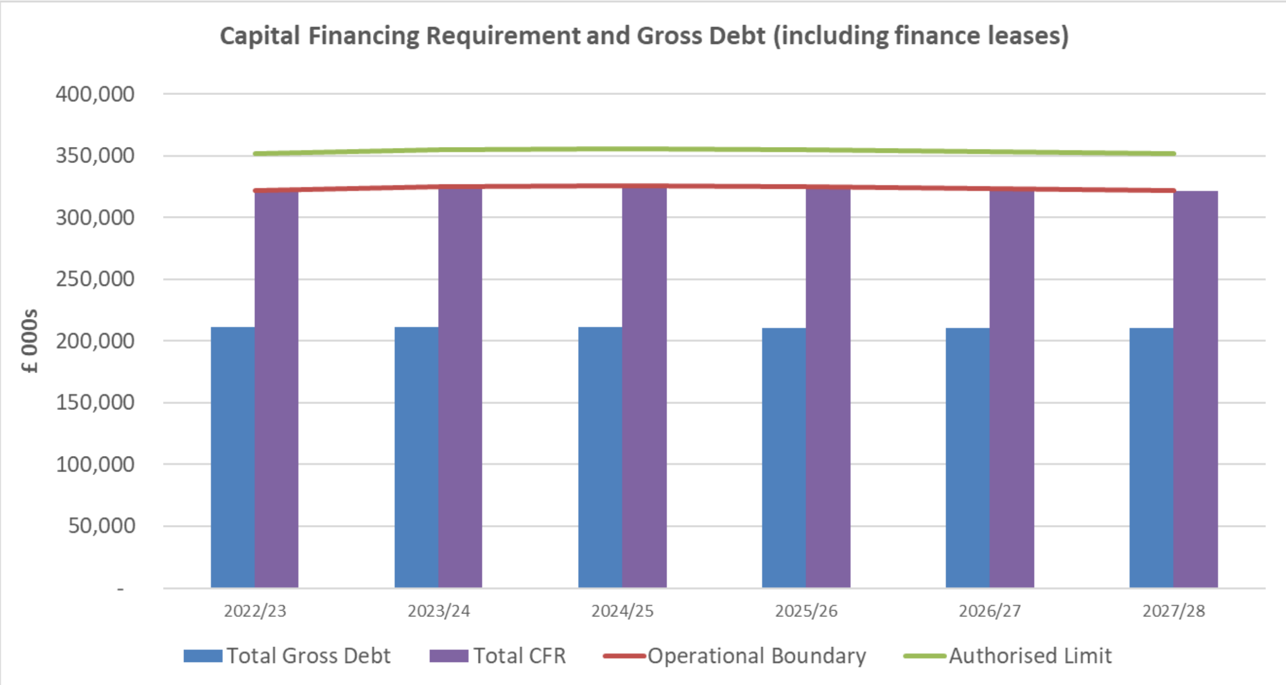
c. The estimated capital financing requirement for the HRA as at 1 April 2023 is £208.533m and this has been included in the authorised limit.

d. The HRA debt cap at the time it was removed in October 2018 was £236.989m.

Table 5.6: Treasury Indicators – Limits to Borrowing Activity

	2022/23 Estimate £000	2023/24 Estimate £000	2024/25 Estimate £000	2025/26 Estimate £000	2026/27 Estimate £000	2027/28 Estimate £000
Gross Debt						
Borrowing	211,207	211,079	210,944	210,800	210,648	210,648
Operational boundary for external debt						
Operational boundary	321,536	325,259	325,590	324,866	323,246	321,585
Authorised limit for external debt						
Authorised limit	351,536	355,259	355,590	354,866	353,246	351,585
Actual external debt						
Borrowing	210,648	210,648	210,648	210,648	210,648	210,648
Debt maturity profile - all borrowing %						
Less than one year	19%	2%	1%	25%	4%	25%
Between one and two years	2%	1%	25%	4%	25%	1%
Between 2 and 5 years	24%	54%	29%	27%	3%	3%
Between 5 and 10 years	23%	6%	7%	9%	9%	34%
Between 10 and 15 years	5%	4%	4%	2%	26%	4%
Between 15 and 20 years	0%	0%	0%	0%	0%	0%
Over 20 years	27%	33%	33%	33%	33%	33%
Upper limit for fixed interest rates	100%	100%	100%	100%	100%	100%
Upper limit for variable interest rates	20%	20%	20%	20%	20%	20%
Upper limit for investments > 365 days	£30m	£30m	£30m	£30m	£30m	£30m
Current treasury investments as at 31/12/2022 in excess of 1 year maturing in each year	-	-	-	-	-	-

Chart 5.2: Forecast of CFR and borrowing limits



Prospects for Interest Rates

5.51 The Council's treasury advisor's assist the Council to formulate a view on interest rates. Link provided the following forecasts on 19.12.22. These are forecasts for certainty rates, which are gilt (government bond) yields plus 80 bps.

Table 5.7 Interest Rate Forecasts

Link Group Interest Rate View	19.12.22												
	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25
BANK RATE	3.50	4.25	4.50	4.50	4.50	4.00	3.75	3.50	3.25	3.00	2.75	2.50	2.50
3 month ave earnings	3.60	4.30	4.50	4.50	4.50	4.00	3.80	3.30	3.00	3.00	2.80	2.50	2.50
6 month ave earnings	4.20	4.50	4.60	4.50	4.20	4.10	3.90	3.40	3.10	3.00	2.90	2.60	2.60
12 month ave earnings	4.70	4.70	4.70	4.50	4.30	4.20	4.00	3.50	3.20	3.10	3.00	2.70	2.70
5 yr PWLB	4.20	4.20	4.20	4.10	4.00	3.90	3.80	3.60	3.50	3.40	3.30	3.20	3.10
10 yr PWLB	4.30	4.40	4.40	4.30	4.10	4.00	3.90	3.80	3.60	3.50	3.40	3.30	3.30
25 yr PWLB	4.60	4.60	4.60	4.50	4.40	4.20	4.10	4.00	3.90	3.70	3.60	3.50	3.50
50 yr PWLB	4.30	4.30	4.30	4.20	4.10	3.90	3.80	3.70	3.60	3.50	3.30	3.20	3.20

Source: Link

5.52 Links central forecast reflects a view that the MPC will be keen to demonstrate its anti-inflation credentials by delivering a succession of rate increases. This has happened throughout 2022, but the new Government's policy of emphasising fiscal rectitude will probably mean Bank Rate does not now need to increase to further than 4.5%.

5.53 Further down the road, Link anticipate the Bank of England will be keen to loosen monetary policy when the worst of the inflationary pressures have lessened – but that timing will be one of judgment: cut too soon, and inflationary pressures may well build up further; cut too late and any downturn or recession may be prolonged.

5.54 The CPI measure of inflation is predicted to peak at close to 11% in Q4 2022. Despite the cost-of-living squeeze that is still taking shape, the Bank will want to see evidence that wages are not spiralling upwards in what is evidently a very tight labour market. Wage increases, excluding bonuses, are currently running at 5.7%.

5.55 In the upcoming months, the Link forecasts will be guided not only by economic data releases and clarifications from the MPC over its monetary policies and the Government over its fiscal policies, but the on-going conflict between Russia and Ukraine. (More recently, the heightened tensions between China/Taiwan/US also have the potential to have a wider and negative economic impact.)

5.56 On the positive side, consumers are still estimated to be sitting on over £160bn of excess savings left over from the pandemic so that will cushion some of the impact of the above challenges. However, most of those are held by more affluent people whereas lower income families already spend nearly all their income on essentials such as food, energy and rent/mortgage payments.

PWLB Rates

5.57 Yield curve movements have become less volatile under the Sunak/Hunt government. PWLB 5 to 50 years certainty rates are, generally, in the range of 3.75% to 4.50%. The medium to longer part of the yield curve is currently inverted (yields are lower at the longer end of the yield curve compared to the short to medium end).

5.58 Link view the markets as having built in, already, nearly all the effects on gilt yields of the likely increases in Bank Rate and the poor inflation outlook but markets are volatile and further whipsawing of gilt yields across the whole spectrum of the curve is possible.

The balance of risks to the UK economy: -

- The overall balance of risks to economic growth in the UK is to the downside. Indeed, the Bank of England projected two years of negative growth in their November Quarterly Monetary Policy Report.

Downside risks to current forecasts for UK gilt yields and PWLB rates include: -

- Labour and supply shortages prove more enduring and disruptive and depress economic activity (accepting that in the near-term this is also an upside risk to inflation and, thus, rising gilt yields).
- The Bank of England acts too quickly, or too far, over the next two years to raise Bank Rate and causes UK economic growth, and increases in inflation, to be weaker than currently anticipated.
- Geopolitical risks, for example in Ukraine/Russia, China/Taiwan/US, Iran, North Korea and Middle Eastern countries, which could lead to increasing safe-haven flows.

Upside risks to current forecasts for UK gilt yields and PWLB rates: -

- The Bank of England is too slow in its pace and strength of increases in Bank Rate and, therefore, allows inflationary pressures to build up too strongly and for a longer period within the UK economy, which then necessitates an even more rapid series of increases in Bank Rate faster than expected.

- The Government acts too slowly to increase taxes and/or cut expenditure to balance the public finances, in the light of the cost-of-living squeeze.

- The pound weakens because of a lack of confidence in the UK Government's fiscal policies, resulting in investors pricing in a risk premium for holding UK sovereign debt.

- Borrowing advice: Our long-term (beyond 10 years) forecast for Bank Rate stands at 2.5%. As all PWLB certainty rates are now above this level, borrowing strategies will need to be seen in that context. Better value can generally be obtained at the shorter end of the curve and short-dated fixed LA to LA monies should be considered. Temporary borrowing rates are likely, however, to remain near Bank Rate and may also prove attractive whilst the market waits for inflation, and therein gilt yields, to drop back later in 2023.

Our suggested budgeted earnings rates for investments up to about three months' duration in each financial year are as follows: -

Table 5.8 Suggested budgeted earnings rates

	Average earnings in each year
2022/23 (remainder)	3.95%
2023/24	4.40%
2024/25	3.30%
2025/26	2.60%
2026/27	2.50%
Years 6 to 10	2.80%
Years 10+	2.80%

5.59 As there are so many variables at this time, caution must be exercised in respect of all interest rate forecasts.

Borrowing Strategy

5.60 The Council is currently maintaining an under-borrowed position. This means that the capital borrowing need, (the Capital Financing Requirement), has not been fully funded with loan debt as cash supporting the Authority's reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as medium and longer dated borrowing rates are expected to fall from their current levels once prevailing inflation concerns are addressed by tighter near-term monetary policy. That is, Bank Rate increases over the remainder of 2022 and the first half of 2023.

5.61 Against this background and the risks within the economic forecast, caution will be adopted with the 2023/24 treasury operations. The Council's S151 officer and the treasury team will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances.

5.62 Any decisions will be reported to the appropriate decision-making body at the next available opportunity.

Policy on borrowing in advance of need

5.63 CIPFA's Prudential Code allows borrowing in advance of need when changes in interest rates mean that it benefits the council to borrow before the planned expenditure is incurred. This will be considered carefully, and appropriate advice will be sought from the council's treasury management advisers.

5.64 Borrowing in advance of need from a treasury management perspective will be made within the following constraints:

- It will be limited to no more than 75% of the expected increase in borrowing need (CFR) over the three-year planning period; and
- The authority would not look to borrow more than 3 years in advance of need (current and next two financial years).

5.65 The risks associated with any advanced borrowing from a treasury management perspective will be subject to appraisal and will be reported via the mid-year or annual Treasury Management reports.

Debt rescheduling

5.66 As short-term borrowing rates will be considerably cheaper than longer term fixed interest rates, there may be potential opportunities to generate savings by switching from long-term debt to short-term debt. However, these savings will need to be considered in the light of the current treasury position and the size of the cost of debt repayment (premiums incurred).

5.67 Any rescheduling will take account of:

- The generation of cash savings and / or discounted cash flow savings;
- Helping to fulfil the treasury strategy;
- Enhancing the balance of the portfolio (amend the maturity profile and/or the balance of volatility).

UK Municipal Bond Agency (MBA)

5.68 It is possible that the MBA will be offering loans to local authorities in the future at rates expected to be lowered than offered by the PWLB. The Council may make use of this new source of borrowing as and when appropriate.

Investment Strategy

Treasury investment policy

5.69 The council's treasury management investment policy has regard to DLUHC's Guidance on Local Government Investments ("the Guidance") and CIPFA's Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance

Notes ("the CIPFA TM Code") as well as the CIPFA Treasury Management Guidance Notes 2021. The Council's treasury management investment priorities will be Security first, Liquidity second, and then Yield.

5.70 All funds invested by the in-house treasury management team as part of the normal treasury management processes are made with reference to the cash flow requirements of the council and the outlook for short-term interest rates (i.e. rates for investments up to 12 months). Careful consideration will be given before investing sums identified for longer term investments.

Risk Management and Creditworthiness Policy

5.71 Management of risk is placed in high priority in accordance with the DLUHC and CIPFA Guidance. In order to minimise the risk to treasury investments, the council applies minimum acceptable credit criteria to generate a list of highly creditworthy counterparties which it maintains. This also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the short term and long term ratings.

5.72 Ratings will not be the sole determinant of the quality of an institution; the financial sector will be continuously monitored on both micro and macro basis and in relation to the economic and political environments in which these institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To achieve this, the council will engage with its advisors to watch the market pricing such as "credit default swaps" and overlay that information on top of the credit ratings.

5.73 Other information sources used will include the financial press, share price and other such information relating to the banking sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties. For local authority or related counterparties, the financial standing and other available information will be considered before placing investments.

5.74 Where applicable consideration will be given to the materiality of expected credit losses for treasury investments before they are used.

5.75 The counterparty list for treasury investments will be revised from time to time and submitted to council for approval as necessary.

5.76 In its selection process, the council will apply its approved minimum criteria to the lowest available rating for any institution. Credit rating information is supplied by Link Asset Services; the Council's treasury consultants. Any counterparty failing to meet the criteria would be omitted from the counterparty (dealing) list.

5.77 Any rating changes, rating watches (notification of a possible change), rating Any rating changes, rating watches (notification of a possible change), rating outlooks (notification of a possible longer-term change) are provided to officers almost immediately after they occur and this information is considered before dealing. On occasion ratings may be downgraded when an investment has already been made. The criteria used are such that a minor downgrading should not affect the full receipt of the principal and interest. Where a credit rating agency announces that a rating is on review for possible downgrade so that it may fall below the approved minimum rating criteria, then future investments (other than existing investments) will only be made with that organisation until the outcome of the review is announced. Building Societies will be subject to an additional criteria where the assets on their balance sheet are taken into account to asses credit worthiness. The counterparty list will therefore permit investment with a building societies where credit ratings are below the minimum for banks, but where the assets on the building societies balance sheet exceed £2.5bn.

5.78 The list of types of investment instruments that the treasury management team are authorised to use are categorised as specified and non- specified investments.

- **Specified investments** that the Council will use are high security and high liquidity investments in sterling and with a maturity of no more than a year.
- **Non-specified investments** are high security, high credit quality, in some cases more complex instruments for periods in excess of one year.

5.79 The council will consider the use of new investment instruments after careful consideration by officers and approval by council.

5.80 While all investments will be denominated in sterling, investments will only be placed with counterparties from countries with a specified minimum sovereign rating in table 5.10.

5.81 Lending and transaction limits for each counterparty will be set in the Treasury Management Principles (TMPs) through applying the matrix table 5.9 below.

Table 5.9: specified and non-specified investment approved instruments and limits

Counterparty/Financial instrument	Minimum Credit Criteria or Equivalent	Specified Investments		Non-specified Investments	
		Maximum duration	Counterparty Limit (£m)	Maximum duration	Counterparty Limit (£m)
DMAF - UK Government	n/a	3 months	£30m	n/a	n/a
UK Government gilts	UK Sovereign rating	12 months	£15m	3 years	£5m
UK Government Treasury bills	UK Sovereign rating	6 months	£10m	n/a	n/a
Money Market Funds - CNAV	AAA	Liquid	£10m per fund £25m overall limit	n/a	n/a
Money MARKET Funds - LVNAV	AAA			n/a	n/a
Money Market Funds - VNAV*	AAA			n/a	n/a
UK Local Authority term deposits (LA)**	n/a	12 months	£13m per LA	5 years	£5m per LA
Term Deposits with UK Building Societies	Assets worth at least £2.5bn but do not meet the minimum Bank/Building Society credit Criteria	12 months	£5m	n/a	n/a
Banks/UK Building Societies (Term deposits, CD, Call & Notice accounts)	AAA	12 months	£20m	2 years	£10m
Banks/UK Building Societies (Term deposits, CD, Call & Notice accounts)	AA+ AA	12 months	£17m	12 months	£5m
Banks/UK Building Societies (Term deposits, CD, Call & Notice accounts)	AA- A+ A	12 months	£10m	n/a	n/a
Banks/UK Building Societies (Term deposits, CD, Call & Notice accounts)	A-	6 months	£5m	n/a	n/a
Property Funds	Credit loss analysis, financial and legal due diligence	n/a	n/a	n/a	£5m per fund
Loan Capital and other third party loans including parish councils	Subject to financial & legal due diligence	considered on individual basis	n/a	considered on individual basis	n/a

* Specialist advice will be obtained before the use of VNAV money market funds
** Local authorities will reviewed in line with CIPFA suggested indicators

5.82 Table 5.9 incorporates several increases to the specified investment counterparty limits compared to the 2022/23 Treasury Management Strategy. This decision has been taken in light of the increased cash balances currently being held by the authority. The increases have been applied to the lowest credit risk investments and will ensure the council has sufficient capacity to manage its current investments in a secure way. The following increases have been applied:

- Increase in specified investments with AAA rated Money Market Funds (MMF) (Term Deposits, CD, Call & Notice accounts) from £25m to £35m (maximum duration 12 months) and to increase the number of MMF's available from three to Four;

5.83 The identification and rationale supporting the selection of these investments, the maximum limits and monetary limits to be applied are set out in table 5.9 above.

5.84 For its cash flow generated balances, the Council will seek to utilise its business reserve instant access and notice accounts, money market funds and short-dated deposits (overnight to 100 days), in order to benefit from the compounding of interest.

Sovereign limits

5.85 Alongside changes in banking regulations which are focused on improving the banking sectors resilience to financial and economic stress, due care will be taken to consider the country, group and sector exposure of the Council's investments.

5.86 The Council will only use approved counterparties from the UK and countries with a sovereign credit rating from the three main rating agencies equal to or above AA-. In addition:

- No more than 20% will be placed with any non-UK country at any time and would always be sterling investments
- Sector limits will be monitored regularly for appropriateness.

5.87 Due to the current economic outlook for the UK economy, the UK sovereign rating is currently on the lowest acceptable level suggested for approved countries of AA-. However, if credit rating agencies downgrade the UK below AA- (the minimum Sovereign rating for 2023/24), the council will immediately seek advice from its treasury adviser and report to cabinet at the earliest possible reporting date.

Table 5.10: Sovereign rating for 2023/24

AAA	Sweden	**AA**
Australia	Switzerland	Abu Dhabi (UAE)
Denmark		France
Germany	**AA+**	**AA-**
Luxembourg	Canada	Belgium
Netherlands	Finland	Hong Kong
Norway	USA	Qatar
Singapore		U.K.

Bank of England iteration UK bank stress tests

5.88 In addition to the use of credit ratings provided by the three main rating agencies the other factors identified in paragraphs 5.72 and 5.73 will be taken into consideration when selecting UK banks.

Money Market Funds (MMFs)

5.89 Money market funds are pooled investment vehicles consisting of instruments similar to those used by the council. They have the advantage of providing wide diversification of investment risks, coupled with the services of a professional fund manager and analyst team. Fees are deducted from the interest paid to the council.

Building societies

5.90 Although the regulation of building societies is no longer any different to that of banks, the council may use building societies which meet the minimum credit rating for Banks and Building Societies or have a minimum asset size of £2.5bn but will restrict these types of investments to fixed deposits subject to lower cash limit and shorter time limit.

Current account banking

5.91 The council's current accounts are held with Barclays Bank UK Plc (Ring Fenced Bank RFB). In the event of the credit rating of Barclays Bank UK Plc (RFB) falling to a point lower than the council's minimum credit criteria of A- long term rating, the council will treat its bank as "high credit quality" for the purpose of making investments that can be withdrawn on the next working day.

UK banks – ring fencing

5.92 The council will continue to assess any newly formed entities against existing criteria and those with sufficiently high ratings will be considered for investment purposes.

Investment risk benchmarking

5.93 These benchmarks are simple guides to maximum risk, so they may be breached from time to time, depending on movements in interest rates and counterparty criteria. The purpose of the benchmark is that officers will monitor the current and trend position and amend the operational strategy to manage risk as conditions change. Any breach of the benchmarks will be reported, with supporting reasons in the mid-year or annual Treasury Management report.

5.94 **Security benchmark** – Counterparty risk will increase as duration of investment increases. The council will continue its policy of investing the majority of its investments with duration of less than 12 months. The council's maximum security risk benchmark for the current portfolio, when compared to the historic default tables is 0.04%. This benchmark is an average risk of default measure and would not constitute an expectation of loss against a particular investment.

5.95 **Liquidity** – in respect of this area the council seeks to maintain:

- Bank overdraft – zero balance
- Liquid short-term deposits of at least £1m available with a week's notice.
- Weighted average life benchmark is expected to be 0.50 years, with a maximum of 1.00 year. However, this benchmark may change if the Council decides to invest longer than 12 months.

5.96 **Yield** - local measures of yield benchmarks are:

- Investments – internal returns above the 7-day SONIA (Sterling Overnight Index Average) rate.

Ethical investment

5.97 The council will not knowingly invest directly in businesses whose activities and practices pose a risk of serious harm to individuals or groups, or whose activities are inconsistent with the council's mission and values.

5.98 This applies to direct treasury investment only. The council's normal money market activity would usually be with financial institutions which may have unknown indirect links with companies which the council will be unable to monitor. However, where known links are publicly available the council will not knowingly invest.

Environmental, Social and Corporate Governance Policy

5.99 The updated Treasury Management Code published in December 2021 included a requirement under TMP1 that 'the organisation's credit and counterparty policies should set out its policy and practices relating to environmental, social and governance (ESG) investment considerations'. The Code acknowledges that this is a developing area, and it is not implied that the organisation's ESG policy will currently include ESG scoring or other real-time ESG criteria at the individual investment level. The council will continue to review and build on the emerging guidance in this area of treasury management as well as seek updates on good practice from its Treasury Management advisors.

5.100 The Council recognises that environment, social and governance (ESG) factors can influence investment performance and the ability to achieve sustainable returns. The Councils Treasury Management (TM) Committee therefore considers the following two key areas of responsible investment:

- Corporate Governance – acting as responsible and active investors.
- Sustainable investment – considering the financial impact of environmental, social and governance (ESG) factors on its investments.

5.101 The TM Committee takes ESG matters very seriously and will regularly conduct reviews of its policies in this area with advice from its Treasury Advisors. The TM Committee has developed the following responsible investment beliefs.

- The TM Committee has an overriding duty to manage its investments in accordance with the Committees Terms of reference and the council's legal obligation under the Local Government Act 2003;
- The Committee will adopt the relevant codes of practice and guidance issued by CIPFA (Chartered Institute of Public Finance & Accountancy) and the DLUHC (Department for Levelling Up, Housing and Communities) including CIPFA's Treasury Management Code of practice and the Prudential Code.
- The TM Committee consider proactive management of our ESG approach and will therefore encourage the Council's TM Advisers to actively engage with officers and the financial markets to identify suitable counterparty's and investments.

5.102 As part of their Environmental, Social and Governance (ESG) considerations, our TM Advisors should review the market for approaches to environmental factors such as fossil fuels and climate change along with Social factors such as employee rights and Governance factors such as compliance with standard industry practice and Legislation.

5.103 The TM Committee expects its advisors to demonstrate a positive review of the market in response to:

- Matters of social responsibility.
- Environmental policy on how their impact can be minimised.
- Monitor risks and opportunities associated with climate change and fossil fuels.
- Anticipate future legislative requirements.

5.104 As part of the Council's Counterparty list, the Council has access to a Sustainable triple A rated Money Market Fund. This allows the Council to place up to £10M of its surplus cash in an ESG focused fund which is low risk provides next day liquidity and market rate return.

Policy on charging interest to the Housing Revenue Account (HRA)

5.105 Following the reform of housing finance, the council can adopt its own policy on sharing interest costs and income between the General Fund (GF) and the Housing Revenue Account (HRA).

5.106 The CIPFA Code recommends that authorities state their policy on this matter each year in their treasury management strategy. The charge is required to be fair to the general fund and to the HRA. This council's policy is to charge the HRA with an element of any under-borrowing or surplus cash at the Council's pooled borrowing/investment rates.

Policy on use of financial derivatives

5.107 The council will not use standalone derivatives except where they can be clearly demonstrated to reduce the overall level of financial risk that the council is exposed to.

Regulatory Changes

5.108 In December 2021 CIPFA issued revised versions of the Treasury Management Code and its associated guidance, which in themselves interact closely with an updated Prudential Code for capital finance, governing local authority capital investment and borrowing activities. Formal adoption of the code by the Council is required from the 2023/24 financial year to which this Strategy document relates. The Council has to have regard to these codes of practice when it prepares the Treasury Management Strategy Statement and Annual Investment Strategy, and also related reports during the financial year, which are taken to Full Council for approval.

5.109 The revised codes have the following implications:

- a requirement for the Council to adopt a new debt liability benchmark treasury indicator to support the financing risk management of the capital financing requirement;

- clarity on what CIPFA expects a local authority to borrow for and what they do not view as appropriate. This includes the requirement to set a proportionate approach to commercial and service capital investment;
- address ESG issues;
- a requirement to consider annually its commercial property investments, if it intends to have a borrowing need, and to consider the risks and benefits of continuing to hold such investments against the option to divest and realise capital receipts to pay down debt or reduce future borrowing needs;
- create new Investment Practices to manage risks associated with non-treasury investment (similar to the current Treasury Management Practices);
- ensure that any long-term treasury investment is supported by a business model;
- a requirement to effectively manage liquidity and longer-term cash flow requirements;
- amendment to the knowledge and skills register for individuals involved in the treasury management function - to be proportionate to the size and complexity of the treasury management conducted by each council;
- a new requirement to clarify reporting requirements for service and commercial investment, (especially where supported by borrowing/leverage).

5.110 Members will continue to be updated on how all of these changes are being implemented as part of the regular reporting to the Treasury Management Committee.

APPENDIX 5: Minimum Revenue Provision (MRP) policy statement

For capital expenditure incurred:

(A) From 1st April 2008 for all unsupported borrowing (excluding finance leases) the MRP policy will be to; charge MRP on an annuity basis (using the prevailing rate of interest at the time) so that there is provision for the full repayment of debt over 50 years; Asset life is deemed to begin once the asset becomes operational. MRP will commence from the financial year following the one in which the asset becomes operational.

(B) MRP in respect of unsupported borrowing taken to meet expenditure, which is treated as capital expenditure by virtue of either a capitalisation direction or regulations, will be determined in accordance with the asset life method as recommended by the statutory guidance.

(C) Expenditure in respect of loans made to third parties will not be subject to a minimum revenue provision as the Council will have undertaken sufficient due diligence to expect these loans will be repaid in full to the Council by a capital receipt either during the loan agreement term or at the end of the agreement. Therefore, the Council considers that it can take a prudent view that the debt will be repaid in full at the end of the loan agreement (or during if it is an instalment loan), so MRP in addition to the loan debt repayments is not necessary. Each loan will be reviewed on an annual basis to ensure that is no change in the expectation that there will be a full repayment of the loan. If, upon review, this is no longer found to be the case then a minimum revenue provision will be made over a prudent timeframe to cover the potential non-repayment of part, or all of the loan balance.

This is subject to the following details:

1) An average asset life for each project will normally be used. There will not be separate MRP schedules for the components of a building (e.g. plant, roof etc.). The asset life will be determined by the Chief Finance Officer based on the standard schedule of asset lives provided by an appropriately qualified asset valuer will generally be used (as stated in the Statement of Accounts accounting policies).

2) MRP will commence in the year following the year in which capital expenditure financed from borrowing is incurred, except for single assets when expenditure is being financed from borrowing the MRP will be deferred until the year after the asset becomes operational.

3) Other methods to provide for debt repayment may occasionally be used in individual cases where this is consistent with the statutory duty to be prudent, as justified by the circumstances of the case. Where this is the case, the chief finance officer will first seek approval from Full Council.

4) There is no requirement on the HRA to make a minimum revenue provision but there is a requirement for a charge for depreciation to be made.

5) Repayments included in annual finance leases are excluded from MRP as they are deemed to be a proxy for MRP.

6. SUMMARY OF KEY FINANCIAL INDICATORS

Background

6.1 Local government finance is subject to a high level of regulation. There are various codes of practice which the council, under legislation, has a duty to have regard to when taking its budget decisions.

6.2 This section of the budget report provides information to show the affordability, proportionality, and value of potential risk exposure with regard to the council's proposals for borrowing, lending to third parties, investment in equity shares in third parties, as well as its commercial income streams.

6.3 DLUHC has suggested various financial indices that could be used to fulfil this requirement and recommends that councils should "where appropriate" consider setting self-assessed limits or targets for these indices.

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/678866/Guidance_on_local_government_investments.pdf

6.4 For the majority of indicators, the council has not elected to set self-assessed limits. This will be kept under review as better benchmarking data becomes available from other authorities. The annual limit regarding borrowing along with a number of other prudential and Treasury Management indicators are set in the Treasury Management Strategy (section 5).

6.5 The indices chosen as being the most appropriate for the council's circumstances at present take as their starting point figures from the 2021/22 draft statement of accounts and project these forward for this financial year and the five following years. Members should note that at the time of publication the 2021/22 accounts were still subject to external audit.

6.6 The DLUHC do not specify any indices for the HRA – they are given in the tables that follow where appropriate to do so using locally derived indicators.

Balance Sheet position - strong

6.7 The balance sheet provides a "snapshot" of the council's financial position at a specific point in time showing what it owns and owes. The council currently has a strong balance sheet position and has total long-term assets valued at £1.2bn, most of which are land and property assets including the council's HRA housing. The Councils usable Reserves totals £168M

6.8 As at 31 March 2022, the council had external borrowing of £264m (£213m long-term, £52.04m short-term) which is 22% of the value of the council's assets. In addition, the council had borrowed £58m internally from its own cash holdings to temporarily fund capital expenditure and investments. The total long-term indebtedness of the council at the end of last financial year was therefore £322m (this figure is known as the capital financing requirement (CFR)).

6.9 Long term investments (equity shares) as at the 31 March 2022 include a £3.4m shareholding in Norwich Regeneration Limited and £0.370m shareholding in Norwich City Services Ltd.

6.10 In the 2021/22 long term debtors, the amounts lent to third parties on commercial terms comprise a £6.150m loan to Norwich Regeneration Limited, £1.140m capital loan to Norwich City Services, a £0.500m working capital loan to Norwich City Services Ltd and a £0.104m loan to Norwich Preservation Trust. The council also makes "soft" loans (on non-commercial terms) to others, for example home improvement loans to residents. Only the lending undertaken on commercial terms needs to be considered as part of the requirements arising from the revised Investment Code.

Forecast Balance Sheet position

6.11 The council's budget proposals contained within this budget report will result in a growing balance sheet both in terms of the long-term assets that will be held by the council (in particular social housing and long-term debtors) as well as its long-term liabilities (its capital financing requirement or underlying need to borrow).

Core Funds and Expected Investment Balances

6.12 The application of resources (reserves, capital receipts etc.) to either finance capital expenditure or other budget decisions to support the revenue budget will have an ongoing impact on investments unless resources are supplemented each year from new sources (asset sales etc.). Detailed below are estimates of the year-end balances for each resource and anticipated day-to-day cash flow balances. The large increase in expected balances in 2022/23 reflects the capital receipts from the sale of assets during the year to date.

Table 6.1 **Core Funds and Expected Investment Balances**

	2021/22 Actual £'000	2022/23 Estimate £'000	2023/24 Estimate £'000	2024/25 Estimate £'000	2025/26 Estimate £'000	2026/27 Estimate £'000	2027/28 Estimate £'000
General Fund Reserve	-10,336	-8,236	-8,236	-8,236	-8,236	-8,236	-8,236
GF Earmarked Reserves	-29,849	-14,591	-13,994	-13,994	-13,994	-13,994	-13,994
HRA Reserve	-51,373	-47,164	-45,954	-45,889	-7,095	-7,298	-6,495
HRA Earmarked Reserve	-848	-1,679	-1,609	-1,609	-1,609	-1,609	-1,609
Capital Receipts Reserve	-64,353	-67,904	-64,127	-63,765	-74,990	-82,502	-69,446
Major Repairs Reserve	-7,281	-4,314	-4,037	-5,582	-7,369	-9,462	-9,462
Capital Grants Unapplied	-4,249	-2,774	-1,210	230	230	230	230
Total Core Funds	**-168,289**	**-146,662**	**-139,167**	**-138,845**	**-113,063**	**-122,871**	**-109,013**
Expected Investment Balances	**164,525**	**186,000**	**139,000**	**138,000**	**113,000**	**122,000**	**109,000**

Financing Costs

6.13 The Council's Capital expenditure plans should be considered alongside the cost of past borrowing, maintenance requirements and planned disposals.

The authority's MRP or loans fund repayment policy will also have a critical impact on the overall affordability of new borrowing. Capital Financing costs are shown as a % net revenue stream (taxation and non-specific grant income excluding capital grants, contributions and donated assets).

Table 6.2 Capital Financing costs are shown as a % net revenue stream

	2021/22 Actual £'000	2022/23 Estimate £'000	2023/24 Estimate £'000	2024/25 Estimate £'000	2025/26 Estimate £'000	2026/27 Estimate £'000	2027/28 Estimate £'000
General Fund	9%	13%	8%	7%	7%	7%	7%
Housing Revenue Account	12%	11%	9%	8%	8%	8%	7%

The Council's non-financial (commercial) investments

Commercial income to Net Revenue Stream

6.14 This ratio shows the general fund's dependence on commercial income to deliver core general fund services. The ratio is shown as a % against net revenue stream (taxation and non-specific grant income excluding capital grants, contributions and donated assets).

Table 6.3: Net commercial income to Net Revenue Stream

	2021/22 Actual £'000	2022/23 Estimate £'000	2023/24 Estimate £'000	2024/25 Estimate £'000	2025/26 Estimate £'000	2026/27 Estimate £'000	2027/28 Estimate £'000
Commercial Property Income	-7,203	-6,423	-6,041	-6,212	-6,212	-6,212	-6,212
Commercial Property Expenditure	3,397	2,623	2,432	2,461	2,466	2,472	2,477
MRP	789	809	783	802	823	844	865
Airport Industrial Net Income	-283	-44	0	0	0	0	0
Net Commercial Property Income	**-3,300**	**-3,035**	**-2,826**	**-2,949**	**-2,923**	**-2,896**	**-2,870**
Lending interest income	-418	-454	-479	-625	-625	-625	-625
Assumed lending cost	187	202	216	280	280	280	280
Net 3rd Party Lending Income	**-231**	**-252**	**-263**	**-345**	**-345**	**-345**	**-345**
Net Commercial Income	**-3,531**	**-3,287**	**-3,089**	**-3,294**	**-3,268**	**-3,241**	**-3,215**
Net Revenue Stream	**-21,416**	**-22,184**	**-22,552**	**-23,191**	**-23,691**	**-24,217**	**-24,773**
Net Commercial Income as a % of Net Revenue Stream	**16%**	**15%**	**14%**	**14%**	**14%**	**13%**	**13%**

6.15 For 2023/24 onwards the net and gross income from Commercial property shown in table 6.3 are based on the proposed budget assumptions. For 2022/23 the assumed income from the Norwich Airport Industrial Estate has been reduced based on the decision by Cabinet in July 2021 to dispose of the site and its assumed sales during the financial year. Income from the council's car parks is not included in this analysis as the primary reason for owning and managing them is not solely for-profit making purposes.

7. CHIEF FINANCE OFFICER'S STATEMENT

Statutory requirements

7.1 Section 25 of the Local Government Act 2003 places specific responsibilities on the Chief Finance Officer to report on the robustness of the budget and the adequacy of proposed financial reserves when the council is considering its budget requirement. The council is required to have regard to this statement when it sets the budget. This includes reporting and considering:

- The key assumptions in the proposed budget and to give a view on the robustness of those assumptions.
- The key risk areas in the budget and to assess the adequacy of the Council's reserves when reviewing the potential financial impact of these risk areas on the finances of the Council. This should be accompanied by a Reserves Strategy.

7.2 CIPFA published a new Financial Management (FM) Code in October 2019. One of the 17 standards included in the new Code is 'the budget report includes a statement by the chief financial officer on the robustness of the estimates and a statement on the adequacy of the proposed financial reserves.' The statement is updated considering the prevailing circumstances and assessment of relevant risks each financial year.

7.3 This document concentrates on the General Fund budget, the Housing Revenue Account and Capital Investment Programme, but in addition it also considers key medium-term issues faced by the Council.

Assurance Statement of the Council's Section 151 Officer

7.4 The following are the summary assurances and recommendations of the Council's Section 151 Officer. They must be read in conjunction with the supporting statements in this Section, which together make up the Section 151 Officer's statutory duty to report under Section 25 of the Local Government Act 2003.

7.5 In relation to the 2023/24 General Fund Revenue budget, I have examined the budget proposals and I believe that, whilst the spending and service delivery proposals are challenging, they are nevertheless achievable given the political and management desire to implement the changes. Good management and the sound monitoring of performance and budgets will be essential. I am satisfied that sufficient management processes exist within the Council to deliver this budget and to identify and deal with any problems which may arise unexpectedly during the year.

7.6 The key process risks in making the above statement are the level of resources within the Council dedicated to providing financial support services and advice to managers, which will need the finance teams to be focused on key risk budgets.

7.7 My recommendations are also conditional upon:

a) The Council approving the updated Medium Term Financial Strategy for 2023/24 to 2026/27.

b) A recognition in the medium-term planning approach that the level of reserves and corporate risk assessment need to be regularly reviewed in the light of changing circumstances and that it may not be possible to match the two at any single point in time. The Council needs to show a commitment to maintain reserves at a level which provides adequate cover for most identified risks during the planning period. This approach is pragmatic and shows a clear commitment to prudent contingency planning.

c) It must be noted, however, that the recommended levels of reserves could still leave the Council exposed to the very exceptional risks identified in this review and, if all those risks crystallised at the same time, then the total level of reserves could be inadequate.

d) Cabinet Members, Chief Executive, Executive Directors, and managers not exceeding their cash limits for 2023/24 (and future years covered by the Medium-Term Financial Strategy).

e) Not considering further calls on reserves other than for those risks that have been identified, those that could not have been reasonably foreseen and that cannot be dealt with through management or policy actions. It is not prudent to finance ongoing spending from one-off reserves. Any excess reserves should be targeted towards business transformation (including redundancies and invest to save initiatives), Local Government funding changes and the impacts of significant changes in national policy.

f) That the Council has arrangements and resources in place to consider and assess value for money across the delivery of all its services and operations in preparation for future years' budgets.

7.8 In relation to the adequacy of reserves, I recommend the following Reserves Strategy based on an approach to evidence the requisite level of reserves by internal financial risk assessment. The Reserves Strategy will need to be reviewed annually and adjusted in the light of the prevailing circumstances.

a) An absolute minimum level of unallocated General Fund reserves of £5.4 million is maintained throughout the period between 2023/24 to 2026/27.

b) An optimal level of unallocated General Fund reserves of £10 million over the period 2023/24 to 2026/27 to cover the absolute minimum level of reserves, in-year risks, cash flow needs and unforeseen circumstances.

c) A maximum recommended level of unallocated General Fund reserves of £12 million for the period 2023/24 to 2026/27 to provide additional resilience to implement the Medium-Term Financial Strategy.

d) A Reserves Strategy to remain within the recommended level of reserves over the relevant period of 2023/24 to 2026/27.

7.9 The estimated level of unallocated General Fund reserves at 31 March 2023, based on current projections is £8.2 million depending on the final outturn position. Therefore:

a) The absolute minimum level of reserves of £5.4 million is currently being achieved. b) The optimal level of reserves of £10 million criteria is not currently being achieved for 2022/23. It should be noted however that there are currently no proposals over the MTFS period to draw from general unallocated reserves (£2.1m for 2022/23) and at Q2 a small general fund underspend was projected. The CFO is of the opinion that consideration to achieving the optimal level of unallocated reserve as part of the 2022/23 closure process is an appropriate approach to take.

b) The maximum level of reserves of £12 million is not being exceeded.

c) Reserves should remain within the recommended range of reserves during 2023/24. This is subject to the cash limited budget for 2023/24 being met.

7.10 These recommendations are made based on:

a) The risks identified by the Chief Executive and Executive Directors reviews of their budgets including the budget risks set out in section 2 of this report.

b) My own enquiries during the development of the current budget proposals, including specifically the base budget review undertaken during 2022 by all budget managers and subject to an independent review.

c) The resilience and sustainability required to deliver the Medium-Term Financial Strategy.

d) One-off unallocated reserves not being used to fund new on-going commitments.

e) That the reserves in 2023/24 and the foreseeable future are used only if risks materialise and cannot be contained by management or policy actions.

f) That where reserves are drawn down, the level of reserves is maintained in line with the latest Medium Term Financial Strategy.

7.11 There are also serious exceptional risks which, if they crystallise, could significantly impact the Council's reserves, and leave its financial standing in question. These include:

a) The impact of inflationary pressures both directly on the council's expenditures but also secondary impacts on retained business rate levels, levels of bad debt and increases in service demands.

b) A national failure to continue to reduce the spread and impact of COVID-19 as new variants emerge and reduced financial support for the continuing local implications of a pandemic.

c) The risk surrounding the non-delivery of savings and exceeding investment proposals within the budget package for 2023/24.

d) The financial uncertainty for the public sector arising from the prevailing and continuing national and local conditions.

e) The risk of further significant reductions in income and Government grant funding, particularly in relation to:

- Decline in the Council Tax base and Business Rates base.
- Business Rates appeals from the previous revaluation exercises.
- Further changes to the way in which Local Government is financed especially after the 2024/25 settlement.
- Future Government changes in policy and funding for Local Government, particularly the unknown impact of future spending reviews/ rounds.

- The need to address the Country's ongoing Public Sector Borrowing Requirement (PSBR) and the structural financial deficit.

f) Insurance Claims.

7.12 In relation to the Housing Revenue Account (HRA) in 2023/24 and the medium to long term:

a) Given the status of housing management provision the recommendation is that the HRA general reserve be maintained at the target figure of £5.8m.

b) Forward projections for the HRA have been undertaken with a revised 30-year business plan established in 2022. This is linked to the HRA's own Medium Term Financial Strategy for the period 2023/24 to 2026/27. The current position demonstrates that it is possible to:

- Maintain a balanced HRA throughout that period.
- Meet current level of capital investment, and
- Repayment of required debt.

7.13 In relation to the General Fund and HRA Capital Investment Programme 2023/24 to 2027/28 (including commitments from previous years and new starts):

a) The HRA Capital Programme will need to be contained within the total programme cost.

b) The General Fund Capital Budget is substantial and is based on the best information available in terms of project costs. What is less certain, based on historic performance, is the actual phasing of expenditure.

c) The key strategic schemes identified in the capital investment programme will be closely monitored in-year.

d) That the financing identified for the approved capital investment programme is delivered and is proportionate, prudent, affordable, and sustainable.

7.14 In relation to the medium to long term capital investment programme:

a) The delivery of the agreed Capital Strategy and Asset Management Plan is a critical priority to enable the matching of resources to needs and priorities.

7.15 Given all these factors, I, as the Council's Section 151 Officer, consider the estimates for 2023/24 to be sufficiently robust and recommend for approval by the Council. I am also able to advise the Council that the level of General Fund Reserves is adequate and to recommend a Reserves Strategy which is achievable for 2023/24 – 2026/27.

Supporting Statements

7.16 Budget estimates are exactly that – estimates of spending and income made at a point in time and which will change as circumstances change. This statement about the robustness of estimates cannot give a 100% guarantee about the budget but gives Members reasonable assurance that the budget has been based on the best information and assumptions available at the time.

7.17 To meet the requirement on the robustness of estimates several key processes have been put in place, including:

a) The issuing of clear guidance to Services on preparing budgets including the requirement to provide information in support of the base budget review work.
b) The development of a Council wide risk assessment.
c) The use of extensive budget monitoring and its escalation process to identify risks.
d) The Council's S151 Officer providing advice throughout the process of budget preparation and budget monitoring.
e) The Chief Executive and Executive Directors review of their budgets and appropriate sensitivity analysis.
f) A review of all budget proposals and implications by the Corporate Leadership Team (CLT).
g) A review of budget proposals and implications by Cabinet Members.
h) Enquiries made directly by the Section 151 Officer and Finance Officers.

7.18 Notwithstanding these arrangements, which are designed to rigorously test the budget throughout its various stages of development, considerable reliance is placed on the Chief Executive, Executive Directors and Directors having proper arrangements in place to identify issues, project costs, service demands, income levels, to consider value for money and efficiency, and to implement changes in their service plans. These arrangements are supported by appropriately qualified financial staff.

7.19 A summary of the key budget assumptions considered by Services and financial staff in terms of assessing the robustness of their budgets are shown below:

a) The treatment of inflation and interest rates.
b) The treatment of demand led pressures.
c) The treatment of efficiency savings/productivity gains.
d) The financial risks inherent in any significant new partnerships or major capital developments.
e) The availability of other funds to deal with major contingencies.
f) The service's track record in budget and financial management.
g) The service's capacity to manage in-year budget pressures.

7.20 There are plans in place for the improvement and development of the council's core systems including both Financial and HR systems and the Housing system. This will strengthen the authority's capacity and ability to monitor more effectively the overall budget.

7.21 Continual improvement to these processes will also assist in the prevention or at least the earlier identification of issues to be dealt with in the budget and Medium-Term Financial Strategy and allow for any in-year rebalancing to be undertaken as soon as possible if required. Nevertheless, in preparing a comprehensive budget for an organisation such as Norwich City Council, unforeseen issues will undoubtedly still arise throughout the year and in the future.

Robustness of Estimates - General Fund Revenue Budget

7.22 The 2023/24 budget and Medium-Term Financial Strategy, the 2040 Norwich City Vision and our COVID-19 recovery plans continues our commitment to target our financial resources to delivering better outcomes and effectively manage risks. In addition to improving efficiency, there are clearly choices for the Council in this respect:

a) To increase financial resources to meet demand and reduce risk, and/or

b) To reduce (where possible) service levels and standards, frequency of service delivery, and eligibility for services.

7.23 As part of developing the budget, Members of the administration have considered these options and the outcome of these deliberations are reflected in the proposed overall budget package.

7.24 Most notably the Council has had to address major cost increases and pressures as well as corporate priorities including:

a) Employee costs.

b) The cost of prudential borrowing within the capital programme.

c) Shortfalls in income and grant income.

d) Inflation particularly relating to energy costs, petrol/ diesel.

7.25 These assumptions will require the forecasts for future years to be reviewed early in each financial year leading to more detailed budgets during the autumn of each financial year.

Financial Sustainability Strategy

7.26 The Council has developed its corporate plan which is designed to frame its financial future and intentions. This helps set the context for the Medium-Term Financial Strategy, guide the Council's approach to maximising resources, prioritising investment, and the effective targeting of resources to deliver the ambitions and outcomes contained within the corporate plan and 2040 Vision.

7.27 Its primary purpose is to outline the Council's approach, desire, and commitment to achieving financial sustainability, given the level of funding uncertainty, by embracing the area's economic potential, growing our local tax base, and increasing our sustainable income capabilities.

Medium Term Financial Strategy

7.28 The Council needs to deliver its Medium-Term Financial Strategy reflecting the continuing impact of the proposed budget and only planned growth in relation to issues that are unavoidable. Within the current uncertain financial climate, it is very likely that service improvement and reasonable Council Tax increases, without key service reductions, will only be achieved through improving efficiency, clear prioritisation and adopting a commercial approach to income generation.

Adequacy of Reserves – General Fund Revenue Budget

7.29 Under the Local Government 2003 Act the Secretary of State has powers to set a minimum level of reserves. The most likely use of this power is where an authority is running down its reserves against the advice of their S151 Officer.

7.30 Determining the appropriate levels of reserves is not a precise science or a formula e.g. a simple percentage of the Council's budget. It is the Council's safety net for risks, unforeseen or other circumstances. The reserves must last the lifetime of the Council unless contributions are made from future years' revenue budgets. The minimum level of balances cannot be judged merely against the current risks facing the council as these can and will change over time.

7.31 Determining the appropriate levels of reserves is a professional judgement based on local circumstances including the overall budget size, risks, robustness of budget preparation, major initiatives being undertaken, budget assumptions, other earmarked reserves and provisions, and the Council's track record in budget management. It is also a professional judgement on the external factors that influence the Council's current and future funding position.

7.32 The consequences of not keeping a minimum prudent level of reserves can be serious. In the event of a major problem or a series of events, the Council would run the serious risk of a deficit or of being forced to cut spending during the year in a damaging and arbitrary way.

7.33 The recommendation on the prudent level of reserves has been based on the robustness of estimate information and the Corporate Risk Register. In addition, the other strategic operational and financial risks considered when recommending the minimum level of unallocated General Fund reserves include:

a) There is always some degree of uncertainty over whether the full effects of any economising measures and/or service reductions will be achieved. The Executive Directors have been requested to be prudent in their assumptions and that those assumptions, particularly about demand led budgets, will hold true in changing circumstances.
b) The Bellwin Scheme Emergency Financial Assistance to Local Authorities helps in the event of an emergency. The Local Authority can claim assistance with the cost of dealing with an emergency over and above a threshold set by the Government.
c) The risk of major litigation, both current and in the future.
d) The Local Council Tax Support Scheme with less Government funding and increases in caseload at the Council's own risk
e) Issues arising from the final Housing Benefit Subsidy Claim.
f) The localisation of Business Rates including the impact of businesses declining in the city boundaries and the mitigation of risks and rewards through pooling.
g) New and impending legislation.
h) The need to retain a general contingency within the budget estimates to provide for some measure of unforeseen circumstances which may arise.
i) The need to retain reserves for general day-to-day cash flow needs. This is minimal given the level of cash the Council holds at any given time.
j) The potential impact nationally, regionally, and locally of new climate change initiatives and commitment to our environmental agenda; the

impact that Nutrient Neutrality is having on planning permissions and the subsequent income streams associated with development.

k) The longer-term impact of the pandemic on the finances and operational arrangements of the Council.

7.34 Further exceptional risks identified may have a potential and serious call on reserves. The Council is advised to be cautious about these risks and commit to restoring any drawn down reserves in line with the Medium-Term Financial Strategy.

7.35 In these circumstances, I will require the Council, Cabinet, Chief Executive, Executive Directors and Directors:

a) To remain within their service budget for 2023/24 and within agreed medium term financial strategy parameters for future years with a strict adherence to recovering overspends within future years' financial plan targets.
b) Repayment to reserves in line with the Medium-Term Financial Strategy should these risks materialise.
c) Direct any windfall revenue savings/underspends to reserves should the General Fund Revenue Reserves Strategy require it.

Estimated Earmarked General Fund Revenue Reserves

7.36 I have reviewed the Council's General Fund earmarked revenue reserves which are estimated to amount to circa. £14.6 million at 1st April 2023. The main components are: unapplied revenue grants £3.7m, budget risk reserve £2.4m, commercial property reserve £1.5m, invest to save reserve £1.5m and insurance reserve £1.1m. Further details can be found in Section 2 Table 2.4.

Estimated Earmarked Housing Revenue Account Reserves

7.37 I have also reviewed the Council's Housing Revenue Account overall revenue reserves which are estimated to amount to £46 million as of 1st April 2023. Including the Major Repairs Reserve.

Capital Investment Programme – 2023/24 to 2027/28

7.38 Projects, included in the capital investment programme, were prepared by Directors and managers in line with financial regulations and guidance. All projects were considered by the relevant member of CMT and Cabinet Member and are fully funded for their estimated cost.

7.39 Projects have been costed at outturn prices with many subject to tender after inclusion in the programme. This may lead to variance in the final costs.

7.40 Services are required to work within the given cash envelope so any under or over provision must be found within these limits.

Capital Investment Programme Risks

7.41 The risk of the Council being unable to fund variations in the programme is minimal mainly due to phasing of projects. The Council can freeze parts of the programme throughout the year to ensure spend is within the agreed financial envelope, although this may have service implications.

7.42 A further key risk to the capital investment programme is the ability of the Council to fully deliver it within the agreed timescales.

7.43 In relation to the General Fund and HRA Capital Investment Programme specifically for 2023/24 (including commitments from previous years and new starts):

a) The HRA Capital Investment Programme will need to be contained within total programme cost by delaying or stopping specified schemes.
b) The General Fund Capital Budget is substantial but is based on the best information available in terms of project costs. What is less certain is the phasing of expenditure.
c) The strategic schemes identified in the Capital Investment Programme will be closely monitored in-year.
d) That the funding identified for the approved Capital Investment Programme is delivered and is proportionate, prudent, affordable, and sustainable.

8. GLOSSARY OF TERMS USED IN THE BUDGET REPORT

Assets – Tangible and Intangible	*Tangible asset* – an asset that has a physical form such as machinery, vehicles, information and communications technology, equipment, buildings and land. *Intangible asset* – an asset that is not physical in nature such as goodwill, brands, patents & copyrights and shares.

Authorised Limit for External Borrowing	A statutory limit that sets the maximum level of gross external borrowing for the council.

Base Budget	The budget from the previous year is taken forward to create the initial budget for the next year, this is the base budget. Inflation, savings, growth and other adjustments are then added.

Baseline Funding Level	Authorities' local share of business rates determined by an index-linked assessment of their needs undertaken in 2012–13.

Benchmark	A benchmark is used to measure performance against an externally calculated value; benchmarks can be used to measure service performance, or it can enable a comparison of an investments value against a relevant 'benchmark' index.

Billing Authority	A council such as Norwich City Council which is responsible for collecting the Council Tax and Business Rates in its administrative area. Authorities on whose behalf billing authorities collect money are called precepting authorities.

Bond	A financial instrument in which an investor lends money for a specific period of time at a fixed rate of interest. Examples are corporate (issued by companies), financials (issued by banks and building societies), Supranational (issued by Supranational such as the European Development Bank), and government bonds.

Brexit	"Brexit' is the phrase coined to describe the process of the UK withdrawing from the European Union (EU). The UK joined the EU in 1973 and left in 2020.

Business Rates	Business Rates is the usual term for the National Non-Domestic Rate, a property tax charged on all properties which are not used for residential purposes.

Business Rates Baseline	The amount of business rates income a local authority is predicted to raise.

Business Rates Safety Net	An authority which sees its annual business rates income drop below its baseline funding level can receive a safety net payment at the end of the financial year from central government. Different arrangements apply however, if an authority is part of a local rates pool (such as for NCC in 2022/23)

Business Rates Levy	Authorities which experience growth in business rates income pay a levy. As Norwich is a pooled authority any levy is subject to the pool arrangements and is payable to the Norfolk Business Rates Pool.

Business Rate appeals	Since the introduction of the Business Rates Retention Scheme, Local Authorities are liable for successful appeals against business rates charged to businesses. The Valuation Office Agency operates a Check, Challenge and Appeal process for business rates appeals against the 2017 and later rating lists.

Business Rates Retention Scheme	This was introduced in 2013 and is designed to give local authorities more control over the money raised locally, removing the ring-fencing of grants and promoting and rewarding local economic growth. Local pooling arrangements supersede the national scheme.

Capital Expenditure	Expenditure on the creation or enhancement of assets, for example: • The acquisition, reclamation or enhancement of land • The acquisition, construction, preparation, enhancement or replacement of buildings and other structures • The acquisition, installation or replacement of moveable plant, machinery, and vehicles • The acquisition or preparation of computer programs if these will be used for longer than one year

Capital Financing Requirement	A measure of the Council’s underlying borrowing need i.e. it represents the total historical outstanding capital expenditure which has not been financed.

Capital Receipt	This is income received from the disposal of an interest in a capital asset. The income can only be used to finance capital expenditure or to reduce future debt liabilities.

Capitalisation	The proportion of a company's equity to debt finance. See "Thin capitalisation". Can also refer to the process of funding revenue expenditure from capital resources in accordance with regulations– e.g. the relevant element of staffing costs, which are normally revenue expenditure, can be capitalised against a capital project if they are an integral part of delivering the capital project.

Capitalisation Direction	A specific approval, only available from the government, to permit general revenue expenditure to be capitalised and funded from capital resources – used in extreme circumstances where borrowing is necessary to support day to day expenditure needs.

Certainty rate	The government reduces interest rates on loans from the Public Works Loan Board (PWLB) by 20 basis points (00.20%) to councils who provide specific information and guarantees on their plans for long-term borrowing and capital spending.

Certificate of Deposit (CD)	These are term deposits commonly sold in financial markets (e.g. banks and building societies).

CIPFA	The Chartered Institute of Public Finance and Accountancy (CIPFA) is the professional institute for accountants working in the public services and in other bodies where public money needs to be managed. It has a role in setting codes and standards that regulate the use of public money.

Collection Fund	The collection fund is a separate statutory fund, which shows the income received from business rates and council tax, and the distribution to preceptors and the city council. The resultant balance is either a surplus or deficit which is be applied to future years' budgets.

Constant Net Asset Value Money Market Funds (CNAV)	This refers to money market funds that aim to maintain a net asset value or value of a share of the fund.

Contingency Budget	A sum put aside to cover unforeseen expenditure during the period of the budget.

Community Infrastructure Levy (CIL)	The Community Infrastructure Levy (CIL) is a planning charge based on legislation that came into force in April 2010. A CIL allows the Council to raise contributions from new developments to help pay for infrastructure that is needed to support planning growth. Where a CIL charging schedule is in place, it largely replaces Section 106 obligations in delivering strategic infrastructure.

Comprehensive Spending Review	A governmental process carried out by HM Treasury to set medium term expenditure limits for each central government department. Usually announced for 3 years.

Council Tax	A tax on domestic property set by local authorities and based on the value of the property within eight bands, A to H. The council tax value of each band is expressed as a proportion of band D (e.g. Band A = 6/9, Band H = 18/9).

Council Tax Base	The number of properties from which it is estimated council tax will be collected, expressed as band D equivalent properties.

Council Tax Surplus or Deficit	A surplus/deficit arising from either more or less council tax being collected than expected. This would be because of variations in collection rate or to the estimated increase in the number of properties. The variations arise within the Collection Fund and are applied to future years' budgets.

Council Tax Precept	The levy made by the precepting authorities (Norfolk County Council and Police & Crime Commissioner) on Norwich City Council as the billing authority requiring the latter to collect income from council tax payers on their behalf.

Council Tax Reduction Scheme	The Council Tax Reduction scheme (CTRS) helps people on low incomes and/or certain welfare benefits to pay their council tax bill. Locally determined CTRS replaced the national council tax benefit scheme with effect from 1 April 2013.

Council Tax Requirement	The amount of funding required to be raised from council tax to meet the general fund expenditure budget after considering all other funding available.

Counterparties	List of approved financial institutions with which the council can place investments with.

Credit Rating	A measure of the credit worthiness of a borrower. A credit rating can be assigned to an organisation or a specific debt issue/financial obligation. There are a number of credit ratings agencies but the main three are Standard & Poor’s, Fitch and Moody’s.
Credit Risk	Risk of a borrower defaulting on any type of debt by failing to make payments which it is obligated to do.
Depreciation	The measure of the wearing out, consumption, or other reduction in the useful economic life of a fixed asset, whether arising from use, passage of time or obsolescence. This is only budgeted as a cost in the Housing Revenue Account (HRA).
DLUHC	Department for Levelling Up, Housing and Communities (formerly MHCLG).
Disabled Facility Grant (DFG)	A central government grant that contributes towards the cost of providing adaptations and facilities to enable disabled people to continue living in their own homes.
DMADF	The Debt Management Agency Deposit Facility, which is offered by central government to local authorities to make fixed term deposits to supplement their investments.
Earmarked Reserve	Reserves earmarked for a specific type of future spend.
Enhancement (of an asset)	Enhancing an asset is capital expenditure which is intended to substantially: • lengthen the useful life of the asset • increase the open market value of the asset • increase the extent to which the asset can or will be used in connection with the functions of the local authority Repairs & maintenance is revenue expenditure.
External Borrowing	External borrowing is the process of going to an external financial institution to obtain money. The council would generally borrow from the Public Works Loans Board (PWLB) due to its favourable rates for public sector bodies, but other institutions also offer loan finance to councils.
Equity	An ownership interest in a business.

External Gross Debt	Long-term liabilities including Private Finance Initiatives and Finance Leases
Expected Credit Loss	This is the loss on loans should the borrower default. Calculated by multiplying the probability of occurring with the net loss and with the exposure to the loss.
Fair Funding Review	A review proposed by central government to consider how to fairly allocate local authority funding to individual councils according to need and resources. Although the government has acknowledged that the data and methodology for distributing funding has not been reviewed for many years, this has been delayed several times because of BREXIT, COVID-19 and other concerns. Previously linked to the government's 'Levelling Up' agenda consultation, this will now not take place until after the next General Election, which is scheduled to be held no later than January 2025
Finance Lease	Where a lease is classified as a finance lease, then the substance of the transaction is the same as if the authority had purchased the asset and financed it through taking out a loan. The authority therefore recognises its interest in the asset together with a liability for the same amount. The lease payments are then treated in a similar way to loan repayments, being split between the repayment of the liability and a finance charge.
Financial Conduct Authority (FCA)	This is the body that regulates the financial services industry in the UK.
Financial Instrument	A contract that creates a financial asset for one party and a financial liability for the other.
General Fund	The account to which the cost of providing the services that are paid for from Council Tax and Government Grants are charged. The Housing Revenue Account is a ring-fenced element of the General Fund which must not subsidise or be subsidised by Council taxpayers.
General Reserve	This is a usable reserve which has not been earmarked for a specific future use. Similar to a contingency, to meet unforeseen events or expenditure, it can also be used to smooth variations in the level of savings required over a number of years.
Gilt	A UK Government bond issued by HM Treasury.

Growth	An increase in expenditure generally not due to inflation/price changes but arising from growth in service demand, a change in legislation impacting on the service or a decision to invest more in a service.
Housing Revenue Account (HRA)	The Housing Revenue Account is a statutory ring-fenced account maintained separately from General Fund services. It includes all expenditure and income relating to the provision, maintenance and administration of council housing and associated areas such as HRA shops and garages.
IFRS	International Financial Reporting Standards, a set of accounting rules used for the preparation of financial statements including those of local authorities.
Internal Borrowing	Internal borrowing is the *temporary* use of the council's cash holdings to fund capital expenditure. Whilst this must be repaid it does not represent a formal debt in the same way as external borrowing.
Investment Code	Sets out practices that local authorities are "obliged to have regard to" when making investment decisions. Published by the DLUHC.
London Interbank Offered Rate (LIBOR)	*The rate of interest that banks charge to lend money to each other. The rates are set on a daily basis and used as a reference price for floating rate securities. LIBOR and LIBID are being discontinued from December 2021 following recent banking scandals. They will be replaced by SONIA*
Liquidity	A measure of how quickly the deposit of investment can be returned.
Local Government Finance Settlement	The annual determination of local authority spending made by the government and debated by parliament. A provisional settlement is announced before Christmas with the final settlement announced in late January.
London Interbank Bid Rate (LIBID)/London Interbank Offered Rate (LIBOR)	This was bid rate that participating London banks were willing to pay for Eurocurrency deposits and other bank's unsecured funds in the London interbank market. LIBOR and LIBID were discontinued in December 2021 following recent banking scandals. They were replaced by SONIA

Major Repairs Reserve (MRR)	The Major Repairs Reserve is a source of funding for the HRA capital upgrades programme generated by an annual asset depreciation charge to the HRA revenue budget.

MCHLG (now DLUHC)	The Ministry of Housing, Communities and Local Government (MHCLG), renamed Department for Levelling Up, Housing and Communities (DLUHC) in 2021.

Minimum Revenue Provision (MRP)	A statutory charge to the general fund revenue budget for future debt repayments (external borrowing in the capital programme). The council must set out its MRP policy in the annual Treasury Management Strategy.

Net Asset Value (NAV)	Value of an entity's total assets minus the value of its total liabilities.

New Homes Bonus	A grant paid by central government to local councils to reflect and incentivise housing growth in their areas. It is based on the amount of extra Council Tax revenue raised for new-build homes, conversions and long-term empty homes brought back into use. Being phased out as part of the review of local authority funding reforms.

Net Service Expenditure	Net service expenditure comprises that part of the revenue budget that is funded from retained Business Rates, Council Tax, and any revenue support grant.

Non-financial Investments	Investments made primarily for a financial return comprising commercial property acquisitions, lending to third parties on commercial terms and equity investments (shareholdings) in third parties.

Non-Specified Investments	These are investments that do not meet the conditions laid down for specified investments and potentially carry additional risks e.g. lending for periods typically beyond 1 year

Office for Budget Responsibility (OBR)	The Office for Budget Responsibility was created in 2010 to provide independent and authoritative analysis of the UK's public finances.

Office for National Statistics (ONS)	The UK's largest independent producer of official statistics and the recognised national statistical institute of the UK. Main responsibilities are collecting, analysing and publishing statistics about the UK's economy, society and population.

Operating Lease	An operating lease is a contract that allows for the use of an asset but does not convey rights of ownership of that asset. From 2024/25 onwards these will be treated in the same way as ***finance leases*** unless they are short term or low value.

Operational Boundary	This is an indicator is based on the same estimates as the Authorised Limit for External Borrowing but reflects the most likely prudent (but not worst case scenario), without the additional headroom for borrowing included in the Authorised Limit.

Prudential Code	The Prudential Code for Local Authority Investment was introduced by CIPFA and local government is obliged “to have regard” to the code as part of the Local Government Act 2003. The key objectives of the code are that capital investment plans are affordable, prudent and sustainable. The code details the indicators that must be set annually and monitored throughout the financial year. The council’s prudential indicators are found in section 7 of the report in the Treasury Management Strategy.

Public Works Loans Board (PWLB)	The Public Works Loan Board (PWLB) is a statutory body operating within the United Kingdom Debt Management Office, an Executive Agency of HM Treasury that lends money from the National Loans Fund to local authorities.

Reserves	The accumulation of surpluses and deficits over past years. Reserves of a revenue nature can be spent or earmarked at the discretion of the Council. Reserves of a capital nature may have some restrictions placed on them as to their use.

Revenue Expenditure	Comprises the day-to-day costs associated with running the council’s services and financing the council’s outstanding debt.

Revenue Support Grant	Introduced in 1990, this is the central grant given to local authorities to support their services. In recent years, local authorities’ income from grant has decreased and a higher proportion now comes from business rates and council tax.

Section 106	In considering an application for planning permission, the Council may seek to secure benefits to an area through the negotiation of a 'planning obligation' with the developer. Such obligations are authorised by Section 106 of the Town and Country Planning Act 1990. The Council may therefore, in some instances, receive funds to enable it to undertake works arising from these obligations. Examples of works include the provision or improvements of community facilities (parks/play areas), affordable housing and improved transport facilities.
Section 25 Notice	Under Section 25 of the Local Government Act 2003 the S151 officer (currently the Executive Director of Corporate and Commercial Services) is required to state in the budget report their view on the robustness of estimates for the coming year, the medium-term financial strategy, and the adequacy of proposed reserves and balances. The council is required to take this into account when making its budget and taxation decisions.
Sterling Overnight Index Average (SONIA)	Sterling Overnight Index Average. Replaced LIBID and LIBOR as the key measures of interbank lending rates.
Specified Investments	All such investments will be sterling denominated, with maturities up to maximum of 1 year, meeting the minimum 'high' quality criteria where applicable.
Spending Review	An announcement made by central government of its future spending plans for the public sector including local government. The last spending review took place in 2021 and covers 2022/23 to 2024/25.
Subjective Analysis	The classification of expenditure and income according to the nature of the items, for example, employee costs, premises, transport, supplies & services, fees & charges income, and grant income.
Subsidiary Company	A company that is owned or controlled by a parent company or body.
Term Deposits (TD)	This is used to describe a money deposit at a banking institution that cannot be withdrawn for a specific term or period of time.
Thin Capitalisation	A company with too little equity finance and too much debt finance.

Treasury Management	The management of the local authority's investments and cash flows, its banking, money market and capital market transactions: the effective control of the risks associated with those activities: and the pursuit of the optimum performance consistent with those risks.

Treasury Management Code	The Treasury Management Code of Practice, published by CIPFA, regulates the management of borrowing, investments, & banking. It requires the council to agree and monitor several indicators and Treasury Management Practices – these are found in section 5 of this report in the Treasury Management Strategy.

UK Government Gilts	Longer-term Government securities with maturities over 6 months and up to 30 years.

UK Government Treasury Bills	Short-term securities with a maximum maturity of 6 months issued by HM Treasury.

Unit Trust (UT):	A collective investment fund that is priced, bought, and sold in units that represent a mixture of the securities underlying the fund.

9. EQUALITY IMPACT ASSESSMENT OF BUDGET PROPOSALS

Background

9.1 Norwich City Council has identified permanent budget savings of £5.5m for the financial year 2023/24. To ensure that we discharge our public sector equality duty we must have due regard to the need to:

- Eliminate discrimination, harassment, victimisation, and any other conduct that is prohibited by or under the act.
- Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it.
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

9.2 Information on the residents of the city as well as council customers and employees can be found in the annual Equality Information Report published on the council's website.

Budget Context

9.3 The aim of the Equality Impact Assessment Process is to support good decision making; it encourages public bodies to understand how different people will be affected by their activities so that policies and services are appropriate and accessible to all and meet different people's needs. The aims of an EIA become especially important at times of tightened budgets, enabling us to:

- Think about what the council is trying to achieve.
- Consider what impact the decision will have on different groups.
- Target resources to those who may be most vulnerable.
- Fund services which respond to people's diverse needs and save money by getting it right first time.

9.4 As part of the Corporate Plan 2022-2026 it is proposed that we must focus our priorities and resources towards:

- People live independently and well in a diverse and safe city.
- Norwich is a sustainable and healthy city.
- Norwich has the infrastructure and housing it needs to be a successful city.
- The city has an inclusive economy in which residents have equal opportunity to flourish.
- Norwich City Council is in good shape to serve the city.

9.5 It is also important to understand the national and local context in which the budget and medium-term financial plan are being developed. The council has seen reductions in its long-term funding allocations from central government and with the expectation that there will again only be a one-year local government settlement there remains significant uncertainty over future funding levels including the operation of the business rates retention scheme.

9.6 The level of funding allocated to local government continues to be insufficient to support the increasing demand for council services. This, together with increased cost of living pressures, means that the council will not receive adequate resources to cover its costs over the medium term.

9.7 Certain budget decisions – perhaps where they do not have an impact on service provision available to our residents – will not require specific Equality Impact Assessments. However, where there is a material impact on service provision, an individual EIA will be conducted before any change is implemented.

Cumulative Equality Impact Assessment of Budget 2023/24

9.8 Budget decisions can have different impacts on different groups of people, either changes to individual services or in the way those changes have an impact cumulatively. This appendix summarises the Equality Impact Assessment for the budget proposals for the financial year 2023/24. It highlights:

- The key differential impacts of potential budget decisions for legally protected groups.
- Where a single decision or series of decisions might have a greater negative impact on a specific group.
- Ways in which negative effects across the council may be minimised or avoided, and where positive impacts can be maximised or created.

9.9 We have undertaken an initial screening of all budget proposals, including those relating to the HRA, to ascertain where a potential change impacts on service provision. This has identified those proposals that require an Equality Impact Assessment or consultation. In those cases, an Equality Impact Assessment template has been completed by service leads to identify the main potential impacts on groups covered by legislation (the protected characteristics in the Equality Act 2010).

9.10 Equality Impact Assessments (EIA) for specific proposals are developed as proposals are being finalised. This ensures that the impact is understood and mitigating actions that minimise disadvantage and tackle inequality are identified where possible. These initial assessments are made available at the relevant time so that members can make informed decisions. There may be some proposals that have implications for council employees for which details of consultation or Equalities Impact Assessments cannot be published owing to data protection or employment legislation.

9.11 The EIA process and consultation have been based on identifying whether service delivery impacts are likely to be different for a person because of their protected characteristic (with a focus on where impacts may be worse).

9.12 While assessing the cumulative impact of our proposals on equality groups, we have identified an additional factor that could compound the impact. This is the risk of financial exclusion (due to low income).

Equality Impact Assessment Findings

Council Tax Increase

9.13 A 2.99% increase to the Band D rate is proposed in the 2023/24 budget figures The proposed 2023/24 Band D rate is therefore £288.59 compared to the current year rate of £280.21 – an increase of £8.38.

9.14 Overall, this would result in an additional £0.320m of revenue to support council expenditure, therefore reducing the amount of savings which may otherwise need to be achieved by cutting or reducing service provision for customers, including those who may be from vulnerable groups. An increase in council tax values will, however, have a financial impact for most households in Norwich. The increase may be particularly difficult for those who are already under financial pressure.

9.15 In terms of impact, since Council Tax is applicable to all properties it is not considered that the increase targets any one group, rather it is an increase that is applied across the board. It should be noted that most Norwich residents are within council tax Bands A and B where the annual increase is lower; the impact on all individual council tax bands is shown Appendix 2(E).

9.16 The main mitigation is that many people on low incomes can get Council Tax Support to help them pay their Council Tax bills. The council has retained a 100% Council Tax Support Scheme and the proposal is to maintain current levels of support and assistance in 2023/24. In addition, further support is in place through the council's discretionary policies for those who suffer hardship and other support mechanisms.

Council Tax Premiums

9.17 Although not legislation yet, we are proposing to introduce new Council Tax Premiums regarding empty homes and second homes. Initial considerations indicate that a limited number of people will be affected across the city. We will carry out further assessments at the appropriate time.

Rent and Service Charge Increase

9.18 The proposal within the HRA budget is that rents increase by 7% in line with the government's announcement at the Autumn statement. For social housing tenants this equates to an average increase of £5.85 per week. This increase applies equally to all properties and so is not considered to have a differential impact on any group having a protected characteristic. Support is however available for those on low incomes through the operation of Housing Benefit or in some cases Universal Credit.

9.19 Garage rent increases are proposed at 10.1%, based on the level of the September 2022 CPI inflation index; this also applies across the board and so is not considered to have any differential impact on those with protected characteristics.

Savings and Income Proposals

9.20 There has been an overall assessment of the Equality Impact Assessments that have been produced for the savings and income proposal and the findings are:

- We acknowledge the need to ensure that our services are as accessible as possible. This will be central when looking at alternative models of delivery, including the use of technology to reduce our costs.
- There are some fee increases for non-statutory services that we provide, and we understand that these fee increases all add up. This may not impact on specific protected characteristics but will impact on those who have a low income; the impact of the cost-of-living crisis is also likely to exacerbate the impacts on lower income groups.

9.21 The equality impact assessments will continue to be updated as projects move through the feasibility appraisal and into implementation.

9.22 If there is a requirement to adapt the proposals as the full EIAs are finalised, there is financial mitigation (in the form of the budget risk reserve) put aside for any non-delivery or amendments to proposals.

NORWICH City Council

Item 7

Committee name: Cabinet

Committee date: 08/02/2023

Report title: **Corporate performance assurance Q3 2022-2023**

Portfolio: Councillor Waters, Leader of the council

Report from: Executive director of community services

Wards: All wards

OPEN PUBLIC ITEM

Purpose

To report progress against the delivery of the corporate plan priorities and key performance indicators and to provide an update on corporate risks for quarter 3 of 2022/23.

Recommendations:

It is recommended that cabinet:

1. Review progress on the key performance indicators for this quarter and the corporate risk register.
2. Note the financial position for quarter 3 2022/23 for the general fund, HRA and capital programme.

Policy Framework

The Council has five corporate aims, which are:

- People live independently and well in a diverse and safe city.
- Norwich is a sustainable and healthy city.
- Norwich has the infrastructure and housing it needs to be a successful city.
- The city has an inclusive economy in which residents have equal opportunity to flourish.
- Norwich City Council is in good shape to serve the city.

This report meets the Norwich City Council is in good shape to serve the city corporate aim.

Report Details

1. This report sets out progress against the key performance indicators (KPIs) that track delivery of the corporate plan priorities.

2. This report also provides the current financial outlook for the council, as well as the corporate risk register, which highlights key corporate risks.

The corporate plan 2022-26 established five corporate aims: People live independently and well in a diverse and safe city; Norwich is a sustainable and healthy city; Norwich has the infrastructure and housing it needs to be a successful city; The city has an inclusive economy in which residents have equal opportunity to flourish; and Norwich City Council is in good shape to serve the city.

3. The performance framework aims to measure progress against these through KPIs which monitor delivery of activities and services which contribute to these objectives.

4. Performance reporting for indicators in this report is based around a traffic light concept where green is on target, amber provides an early warning for possible intervention and red suggests intervention is necessary.

5. The report appendices give further information across corporate performance, finance and risk. Relevant annexes have been provided and are referred to throughout the report.

Consultation

6. No consultation was required in creating this report.

Implications

Financial and Resources

7. Any decision to reduce or increase resources or alternatively increase income must be made within the context of the council's stated priorities, as set out in its Corporate Plan 2022-26 and Budget.
8. The estimated outturn for the council's General Fund and Housing Revenue Account are both indicating an underspent position at quarter 3. For the General Fund there is a small increase in the underspend reported at quarter 2 (from £1.4m to £1.8m). For the HRA there is an increase from quarter 2 in the underspend from £2.1m to £3.4m.

Legal

9. In considering its financial and non-financial performance, the Cabinet is supporting the Council fulfil its duties under s.151 of the Local Government Act 1972 to ensure there are arrangements in place for the proper administration of its financial affairs, and under s.3 of the Local Government Act 1999 to make arrangements to secure continuous improvement in the way its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

Statutory Considerations

Consideration	Details of any implications and proposed measures to address:
Equality and Diversity	This report does not have direct implications for equality and diversity; it reports on progress made in delivering agreed services and programmes, the equality implications of which will have been considered as part of service planning or other decision-making processes.
Health, Social and Economic Impact	This report does not have direct health, social or economic implications; it provides an update on progress made in delivering agreed services and programmes, the implications of which will have been considered elsewhere.
Crime and Disorder	This report does not have direct implications for crime and disorder; it provides an update on progress made in delivering agreed services and programmes, the implications of which will have been considered elsewhere.
Children and Adults Safeguarding	This report does not have direct safeguarding implications; it provides an update on progress made in delivering agreed services and programmes, the implications of which will have been considered elsewhere.
Environmental Impact	This report does not have direct environmental implications; it provides an update on progress made in delivering agreed services and programmes, the implications of which will have been considered elsewhere.

Risk Management

Risk	Consequence	Controls Required
Specific risk management activities and detailed consideration of the corporate risk register is included within the relevant section of this report.	Failure to manage risks appropriately could have financial reputational or other consequences	Risk owners are required to implement controls to mitigate risks and update these regularly.

Other Options Considered

10. No alternative options.

Reasons for the decision/recommendation

11. The recommendation to re-profile capital budgets will improve the management and control of the capital programme including its financing.

12. The recommendation to approve an increase to the 2022/23 capital programme will enable the play equipment at St George's open space to be delivered and improve the play area which is fully funded from Section 106 contributions. Paragraph A1.2)

13. The recommendation to Council to the remove budgets no longer required from the 2022/23 capital programme will enable funding to be used for alternative projects. Paragraphs A1.3 and A1.4 for the General Fund and HRA respectively.

Background papers:

14. The report refers to additional documents throughout, supplying these as annexes within the relevant sections.

Appendices: Combined Assurance Report, Q3 2022/23

Contact Officers:

Helen Chamberlin, Head of Strategy, Engagement and Culture
01603 989269
helenchamberlin@norwich.gov.uk

Neville Murton, interim Head of Finance, Audit and Risk
Nevillemurton@norwich.gov.uk

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Combined Assurance Quarterly Report

Q3 2022/23

Cabinet Version

Contents

1. Executive summary

1.1. Performance

At a corporate level, this quarter shows 4 red, 6 amber and 11 green indicators.

Notable trends at the directorate level include:

- **Community Services** continues to outperform in 'IT system availability as a percent of time available in core hours, number of homeless households living in temporary accommodation and the percentage of households owed a homelessness prevention duty. The directorate has also seen a significant improvement, moving from red to green, in the percentage of customers responding as satisfied with the customer contact team service.
  The average relet time of council homes in calendar days (excluding major works) remains under target. Commentary indicates that contractors who have been appointed to clear the voids backlog have made strong progress. They are also looking to increase their workforces to deliver on the clearance of the backlog.

- **Corporate and Commercial Services** continues to outperform in the number of days taken to process new Housing Benefit applications.
  Council tax and Business rates collection has seen a slight decrease in performance, both moving from green to amber. The commentary indicates that Council tax collection is still very good considering the financial hardship residents are currently facing with the cost-of-living crisis.

- **Development and City Services** continues to outperform in the number of planning decisions upheld after appeal and the number of food premises rated 0, 1 or 2 moving to a compliant rating of 3, 4 or 5. There has also been an improvement, moving from amber to green, in Council income from investment property portfolio.
  Percentage of planning applications determined within statutory time limits and percentage of household waste sent for reuse, recycling and composting both remain amber. This is consistent with the previous reporting period.

Performance for Q3 has improved overall for FOI requests responded to on time compared with the previous quarter.

- Community services 95% (Compared with 83% for Q2)
- Corporate & commercial 96% (compared with 88.9% for Q2)
- Development & city services 88.4% (compared with 63.3% for Q2)

Performance for Q3 has worsened overall for complaints requests responded to on time compared with the previous quarter.

- Community services: 82% (compared with 80% for Q2)
- Corporate & commercial: 88% (compared with 91% for Q2)
- Development & city services: 54% (compared with 53% for Q2)

In line with the Corporate Plan for 2022-26, the current KPIs are now reported across five corporate aims. Details can be found in the Technical Appendix of the Corporate Plan.

Figure 1: Q3 KPI performance by directorate

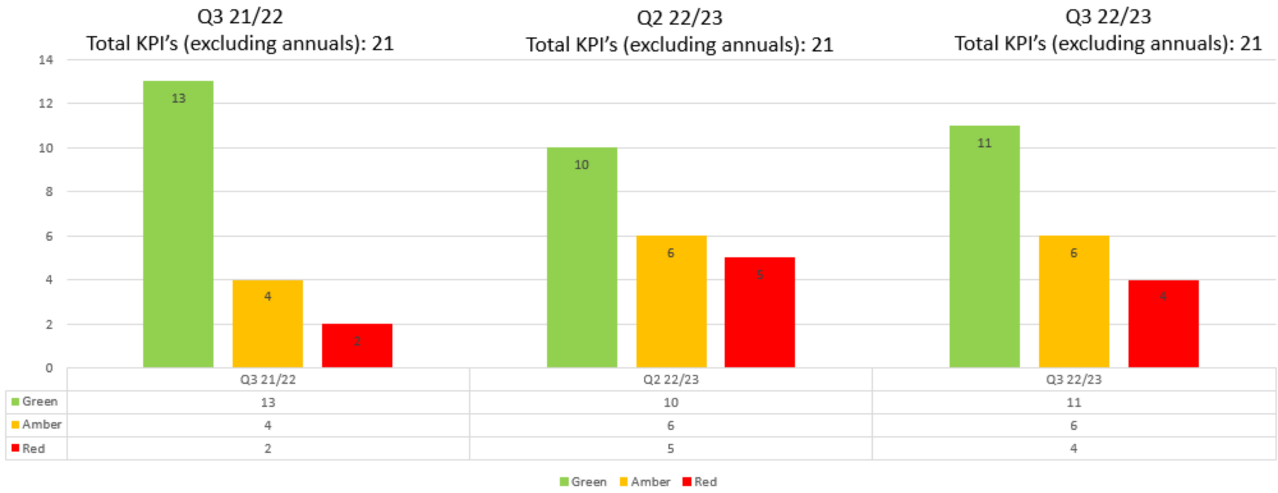
Directorate	Red	Amber	Green	Monitoring data	Not completed	No data this quarter	Total
Cross Cutting	1	0	1	0	0	0	2
Community Services	3	2	5	0	0	1	11
Corporate and Commercial Services	0	2	2	0	0	0	4
Development & City Services	0	2	3	0	0	5	10
Total	**4**	**6**	**11**	**0**	**0**	**6**	**27**

Figure 1.1: Q3 KPI performance by corporate aim

Corporate aim	Red	Amber	Green	Monitoring data	Not completed	No data this quarter	Total
An inclusive economy in which residents have equal opportunity to flourish	0	0	0	0	0	5	6
Norwich City Council is in good shape to serve the city	2	2	5	0	0	0	9
Norwich has the infrastructure and housing it needs to be a successful city	1	3	1	0	0	0	5
Norwich is a sustainable and healthy city	1	1	0	0	0	0	2
People live independently and well in a diverse, and safe city	0	0	5	0	0	1	5
Total	**4**	**6**	**11**	**0**	**0**	**6**	**27**

Performance has improved compared with the previous Quarter. There has been a slight drop in performance compared with same quarter of the previous year (Q3 2021/22):

Figure 1.2: Q3 performance compared with Q3 2021/22 and Q2 2022/23



**For comparison purposes, only quarterly indicators are included. White indicators are those where we were monitoring data before setting a target.*

1.2. Finance

General Fund – Revenue

The estimated 2022/23 out turn position for quarter 3 reflects budget holders' projections to the end of December 2022. The overall position for the general fund is a £1.763m underspend. This represents a small increase in the underspend reported in quarter 2 (£1.397m). Once the impact of the additional treasury management income is removed, services overall are forecasting an overspend of £0.277m, which is largely due to the impact of an increased housing benefit subsidy loss. However, treasury management performance continues to improve as interest rates rise, contributing £2.0m of additional resources to the general fund position.

General Fund position at Quarter 3 (December 2022)	Budget (£000)	Forecast Outturn (£000)	Forecast Variance (£000)
Chief Executive	**280**	**222**	**(58)**
Corporate & commercial services	512	693	181
Revenues & benefits	2,908	3,555	647
Finance, audit & risk	880	880	0
HR & organisational development	788	784	(4)
Legal & procurement	1,838	1,840	2
Corporate & commercial services	**6,926**	**7,752**	**826**
Development & City Services	480	547	67
Environment Services	3,562	3,557	(5)
Planning & Regulatory Services	2,188	2,330	142
Property & Economic Development	552	224	(328)
Development & City Services	**6,782**	**6,658**	**(124)**
Community Services	862	788	(74)
Customers, IT & Digital	5,116	5,030	(86)
Strategy, Engagement & Culture	3,018	2,973	(45)
Housing & Community Safety	1,281	1,120	(161)
Community Services	**10,277**	**9,911**	**(366)**
General Fund services revenue position	**24,265**	**24,543**	**278**
Corporate Financing	**(24,265)**	**(26,306)**	**(2,041)**
Total General Fund Revenue position	**0**	**(1,763)**	**(1,763)**

In Community Services, for the general fund, additional homelessness grant income is generating £0.234m of unbudgeted income.

In Corporate & Commercial Services, there has been a change in the forecast outturn figures for housing benefit subsidy shortfall with current projections showing a larger HB expenditure and a lower subsidy return than estimated at mid-year, generating an overspend against budget (£0.587m). In addition, increased staff costs combined with the requirement to cover statutory roles, have generated a higher level of expenditure and mean that the vacancy factor is unlikely to be met (£0.181m).

In Corporate Finance, a significant increase in the level of interest generated by the council's day to day cash investments continues to be seen. This is due to the increase in interest rates and the relatively high cash balances as capital expenditure has slipped; the capital receipt from the sale of the airport industrial estate has been received and the externalisation of some debt which took place last year when interest rates were lower.

In Development & City Services, increased rental income from the vaccination centre located in City Hall combined with overall lower operating costs are generating a forecast underspend (£0.150m). Additionally, increased rental income following rent reviews for the council's commercial property portfolio combined with unbudgeted rental income resulting from delayed property disposal, contribute to an underspend which is slightly mitigated by increased utility costs (£0.119m).

The remaining corporate contingency of £0.347m has been assumed to be fully spent and is therefore not contributing to the underspend position.

Housing Revenue Account – Revenue

The forecast position on the Housing Revenue Account (HRA) is a £3.376m underspend. This represents an increase in underspend of £1.320m from quarter 2.

Housing Revenue Account position at Quarter 3 (December 2022)	Budget (£000)	Forecast Outturn (£000)	Forecast Variance (£000)
General Management	16,185	15,399	(786)
Special Services	5,118	4,860	(258)
Repairs & Maintenance	17,966	16,028	(1,938)
Rents, Rates, & Other Property Costs	5,988	6,169	181
Provision for Bad Debts	430	430	0
Depreciation & Impairment	23,225	23,222	(3)
Adjustments & Financing items	641	531	(110)
Garage & Other Property Rents	(2,187)	(2,220)	(33)
Dwelling Rents	(59,163)	(58,877)	286
Service Charges – General	(7,867)	(7,826)	41
Interest Received	0	(834)	(834)
Miscellaneous Income	(82)	(4)	78
Amenities shared by whole community	(254)	(254)	0
Total Housing Revenue Account Position	**0**	**(3,376)**	**(3,376)**

For the HRA, the impact of the voids backlog and extended turnaround times is forecast to reduce dwelling rent income (£0.286m) and increasing the cost of empty rates (£0.238m). Work is ongoing to improve the position. Increased costs are also being seen for the cost of electricity for landlord's lighting (£0.252m) and legal fees resulting from disrepair claims (£0.161m).

However, the forecast overspends are offset by significant underspends on repairs & maintenance costs, with lower expenditure on major & minor repairs (£0.915m), a longer turnaround time on void properties generating less spend in the year (£0.309m), drainage costs being covered by the responsive repairs budget (£0.300m) and the contingency budget to cover and increase in the cost of materials, not being required (£0.295m). Additionally, due to an element of the cost of the communal TV aerial contract being charged to the lease, a further underspend is generated (£0.213m). Recharges from the general fund are also forecast to be lower, due to reduced corporate support and staffing costs (£0.490m) and in line with the general fund, significant additional income is being generated from a higher level of interest being received on the council's investments (£0.834m)

Capital

2. The forecast position on the capital programme is a £17.769m underspend (General Fund £9.177m; HRA £8.591m).

Capital Programme	Original Budget (£000)	Revised Budget (£000)	Actual exp. and est. Commit's to date (£000)	Forecast outturn (£000)	Forecast variance (£000)
GF - Development & City Services	19,841	15,873	5,088	10,542	(5,330)
GF - Community Services	8,889	6,835	822	2,967	(3,867)
GF - Corporate and Commercial Svcs	616	674	330	694	20
HRA - Development & City Services	12,932	11,344	10,585	10,934	(409)
HRA - Community Services	25,930	24,498	12,132	16,316	(8,182)
Total 2022/23 Capital Programme	**68,208**	**59,224**	**28,957**	**41,455**	**(17,769)**

For the general fund capital programme, an underspend is forecast to arise as a result of a reduced CIL contribution to the strategic pool (£0.750m). This is not within the control of the council and is directly dependent upon CIL income from developers, who stopped work during the pandemic and have been slow to progress sites since due to increased build costs and labour shortages. Another significant underspend is forecast against the BEIS projects, de-carbonisation grant budget (£2.325m) and green homes grant (£0.549m) and further explanation is included in the community services capital finance section.

Further underspend is forecast against the compulsory purchase revolving fund budget (£1.007m) where work is on-going, but it is unlikely that any acquisitions will complete within this financial year. The St Giles public realm project has now been postponed (£0.986m) and the DLUHC have approved the transfer of funding to other Towns' Deal funded schemes including Hay Hill regeneration. Other variances against general fund capital programme budgets are explained in further detail in sections B.2.6 and D.2.5 of this report.

For the HRA, the upgrade to council homes programme is forecasting a significant underspend (£8.193m) largely due to the delivery of works extending into 2023/24, for which a request will be made to carry the budget forward. The individual elements contributing towards the underspend are set out in the table in section B.2.6 of this report.

2.1 Risk

Heads of Service and other risk owners were asked to update their directorate and corporate registers to reflect the position at the end of quarter 3. The current Corporate Risk Register summary is shown below.

Most risks are static although four are improving, including the risk associated with long term financial planning which, with the proposed budget and MTFS is now indicating a balanced position is possible without the need to use reserves. That risk alongside those associated with housing regulation are now not considered to be red risks.

There remain a number of risks which have been rated as red indicating that specific consideration needs to be considered to take actions which are intended to reduce the impact of the identified risk.

		Q2 2022/23		Q3 2022/23			
Risk (inc reference)	Directorate	Residual risk score	Target risk score	Residual risk score	Target risk score	Current direction	Last Review Date
CORP01 Council Funding Medium - Long Term	Exec Dir - Corporate & Commercial Services	25	8	12	8	Improving	13/01/2023
CORP03 Health & safety in the workplace	Exec Dir - Development & City Services	12	8	12	8	Static	23/01/2023
CORP06 Failure to respond to a critical, business continuity or emergency planning event	Chief Executive	12	6	12	6	Static	23/01/2023
CORP07 Cyber security	Exec Dir - Community Services	15	15	15	15	Static	18/01/2023
CORP08 Data Protection compliance	Exec Dir - Community Services	12	8	12	8	Static	06/01/2023
CORP09 Failure to fulfil statutory or legislative responsibilities - safeguarding	Exec Dir - Community Services	15	12	15	12	Static	30/01/2023
CORP12 Contract management - governance	HoS - Legal & Procurement	9	6	9	6	Static	03/01/2023
CORP13 The Council's approach to waste and recycling becomes financially, environmentally and contractually unsustainable	Exec Dir - Development & City Services	12	4	12	4	Static	23/01/2023
CORP14 Health and safety and compliance in council homes and buildings	Exec Dir - Community Services	20	4	20	4	Static	30/01/2023
CORP15 Failure to be able to draw down £15m of Housing Infrastructure Fund (HIF) money previously secured from Homes England (HE) and under contract to assist with the delivery of Anglia Square leading to failure for successful redevelopment of this key city centre site	Exec Dir - Development & City Services	12	8	12	8	Static	23/01/2023
CORP16 Implementation of the Election Act	Chief Executive	15	4	12	4	Improving	03/01/2023
CORP17 Failure to deliver acceptable levels of performance in regulatory services	Exec Dir - Development & City Services	12	8	12	8	Static	23/01/2023
CORP18 Failure to address Natural England advice on Nutrient Neutrality (NN)	Exec Dir - Development & City Services	25	10	20	10	Improving	23/01/2023
CORP19 Housing regulation	Exec Dir - Community Services	20	9	12	9	Improving	23/01/2023
CORP20 Cost of living (COL) crisis has a negative impact on the city and the council	Exec Dir - Community Services	20	12	20	12	Static	12/01/2023
CORP21 Equality impacts due to climate change	Exec Dir - Community Services	16	12	16	12	Static	12/01/2023
CORP23 Impact of economic downturn on key council suppliers	Exec Dir - Corporate & Commercial Services	16	8	16	8	Static	03/01/2023

Appendix A. Cross cutting KPI's

At a corporate level, there are two KPI's where performance is affected by all three directorates. These are:

- % of FOI requests responded to within statutory timescales (reporting as green)
- % of corporate complaints responded to within stated timescales (reporting as red)

The below gives a view of Cross Cutting KPI performance across the past year:

Indicator	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022
% of FOI requests responded to within statutory timescales	81.32	91.19	79.52	80.12	92.36
% of corporate complaints responded to within stated timescales	62.02	56.30	54.95	62.06	58.00

Q3 observed 157 FOI requests. This is comparable to the previous Q (166) and less that the Q3 of the previous financial year (182). Improvements in response times has been seen across all directorates, especially Development & City Services.

The time to respond to complaints target was reduced from 15 to 10 days WEF 01 October 2022. This has impacted on performance which remains below target. Weekly reports are being supplied and any delays are being actively investigated and actioned.

Appendix B. Community Services

B.1. Performance

B.1.1. Summary of performance

Community Services has eleven KPIs, ten of which report quarterly and one annually. For this quarter, the directorate reports two red, three amber and five green indicators.

The red indicators this quarter were:

- 'Total number of private sector insulation measures completed'. The KPI is zero for this period due to the significant mobilisation phase for the Sustainable Warmth Grant (SWG) of £3.6m and winter being a slower time of year for installation projects. The SWG project will deliver c300 private sector installations over the next two quarters with signup, assessments and designs for this work being undertaken over the last quarter. These c300 installations alongside c350 Solar Together scheme installations will exceed the annual KPI expectation for the year as a whole. The increasing funding landscape for this KPI is likely to produce 'peaky' quarterly KPI outcomes going forward but with overall increased annual outcomes. This figure does not account for private sector insulations that the Council are not involved in.

- 'Average relet times of Council homes in calendar days (excluding major works)'. We inherited 147 voids at the beginning of the financial year, the majority of which are long term. This means that through 2022/23 we will experience significantly longer void periods than in previous years. We have brought on board two extra contractors alongside NCSL to restore the service to a normal operating environment as quickly as possible. There are still some issues with the delivery of construction materials, however, there has been an improvement in turnaround times for asbestos survey and removals.

- '% of customer contact that takes place through digital channels'. The volume of telephone calls answered has remained high whilst there has been a slight decrease in the number of online interactions. A telephone automation pilot planned for Q4 should help to aid channel shift.

The below gives a view of Community Services performance against its KPIs across the past year.

Indicator	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022
Total number of private sector insulation measures completed	70.00	70.00	50.00	50.00	0.00
Number of homeless households living in temporary accommodation	43.00	41.00	47.00	52.00	48.00
IT System availability expressed as a percent of time available during core hours	99.96	99.86	99.94	99.85	99.94
Average re-let time of council homes in calendar days (excluding major works)	63.00	55.00	35.00	49.00	95.00
% of people responding as feeling safe in local area survey	58.00	59.00	65.00	55.00	63.00
% of households owed a homelessness prevention duty (in accordance with the Homelessness Reduction Act) where the duty was ended due to suitable accommodation being secured for them	81.00	80.00	74.00	68.00	87.00
% of customer's responding as satisfied with customer contact team service	78.74	78.35	70.43	68.04	83.71
% of customer contact that takes place through digital channels	42.88	42.75	54.29	45.71	42.05
% of council housing rent collected (excluding arrears brought forward)	99.39	99.35	95.87	96.20	98.25
% of council homes with a valid gas safety certificate	99.66	99.82	99.87	99.82	99.92

The directorate's performance on FOI requests was up 11.9 percentage points compared with the previous quarter, and up 11 percentage points compared with Q3 of the previous year.

B.1.2. Successes and challenges

Successes:

Domestic Abuse Housing Alliance (DAHA): We are making good progress on our journey towards becoming Domestic Abuse Housing Alliance accredited. Following the initial launch event in October, we are focussing on our policies and procedures by developing a draft domestic abuse policy for residents and another for staff. Domestic abuse awareness training has been delivered by the Norfolk Integrated Domestic Abuse service (NIDAS) and we have updated our website to include a quick exit button to make it easier for people to seek help. The DAHA operational board meets monthly and the strategic board quarterly. Both groups contain a wide representation of colleagues from across our directorates to help ensure that we are embedding a supportive approach for people experiencing domestic abuse into our everyday work and culture.

New IT service operating model: Following a review of the IT service, we now have a new operating model to support and develop our systems as well as delivery of transformation and the customer experience and digital strategy. The new service includes:

- Business partner roles that link to the business needs and development of digital services.
- Information and governance hub to support with data protection, privacy, records and data management.
- Programme management to maintain our road map of projects and a development team focusing on delivering digital solutions.
- Dedicated security and compliance resource to focus on cyber security to address the increased risk.
- Service and support team to provide end to end technical support for the workforce with an emphasis on providing a first-time fix.

The service is already making great progress developing the new operating model, work programmes and supporting and engaging across the organisation through the new business partner role.

Rough sleeper count improvement: The annual verified rough sleeper count (November 22) shows a 30 percent decrease in rough sleepers from the November 2021 count. This is the lowest figure for 7 years and is testament to the ongoing efforts that the council and its partners make to alleviate rough sleeping the in the city.

Challenges:

Damp & Mould complaints: Following the tragic death of Awaab Ishak in Rochdale, all good social landlords are reviewing the way they manage and treat damp and mould complaints and we are no exception. Over recent weeks we have reviewed processes and engaged further contractors to support our work. Given all the other competing pressures on our services we have created a dedicated work stream to deal with the damp and mould reports. The team will be led by a project consultant, and supported by a senior building surveyor. The interim head of housing and community safety will be providing oversight for this area of work in the short term whilst the interim head of asset management focuses on health and safety compliance and the new repairs and maintenance service. Existing protocols are being redirected to this team, and we will be ensuring that all damp and mould complaints are managed through this service.

Response to cost of living - Impact of cost of Living on VCSE's & Council services: The challenges for our residents, and for the VCSE sector that supports them, continue to be unprecedented with a significant impact on council services and our ability to support those who require our help. The numbers of single people, social housing tenants and disabled people needing food bank referrals has risen dramatically over the past year, despite the Cost-of-Living Payments paid out to people over the summer and autumn. We have also never seen a higher proportion of people in a negative budget - meaning they have more essential spending going out than they have income coming in.

We have been maximising support by joining-up, streamlining and increasing funding where possible:

- **Sustainable warmth**: through £50k Health and Wellbeing Partnership funding, we are working with VCSE partners to provide fuel payments and advice, to cover the rise in fuel payments requests through the winter
- **Social welfare advice**: we have increased funding for social welfare advice by £93,345 , towards the various Financial Inclusion Consortium and Norfolk Community Advice Network resources to help tackle the cost of living
- **Discretionary Housing Payments:** paid out the full pot of £272k by December 2022 – the fund is now closed - funding was down £100k on last year
- **Council Tax Energy Rebate:** discretionary targeting £292k to those most in need – paid £224,695 to13,927 residents – fund is now closed
- **Covid Outbreak Management Fund:** £120k from County which has been split across a number of initiatives including community hot spots, foodbanks, social supermarkets, fuel poverty and outreach
- **Household Support Fund:** helping those in most need with the cost of essentials such as food, clothing and utilities - will run until March 2023
- **Non-commercial debt policy**: changed our approach by providing holistic wraparound support for the most vulnerable, the use of 'breathing space' scheme, introduction of debt management flags, taking a multi-service area approach
- **Cost of Living directory**: newly developed tool for use by frontline officers, enabling officers to access information on the range of support and services aimed at helping those suffering from financial hardship.

The cross-council officer working group continue to meet to identify further opportunities and solutions. Our longer-term focus includes:

- Prevention and early intervention approach across services
- Research project with University of Salford, Salford City Council and other local authorities
- Helping people afford heating and move to better value energy and water deals
- Working with long term off gas residents to see if support can be offered to get gas back in the property
- Living Wage Place action plan
- Norwich Good Economy Commission legacy work

Despite this work the scale of the issues facing residents is unprecedented, and further action at a national level would be required to avoid significant negative impacts on the health and wellbeing of our residents.

B.1.3 Case Study

Voids dashboard: A voids improvement project group was formed by the interim Head of Housing & Community Safety in response to challenges faced by the council to turnaround empty homes (voids).

One of the first objectives was to consolidate data from multiple sources, clarifying the data to create a clear process of prioritisation. Business intelligence and NEC system teams worked collaboratively with colleagues across lettings, housing options, property services and contractors to achieve this. A central voids register was created, combining data from three contractors into a single view of empty council homes, accompanied by allocation details about the people waiting to move in. Void works could then be targeted according to the most urgent cases (e.g. relieving temporary accommodation) and level of work required. Previously this information was held across an array of systems and spreadsheets.

This joint effort laid the foundation for utilising the council's new NEC system to improve data capture for the voids process. A Power BI dashboard was then developed at pace by the Business intelligence team to transform this data into actionable insight, published to a SharePoint site supplied by IT. The dashboard provides clear visibility to operational managers and strategic decision makers alike. Some of the key benefits this provides:

- Daily updates ensure timely action can be taken
- Clear sight of trends & direction of travel
- Visibility of different stages of the voids process (identify blockages)
- Drill through into the data for updates about individual properties
- Pixel perfect, interactive report, easily understood and analysed

"It is essential to have visibility of the workload to enable service areas to take ownership and accountability and the dashboard provides this at a high-level. This enables service areas to jointly focus on bringing our voids back into use and provide essential homes to tenants. The dashboard will help NCSL in looking at ways to reduce repair time and utilise the void time effectively by managing resources within the agreed target performance"
Paul Young, NCSL Operations Director

Progress has been made and continues thanks to the hard work of all those involved, supported by smarter use of data. Further dashboards are planned within the housing & community safety service, to capitalise on the new NEC system and enhance reporting.

B.2. Finance

B.2.1. Community Services revenue budget

The general fund forecast outturn for the directorate at quarter 3 shows an underspend of £0.366m

B.2.2. Key variances

Figure 3.1 Community Services key variances

Community Services	**Budget (£000)**	**Forecast Outturn (£000)**	**Forecast Variance (£000)**
Community Services	862	788	(74)
Customers, IT & Digital	5,116	5,030	(86)
Strategy, Engagement & Culture	3,018	2,973	(45)
Housing & Community Safety	1,281	1,120	(161)
Community Services	**10,277**	**9,911**	**(366)**

Key variances (£000):		
Housing & Community Safety: Homelessness	(234)	Actual grant income greater than anticipated when budgets were set.
Other minor variances	(132)	
Total	**(366)**	

Potential budget risks

- In previous years the corporate vacancy factor has been achieved in the directorate, however given the potential inflationary pressures on pay in 2022 and increasing demand on the service to support projects there is a risk that this will not be fully achieved

B.2.3. Outstanding debt

The current outstanding debt for the at the end of quarter 3 was £1.167m across 902 invoices. A full list is circulated on a regular basis so, that a review can be undertaken with the aim of identifying old debt which is unlikely to be recovered and writing-off accordingly.

B.2.3. Savings tracker

- *Figure 3.2 – Community Services savings tracker:*

FSN Programme Item name	Target £	P9 Forecast £	P9 Status
Council events programme refresh	(82,000)	(82,000)	Green
Norman Centre contract review	(6,686)	(6,686)	Green
Deletion of unused budget	(22,000)	(22,000)	Green
Stationery savings	(25,000)	(25,000)	Green
Postage - 21/22 budget reduction	(100,000)	(100,000)	Complete
IT contract saving - 21/22 budget saving	(175,000)	(117,500)	Complete
Housing Improvement Agency team funding	(200,000)	(200,000)	Complete
Customer Contact service review	(106,000)	(106,000)	Complete
The Halls - improve income & link to Towns Fund	(10,000)	(10,000)	Amber
Council events provision reduction	(62,000)	(62,000)	Green

B.2.4. Housing Revenue Account revenue budget

The forecast outturn for the directorate at quarter 3 shows an underspend of £3.376m

The key variances are shown in the table below:

Housing Revenue Account position at Quarter 3 (December 2022)	Budget (£000)	Forecast Outturn (£000)	Forecast Variance (£000)
General Management	16,185	15,399	(786)
Special Services	5,118	4,860	(258)
Repairs & Maintenance	17,966	16,028	(1,938)
Rents, Rates, & Other Property Costs	5,988	6,169	181
Provision for Bad Debts	430	430	0
Depreciation & Impairment	23,224	23,222	(3)
Adjustments & Financing items	641	531	(110)
Garage & Other Property Rents	(2,187)	(2,220)	(33)
Dwelling Rents	(59,163)	(58,877)	286
Service Charges - General	(7,867)	(7,826)	41
Interest Received	0	(834)	(834)
Miscellaneous Income	(82)	(4)	78
Amenities shared by whole community	(254)	(254)	0
Total Housing Revenue Account Position	**0**	**(3,376)**	**(3,376)**
Key variances (£000):			
Budget pressures – overspends/loss of income			

Dwelling Rents: Income from dwellings	286	Income impacted by backlog & extended void turnaround times offset by lower level of rent written-off.

General HRA Premises: Rates paid on void properties owned by the HRA	238	Costs are impacted by backlog and extended void turnaround times.
General Management: Legal Fees	161	Higher than expected legal services/advice.
Estate Management: Landlord lighting in communal areas of HRA properties	252	Electricity for landlords lighting is forecast to cost more as a result of current higher prices.
Savings/increased income		
Repairs & Maintenance: Costs for the repair & maintenance of HRA dwellings	(915)	In consideration of the value of works already completed along with current commitments, projected work and planned major and minor works for the year, lower than budgeted expenditure is forecast.
Repairs & Maintenance: Void Properties	(309)	Underspend forecast based on current expenditure to date and level of voids anticipated along with current extended void turnaround times.
Repairs & Maintenance: TV Aerial Maintenance	(213)	Budget provision for full cost of contract in year, but a proportion of annual costs are charged against lease.
Repairs & Maintenance: Drainage	(300)	Lower level of responsive drain repairs required as covered under responsive repairs & maintenance where required.
Repairs & Maintenance: Materials Contingency	(295)	Contingency budget to cover unbudgeted increase in cost of materials not required.
Interest Received: Income from investments	(834)	Increase income resulting from higher interest rates
General Management: Recharges from the general fund	(490)	Reduced recharges from general fund as lower corporate support costs plus some staff costs now directly funded from HRA reducing staff recharge
Other minor variances	(957)	
Total	**(3,376)**	

B.2.5. Outstanding debt – HRA

The current outstanding debt for the directorate at the end of quarter 3 was £1.250m (excluding rents) across 1,989 invoices. A full list is circulated on a regular basis so that a review can be undertaken with the aim of identifying old debt, which is unlikely to be recovered, and writing-off accordingly.

B.2.6. Community Services capital budget

The forecast outturn for Capital Programme at quarter 3 shows a £12.049m underspend, £3.867m in GF and £8.182m HRA.

Capital Programme	Original Budget (£000)	Revised Budget (£000)	Actual and Commitments to date (£000)	Forecast outturn (£000)	Forecast variance (£000)
GF - Community Services	8,889	6,835	822	2,967	(3,867)
HRA - Community Services	25,930	24,498	12,132	16,316	(8,182)
Community Services Total	**34,819**	**31,333**	**12,954**	**19,284**	**(12,049)**

Significant variances are set out in the tables below:

Community Services - General Fund Capital Variances		
	Variance (£000)	
BEIS Decarbonisation Grant	(2,325)	The mobilisation phase for this £3.1m project is now complete with the construction phase expected to start in the next quarter and with capital funds from BEIS being fully disbursed over the next two quarters. Spending on this project is running behind schedule due to difficulties in getting commitments from tenants, partly because the scheme criteria is exclusive.
Disabled Facilities Grant	(771)	Progress on usage of the 2022/23 grant allowance progressing well and will be largely spent in year. Underspend relates to funds carried forward from previous years where output was reduced due to Coronavirus limitations. Business case submitted to reprofile projected underspend into next year's budget.
BEIS Green Homes Grant	(549)	We are currently reviewing various aspects related to the delivery of this project. At this time, we have re-stated the expected levels of spend and delivery to nil until we have greater clarity and assurance on the current and forthcoming delivery. We are maintaining dialogue with BEIS relating to the use of the funding awarded.
Other minor variances	(222)	
Total	**(3,867)**	

Community Services - HRA Capital Variances		
	Variance (£000)	
HRA Upgrades: Compliance Upgrades - 5210	(1,757)	Some compliance work has been completed through other budgets as part of ongoing work plans. Unspent budget that may still be required for use in future years will be requested to be carried forward into 2023/24.
HRA Upgrades: Whole House Improvements - 5120	(1,535)	Cost of upgrade works to whole homes has been funded from individual component replacement capital budgets.
HRA Upgrades: Heating/Boilers Communal - 5130	(1,099)	Tender received is more than budget, meaning value engineering process will need to take place and programme will extend into 2023/24.
HRA Upgrades: Heating/Boilers Domestic - 5131	(793)	Reduction in expenditure as boilers now only upgraded for void dwellings and responsive requirements in line with the update of the Norwich Standard.
HRA Upgrades: Thermal Comfort - 5140	(603)	The mobilisation phase for this £1.2m project is now complete with the construction phase underway with capital funds (BEIS and HRA contributions) expected to be fully disbursed over the next two quarters. Spending on this project is running behind schedule due to difficulties in getting commitments from tenants. Remaining funds will be 50% spent in the next quarter and remaining funds spent in first quarter of next FY. BEIS have announced their intention to extend the scheme's delivery period due to many participating LA's experiencing similar delivery delays.
HRA Upgrades: Electrical - 5110	(588)	Average costs of upgrades has been lower than initially budgeted, but overall number of anticipated completions has also reduced due to delays arising from the requirement for asbestos surveys.
HRA Upgrades: Doors - 5151	(578)	Surveys and testing currently progressing and materials to be purchased in year, but installation programme will extend into 2023/24.
HRA Upgrades: Water Hygiene Upgrades - 5184	(340)	Surveys have progressed but resulting works programme will extend into 2023/24.

HRA Upgrades: Windows - 5150	(307)	Following interim repair works to address immediate issues, window replacements in tower blocks have been held pending surveys, meaning these will not now take place in 2022/23. Further preparatory work is being carried out to take a whole house approach to include other works, including insulation and roof renewals. This is being carried out to ensure better value for money. Additionally, limited contractor resources following delays caused by a need to carry out asbestos surveys, have caused restricted progress of programme, but if this is resolved, installation rate could increase, reducing forecast underspend.
HRA Upgrades: Solar Therml/Photovoltaic - 5141	(170)	Delays in surveys and contractor capacity have delayed programme which will now extend into 2023/24.
HRA Upgrades: Sheltered Hsg Comm Facs - 5171	(112)	Only one project will now take place in this financial year to avoid disruption to sheltered tenants during winter period. Other sites re-programmed in future years budgets, therefore underspend will not be carried forward.
Other minor variances	(300)	
Total	**(8,182)**	

B.2.7. Community Services capital virements

- Unspent 2021/22 General Fund capital budgets totaling £0.951m and HRA capital budgets totaling £2.756m were approved to be carried forward for the directorate.
- Subsequently, 2022/23 General Fund capital budgets totaling £3.094m and HRA budgets totaling £2.756m for the directorate have been re-profiled into future years.
- Other movements and virements which have previously been agreed for the directorate are detailed below (please note that virements under £500 will show as 0 due to rounding)

Virements Tracker summary	**GF £000**	**HRA £000**	**Total £000**
Original Budget	8,889	25,930	34,819
Carry forwards	951	2,756	3,707
Period 6 Reprofiling	(3,094)	(2,756)	(5,850)
Additions			
NCIL Budgets added after budget setting	275	0	275
BEIS Decarbonisation grant	0	855	855
UKSPF	19	0	19
Removals			
DFG reduction once grant value confirmed	(146)	0	(146)
Community Centres - Upgrades	(60)	0	(60)
Whole House Improvements	0	(2,261)	(2,261)
Comm centre assets HRA impact	0	(25)	(25)
Current Budget	**6,835**	**24,498**	**31,333**

Appendix C: Corporate and Commercial Services

C.1 Performance

C.1.1 Summary of performance

Corporate & Commercial Services has four KPIs, all of which report quarterly. For Q3, the directorate reported 2 amber and 2 green indicators.

The table below gives a view of Corporate & Commercial Services performance against its KPIs compared to the previous year.

Indicator	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022
Council Tax Collection – the amount of in year council tax plus arrears from old years collected (target set according to budget requirement)	99.03	99.60	98.67	100.64	99.67
Council on track to remain within General Fund budget (£)	-425,957.00	-2,364,000.00	-626,000.00	-1,397,000.00	-1,764,000.00
Business Rates Collection – the amount of in year business rates plus arrears from old years collected (target set according to budget requirement)	100.34	101.48	105.42	100.06	99.53
Average number of days taken to process new Housing Benefit claims from point of receipt to notification of entitlement	18.00	14.00	16.00	19.00	18.00

Council tax and Business rates collection has seen a slight decrease in performance, both moving from green to amber. The commentary indicates that Council tax collection is still very good considering the financial hardship residents are currently facing with the cost-of-living crisis.

The directorate's performance on FOI requests was up 7.3 percentage points compared with the previous quarter, and up 8.3 percentage points compared with Q3 of the previous year.

C.1.2. Successes and challenges

Successes:

Budget report to cabinet in Dec: In December the Cabinet received a substantial report updating the budget proposals for 2023/24 and for the medium-term financial position (MTFS) covering the period until 2027. The overall position is that both the 2023/24 budget and the MTFS are balanced without the use of reserves, if all of the proposed budget reductions are agreed and delivered in full. This is a strong position to be in given the uncertainty that remains around local government funding.

Contract management: Last year, the Council joined the Department for Levelling Up, Housing and Communities Contract Management Pioneer Programme, securing placements for several officers to receive contract management qualifications as well as participation in national user groups. Due to how actively we have engaged with the programme, we have been offered support from Local Partnerships to review our current arrangements for contract management, identify areas for further development and provide support with implementation.

NPLaw new agreement: In March 2021, Norfolk County Council gave notice that they wished to review the partnership agreement that provides oversight of the nplaw legal agreement. Nplaw operate as a partnership between Norfolk County Council, Broadland, Norwich and Great Yarmouth, albeit provide legal services on demand to a range of other legal authorities. Since that time, the authorities have worked together to agree a revised business model, which will allow more flexibility to the way the agreement works on an annual basis, and more focused measuring performance based on outcomes than specific processes. The principles behind the revised agreement was agreed by the nplaw board in December and officers will now progress finalisation of the paperwork.

Challenges:

Discretionary Housing Payments: The reduction in Discretionary Housing Payment (DHP) funding for 2022/23 has been highlighted throughout the year as a challenge. Despite reviewing our policy at the start of the financial year, the current cost of living crisis has seen a continued and ongoing demand for additional financial support and our DHP fund has been spent. The council has made some contingency funding available to support applications from residents who fall within our priority 1 group, as outlined in our DHP policy. The fund was officially closed on 30 November 2022. There were approximately 370 applications outstanding, which the team cleared by 08 December 2022, ensuring that those cases not meeting the priority 1 criteria were notified of the refusal and signposted to our cost-of-living webpage. Those who have met the criteria have either been paid or we are currently awaiting outstanding information to enable them to be awarded. The decision to close the fund has resulted in a small number of complaints to date, including queries from Members.

Revenues & Benefits support schemes: The Revenues and Benefits service has been asked to deliver further support schemes to residents. The Energy Bills Support Scheme will be rolled out by the end of January for those customers that don't use a domestic energy supplier. The department for Business, Energy and Industrial Strategy (BEIS) will do initial eligibility checks but then expect local authorities to have the processing capability to make further residency checks and payments. Further guidance is awaited. There will also be a Council Tax Support Fund (CTSF) for 23/24 for working and pension age claimants that supports vulnerable people. There will be a payment of up to £25 but any remaining funding can be spent according to our own local approach. It is unclear whether or not payments can exceed £25 in total. The CTSF payment (up to £25) needs to be in place in time for the 23/24 billing process, all at a time when we there is a revaluation of business rates and our own year-end processes to perform.

C.1.3 Case Study

HR recruitment system: At the end of May 2022, the Council entered a contract to replace the existing HR and Finance systems with an enterprise resource planning (ERP) solution. This included working with recruitment software experts Hireserve, to develop a new recruitment and applicant tracking system.

Reducing the time to hire and streamlining processes was the key feedback from our customer journey workshops, the level of dissatisfaction with the existing system informed the decision to implement a new recruitment solution ahead of the ERP. The new recruitment system was launched, on time, on 14th December 2022 with the design incorporating many of the features requested by our hiring managers and taking account of recruitment best practice and positive candidate experience to strengthen our recruitment processes.

To enable a smooth transition from the existing system, a series of support mechanisms were developed; including process maps, detailed hiring manager guides and step by step instructions, a launch video and training sessions. Initial feedback from managers *'straightforward and [training] easily delivered via teams', 'learned how to use the system, from start to finish, user guides/videos are* *a great start and introduction', 'improved system and materials' and '..any questions not answered on the spot were followed up within one working day'.*

With the system being delivered on time and being well received by hiring managers and our very first new starters now being offered positions, the recruitment system has been an all-round success.

C.2 Finance

C.2.1 Corporate & Commercial Services revenue budget

The forecast outturn for the directorate at quarter 3 shows a £0.826m overspend.

C.2.2 Key variances

The key variances are shown in the table below.

Corporate & Commercial Services	**Budget (£000)**	**Forecast Outturn (£000)**	**Forecast Variance (£000)**
Corporate & Commercial Services	512	693	181
Revenues & Benefits	2,908	3,555	647
Finance, Audit & Risk	880	880	0
HR & Organisational Development	788	784	(4)
Legal & Procurement	1,838	1,840	2
Corporate & Commercial Services	**6,926**	**7,752**	**826**
Key variances (£000):			

Corporate & commercial services – vacancy factor Risk that vacancy factor unlikely to be met.	98	Underspends identified earlier in the year look likely to be absorbed within the service areas by ongoing spend such as the expected pay award – previously increases in pay award above budget were held centrally rather than at service level. There are also increasing costs of temporary staff and resourcing of other projects, so there is a risk that the vacancy factor won't be achieved within the service areas. However, it might be that, as we approach the end of the year, some of the current forecasted activities will not be achieved and the vacancy factor can be met from within services.
Corporate & commercial services Increased resource to cover Head of Finance role	83	The Interim Head of Finance has stepped up to cover the S151 Officer position, so additional resource is required to support the vacant Head of Finance role.
Revenues & Benefits	587	There has been a change in the forecast outturn figures for housing benefit subsidy

Increased housing benefit subsidy loss		shortfall. Current projections show a larger HB expenditure and a lower subsidy return than estimated at mid-year. The reported increase in HB expenditure is largely linked to the restrictions imposed by the DWP when the council submits it's HB mid-year estimate claim. This generally projects a lower expenditure level and in turn, HB subsidy instalments received by the council are at a lower rate. Estimate vs. actual is balanced at year-end – current projections estimate a payment of £2.4m owing to the council. However, based on current trends it is likely this figure will reduce as we move through Q4 – possibly to somewhere in the region of £1.6-1.8m. Whilst it is likely we will receive a balancing payment from the DWP at year-end, Q3 projected reduction in subsidy return means that the council will need to contribute a greater amount than estimated at mid-year. The increased subsidy shortfall is due to adjustments to a number of supported accommodation claims in year and an increase in the use of private sector leased and hostel accommodation.
Other minor variances	58	
Total	**826**	

C.2.3 Corporate Financing revenue budget

The forecast outturn for the directorate at quarter 3 shows a £2.041m underspend.

The key variances are shown in the table below.

Corporate Financing	Budget (£000)	Forecast Outturn (£000)	Forecast Variance (£000)
Corporate Financing	**(24,265)**	**(26,306)**	**(2,041)**
Key variances (£000):			

Treasury management Improved performance as rates and cash balances have both increased.	(2,080)	The average level of cash balances has increased over the level assumed when setting the budget. Additionally, since April 2022 the bank base rate has increased which has also fed through into the rates being offered for investing cash with counterparties. These factors lead to higher investment interest income variances, some of which is attributable to the HRA.
Other minor variances	39	
Total	**(2,041)**	

C.2.4 Savings tracker

Target	Forecast	
(1,796,000)	(1,796,000)	Complete
(1,796,000)	**(1,796,000)**	

C.2.5 Outstanding debt

The current outstanding debt for the corporate & commercial services and corporate financing directorates at the end of Q3 was £1.1120m. A full list is circulated on a regular basis so, that a review can be undertaken with the aim of identifying old debt which is unlikely to be recovered and written-off accordingly. However, most of this debt is considered to be recoverable.

C.2.6 Corporate & Commercial Services capital budget

The forecast outturn for the General Fund capital programme for the directorate is a small overspend of £0.020m – This overspend relates solely to the new ERP system project.

Capital Programme	Original Budget (£000)	Revised Budget (£000)	Actual and Commitments to date (£000)	Forecast outturn (£000)	Forecast variance (£000)
GF - Corporate and Commercial Services	616	674	330	694	20
Corporate and Commercial Services Total	**616**	**674**	**330**	**694**	**20**

C.2.7 Corporate & Commercial Services capital virements

- Unspent 2021/22 General Fund capital budgets totaling £0.058m were carried forward in this directorate

Virements Tracker summary	GF £000	HRA £000	Total £000
Original Budget	616	0	616
Carry forwards	58	0	58
Current Budget	**674**	**0**	**674**

Appendix D: Development and City Services

D.1. Performance

D.1.1. Summary of performance

Development and City Services is responsible for ten KPIs, five of which report quarterly and five of which are annual indicators. For Q3, the five quarterly indicators continued to show good performance, with three being above target and the remaining two near to their target.

The table below gives a view of Development and City Services performance against its KPIs compared to the previous

Indicator	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022
Value of external funding leveraged to support council development and place-shaping priorities (£)		16,999,750.00			
Number of private rented sector homes made safe		5.00			
Number of new homes (both council and private) completed				316.00	
Number of affordable homes built, purchased or enabled by the council		23.00			
Number (of total) (%) of food premises rated 0,1 or 2 (non-broadly compliant), moving to a compliant rating of 3, 4 or 5 against the Food Hygiene Rating System following intervention by food safety officers	94.00	95.00	91.00	94.00	94.50
Council income from investment property portfolio expressed as % of target income	95.00	95.00	87.00	92.00	95.00
Area of underused council land brought into productive use (m2)		0.00			
% of planning decisions upheld after appeal (where council has won)	78.00	80.00	100.00	91.00	88.00
% of planning applications determined within statutory time limits	89.00	88.00	86.00	87.00	87.00
% household waste sent for reuse, recycling, composting (reporting on previous quarter)	40.20	39.10	39.10	38.80	38.10

Development & City Services performance in planning applications determined within timescales and household waste indicators continue to report as amber, however both are above their intervention targets.

The directorate's performance on FOI requests was up 25.1 percentage points compared with the previous quarter, and up 27.1 percentage points compared with Q3 pf the previous year.

D.1.2. Successes and challenges

Successes:

Kings Arms Occupation: Following completion of construction, in November 2022 tenants moved into five new homes built on the site of the former Kings Arms pub. The site had been derelict for years and had become an eyesore attracting anti-social behaviour, and was acquired via CPO in 2020. The properties benefit from extra insulation, triple glazed windows and heat pumps, helping to keep energy bills down.

Retail Monitoring report: The retail monitor survey was carried out by Norwich City Council in October 2022 and provides a snapshot of the retail sector in the centre of Norwich and in local and district centres. Shops in Norwich have outperformed the national picture on the high street, with footfall up and shop vacancy rates down, despite difficult trading conditions. Key findings from the report show:

- The percentage of vacant available shop floorspace in the city centre is now 12.2% - a significant decrease on the 14.5% in July last year.
- The percentage of vacant units has also decreased, from 14.1% in July 2021 to 12.6% in October 2022. This compares favourably to the decrease in vacant units that has taken place nationally – which was 0.4% (from 15.8% in 2021 to 15.4% in 2022)

- Footfall has increased and returned to pre-pandemic levels.
- Public realm improvements, such as Hay Hill, are designed to enhance shopping and leisure time in the city and make it easier for people to get around Norwich and enjoy their time here.
- Vacancy rates in the ten existing district sectors have decreased significantly, from 9.8% in July 2021 to 5.6% in October this year.
- Vacancy rates in the 28 local centres have also decreased from 12.7% to 7.1% over the same period.

Despite shops doing well overall, the amount of shop floorspace in the city centre continues to decrease – by nearly 6,000 sqm between July 2021 and October 2022. A reduction of 2.9%. The total number of retail units also reduced from 971 in July 2021 to 947 in October 2022. But rather than being lost to residential space or being demolished, these areas are diversifying – with many turning into leisure venues. And since the last retail monitor survey, there has been an increase in the amount of floorspace under refurbishment or construction, showing companies are investing in Norwich. Currently 13 shop units (4,108sqm of floorspace) are under construction in the city – compared to 5 units in March this year and 7 units in July 2021.

Nutrient Neutrality: Whilst the issue of nutrient neutrality remains a blockage to the delivery of growth in Norwich and surrounding areas some success has been achieved in moving us forward to the point where a solution can be identified. In the quarter a Norfolk nutrient neutrality calculator was published allowing developers to accurately calculate the additional nutrient loading that will be produced by any development being brought forward within the affected catchment areas in Norfolk. This was produced by Royal Haskoning LLP who were appointed to do the work by all the affected Norfolk local authorities working collectively. The calculator has been accepted as robust by Natural England. Also in December Cabinet agreed to endorse an interim policy led approach for the apportionment of any nutrient neutrality mitigation credits secured through fitting more water efficient fittings into Council owned properties. Whilst this measure will not provide a permanent solution to ensure that all development in the City can be considered to be nutrient neutral. Subject to further detailed work and sign off from Natural England it potentially creates a level of headroom to allow some key urban regeneration sites to progress through the planning process. The measure will also result in a further funding stream into the Council's Housing Revenue Account that may allow the roll out of water efficiency measures to be accelerated.

Challenges:

Rising Capital costs: The Town Deal Funded capital projects are experiencing construction industry cost increases across the board. Depending on the construction materials used, and the sensitivity of the building (i.e. Listed Building), these increases are ranging between 10% and 20% over and above the forecasted costs submitted in the Towns Fund bids to DLUHC in late 2020/ early 2021. This has led to a need for careful management of the towns deal programme, through both the Towns Deal Board and DLUHC. In particular delivery of most of the planned improvements to St Giles St have been postponed and funding vired into the Hay Hill scheme to allow this to proceed. A full update on progress with the Towns Fund programme, which continues to be one of the most developed nationally, will be provided to Cabinet in March.

Revolving Fund: In December 2022 Cabinet approved making of CPOs on two sites, 238A Dereham Rd and Lime Kiln Mews. This is a critical step in the event that the council decides to acquire the sites in the future, this will happen in the event that the owners are unable to develop the sites themselves.

D.1.3. Case Study

D.2. Finance

D.2.1. Development and City Services revenue budget

The forecast outturn for the directorate at quarter 3 shows a (£0.124m) underspend.

D.2.2. Key variances

Figure 2.3 Development & City Services key variances

Development & City Services	**Budget (£000)**	**Forecast Outturn (£000)**	**Forecast Variance (£000)**
Development & City Services	480	547	67
Environment Services	3,562	3,557	(5)
Planning & Regulatory Services	2,188	2,330	142
Property & Economic Development	552	223	(328)
Development & City Services	**6,782**	**6,658**	**(124)**
Key variances (£000):			

City Hall Main office for staff and Councillors.	(150)	Increased rental income from vaccination centre (£0.103m), business rates and NCSL contract cost are lower than budget (£0.070m). Trade waste and control system costs are forecasting to be £0.022m over budget.
Investment income Rental income from council owned commercial property.	(119)	Increased rent from rent reviews and properties not disposed of totalling (£0.175m). Additional gas and electricity costs of £0.059m has reduced this saving.

Potential budget risks

- In previous years the corporate vacancy factor has been achieved in the directorate, however given the potential inflationary pressures on pay in 2022 there is a risk that this will not be fully achieved.

D.2.3. Savings tracker

FSN Programme Item name	Target £	P6 Forecast £	
Stretch - Biffa contract - 21/22 budget reduction	(68,000)	(90,495)	
Waste contract - 21/22 budget reduction	(157,000)	(157,000)	
Expansion of charges for Parking in parks	(50,000)	(8,000)	
Cashless parking - 21/22 budgted saving	(110,000)	(110,000)	
Review of NCSL Contract - 21/22 budget saving	(53,000)	0	
Cemeteries income - 21/22 income budget	(50,000)	(50,000)	
Gypsy and Traveller Site Management	(4,000)	(4,000)	
Planning Fee Income	(105,000)	(105,000)	
City Dev Services service review	(10,000)	(10,000)	
HMO licence fee increase	(36,000)	14,000	
Expansion of charges for Parking in parks	(25,000)	0	
Review of Car Parking charges	(360,000)	(624,702)	
Review of Markets Income	(38,000)	(59,882)	
City Hall rental	(28,500)	(18,000)	
Review of NCSL Contract	(195,000)	(195,000)	
Norwich Airport Industrial Estate income	(70,000)	(110,000)	
Vaccination centre income	(47,000)	(199,650)	

The tracker is reviewed and updated by budget managers regularly.

D.2.4. Outstanding debt

The current outstanding debt for the directorate at the end of P9 was £2.502m across 2,817 invoices.. A full list is circulated on a regular basis so, that a review can be undertaken with the aim of identifying old debt which is unlikely to be recovered and writing-off accordingly.

D.2.5. Development and City Services capital budget

The forecast outturn for Capital Programme at period 9 shows a £5.740m underspend, £5.330m in GF and £0.409m HRA.

Capital Programme	Original Budget (£000)	Revised Budget (£000)	Actual and Commitments to date (£000)	Forecast outturn (£000)	Forecast variance (£000)
GF - Development & City Services	19,841	15,873	5,088	10,542	(5,330)
HRA - Development & City Services	12,932	11,344	12,585	10,934	(409)
Development & City Services Total	**32,773**	**27,217**	**17,673**	**21,477**	**(5,740)**

Significant variances are set out in the table below:

Development & City Services - General Fund Capital Variances		
	Variance (£000)	
TF Compulsory Purchase Revolving fund	(1,007)	Potential purchases will not progress sufficiently to forecast further significant spend in this financial year. Carry forward will be requested to continue work in 2023/24.
St Giles Public Realm TF	(986)	Following agreement with grant providers the available budget for the St Giles scheme is to be transferred to other Towns Fund schemes, forecast spend has been reduced accordingly.
CIL Contribution Strategic	(750)	CIL collection is reduced because of delays from the pandemic where construction essentially stopped. Inflation and increased build costs and labour shortages are meaning fewer sites are being commenced (the point at which CIL is collected). It is anticipated this will increase in time. It should be noted that although part of the capital programme, the level of expenditure against this budget is directly dependent upon CIL income from developers.
St Andrews MSCP edge protection	(391)	Successful tender has proposed new options which are currently being reviewed through our engineers in property services leading to project start on site date being delayed. Materials to be purchased in advance generating some additional expenditure in year.
NCS Ltd establishment costs	(358)	£0.125m spend expected by year end of the main Environmental equipment budget, with acquisition of tractor flail and 2 sweepers. Remainder will requested to be carried forward into 2023/24.
Min Energy Effic Standard MEES	(299)	Energy efficiency certification achieved, therefore funds not required in 2022/23.
Transforming Cities Fund Contr	(250)	The Transforming Cities programme will not have reached the stage where transfer of funds is needed by the end of March 2023 therefore underspent budget will be requested to be carried forward into 2023/24.
TF- Digital hub	(247)	Works progressing, some costs have been reprofiled into 2023/24 in line with project. Carry forward of unspent budget into 2023/24 will be requested.
City Hall Medium Term Future	(214)	Unlikely to be required this financial year except for planning costs; delay in part due to waiting for LUF bid outcome. Carry forward of unspent budget into 2023/24 will be requested.

Park toilet refurb Wensum/Heigham/ Eaton	(196)	Budget was brought forward from future years in line with contractor timelines, however their scheduling has now been delayed. A new contractor is being consulted which means that most of the works will now extend into 2023/24.
Other minor variances	(631)	
Total	**(5,330)**	

Development & City Services - HRA Capital Variances		
	Variance (£000)	
Capital Grants Housing Asscns	(322)	No further opportunities identified enabling grants to be provided to registered providers in this financial year
LANB Kings Arms	(137)	In line with the CPO compensation code, the council paid 90% of the valuation of the former Kings Arms site following CPO in 2020. Although the compensation level has not been challenged by the recipient, they retain the right to challenge for several years following vesting of the site with the council. The underspend is a funding allocation to be used in the event such a challenge was forthcoming, and it resulted in the compensation sum due increasing
Other minor variances	50	
Total	**(409)**	

D.2.6. Development & City Services capital virements

- Unspent 2021/22 General Fund capital budgets totalling £6.143m and HRA capital budgets totalling £6.764m were approved to be carried forward for the directorate.
- Subsequently, 2022/23 General Fund capital budgets totalling £10.871m and HRA budgets totalling £7.483m for the directorate have been re-profiled into future years.
- Other movements and virements which have previously been agreed for the directorate are detailed below (please note that virements under £500 will show as 0 due to rounding)

Virements Tracker summary	**GF**	**HRA**	**Total**
Original Budget	19,841	12,932	32,773
Carry forwards from 2021/22	6,143	6,764	12,907
Period 6 Reprofiling	(10,871)	(7,483)	(18,354)
Reprofiling			
Park toilet refurb Wen Hei Eat	134	0	134
GNGB Marrt'sWy/HellsdnStnGrn	(144)	0	(144)
Ketts Heights repairs/habitat	(130)	0	(130)
Castle Gardens	(207)	0	(207)
Additions			
GNGB UEA Eaton boardwalk ext	17	0	17
S106 St Sephens towers public realm	66	0	66
Changing places grant	63	0	63
GNGB UEA Eaton boardwalk ext	1	0	1
CIL Yare-Wensum Green Infrastr	2	0	2
St Georges's play area	86	0	86
St Andrews Car park increase	998	0	998
Virements			
Southam Roof	(0)	0	(0)
Min Energy Effic Standard MEES	(0)	0	(0)
St Giles Roof	0	0	0
Removals			
CadgeRd CommCentre light upgrd	(7)	0	(7)
GNGB Riverside Wk Access Imps	(112)	0	(112)
S106 Bunkers Hill - Entrance	(8)	0	(8)
HRA New Hsg 165 Spring Bank	0	(21)	(21)
Demolition & Site Maintenance	0	(160)	(160)
New Build Opportunities	0	(500)	(500)
Capital Grants Housing Asscns	0	(188)	(188)
Current Budget	**15,873**	**11,344**	**27,217**

Annex 2: Performance

Cross Cutting KPI's

Indicator	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022
% of FOI requests responded to within statutory timescales	81.32	91.19	79.52	80.12	92.36
% of corporate complaints responded to within stated timescales	62.02	56.30	54.95	62.06	58.00

Community services KPIs

Indicator	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022
Total number of private sector insulation measures completed	70.00	70.00	50.00	50.00	0.00
Number of homeless households living in temporary accommodation	43.00	41.00	47.00	52.00	48.00
IT System availability expressed as a percent of time available during core hours	99.96	99.86	99.94	99.85	99.94
Average re-let time of council homes in calendar days (excluding major works)	63.00	55.00	35.00	49.00	95.00
% of people responding as feeling safe in local area survey	58.00	59.00	65.00	55.00	63.00
% of households owed a homelessness prevention duty (in accordance with the Homelessness Reduction Act) where the duty was ended due to suitable accommodation being secured for them	81.00	80.00	74.00	68.00	87.00
% of customer's responding as satisfied with customer contact team service	78.74	78.35	70.43	68.04	83.71
% of customer contact that takes place through digital channels	42.88	42.75	54.29	45.71	42.05
% of council housing rent collected (excluding arrears brought forward)	99.39	99.35	95.87	96.20	98.25
% of council homes with a valid gas safety certificate	99.66	99.82	99.87	99.82	99.92

Corporate and commercial services KPIs

Indicator	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022
Council Tax Collection – the amount of in year council tax plus arrears from old years collected (target set according to budget requirement)	99.03	99.60	98.67	100.64	99.67
Council on track to remain within General Fund budget (£)	-425,957.00	-2,364,000.00	-626,000.00	-1,397,000.00	-1,764,000.00
Business Rates Collection – the amount of in year business rates plus arrears from old years collected (target set according to budget requirement)	100.34	101.48	105.42	100.06	99.53
Average number of days taken to process new Housing Benefit claims from point of receipt to notification of entitlement	18.00	14.00	16.00	19.00	18.00

Development and city services KPIs

Indicator	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022
Value of external funding leveraged to support council development and place-shaping priorities (£)		16,999,750.00			
Number of private rented sector homes made safe		5.00			
Number of new homes (both council and private) completed				316.00	
Number of affordable homes built, purchased or enabled by the council		23.00			
Number (of total) (%) of food premises rated 0,1 or 2 (non-broadly compliant), moving to a compliant rating of 3, 4 or 5 against the Food Hygiene Rating System following intervention by food safety officers	94.00	95.00	91.00	94.00	94.50
Council income from investment property portfolio expressed as % of target income	95.00	95.00	87.00	92.00	95.00
Area of underused council land brought into productive use (m2)		0.00			
% of planning decisions upheld after appeal (where council has won)	78.00	80.00	100.00	91.00	88.00
% of planning applications determined within statutory time limits	89.00	88.00	86.00	87.00	87.00
% household waste sent for reuse, recycling, composting (reporting on previous quarter)	40.20	39.10	39.10	38.80	38.10

KPI Ref	Service	Indicator	Frequency	Due to report
KPI: 01	Revenue and Benefits	Average number of days taken to process new Housing Benefit claims from point of receipt to notification of entitlement	Quarterly	
KPI: 02	Revenue and Benefits	Council Tax Collection – the amount of in year council tax plus arrears from old years collected (target set according to budget requirement)	Quarterly	
KPI: 03	Revenue and Benefits	Business Rates Collection – the amount of in year business rates plus arrears from old years collected (target set according to budget requirement)	Quarterly	
KPI: 04	Finance	Council on track to remain within General Fund budget (£)	Quarterly	
KPI: 05	Housing	% of council housing rent collected (excluding arrears brought forward)	Quarterly	
KPI: 06	Housing	Average re-let time of council homes in calendar days (excluding major works)	Quarterly	
KPI: 07	Housing	% of council homes with a valid gas safety certificate	Quarterly	
KPI: 08	Housing	Number of homeless households living in temporary accommodation	Quarterly	
KPI: 09	Housing	% of households owed a homelessness prevention duty (in accordance with the Homelessness Reduction Act) where the duty was ended due to suitable accommodation being secured for them	Quarterly	
KPI: 10	Environmental services	% household waste sent for reuse, recycling, composting (reporting on previous quarter)	Quarterly	
KPI: 11	Early intervention & community safety	% of people responding as feeling safe in local area survey	Quarterly	
KPI: 12	Environmental health	Number (of total) (%) of food premises rated 0,1 or 2 (non-broadly compliant), moving to a compliant rating of 3, 4 or 5 against the Food Hygiene Rating System following intervention by food safety officers	Quarterly	

KPI: 13	Environmental health	Number of private rented sector homes made safe	Biannual	Q2 and Q4
KPI: 14	Planning	% of planning decisions upheld after appeal (where council has won)	Quarterly	
KPI: 15	Planning	% of planning applications determined within statutory time limits	Quarterly	
KPI: 16	City Development	Council income from investment property portfolio expressed as % of target income	Quarterly	
KPI: 17	Planning policy	Area of underused council land brought into productive use (m2)	Annual	Q4
KPI: 18	City Development	Number of affordable homes built, purchased or enabled by the council	Annual	Q4
KPI: 19	Planning policy	Number of new homes (both council and private) completed	Annual	Q2
KPI: 20	Economic Development	Value of external funding leveraged to support council development and place-shaping priorities (£)	Annual	Q4
KPI: 21	Environmental strategy	% reduction of CO2 emissions from Local Authority operations	Annual	Q2
KPI: 22	Environmental strategy	Total number of private sector insulation measures completed	Quarterly	
KPI: 23	Customer contact	% of customer's responding as satisfied with customer contact team service	Quarterly	
KPI: 24	Customer contact	% of customer contact that takes place through digital channels	Quarterly	
KPI: 25	Customer contact	% of FOI requests responded to within statutory timescales	Quarterly	
KPI: 26	Customer contact	% of corporate complaints responded to within stated timescales	Quarterly	
KPI: 27	IT	IT System availability expressed as a percent of time available during core hours	Quarterly	

NORWICH City Council

Item 8

Committee name: Cabinet

Committee date: 08/02/2023

Report title: **Equality Information Report 2023**

Portfolio: Councillor Waters, Leader of the council

Report from: Executive director of community services

Wards: All wards

OPEN PUBLIC ITEM

Purpose

To consider the council's statutory annual Equality Information Report 2023 which is appended to this report.

Recommendation:

To approve the publication of the annual Equality Information Report for 2023.

Policy framework

The council has five corporate priorities, which are:

- People live independently and well in a diverse and safe city.
- Norwich is a sustainable and healthy city.
- Norwich has the infrastructure and housing it needs to be a successful city.
- The city has an inclusive economy in which residents have equal opportunity to flourish.
- Norwich City Council is in good shape to serve the city.

This report meets the **People live independently and well in a diverse and safe city** corporate aim.

This report addresses the following priorities or actions in the Corporate Plan:

- Celebrate culture, heritage and diversity, inspiring and connecting communities.
- Listen to communities and use their views in decision-making.

This report meets **The city has an inclusive economy in which residents have equal opportunity to flourish** corporate aim.

This report addresses the following priorities or actions in the Corporate Plan:

- Work with partners to support good jobs, skills and opportunities for Norwich, including making the city a Living Wage Place.
- Join up with the voluntary, community and social enterprise sector, so our services are aligned to help people succeed

This report helps to meet Equality, diversity and inclusion adopted policy of the Council.

This report helps to meet Supporting the most vulnerable objective of the COVID-19 Recovery Plan.

Report details

1. As a local authority, the Council has a statutory requirement to publish an annual Equality Information Report. The proposed Equality Information Report for 2023 is appended to this report. It provides key data about Norwich residents and city council customers and employees, especially those with protected characteristics under The Equality Act 2010.

2. Previous reports can be found on the Equality and Diversity section of the council's website: http://www.norwich.gov.uk/equalityanddiversity.

3. This report takes on a revised format, comprising of five sections:
    a. Our duty
    b. Working with our communities
    c. Celebrations and commemorations
    d. Changing how we do things
    e. Information about our people, customers, and employees.

4. The revised format provides evidence to enable us to better allocate resources to help those communities identified as needing additional support. It will also form part of the evidence base for the forthcoming Equality, Diversity and Inclusion Strategy and Action Plan that is in development.

Consultation

5. This report has been compiled in consultation with officers from across the council, the portfolio holder and key stakeholders.

Implications

Financial and resources

6. Any decision to reduce or increase resources or alternatively increase income must be made within the context of the council's stated priorities, as set out in its Corporate Plan 2022-26 and budget.

7. There are no proposals in this report that require increased resources

Legal

8. The publication of the Equality Information Report 2023 forms part of our Public Sector Equality Duty requirements under the Equality Act 2010.

Statutory considerations

Consideration	**Details of any implications and proposed measures to address:**
Equality and diversity	Equality impact assessments are carried out on a project specific basis where appropriate.
Health, social and economic impact	There are positive impacts associated with a number of projects as detailed throughout the report.
Crime and disorder	There are positive impacts associated with a number of projects as detailed throughout the report.
Children and adults safeguarding	There are positive impacts associated with a number of projects as detailed throughout the report.
Environmental impact	There are positive impacts associated with a number of projects as detailed throughout the report.

Risk management

Risk	Consequence	Controls required
As specified in the Equality Act 2010 the Council must publish equality data annually. This includes reporting on how we are integrating equality, diversity and inclusion into our work practices and publishing our workforce employment information.	Failure to have 'due regard' in relation to the Equality Act 2010 could mean: • a judicial review of decision making • incurring unnecessary costs to the council • reputational damage • unconscious discrimination against a part of the city's community • developing services that do not meet the needs of our communities.	The publication of an annual Equality Information Report every January. The publication of specific SMART equality objectives at least every four years which are aligned to our Equality, Diversity and Inclusion Policy. The Equality, Diversity and Inclusion Policy allows identification of risks around liabilities under the Public Sector Equality Duty as set out in the Equality Act 2010. Working with HR, democratic services, community enabling, strategy and transformation teams, to amalgamate existing Equalities action plans into a single view of Equalities actions across the organisation which is used to monitor progress of delivery and achievement of success. Progress will be reported to CLT and Cabinet.

Other options considered

9. Not applicable as the publication of an annual Equality Information Report is a statutory requirement under the Equality Act 2010.

Reasons for the decision/recommendation

10. This report and the appendix should enable Cabinet to approve publication of the Equality Information Report for 2023.

Background papers: None

Appendices: Equality information Report 2023

Contact officer: Senior strategy officer

Name: Emma Smith

Telephone number: 01603 989575

IN TRAN communication for all	If you would like this agenda in an alternative format, such as a larger or smaller font, audio or Braille, or in a different language, please contact the committee officer above.

Norwich City Council
Equality Information Report 2023

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SECTION FIVE: Information about our people, customers, and employees

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Further Information and Accessibility

If you would like further information about the contents of this report, please call us on 0344 980 3333 or email us at strategy@norwich.gov.uk

If you need this report in a different format like large print, accessible PDF, audio recording or Braille, please follow our advice on our accessibility page: www.norwich.gov.uk/accessibility or call us on 0344 980 3333.

Should you require this report in an alternative language, please follow our advice on our interpretation and translation page: https://www.norwich.gov.uk/intran or call us on 0344 980 3333.

The council attempts to make all the ways that we communicate accessible for everyone, including those with impairments to vision, hearing, mobility, and thinking and understanding. As the proportion of our communications that are digital continues to increase, changes we have made to make communications more accessible have been informed by government's Web Content Accessibility Guidelines (WCAG). WCAG is based on four design principles: perceivable, operable, understandable, and robust.

Examples of changes we have made to increase accessibility include:

- Making key documents and publications available as web pages rather than PDFs, for example Citizen and TLC magazines. Content is also structured logically and can be navigated and read by a screen reader or other assistive technologies.
- Ensuring online content works well on mobile devices
- Using descriptive links so users know where a link will take them, or what the downloadable linked content is
- Providing text alternatives ('alt text') for any non-text content and addition of subtitles to videos
- Implementing simplified and uncluttered format and design in all communications
- Ensuring sufficient colour contrast for online and printed design
- Ongoing review of information to ensure it can be easily understood with calls to action that provide a clear onward journey.

Foreword from the Leader of the Council

Norwich is a sharing city with a diverse cultural and ethnic make-up, celebrated by Norwich City Council. We seek to promote equality and equity for all types of people and communities living, working and visiting our fine city.

Sadly, inequality touches almost every element of our society, and as a result, the council's responsibility to address these inequalities represents one of our greatest challenges and one that we take very seriously.

With the cost-of-living rising month on month, we are working in partnership with other local organisations, to support our residents to ensure that those who need our help are receiving the best advice and support available, at the right time.

We continue to allocate discretionary support payments to those who need them most, allowing them to purchase essential items such as food, clothing, and energy to heat their homes.

With the crisis ongoing, it is not yet clear how much of an effect on pre-existing inequalities the cost-of-living crisis will have. However, it is certain that the effects will be long lasting. The council continues to work with partners to consider how best to tackle these longer-term challenges by:

- working towards a resilient and thriving Norwich outlined in our 2040 City Vision
- working to make the local economy work for everyone led by the Norwich Good Economy Commission
- leading an action group of local employers from a range of industries to deliver on the Living Wage City plans
- working towards the future prosperity of the city, its residents and business community through the Norwich Town Deal programme.

Promoting equality isn't something we only do through our provision of services and work with external partners, we also understand that we are on a journey to improve ourselves as an organisation and continue to be an employer that our employees are proud to work for.

Despite the many hardships facing the city over the past year, we continue to support our communities to navigate the challenges posed by Covid-19 and now the rising cost of living. This annual Equality Information Report demonstrates how we have been working to reduce inequality and support the people of Norwich when they need it most.

Alan Waters
Leader

SECTION ONE : Our duty

Introduction

1. We want Norwich to be a fair, kind, accessible, and inclusive city. We work with our partners, to make Norwich the best it can be for everyone, recognising that different people and communities have different needs, where everyone:
   a. feels they belong
   b. is respected
   c. has a voice
   d. has the chance to succeed and thrive.

2. We also want to be an organisation that makes a real difference for the people of Norwich by:
   a. showing respect and kindness to everyone
   b. giving the most help to the people who need it the most
   c. continuing to learn and improve
   d. focusing on prevention and early intervention.

3. We have been working towards this for many years. This report covers what we have been doing over the last 12 months to tackle the inequalities that exist within our city, improve life within our communities and develop effective working partnerships with residents and organisations across the city, as we work to improve equality together.

Equality This means everyone having the same chances to do what they can. Some people may need extra help to get the same chances.

Equality is right for many reasons:
- People enjoy life more if they are treated fairly.
- The country is richer because each and every person can do what they are best at.
- It is easier for people to live side by side and get on with each other if everyone is treated fairly.

Public Sector Equality Duty

4. As a public sector body, Norwich City Council has a responsibility to ensure that the needs of all of those we work with and ultimately for are considered when developing policy, delivering services and managing our workforce.

Equality Act or the Act This is the Government's law to make sure all people are treated fairly. The Act became law in 2010 when Parliament agreed it was right.

5. The Equality Act 2010 works to provide people with legal protection from discrimination in the workplace and wider society. The Act outlines what public bodies must do to prevent discrimination and promote equality, diversity and inclusion. The council must demonstrate due regard to three general equality duties across its functions. These are:

   a. Advancing equality of opportunity between people who share a protected characteristic and those who do not

   b. Eliminating discrimination, harassment, and victimisation and other conduct prohibited by the act
   c. Promoting good relations between people who share a protected characteristic and those who do not.

Equality Duty This is a law for public bodies telling them they must think about how they can make sure their work supports equality. For example, in their services, through their jobs, and through the money they spend.

6. The Act tells some public bodies, like the council to do certain things to help make equality happen, for example:
   a. think about equality when we are buying things
   b. make men and women's wages easier to compare
   c. use positive action if we want to make sure our workers are diverse
   d. think about how we can help to stop people doing less well than other people because of their family background or where they were born
   e. think about treating people from different groups fairly and equally
   f. think about what we can do to make our services more helpful to poorer people.

Positive action This lets employers and service providers think about equality when looking at who they might supply their services to or employ. It might mean providing services in a different way or giving people information or training. For employers it might mean choosing between two people who can do the job as well as each other.

Diverse or diversity This is a mix of different kinds of people. For example, men and women, young and old people, people of different races, disabled and non-disabled people.

7. We also have a duty to review and publish Equality objectives. Our current objectives, as published in June 2021 are:
   a. Develop a new Equality, Diversity, and Inclusion Strategy – in development.
   b. Redesign council services and reshape teams around the needs of users, creating more joined up and accessible services which are in tune with the changing needs and behaviours of those we serve – see **Section four** of the report for progress.
   c. Understand our communities and celebrate and respect diversity – see **Sections two and three** of the report for progress.
   d. Recruit, develop and retain a diverse and representative workforce – see **Section four** of the report for progress.

8. Our annual Equality Information Report highlights the progress we are making against these objectives.

Protected Characteristics

Protected Characteristics This is different groups of people in England, Scotland and Wales who sometimes get treated unfairly.

9. The protected characteristics covered by the Public Sector Equality Duty are:

a. **People of different races** - these are groups of people who come from different places, have different skin colours or have passports from different countries
b. **Religion or Belief** - people with a religion or belief, or people without a religion or belief
c. **People of different ages**
d. **People of different sex** – women and men
e. **People with a disability** – physical or mental
f. **Gender Reassignment** - transgender people who have changed their sex or are in the process of doing so
g. **Pregnancy and Maternity** - women having a baby, and women just after they have had a baby
h. **Marriage and Civil Partnership -** lesbian, gay and bisexual people to become partners, like married people
i. **Sexual Orientation –** lesbian, gay and bisexual and straight people. Lesbians are women who are attracted to other women. Gay men are attracted to other men. Bisexual people are attracted to women and to men.

10. We must have due regard for the **Socio-economic Duty** – family background or where a person is born still affects their life. For example, a child from a rich family often does better at school than a child from a poor family, even if the poorer child is cleverer. This is sometimes called socio-economic inequality.

11. Our policies and actions seek to ensure that we do not negatively impact those who may be from low-income households, carers, rough sleepers or any other marginalised or vulnerable group.

12. Local data relating to the characteristics can be found at **Section five** of this report.

Meeting the Equality Duty

13. We use various tools to meet our duties and to promote equality, diversity and inclusion across our communities:

a. **Equality, diversity, and inclusion officer group** – an internal cross council working group to drive equality improvements through a progressive action plan and provision of training and development

b. **Joint equality, diversity and inclusion group** – an external group made up of representative organisations from across the city coordinated by the council, to drive equality improvements through progressive action

c. **Workforce Diversity Strategy** – this works towards us having a more representative workforce that better reflects our local demographic

d. **Training and development provision** - ongoing training is provided to officers including equality and diversity duties and responsibilities, equality impact analysis, trauma informed approach, and safeguarding children, young people and adults at risk

e. **Community mapping** – members and officers are updated about the makeup of the Norwich community through briefings, the State of Norwich reports and through links to other data sources including Norfolk Insight.

f. We have an **Equality and Diversity Policy** which is being reviewed and updated, and we are developing an Equality, Diversity and Inclusion Strategy, due to be published in 2023.

g. We carry out **Equality Impact Assessments** wherever appropriate to promote access to services for all members of our communities and to eliminate discrimination and advance equality in our actions, policies, and strategies. Our work predominantly, although not exclusively, focuses on our reducing inequality target areas (defined in section five) and our approach enables residents and groups to produce sustained change.

SECTION TWO: Working with our communities

14. Our community enabling team work with residents, grassroots organisations and Voluntary, Community and Social Enterprise partners across Norwich so that neighbourhoods can be more responsive to what is of value to the communities who live in them. This involves a number of activities including:

    a. making it easier for residents to get permission for developing community gardens where neighbours can come together to grow food and plants - a new permissions process has been implemented with a single-entry point via a webform for residents wanting to take on space in the community

    b. supporting residents with practical advice and guidance to establish new groups and events such as a repair café which ran its first event in Mile Cross this year and who we're supporting to grow and establish more events across the city

    c. the provision of small-scale grants for communities to come together including street parties for the Queen's Jubilee celebrations - we have given 10 "Get Together" grants of up to £50 each for communities who want to come together around occasions like this, seven "Get Started" grants of up to £300 for groups who are starting to establish, and three "Get Growing" grants of up to £500 for those who are taking that next step in their development

    d. supporting existing organisations working with vulnerable and minority groups through targeted funding and practical advice - this includes those working with refugees and asylum seekers as well as food provision - we've funded and supported a number of these groups, including those who provide advice, guidance and therapy to those fleeing conflict, as well as a number of grassroots foodbanks across the city – the support for which has included the funding of £20,000 to 11 organisations providing food assistance to some of the city's most vulnerable residents.

15. A real success story is that of The Mile Cross Projects and Events Group (MXPEG) - a group we facilitated into existence - who support and encourage people to plan and stage events or participatory projects for the benefit of the whole community. The group have brought together passionate volunteers who share a vision for a better-connected Mile Cross and have collaborated to bring about new opportunities for

local people to learn new skills, develop meaningful connections and most importantly have fun.

Community conversations

16. To help guide our ongoing work, we have heard from communities with a range of backgrounds, identities and cultural affiliations through some specific conversations held in July and August. Equality, diversity and inclusion were understood to be key elements for any positively functioning environment and city like Norwich.

17. The feedback is being used to shape our forthcoming Equality, diversity and inclusion strategy and action plan. Some key points raised include:

    a. The term equality was strongly associated with that of inclusion. Participants suggested that the two are not mutually exclusive and that equality means “feeling included no matter your age, gender, race religion or creed” and that “everyone is equal regardless”.

    b. It was suggested that the council supports and encourages greater levels of information sharing about the various communities within Norwich to help reduce the levels of racial and religious prejudice, and tackle what was seen as the biggest opponent of equality, discrimination.

    c. Issues around language barriers and poor provision of information in other languages left some communities feeling excluded or experiencing negative consequences through no fault of their own.

    d. Having a diverse community was seen as a wholly positive thing by those engaged in the discussions. It was felt that it is important to connect with other cultures and groups in the community and that there was value in doing so from a community cohesion and educational perspective.

    e. Feelings of exclusion were reported to result from a lack of knowledge of the local area and support available. Participants who do not speak English as their first language or were not originally from the area, expressed a need for greater signposting for all different types of help, including health, financial, English courses, children services etc.

    f. Local social events have a positive impact on the perceptions of Norwich (especially for those new to the city) and work to bring people together who would not have connected naturally. Participants in the engagement sessions mentioned a desire to see more investment in such social events or classes such as those providing skills around employment and language. All of which play a huge part in helping those new to Norwich to settle in and feel at home.

    g. The concept of digital inclusion came up in conversation with many participants mentioning that they are not online and struggle with the ‘overwhelming’ nature of new technology. Suggestions were made that the council use funding to improve access to face-to-face support and promote digital inclusion.

h. Two-way dialogue with the council could be improved by better connecting the council's speaking, listening and decision-making functions to create genuine open dialogue with members of the Norwich community.

i. It was also suggested that the council fosters better working relationships with local community group leaders by providing a direct line, through which ideas for improving the local area can be passed onto the council.

18. This approach of having themed based community conversations was well received. As a result, we have taken this approach to reach more people with our annual budget consultation – to ensure the voices of community members in Norwich are better reflected. At the time of writing, the budget consultation is still open – it closes on 20 January 2023.

19. Our work with the Shoebox Community Hub has seen community connectors and conversation officers working in some of our reducing inequality target areas (see section five for definition) to have conversations without agendas and better understand what is of value to people living and working in those communities. Through this work we have been able to build a much better understanding of what residents see as the important parts of their neighbourhood.

20. Conversations have been analysed and we have established a community conversations insights hub. The trends indicate there is a consistency across the city in that residents value community, the natural and built environment, and health and wellbeing. We've been able to track what assets and deficits residents see in the areas and through our work in the community have started to support community assets to increase their capacity and build links to address what are seen as the deficits.

City Vision Youth Hub

21. We are currently working with the Norfolk Young Arts collective, Norwich Youth Advisory Board members and schools to develop a City Vision Youth Hub. The aim is to provide an ongoing opportunity for young people within the city of Norwich to play an active role in the development and improvement of initiatives with local decision makers.

22. We will be hosting some design workshops across January and February for young people to help develop the hub on our Get Talking Norwich site. These workshops will be an opportunity for young people to help design the site - have their say on what they want the hub to look like and how they think young people want to engage with local decision making.

23. We hope to build a City Vision Youth Collective which reflects the diversity of the city's wider youth community, to feed into the existing City Vision Partnership.

Gypsy, Romany and Traveller site development

24. Our housing development team has been working with Broadland Housing Association to help improve the Gypsy, Romany and Traveller site in the city. To allow more pitches on the site, we have leased additional land which sits next to the current site at Swanton Road to Broadland Housing Association.

25. The development of 13 new pitches is now complete alongside planning applications for the existing pitches to be remodelled and refurbished to meet modern standards.

We have recently received confirmation from the Department for Levelling Up Housing and Communities that our bid for funding to help pay for the refurbishment has been successful. Once complete, there will be a total of 31 pitches, all meeting current standards for space and amenity.

26. The new pitches and the re-modelling have been carried out in consultation with the existing community who have welcomed the proposals.

27. A recent Gypsy and Traveller accommodation assessment undertaken as evidence for the Greater Norwich Local Plan, has identified further pitch requirement across the Greater Norwich area and officers are assessing potential sites for suitability that will be consulted upon early in 2023.

Anti-racism charter

28. In July 2022, we were proud to sign up to Unison's Anti-Racism Charter. At an event organised by Norwich City Unison branch, the leader of the council, the Lord Mayor and our Chief executive all signed this important document.

29. It is not enough to be non-racist. Signing the Charter commits us to actively challenge racism wherever it occurs. The pledges we have made will also ensure our policies, processes, and organisational culture celebrate and champion the diversity of our whole workforce.

Supporting the Armed Forces community

30. The Armed Forces Covenant is a voluntary statement of mutual support between a civilian community and the local armed forces community. It is a promise by the nation to ensure that those who serve or who have served in the armed forces, and their families, are treated fairly.

31. As an equal opportunity employer, we acknowledge the Armed Forces Covenant to show our continued support and appreciation to those who have served, and it is our commitment to ensure they will not face a disadvantage when accessing our services. Our work does not stop at those still serving in the armed forces, but we also assist reserve units, veterans, military families, and their dependants.

32. This year, Norwich City Council was presented with a Silver Award from the Ministry of Defence for recognition for the work that we do to support the Armed Forces, and how we implement the covenant into our employment practices.

33. We are in the process of updating our website to ensure that those protected by the covenant can easily access the support and information about our services that they require. It will include:
    a. Housing functions: information on how we support the housing of service personnel through our allocations policy for social housing; our tenancy strategy; homelessness; and disabled facilities grants.

    b. Employment: when a veteran or ex-member of the armed forces applies for a role, if they can provide evidence in their supporting information, and they meet the minimum and essential criteria for the role, they will be invited for interview regardless of their employment history.

c. Special leave: in addition to our range of special leave options, we support service personnel by granting 2 weeks paid leave to attend summer for volunteer members of the Non-Regular Forces; if members of the Territorial Army are required to attend additional training, which they are unable to attend outside normal working hours, they will be granted additional paid leave.

34. We have also begun rolling out the following e-learning training modules:
    a. The Armed Forces Covenant for Front Line Workers
    b. Housing, Homelessness and the Armed Forces Covenant

Accessible Norwich

35. Our community enabling team has started working with the Voluntary, Community and Social Enterprise sector to create a network of groups and organisations who are working on making the city more accessible and inclusive. This will involve collating and developing good practice guidelines to steer future works in the city. An initial meeting took place in summer 2022 with further work planned for 2023.

36. The Forum will be installing new modern accessible toilet facilities, following a successful bid for government funding by the council. We secured £65,000 from the government's Changing Places funding for this vital provision to those living with disabilities. The state-of-the-art Changing Places toilet will be installed in the new year, alongside an upgrade to existing facilities. Unlike standard accessible toilets, Changing Places Toilets have an adult changing bench and hoist facilities as well as extra space for carers.

37. An even greater number of people will be able to use our Riverside Leisure Centre swimming pool, after the addition of a new piece of equipment to increase accessibility. In recent years, many visitors to Riverside Leisure Centre who have decreased mobility have been using a pool hoist to gain access to the pool. However, this has now been replaced with a new, state-of-the-art Pool Pod which will offer an improved solution going forward.

38. The new pool pod, which is a user-controlled lift, can be operated independently allowing users a more dignified entrance and exit from the pool. The pod is designed to allow access for anyone who would struggle or find it inappropriate to access the pool via the steps. The submersible wheelchair can be accessed from the comfort and privacy of the changing facilities or alternatively swimmers can stand directly on the platform to aid their entry into the water.

City of Sanctuary

39. Norwich is a part of a national movement building a culture of welcome for refugees and asylum-seekers, many of whom have lost their homes, fled persecution, and sought safety here: Norwich City of Sanctuary. Norwich City Council is proud of its history of welcoming people seeking safety in Norwich.

40. Since March 2022, our community support team has been working in collaboration with Norfolk County Council and the other districts to support people fleeing the conflict in Ukraine. In Norwich we have carried out a total of 136 inspections to ensure the accommodation being offered by hosts in suitable. We have welcomed 199 Ukrainian guests (138 adults and 61 children). Many of our guests have now successfully moved on from their host arrangements (private rental, moved away, returned to Ukraine).

41. Norwich currently has **66 active hosts** who are supporting **124 Ukrainian guests** (84 adults and 40 children).

42. Our main focus has been to ensure the wellbeing of any people we're welcoming into the city. We have recruited two Ukrainian welfare officers, both originally from Ukraine, who have lived in the UK for a number of years. They carry out ongoing welfare checks along with any other visits required to ensure that people are settling in and are receiving the help and support they need.

43. The team also help resource and support two 'welcome' support sessions at the library in The Forum on Mondays and Tuesdays along with a weekly session held at Norfolk Polonia.

Supporting the Transgender Community

44. This year we have seen a concerning rise in transphobia in the UK, as well as the increasing severity of the threats faced by the trans community. We believe that trans rights are human rights and affirm the legal rights of all protected groups under the 2010 Equality Act.

45. The council states that: Trans women are women. Trans men are men. Non-binary people are non-binary. We believe in the dignity of all people, and their right to respect and equality of opportunity. We value the strength that comes with difference and the positive contribution diversity brings to our community. Our aspiration is for Norwich to be a safe, welcoming and inclusive city for everyone.

46. We continue to work with Norwich Pride, and this year publicly acknowledged the Trans Day of Remembrance on 20 November - the Transgender Flag will continue to be flown to mark this day and the International Trans Day of Visibility (March 31st). We have also updated our flag to fly at Pride in July to the Intersex Progress Pride Flag.

47. We have encouraged council employees and councillors to make small gestures that make it clear transgender and non-binary people are welcome. This includes adding pronouns to email signatures.

48. We have a large number of online forms, and as these are renewed, we are including a gender-neutral option such as Mx.

Helping people to live independently

49. The Home improvement team offer financial and practical assistance to help residents to stay living independently within their own homes. Through our team of highly trained occupational therapists, case workers, technical officers and qualified contractors, we provide:
    a. adaptations, such as converting bathrooms to wet rooms, building ramps to help with getting in and out of the property, and installing stairlifts to help with getting up and down stairs
    b. works or adaptations to help with a timely discharge from or prevent admission to hospital such as the fitting of key safes and other adaptations as above
    c. small scale emergency repairs such as heating repairs, resolving small leaks and minor electrical issues
    d. significant repairs to rectify hazards such as excess cold, leaking roofs and damp and mould growth

e. income maximisation to ensure all eligible benefits are being claimed
f. signposting to other council services and external organisations as appropriate

50. The team work hard to make their budget (approximately £3m for 2022-23) go as far as possible in helping as many people as they can. We are the only local authority in Norfolk to offer financial help of at least £5,000 to all eligible applicants to help them adapt their home and continue to live in it.

51. In 2021-2022 the home improvement team awarded 474 grants totalling over £2.4m with a grant average of £5,084. This helped:
    a. 270 council tenants
    b. 140 owner occupiers
    c. 12 private renters
    d. 52 housing association tenants

52. The people helped were mainly white British (91.4%). The age profile of people helped was:
    a. 314 over 65-year-olds
    b. 159 Working Age Adults
    c. 1 child

Helping people to keep warm

53. The council's environmental strategy team has been supporting households across the city through a range of schemes to reduce fuel poverty within Norwich, helping more people to keep warm in their home.

Fuel poverty is when someone cannot afford to heat or cool their home to a comfortable temperature – if they do, this will more than likely mean getting into debt.

54. In Norwich 12.3% of households are experiencing fuel poverty. To help our residents, we offer a range of support including:
    a. advice on how to save energy/reduce energy usage within their home
    b. benefits advice and trust funds for fuel debt
    c. dispute resolution between a resident and their supplier
    d. advice on how to improve the energy efficiency of their home

55. We were the first council in the country to run a collective energy switching scheme to help residents access cheaper energy. Since the scheme began in 2016, we have helped over 6,000 residents switch energy provider, resulting in average savings of over £200 per household. The switching scheme has now paused due to stagnancy in the energy market but will restart as soon as we are able.

56. Through our five Solar Together schemes we have installed over 2 megawatts (1,000,000 watts) of solar power in Norwich.

57. Over the past two years, more than 400 energy efficiency measures, from home insulation to small scale interventions, were distributed to over 200 private sector homes through our Cosy City scheme. We have also leveraged over £170,000 in Eco Flex grants for Norwich householders.

58. We continue to make our council housing stock energy efficient to reduce energy consumption and reduce tenants' bills. 98% of council homes meet the Norwich standard[1] and the average SAP rating of council housing is above 70/EPC C.

59. With the cost-of-living crisis it is vital that we continue to provide support for residents; over the next year we will be:
    a. supporting residents to utilise ECO funding to install loft and cavity wall insulation in low-income households
    b. providing small scale measures through the council's Warm and Well Initiative, such as insulation and 'Winter Well' packs which include thermal clothing, blankets and soup – these are distributed via organisations such as doctors' surgeries, Gasway, and Age UK
    c. referring residents through the council's home improvement team to receive support and funding to stay in their homes, particularly residents at risk of hospitalisation and in cold homes
    d. providing vulnerable residents with emergency fuel payments using charitable donations kindly donated by the Benevolent Association for the Relief of Decayed Tradesman
    e. providing emergency heating support in the form of radiator loans to residents without central heating or where central heating has failed
    f. offering the collective switching scheme Norfolk Energy Switch
    g. offering energy advice and support to residents to enable access to appropriate funding for heating repairs and to reduce fuel debts.

60. More information about the council's plans to address fuel poverty can be found in the recently adopted Sustainable warmth strategy.

Helping people in debt

61. The council has been committed for many years to reducing financial exclusion, recognising the inequality that exists in our city. The current cost of living crisis only adds to the importance of the work we do in this area. Support will continue to be crucial to many, as people's needs and the type of provision available have both been affected by the pandemic and the cost-of-living crisis.

62. There are key areas that have been underway for some years; they form the central planks within our response to helping and supporting those most affected by the cost-of-living crisis:

    a. Our renewed approach to dealing with personal debt as a result of an adopted policy that builds holistic, wraparound support for vulnerable customers in debt, whilst at the same time continuing to maintain an income for much needed services.

    b. The Debt Respite Scheme (otherwise known as breathing space) came into force in May 2021. The main policy aim is to incentivise more people to access professional debt advice and to access it sooner", and "to provide debtors who engage with this advice with the headspace to find a debt solution by pausing creditor enforcement action, interest, and charges.

[1] The Norwich Standard was introduced in 2012 and was implemented to deliver a higher standard of works than the Decent Homes Standard, which the government requires.

c. In April 2022 the council recommissioned the provision of information, advice, and advocacy services for residents for the next two years via the Financial Inclusion Consortium, £171,704 was awarded for 2022/23. This service is invaluable - it cannot prevent people from getting into debt, but it can help people to find a longer term, more sustainable solution to their financial challenges.

d. The council continues to provide funding of £3,750 per year to use the NCAN referral system, to enable our officers to receive referrals from and refer people to charities and other organisations for information, advice and advocacy support which includes wider issues that can contribute to debt, such as housing, legal and immigration support. NCAN is a Norfolk-wide partnership of agencies that provides free independent advice.

e. Many residents across Norwich may, at some point, require help from the council in terms of debt, housing, welfare benefits, financial, or other types of support. Multiple teams are involved in delivering this much needed help:
    i. homeless prevention and housing advice
    ii. tenancy support from housing officers
    iii. budgeting and money advice service for tenants
    iv. access to support funds via the community enabling team
    v. benefits support via the revenues and benefits team
    vi. financial inclusion advice via the strategy team
    vii. tenancy sustainment via the specialist support team
    viii. joined up, multi-agency support through the Norwich Early Help Hub.

63. Further details on the debt advice and support services we offer can be found in the recent Scrutiny report.

64. Through our Council Tax Reduction Scheme, we continue to offer 100 percent discount on Council Tax for eligible residents, allowing us to help a high proportion of people each year.

Norwich Living Wage Place

65. We recognise that the most effective pathway out of poverty is a fair and sustainable wage, which is why the council is playing a leading role to promote the Living Wage in Norwich. In 2022, a coalition of local businesses, charities and public sector organisations launched a plan to substantially increase the number of Living Wage Employers in the city. The 'Making Norwich a Living Wage City' Action Group has been recognised by the Living Wage Foundation.

66. At the time of writing this report, there were 50 Real Living Wage accredited employers in Norwich, meaning 1,114 workers have already received a pay rise that meets the Real Living Wage. The group's action plan aims to triple the number of employers paying the Real Living Wage to 150 by 2025.

67. In September 2022, the Living Wage Foundation announced the new living wage rates and encouraged accredited employers to implement them by May 2023. To provide additional support to Norwich City Council employees during the ongoing cost of living crisis, the council decided to implement them earlier than May 2023, applying the rates from 1 October 2022.

Good Jobs project

68. Norwich City Council worked with the University of East Anglia to form the Norwich Good Economy Commission in 2020. The commission brought together leaders from a range of local institutions and organisations to explore, how through working in collaboration, we could achieve an inclusive and sustainable economy for our city.

69. Through the commission's Good Jobs project, research was carried out during 2020 to 2022 to the identify key issues being faced by the people of Norwich. The commission provided a unique space for the people of Norwich to come together to tackle the inequalities that exist in our community. The conversations started by the commission and the reports on the issues facing Norwich, along with recommendations for improving them can be found here.

Support for people sleeping rough over winter

70. Additional shelter for anyone sleeping rough in Norwich is being provided every night throughout winter, building on the success of the city's approach in previous years. The shelter is again kindly provided by the Roman Catholic Cathedral and Norwich Central Baptist Church, who have already proved to be welcoming, flexible venues.

71. The winter night shelter is available every evening from November to March, providing additional beds for anyone in need of accommodation. This set up means severe weather arrangements do not need to be formally triggered in response to a drop in temperature, as emergency beds are available throughout the winter months.

72. This provision goes beyond the year-round daily outreach service delivered by the Pathways team, commissioned by Norwich City Council, and the specialist organisations behind it, so will be targeted at those not accessing accommodation through these routes.

73. In addition to existing support and offers of accommodation to anyone currently rough sleeping, outreach teams will be focusing on offering advice to anyone on the streets, providing additional support and handing out warm clothing when the temperature does drop. Our proactive, collaborative strategy means we can be confident that emergency beds will be available for people throughout the winter, no matter what the temperature is.

74. Anyone needing a bed at the winter shelter will need to be referred by the Pathways team or city council, who can make sure everyone in need can get the support that they need and moved into longer-term accommodation as quickly as possible. Concerns about someone sleeping rough should be reported through to www.streetlink.org.uk.

Social supermarkets

75. Norwich residents are experiencing a new, more affordable, way of grocery shopping at a new social supermarket based in Russell Street community centre. Shoppers can access discounted food and household essentials at a range of times throughout the week, as well as enjoy a free cup of tea or coffee when they visit. The supermarket's arrival has been welcomed by neighbours who have created a community flowerbed next to the centre.

76. Run by local charity, ENYP (Equipping, Nurturing Young People), this is one of three social supermarkets now available in the city. ENYP has been managing the community centre since 2019 following a community asset transfer from Norwich City

Council, a process that allows the centre to be leased on a peppercorn rent to enable it to be used for community activities.

77. Social supermarkets are run by voluntary organisations, working with local food producers and suppliers to provide products at a lower cost than traditional supermarkets. These shops are aimed at anyone who is struggling to afford food, but there are no specific criteria for who can become a member.

78. The need for social supermarkets was first identified through an action plan developed by the Food Alliance and members of The Norwich Food Network, community groups working together to alleviate food insecurity. This network was originally set up by the city council who continue to facilitate its vital work.

79. An empty shop unit owned by the city council was identified as the first suitable site, with local organisations invited to apply to be the lead partner. The Feed were successful and recently opened their social supermarket on Hall Road, with ENYP launching shortly after.

80. Our local voluntary sector is going above and beyond to rise to challenges brought about by the national context and we will continue to find practical ways to support them. Through its food network, the city council hopes to find opportunities for more social supermarkets around Norwich.

New eco-friendly homes

81. Our commitment to social housing continues. Earlier this year we bought the site of the former Kings Arms public house in Mile Cross to build social housing, using a compulsory purchase order – after it was left to stand derelict for years by its previous owner.

82. The homes are designed to save tenants money on heating and hot water. They have extra insulation and low carbon features, including air source heat pumps, triple glazing and solar panels. Each property also has an electric vehicle charging point. They have been thoughtfully designed to complement the established residential area.

83. Mark, a resident who has moved into the development's bungalow said: "It's a lovely home, it couldn't be better. We have downsized from a three-bedroom house in Norwich and no longer need to worry about the stairs."

84. Purchasing the King Arms site to benefit the community is one example of how we are being creative to address the demand for affordable housing while staying true to our environmental ambitions. As the shortage of affordable housing continues, with many families in our city struggling to find good, well-maintained properties, these new homes are needed now more than ever.

85. We are also working with Norwich Regeneration Limited to build nearly 300 new council homes all to very high sustainable standards. We have updated the Housing Revenue Account (HRA) business plan which identifies £290mn funding to support achieving EPC rating C (70) and net zero for all our council homes.

Support to reduce health inequalities

86. Essential funding of almost £350,00 has been awarded by the council led Norwich Health and Wellbeing Partnership to city-based projects and organisations who work

to improve wellbeing and tackle health inequalities in Norwich which were impacted or made worse by Covid 19.

87. Submitted bids were assessed by the recently established Norwich Health and Wellbeing Partnership – a group of colleagues from county and district councils, health services, wider voluntary, community and social enterprise sector organisations and other partners, with the city council playing a key role.

88. Using locally available data and intelligence, the partnership's role involved identifying projects which work towards solving health priorities and problems within the city council's boundary and awarding money accordingly.

89. The work of this partnership shows the value of bringing together local experts to agree how funding can be used to collectively tackle some of the key health issues affecting people across our city in the wake of the pandemic. By targeting our resources, we have played a part in helping dedicated groups and organisations to support some of the most vulnerable in our communities. Grants were awarded to:
    a. The Shoebox
    b. Norfolk Community Advice Network (NCAN)
    c. Leeway
    d. Active Norfolk
    e. Interact

Supporting our creative sector

90. This year our annual Culture Grants were assessed according to the strands of the City Vision's 'Creative City' theme. Grants were awarded to a number of organisations including:
    a. **The Garage** - has a strong emphasis on engaging those from challenging circumstances with the least access to the arts, particularly young people. Rather than inclusion being silo'd it is embedded throughout the activity, from supporting people to engage in the weekly classes, or holiday provision with bursaries, or one to one mentoring.

    b. **The Puppet Theatre** - host a range of inspiring opportunities at the Theatre and on tour, that include - puppet making, manipulation and storytelling workshops for young people; family creative learning workshops; specialist creative sessions for young people with complex needs; adult creative learning sessions; master classes for emerging artists and industry professionals.

    c. **Frozen Light** - aim to create high quality, contemporary, devised multi-sensory theatre specifically for adult and young adult audiences with profound and multiple learning disabilities that they can experience in their community, and exercise their right to participate fully in cultural life.

    d. **The Common Lot** – aim to make theatre that matters to people - that is free, accessible, and original by developing opportunities for cultural collaboration and participation in group based creative activity including research, imaginative response and rehearsal. Producing live theatrical events that are for, with and about the people of Norwich

    e. **The Oak Circus** - is a training and education, rehearsal and creation space, community resource and events venue that brings together youth, participants, enthusiasts, professionals, emerging artists and audiences to share a passion for the circus arts.

f. **NORCA and Sistema** - is an arts participation and engagement charity based in Norwich that aims to improve lives and communities through arts and culture, with a vision to create a world where arts and culture are part of everyone's lives, and the people and communities they work with can live creative, healthy lives, and fulfil their potential, regardless of background.

g. **The Forum – Heritage Open Days** - is England's largest free festival of history and culture and offers everyone the opportunity to explore heritage sites, discover some hidden gems not normally open to the public and learn more about the cultural heritage in our communities.

SECTION THREE: Celebrations and commemorations

Celebrating Black History Month

91. A host of events and activities celebrating the achievements and contributions of black people throughout history took place throughout October as part of Norfolk Black History Month. Events in the city included 'Norwich: A Black History' walking tours and a range of performances at Norwich Theatre Royal and Playhouse. There were also county wide events and online workshops.

92. The council supported the delivery of this year's initiative with funding from its annual culture grant scheme; its ninth year of involvement with the cause. The funding was used to support a launch event, publicity, venue hire, volunteer expenses and some workshops.

93. Norfolk Black History Month is a charitable organisation made up of a small number of volunteers and associate members who work tirelessly throughout the year to engage the community in celebration of black history. Its aims are to promote knowledge and experience of black people throughout history and share the positive contributions that they have made to society.

94. It is important to champion black history all year round but Black History Month gives an opportunity for us all to celebrate and acknowledge the wide-reaching contributions of black people throughout history. Our cultural grants scheme is intended to help achieve greater innovation and strengthen the cultural sector overall. They also support the delivery of the Norwich 2040 City Vision - Creative City objectives in the current financial year.

Honorary Freedom of the City of Norwich

95. The council has given Honorary Freedom of the City of Norwich to one of its long-standing partners, St Martins, following more than 50 years' service and support to people facing homelessness. After starting out in a garage shed in the Cathedral Close half a century ago, St Martins has grown into an established charity which provides not only hundreds of beds and homes to those in need, but delivers education, training, psychological intervention, and partnership work with other city organisations.

96. St Martins is now a key partner in delivering the council's rough sleeping strategy, which seeks to break the cycle of homelessness through prevention, intervention, recovery and systemic support. Recent examples of innovative partnership work between the organisations include the Pathways service and Somewhere Safe to Stay Hub, providing holistic specialist support and accommodation for people sleeping rough.

Armed Forces Week

97. A celebration to mark the beginning of Armed Forces Week was held outside City Hall on Monday 20 June. Members of the public were invited to watch the civic procession, including standards and the special flag – which was hoisted in a flag-raising ceremony. Guests were invited by the Lord Mayor of Norwich Councillor Dr Kevin Maguire and Sheriff, Caroline Jarrold, as well as standard-bearers and representatives of the armed forces, past and present.

98. Armed Forces Day is an annual opportunity to thank the Armed Forces community for their work and to learn more about life in the Armed Forces.

New Routes- Refugee Week

99. Through its cultural development funding, the council supported New Routes with Norwich Refugee Week that highlights and celebrates the contributions of refugees/ asylum seekers to British and local culture, and promotes a better understanding of why people seek sanctuary.

100. It is an opportunity to showcase and celebrate diverse cultures and talents, and to foreground different life experiences within the context of 'mainstream' civic participation. Events are an opportunity for asylum seekers/ refugees in Norwich to feel comfortable accessing new public spaces, and to facilitate new cultural experiences, exchanging stories between newly settled and established Norwich residents. Cross-cultural interactions have a positive effect on public attitudes and community cohesion, and combat the isolation of newly arrived migrants.

Trees for peace

101. Seeds from a Ginkgo tree, which survived the 1945 atomic bombing of Japan, have been given to Norwich City Council to create a lasting symbol of peace. As part of the international Mayors for Peace programme, which the city council is a member of, seeds from hibaku-jumoku or 'survivor' trees have been gifted to cities across the world, including Norwich. The idea is for the seeds to be germinated and the trees planted in a location where people can gather to nurture them and reflect on peace.

102. In Norwich, one of the Ginkgo trees will be planted in Chapelfield Gardens – with another at Easton College where the seeds have been germinated. Norwich prides itself on being a diverse city and a welcoming city, where people have lived together in harmony – from the 'strangers' who arrived here in the sixteenth century, to those fleeing conflict in more recent years.

103. Working with its lead arboricultural officer, the city council asked horticulture students at Easton College to germinate the seeds. We wanted to involve the students in the project, both to give them the experience of working with these unique seeds and so they could learn the history of the trees and the Mayors for Peace programme. Depending on how they grow, it is expected the trees will be planted in Norwich and at Easton College next year.

Ukrainian cities of Lviv and Odesa granted Freedom of the City

104. In March the council awarded the Freedom of the City to the cities of Lviv and Odesa. Communities throughout Norwich, and beyond, have been shocked by the recent events in Ukraine with many people in the city coming forward to express their support for the Ukrainian people.

105. One of the ways the council can stand in solidarity with the Ukrainian cities of Lviv and Odesa – which, along with Norwich, are both recognised as UNESCO Cities of Literature – is to grant them Freedom of the City.

Opening doors to a better economy

106. In February, the 'OPEN DOORS: The Story So Far' exhibition organised by the council, was held at The Forum. It was a gathering of stories, ideas and artwork from Norwich residents describing life, aspirations, hopes and barriers in Norwich. It formed part of a programme designed to improve the city's economy through engaging seldom-heard voices to find out what matters to them.

107. Contributing to the work of the Norwich Good Economy Commission, OPEN DOORS specifically welcomed and encouraged contributions and involvement from sometimes underrepresented members of the community: including unpaid carers, LGBTQ+, younger people, older people, ethnic communities, faith and women in faith communities, and people with disabilities, learning disabilities and mental health difficulties.

108. Work has taken place over the past year to find out what people think matters to their local economy, including through the use of the 'New Horizon experiment' – a collaborative game designed to stimulate analysis of what is most important to building resilient local communities. The exhibition included audio/visual art and installations, poetry, artwork, nature recordings and more, aimed at stimulating further conversations about the local economy and the challenges it brings. The content has informed further reporting and is being used to make tangible improvements to the local economy.

Commemorating the Holocaust

109. On Thursday 27 January 2022, the city's key civic institutions commemorated Holocaust Memorial Day in a virtual ceremony. This is an annual event to remember the six million Jews murdered during the Holocaust, as well as the millions of people killed under Nazi persecution and in subsequent genocides in Cambodia, Rwanda, Bosnia and Darfur. It is also a time to honour the survivors of these atrocities and use the lessons of their experience to challenge hatred and discrimination today.

110. Due to the ongoing impact of Covid, the event did not take place in person, but was available to watch online here. The service featured a number of presentations and case studies, including powerful testimonies from survivors of genocide.

111. To further commemorate the day, representatives of the Association of Jewish Refugees planted a commemorative tree in Chapelfield Gardens. This was to honour the organisation's 80th anniversary, as well as Her Majesty The Queen's Platinum Jubilee.

SECTION FOUR: Changing how we do things

112. As the city council, we want to lead and shape the future evolution of Norwich. As an organisation, we want to continue our journey to be a progressive, forward-looking authority. Progress has been made over the past three years. The way in which the council responded to the pandemic has shown us at our best – the way services were remodelled and new ones set up from scratch gives us confidence that we can change at pace. Throughout, focus has and always will be to support those who need it most.

113. Like all councils, we are not without our challenges but - set against a backdrop of reducing funding – we are improving standards and coming up with new ways to deliver services. This will take time – and a change in culture – but we are building the internal infrastructure to support delivery and have refocused our transformation programme to build on the momentum and changed mindset demonstrated during the pandemic.

Change programme

114. It is crucial that the work to reimagine and redesign local services is led by the teams which provide them. Our transformational change programme is not about leading that change corporately, it is about putting the right structure and support in place to enable services to lead change.

115. We have started to redesign council services and reshape teams around the needs of users. We want to:

   a. provide people focused, quality services - delivering a programme of service reform - better, more joined up and more sustainable services, which more effectively meet the needs of the people of Norwich

   b. have a motivated, engaged and high performing workforce - we will empower our people to succeed, nurturing a motivated, high performing and flexible workforce with a shared culture that puts the people of Norwich at the heart of everything we do

   c. the council's role as an enabler, influencer and leader – using our unique position of influence and leadership, we will work with our partners to develop the City of Norwich for the benefit of the residents and the local economy.

Adapting our culture

116. The importance of having the right workplace culture cannot be overstated. An organisation can have the best strategies and policies, but they are meaningless if the right culture and behaviours do not exist. There is strong evidence that having the right culture has a positive impact on performance and outcomes. To ensure we are able to become an agile, collaborative, learning organisation where employees feel empowered to succeed and take responsibility – as set out in our Corporate Plan 2022-2026, we began a corporate culture change programme in 2022.

117. The corporate culture change programme was launched in April 2022 with a cultural survey. This was led by the senior management team who held an all-colleague webinar in May 2022. The first stage of the programme was to understand the culture that exists now, the ideal culture we want to strive for, and the steps we need to take to get there.

118. It was important to involve the whole organisation and all employees had the opportunity to complete the survey on current culture and attend a series of webinars and workshops to understand our current culture and develop our cultural aspirations. A selection of respondents to the current culture survey completed a further survey on ideal culture.

119. The outputs from an intensive period of engagement across the Council, including the cultural survey, all-employee workshops, and other workshops including the Council's Senior Leadership Team and managers is a roadmap for cultural change. As well as feeding back and exploring the survey results, workshops also explored the Council's readiness for change and what people believed the key levers are for moving the culture from where it is now towards the ideal.

120. Our corporate values have been in existence since 2012 and as part of the culture change programme we are developing a new values and behaviours model. The council's new values – which will drive future behaviours – are being developed with the organisation and will be launched in early 2023.

121. We are acutely aware that culture change takes time and requires sustained effort. Our corporate culture change programme has certainly helped the organisation understand the importance of having the right culture and the feedback and engagement has been good. Going forward, discussions will continue within the leadership team about how best to continue to lead culture and behaviour change and this has been the focus of the leadership development programme that every member of the senior team are part of.

Improving the diversity of our workforce

122. In March 2021, Cabinet considered a report from the chief executive officer setting out a strategy and action plan to improve the diversity of the council's workforce, specifically the ethnic diversity of the workforce.

123. The report identified that the workforce profile of the council was currently not representative of the communities we serve and there was a significant difference in relation to employees from an ethnic minority heritage.

124. While it is not uncommon for local authorities to have workforce diversity numbers which are out of step with the communities they serve, it is something that the city council is determined to address.

125. Three key themes identified in the strategy were to:

a. ensure our recruitment practices and processes are designed to attract a diverse candidate pool
b. build an inclusive workplace and create a culture where people from all backgrounds feel included and valued
c. embed effective and objective workforce and succession planning to support the retention and progression of talented employees.

126. Progress against these themes is set out in a further report presented to Cabinet in February 2022. Highlights include:

a. **Increase workforce reporting of protected characteristics:** improved slightly since the report to Cabinet in March 2021. The data gap in respect of ethnicity at the end of September 2021 was 5%, with 3% of employees who preferred not to state their ethnicity. Reporting declined at the end of December 2021 and the data gap increased slightly to 8.47%. This primarily relates to employees who have not updated their data rather than those who have updated data and selected prefer not to say/unspecified.

b. **Improve the diversity of the workforce and specifically those from an ethnic minority group:** overall, there had been a positive direction of travel over the past year. Data shows that the ethnic diversity of the workforce has increased to 4.16% in December 2021, compared to 3.1% in December 2020. The ethnic diversity of the top 5% of earners also increased slightly in the same period.

   As of 31 March 2022, the ethnic diversity of the workforce had increased to 9%.

c. **Equality, diversity and inclusion training**:
   i. Unconscious bias e-learning has been rolled out to all employees and has also been made available to councillors, to help adjust discriminatory patterns of thinking and behaviours.
   ii. The rollout of a new programme of mandatory equality, diversity and inclusion training began in December 2021:
      a) a module for all employees - Being Inclusive
      b) a module specifically aimed at managers – Inclusive leadership
      c) bespoke training to address specific issues has also been developed on an ad hoc basis

d. **Recruitment and selection:** data shows that diversity has generally improved at shortlisting stage with some improvement at offer stage.

Climate and biodiversity emergencies

127. The council recognises the climate and biodiversity emergencies and the disproportionality of potential impacts according to protected characteristics and socio-economic demographics. The risks associated with this are now captured through the corporate risk register.

128. With regards climate action, it is the council's aim to develop mitigation and adaption strategies and plans which address inequality, for communities within the city and more widely. With regards biodiversity action, it is the council's aim to create equitable access to nature for the benefit of all communities and groups.

SECTION FIVE: Information about our people, customers, and employees

129. Our annual Equality Information Reports include a range of charts and data to highlight the demographical breakdown of our people, customers, and employees. The reports are informed by data provided by the Office for National Statistics through the Census (national survey of the population) and other quantitative research.

130. Most of the data collected through the Census 2021 has not been made available ahead of this report's publication. Therefore, we have not included old Census data, just that which has been published for the most recent Census.

State of Norwich

131. Each year the council produces a data set which provides an overview of key statistics relating to our residents, the city (place), our economy and the overall wellbeing of Norwich. This can be found on the council's website: State of Norwich.

Reducing inequality target areas (RITAs)

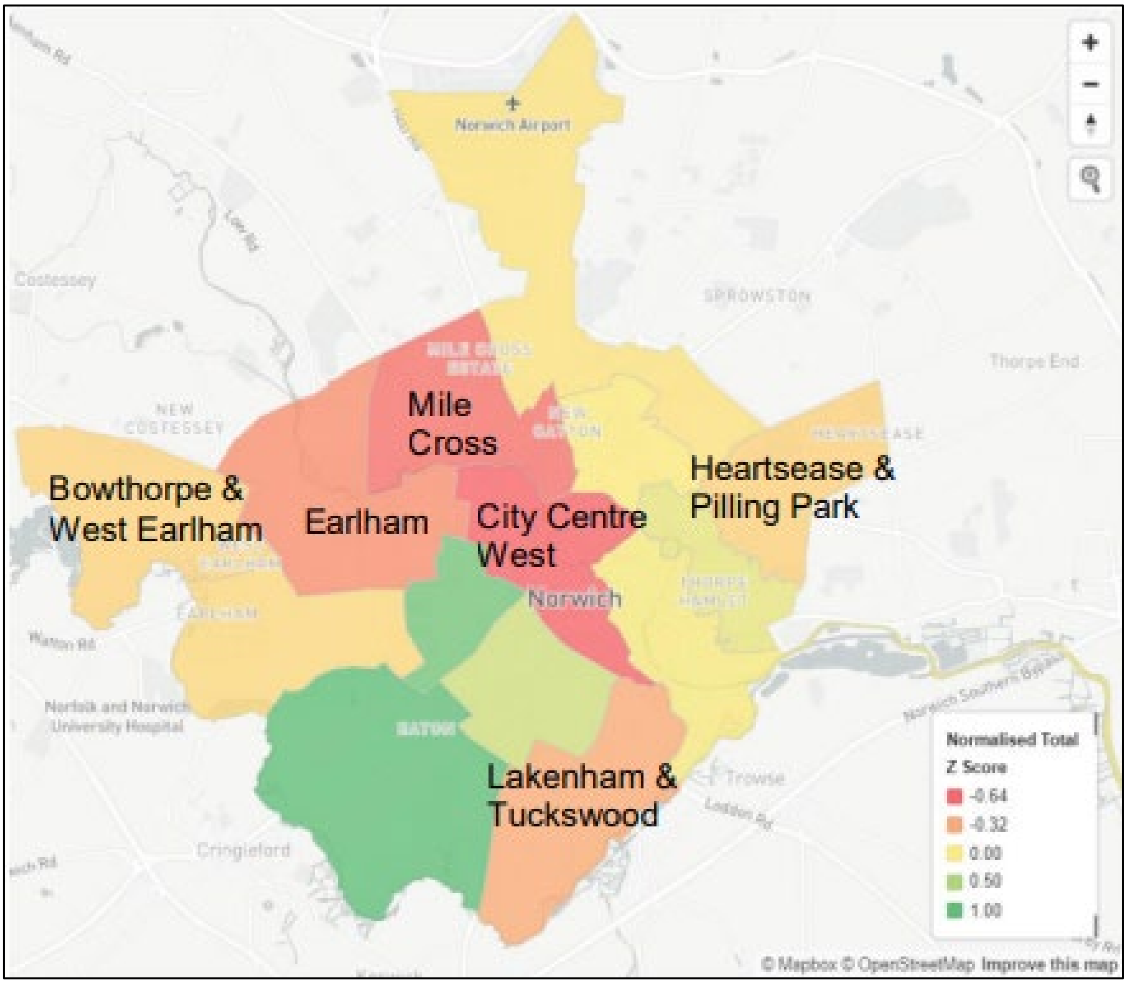
132. Norwich faces significant and entrenched inequality. The city's affluent areas sit alongside areas with deep-rooted social and economic issues. Some 40% of small Lower Super Output Areas (LSOAs) in Norwich are among the most deprived 20% of LSOAs in England.

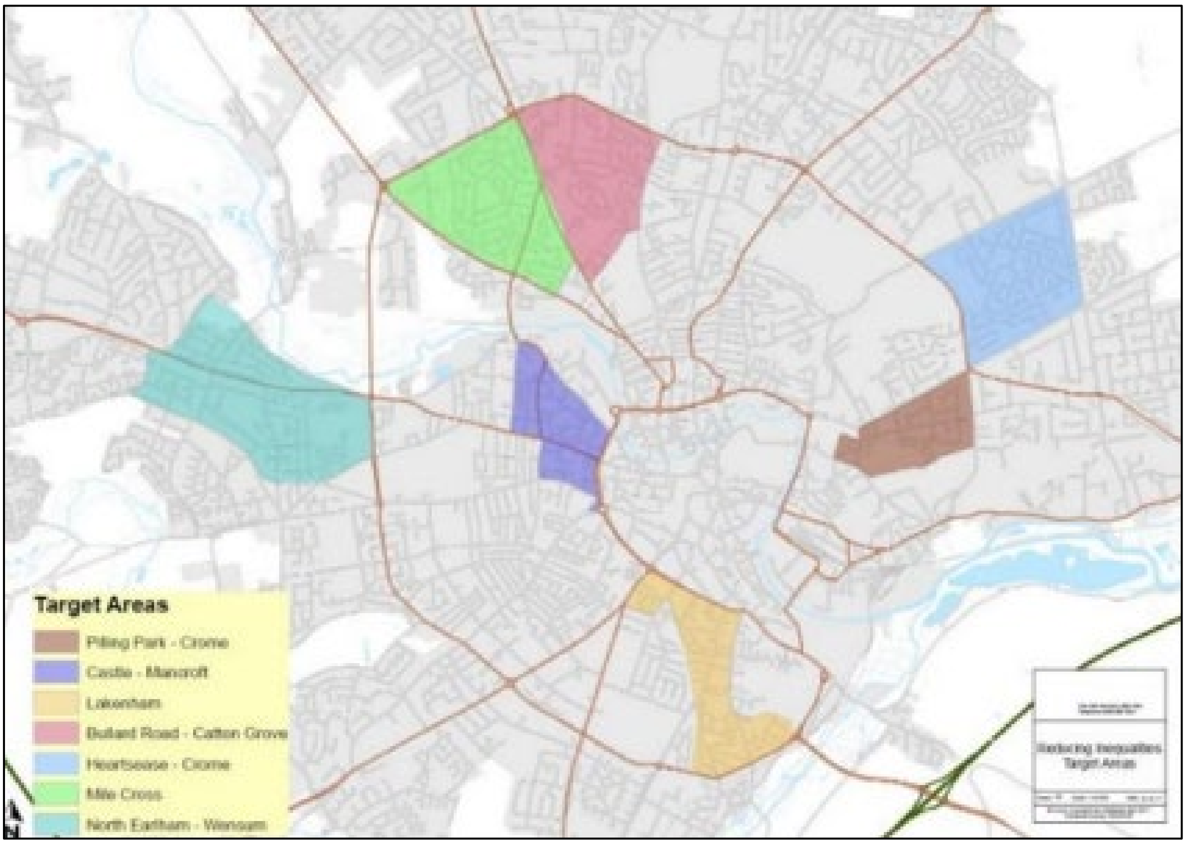
133. A few years ago, the council reviewed existing data to evaluate the level of inequality across the 13 wards making up our local authority area. We initially identified seven areas across the city where levels of inequality were highest.

134. Since then, the council, in collaboration with local community groups and organisations specialising in support for marginalised people, came together to help volunteers already working in the reducing inequality target areas to tackle inequalities and issues facing the areas they are passionate about.

135. Recently, the Norfolk office of data and analytics (NODA) reviewed the existing data to provide us with a more up to date picture of inequality across the city. The report can be found here.

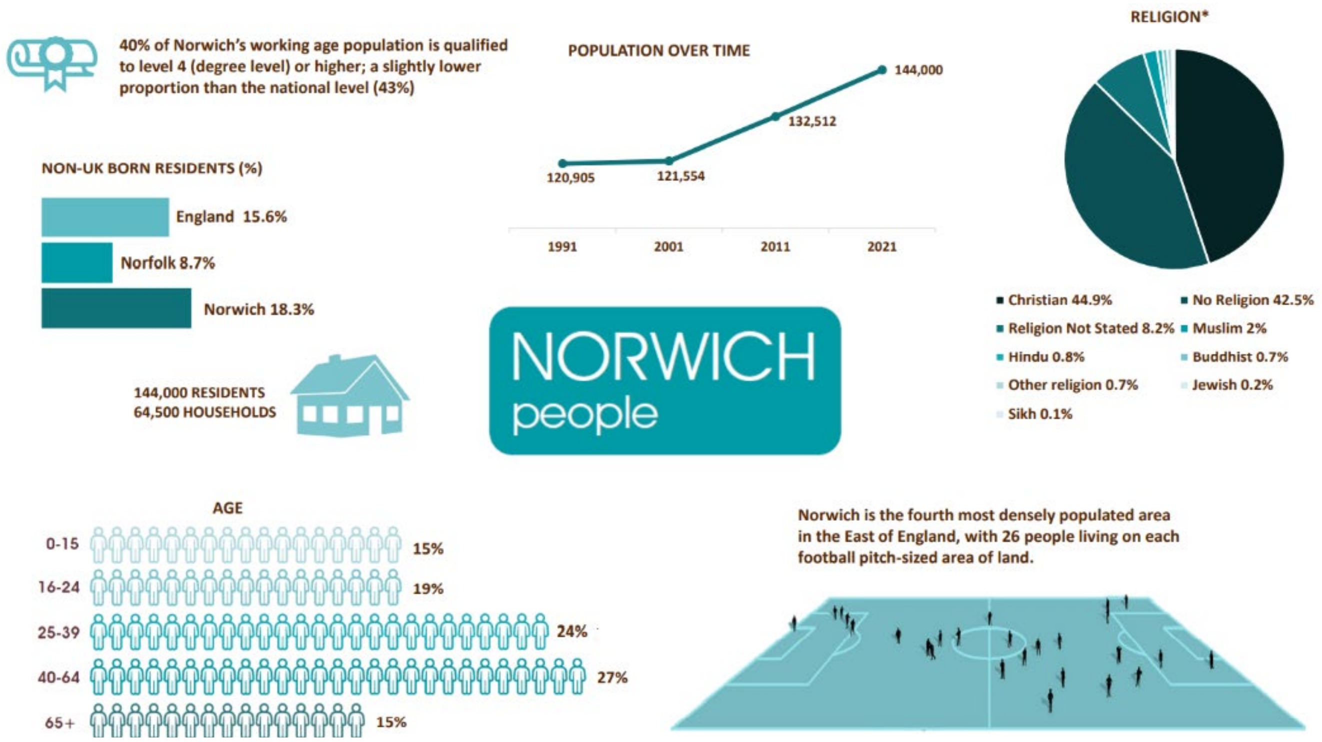
136. The first visual below shows a heat map of the latest RITAs analysis, by all middle layer super outputs areas (MSOAs) conducted by NODA compared with the second visual which highlights the seven local areas identified by the analysis carried out in 2015.


Norwich Airport
Mile Cross
Bowthorpe &
West Earlham
Earlham
City Centre
West
Heartsease &
Pilling Park
Norwich
Lakenham &
Tuckswood
Cringleford
Costessey
Sprowston
Thorpe End
Trowse
Norfolk and Norwich University Hospital
Normalised Total Z Score
-0.64
-0.32
0.00
0.50
1.00
© Mapbox © OpenStreetMap Improve this map


Target Areas
Pilling Park - Crome
Castle - Mancroft
Lakenham
Bullard Road - Catton Grove
Heartsease - Crome
Mile Cross
North Earlham - Wensum
Reducing Inequalities Target Areas

People

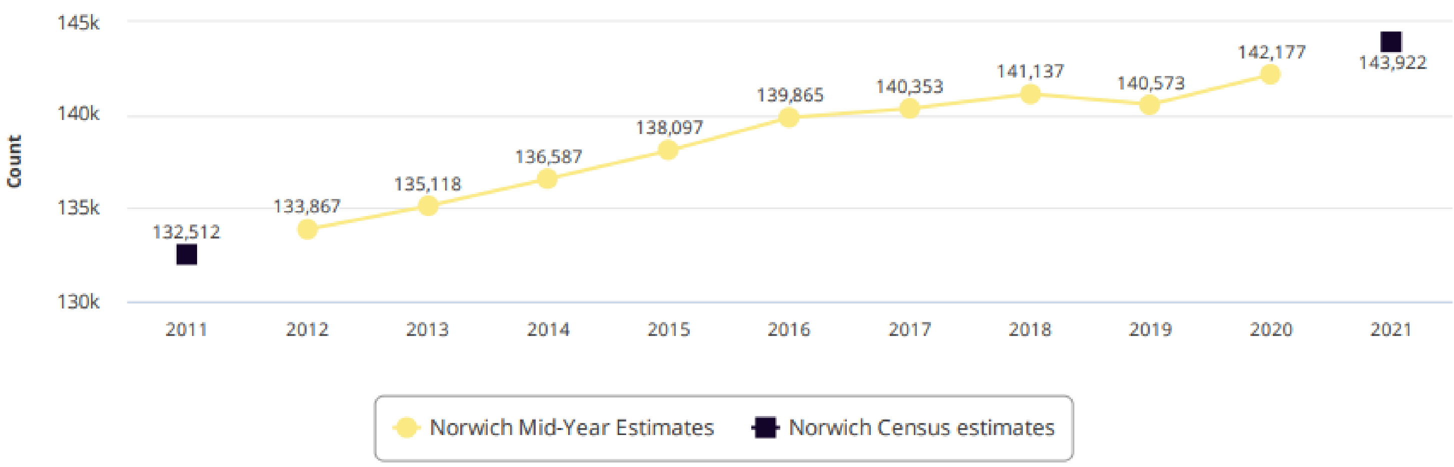
137. Norwich is one of the fastest growing cities in the UK and is growing younger, with an average age of just 33.7 years. 42.4% of residents in Norwich are aged 15-39 (11% above the national average). Since last year's report, Norwich has also seen a slight increase (1.8%) in the number of people aged between 40-64 years. The city is becoming more diverse with significant population growth over the last 10 years.



Population

138. On Census Day, 21 March 2021, the size of the usual resident population in Norwich was 143,922 people: this is an increase of 9% (11,410) since 2011, when it was 132,512 people. Norwich is now ranked 15 (out of 39 Districts in the East of England region) in terms of total population.

Usual resident population (2011-2021) Mid-Year and Census population estimates for Norwich

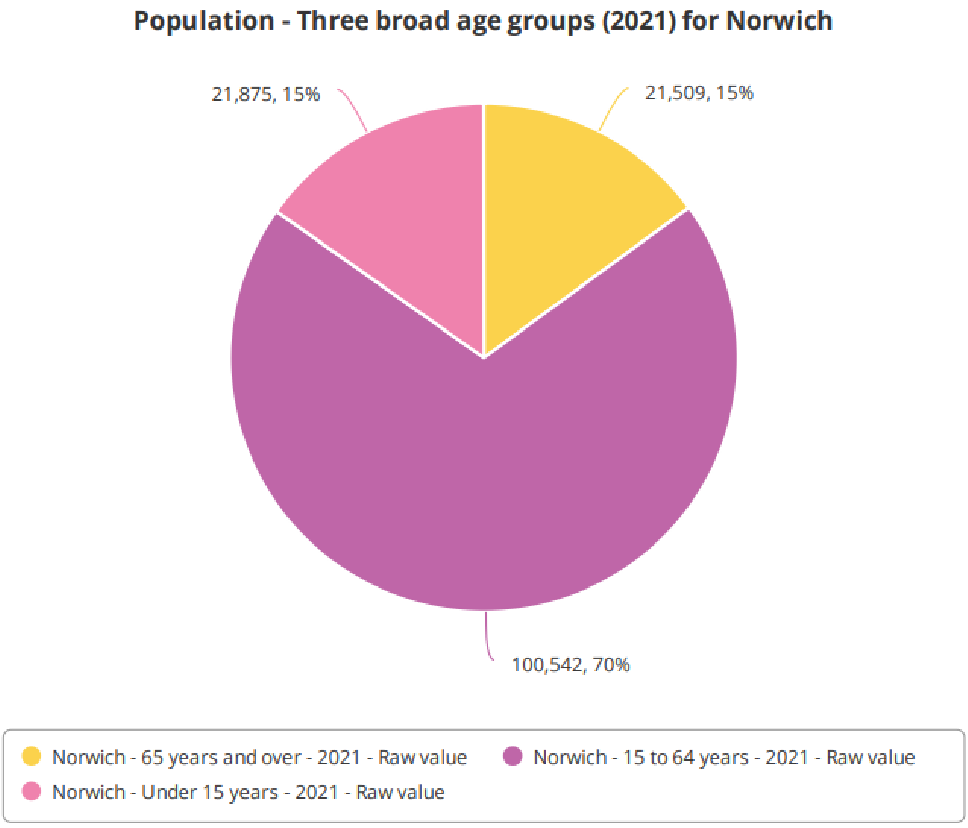


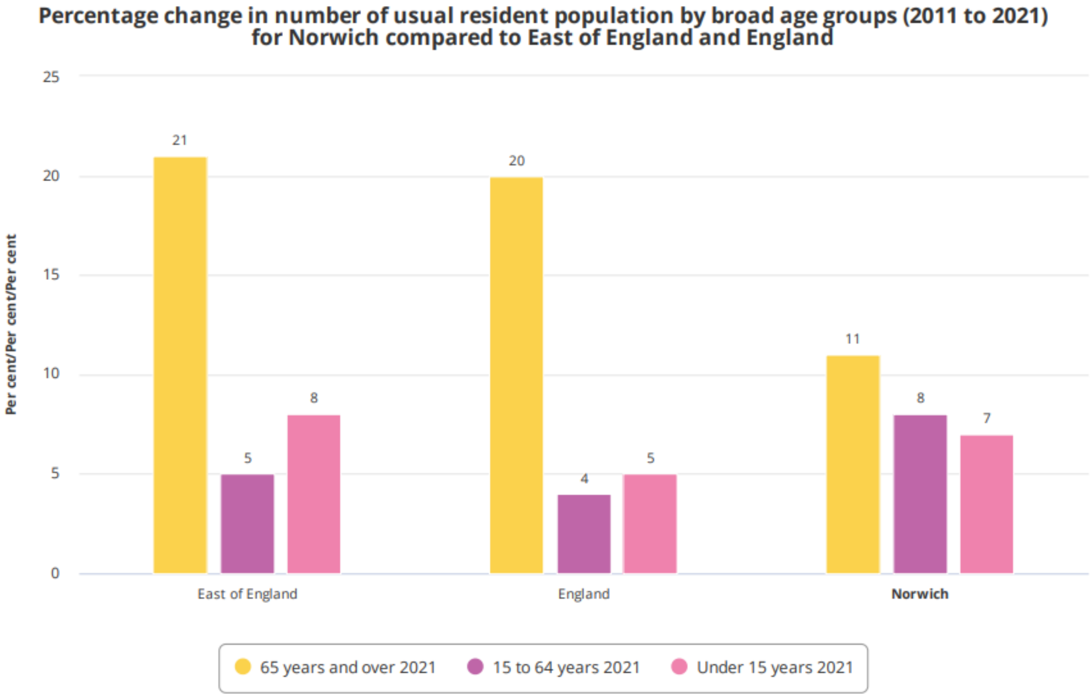
139. Norwich's population increase, at 9%, compares to a 8% increase for the East of England and a 7% increase for England.

140. As of 2021, Norwich is ranked 4 out of the 50 local authority areas in the East of England for population density, with around 36.88 persons per hectare of land. The population density for the East of England is 3.31 persons per hectare and for England it is 4.34 persons per hectare.

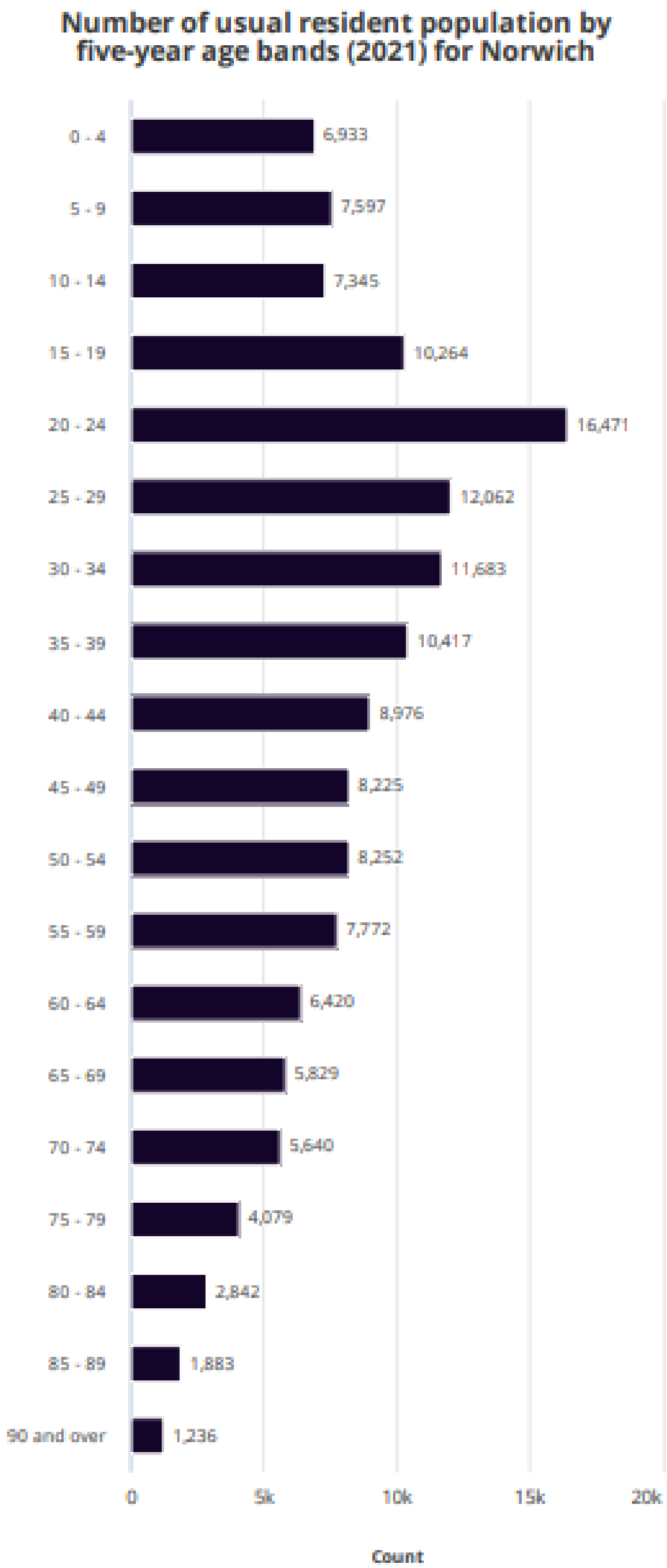
Population by age

141. On Census Day, 21 March 2021, the size of the usual resident population in Norwich was 143,922 people: of which 15.2 percent (21,875) were children aged under 15, 69.9 percent (100,542) were adults aged 15 to 64 and 14.9 percent (21,509) were aged 65 and over; 2.2 percent (3,119) of the resident population were 85 and over.





142. The largest age group in Norwich was those aged 20 - 24 (16,471 people or 11.44%). In the East of England, the largest age group was those aged 50 - 54 (6.99%) and in the England the largest age group was those aged 30 - 34 (7%).


Number of usual resident population by five-year age bands (2021) for Norwich
0 - 4
6,933
5 - 9
7,597
10 - 14
7,345
15 - 19
10,264
20 - 24
16,471
25 - 29
12,062
30 - 34
11,683
35 - 39
10,417
40 - 44
8,976
45 - 49
8,225
50 - 54
8,252
55 - 59
7,772
60 - 64
6,420
65 - 69
5,829
70 - 74
5,640
75 - 79
4,079
80 - 84
2,842
85 - 89
1,883
90 and over
1,236
0
5k
10k
15k
20k
Count


Percentage change in the number of usual resident population by five-year age bands (2011 to 2021) for Norwich
0 - 4
5 - 9
10 - 14
15 - 19
20 - 24
25 - 29
30 - 34
35 - 39
40 - 44
45 - 49
50 - 54
55 - 59
60 - 64
65 - 69
70 - 74
75 - 79
80 - 84
85 - 89
90 and over
-18
21
26
16
8
-6
11
16
4
5
20
21
-1
16
34
11
-9
-12
7
-30
-20
-10
0
10
20
30
40
Count

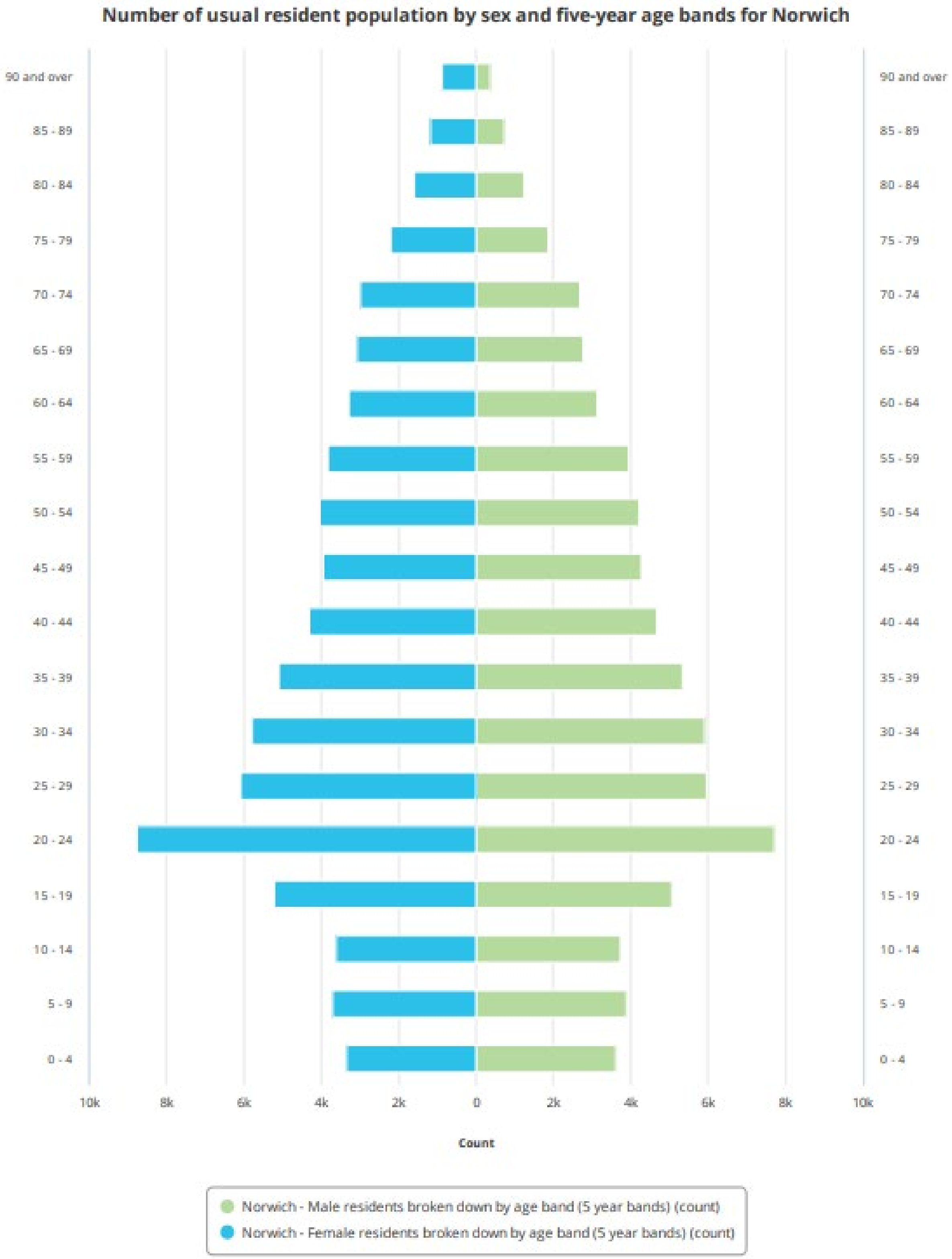
Population by sex and age

143. On Census day in March 2021, of the 143,922 people in Norwich, 72,851 were women (50.6% of the population) and 71,071 men (49.4%). In 2011, 67,245 were women (50.7% of the population) and 65,267 men (49.3%). In East of England, 51.0% of the population were women and 49.0% were men. In England, 51.0% of the population were women and 49.0% were men.

144. The female population of Norwich has increased by 8% and the male population has increased by 9% from 2011. In the East of England the female population has increased by 9% and the male population has increased by 8% from 2011.

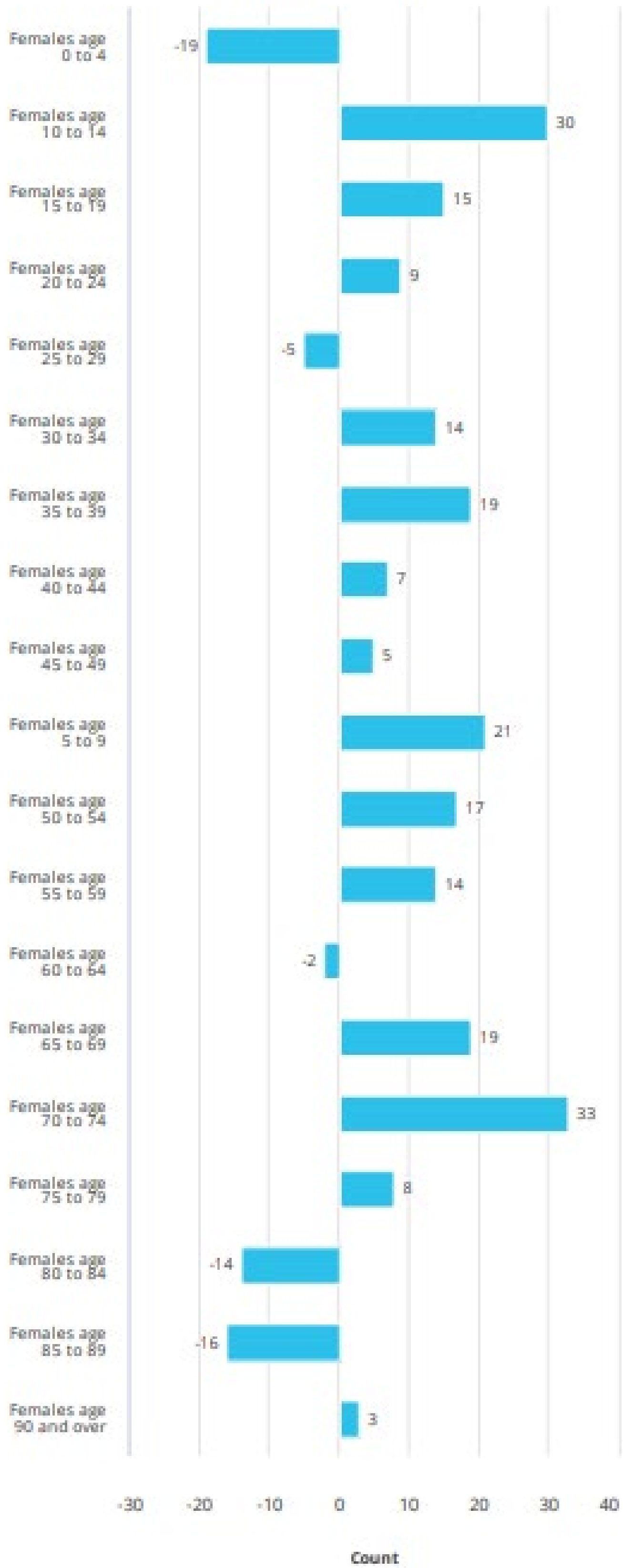
145. The average life expectancy for females born in Norwich 81.7 years. This is 1.7 years lower than the Norfolk average and 0.9 years lower than the national average. The average life expectancy for males born in Norwich 77.2 years. This is 2.5 years lower than the Norfolk average and 1.5 years lower than the national average.

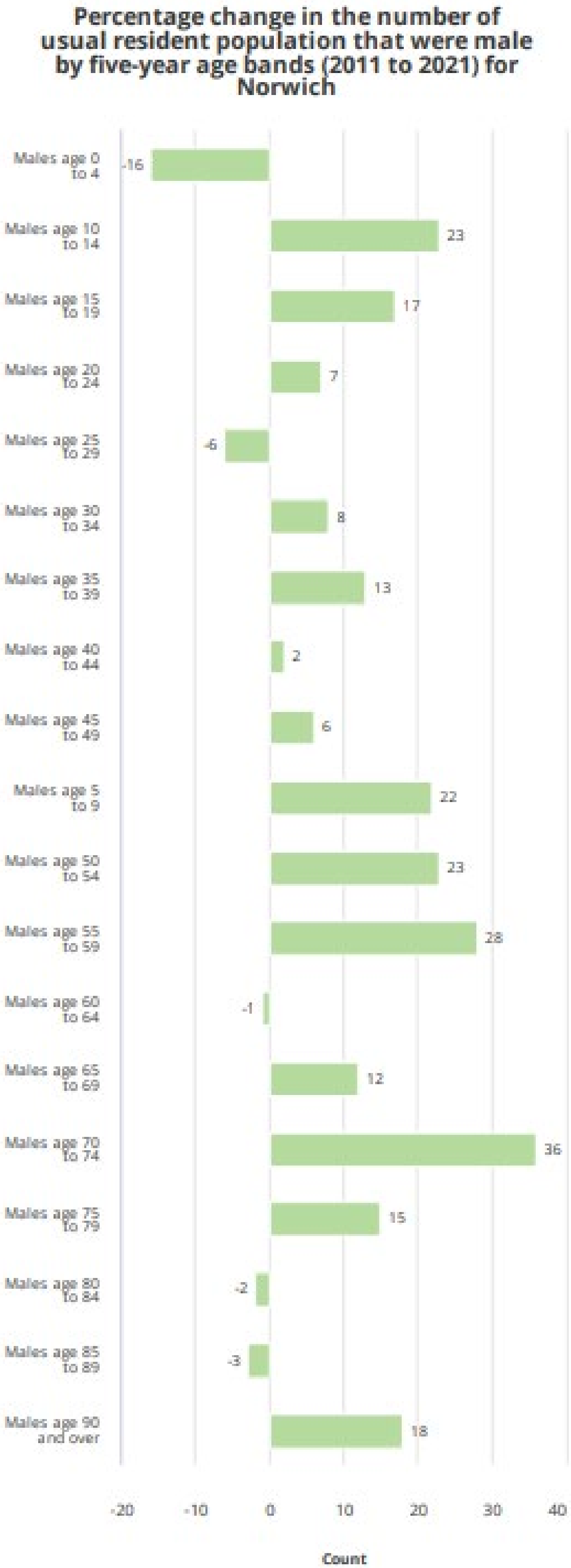
146. The chart below shows the population by sex in five-year age bands for Norwich, with the female population living longer than the male population.



Number of usual resident population by sex and five-year age bands for Norwich
90 and over
85 - 89
80 - 84
75 - 79
70 - 74
65 - 69
60 - 64
55 - 59
50 - 54
45 - 49
40 - 44
35 - 39
30 - 34
25 - 29
20 - 24
15 - 19
10 - 14
5 - 9
0 - 4
10k
8k
6k
4k
2k
0
2k
4k
6k
8k
10k
Count
Norwich - Male residents broken down by age band (5 year bands) (count)
Norwich - Female residents broken down by age band (5 year bands) (count)

Percentage change in the number of usual resident population that were female by five-year age bands (2011 to 2021) for Norwich

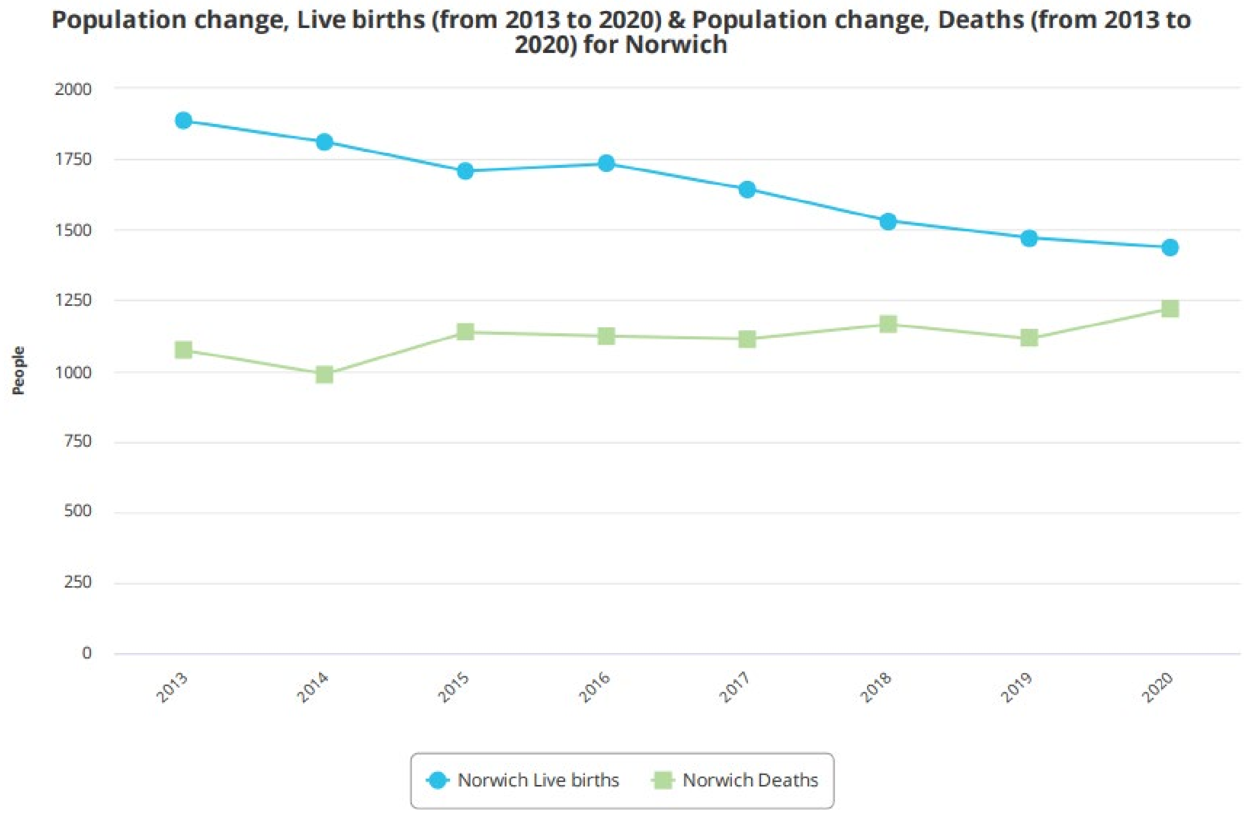



Percentage change in the number of usual resident population that were male by five-year age bands (2011 to 2021) for Norwich
Males age 0 to 4
-16
Males age 10 to 14
23
Males age 15 to 19
17
Males age 20 to 24
7
Males age 25 to 29
-6
Males age 30 to 34
8
Males age 35 to 39
13
Males age 40 to 44
2
Males age 45 to 49
6
Males age 5 to 9
22
Males age 50 to 54
23
Males age 55 to 59
28
Males age 60 to 64
-1
Males age 65 to 69
12
Males age 70 to 74
36
Males age 75 to 79
15
Males age 80 to 84
-2
Males age 85 to 89
-3
Males age 90 and over
18
-20
-10
0
10
20
30
40
Count

Population changes

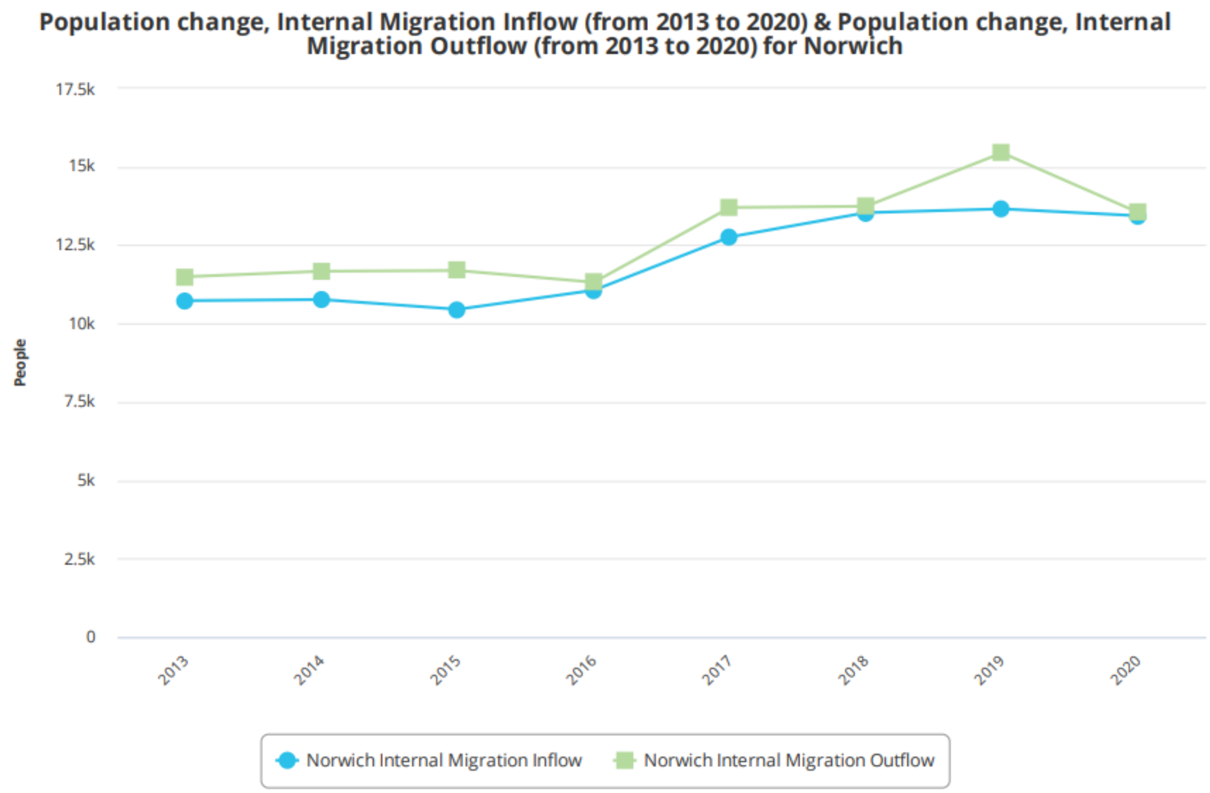
147. The total population change in Norwich for the year to 2020 was 1,604 people. This included natural change (births - deaths) of 218 people, net internal migration (people into/away from the area within the UK) of -106 , net international migration (people immigrating/emigration into/out of the UK) of 1,510 and other migration factors of -18.

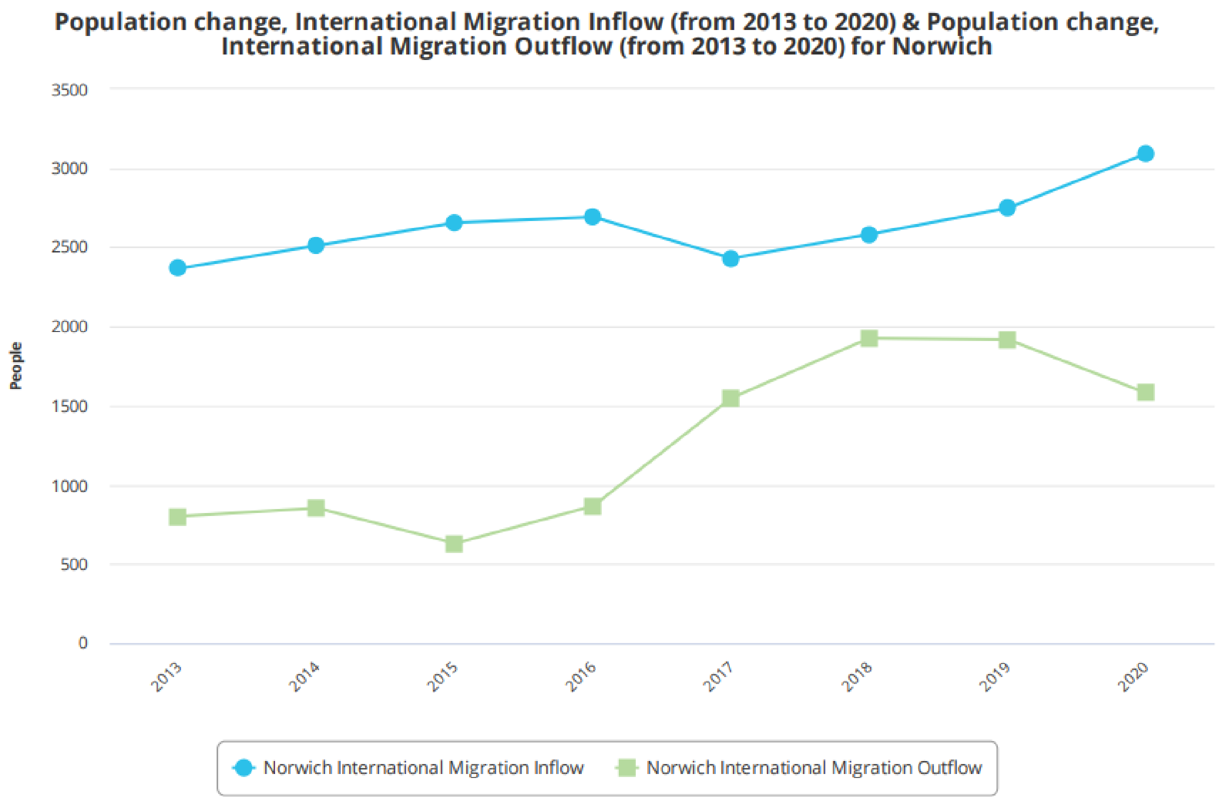
148. Natural change was less than in previous years (down to 218 people from 357 people in 2019) caused largely by an increase in the number of deaths (1,219), combined with the continuing decrease in the number of births (down 1,437).



149. An increase in immigration (up 3,091) and a decrease in emigration (down 1,581) have both contributed to the increase in net international migration compared to that seen in the year to mid-2019.

150. Population change include changes in population due to internal and international civilian migration and changes in the number of armed forces (both non-UK and UK) and their dependants resident in the UK. In calculating the international migration component of the population estimates, the Office for National Statistics (ONS) uses the United Nations recommended definition of an international long-term migrant (someone who changes their country of residence for at least 12 months). This graph below does not include short-term migrants and visitors.





Residents born in Ukraine, Russia and Other Eastern European Countries

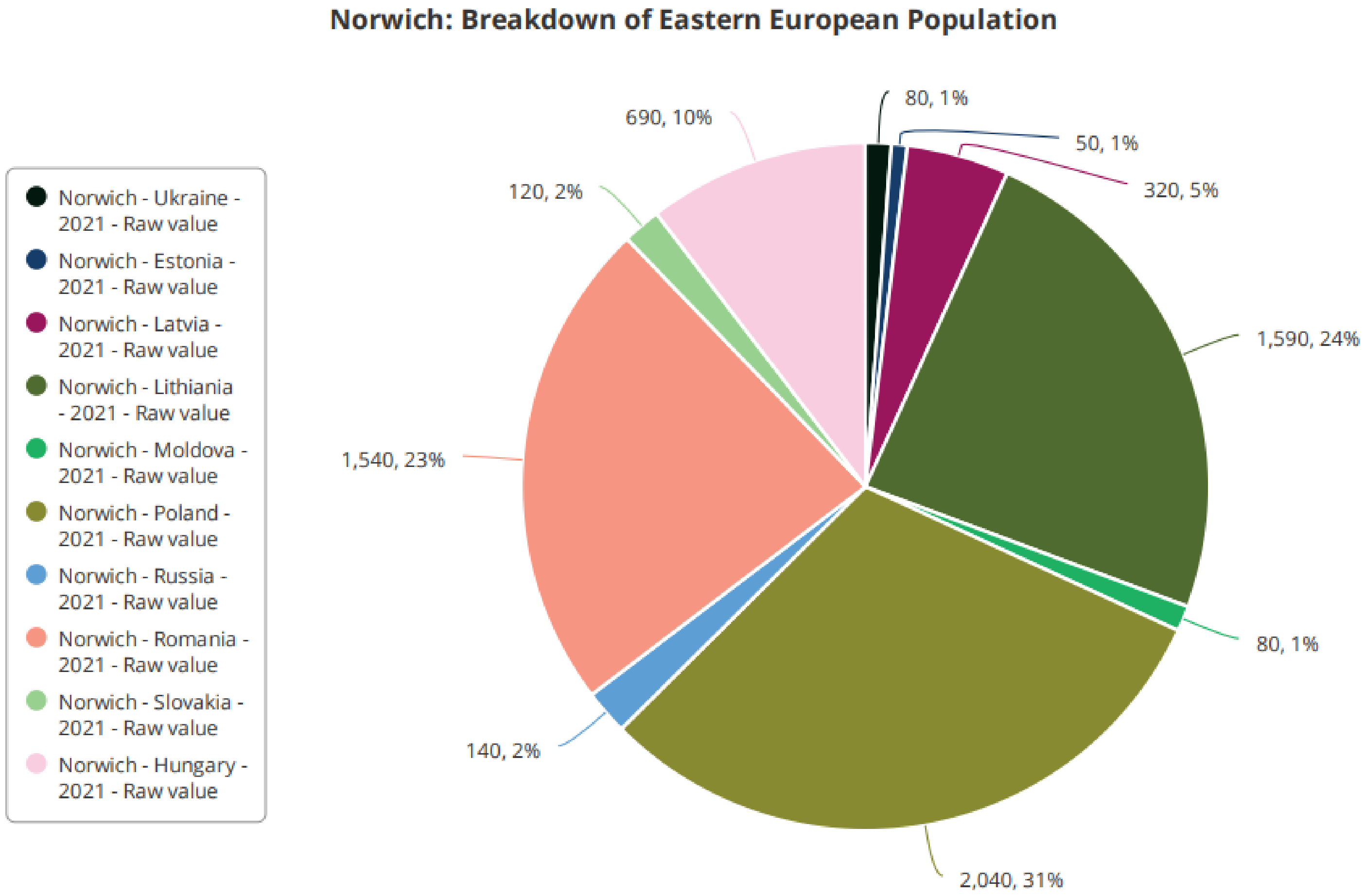
151. The preliminary Census 2021 counts of country of birth by local authority for Ukraine and neighbouring or relevant countries have been published to help local

and national emergency response planning to the Russian invasion of Ukraine. There is no data currently available for county councils.

152. It is important to note that the data contained are the rounded counts of Census 2021 responses. They are not final census estimates and have not yet been through all the usual census processing.

153. To help contextualise the numbers, the Local Government Association has rated the figures and calculated percentages using the most recently available authority population data. The population data is from ONS's most recent mid-year estimates rather than data from Census 2021.

154. The chart below shows the count and percentage of residents born in Ukraine, Russia and other Eastern European Countries who were resident in Norwich at the time of the Census 2021.



155. The Ukraine Sponsorship Scheme allows Ukrainian nationals and their family members to come to the UK if they have a named sponsor who can provide accommodation.

156. The number of visas issued to come to or stay and the number of arrivals in Norwich under the Homes for Ukraine Sponsorship Scheme are, as at 14 December 2022:

a. the total number of Visas issued to Ukrainians with sponsors in Norwich is 202 (142 per 100,000)

b. the total number of arrivals of Ukrainians with sponsors in Norwich is 160 (113 per 100,000)

c. in Norwich 79 per cent of those with sponsored visas have arrived.

Sexual orientation

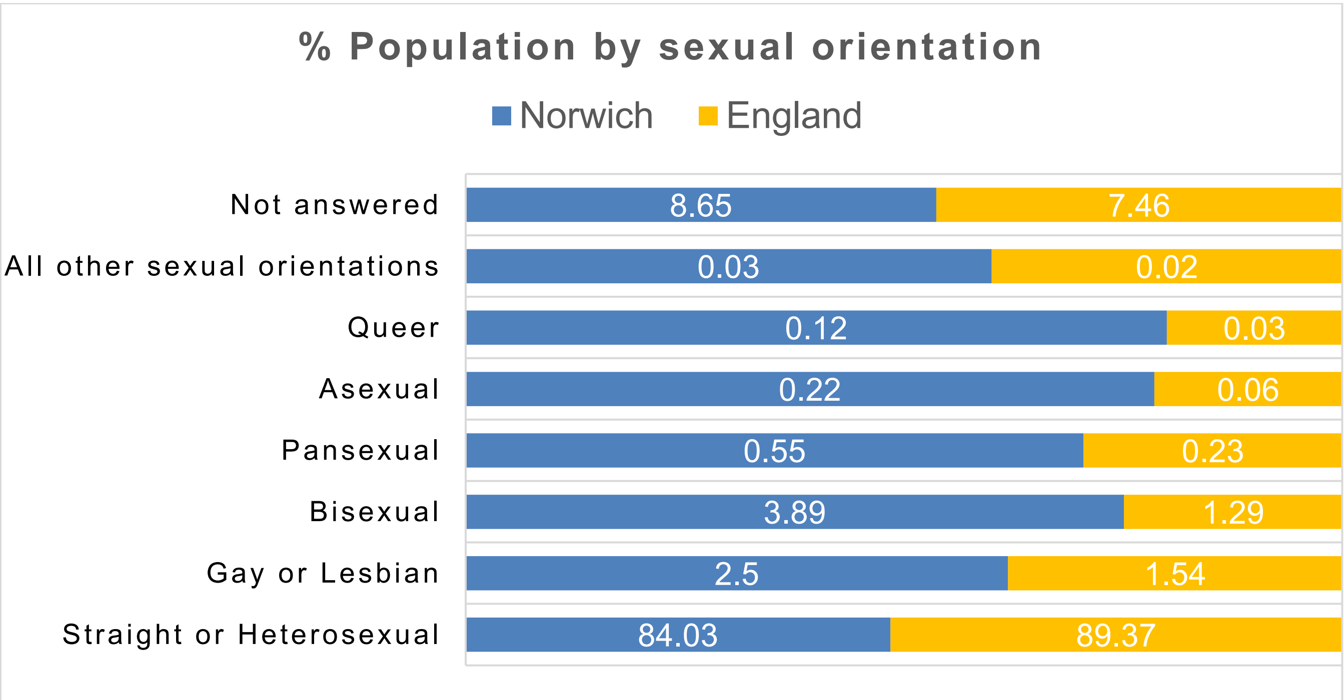
157. The question on sexual orientation was new for Census 2021, providing better quality information on the LGB+ population ("gay or lesbian", "bisexual" or "other sexual orientation") for monitoring and supporting anti-discrimination duties under the Equality Act 2010.

158. The question was voluntary and was only asked of people aged 16 years and over. People were asked "Which of the following best describes your sexual orientation?". The different sexual orientations that people could choose from included:

a. straight or heterosexual
b. gay or lesbian
c. bisexual
d. other sexual orientation

159. If they selected "Other sexual orientation", they were asked to write in the sexual orientation with which they identified.

160. The table below shows how people in Norwich answered, compared with the rest of England.



161. More detailed data and analysis on sexual orientation from the Census 2021 will be published in the coming months alongside the release of multivariate data. The first analysis article, which will explore sexual orientation by age and sex, is due to be published on 25 January.

Financial hardship and economic vulnerability

162. These indicators are designed to provide an indication of how households and their finances have been impacted or are likely to change in the near future. Moreover, these indicators are presented alongside data on pre-existing levels of financial vulnerability, to identify how and where the scale of financial hardship is increasing and thus where relevant support services such as hardship grants and money / debt advice are required or may need scaling up.

Measures of local deprivation

163. The Indices of Deprivation combine a range of economic, social and housing indicators to provide a measure of relative deprivation, i.e. they measure the position of areas against each other within different domains. This data therefore provides some useful baseline contextual information for localities in terms of existing deprivation levels, which will influence and inform the scale of impacts due to the rising cost of living. The higher the ranking, the higher the level of deprivation, i.e. 1 is measured as the most deprived area in the Indices of Deprivation.

a. Norwich is ranked **61** out of 333 authorities for deprivation – based on the Index of Multiple Deprivation (IMD) average rank. This measure is based on population weighted ranks of all neighbourhoods within an area, so an area that is more uniformly deprived will tend to rank higher on this measure. It is a weighted average of the seven IMD domains: Income Deprivation, Employment Deprivation, Health Deprivation and Disability, Education Skills and Training Deprivation, Barriers to Housing and Services, Living Environment Deprivation, and Crime.

b. Norwich is ranked **52** out of 333 authorities for deprivation – based on the IMD average score. This measure is based on population weighted scores of all neighbourhoods within an area.

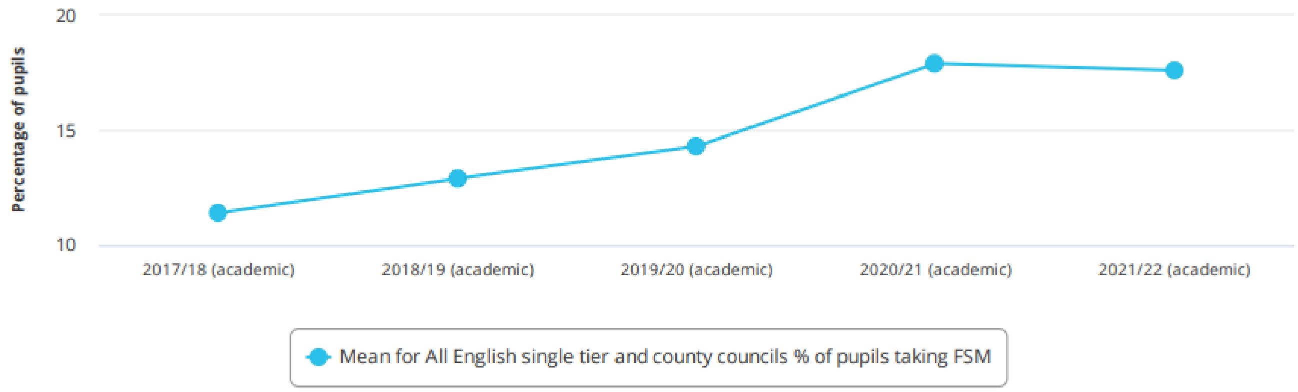
c. 15.66% of Norwich neighbourhoods (Lower Super Output Areas) are in the 10% most deprived nationally. The domain measures the proportion of the population experiencing deprivation relating to low income.

d. Specifically, with regards to income deprivation, Norwich is ranked **58** out of 333 authorities – based on the IMD average rank. (County level data isn't available for this metric).

Free school meals

164. Free school meal eligibility continues to increase. In January 2022, 1.9 million pupils were eligible for free school meals, 22.5% of all pupils. This is an increase of nearly 160,000 pupils since January 2021, when 1.74 million (20.8%) of pupils were eligible for free school meals.

165. The chart below highlights the proportion of pupils at state schools who are eligible for free school meals. Totals include state-funded nursery, primary, secondary and special schools, non-maintained special schools and pupil referral units – it does not include independent schools. It is collected as part of the School Census.



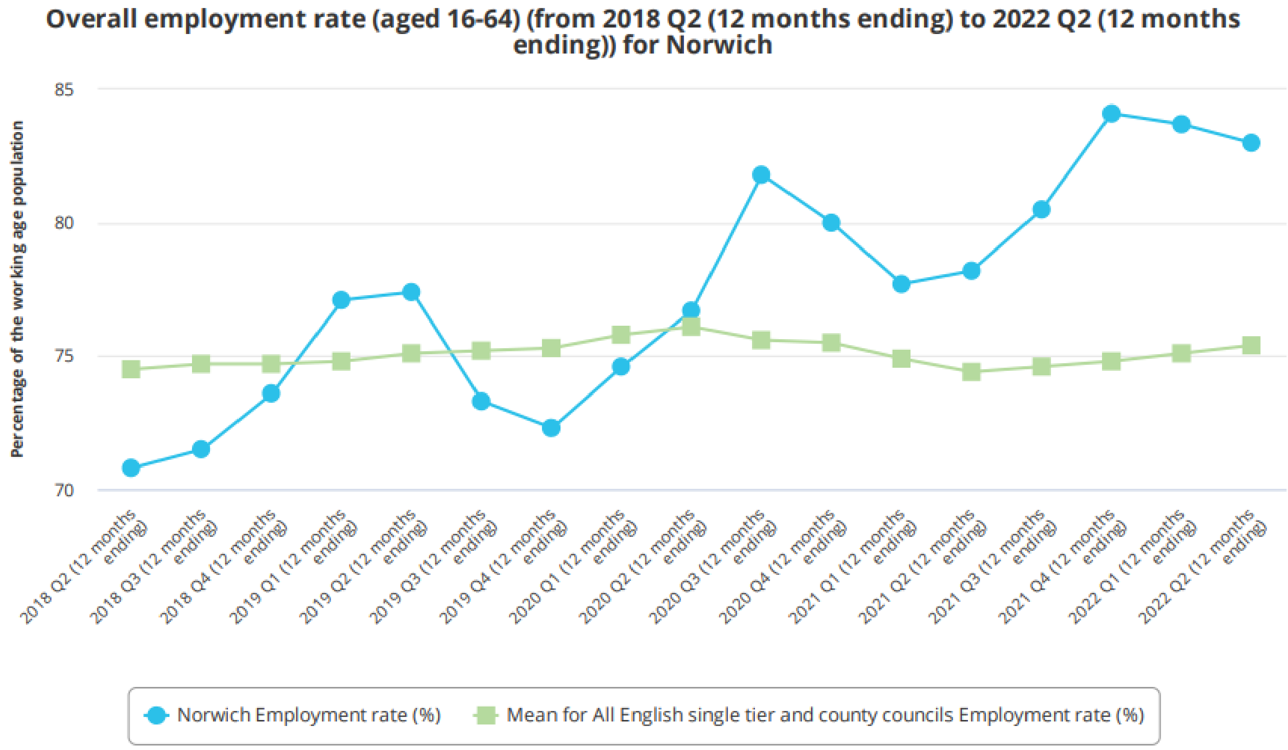
Source:
Department for Education, Schools, Pupils and their Characteristics, Percentage of all pupils eligible and taking free school meals

166. The percentage of pupils with free school meals had been increasing prior to the COVID-19 pandemic, with increases from 13.6% in January 2018, to 15.4% in January 2019, and to 17.3% in January 2020. The increase during the first period of the pandemic, from January 2020 to 20.8% in January 2021, was higher than each of these previous year on year increases. The increase to January 2022 is in line with those increases seen prior to the pandemic.

Overall employment rate

167. Employment measures the number of people aged 16 years and over in paid work and those who had a job that they were temporarily away from. The employment rate is the proportion of people aged between 16 and 64 years who are in employment.

168. The chart below shows that Norwich has an employment rate of 83% this has decreased from 83.7% in the previous period. This is above the All English single tier and county councils figure of 75.4% and above the England figure of 75.7%.

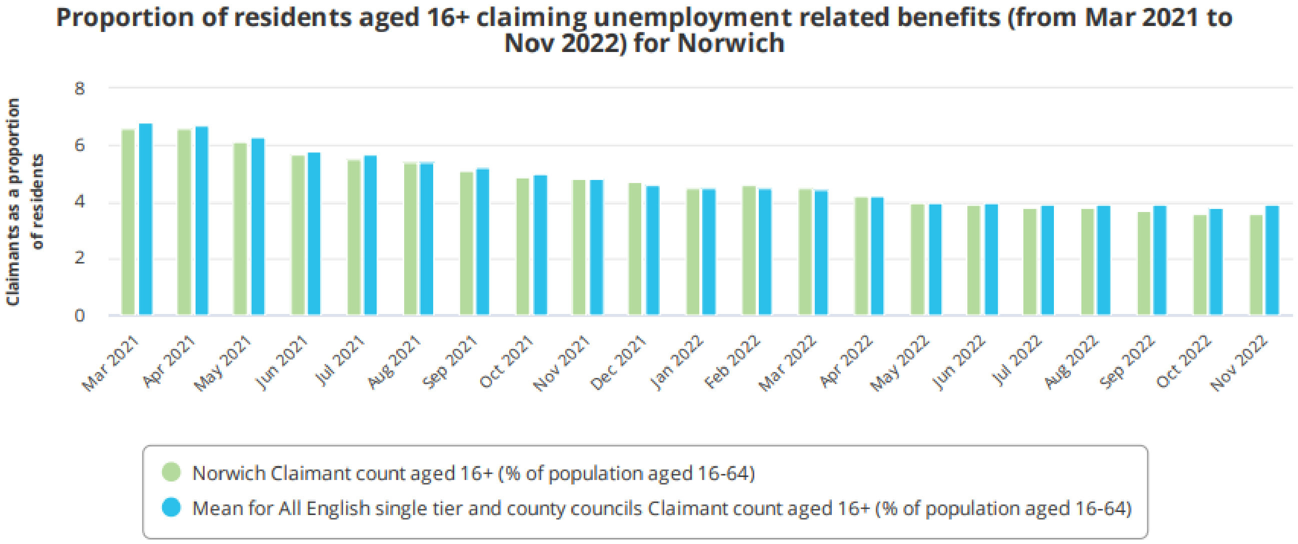


Source:
Nomis, Annual Population Survey, Overall employment rate (aged 16-64)

Claimant Count

169. Claimant Count is an administrative measure of the number of people claiming benefit principally for the reason of being unemployed, using individual records from the benefit system. It therefore provides a useful indication of how unemployment is changing at a local level.

170. The chart below shows the claimant count rate in Norwich in November 2022 was 3.6%, a decrease from 4.8% in November 2021. The All-English single tier and county councils' rate was 3.9% for the same month and 4.8% last year.

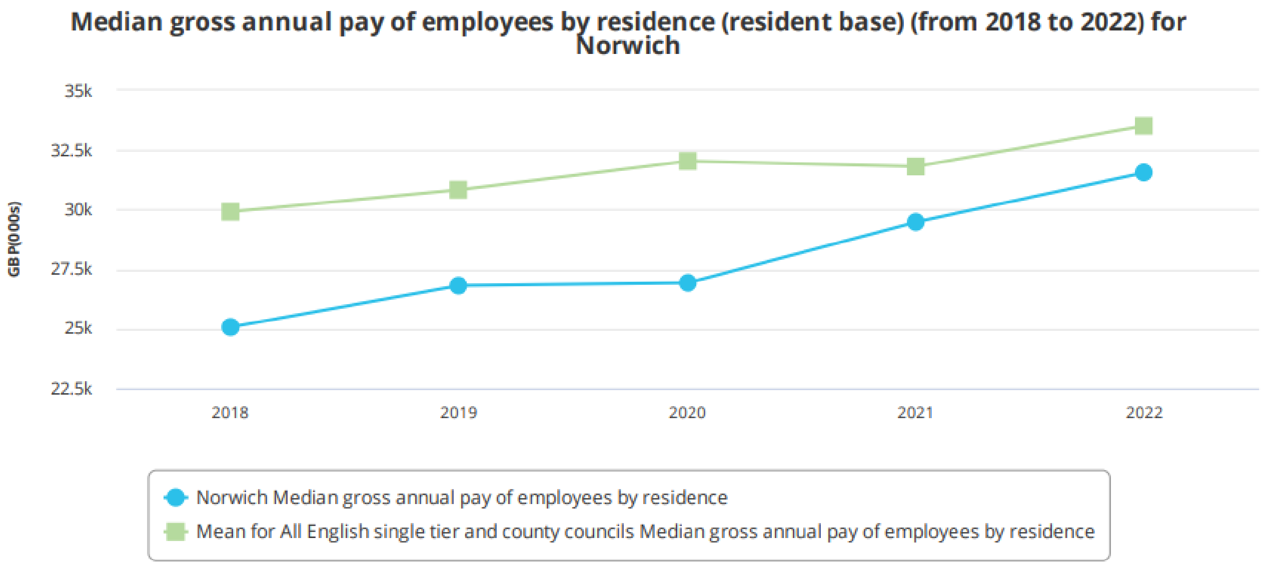


Source:
Nomis, Claimant count by sex and age, Proportion of residents aged 16+ claiming unemployment related benefits

Median Gross Annual Pay of Employees (by Residence)

171. The Annual Survey of Hours and Earnings (ASHE) is conducted in April each year to obtain information about the levels, distribution and make-up of earnings and hours worked for employees. This data set provides information about earnings of employees who are living in an area, who are on adult rates and whose pay for the survey pay-period was not affected by absence. This data therefore provides some useful context in terms of potential economic and financial resilience.

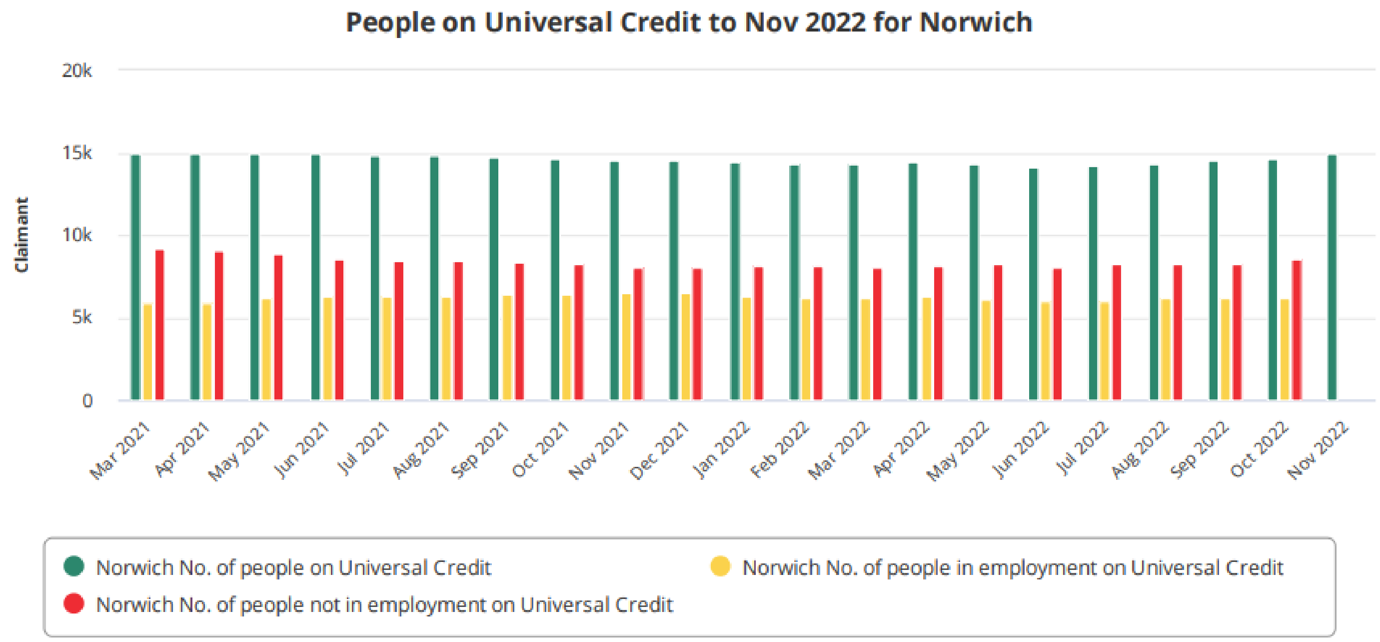
172. The chart below shows in Norwich, median gross annual earnings are £31,559.0, this is below the All English single tier and county councils figure of £33,517.0 and below the England figure of £34,347.0



Source:
Nomis, annual survey of hours and earnings, Median gross annual pay of employees by residence (resident base)

Universal Credit

173. This data set highlights the total number of people claiming Universal Credit, including the numbers of those in and out of employment. The number of claimants in/out of employment are released one month later than the overall total. The latest month's total for overall number of people claiming is provisional.



Source:
Department for Work and Pensions, Stat-Xplore: People on Universal Credit, Total number of people on Universal Credit
Department for Work and Pensions, Stat-Xplore: People on Universal Credit, Number of people in employment on Universal Credit
Department for Work and Pensions, Stat-Xplore: People on Universal Credit, Number of people not in employment on Universal Credit

174. **14,902** people were claiming Universal Credit in Norwich in November 2022. For the latest month available (October 2022) **8,531** of these claimants were not in employment, whilst **6,145** were in employment. The total number of claims has changed by 2% compared to November 2021.

Cost of Living Vulnerability Index

175. The Cost-of-Living Vulnerability Index is the total of multiple poverty-based vulnerability and work-based vulnerability indicator rankings for each local authority. This index has been created by the Centre for Progressive Policy to measure the cost of living crisis. (Not available for County Councils).

176. The higher the score will indicate an area's relative risk of more people being pulled into poverty, and the relative risk of those who were already hard up being pushed into destitution.

177. For Norwich, the Cost-of-Living Vulnerability Index is **978**. Of the areas within All English single tier and county councils, the three authorities with the highest index totals are:

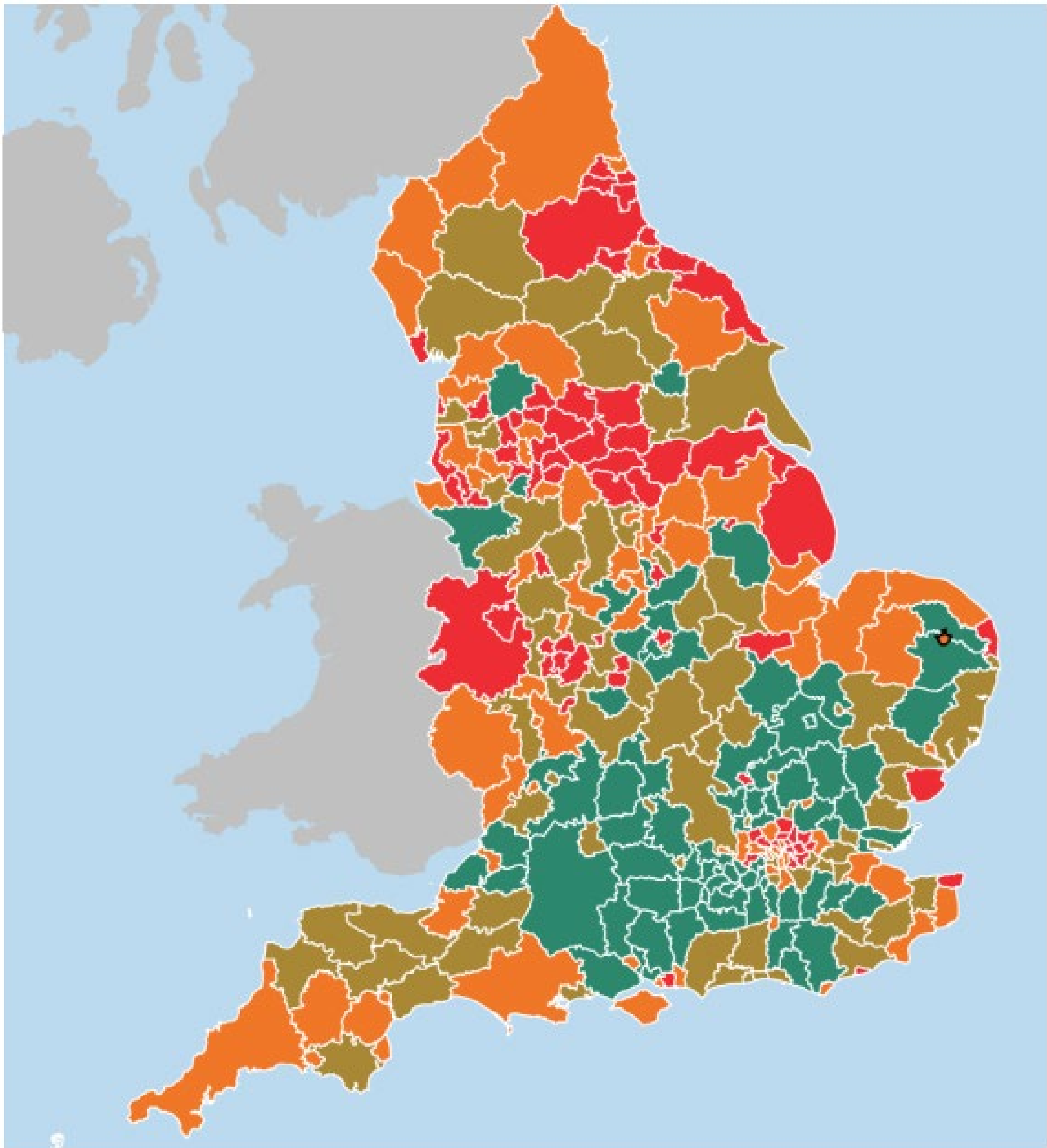
   a. Middlesbrough (1,705)
   b. Kingston upon Hull (1,680)
   c. Blackburn with Darwen (1,657)
   d. The three authorities with the lowest index totals are:

e. Wokingham (184)
f. West Berkshire (239)
g. Bracknell Forest (352)

Cost of Living Vulnerability Index for All English single tier and district councils

Quartiles for All English single tier and district councils

125 ≤ 617 | 617 ≤ 900 | 900 ≤ 1,194 | 1,194 ≤ 1,705



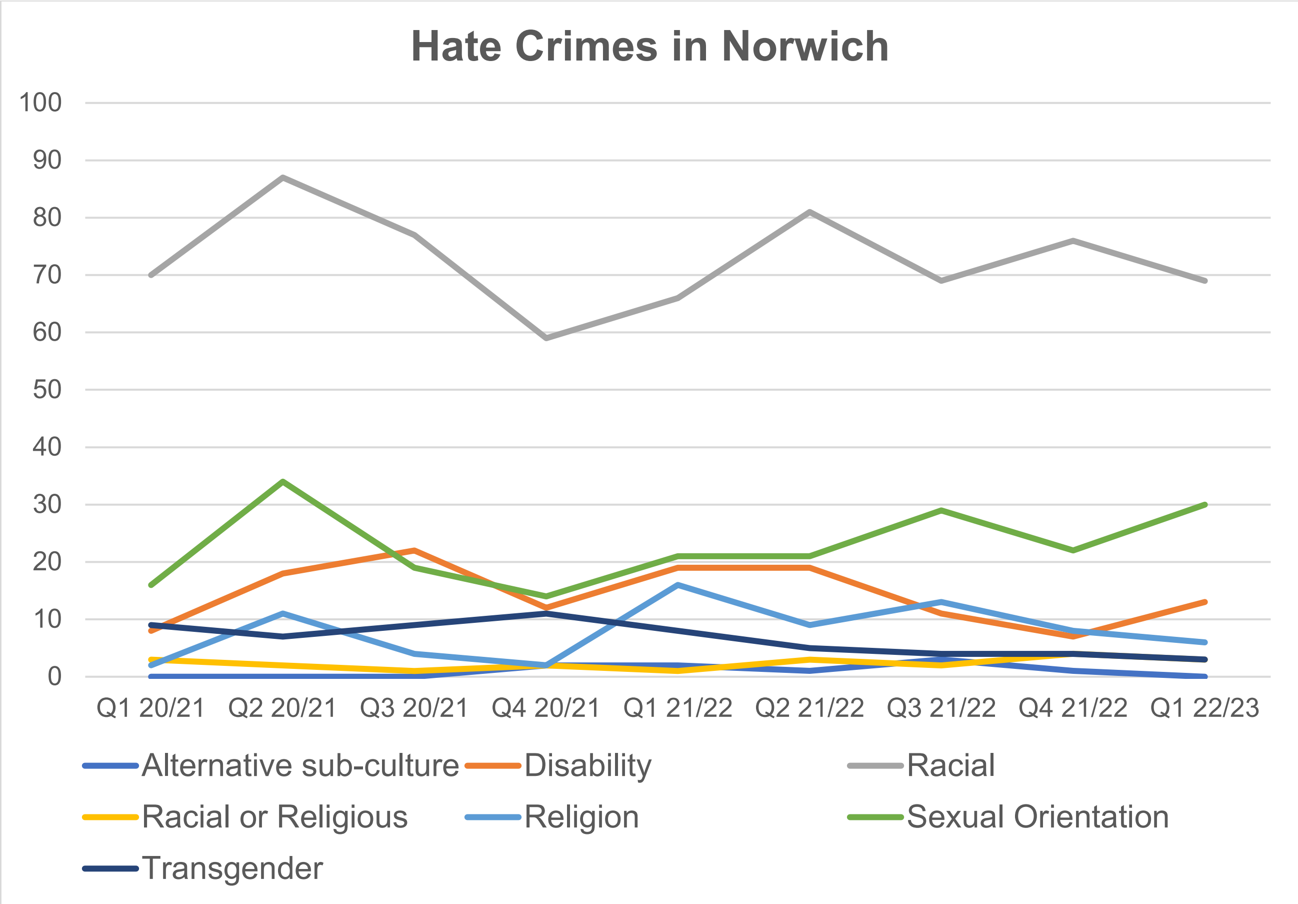
Source:
Centre for Progressive Policy, Cost of Living Vulnerability Index, Cost of Living Vulnerability Index

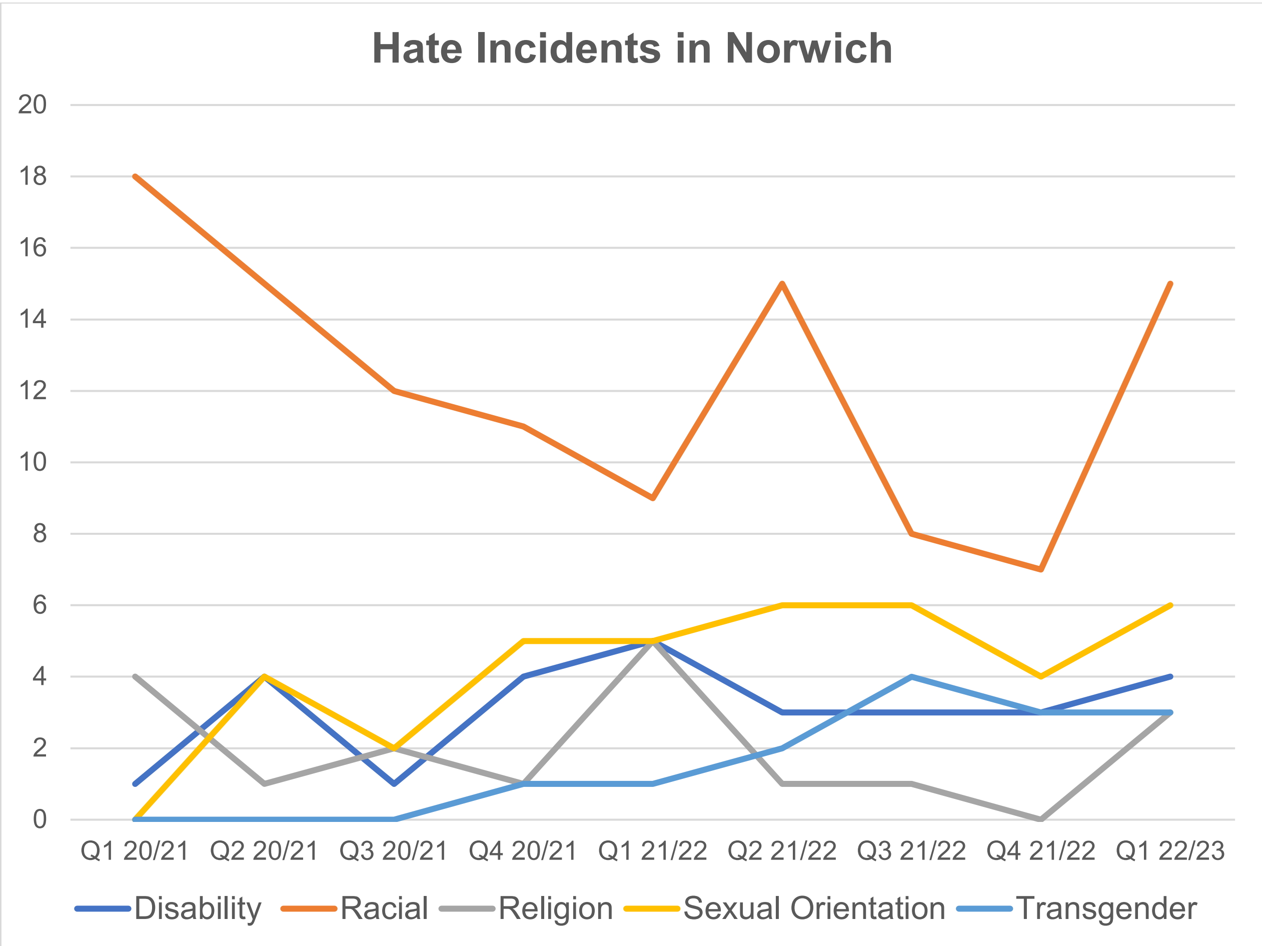
Hate crimes and incidents

178. A hate incident is any incident which is perceived by the person, or any other person as being motivated by prejudice or hatred. It may or may not be a crime. A hate crime is a crime committed against someone because of their protected characteristic. It is likely that the majority of hate crimes or incidents are not reported; therefore, higher figures do not always represent more crime, but possibly more reported crime due to more awareness or confidence in reporting.

179. There is a slight decrease in the total number of hate crimes and incidents being recorded since the last Equality information report. The charts below shows that the racial crimes account for largest type of those reported.

Type	2020-2021 Q2	2020-2021 Q3	2020-2021 Q4	2021-2022 Q1	2021-2022 Q2	2021-2022 Q3	2021-2022 Q4	2022-2023 Q1
Crimes	**161**	**139**	**103**	**135**	**140**	**131**	**122**	**124**
Alternative Sub-culture	1	3	2	2	1	3	1	0
Disability	18	22	12	19	19	11	7	13
Racial	87	79	60	67	82	69	76	69
Racial or Religious	2	1	2	1	3	2	4	3
Religion	11	5	2	16	9	13	8	6
Sexual Orientation	34	20	14	22	21	29	22	30
Transgender	8	9	11	8	5	4	4	3
Incidents	**37**	**36**	**22**	**25**	**27**	**22**	**17**	**31**
Alternative Sub-culture	1	1	0	0	0	0	0	0
Disability	5	5	4	5	3	3	3	4
Racial	23	21	11	9	15	8	7	15
Religion	2	5	1	5	1	1	0	3
Sexual Orientation	4	3	5	5	6	6	4	6
Transgender	2	1	1	1	2	4	3	3
Force Total	**198**	**175**	**125**	**160**	**167**	**153**	**139**	**155**


Hate Crimes in Norwich
100
90
80
70
60
50
40
30
20
10
0
Q1 20/21
Q2 20/21
Q3 20/21
Q4 20/21
Q1 21/22
Q2 21/22
Q3 21/22
Q4 21/22
Q1 22/23
Alternative sub-culture
Disability
Racial
Racial or Religious
Religion
Sexual Orientation
Transgender


Hate Incidents in Norwich
20
18
16
14
12
10
8
6
4
2
0
Q1 20/21
Q2 20/21
Q3 20/21
Q4 20/21
Q1 21/22
Q2 21/22
Q3 21/22
Q4 21/22
Q1 22/23
Disability
Racial
Religion
Sexual Orientation
Transgender

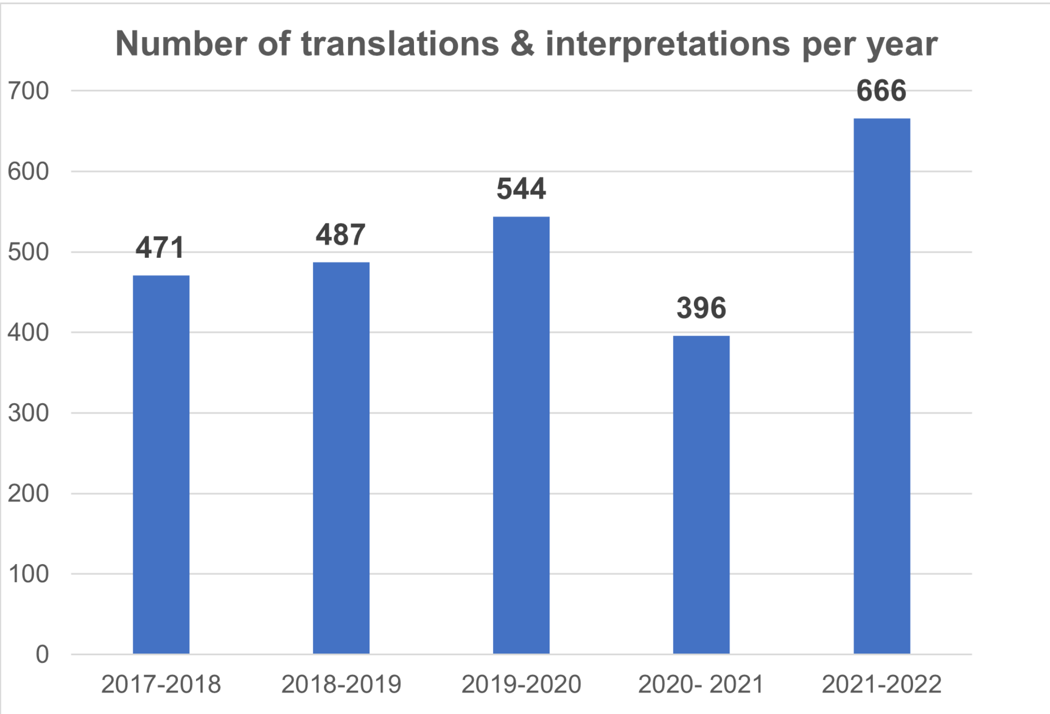
180. This data will form part of the evidence base that informs the forthcoming Community Safety Strategy, which will be accompanied by a developed action plan, identifying specific activities to help improve the safety across our communities and neighbourhoods.

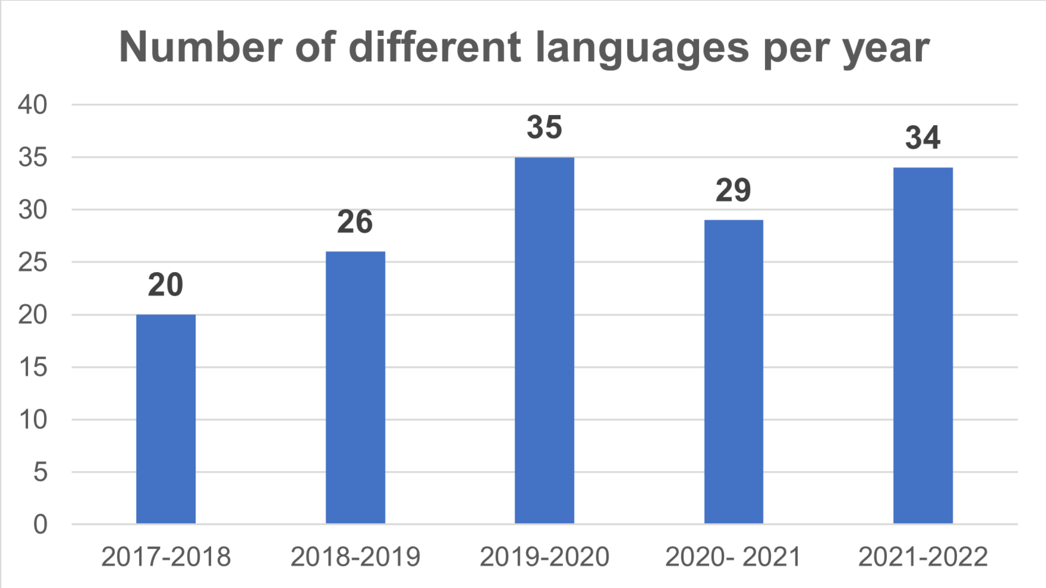
Customers

Translations and interpretations

181. The council has seen a 68% increase in the number of translations and interpretations conducted for our customers this year with the number of languages requested increasing from 29 to 34.

TOP 10 LANGUAGES				
2017-2018	**2018-2019**	**2019-2020**	**2020- 2021**	**2021-2022**
ARABIC	LITHUANIAN	ARABIC	LITHUANIAN	ARABIC
HUNGARIAN	HUNGARIAN	LITHUANIAN	PORTUGUESE	LITHUANIAN
LITHUANIAN	ARABIC	POLISH	ARABIC	POLISH
FARSI	PORTUGUESE	PORTUGUESE	HUNGARIAN	BENGALI
POLISH	VIETNAMESE	KURDISH - SORANI	ROMANIAN	KURDISH - SORANI
PORTUGUESE	KURDISH - SORANI	HUNGARIAN	POLISH	ITALIAN
KURDISH - SORANI	MANDARIN	ROMANIAN	SPANISH	PORTUGUESE
LATVIAN	POLISH	BENGALI	BULGARIAN	MANDARIN
BULGARIAN	BENGALI	AMHARIC	TURKISH	SUDANESE ARABIC
BENGALI	RUSSIAN	RUSSIAN	MANDARIN	BULGARIAN





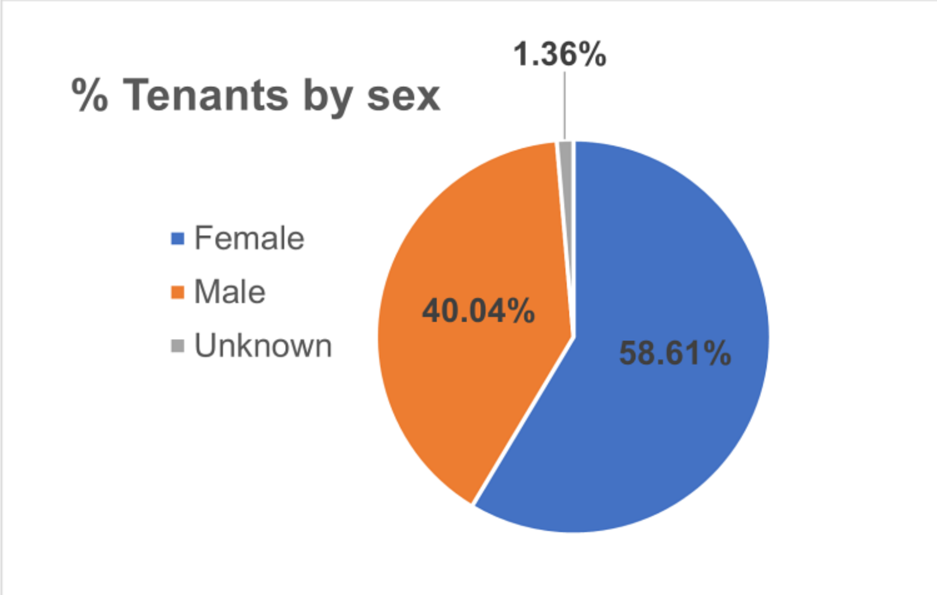
Complaints

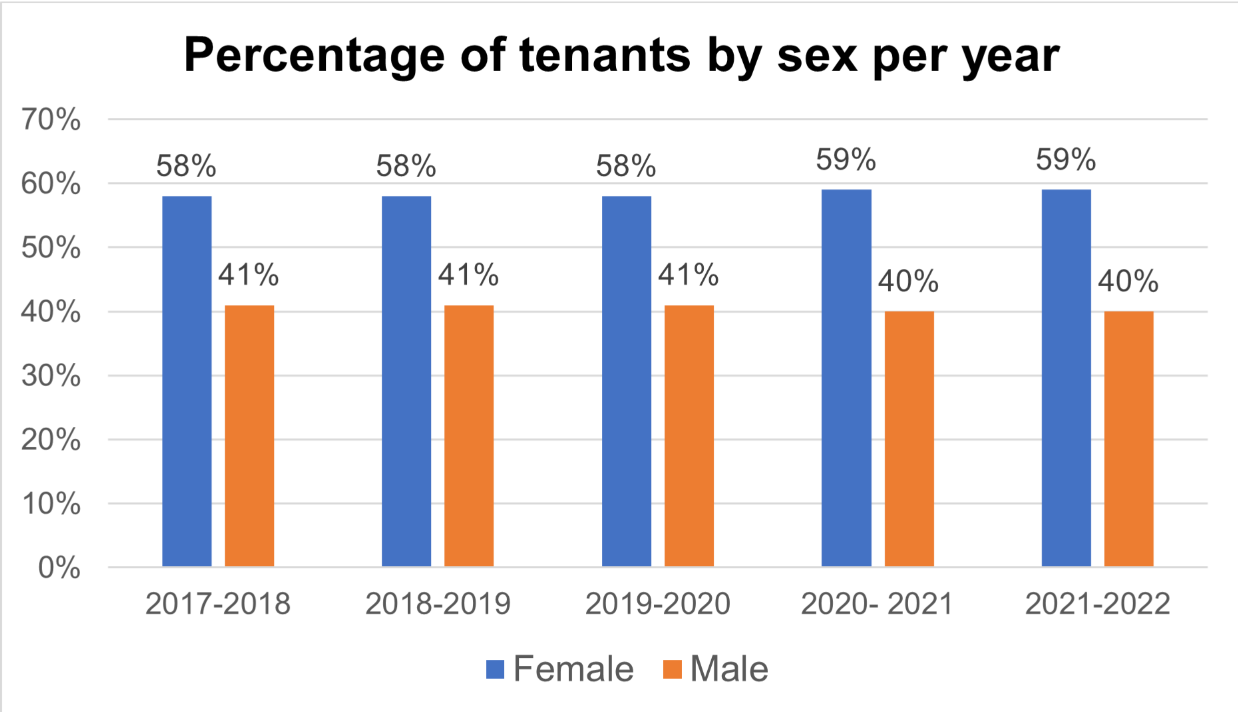
182. Previously we have provided equality information about our customers who make a complaint with the council. Our complaints process has been reviewed and we will be introducing more informative monitoring where we analyse the nature of the complaint from an equality perspective as opposed to just the equality profile of the complainant. This will go live from April 2023, as part of the upgrade to our contact management system.

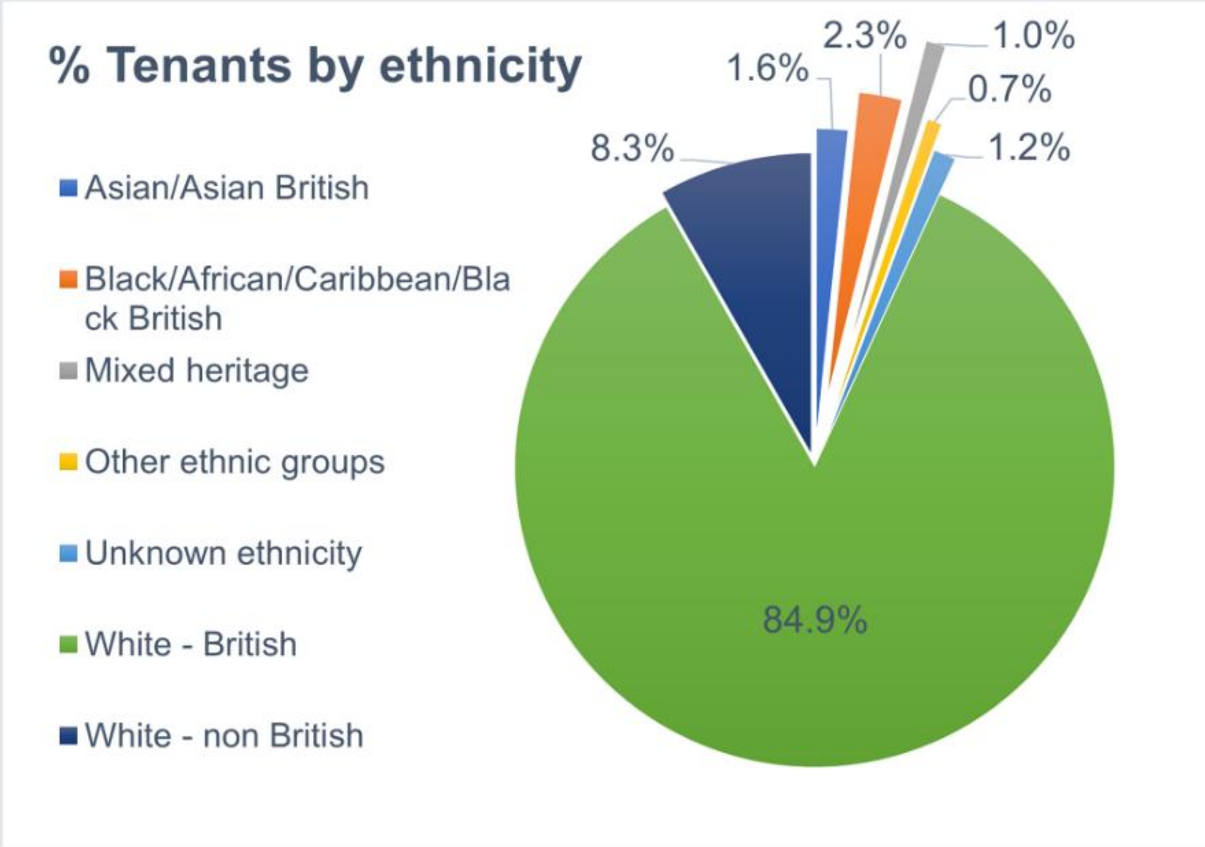
Tenant profiles

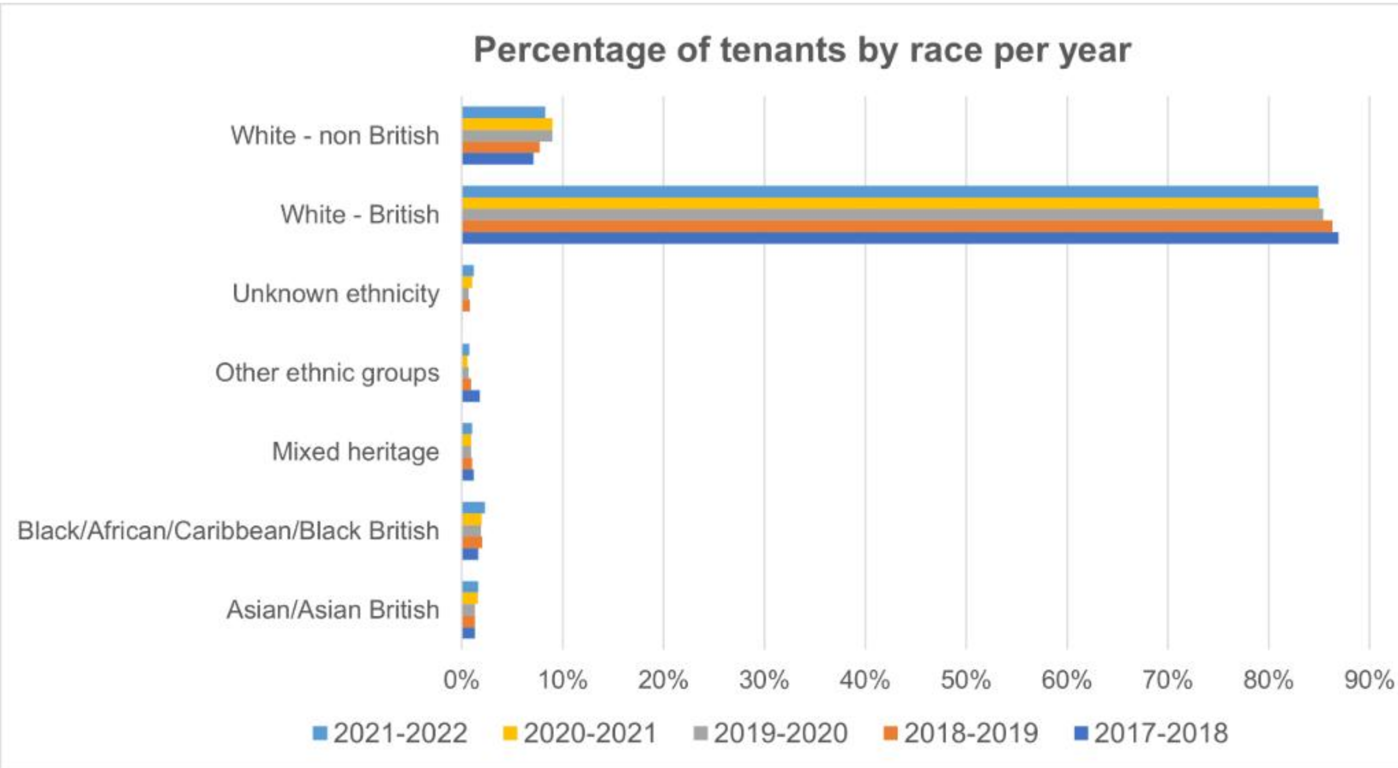
183. The tenant data in this section relates to the named Norwich City Council Tenant, and not all occupants of the household, as of 1 October 2022. The charts below show the disability levels, race, age and sex breakdowns along with the five-year trends for each characteristic.

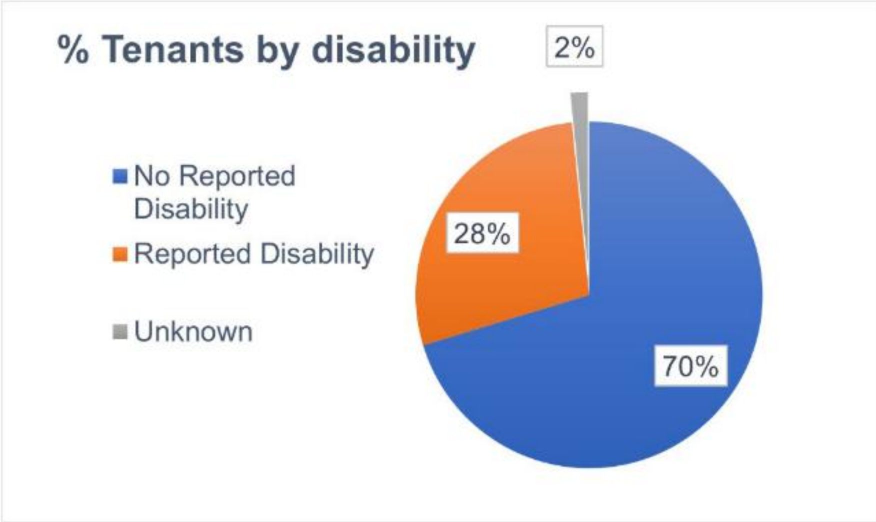
184. There has been very little change in the sex and disability profiles of our tenants over the last five years. The areas we have seen the most change in are race, with a greater diversity of tenants over time, and an increase in those aged between 35 and 64.

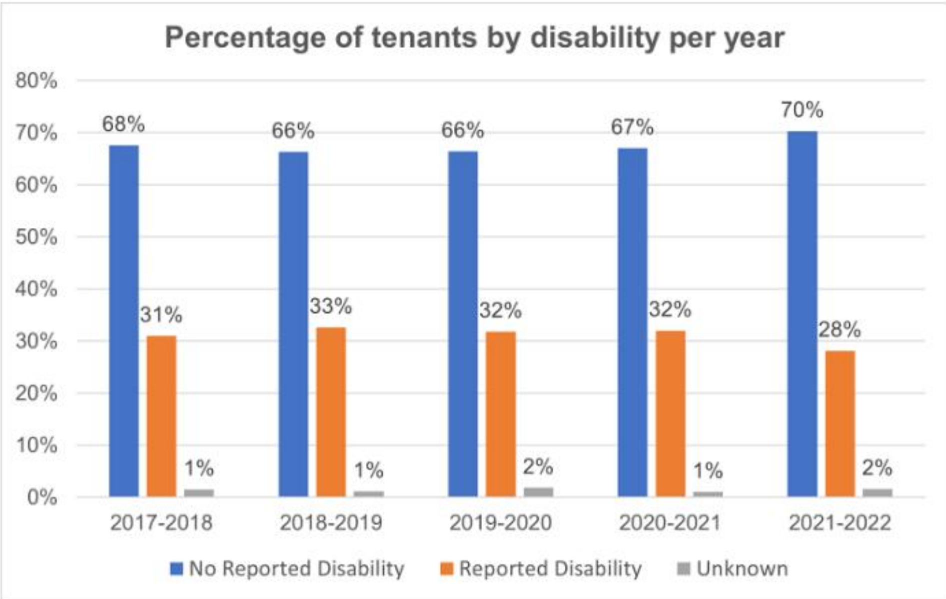

% Tenants by sex
1.36%
Female
Male
Unknown
40.04%
58.61%

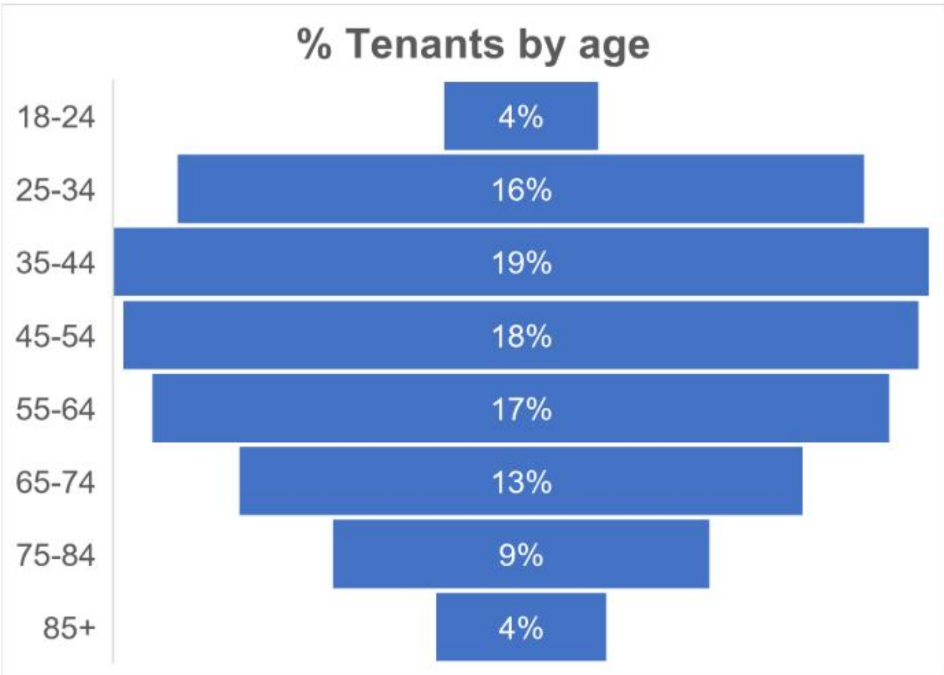

Percentage of tenants by sex per year
70%
60%
50%
40%
30%
20%
10%
0%
58%
41%
58%
41%
58%
41%
59%
40%
59%
40%
2017-2018
2018-2019
2019-2020
2020- 2021
2021-2022
Female
Male

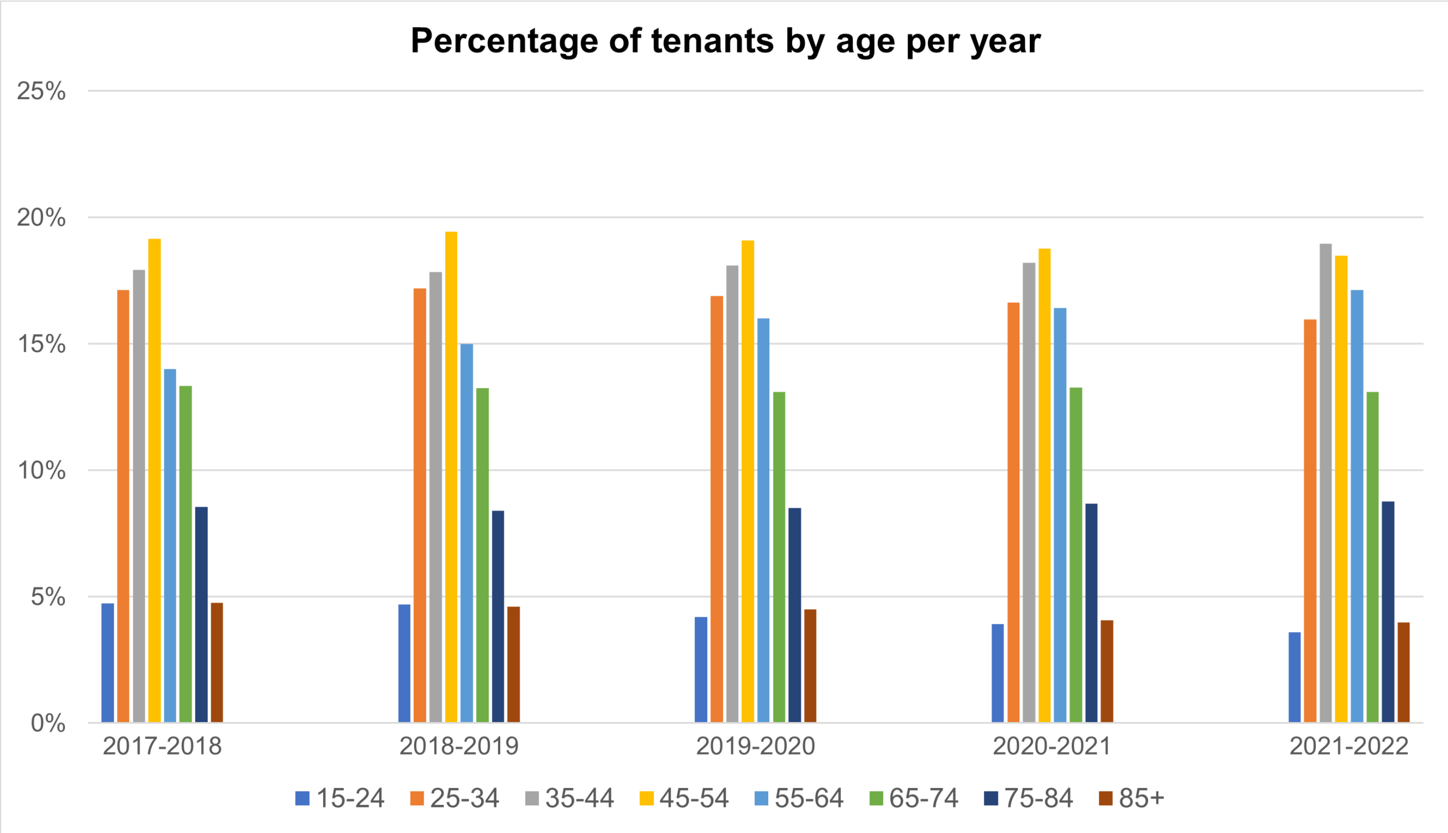

% Tenants by ethnicity
Asian/Asian British
Black/African/Caribbean/Black British
Mixed heritage
Other ethnic groups
Unknown ethnicity
White - British
White - non British
8.3%
1.6%
2.3%
1.0%
0.7%
1.2%
84.9%


Percentage of tenants by race per year
White - non British
White - British
Unknown ethnicity
Other ethnic groups
Mixed heritage
Black/African/Caribbean/Black British
Asian/Asian British
0%
10%
20%
30%
40%
50%
60%
70%
80%
90%
2021-2022
2020-2021
2019-2020
2018-2019
2017-2018


% Tenants by disability
No Reported Disability
Reported Disability
Unknown
2%
28%
70%


Percentage of tenants by disability per year
80%
70%
60%
50%
40%
30%
20%
10%
0%
68%
31%
1%
66%
33%
1%
66%
32%
2%
67%
32%
1%
70%
28%
2%
2017-2018
2018-2019
2019-2020
2020-2021
2021-2022
No Reported Disability
Reported Disability
Unknown


% Tenants by age
18-24
4%
25-34
16%
35-44
19%
45-54
18%
55-64
17%
65-74
13%
75-84
9%
85+
4%



Employees

Profiles

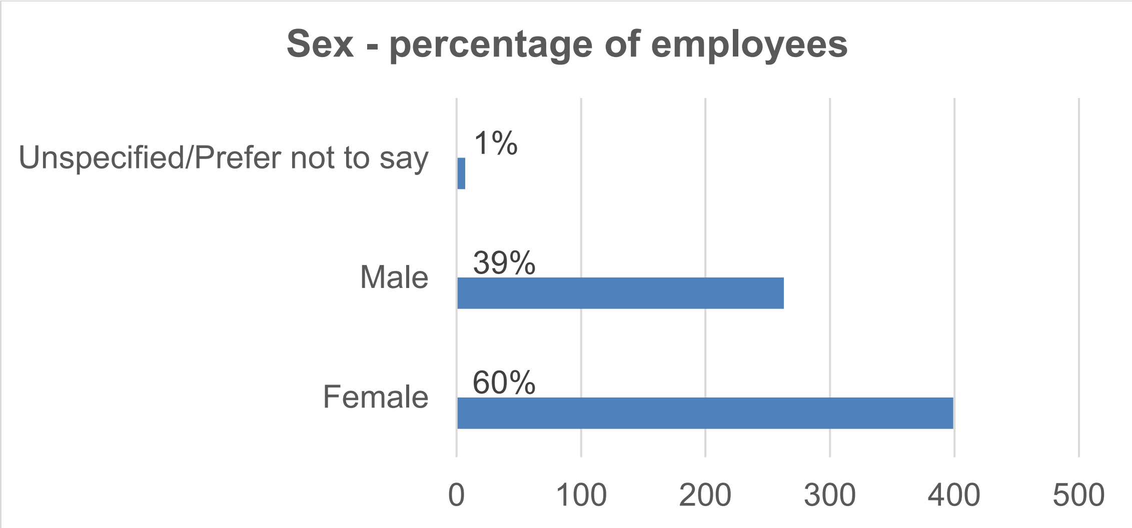
185. The diversity figures in this report are based on a headcount of a total of 669 employees as at 31 March 2022 and are taken from Norwich City Council's Human Resources system. Employees who are not paid directly by Norwich City Council are not included in the analysis, nor are agency workers/contractors.

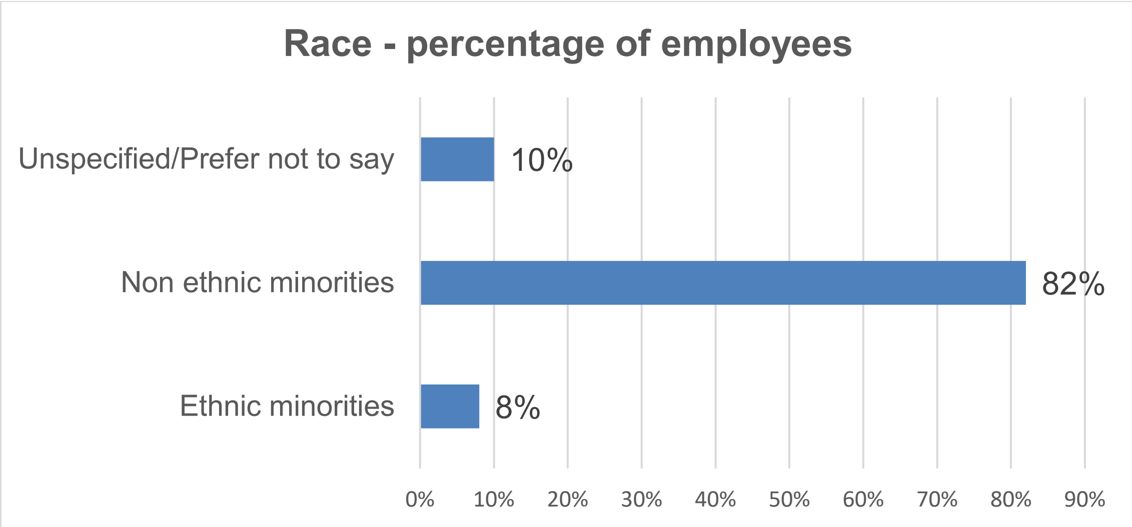
186. Norwich City Council's aim is for the workforce to reflect the percentage of the local community who are economically active, from an ethnic minority, who have a disability and match the gender imbalance.

187. The table below shows the overall declaration rates for each reported characteristic as of 31 March 2022.

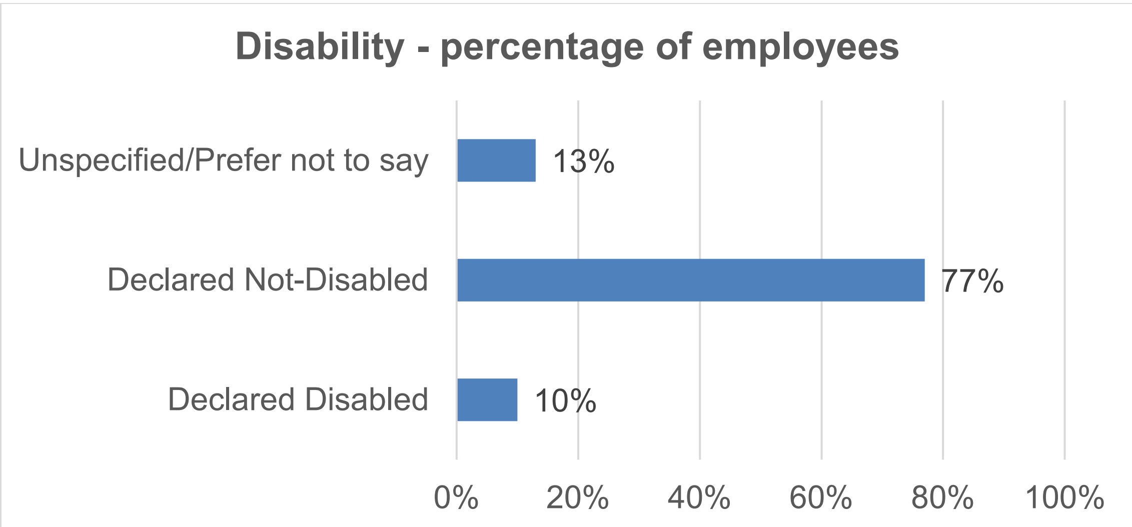
Protected Characteristic	Proportion %	Number of employees
Gender	99%	662
Ethnicity	91%	607
Disability	86%	578
Working Pattern	100%	669
Sexual Orientation	41%	274
Age	100%	669

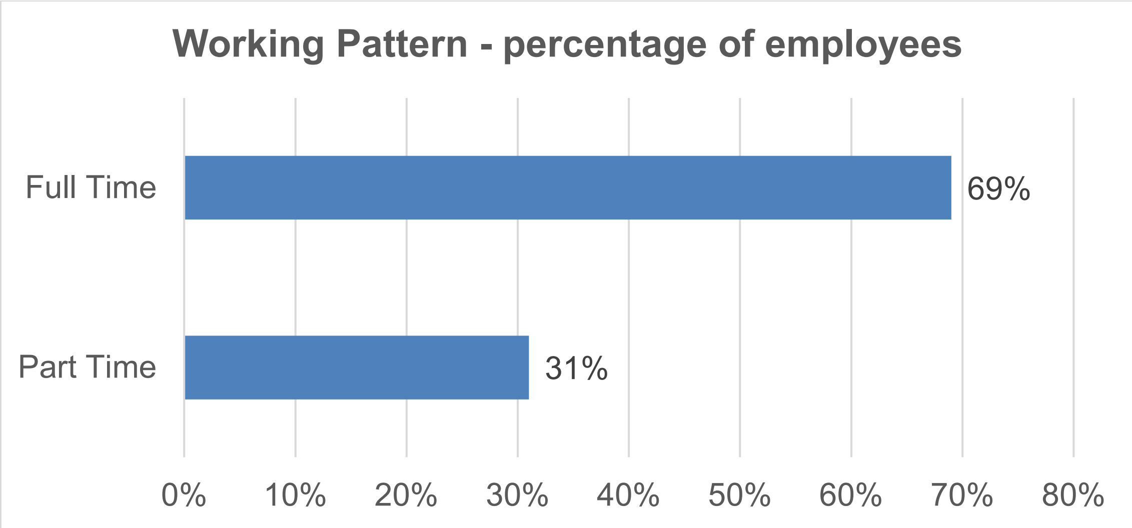
188. The data presented below shows Norwich City Council's workforce by protected characteristic as at 31 March 2022. Workforce composition by sex, race, disability, working pattern, sexual orientation, and age.

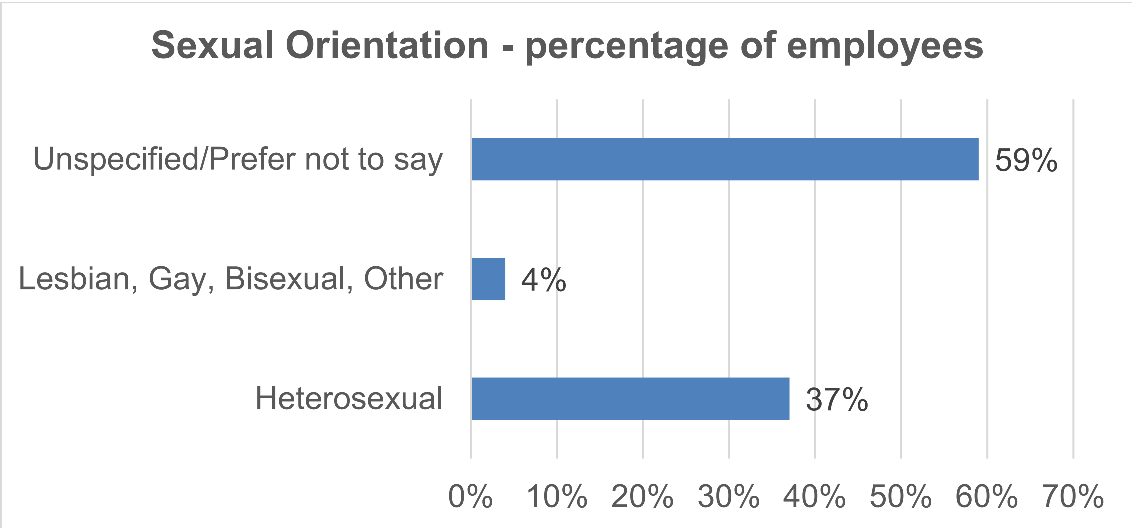


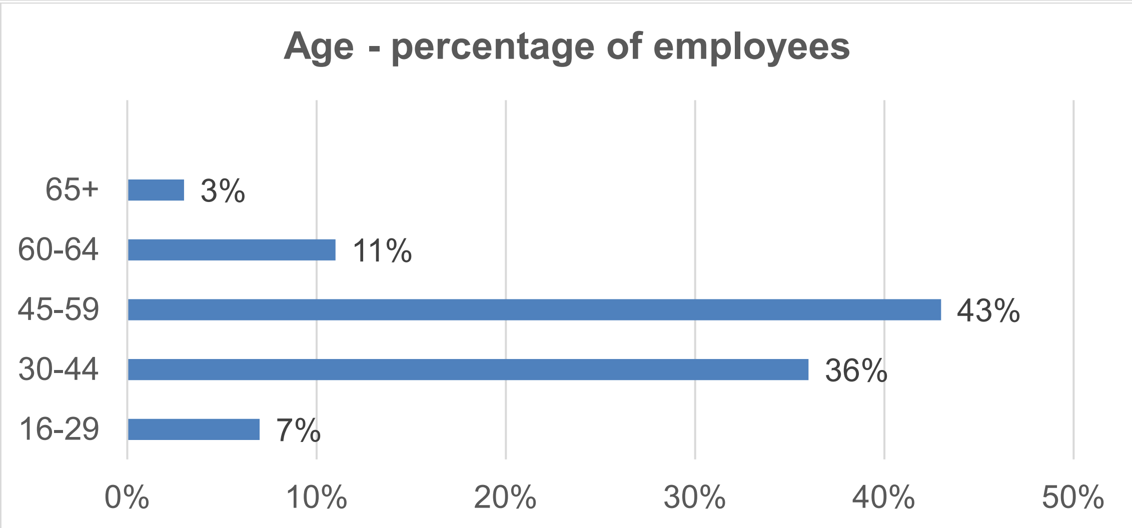


Please note that the data for race has not been broken down into ethnic groups as it is not appropriate to publish the datasets which are based on fewer than ten employees and the lower number poses a threat to employee confidentiality.

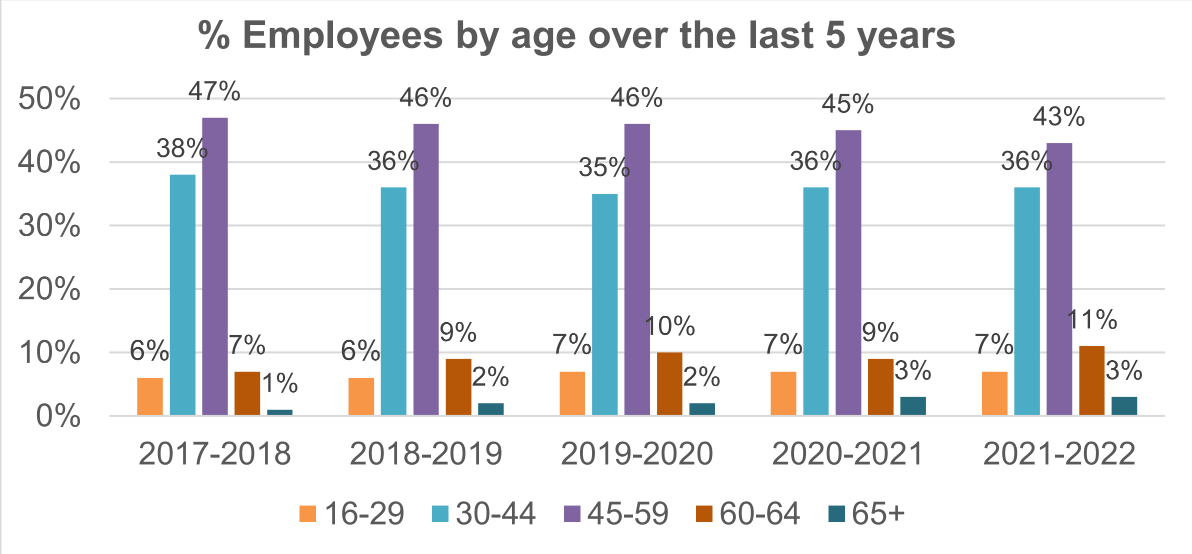


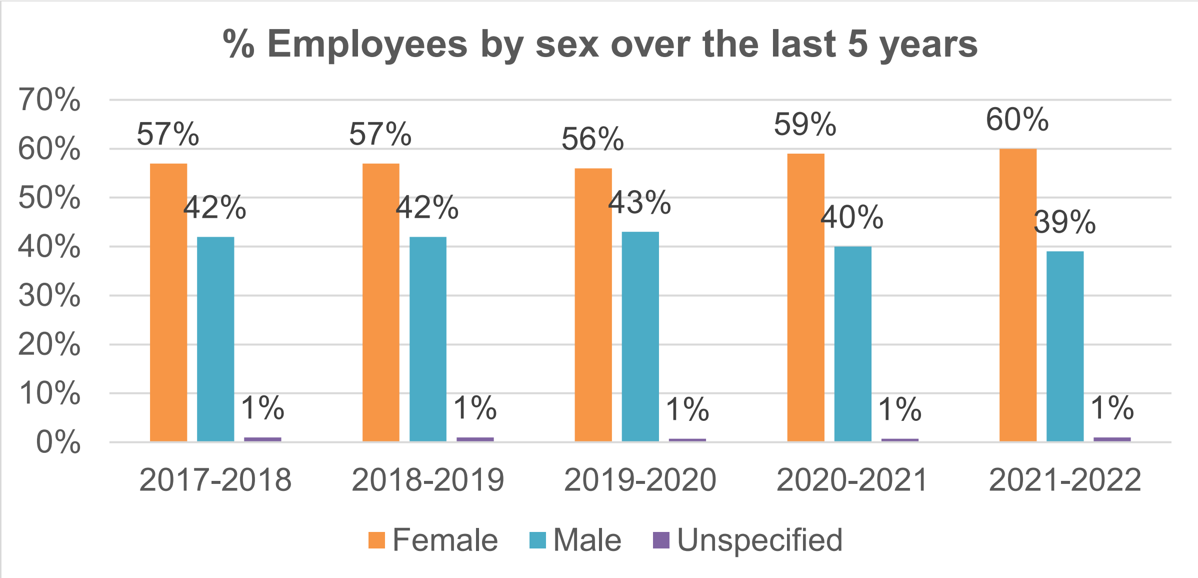


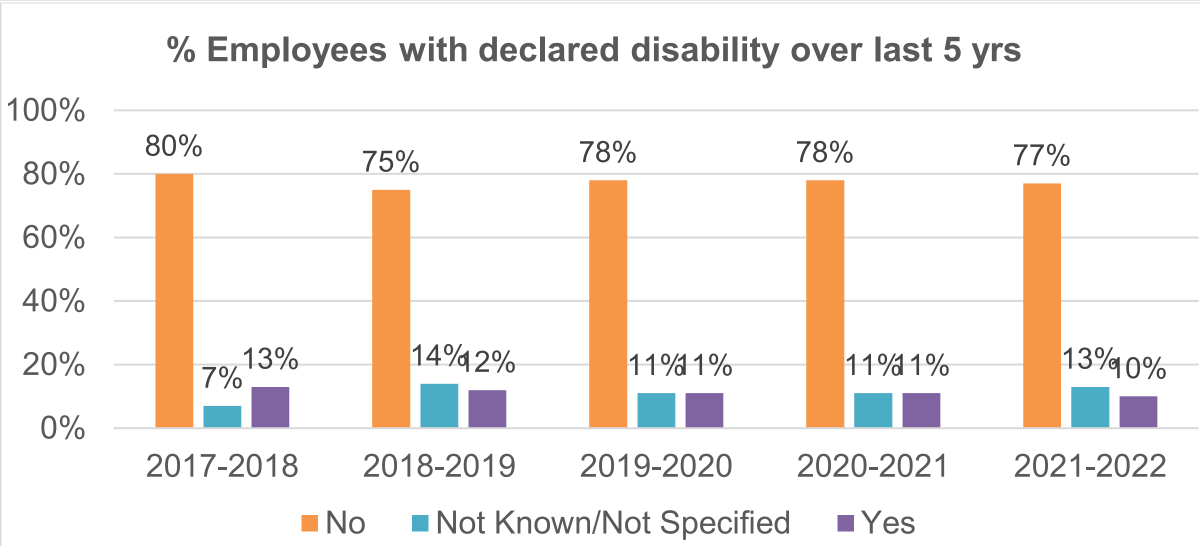




189. The tables below show there has been very little change in the age, sex and disability profiles of our employees over the last five years.


% Employees by age over the last 5 years
50%
40%
30%
20%
10%
0%
47%
38%
6%
7%
1%
46%
36%
6%
9%
2%
46%
35%
7%
10%
2%
45%
36%
7%
9%
3%
43%
36%
7%
11%
3%
2017-2018
2018-2019
2019-2020
2020-2021
2021-2022
16-29
30-44
45-59
60-64
65+


% Employees by sex over the last 5 years
70%
60%
50%
40%
30%
20%
10%
0%
57%
42%
1%
57%
42%
1%
56%
43%
1%
59%
40%
1%
60%
39%
1%
2017-2018
2018-2019
2019-2020
2020-2021
2021-2022
Female
Male
Unspecified


% Employees with declared disability over last 5 yrs
100%
80%
60%
40%
20%
0%
80%
7%
13%
75%
14%
12%
78%
11%
11%
78%
11%
11%
77%
13%
10%
2017-2018
2018-2019
2019-2020
2020-2021
2021-2022
No
Not Known/Not Specified
Yes

190. Whilst the data for race is too few to publish the dataset, overall there has been a positive direction of travel over the past year. Data shows that the ethnic diversity of the workforce rose to 8.3% for Norwich City Council compared to 3.1% in December 2020.

191. The data for disciplinary, grievance, leavers and promotions for the year 2021/22 is not appropriate to publish as the datasets are based on fewer than ten employees and the lower number poses a threat to employee confidentiality.

Recruitment

192. We have sought to continue to attract, retain and develop diverse talent through recruitment strategies, using social media and employee. Our recruitment practice is inclusive, ensuring adverts are checked for language and include positive statements. All are open to reasonable adjustments to support the recruitment process.

193. The data in the table below shows the numbers of applicants at different stages of the recruitment process between 1 April 2021 and 31 March 2022. All aspects of the recruitment process are reported in relation to each of the following characteristics: race, disability and sex. During the period 1 April 2021 and 31 March 2022 there were a total of 1,104 applicants for Norwich City Council vacancies. 701 were shortlisted for interview and 275 were successful at interview.

Characteristic	Applicants	Shortlisted	Offered
Ethnicity			
White	806	508	210
Non-white	259	173	58
Unknown/declined to answer	39	20	7
Gender			
Female	567	390	117
Male	526	311	98
Unknown/declined to answer	11	0	0
Disability			
Disabled	86	58	23
Non-disabled	946	603	230
Unknown/declined to answer	72	40	22
Totals	1104	701	275

194. We have created a menopause sub-group which offers a safe place of support, information and a place to talk and share experience. UNISON is supportive of this and is also arranging events to co-inside.

195. The Covid-19 pandemic forced our culture to change rapidly with an unexpected and first-time move to mass home working. A hybrid working policy was developed during this year and went live in April 2022. A hybrid working approach allows colleagues flexibility of some home working whilst attending the office

according to business and personal requirements. We ensure that colleagues who require workplace adjustments are fully supported as hybrid workers and equipment is provided if appropriate.

196. In the majority of our service areas we operate flexible working to carryout duties during a range of hours. We offer a variety of flexible working arrangements, enabling eligible employees to apply to change the way they work. This includes the ability to apply for any position on a full or part time basis. We are also open to requests for term time or annualized hours or compressed working hours.

Gender pay gap

197. Our latest gender pay gap was published 31 March 2022 for the year 1 April 2020 to 31 March 2021. In line with the statutory requirements, the report for Norwich City Council's Gender Pay Gap for 31 March 2022 is due to be reported by 31 March 2023. This will be made available on Norwich City Council website and Gov.uk at https://gender-pay-gap.service.gov.uk/Employer/Htd24kAF

Data sources

Local statistics - Office for National Statistics (ons.gov.uk)

Census - Office for National Statistics (ons.gov.uk)

Sexual orientation, England and Wales - Office for National Statistics (ons.gov.uk)

Norfolk Insight - Demographics and Statistics - Data Observatory

Citizens Advice cost of living data dashboard

Useful links

Community safety in Norwich

Community support | Norwich City Council

Cost of living support in Norwich

Equality Act 2010

Get Talking Norwich

Greater Norwich Homelessness Strategy 2020-2025

LUMi - community portal

Norwich 2040 City Vision

Norwich City Council Corporate Plan 2022-2026

Norwich Economic Strategy 2019-2024

Norwich Good Economy Commission

Norwich Food Network

Norwich Food Poverty Action Plan

Norwich Monthly Economic Barometer

Norwich Town Deal

Public Sector Equality Duty

NORWICH
City Council

Item 9

Committee name: Cabinet

Committee date: 08/02/2023

Report title: Greater Norwich Joint Five-Year Infrastructure Investment Plan

Portfolio: Councillor Waters, Leader of the council

Report from: Executive director of development and city services

Wards: All Wards

OPEN PUBLIC ITEM

KEY DECISION

Purpose

To consider the draft Greater Norwich Joint Five-Year Infrastructure Investment Plan.

Recommendation:

It is recommended that Cabinet agree:

(i) the introduction of two new categories to the Infrastructure Investment Fund - Match Funding and Major Infrastructure Projects (see paras 9-11 and appendix A)

(ii) that education funding allocations from the Infrastructure Investment Fund be used in whole or in part to repay Norfolk County Council's borrowing, on condition that it is used to support the delivery of a Schools Capital Programme that is ringfenced to the Greater Norwich area, and that annual programme delivery and budget updates are reported to the Greater Norwich Growth Board. (see paras 12-13 and appendix A)

(iii) in relation to borrowing for the Long Stratton bypass

a. to the signing of a deed of variation to the agreement entitled "Partner Draw down and Borrowing Authorisations", that was originally signed by all Greater Norwich Growth Board partners on 21st October 2015. (see paras 14-19 and appendix A).

b. to enter into a draft loan agreement for the draw-down of £10m through the Greater Norwich City Deal with authority for the s151 officer, in consultation with the portfolio holder for resources, to agree the terms of the agreement on behalf of the Council.

c. to agree (subject to recommendation iii(a&b) for the Greater Norwich Growth Board 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 appendix A)

(iv) (Subject to agreement of recommendations (i)-(iii)) the Draft Five Year Infrastructure Investment Plan 2023-28 (see appendix B), which includes the proposed 2023/24 Annual Growth Programme and note that approval to allocate funding for the following two projects in Norwich is subject to the approval of a future amendment to the Council's capital programme:

- Sloughbottom Park Regeneration
- Guildhall Hill and Exchange Street Regeneration

Policy framework

The council has five corporate priorities, which are:

- People live independently and well in a diverse and safe city.
- Norwich is a sustainable and healthy city.
- Norwich has the infrastructure and housing it needs to be a successful city.
- The city has an inclusive economy in which residents have equal opportunity to flourish.
- Norwich City Council is in good shape to serve the city.

This report serves the first four priorities and especially to provide the infrastructure and housing Norwich needs to be a successful city.

This report helps to meet the strategic planning policies in the Joint Core Strategy.

This report helps to meet objectives of the COVID-19 Recovery Plan that relate to:

- Business and the local economy
- Housing, regeneration and development
- Arts, culture and heritage

Report details

Background

1 In 2013 the Greater Norwich authorities (Broadland District Council, Norwich City Council, South Norfolk Council and Norfolk County Council) together with the New Anglia Local Enterprise Partnership, signed a City Deal with Government. The City Deal agreed a strategic infrastructure programme which would be supported by access to reduced cost borrowing and the local authorities made a commitment to pool a significant proportion of Community Infrastructure Levy (CIL) income to form an Infrastructure Investment Fund (IIF).

2 The Greater Norwich Growth Board (GNGB) has responsibility for managing the IIF and assembling the Annual Growth Programme (AGP) from the Joint Five-Year Infrastructure Investment Plan.

3 The GNGB agreed at its meeting on 24 March 2016 to produce an annual Joint Five Year Infrastructure Investment Plan (the proposed draft Plan of 2023-28 is attached as Appendix B). The Plan is prepared to provide a longer term, more strategic context for infrastructure decision making as well as eliminating the need to approve individual projects at partner Cabinets and Councils more than once a year. (Subject to the GNGB not recommending any substantial changes to the Programme).

4 The projects identified within the Plan are those currently considered to be a priority for delivery to assist in achieving the economic growth targets as set out in the Joint Core Strategy and the Greater Norwich City Deal; one of the key strands of the City Deal was the delivery of an infrastructure programme facilitated by a pooled funding arrangement between the Authorities

5 Income received from the CIL is pooled within the IIF and allocated to infrastructure projects forming the Greater Norwich Growth Programme, which is administered by the GNGB.

6 The new projects which have been recommended to receive IIF funding during the forthcoming financial year (the first of the planned five years) are proposed to be adopted as the 2023/24 AGP.

7 The Plan provides an update of the financial status of the IIF and therefore is an important evidence base to support decision making for new allocations. It also includes information which each charging authority is legally required to report on CIL spend on an annual basis.

8 As the IIF has matured, the scope of how the fund supports the delivery of infrastructure within the Plan has broadened. This has led to changes that require pre-approval (recommendations i-iii), which are further detailed within Appendix A.

Introduction of two new categories to the fund

9 Under current procedures, projects can only be allocated funding from the IIF if they are deliverable and they can only apply for funding within one annual round of project applications. This requirement for projects to be ‘shovel ready’ has ensured the stability and success of the IIF, however it has also created limitations with supporting key strategic pieces of major

infrastructure. Major infrastructure and regeneration projects take many years to progress, which makes them currently ineligible for early application to the IIF.

10 It is proposed that two new categories should be added to the IIF processes of allocation; Major Infrastructure Projects and Match Funding. This will enable some large strategic projects to have IIF earmarked to their delivery in the medium to long term.

11 Further details about how this will work in practice are included within appendix A.

Change to the way allocations for Education projects are spent

12 On 6th October 2022, the GNGB received an update regarding the delivery of Norfolk Children's Services Education Capital Programme. During the meeting, it was reported that to safeguard the medium to long term school capital programme, Norfolk County Council (NCC) has underwritten any future shortfall of funding with a commitment to borrow where required. To support their decision, NCC requested a change to the way that future allocations are made from the IIF, seeking the flexibility for them to be used in whole or in part to repay NCC's own borrowing. This proposal requires a commitment to be made to an Education Capital Programme that is ringfenced to Greater Norwich, instead of individual projects. This will allow for it to be used to repay NCC's borrowing with any remaining balance to be invested directly into a specified capital project.

13 Further details are included within appendix A.

Next tranche of City Deal borrowing – signing a deed of variation

14 £10m of CIL supported borrowing was allocated to Long Stratton Bypass (LSBP) through the Greater Norwich City Deal agreement which was signed with Government in December 2013. This gave the GNGB access to lower-cost borrowing from the Public Works Loan Board (PWLB).

15 In last year's version of the Plan, each Greater Norwich CIL receipting authority (including the City Council) agreed a draft legal loan agreement and for the GNGB to be granted delegated authority to sign the final legal loan agreement for the LSBP loan draw down, together with their s151 officer's and under the direction of Norfolk County Council as the Accountable Body. As agreed within the signed Joint Working Agreement, a unanimous decision will be required from all GNGB members (the Council Leaders) prior to the signing and the draw down being actioned.

16 When the City Council's cabinet considered this matter on 23rd February 2022 as part of approving the Plan, the amount of borrowing required was expected to be £6.733m. On 6th October 2022, following the review of a project change request, the GNGB unanimously agreed for the City Deal borrowing to support the delivery of LSBP to be increased to £10m, the full amount allocated within the City Deal Document.

17 The legal agreement that will support this loan is intended to be added as 'schedule 2' to the original legal agreement which confirmed the GNGB partner draw down and borrowing authorisations that was signed by all partners on 21st October 2015.

18 Nplaw have advised that it is not clear that additional loans can be added to schedule 2 of the 2015 agreement. To avoid any doubt, they have advised that a minor amendment should be made to the original 2015 agreement, which once signed by all partners will enable the agreed LSBP loan to be added.

19 More details and the draft deed of variation are contained in appendix A to this report.

Draft Five Year Infrastructure Investment Plan 2023-28 (the Plan – see appendix B to this report)

20 The Plan incorporates the updated position on infrastructure delivery, includes revised CIL income forecasts, provides updates on projects accepted within previous AGPs and outlines planned preparatory work for infrastructure schemes for future years.

21 Appendix A within the Plan details the projects which are being proposed within the 2023/24 Annual Growth Programme (AGP) to receive IIF funding to support their delivery, starting in the forthcoming financial year.

22 Appendix B within the Plan provides a financial overview and delivery timeframe for each project which has been allocated funding from the IIF since its establishment. This is referred to as the Full Growth Programme with all projects listed by their Growth Programme (GP) number. The format of this table has been adjusted this year to ensure it is accessible to all readers. The table is supported by a map as Appendix C within the Plan which shows the geographical location of the agreed projects, coloured in accordance with the infrastructure thematic group.

23 Appendix D within the Plan provides delivery updates for projects that have received funding in previous years and are currently underway. The number of projects included within this section of the Plan has greatly increased in recent years, so the map also aims to complement this section by offering a more visual understanding of where the projects are located, and how they support the Greater Norwich growth areas.

24 If the Plan is approved through the political decision-making processes in the Greater Norwich partner authorities, the Plan along with the confirmed AGP 23/24 will then return to the GNGB at their meeting on 30 March 2023 for final agreement and commitment of funds.

23/24 Annual Growth Programme (AGP)

25 The GNGB meeting on 15th December 2022 agreed which projects are to be put forward as the 2023/24 AGP. As a result, 9 projects totaling £10,652,243 have been identified to be supported through the IIF. Please see the below table for a breakdown of each project.

Project Name	Applicant	Amount of CIL requested	Total project size
Youngs Park, Aylsham – 3G AGP	Broadland	£ 250,000	£ 900,000
Hethersett to NRP Cycle Route	County	£ 501,015	£ 728,015
Venta Icenorum	South Norfolk	£ 153,128	£ 155,628
Queens Hills Community Park	South Norfolk	£ 133,552	£ 153,552
Cringleford Country Park	South Norfolk	£ 468,000	£ 798,000
Easton Village Hall	South Norfolk	£ 505,000	£ 1,505,204
Sloughbottom Park Regeneration	Norwich	£ 850,000	£ 8,512,025
Guildhall & Exchange Street Regeneration	Norwich	£ 2,771,548	£ 5,894,000
Hethel Technology Park	South Norfolk	£ 5,000,000	£ 8,218,900
Total	N/A	£ **10,632,243**	£ **26,865,324**

26 In addition, Education will receive £2.5million to support the delivery of their capital programme within Greater Norwich.

27 £4m is allocated to the IIF reserves as Match Funding. This is for major projects that require match to lever in additional, more substantial amounts of funding from central government. The GNGB will act with delegated authority from districts to allocate this match funding to eligible projects throughout the year. Projects will require a unanimous decision from all GNGB members before this funding can be allocated, as required within the GNGB Joint Working Agreement which was signed by all partners in 2014. The GNGB will monitor the match funding allocation and provide an update report in future versions of this Plan.

28 Approximately £2m from the IIF is committed to projects that that have a delivery programme spanning multiple years, some of which were agreed in previous AGPs.

Projects to be included within Norwich City Council capital programme 23/24

29 Of the nine new projects recommended, two are within Norwich City Council's area. These were both included in the Levelling Up Fund application package submitted to central government (following approval by Cabinet on 8 June 2022). They would to be supported by £3,621,548 CIL funding from the IIF.

30 The Department of Levelling Up, Housing and Communities (DLUHC) announced the list of projects that had been successful in securing

Levelling Up Funding on Thursday 19th January. Unfortunately, neither of the two projects promoted for Norwich were successful.

31 There are currently two options available for the projects. They can either withdraw from the Greater Norwich Growth Programme or they can seek to remain within it. If the projects are withdrawn from the programme, any commitment from the Greater Norwich Growth Board to provide funding would be lost and the projects would need to wait to reapply for inclusion in a future Annual Growth Programme.

32 Feedback from DLUHC on the bids is currently awaited along with details of the likely timing and eligibility criteria for future bidding rounds. Furthermore, there has been no opportunity to explore possible alternative routes to delivery and funding sources.

33 It is therefore considered premature to seek to withdraw these schemes from the growth programme. Both projects have progressed through the IIF appraisal process prior to inclusion within this Plan. The projects have been identified as having strong strategic need and are set to deliver infrastructure that adheres to CIL legislation, meets the rules of the IIF and supports planned growth in Greater Norwich.

34 If the projects remain within the 23/24 Annual Growth programme, the GNGB would have delegated authority to oversee the delivery of the projects. They would do so in accordance with the agreed and established governance process and IIF fund rules. Any deviations from the project budget and programme as agreed in the 5YIIP would follow the established project change request process. Due to the size of these projects, changes would be considered by the GNGB at a public meeting and a unanimous agreement by all partners would be required. A rescoped budget and programme would need to be evidenced and agreed prior to any drawdown from the fund.

35 It is not unusual for projects within the Greater Norwich Growth Programme to experience changes to their budget, programme or scope. There is a well-established Change Request Process through the GNGB and Infrastructure Delivery Board to manage this.

36 It is therefore proposed that at this stage both projects be retained in the 5YIIP. However, they will not be included in the Council's capital programme budget for next year at this stage, as the Council's potential funding commitment at this stage is uncertain whilst other avenues are explored. It is the intention to amend the Capital programme if necessary once this work is complete.

37 A summary of each of the projects is provided below for information.

Guildhall Hill and Exchange Street

38 This is a major project to create a public space destination in the civic heart of Norwich between the Guildhall, Jarrold Department Store and the Market that would be connected to the north of the city centre via a rejuvenated Exchange Street. The improved public space would support and encourage more intensive use of nearby retail and commercial space and feature the following main changes:

- Reinforcing freedom of movement for pedestrians to walk along and across

Exchange Street and supporting the recently agreed traffic restrictions by widening and paving the footway, elevating the asphalt carriageway close to footway level and introducing permanent street furniture so people can sit outside and enjoy their surroundings, including at the popular cafes which have benefited from the temporary arrangements introduced during the pandemic.

- Enabling cyclists to ride up to the Market Place on Exchange Street as well as continuing to ride down to St Andrews Street. Cycle parking would be provided so people can conveniently do their shopping or visit cafes and restaurants by bike.
- A new taxi rank would be created in a well-lit and level location between City Hall and the Forum close to the corner of St Peter's Street and Bethel Street, which is the permitted access loop for traffic following the closure of Exchange Street, which includes taxis.
- Creating an attractive and generous seating and planted area below the Guildhall where the taxi rank currently lies. The demand is demonstrated by the people that crowd into Memorial Gardens to chat and eat throughout the day. The arrangement of seating and planting would open and frame pedestrian routes that are currently blocked by parked and manoeuvring taxis. Access to parking for disabled motorists and commercial loading for the Market and business premises on Guildhall Hill would remain.

39 The project is part of the Connecting the Norwich Lanes programme, which is led by Norfolk County Council. The Lanes is an award-winning cluster of mutually supportive independent businesses that trade within the intricate weave of characterful medieval streets between the Market Place and the River Wensum. The experience of walking, browsing and being sociable is intrinsic to its success and to people's enjoyment of the area. Over the years vehicles have been moved out of its narrowest streets but traffic remains a barrier and a blight in some streets such as Exchange Street and St Andrews Street.

40 Norfolk County Council have assessed the project using the Department for Transport's Active Mode Appraisal Tool. Over thirty thousand pedestrians were recorded crossing the junction at the bottom of Guildhall Hill near Jarrold on 30 May 2022 and this huge number of project beneficiaries combined with improvements to congestion, air quality, greenhouse gases, physical and mental wellbeing, journey ambience, amount to £31.8m of monetised benefit and a benefit cost ratio of 7.89, which is considered very high value for money.

41 Thorough consultation, detailed design and political approval will be required before the project can be implemented.

Sloughbottom Park Regeneration

42 This project is adjacent to the former Mile Cross depot site which is in the process of being redeveloped to add additional housing to the area (circa 200 homes). The project will add important physical activity infrastructure within the location as well as improved access to the city centre via Marriot's way.

43 The project will deliver a linked set of new community facilities, including:

- A new 3G football pitch which can be used year-round
- League-standard changing facilities, including an administration office.
- Multi-purpose Pavilion and café - the existing pavilion will be rebuilt as a more suitable multi-purpose community facility. It will include an information hub and classroom for the Norfolk Wildlife Trust, a space for the BMX club to run British Cycling sessions and Norfolk County FA to run coaching and educational sessions. It will also be available for public booking.
- Play Park: the play area will be upgraded with more inclusive playground equipment and improved surfacing.
- The BMX track will be refurbished, bringing it up to national standards. Portable floodlights will facilitate year-round use.
- Upgraded modular storage facilities at the BMX track, to be shared with the Norfolk Wildlife Trust.
- Carpark, paths, signage and lighting will be upgraded to improve safety and accessibility
- Cycle Highway connections: upgrades to the vital 450m 'Dolphin Path' cycle path which connects the Mile Cross area into the city via National Cycle Route 1 (Marriott's Way) will include improvements to lighting, path widening, replacement of boundary fencing and installation of two bike repair stations at Sloughbottom Park.

44 The full project is a levelling up fund application for the North Norwich constituency. The specific elements within this project that are within the AGP include the 3G pitch and changing rooms which are highlighted in the GNIP and the upgrade to Dolphin Path, which is part of the orange pedal way and intersects with Marriott's Way. This aspect of the project forms a match fund for the full LUF application.

Neighbourhood Community Infrastructure Levy

45 15% of overall CIL receipts in Norwich City Council's area are retained within the district for allocation to community projects. This is called neighbourhood CIL. Based on process changes previously approved by Cabinet, Cabinet is provided annually with an indicative figure of expected costs to enable a budget to be set based on expected general allocations. Decisions on spending are made during the year by a cross-council board based on the scoring criteria that were previously agreed by Cabinet.

46 In 2022/23, £275,000 of neighbourhood CIL was available for new projects. Of this amount 68% is forecast to be spent by the end of 2022/23 on the following projects:

- Volunteer it yourself programme to upskill young people whilst improving community assets
- Mile Cross skills share hub
- Good economy commission
- Match funding pot for Pledge Norwich
- Reducing inequalities provision for staff costs

47 Projects currently agreed and allocated from the CIL funds in previous years are monitored in the capital programme separately to this report.

48 As of 31 January 2023 (taking into account upcoming 22/23 year-end allocations - currently budgeted at £280k) there was £0.752m of neighbourhood CIL funding available to be allocated. Approval is sought to assign £335,000 into the capital programme for 2023/24 for a combination of projects that have already been identified and projects which present during the financial year where they meet the criteria (see table below).

Project	**23/24 initial allocation**
Ringfenced allocation of funding to match community led projects up to £5,000 through a cabinet approved process – Pledge Norwich	£35,000
Main N'CIL pool - allocation of funding to support in full appropriate community supported projects which meet N'CIL criteria to be drawn on over the year	£175,000
Year two allocation for VIY partnership project delivery	£125,000

Consultation

49 There has been no consultation on the content of the Plan itself. Project sponsors are responsible for ensuring consultation takes place on individual projects.

Implications

Financial and resources

50 Any decision to reduce or increase resources or alternatively increase income must be made within the context of the council's stated priorities, as set out in its Corporate Plan 2022-26 and budget.

51 The financial status of the IIF is explained within the Plan.

52 The Greater Norwich Growth Programme requires continuous monitoring and reporting which will be undertaken by the existing resource of the Greater Norwich Projects Team.

53 The governance arrangements for the two City Council projects that are due to receive IIF funds would be part of the Levelling Up Fund programme that shares governance arrangements with the Towns Fund programme.

54 A budget of £335,000 has been included within the proposed 2023/24 general fund capital programme in respect of neighbourhood CIL, which is due to be considered by Cabinet and Council on 8th and 21st February 2023 respectively.

55 As it has become apparent that Levelling Up Funding will not be available for the schemes to regenerate Sloughbottom Park and Guildhall Hill and Exchange Street, budgets have not as yet been included within the proposed 2023/24 capital programme. However, delegation arrangements are in place to enable schemes funded wholly by grant where it meets the Council's aims, to be added to the capital programme with Cabinet approval.

56 Options for alternative funding sources for these projects are being reviewed and should it be secured, the addition of the budgets to the capital programme will be proposed to Cabinet during the year.

Legal

57 The IIF pooling arrangements and the designation of an Accountable Body are set out in the Joint Working Agreement which was signed on 21 October 2015 and is supported by the Infrastructure Investment Fund Programme Governance. This is agreed by all partners.

58 The proposed deed of variation is in relation to the existing 2015 signed agreement. Signing this deed will add surety to what has already been agreed. No new risks are identified.

59 There is an anticipated change from the current scheme of Community Infrastructure Levy to the proposed Infrastructure Levy scheme. The full details of this change are not yet known but will need to be considered by the GNGB. Norfolk County Council will work with the GNGB to assess any risk, but this will not be a risk to the Board because Norfolk County Council are the constituent body for all borrowing.

60 The Long Stratton Bypass loan will be drawn from the Public Works Loan Board by Norfolk County Council as the Accountable Body. This has already been agreed by the partners and no new risks are identified. Although the principle of borrowing up to £10m was agreed when the Council signed the City Deal in December 2013 a lower figure of £6.733m was included in the recommendation to Norwich City Council's Cabinet on 23rd February 2022. This figure has now increased to the original £10m. The loan will be underwritten by a legal agreement which will need to be signed by all partners. This mirrors the agreement that has already been signed when borrowing for the Broadland Northway.

61 Norfolk County Council has underwritten a loan for the schools capital programme and as such, is legally responsible for the payments. Therefore, there is no increased risk to the District Authorities.

Statutory considerations

Consideration	Details of any implications and proposed measures to address:
Equality and diversity	No specific issues arising from the funding of the Growth Programme. Individual project issues are the responsibility of the project manager and sponsor.
Health, social and economic impact	The funding of the Growth Programme is intended to contribute to the provision of infrastructure that support the development identified in the Joint Core Strategy. Individual project issues are the responsibility of the project manager and sponsor.
Crime and disorder	No specific issues arise from the funding of the Growth Programme. Individual project issues are the responsibility of the project manager and sponsor.
Children and adults safeguarding	No specific issues arise from the funding of the Growth Programme. Individual project issues are the responsibility of the project manager and sponsor.
Environmental impact	Project managers and sponsors will be required to meet their own environmental obligations. The environmental impact of the Long Stratton bypass is detailed in the documents associated with the planning application.

Risk management

Risk	Consequence	Controls required
Overrunning project cost and programme	Additional cost or lengthier programmes only carry a risk for the city council in relation to those projects within the City Council's capital programme. The Council would be obliged to either curtail the scope of the projects or obtain additional funds.	The risks related to project cost and delivery remain with the project manager and sponsor and for City Council projects would be covered by existing thorough governance and programme management arrangements. New projects in the IIF are asked to sign an IIF funding offer letter to cover any additional project specific risks subject to specific conditions. Funding is also drawn in arears from the IIF.
Lack of funds within the IIF to make interest and loan repayments in the medium to long term	If the mitigating measure were insufficient the City Council would be obliged to provide a share of the funds to repay the borrowing on the Long Stratton Bypass as it is already obliged to do in relation to the Broadland Northway.	This risk is alleviated by the agreed monitoring and reporting processes that the GNGB adhere to. The Plan provides an annual financial update, any new allocations are only agreed when all existing commitments are considered. It was agreed by each partner s151 officer that a reserve equal to one annual loan repayment was required to be kept in reserves as a safeguard. A £2m cash reserve to support the repayments for the Broadland Northway was allocated in 20/21 and £345,000 was allocated in 22/23 in readiness for the repayments of the borrowing for Long Stratton Bypass. Any required increase to the reserve amount for Long Stratton Bypass will be allocated in next year's version of the Plan, when the final loan repayment amount is known.
In relation to the Long Stratton borrowing we have considered two main risk scenarios: 1) withdrawal from the GNGB; 2) insufficient CIL income due to either: i) the replacement of CIL with an	1) The financial consequence would be that the City Council (or any other withdrawing party) cannot escape liability for the projects it has committed to support, and any remaining debt will be subject to a negotiation. If that does not produce	The risk of allocating more CIL funding than is available is alleviated by the agreed monitoring and reporting processes that the GNGB adhere to. The Plan provides an annual financial update, any new allocations are only agreed when all existing commitments are considered. A cash reserve equal to one year's interest and loan repayment is also put aside to act as a safeguard against any unforeseeable financial

Risk	Consequence	Controls required
alternative system for securing infrastructure funding from developers; or ii) a property market crash leading to a reduction in development activity.	agreement dispute resolution measures can be used but this would lead to additional costs. 2) Clause 3.8 in the agreement only requires payments from CIL revenues. The agreement does not directly deal with the replacement with an alternative system or property market crashes, but the collaboration though the GNGB allows early awareness, planning, support and working together to achieve mitigation, such as by not overcommitting to projects and for the County Council investing the Fund prudently. If legislative changes are minor, or represent a like for like change, then the parties are free to make variations to the agreement to incorporate that. If the market crashes and it is agreed as a group of Councils to undertake no more investment then the procedure described above to see existing projects through and then come to a financial settlement would arise.	events. The risks related to project cost and delivery remain with the project manager and sponsor. New projects are asked to sign an IIF funding offer letter to cover any additional project specific risks subject to specific conditions.

Reasons for the decision/recommendation

62 Cabinet is invited to approve the recommendations to ensure that the programme of infrastructure investments that are needed to support development in the Greater Norwich area can be provided using the funds that have been collected from developers through the community infrastructure levy.

Background papers: None

Appendices:

Appendix A – Details to support recommendations (i) to (iii).

Appendix B – Draft Joint Five-Year Infrastructure Investment Plan

Contact officer:

Name: Ben Webster

Telephone number: 01603 989621

Email address: benwebster@norwich.gov.uk

IN TRAN communication for all	If you would like this agenda in an alternative format, such as a larger or smaller font, audio or Braille, or in a different language, please contact the committee officer above.

Details to support recommendations (i) to (iii).

(i) The introduction of two new categories to the Infrastructure Investment Fund.

Major Infrastructure Projects
Under current procedures, projects can only be allocated funding from the IIF if they are considered deliverable. This requirement for projects to be ‘shovel ready’ has ensured the stability and success of the IIF, however it has also created limitations with supporting key strategic pieces of major infrastructure.

Major infrastructure and regeneration projects take many years to progress, which makes them currently ineligible for early application to the IIF. The introduction of a new category will provide the project sponsor certainty of receiving funding in the future, acting as seed to encourage additional match to be levered in. This allocation will also allow the partners to smooth the cost of funding the major project over a number of years because an allocation can be gradually built up in the fund reserves in readiness for the future spend.

It is proposed that a new category of major infrastructure projects should be added to the Growth Programme to allow for some large strategic projects to have IIF earmarked to their delivery in the medium to long term. This is something that is allowed within CIL legislation, as long as it is earmarked to a specific project and reported in a transparent way. A clear distinction must be made between these projects and those that will continue to proceed through the established annual call for projects.

This new category will require a process that is not time sensitive. This will allow projects to apply throughout the year when required, but they must continue to have the sponsorship of at least one Greater Norwich Director before being considered.

Process: how will it work?

- **Application** – Potential projects will fill out an expression of interest form, this can be done at any time. Expression of interest (EOI) forms would need to be signed off by a member of the Greater Norwich Infrastructure Delivery Board (IDB).
- **Appraisal** – With delegated authority from the IDB, the Greater Norwich Projects Team (GNPT) will appraise the expression of interest against the expression of interest appraisal guidance. A summary of the appraisal and recommendations will be made to the IDB.
- **Infrastructure Delivery Board (IDB) Review** - The IDB will discuss and decide whether the project should proceed to full business case.
- **Business Case** – Upon request from the IDB, the applicant will prepare a full business case to demonstrate their strategic importance and rationale for seed funding to be ringfenced to support delivery.

- **GNGB** – GNGB will review the full business case and a unanimous agreement will be required before the project can be included within the major infrastructure category of the Five Year Infrastructure Investment Plan
- **Five Year Infrastructure Investment Plan (5YIIP)** – All projects whose business case has been agreed by the GNGB will be included in the following 5YIIP which will progress through the established decision-making process, seeking agreement from each District Cabinet and Full Council. Subject to agreement, the GNGB will also seek delegated authority to monitor the progression of the project to delivery.
- **Major Infrastructure Project** – Once the 5YIIP is agreed the project will be able to progress towards delivery with secured seed funding.
- **Reporting** – Major Infrastructure Projects will provide a highlight report to the IDB every 6 months, and to the GNGB every 12 months through subsequent 5YIIPs. Where required, deviations from the initial business case will be reported following the established IIF change request process.
- **Annual Growth Programme** – When onsite delivery begins, the project will be moved from the category of Major Infrastructure Projects in reserves to the Greater Norwich Growth Programme. Monitoring will then proceed as established for all projects allocated funding from the IIF, providing highlight reports to the IDB every 3 months.
- **Funding draw down** – A project cannot draw down funding from the IIF until they have begun onsite delivery and are established within the Greater Norwich Growth Programme. This prevents CIL being spent on abortive works.
- **Funding not required** – In the unlikely event that a project no longer requires the funding that has pre-allocated to it, either because they have raised funding from a third party or because the project has closed, this will be reported within the 5YIIP and the reserves will be released back into the IIF.

The GNPT have prepared a draft EOI application form and EOI appraisal form. Both mirror sections of the already agreed IIF application and appraisal form but are more compact to reflect the reduced detail and certainty that longer term projects can provide.

In summary, this proposal introduces a new Major Infrastructure Project category to be included within future versions of the 5YIIP. Projects will be required to demonstrate their strategic importance to the Greater Norwich area and have a strong rationale for requiring seed funding. There will be an understanding of what is to be delivered and how much will be required from the IIF in the future, but there will be flexibility around final budgets and programs through the change request process.

Acceptance into the new category will provide the project sponsor certainty of receiving funding in the future, whilst acting as ‘seed funding’ to encourage additional match to be levered in. Managing projects in this way will also allow the partners to smooth the cost of funding a major project over a number of years, because an allocation will be gradually built up in the fund reserves in readiness for the future spend.

The number of projects accepted into this category will be small in number, and (as with existing projects) approval must be unanimous for applications to proceed. Most projects will continue to proceed through the existing IIF application process. Examples of projects that are expected to fit this proposed new category are East Norwich Regeneration and a new high school to the North East of Norwich.

Match Funding

The current processes for the IIF allow for a single round of project applications for projects that are due to start delivery in the forthcoming financial year. All new funding allocations need to be agreed by each District Cabinet and Full Council before a formal commitment can be made. The decision-making process is time-consuming but is fundamental to the partnership's working model because it ensures clarity and transparency to all partners when making each decision.

This annual cycle of funding allocation works well for most projects, but there are occasions when an in-year funding decision would be beneficial to all. This proposal is to create a ringfenced pot of money within the IIF, which can be allocated to projects as match funding when applying for significant government grants, such as the Levelling Up Fund, Community Renewal Fund, Shared Prosperity Fund or any future equivalent. It is intended for major projects that require match to lever in additional, more substantial amounts of funding only.

It is proposed that this match funding will be overseen by the GNGB under delegated authority from the district partners. Ringfencing the match to only those projects that are applying to central government funds provides additional assurance to the partners that the fund will only be used to support projects which have gone through a vigorous approval process.

Process – how will it work?

- **Five Year Infrastructure Investment Plan (5YIIP)** – An amount is included within the 5YIIP for match funding. It will progress through the usual process of agreement and delegated authority is to be given to the GNGB to manage the amount in the forthcoming year.
- **Reserves** – The agreed amount will be held in reserve and reported clearly as match funding.
- **Application** – An eligible project seeking match funding will be asked to complete the established IIF Application Form. This can be done at any time.
- **Appraisal** – The application will be appraised by the GNPT following the agreed IIF appraisal guidance. A recommendation is made to the IDB.
- **IDB** – The IDB review the application and decide whether to recommend the project to the GNGB for approval.
- **GNGB** – A unanimous agreement is required by the GNGB before match funding can be allocated to a project. The project will be listed as a Match Funding Allocation within financial reporting.

- **Highlight Reporting** – Once agreed, the project will align to the existing IIF fund monitoring processes, providing highlight reports to the IDB every 3 months to detail progress towards delivery.
- **No Government match secured** – If the project is unsuccessful in securing funding from central government, it will be removed from future GNGB financial reporting and the amount earmarked to it will remain within the Match Funding allocation that is secured in reserves, available for other projects to apply for. At this stage, projects can request an extension of time to secure alternative match using the established change request form.
- **Annual Growth Programme** – Subject to all match funding being secured and delivery commencement, the project will be moved from the category of Match Funding in reserves to the Growth Programme within the following 5YIIP. Monitoring will proceed as established for the IIF.
- **Funding Draw down** – A project cannot draw down money from the IIF until they have begun delivery and are established within the Annual Growth Programme. This prevents CIL being spent on abortive works.
- **Top up amount allocated as match funding** – Each year, the IDB will recommend to the GNGB:
    - whether unused match funding should be rolled on,
    - and/or if an additional allocation should be made.

  This will be reported in each subsequent 5YIIP, aligning with the existing IIF decision making prosses.

(ii) Change to the way allocations for Education projects are spent

On 6th October 2022, the GNGB received an update regarding the delivery of Norfolk Children's Services Education Capital Programme. During the meeting, it was reported that to safeguard the medium to long term school capital programme, Norfolk County Council (NCC) has underwritten any future shortfall of funding with a commitment to borrow where required. To support their decision, NCC requested a change to the way that future allocations were made from the IIF, seeking the flexibility for them to be used in whole or in part to repay NCC's borrowing. This proposal requires a commitment to be made to an Education Capital Programme that is ringfenced to Greater Norwich, instead of individual projects. This will allow for it to be used to repay NCC's own borrowing with any remaining balance to be invested directly into a specified capital project.

This is a change to the way that NCC are permitted to spend the allocation received from the IIF. Allocations are confirmed annually alongside the acceptance of each new Annual Growth Programme. No commitment is being made against future income or to increase Greater Norwich's borrowing. This proposal in not increasing Greater Norwich's City Deal borrowing, it is to support NCC's own borrowing which will be drawn independently to the partners.

(iii) The signing of a deed of variation to enable the next tranche of City Deal Borrowing to be drawn.

City Deal borrowing to support the delivery of Long Stratton Bypass (LSBP)
£10m of CIL supported borrowing was allocated to LSBP through the Greater Norwich City Deal agreement which was signed with Government in December 2013. This gave the GNGB access to lower-cost borrowing from the Public Works Loan Board (PWLB).

The City Deal borrowing to support LSBP is programmed to be required in 2022/23. Using current interest rates, the forecasted annual repayment to be paid from the IIF is in the region of £680,000. The final repayment amount cannot be fully confirmed until the loan is actioned and the interest rates at that future time are known. The forecasted interest repayments are included within the Investment Framework within The Plan in pages 9-12.

In last year's version of this Plan, each Greater Norwich CIL receipting Authority agreed a draft legal loan agreement and for the GNGB to be granted delegated authority to sign the final legal loan agreement for the LSBP draw down, together with their S151 officers and under the direction of Norfolk County Council as the Accountable Body. As agreed within the GNGB's signed Joint Working Agreement, a unanimous decision will be required from all board members (the Council Leaders) prior to the signing and the draw down being actioned.

On the 6th October 2022, following the review of a project change request, the GNGB unanimously agreed for the City Deal borrowing to support the delivery of LSBP to be increased to £10m, the full amount allocated within the City Deal Document.

The legal agreement that will support this loan is intended to be added as 'Schedule 2' to the original legal agreement that was signed by all partners on 21st October 2015, which confirmed the GNGB partner draw down and borrowing authorisations.

Upon reflection of the 2015 agreement, nplaw have advised that it is not clear that additional loans can be added to Schedule 2. To avoid any doubt, they have advised that a minor amendment should be made to the original 2015 agreement, which once signed by all partners will enable the agreed LSBP loan to be added to Schedule 2.

The proposed deed of variation

Prior to this next tranche of Greater Norwich City Deal borrowing being drawn down, an amendment needs to be actioned through the signing of a deed of variation by all partners.

Currently, section 16 of the signed 2015 agreement states

This Agreement may only be varied by written agreement of the Parties.

The deed of variation proposes adding a new clause 16.2

> The Parties agree that the Agreement shall be reviewed/varied from time to time as provided for by clause 16 of the Agreement and in any event on or before the availability of additional project funding in order to meet the requirements of the Project. Once reviewed, and subject to clause 16, an updated /revised/amended Schedule 2 Project Schedule will forthwith be agreed between the Parties in the form set out (below as appears at Annex 1 to this deed of variation) and will be appended to the Agreement.

The project schedule referenced as Annex 1 follows the draft deed of variation below. It mirrors that which has already been agreed for the Broadland Northway (formerly known as the NDR). It is proposed that all future tranches of borrowing will use the same template and be added to schedule 2 of the original 2015 when new borrowing is agreed.

Draft Deed of Variation

This Deed of Variation is made on
2022

DEED OF VARIATION TO AGREEMENT RELATING TO GNGB PARTNER DRAW-DOWN AND BORROWING AUTHORISATIONS

BETWEEN:

BROADLAND DISTRICT COUNCIL of Thorpe Lodge, 1 Yarmouth Road, Norwich, Norfolk NR2 1NH (“**Broadland”).**

NORWICH CITY COUNCIL of City Hall, St Peter Street, Norwich, NR2 1NH (“**Norwich**”).

South Norfolk District Council of South Norfolk House, Swan Lane, Long Stratton, Norfolk, NR15 2XE (“**South Norfolk**”).

NORFOLK COUNTY COUNCIL of County Hall, Martineau Lane, Norwich NR1 2DH (“**County Council**”)

(together, the Parties)

Background:

(A) This Deed of Variation (‘Deed’) is supplemental to the agreement Relating to GNGB Partner Draw-down and Borrowing Authorisations entered into by the parties and dated [ ] (the “ Agreement”).

(B) The Parties have agreed to include for purposes of review a Project Schedule. Consequently, the Parties wish to amend the Agreement as set out in this Deed with effect from the date of this Deed (‘Variation Date’).

It is agreed as follows:

1. The Parties agree that unless otherwise expressly provided, the definitions and interpretation of this Deed are in accordance with Clause 1 of the Agreement.

2. With effect from the Variation Date, the Parties agree to amend the Agreement as follows:

2.1 A new clause 16.2 is added as follows:

The Parties agree that the Agreement shall be reviewed/varied from time to time as provided for by clause 16 of the Agreement and in any event on or before the availability of additional project funding in order to meet the requirements of the Project. Once reviewed, and subject to clause 16, an updated /revised/amended Schedule 2 Project Schedule will forthwith be agreed between the Parties in the form set out (below as appears at Annex 1 to this deed of variation) and will be appended to the Agreement.

3. The Agreement shall remain effective and unaltered except as amended by this Deed.
4. This Deed and any dispute or claim arising out of, or in connection with it, its subject matter or formation (including non-contractual disputes or claims) shall be governed by, and construed in accordance with, the laws of England.
5. The Parties irrevocably agree that the courts of England shall have exclusive jurisdiction to settle any dispute or claim arising out of, or in connection with, this Deed, its subject matter or formation (including non-contractual disputes or claims).
6. This Deed may be signed in any number of separate counterparts, each of which when signed and dated shall be an original, and such counterparts taken together shall constitute one and the same agreement.

This document has been executed as a Deed and is delivered and takes effect on the date stated at the beginning of it.

THE COMMON SEAL of)
NORFOLK COUNTY COUNCIL)
was hereunto affixed in the presence of)

THE COMMON SEAL of)
BROADLAND DISTRICT COUNCIL)
was hereunto affixed in the presence of)

THE CORPORATE SEAL of)
NORWICH CITY COUNCIL)
was hereunto affixed in the presence of)

THE COMMON SEAL of)
SOUTH NORFOLK DISTRICT COUNCIL)
was hereunto affixed in the presence of)

Annex 1 to this deed of variation

(project template)

Dated ____________________________ 20[ ]

PROJECT SCHEDULE

Pursuant to Agreement Relating to GNGB Partner Draw-down and Borrowing Authorisations of 21st October 2015
Relating to GNGB Partner Draw-down and Borrowing Authorisations for the [Construction of ……………………….]

BROADLAND DISTRICT COUNCIL

NORWICH CITY COUNCIL

SOUTH NORFOLK DISTRICT COUNCIL
&
NORFOLK COUNTY COUNCIL

nplaw
Norfolk County Council
County Hall
Martineau Lane
Norwich
NR1 2DH

DPS 37967

Dated ___________________________ 20[ ]

Background

- This Project Schedule sets out agreed obligations in relation to Partner Draw-down and Borrowing Authorisations for the [Construction of xxx] and has been prepared in accordance with clause 5 of the Agreement Relating to GNGB Partner Draw-down and Borrowing Authorisations dated 21st October 2015 between Broadland District Council, Norwich City Council, South Norfolk District Council and Norfolk County Council (“the Agreement”).
- Accordingly this Project Schedule forms part of the Agreement.

1 **Project**

- [Construction of ……………..] and related measures “the Project”.

2 **Project Description**

- [xxx]
- [xxx]

3 **Project Period**

- The Project is due to mobilize in [xxx].
- Construction is programmed to begin in [xxx] with a majority of the works completed by [xxx].

4 **Background**

- The adopted Joint Core Strategy for Broadland, Norwich and South Norfolk identifies [xxx] as a key location for growth and proposes the development of [xxx].

5 **Agreed terms**

- Loan funding would be repaid over a 20 year period

6 **Additional Terms & Conditions**

- In accordance with paragraph 5.4 of the Agreement, Liabilities in respect of any overspend or delay in respect of Project Schedule timeframes and milestones shall be shared as follows:

Partner	**Share of overspend risk**	**Share of timeframes and milestones risk**
[xxx] Council	100%	100%

7 **Fees and expenses**

- The County Council shall borrow funds from various sources as they are identified to assist with the delivery of the Growth Programme. The County Council shall ensure that the cost of any additional borrowing (up to £ [xxx]m) for this purpose will be undertaken at the equivalent of the prevailing PWLB project rate discount as set out in the City Deal dated 12 December 2013.
- Funding from the Infrastructure Investment Fund for the purposes of the Project shall be capped at £[xxx] million plus any associated borrowing costs incurred by the County Council as provided for herein.

8 **Repayment and review**

- In accordance with paragraph 3.4 of the Agreement, the County Council shall use the Infrastructure Investment Fund to fund the costs of borrowing costs in accordance with the following schedule.

Illustrative costs of borrowing to be funded from Infrastructure Investment Fund:
DRAFTING NOTE: This table to be updated after the final funds drawdown.

Year	Principal start	**Repayment**	Interest	Balance
2023/24				
2024/25				
2025/26				
2026/27				
2027/28				
2028/29				
2029/30				
2030/31				
2031/32				
2032/33				

2033/34				
2034/35				
2035/36				
2036/37				
2037/38				
2038/39				
2039/40				
2040/41				
2041/42				
2042/43				
2046/47				
2047/48				
Totals				

9 VOLUNTARY PREPAYMENTS

If the Parties agree to make additional repayments over and above those listed above, a new schedule will be produced based on the remaining outstanding debt, including interest, in accordance with clause 16 (Variation) of the Agreement.

Signed by [ ] Section 151 Officer for and on behalf of **NORFOLK COUNTY COUNCIL**	....
Signed by [ ] Section 151 Officer for and on behalf of **BROADLAND DISTRICT COUNCIL**	....
Signed by [ ] Section 151 Officer for and on behalf of **NORWICH CITY COUNCIL**	....
Signed by [ ] Section 151 Officer for and on behalf of **SOUTH NORFOLK DISTRICT COUNCIL**	....

APPENDIX B

Greater Norwich Growth Board

Draft Joint Five-Year Infrastructure Investment Plan 2023-2028

December 2022

Broadland District Council Community at heart | Norwich City Council | South Norfolk Council | Norfolk County Council | New Anglia Local Enterprise Partnership for Norfolk and Suffolk

Contents

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Introduction

This Plan is published on an annual basis by the Greater Norwich Growth Board (GNGB) who work in partnership to monitor and drive forward the delivery of infrastructure which is required to support planned growth.

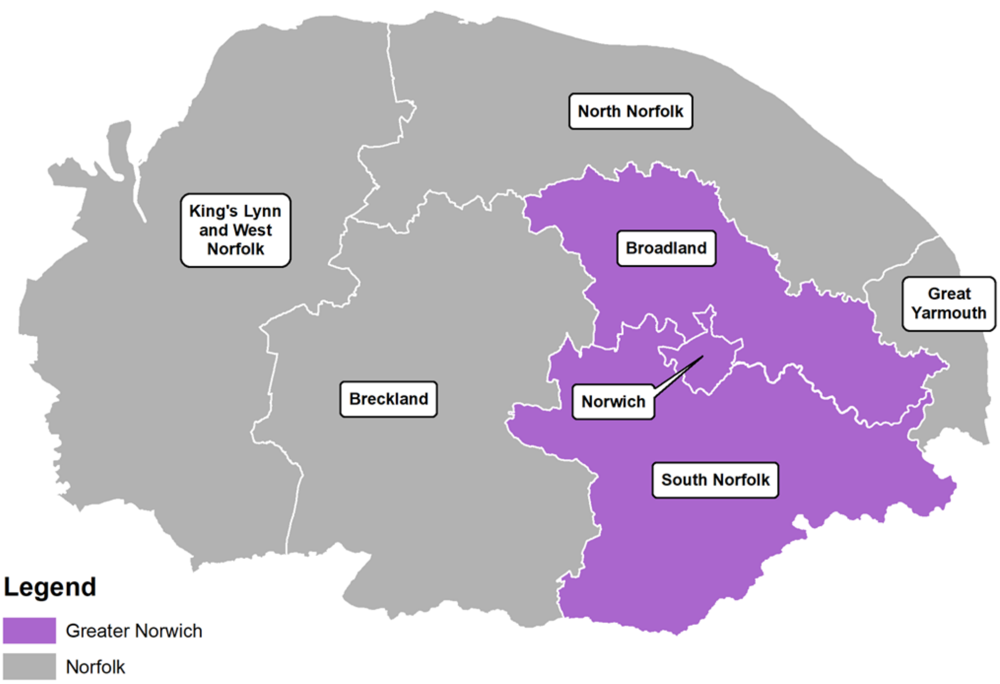
The projects identified within this Plan are those currently considered to be a priority for delivery, to assist in achieving the economic growth targets as set out in the Joint Core Strategy and the Greater Norwich City Deal; one of the key strands of the City Deal was the delivery of an infrastructure programme facilitated by a pooled funding arrangement between the Authorities.

To support the delivery of infrastructure, the partners pool their income received from the Community Infrastructure Levy (CIL) into one Infrastructure Investment Fund (IIF). This Plan includes details of those projects which are to receive IIF funding during the forthcoming financial year. These will be adopted as the 2023/24 Annual Growth Programme (AGP).

This Plan incorporates the updated position on current infrastructure delivery, includes revised CIL income projections, provides updates on projects accepted within previous AGPs and outlines planned preparatory work for infrastructure schemes in future years.

The information within this Plan includes that which each planning authority area is required to report on CIL spend within an Infrastructure Funding Statement. Uniquely, this Plan reports across the combined administrative areas of Norwich City Council, South Norfolk, and Broadland District Councils. This area is known as Greater Norwich.

Figure 1 Map of Greater Norwich and Norfolk



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The Greater Norwich Growth Board

The Greater Norwich Growth Board (GNGB) is a partnership that is unlike any other in the UK. Norwich City, South Norfolk District, Broadland District and Norfolk County Councils work together with the New Anglia Local Enterprise Partnership to form the GNGB. They have chosen to work together to accelerate the delivery of infrastructure within the joint Greater Norwich area, because they recognise the benefits that can be achieved by looking beyond their individual administrative boundaries.

Since the establishment of the GNGB in 2014, their partnership working practices and particularly the pooling arrangements of CIL contributions within the IIF, are considered an exemplar model of working by the Planning Advisory Service (PAS) who have cited the GNGB as a partnership who are pursuing ambitious growth agendas under strong strategic leadership and cross boundary collaboration. The partners are now invited to share their knowledge and experience with other authorities across the country through a range of working groups and conferences.

Since 2014 the partnership has allocated over £30m of IIF funding and £50m of CIL supported borrowing which has levered in at least an additional £240m to deliver infrastructure projects within the Greater Norwich area.

The GNGB's successes were emphasised when they became the winners of the partnership working category at the 2020 national Planning Awards. An accolade that has confirmed that their unique working arrangement is to be celebrated. The partnership looks forward to continuing to work together to pool their shared skills and resources, leveraging additional funding and increasing delivery outcomes whilst continually planning for even bigger infrastructure schemes for the future.

Development of the joint Five-Year Infrastructure Investment Plan

The development of this plan is informed by the updated Greater Norwich Infrastructure Plan (GNIP)[1]. The GNIP identifies infrastructure priorities to the end of the currently adopted Joint Core Strategy (2026) and details the progress of infrastructure delivery within the Greater Norwich area. In more recent years the GNIP also included details of the emerging Greater Norwich Local Plan (GNLP), which is currently progressing through a period of government examination. Once agreed, the GNLP will supersede the JCS, extending the planned period by another 12 years to 2038.

The 2022 GNIP was accepted by the GNGB at the Board Meeting on 13th June 2022. The thematic strategic priorities identified within it for the infrastructure types that are eligible to receive CIL funding, feed into the project appraisal process for the IIF. Projects listed within the forthcoming financial year within this Five-Year Plan are the Annual Growth Programme (AGP) for 2023/24. This Plan aligns the new allocations against the existing financial commitments for IIF and forecasted CIL income until 2027/28. It forms the evidence base which supports the partner authorities' decision-making to make new allocations from the IIF on an annual basis.

The GNGB agreed new processes for project selection on 27th November 2018, and this is the fourth year that the projects have been progressed through this full process before being recommended for inclusion in the AGP. A call for new projects is triggered upon the acceptance of the GNIP. This year's call closed on 26th July; the Greater Norwich Projects Team (GNPT) appraised each submission and provided recommendations to the Infrastructure Delivery Board (IDB) alongside comments received from the Greater Norwich Delivery Officers Group. The IIF processes provide clear acceptance criteria for projects, a measured and robust selection process to support informed recommendations from the IDB which enables the GNGB to allocate CIL from the IIF in a clear and decisive manner.

The GNGB initially consider the Draft Five Year Infrastructure Investment Plan on 15th December 2022.

As the Accountable Body for the GNGB, Norfolk County Council will also receive a report on the 2023/24 AGP in early 2022.

The three District Councils consider this Plan at their Cabinet meetings in February/March 2023. As per the agreed processes, the approval of this plan by each District Council commits IIF funding to those projects within the forthcoming financial year, accepting them as the AGP 23/24.

The final report confirming AGP 23/24 returns to the GNGB for formal joint agreement at their meeting on 30th March 2023.

[1] Click here for the Greater Norwich Infrastructure Plan 2022

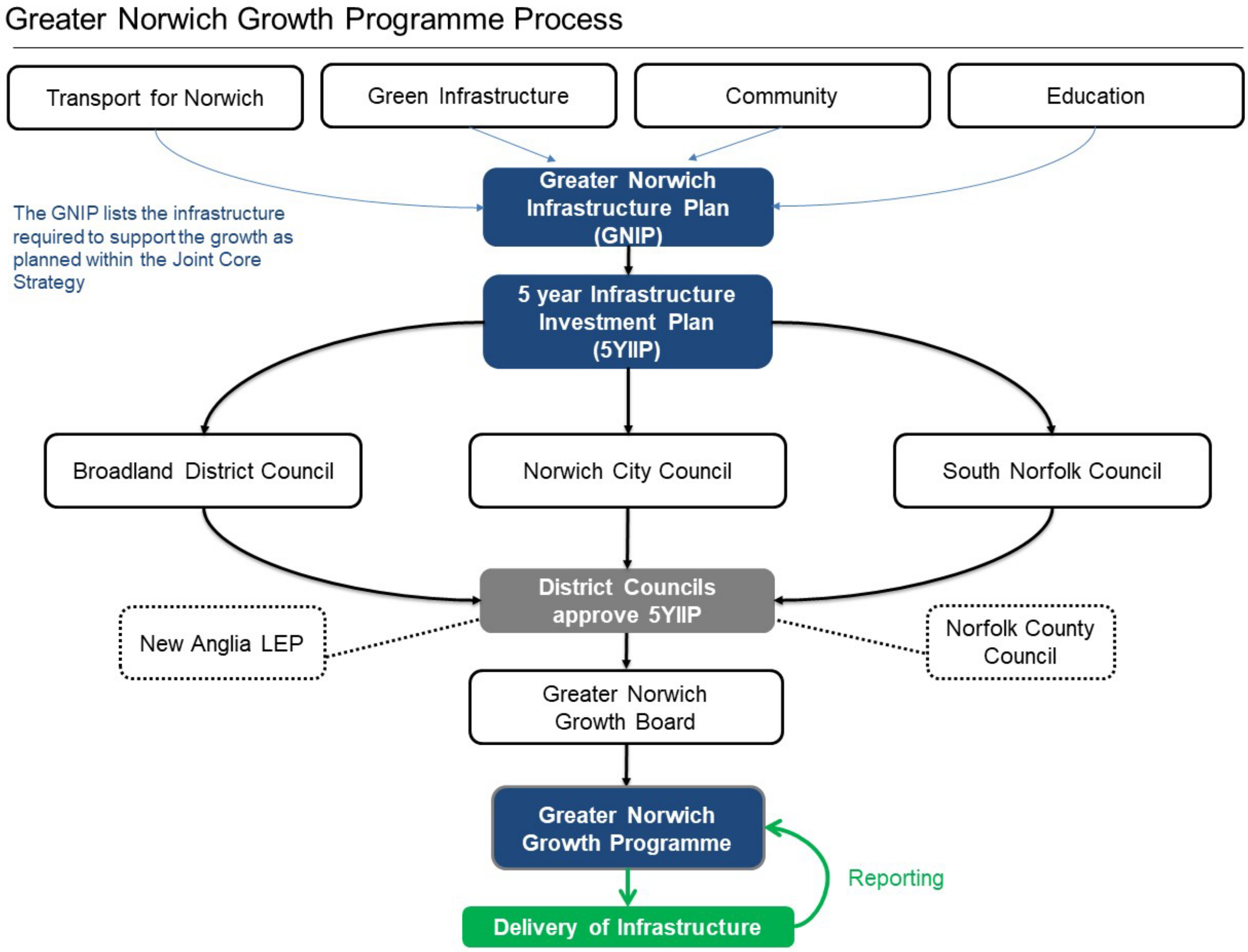


Figure 2 – Greater Norwich Growth Programme decision making process

2023/24 Annual Growth Programme

In accordance with the agreed processes for the Infrastructure Investment Fund (IIF), the Infrastructure Delivery Board met on 14th October 2022 to agree which projects are to be put forward as the 2023/24 Annual Growth Programme (AGP). As a result, 9 projects totaling £10,652,243 have been identified to be supported through the IIF. Details of these projects have been included in this report as Appendix A – 2023/24 Annual Growth Programme Project Details.

Project Name	**Applicant**	**Amount of CIL requested**	**Total project size**
Youngs Park, Aylsham – 3G AGP	Broadland	£ 250,000	£ 900,000
Hethersett to NRP Cycle Route	County	£ 501,015	£ 728,015
Venta Icenorum	South Norfolk	£ 153,128	£ 155,628
Queens Hills Community Park	South Norfolk	£ 133,552	£ 153,552
Cringleford Country Park	South Norfolk	£ 468,000	£ 798,000
Easton Village Hall	South Norfolk	£ 505,000	£ 1,505,204
Sloughbottom Park Regeneration	Norwich	£ 850,000	£ 8,512,025
Guildhall & Exchange Street Regeneration	Norwich	£ 2,771,548	£ 5,894,000
Hethel Technology Park	South Norfolk	£ 5,000,000	£ 8,218,900
Total	N/A	£ 10,632,243	£ 26,865,324

In addition, Education will receive **£2.5million** to support the delivery of their capital programme within Greater Norwich. Details are provided in Table 2 on page 26

New Category: **£4m** is allocated to the IIF reserves as Match Funding. This is for major projects that require match to lever in additional, more substantial amounts of funding from central government. **The GNGB will act with delegated authority from districts to allocate this match funding to eligible projects throughout the year.** Projects will require a unanimous decision from all GNGB members before this funding can be allocated, as required within the GNGB Joint Working Agreement which was signed by all partners in 2014. The GNGB will monitor the match funding allocation and provide an update report in future versions of this Plan. The eligibility criteria and process for this new category is detailed in Annex A which is reported alongside this Plan.

New Category: **The process for agreeing a new category of Major Infrastructure projects is introduced to the IIF**. The eligibility criteria and process for this category is detailed in Annex A. Projects which are deemed eligible for this category will be recommended in future versions of this Plan, seeking agreement from the three District Cabinet and Full Councils before any funding is committed to them.

Approximately £2m from the IIF is committed to projects that that have a delivery programme spanning multiple years, some of which were agreed in previous AGPs. Updates on previously agreed projects are provided in Appendix D – Project Update.

£10m will be drawn down as a loan from the Public Loan Works Board to support the delivery of Long Stratton Bypass. This loan was agreed to be drawn in the previous version of this Plan and delegated authority for the signing of the final loan agreement was granted to the GNGB and their S151 officers, under the direction of Norfolk County Council as the Accountable Body. The current forecasted annual repayment is in the region of **£680,000**, to be paid from the IIF for 25 years. (Please note that this is a forecasted figure. The interest repayments for this loan will not be confirmed until the date that the money is drawn down). A project delivery update and further details regarding the City Deal agreement and the loan legal arrangement between all partners, can be found on page 22, City Deal borrowing to support the delivery of Long Stratton Bypass

To support this loan draw down, £345,000 was allocated to the cash reserve in last year's version of this Plan. The amount allocated to reserves should total one year's loan repayment, a safeguard that was put in place by all partner S151 officers when the first City Deal loan was drawn down. Any required increase to this reserve amount will be allocated in next year's version of this Plan, when the final loan repayment amount is confirmed.

Five Year Investment Plan Framework

In the 19/20 version of this Plan, the growth programme had forecasted a deficit within the Infrastructure Investment Fund (IIF). This led to the development and implementation of new processes for the allocation of the IIF in 20/21 and a move to only committing allocations to projects that are deliverable within the forthcoming year. At the same time officers reflected upon their increased understanding of the complex nature of CIL and changed their methodology for forecasting the income. This is the fourth year that these new processes have been followed and the fund is now forecasted to hold a balance of £6.6m at the end of 23/24.

Please note that the forecasted balance is subject to change because it is dependent upon CIL income for the second half of 21/22 and all of 22/23 being received as forecast. Given the complex nature of CIL income, it is expected that these figures will change between publications of this Plan, particularly in years 3-5 when the effects of inflationary rises are not yet known.

The forecasted income for 24/25 has seen a large drop which reflect the planning delays caused by **nutrient neutrality**. It is hoped that this reduction in forecasted income could be recovered as plans to mitigate nutrient neutrality progress at pace, but the GNGB will continue to monitor this situation and **will take action to reduce new funding allocations in future years if required**.

Table 1 Five Year Infrastructure Investment Plan

	ITEM	To End March 2022	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28*
1	Actual CIL receipts[1]	£47,503,863	£5,933,364	£0.00	£0.00	£0.00	£0.00	£0.00
2	Interest[2]	£131,945	£8,538	£0.00	£0.00	£0.00	£0.00	£0.00
3	Forecast CIL receipts[3]	£0	£5,712,157	£8,358,490	£2,441,125	£4,542,384	£4,302,690	£7,829,454
4	**Cumulative Income[4]**	£47,635,808	£59,289,867	£67,648,357	£70,089,482	£74,631,866	£78,934,556	£86,764,010
5	Programme agreed[5]	£6,542,194	£5,357,092	£1,850,228	£143,000	£0	£0	£0
6	Programme proposed (23/24 AGP)[6]	£0	£0	£6,194,386	£4,246,858	£191,000	£0	£0
7	Borrowing agreed[7]	£10,843,254	£2,057,045	£2,736,999	£2,736,999	£2,736,999	£2,736,999	£2,736,999
8	Cash Reserve: Borrowing[8]	£2,000,000	£345,000	£0	£0	£0	£0	£0
9	Cash Reserve: Match Funding[9]	£0	£0	£4,000,000	£0	£0	£0	£0
10	Education[10]	£10,000,000	£2,000,000	£2,500,000	£2,500,000	£2,500,000	£2,500,000	£2,500,000
	Total Expenditure	£29,385,448	£9,759,137	£17,281,613	£9,626,857	£5,427,999	£5,236,999	£5,236,999
11	**Cumulative Expenditure[11]**	£29,385,448	£39,157,085	£56,438,698	£66,065,555	£71,493,554	£76,730,553	£81,967,552
12	**Cumulative Surplus/Deficit[12]**	£18,250,360	£20,132,782	£11,209,659	£4,023,927	£3,138,312	£2,204,003	£4,796,458
13	**Funds proposed and committed for spend in future years (24/25-27/28)[13]**	N/A	N/A	£4,580,858	N/A	N/A	N/A	N/A
14	**FORECASTED non committed funds, available to spend[14]**	N/A	N/A	**£6,628,801**	N/A	N/A	N/A	N/A

*please note the five-year CIL forecast now extends beyond the adopted Joint Core Strategy period.

This financial framework has been provided for the specific purposes of this Plan to support the decision making of new allocations of CIL from the IIF. A detailed breakdown of individual project drawdowns set against CIL income as required within an Infrastructure Funding Statement, is detailed within [Appendix B – Greater Norwich Growth Programme.]

Explanation of the table.

1 The amount of CIL income received from the District receipting authorities which has been paid into the IIF.

2 Interest earnt on the balance of funds held within the IIF since 2014.

3 The CIL income that the IIF is forecasting to receive in the next 5 years. Given the complex nature of CIL income, it is expected that these figures will change between publications of this Plan, particularly in years 3-5 when the effects of inflationary rises are not yet known. The medium to long term effect on the construction industry following the Covid-19 outbreak, Brexit, the war in Ukraine, Nutrient Neutrality and the proposed planning reform all add additional uncertainty to these figures.

3 Total CIL income received since the opening of the IIF to the end of each given financial year. Future years are forecasted figures.

4 The amount of CIL which will be drawn down from the IIF to deliver all projects in each given financial year. These projects have been agreed in previous AGPs and will either be being delivered over multiple years or are projects whose delivery has been delayed and their draw down has rolled over from a previous year.

5 The amount of CIL which will be drawn down from the IIF to deliver all projects in each given financial year. These projects have been agreed in previous AGPs and will either be being delivered over multiple years, or are projects whose delivery has been delayed and their draw-down has rolled over from a previous year.

6 The amount of CIL which will be drawn down by the projects included within the 2023/24 Annual Growth Programme in each given financial year. All projects are due to begin delivery in 22/23 but the delivery and funding draw down can continue over multiple years. These projects have been through the project selection process and are sponsored by the Infrastructure Delivery Board.

7 The annual loan repayments for both the Broadland Northway and Long Stratton Bypass. Please note that the amount allocated for Long Stratton Bypass is a forecast because it is not yet drawn. For more detail see page 49 Appendix B.

8 It was agreed by each partner S151 officer that a reserve equal to one annual loan repayment was required to be kept in reserves as a safeguard. A £2m cash reserve to support the repayments for the Broadland Northway was allocated in 20/21 and £345,000 was allocated in 22/23 in readiness for the repayments of the borrowing for Long Stratton Bypass. Any required increase to the reserve amount for Long Stratton Bypass will be allocated in next year's version of this Plan, when the final loan repayment amount is known.

9 The amount allocated as Match Funding. This is for major projects that require match funding to lever in additional, more substantial amounts of funding from central government. The GNGB will act with delegated authority to allocate this match funding to eligible projects throughout the year. A unanimous decision from all GNGB members will be required before this funding can be allocated to a project, as required within the GNGB Joint Working Agreement which was signed by all partners in 2014.

10 Having considered the available fund balance and taking into consideration inflationary rises since the first allocation was made in 2017, a £2.5million allocation from the IIF has been identified for the forthcoming year. This will be used in whole or in part to support NCC's own borrowing to deliver the Greater Norwich Schools Capital programme (for detail see Table 2, page 26). Allocations are confirmed annually alongside the acceptance of each new Annual Growth Programme so no commitment is made for future years, they are indictive figures only.

11 Total committed funding from the opening of the fund to each year end. Future years are forecasted figures.

12 Total amount available within the fund at the end of each year. Future years are forecasts only and are subject to change because both the income and expenditure are forecasted.

13 Amount programmed to be drawn from the fund beyond 23/24 for projects that are delivering over multiple years. This amount will not be spent in the forthcoming year but included in the calculation because it is committed and therefore not available to be allocated to other projects.

14 The forecasted funds available within the IIF at the end of the forthcoming year which could be allocated to new projects. This is a forecast only, because both income and expenditure are forecasted and are subject to a high degree of change.

Greater Norwich's Long Term Strategic Planning

The Greater Norwich partners have been proactively working together for over 10 years. This ongoing partnership working is set to lead to the Joint Core Strategy being superseded by the Greater Norwich Local Plan which will ensure that the development needs of Greater Norwich continue to be met to 2038, demonstrating the partners' commitment to work together to support growth in the longer term. In addition, the Greater Norwich partners:

- have published a joint **Physical Activity and Sports Strategy** in accordance with Sport England's planning guidance.
- are progressing an update to their joint **Green Infrastructure Strategy** aligning with the Environment Bill (which requires the delivery of biodiversity net gain).
- worked in consultation with Norfolk County Council to adopt the new **Transport for Norwich Strategy**.

Each of these new strategies provide the evidence of need for additional or different infrastructure to deliver planned growth, at the same time as supporting the transition to net zero. For these programmes to progress, investment is also required to support project development, particularly the cost to undertake feasibility studies. Whilst the IIF is prioritised for projects that are nearing delivery, the Greater Norwich authorities understand the need to commission new project development, and they continue to work together to source new funding streams and seek new routes of financing to ensure this work continues in the future.

All funds currently unallocated within the IIF will be used to support projects which will arise from the plans and other policies and strategies that relate to the Greater Norwich area. This includes but is not restricted to:

- The **Stage 2 Masterplan for East Norwich** which indicates a total cost of £153m for the infrastructure required to underpin regeneration at East Norwich.
- **Schools capital programme**- approximately £160m (see Table 2 Education Infrastructure Programme.)
- **Norfolk Strategic Infrastructure Delivery Plan** (includes the Broadland Growth Link Road £38m)
- **Local Transport Plan** and **Transport for Norwich Strategy** Implementation Plans, including the **Transforming Cities Programme** and the **Local Walking and Cycling Infrastructure Plans** (includes the Green Loop £5.8m).
- Mitigating the effects of **nutrient neutrality**
- **Strategic development locations** including: The North-East Growth Triangle, East Norwich, Long Stratton and the Cambridge-Norwich Tech Corridor.
- Potential new City Centre Vision

Eligible projects that progress to delivery are welcomed to apply to the IIF but as demonstrated through the size of the above programmes, the amount of pooled CIL available within the fund is small when compared to the total that will be required. This is why the GNGB continues to work together, proactively seeking to close the funding gap, using the IIF to lever in additional match funding and sharing their resources, skills and influence to accelerate the delivery of infrastructure in their joint Greater Norwich area.

Establishment of the new Strategic Investment Fund

The Strategic Investment Fund (SIF) is the most recent example of the GNGBs proactive partnership working practices, demonstrating their continued drive to seek new ways of accelerating the delivery of infrastructure.

The City Deal agreement which led to the establishment of the GNGB and the IIF, also gave the Greater Norwich authorities access to reduced cost borrowing from the Public Works Loan Board. £60m of borrowing was allocated to support the delivery of strategic infrastructure projects such as the Broadland Northway and Long Stratton Bypass, and £20m was separately allocated to establish an infrastructure fund to accelerate infrastructure delivery. This £20m borrowing allocation is available to the GNGB until March 2026 and they are keen to utilise it as a loan facility.

At their meetings on 17th June and 30th September 2021 the GNGB agreed a draft Terms of Reference for the establishment of a new SIF and for future loan repayments to 'in principle' be repaid from the IIF. A period of fund development followed which included seeking legal advice and discussions with all partner S151 officers. In the summer of 2022, the GNGB recommended to each of partners' Cabinets and Full Councils to give authority to Norfolk County Council, as the Greater Norwich Growth Boards accountable body, to draw down up to £20m from the Public Work Loans Board to create a cyclical fund to support local infrastructure projects as agreed in the Greater Norwich City Deal. This was agreed by all partners and delegated authority has been granted to the GNGB to manage the allocation of the City Deal borrowing and later, the governance of the SIF in line with the agreed Terms of Refence.

The SIF application processes are to be further developed by the Greater Norwich Projects Team and will return to the GNGB for agreement prior to any projects being considered for this loan funding. An annual update of the SIF will be included in future versions of this Plan.

IIF Eligibility - Four Thematic Groups

Allocations from the IIF are currently restricted to the four thematic groups as agreed within the Greater Norwich adopted CIL charging policy. These are Transport, Education, Green Infrastructure and Community (which includes sports). When CIL was initially adopted, local authorities were required to report a Regulation 123 list confirming the infrastructure thematic groups which were considered within their CIL charging calculations and therefore the groups to which CIL can be reallocated to. The need for this list was withdrawn by legislation from September 2019, but this does not automatically allow other groups to apply to the IIF because the Greater Norwich authorities are still adhering to their locally adopted CIL charging policy.

The GNGB understand the funding pressures that other infrastructure thematic groups are experiencing and were planning to undertake a review of CIL alongside the development of the Greater Norwich Local Plan. Unfortunately this was put on hold following the publication of the Planning For The Future white paper in August 2020, which detailed CIL being replaced by a new type of Infrastructure Levy. Information about this change was expected from central government in 2021, but this has repeatedly been delayed. It is understood that the new Infrastructure Levy is still coming forward but until the future of CIL is more certain the GNGB are required to proceed with their adopted policy.

A summary from each of the four eligible infrastructure groups is included below.

Green Infrastructure

The Green Infrastructure Programme Team comprise officer representatives from the four Greater Norwich partner authorities, together with the Broads Authority as a key stakeholder. They are responsible for identifying the green infrastructure strategic priorities within the Greater Norwich area and ensuring that the green infrastructure network meets the requirements of the Habitats Regulations Assessment of the Joint Core Strategy and other subsidiary Development Planning Documents.

The Greater Norwich GI Strategy 2007 was prepared as an evidence document for the Joint Core Strategy (JCS) and has since guided planning policies and the long-term delivery of the network. It was developed around four principal Green Infrastructure themes:

- sustaining and enhancing the character and local distinctiveness of riverscapes, landscapes and townscapes
- making space for wildlife
- providing a high quality, multi-functional network of accessible green spaces for people
- adapting to climate change through sustainable planning and design

In March 2021 the Infrastructure Delivery Board (IDB) approved the progression of a scoping paper proposing an update of the existing strategy; it was later agreed that Norfolk County Council's 'Natural Norfolk' Team would be best placed to deliver this work because it will ensure close alignment with the development of the Norfolk Nature Recovery Network and Strategy. The development of this new strategy aims to support the protection, enhancement, and creation of GI in Greater Norwich. The strategy will be built on an understanding of the green and blue spaces in the area and will identify future opportunities for GI provision and enhancement. The supporting Delivery Plan will demonstrate how the strategy can be implemented through practical projects and interventions. This will assist in the allocation of resources, and in the consideration of GI requirements within planning applications. Updating the GI strategy is also important to ensure that full account is taken of current and emerging legislative requirements.

Strategy development commenced in Summer 2022. A steering group has been established including representatives from the Greater Norwich Partnership, Natural England, the Broads Authority and the Norfolk Wildlife Trust.

Prioritised GI Projects

The projects below are those that have been prioritised by the GNGB for future investment; the majority have received IIF funding to deliver elements of their progress in previous AGPs. It should be noted that these projects were prioritised in the 2009 GI strategy. Once the updated GI Strategy has been adopted, the existing prioritisation of projects will be reviewed.

- **Green Loop – Broadland Way and Marriott's Way**

  A key element of the North-East Norwich Growth Triangle (NEGT) Area Action Plan is an off-carriageway cycle and pedestrian route between East Norwich at Thorpe St Andrew and the Northern Broads at Wroxham, known as Broadland Way.

  Broadland Way is designed to be a multi-functional Green Infrastructure corridor that provides residents of the new development with a safe walking/cycling route that can be used for commuting or leisure, whilst also providing ecological connectivity.

  Combined with Marriott's Way and the Bure Valley Path, this new facility will form a Green Loop to the north of Norwich - linking northern city areas of growth with the countryside and providing a highly biodiverse corridor. Marriott's Way in particular fulfils several key functions as a wildlife link, a health-promoting asset (through cycling and walking), and an outdoor classroom. A number of IIF funded projects have supported both the establishment of this route and links to it. These include the establishment of circular walks along the Bure Valley path (GP77) and extension to the Yellow Pedalway (GP80) which joins the Green Loop.

- **Burlingham Country Park**

  Burlingham Country Park project proposes the repurposing of one of the largest areas of land owned by Norfolk County Council. At over 12.5 km^2 the Burlingham site is located near Strategic Employment Sites and Major Housing Growth Sites.

  Bounded by the River Bure to the north, the River Yare to the south and by the Broads Nature Reserve, the project will:

  - deliver high quality Green Infrastructure in the area
  - provide improved countryside and recreational access for new residents
  - reduce recreational pressure on the nearby sensitive environments.

- **Yare Valley Parkway**

  The project aims to develop a linear country park based on the River Yare Corridor between Bawburgh and Whitlingham Country Park. It would comprise a collection of linked spaces along banks of the River Yare. This 'umbrella' project was included in the Green Infrastructure Delivery Plan 2009 and this was followed in 2016 by the production of a report and audit by Norfolk County Council that identified a series of project opportunities.

  Several projects have been completed or committed in the Yare Valley since 2009 using IIF including Marston Marsh (GP3), Earlham Millennium Green phases 1-3 (GP4, GP8, GP49), Yare Valley Walk, Cringleford Meadow Improvements (formerly UEA to Eaton Boardwalk) (GP47), Yare and Wensum Valleys link (GP50) and Wherryman's Way access improvements (GP83).

  A key planned project along the valley is the construction of two bridges in East Norwich near the confluence of the Rivers Yare and Wensum to enable pedestrians and cyclists to move between Whitlingham and the city centre and enable national cycle route 1 to be re-routed onto a more direct, convenient, safe and enjoyable alignment. This will help support regeneration of the wider East Norwich area, which is identified as a strategic regeneration area in the emerging Greater Norwich Local Plan. This demonstrates that the programme of projects associated with the Yare valley Parkway are also aligned to the River Wensum Strategy (below).

- **The River Wensum Strategy**

  The River Wensum Strategy has been developed to guide regeneration of the River Wensum Corridor in Norwich, from Hellesdon in the west extending to Whitlingham in the east. The strategy is led, and project managed by Norwich City Council and was adopted by all partners as well as the Environment Agency, the Broads Authority and the Norwich Society in Summer 2018. The River Wensum Strategy Delivery Plan was published in 2021.

The strategic objectives include enhancing connectivity throughout the river corridor (particularly with the Norfolk Trails network) and enhancing the natural environment and green infrastructure. Key green infrastructure proposals which have received IIF funding in previous years include the Wensum Walkway (GP81) which is set to complete a key City Centre section on the Riverside Walk, improvements to accessibility of the existing Riverside Walk (GP31), improvements to the entrance to Marriott's Way from the Barn Road Roundabout (GP29) and enhanced links with the Broads network at Whitlingham in the longer term. However, it should be noted that the project to complete the missing link on the Riverside Walk is currently on hold due to a review of the costs and design and the project to improve accessibility is on hold due to staff resourcing.

The Norwich Riverside Walk is identified as a sub-regional green infrastructure corridor, supporting growth locations in the Joint Core Strategy. The River Wensum Strategy noted above also aims to complete key missing sections of the riverside walk within the city. The development of the Riverside Walk alongside the Wensum helps to support the green infrastructure requirements for anticipated new housing and employment development that has been identified in the city centre and East Norwich.

- **Broadland Country Park**

Broadland Country Park (GP (BCP) was allocated £719,000 of IIF funding which enabled the land to be purchased by Broadland District Council in 2019. The new Country Park was launched online at Easter 2021 with its new name, promotional film, blog site and Broadland Country Park website.

Match funding has been secured from the Business Rates Pool and British Cycling, as well as S106 contributions from nearby developments. The approved Broadland Country Park: Horsford Crossing project (GP82) will improve pedestrian and cycling access into Broadland Country Park across the B1149 Holt Road. For more details about these projects please see Appendix B – Greater Norwich Growth Programme.

A partnership with the Norfolk and Norwich Naturalists Society has harnessed the work of expert naturalists. So far 1749 species of wildlife have been recorded.

Planning Solutions Consulting have been appointed to undertake an options analysis and financial appraisal for the future of Broadland Country Park. They will report early in 2023.

Broadland Country Park helps to maneuver the Greater Norwich area into a strong position in which to deliver sustainable, well-planned communities by enabling a mitigation strategy that alleviates the impact of growth on the internationally designated sites in Norfolk.

Projects Supported by IIF

Since 2014, 32 Green Infrastructure projects have been allocated funding from the IIF. Total allocated funding for GI has been £4.126m, levering in an additional £2.089m from other sources.

- GP1 – Harrisons Wood
- GP2 – Danby Wood
- GP3 - Marston Marsh
- GP4 – Earlham Millennium Green Phase 1
- GP5 – Riverside Walk
- GP6 – Marriott's Way Phase 1
- GP7 – Norwich Health Walks
- GP8 – Earlham Millennium Green Phase 2
- GP9 – Marriott's Way Phase 2
- GP22 – Pink Pedalway, Heathgate
- GP23 – Carrow to Deal Ground Riverside Walk (Closed Prematurely)
- GP27 – Lizard and Silfield Nature Reserves (Closed Prematurely)
- GP29 – Marriott's Way Barn Road Gateway
- GP30 – Sloughbottom Park, Anderson's Meadow
- GP31 – Riverside Walk Accessibility
- GP33 – Strumpshaw PIt Circular Walk
- GP36 – Castle Gardens
- GP47 – Yare Valley Walk, Cringleford Meadow Improvements (formerly UEA to Eaton Boardwalk)
- GP48 – Wherryman's Way: Yare Valley
- GP 49 – Earlham Millenium Green Phase 3
- GP50 – Yare and Wensum Valleys Link
- GP51 – Green Infrastructure: Access for All
- GP52 – Thorpe Marriott Greenway
- GP63 – Broadland Country Park
- GP64 – Hellesdon Station Green Infrastructure
- GP65 – East Wymondham Green Infrastructure
- GP66 – 20 Acre Wood
- GP67 – Ketts Country Long Distance Trail
- GP68 – Frenze Beck Green Infrastructure
- GP77 – Bure Valley Path
- GP78 – Kett's Heights
- GP83 – Wherryman's Way Access Improvements

Transport

Transport for Norwich (TfN) comprises a strategy and programme of works that is delivering transport improvements across Greater Norwich. The strategy recognises that everybody's journeys are different and looks to give people viable options on how they choose to travel; it actively promotes sustainable transport. Key improvements already delivered include:

- the Broadland Northway
- a network of Park and Ride facilities
- a network of 'Pedalway' cycle routes and upgrades to pedestrian and cycle crossings
- the award-winning Norwich Bus Station and an improved transport interchange at Norwich Rail Station
- bus priority measures both in the City Centre and along radial routes such as Cromer Road and Thorpe Road
- public realm improvements at key locations such as Tombland, King Street and St Stephens Street

There is an implementation plan of transport delivery that sets out a range of transport measures, together with their general intended phasing, for delivery over the short to medium term.

The TfN strategy was reviewed and adopted by the County Council in December 2021. The new Transport for Norwich Strategy sits alongside Norfolk County Councils Fourth Local Transport Plan, which was adopted by the County Council in July 2022. Norfolk County Council, Norwich City Council and Broadland District Council have made commitments to reduce carbon emissions that arise from their operations to net zero by 2030. These documents will support these joint ambitions.

Projects supported by IIF

Since 2014, 15 Transport projects have been allocated funding from the IIF. Total allocated funding for Transport has been £7.918m, levering in an additional £6.252m from other sources.

- GP11 - St Clements Toucan crossing
- GP13 - Eaton Centre Interchange
- GP13b - Roundhouse Way Bus Interchange
- GP16 - Golden Ball Street highways improvements
- GP17b - Cromer Road - Aylsham Rd (A140)
- GP24 - Colney River Crossing
- GP26b- Hempnall Crossroads
- GP32 - Broadland Way: Green Lane North to Plumstead Road

- GP45 - Green Pedalway junction improvements
- GP46 - Marriott's Way: Access improvements in Costessey
- GP53 - Marriott's Way: Resurfacing at Drayton
- GP74 - Plumstead Road Roundabout
- GP80 - Yellow Pedalway extension
- GP81 - Wensum Walkway
- GP82 - Broadland Country Park – Horsford Crossing

Major Strategic Transport Schemes

GP25 - Broadland Northway

Construction of the Broadland Northway was completed in April 2018 and there has been significant positive feedback from residents and businesses regarding the reduced journey times and simpler journeys that the new route provides. The monitoring of traffic impacts is ongoing. The road was paid for by the Department for Transport, Growth Point funds and the Community Infrastructure Levy (CIL). With the agreement of all the Greater Norwich partners, £40m of borrowing to support its delivery took place in 2016. This loan runs until June 2041 and is repaid in yearly instalments from the IIF.

GP26 - Long Stratton Bypass

The Long Stratton Bypass (LSBP)will be funded from a combination of developer and public sector funding. It was announced in September 2019 that the Department for Transport (DfT) had awarded major road network funding to develop the business case for the LSBP. This enabled the scheme to move forward to the next stage. The Outline Business Case was submitted to the DfT in January 2021 and resulted in a commitment from them to fund 70% of the overall project cost identified within the Outline Business Case, with a further release of scheme development funding to take the project through to the appointment of a preferred Contractor. At that point, a Full Business Case submission will be required to obtain the final funding from DfT to allow construction of the project. The remainder of the overall project funding (30%) will be made up of a developer contribution and CIL supported borrowing.

An exercise to update the cost estimate for delivery of the bypass has identified an increase from the originally approved OBC figure of £37.44m. The new cost estimate reported to NCC Cabinet on 5th September 2022 is £46.23m, an increase of approximately £8.79m.

The authorities have worked collaboratively with the Developer to ensure the planning applications for the bypass and associated development were updated to allow for re-consultation exercises, the latest of which is hoped to take place in November 2022. Should the applicant achieve that date, the consultation and consideration process could allow a recommendation to be made to the Local Planning Authority Development

Management Committee early in 2023. In the meantime, detailed design work for the bypass continues.

City Deal borrowing to support the delivery of Long Stratton Bypass

£10m of CIL supported borrowing was allocated to LSBP through the Greater Norwich City Deal agreement which was signed with Government in December 2013. This gave the GNGB access to lower-cost borrowing from the Public Works Loan Board (PWLB).

In last year's version of this Plan, each Greater Norwich CIL receipting Authority agreed a draft legal loan agreement and for the GNGB to be granted delegated authority to sign the final legal loan agreement for the LSBP draw down, together with their S151 officers and under the direction of Norfolk County Council as the Accountable Body. As agreed within the GNGBs signed Joint Working Agreement, a unanimous decision will be required from all board members (the Council Leaders) prior to the signing and the draw down being actioned.

On the 6th October 2022, following the review of a project change request, the GNGB unanimously agreed for the City Deal borrowing to support the delivery of LSBP to be increased to £10m, the full amount allocated within the City Deal Document.

The City Deal borrowing to support LSBP is programmed to be required in 2022/23. Using current interest rates, the forecasted annual repayment to be paid from the IIF is in the region of £680,000. The final repayment amount cannot be fully confirmed until the loan is actioned and the interest rates at that future time are known. The forecasted interest repayments are included within the Five Year Investment Plan Framework on page 10.

Education

Children's Services publish their Schools Local Growth and Investment Plan (SLGIP) annually in January as part of the Children's Services Member briefing paper to Norfolk County Councils Cabinet. SLGIP recognises growth across the whole County but the most significant growth is within the Greater Norwich area.

In Greater Norwich, Norfolk County Council have 6 schools (three primary, one free school and two primary relocation and expansion) that are either in the process of being built, or where building is planned to commence over the next 2-3 years. Other new schools are planned across the Greater Norwich area once housing and pupil numbers result in existing schools in the area no longer being able to accommodate local children. These currently include 12 new primary schools and 1 secondary school. There will also be additional new schools and school expansions to provide for the new allocations made through the Greater Norwich Local Plan (GNLP).

Those currently being progressed are:

- Blofield, new building to move and expand existing school – land transfer moving forward
- Cringleford, new primary school – currently in planning and scheduled to open Sept 2024
- Silfield, new primary school – awaiting land transfer and scheduled to open Sept 2024
- North Norwich/Rackheath two new primary schools and one new secondary school – land discussion only
- Poringland, new primary – site search

In addition, extensions to existing schools are actively being pursued at the following sites:

- Hethersett High Academy – Concept design stage underway for further expansion
- Wymondham High Academy – feasibility underway for further expansion

Projects Supported by IIF

Since 2017, the Education Programme has received an annual allocation of £2m to support in the delivery of infrastructure. A total of £12m has been allocated to Education infrastructure to date.

2017/18 commitment

Hethersett – funding drawn down for two schemes to support housing growth in the village.

- £1m was committed towards the expansion of 11-16 places at Hethersett High Academy. A new classroom block was completed for September 2020, with a total budget of £8m. The match funding was received through government grant for Basic Need.

- £1m to increase Hethersett VC Junior school to a full Primary. The scheme was completed in November 2020. The total budget was £4.5m, match funding was received through government grant for Basic Need funding and school condition capital funding. The condition funding is a grant for capital maintenance that comes to Norfolk County Council to address condition for those schools which it is the responsible body (ie not academies). It is based on a calculation per capita and is reducing year on year as the number of academy schools increase.

2018/19 commitment

£2M was committed in 2018/19 to fund two projects:

- To identify and secure a new site to move the existing Primary school at Blofield into larger and more modern school accommodation. Land assembly conversations are moving forward. Approval to acquire the land was agreed at NCC Cabinet in August 2022. Planning application submission is imminent.
- To ensure the existing primary school site in Brundall has suitable accommodation for larger cohorts of children. This involves the provision of 2 new classroom blocks, demolition of caretaker bungalow and improvement to parking provision. This was completed in December 2020 (building) with follow on external works completed March 2021.

2019/20 commitment

£2M was committed in 2019/20 to support the delivery of a new 420 place primary school in Cringleford on allocated S106 land with a consideration for the need for a nursery alongside the primary school. Planning permission has been approved and the project is currently out to tender with a programmed start onsite in Spring 2023, but this is subject to completion of land transfer from the developer.

2020/21 commitment

£2M was committed in 2020/21 to support an extensive expansion project at Ormiston Victory Academy in Costessey. This involves a new three-story classroom block and internal remodeling to increase the number of school places from 1050 (7 Form Entry) to 1500 (10 Form Entry) for 11-16year old pupils. The new build is complete and the internal remodelling is nearing completion. The project will conclude the end of 2022.

2021/22 commitment

A further £2M was committed in 2021/22 to support the considerable expansion of Ormiston Victory Academy, with a total project cost in the region of £9.5m. The shortfall of £5.5m has been met with a government grant of Basic Need.

2022/23 commitment

£2M was allocated to Hethersett Academy. A second phase of development in response to 1400 new homes in the village (1200 originally with an additional 200 recently confirmed). Design of the project is progressing well, with the project programmed to start in the summer of 2023, and completion by Autumn 2024.

23/24 Allocation

Having considered the available fund balance and taking into consideration inflationary rises since the first allocation was made in 2017, a £2.5m allocation from the IIF has been identified for the forthcoming year. The allocation will be used to support the delivery of extensions of both Wymondham High Academy and Hethersett High academy. Please see Table 2 for further details of the full programme. It is forecasted that basic need funding together with the £2.5m IIF contribution will directly support the delivery of these projects, if inflation and build costs continue to rise there is a possibility that NCC will be required to undertake a small amount of borrowing in 23/24.

Table 2 Education Infrastructure Programme, funding, and shortfall. Please note that these are forecasted figures which are subject to change and cannot be confirmed until each project reaches the point of delivery.

District Area	School Area	Schedule of Works	Stage	Cost Estimate	Expected Delivery	Basic Need Funding	S106 Funding	CIL Funding	Funding Shortfall	Cumulative Shortfall
Broadland	Blofield	New Primary School	Site acquisition and concept design	10,200,000	2023	9,000,000	0	1,000,000	200,000	**200,000**
South Norfolk	Wymondham	Wymondham High classroom expansion	Further phase expansion to 2050 capacity	9,200,000	2024	1,200,000	0	0	8,000,000	**8,200,000**
South Norfolk	Wymondham	Silfeild New Primary School	Detailed Design	10,200,000	2024	5,100,000	5,100,000	0	0	**8,200,000**
South Norfolk	Cringleford	Cringleford New Primary School	Detailed Design	10,200,000	2024	6,538,624	2,000,000	0	1,661,376	**9,861,376**
South Norfolk	Hethersett	Staged Expansion	Refresh of Masterplan	6,000,000	2024	4,246,000	1,754,000	0	0	**9,861,376**
Norwich City	Bowthorpe	Increase pupil places across existing schools	Under Review	4,000,000	2025	1,500,000	2,500,000	0	0	**9,861,376**
South Norfolk	Poringland	New Primary School	Initial 1FE with scope to increase to 2FE	10,200,000	2025	70,184	0	0	10,129,816	**19,991,192**
Broadland	Aylsham	New Primary School	Land provided for in LP expected delivery 2FE school	10,200,000	2026	0	0	0	10,200,000	**30,191,192**
Broadland	Rackheath	New Primary School #1	Land provided for in LP expected delivery 2FE school	10,200,000	2026	0	0	0	10,200,000	**40,391,192**
Broadland	Beeston	New Primary School #1	Land provided for in LP expected delivery 2FE school	10,200,000	2026	0	0	0	10,200,000	**50,591,192**
Broadland	Hellesdon	New Primary School	Land provided for in LP expected delivery 2FE school	10,200,000	2026	0	0	0	10,200,000	**60,791,192**
Broadland	Taverham	New Primary School	Land provided for in LP expected delivery 2FE school	10,200,000	2026	0	0	0	10,200,000	**70,991,192**
South Norfolk	Long Stratton	Long Stratton New Primary School	Site Location agreed	10,200,000	2026	0	0	0	10,200,000	**81,191,192**
Broadland	Rackheath	New Secondary School	Land provided for in LP expected delivery 6FE school	26,000,000	2027	0	0	0	26,000,000	**107,191,192**
Broadland	Aylsham	Future expansion of High School	Under Review	6,000,000	2028	0	0	0	6,000,000	**113,191,192**

District Area	School Area	Schedule of Works	Stage	Cost Estimate	Expected Delivery	Basic Need Funding	S106 Funding	CIL Funding	Funding Shortfall	Cumulative Shortfall
Broadland	Easton	Easton Primary extension to 420 places	expansion of existing site to accommodate numbers expected from development	4,000,000	2028	0	0	0	4,000,000	**117,191,192**
Broadland	Rackheath	New Primary School #2	Land provided for in LP expected delivery 2FE school	10,200,000	2028	0	0	0	10,200,000	**127,391,192**
Broadland	Beeston	New Primary School #2	Land provided for in LP expected delivery 2FE school	10,200,000	2028	0	0	0	10,200,000	**137,591,192**
Broadland	Hellesdon	Future expansion of High School	Under Review	6,000,000	2028	0	0	0	6,000,000	**143,591,192**
South Norfolk	Long Stratton	Future Expansion of High School	Under Review	6,000,000	2028	0	0	0	6,000,000	**149,591,192**
Norwich City	East Norwich	New Primary School	Land provided for in LP expected delivery 2FE school	10,200,000	2028	0	0	0	10,200,000	**159,791,192**
Total				**199,800,000**		**27,654,808**	**11,354,000**	**1,000,000**	**159,791,192**	**159,791,192**

Community Facilities

A number of strategic community projects have been identified and funded in previous publications of this Plan. These include library improvements, open space developments, improved community facilities and a range of sports facilities.

Libraries

The delivery of Library Infrastructure is overseen by Norfolk County Council, who are responsible for providing a comprehensive and efficient library service. With the support of IIF funding, the library service has used technology to extend the opening times in 18 of the 21 libraries in the Greater Norwich Area (GP41, 43, 56-60).

Sport

The delivery of sports facilities, playing pitches and other infrastructure that encourages and facilitates physical activity is overseen by a partnership group called the Greater Norwich Sports and Physical Activity Working Group. They are tasked to enable, encourage, and monitor the delivery of new infrastructure.

In October 2022 the 2014 Playing Pitch and Built Sports Facilities Strategy was superseded by the Greater Norwich Physical Activity and Sports Strategy (PASS). This new strategy updates the 2014 version whilst also broadening the scope beyond the use of traditional sports facilities, considering how physical activity can improve physical health and mental wellbeing, reduce inequalities, improve community cohesion, and support economic development. The strategy will provide a more rounded view of the way 'place' supports active lifestyles. It will acknowledge that in addition to pursuing traditional sports, people are incorporating physical activity into their daily lives through activities like cycling or walking to work. The PASS was jointly funded by the GNGB and Sport England, and developed in accordance with Sport England's Strategic Outcomes Planning Guidance. The Plan will be monitored and progressed by the Greater Norwich Sports and Physical Activity Working Group, an established cross authority officer group which is chaired and supported by Active Norfolk as a key partner.

Projects supported by IIF

Since 2014, 23 Community projects have been allocated funding from the IIF. Total allocated funding for Community Facilities has been £5.018m, levering in an additional £10.179m from other sources.

- GP37 – Long Stratton Sports Hub
- GP38 – Football Pitch Improvements
- GP39 - Loddon and Hales Cricket Club and Hales Bowls Club
- GP40 – Ketts Park Sports Hub

- GP41 – Wroxham Library Self Service
- GP43 – Diss Library Self Service
- GP55 – Community Sports Hub, The Nest
- GP56 – Harleston Library Self Access
- GP57 – Costessey Library Self Access
- GP58 – Loddon Library Self Access
- GP59 – Earlham Library Self Access
- GP60 – Mile Cross Library Self Access
- GP69 – Aylsham Sports Hub Stage 3
- GP70 – Wymondham Tennis Club
- GP71 – Crusaders Rugby Football Club
- GP72 – Recreation Road Pool
- GP73 – Norwich Parks Tennis
- GP76 – Brundall Sports Hub
- GP79 - FDC Bowthorpe
- GP84 – Wensum Lodge
- GP85 – FDC Heartsease Open Academy
- GP86 – Yare Boat Club

Economic Development and Regeneration

Several projects supported by the IIF significantly contribute to the economic growth of areas by providing transport, green infrastructure, and community benefits. These projects support the wider regeneration of areas but often require many years of strategic planning to come to fruition. Projects which the GNGB have already identified as strategic priorities within the Greater Norwich area include:

Anglia Square

A planning application for the comprehensive redevelopment of Anglia Square was submitted to Norwich City Council on 19 April 2022 (ref: 22/00434/F). This comprises up to 1,100 dwellings; 8,000 sqm of non- residential floorspace for flexible retail, commercial and community use; 450 parking spaces; hard and soft landscaping; service infrastructure and other associated work. Following consultation and feedback, the scheme has been amended and has been subject to further periods of public consultation. The timescale for determination of the application is subject to addressing the impact of the development on nutrient neutrality. A decision on the application is expected in the first half of 2023.

The Greater Norwich Local Plan (GNLP) is proposing that Anglia Square and adjoining land (approx. 4.79 ha) is allocated for a housing-led mixed use development including retailing, employment, community and leisure facilities, and will act as a catalyst for wider investment and redevelopment in the 'Northern City Centre Strategic Regeneration Area' defined in the GNLP. The housing element of the scheme is in the region of 800 units.

East Norwich

Following the closure of Carrow Works in 2020, significant regeneration proposals are being developed for the East Norwich area. The redevelopment area comprises approximately 50ha of brownfield land including Carrow works, the adjacent Carrow House, the Utilities Site, and Deal Ground site. The GNLP is proposing that these sites are allocated for comprehensive mixed-use redevelopment as the 'East Norwich Strategic Development Area'.

This site represents the largest regeneration scheme in Greater Norwich and has the potential to deliver a sustainable new community comprising up to 4,000 homes (as proposed in the draft Greater Norwich Local Plan), alongside considerable employment and community spaces, linking the city centre with the Broads National Park at Whitlingham.

To unlock the potential of this area there will need to be considerable investment in infrastructure to support redevelopment. This will be a complex exercise and is currently being examined through a detailed master-planning exercise which will supplement policies in the Greater Norwich Local Plan.

The master-planning exercise has been completed by consultants Avison Young and was overseen by a public private partnership led by Norwich City Council. The Stage 1 masterplan for East Norwich was endorsed by Norwich City Council's Cabinet in November 2021 and the Stage 2 masterplan in June 2022.

The Infrastructure Delivery Plan produced alongside the Stage 2 masterplan identifies a total cost of £153m for the infrastructure required to underpin regeneration at East Norwich, which is likely to require significant public sector funding support. Further Stage 3 work has been commissioned by Homes England which will consider potential delivery options, develop a financial model, and help refine infrastructure costs and triggers.

Necessary works include physical infrastructure such as new roads, bridges and pedestrian/cycle ways, as well as social and community infrastructure including a school. However, the expectation is that this may require public sector leadership and investment in order to deliver.

Norwich Towns' Fund Programme

Norwich City Council was awarded £25m from the Ministry of Housing, Communities and Local Government to deliver eight key projects which are being developed in partnership with the Norwich Vision Group, local communities, partners and public/private investors. The Norwich Town Deal contains eight projects which have a strong focus upon economic development, urban regeneration, and city centre vitality:

- **The ACE (Advanced Construction and Engineering) Centre, City College** – A dedicated teaching lab in advanced engineering and manufacturing, sustainable transport, advanced construction and digital technologies. Scheduled to open towards the end of 2022
- The recently completed **Digi-Tech Factory** is a new campus building at City College Norwich
- **The Revolving Fund** – Established to unlock stalled brownfield sites to deliver energy efficient, modern homes and workspaces.
- **The Digital Hub** – Refurbishment of the Townshend House building in Norwich to develop a new "start-up and grow-on" space for digital businesses.
- **Investment** into the masterplan for **East Norwich** and to purchase **Carrow House** which has been refurbished to create much-needed office accommodation in this key growth area of Norwich.
- **Work In Norwich (WIN) Branding** – Establishment of a cohesive commercial proposition for Norwich as 'the place' for business and promote the city as one of the best places in the world to live, learn, work and succeed.

- **Public Realm** improvements at Hay Hill.
- St Andrews and Blackfriars' **The Halls** – Development of a state-of-the-art making space for collaboration and partnerships between culture, digital and tech.

Transforming Cities Fund

The Greater Norwich 'Transforming Cities Fund' (TCF) application is based around transforming connectivity in and around Norwich through a coordinated package of improvements on three transport corridors and in the city centre.

Greater Norwich was successful in securing an initial allocation of £6.1m from an early allocation of TCF. This was used to deliver 6 transport schemes across Greater Norwich during 2019/20-2020/21, which included new pedestrian crossings, provision of segregated cycle facilities between Wymondham and Hethersett, improvements to Norwich Bus Station and the implementation of a new cycle share project with Beryl.

It was announced in September 2020 that a further £32m of TCF funding had been allocated to Greater Norwich. We have prioritised corridors and schemes that are deliverable within the challenging timescales of the funding programme (up to end 2023 but discussions are ongoing with the Department for Transport about extending the programme to the end of 2024), which would maximise benefits and value for money. We have also tried to deliver the best possible balance between bus, walking and cycling schemes, which will be supplemented by a coordinated and sustained behaviour change programme that will be locally funded and delivered. Delivery of the TCF programme is going well and a number of schemes are already complete. These include:

- Cycling, pedestrian and public realm improvements at Tombland
- a new bus/cycle contraflow bus lane on Thorpe Road
- improved walking / cycle route along the Marriott's Way
- improvements to the bus route along South Park Avenue
- a new bus and cycle lane at Cromer Road / Aylsham Road
- modifications at the Grapes Hill junction to improve public transport and active travel journeys in this area
- changes around Norwich rail station to improve access for those walking, cycling and using public transport
- a significant redesign of St Stephens Street making it easier for buses to access bus stops and for bus passengers to board and alight buses, as well as providing wider footways and new seating and planting

- significant improvements to the pedestrian route to City College through a redesign of the Grove Road junction; enhanced cycle infrastructure has also been provided

Connecting the Lanes

The Norwich Lanes is an award-winning cluster of mutually supportive independent businesses that trade within the intricate weave of characterful medieval streets between the Market Place and the River Wensum. The experience of walking, browsing and being sociable is intrinsic to its success and to people's enjoyment of the area. Over the years, vehicles have been moved out of its narrowest streets but traffic remains a barrier and a blight in some streets such as Exchange Street and St Andrews Street. The Connecting the Norwich Lanes (CtL) programme, which is led by Norfolk County Council and supported by Norwich City Council, comprises a series of projects to manage traffic and improve the quality of public space. Traffic restrictions have been introduced on Exchange Street and St Benedicts Street with footway buildouts and pavement café space created and funding is being sought for more transformative works to the streetscape. Major works are programmed for 2023 in St Andrews Street and Duke Street; the Transforming Cities Fund money will be used to create cycle tracks, zebra crossings and widened pavements facilitated by preventing motorists driving eastwards through the city centre via St Andrew's Street.

Norwich Research Park (NRP) Enterprise Zone

A revised 5-year Site Development Plan has been created for the Enterprise Zone at Norwich Research Park (NRP) which will inform a revised masterplan.

Planned works in 2023 include a Diagnostic Assessment Centre, enlarging Colney roundabout and installing a new bus interchange. Norfolk County Council has submitted a funding application to the IIF to secure funding to complete the link in the off-carriageway cycle and pedestrian link between Hethersett and the NRP. Should funding be awarded, construction is expected to start during 2023/24.

Key improvements in and around the NRP have helped improve its connectivity to the wider area, as well as enhance the local environment. Those funded by the IIF include:

- a new bus interchange at Roundhouse Way
- a direct footpath link to the significant housing growth at Bowthorpe, including a new footbridge across the River Yare
- health walks to improve the wellbeing of patients and employees in the grounds of the Norfolk and Norwich University Hospital

Smart Emerging Technologies Institute – SETI

A more detailed business case has been commissioned by South Norfolk Council to take forward the SETI concept. The project is led by the University of East Anglia in collaboration with BT at Adastral Park, University of Cambridge and University of Essex. The business case will be completed by December of 2022.

The SETI concept is based around the development of a closed loop fibre network between the partners sites which will enable data transfer which is more than 1,000 times faster than broadband connections. If delivered, SETI will:

- provide the infrastructure for invention *and* innovation, developing technology from the laboratory to application and delivery
- encourage and enable more industry investment in research and collaborative R&D
- attract and create opportunities in a region where innovation assets are less densely clustered
- facilitate collaboration to explore the application of new technologies across sectors
- deliver improved local productivity through skills development, technology adoption and innovation based growth

Cambridge Norwich Tech Corridor (CNTC)

The CNTC continues to be recognised and promoted as a strategic location for technology and innovation within the region and the UK. Supported by local authority partners, a mapping of key clusters across the Corridor has enabled the identification of specialist strengths and development opportunities in different high-growth locations. An additional piece of work commissioned by CNCT members and delivered by EELGA will set out some options for the project to move forward. This piece of work is due to be completed November 2022.

Neighbourhood CIL

A minimum of 15% of the CIL that is received by each District Authority is given back to Parish or Town Councils. This amount rises to 25% when a Neighbourhood Plan has been adopted. The funding is known as neighbourhood CIL and it plays an important role in delivering infrastructure to support growth. The total neighbourhood CIL received by each area is listed in Appendix E – Neighbourhood CIL, but it is for the individual Parish and Town Councils to agree how neighbourhood CIL is allocated in their local areas. Whilst the GNGB has no decision-making power over the allocation of this funding, the partners proactively engage to ensure the delivery of infrastructure, including how this relates to the development and implementation of Neighbourhood Plans.

Where appropriate, projects that apply to the IIF are encouraged to secure neighbourhood CIL as match to confirm the local support for delivering each project and to demonstrate the alignment of priorities between the two funding streams.

Both Broadland and South Norfolk Councils have introduced a Community Infrastructure Fund (CIF), which allows Parish or Town Councils to borrow money from the District. This money can be used to deliver community infrastructure projects which address the demands of growth in their area. CIL receipts, due to be paid to Parish or Town Councils, are used to repay the money to the District.

In the Norwich City Council area there are no parishes, so the council consults directly with communities to allocate this element of CIL income. The council use multiple ways in which to encourage applications into this fund:

- There is a yearly allocation to Pledge Norwich which is set up to be an open match fund for community driven and delivered projects. It will fund up to 50% of a project cost (to a maximum of £5000). These applications are assessed for suitability against the requirements of the Neighbourhood CIL legislation, and then scored and weighted based on local priorities. Areas of higher deprivation receive a more heavily weighted score.
- Other Neighbourhood CIL allocations in Norwich are based on bids and suggestions received during the year. Shortlisted applicants are invited to submit a full application which is scored against selection criteria, to ensure it is best value for money and addresses locally identified priorities.
- The council proactively uses community engagement opportunities to identify projects which might be suitable for Neighbourhood CIL, including where it can fund feasibility studies in preparation for making an application to the GNGBs separate strategic CIL fund. The website Get Talking Norwich has been set up as an online engagement platform to gather local intelligence and to help determine priorities.

Appendix A – 2023/24 Annual Growth Programme Project Details

This appendix provides details of the projects in the 2023/24 Annual Growth Programme for Greater Norwich. The projects are grouped by their Sponsoring Authority, together with their IIF allocations.

Broadland

Youngs Park Aylsham AGP - £250,000

This project at Youngs Park in Aylsham, will see the installation of a full-sized 3G artificial grass pitch (AGP). This will replace an existing full sized natural turf pitch. Successful delivery of this project will contribute towards a variety of outcomes identified within Norfolk County Council's Together for Norfolk business plan, Sport England's Uniting the Movement strategy, the FA's National Football Facility Strategy, Aylsham Parish Council's Neighbourhood Plan and the emerging Greater Norwich Physical Activity and Sport Strategy (PASS) and associated updated Playing Pitch Strategy.

Converting the existing grass 11v11 pitch to an AGP, will enable increased formal and recreational football participation. Consequently, this project would deliver significant benefits for Aylsham Football Club, the local community and the Greater Norwich area.

Norwich

Guildhall Hill and Exchange Street - £2,771,548

This is a major project to create a public space destination in the civic heart of Norwich between the Guildhall, Jarrold Department Store and the Market that would be connected to the north of the city centre via a rejuvenated Exchange Street. The improved public space would support and encourage more intensive use of nearby retail and commercial space and feature the following main changes

- Reinforcing freedom of movement for pedestrians to walk along and across Exchange Street and supporting the recently agreed traffic restrictions by widening and paving the footway, elevating the asphalt carriageway close to footway level and introducing permanent street furniture so people can sit outside and enjoy their surroundings, including at the popular cafes which have benefited from the temporary arrangements introduced during the pandemic.

- Enabling cyclists to ride up to the Market Place on Exchange Street as well as continuing to ride down to St Andrews Street. Cycle parking would be provided so people can conveniently do their shopping or visit cafes and restaurants by bike.

- A new taxi rank would be created in a well-lit and level location between City Hall and the Forum close to the corner of St Peter's Street and Bethel Street, which is the permitted access loop for traffic following the closure of Exchange Street, which includes taxis.

- Creating an attractive and generous seating and planted area below the Guildhall where the taxi rank currently lies. The demand is demonstrated by the people that crowd into Memorial Gardens to chat and eat throughout the day. The arrangement of seating and planting would open and frame pedestrian routes that are currently blocked by parked and manoeuvring taxis. Access to parking for disabled motorists and commercial loading for the Market and business premises on Guildhall Hill would remain.

The project is part of the Connecting the Norwich Lanes programme, which is led by Norfolk County Council. The Lanes is an award-winning cluster of mutually supportive independent businesses that trade within the intricate weave of characterful medieval streets between the Market Place and the River Wensum. The experience of walking, browsing and being sociable is intrinsic to its success and to people's enjoyment of the area. Over the years vehicles have been moved out of its narrowest streets but traffic remains a barrier and a blight in some streets such as Exchange Street and St Andrews Street.

Norfolk County Council have assessed the project using the Department for Transport's Active Mode Appraisal Tool. Over thirty thousand pedestrians were recorded crossing the junction at the bottom of Guildhall Hill near Jarrold on 30 May 2022 and this huge number of project beneficiaries combined with improvements to congestion, air quality, greenhouse gases, physical and mental wellbeing, journey ambience, amount to £31.8m of monetised benefit and a benefit cost ratio of 7.89, which is considered very high value for money.

Thorough consultation, detailed design and political approval will be required before the project can be implemented.

Sloughbottom Park Regeneration - £850,000

This project is adjacent to the former Mile Cross depot site which is in the process of being redeveloped to add additional housing to the area (circa 200 homes). The project will add important physical activity infrastructure within the location as well as improved access to the city centre via Marriot's way.

The project will deliver a linked set of new community facilities, including:

- A new 3G football pitch which can be used year-round
- League-standard changing facilities, including an administration office.
- Multi-purpose Pavilion and café - the existing pavilion will be rebuilt as a more suitable multi-purpose community facility. It will include an information hub and classroom for the Norfolk Wildlife Trust, a space for the BMX club to run British Cycling sessions and Norfolk County FA to run coaching and educational sessions. It will also be available for public booking.
- Play Park: the play area will be upgraded with more inclusive playground equipment and improved surfacing.
- The BMX track will be refurbished, bringing it up to national standards. Portable floodlights will facilitate year-round use.
- Upgraded modular storage facilities at the BMX track, to be shared with the Norfolk Wildlife Trust.
- Carpark, paths, signage and lighting will be upgraded to improve safety and accessibility
- Cycle Highway connections: upgrades to the vital 450m 'Dolphin Path' cycle path which connects the Mile Cross area into the city via National Cycle Route 1 (Marriott's Way) will include improvements to lighting, path widening, replacement of boundary fencing and installation of two bike repair stations at Sloughbottom Park.

The full project is a levelling up fund application for the North Norwich constituency. The specific elements within this project that are within the AGP include the 3G pitch and changing rooms which are highlighted in the GNIP and the upgrade to Dolphin Path, which is part of the orange pedal way and intersects with Marriott's Way. This aspect of the project forms a match fund for the full LUF application.

South Norfolk

Hethel Technology Park - £5,000,000

This project will deliver:

- A 3-arm Roundabout on the C186 (Wymondham Road) to the west of the current Hethel Engineering Centre access. The roundabout will provide a new access via a realignment of the southern end of Potash Lane through the Strategic Employment Allocation HEHEL2.
- A new road (as indicated above) through HETHEL2 providing access 'limbs' into the employment allocation to serve the employment facilities (new and existing) at Hethel.
- Footway and cycleway infrastructure alongside the sections of new road.
- Closure of the existing junction of the C186 Wymondham Road and Potash Lane to vehicular traffic at Hethel.

Without improvement in the transport infrastructure at the Hethel site, continuous economic growth will be hindered. This project will act as the catalyst to accelerate economic development resulting in access to c. 870 new high value jobs. Infrastructure improvements will help accelerate and safeguard other allocated employment sites across Wymondham too, providing a wider range of jobs in the economy. This will occur through a mixture of inward investment, expansion of existing businesses and supply chain clustering that will also establish a critical mass of partners and suppliers to the planned Lotus facility at Hethel. Furthermore, there will be Increased opportunities for apprenticeships, graduate placements, and new skills attained within existing advanced manufacturing and engineering sectors. GVA uplift for the planned HEC Phase 4 building is expected to be in the region of c. £14.5m p/a, this expansion alone is expected to safeguard up to 300 new FTE jobs, safeguarded within South Norfolk by allowing existing tenants to grow.

Research & Development opportunities will be secured along the Cambridge and Norwich Tech Corridor as a result of the growth outlined above ensuring the area becomes a centre of excellence for areas such as composites and advanced manufacturing.

Venta Icenorum - £153,128

This project will upgrade and expand the car park by 2,000 sq. metres (doubling the existing capacity) so it is fit for purpose and can accommodate the increased number of visitors. The car park will be free to visitors for the foreseeable future however, a small fee may become payable in the longer term to assist with sustainability of the site going forward.
The extension will help mitigate the problem with visitors parking on the rural road and reduce the risks to road users. Entry will be via a new height security barrier to prevent entry overnight. There will be allocated bays for disabled visitors (blue badge holders). The work will include provision for 2 new Electric Vehicle charging points with associated utilities to support this.

New cycle parking bays (to secure at least 12 bikes) will be included to encourage cycling to the site, simultaneously relieving pressure on the car park. Finally, a new oak gazebo will be erected at the entrance to Venta Icenorum marking it as a formal entrance point, it will act as a meeting point for visitors, hold information boards and provide some shelter too.

Queens Hills Community Park - £153,552

Queen's Hills Community Park is a large 90-acre multifunctional green open space on the southern edge of Queen’s Hills in Costessey, Norwich. It is also designated as a County Wildlife Site (CWS), demonstrating its value and importance to wildlife. The Community Park comprises: a Community Woodland, 4 play areas at Queen's Hills and East Hills Woods managed by South Norfolk Council. Costessey has one of the largest populations in South Norfolk, having seen significant amounts of development in recent years, and includes one of Greater Norwich’s strategic employment locations at Longwater.

The aim of this project is twofold. The first: to provide formalised and improved access to and within the park for community and visitors, and second: to protect the existing woodland. This project will deliver:

- Formal footpaths
- Waymarkers
- 5 Circular Walks
- An additional access point to the park.
- 6 Cycle Racks
- Stock fencing for a grazing area.

Cringleford Country Park - £468,000

Cringleford, as one of the five major growth locations in South Norfolk, has experienced a rapid expansion in its population. In parallel, many of Cringleford's former open fields have come under development, placing enormous pressure on the last remaining open space at the UEA whose woodlands, lake and meadows are a beauty spot - attracting people from not only the local area but also Norwich and nearby districts.

The UEA's green space is not particularly accessible as many of its paths and, crucially, its river crossing is not fully accessible. The Parish Council is purchasing land in the Yare Valley adjacent to the UEA woods, so that it can be protected from development and be made accessible open space for the community.

The primary purpose of this project is to secure and open up additional green space for the community. The project will deliver:

- 17.24 ha of land including 5.87 ha of managed woodland (Cringleford Wood) and 8.56 ha pasture.
- a new accessible bridge crossing for the River Yare
- 400m of accessible boardwalk across the land to the bridge.
- 400m cattle and dog-proof fencing to maintain grazing and protect users of the pasture.
- a new path linking Cringleford to the west of the Yare River with UEA's boardwalk and the Yare Valley walk to the east, and the wider Kett's Country Long Distance Trail and Circular paths.
- 3 disabled parking spaces for accessing the new path.

<u>Easton Village Hall - £505,000</u>

This proposal outlines the delivery of a multi-use village hall (with off-road parking) in Easton, to enhance recreational provision, promote social integration, and create a thriving sustainable community.

Physical outputs from the project are:

- 565sqm village hall that accords with Sport England requirements and will contain a sports hall which allows for a large catalogue of sports uses, flexible office spaces, kitchen facilities, changing facilities, bar facility and meeting area.

- 19 standard car parking spaces; 3 disabled car parking spaces, storage for 16 x cycles, EV charging capacity for up to 20 EV points with 7 installed at the project opening.

The project is in an accessible location well served by public transport, not yet served by Beryl Bikes but an area of potential expansion and so is accessible beyond Easton. The centre is also designed to be a relief centre able to operate off grid for an extended period creating resilience to the community and beyond; it has been designed and intended to serve as a blue light office base where facilities will be usable 24/7.

Norfolk County Council

Hethersett to NRP Cycle Route - £501,015

The project will deliver active travel infrastructure improvements along Colney Lane, which provides a key route from Hethersett and Wymondham to the Norwich Research Park (NRP). These improvements will enhance walking and cycling provision, supporting strategic growth of Wymondham, Hethersett and the NRP.

The key project deliverable is for an off-carriageway, shared-use cycling and walking path to be provided along the western side of Colney Lane from the junction of Braymeadow Lane to the bridge over the A47. This will enable the Pink Pedalway to be extended to Hethersett to link with the Blue Pedalway (the Pink Pedalway currently terminates at the Norfolk & Norwich University Hospital).

The new shared use facility would typically be 3m wide, segregated from general traffic and will be 810m in length.

Appendix B – Greater Norwich Growth Programme

Table 3 IIF Expenditure

AGP Year	Ref	Applicant	Status	Theme	Expenditure	Project Budget	Other funding	CIL funding	Spend to 2021/22	2022/23	2023/24	2024/25	2025/26	2028/27	2028/29
2023/24	GP97	South Norfolk	Not Started	Transport	Hethel Technology Park	(8,219)	(3,775)	(5,000)	0	0	(2,015)	(2,985)	0	0	0
2023/24	GP96	Norwich	Not Started	Transport	Guidhall and Exchange Street	(5,894)	(3,122)	(2,772)	0	0	(1,760)	(1,012)	0	0	0
2023/24	GP95	County	Not Started	Transport	Hethersett to NRP Cycle Route	(728)	(227)	(501)	0	0	(501)	0	0	0	0
2023/24	GP94	South Norfolk	Not Started	Green Inf.	Venta Icenorum	(156)	(3)	(153)	0	0	(153)	0	0	0	0
2023/24	GP93	South Norfolk	Not Started	Green Inf.	Cringleford Country Park	(798)	(330)	(468)	0	0	(27)	(250)	(191)	0	0
2023/24	GP92	South Norfolk	Not Started	Green Inf.	Queens Hill Community Park	(154)	(20)	(134)	0	0	(134)	0	0	0	0
2023/24	GP91	Broadland	Not Started	Community	Youngs Park Aylsham AGP	(900)	(650)	(250)	0	0	(250)	0	0	0	0
2023/24	GP90	South Norfolk	Not Started	Community	Easton Village Hall	(1,505)	(1,000)	(505)	0	0	(505)	0	0	0	0
2023/24	GP89	Norwich	Not Started	Community	Sloughbottom Park Regeneration	(8,512)	(7,662)	(850)	0	0	(850)	0	0	0	0
2023/24	GP88	County	Not Started	Education	Education	0	0	(2,500)	0	0	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)
2022/23	GP87	County	Ongoing	Education	Education - Hethersett Academy	0	0	0	0	(2,000)	0	0	0	0	0
2022/23	GP86	Broadland	Ongoing	Community	Yare Boat Club	(271)	(191)	(80)	0	(80)	0	0	0	0	0
2022/23	GP85	Norwich	Ongoing	Community	FDC - Heartsease Open Academy	(480)	(330)	(150)	0	(150)	0	0	0	0	0
2022/23	GP83	County	Ongoing	Green Inf.	Wherryman's Way Access Improvements	(445)	(229)	(217)	0	(97)	(120)	0	0	0	0
2022/23	GP82	Broadland	Ongoing	Transport	Broadland Country Park - Horsford Crossing	(101)	0	(101)	0	(101)	0	0	0	0	0
2022/23	GP81	County	On Hold	Transport	Wensum Walkway	(1,974)	(709)	(1,265)	0	(1,265)	0	0	0	0	0
2022/23	GP80	County	Ongoing	Transport	Yellow Pedalway Extension	(1,900)	(300)	(1,600)	0	(560)	(1,040)	0	0	0	0
2021/22	GP79	Norwich	Complete	Community	FDC Bowthorpe 3G Pitch	(929)	(679)	(250)	(250)	0	0	0	0	0	0
2021/22	GP78	Norwich	Ongoing	Green Inf.	Kett's Heights	(312)	0	(312)	0	(109)	(203)	0	0	0	0
2021/22	GP77	Broadland	Ongoing	Green Inf.	Bure Valley Path	(841)	(582)	(259)	0	(30)	(229)	0	0	0	0
2021/22	GP76	Broadland	Ongoing	Green Inf.	Brundall Sports Hub	(1,346)	(1,246)	(100)	0	(100)	0	0	0	0	0
2021/22	GP75.2	County	Ongoing	Education	Education - Ormiston Victory Academy	(9,000)	(5,000)	(4,000)	(4,000)	0	0	0	0	0	0

AGP Year	Ref	Applicant	Status	Theme	Expenditure	Project Budget	Other funding	CIL funding	Spend to 2021/22	2022/23	2023/24	2024/25	2025/26	2028/27	2028/29
2020/21	GP75.1	County	Ongoing	Education	Education - Ormiston Victory Academy (added to 21/22 allocation)	0	0	0	0	0	0	0	0	0	0
2020/21	GP74	Broadland	Ongoing	Transport	Plumstead Road Roundabout	(1,350)	(625)	(725)	0	(725)	0	0	0	0	0
2020/21	GP73	Norwich	Ongoing	Community	Norwich Parks Tennis	(423)	(320)	(103)	(16)	(87)	0	0	0	0	0
2020/21	GP72	Norwich	Complete	Community	Recreation Road Pool	(60)	0	(60)	(60)	0	0	0	0	0	0
2020/21	GP71	South Norfolk	Ongoing	Community	Crusaders Rugby Football Club	(600)	(450)	(150)	0	(150)	0	0	0	0	0
2020/21	GP70	South Norfolk	Ongoing	Community	Wymondham Tennis Club	(150)	0	(150)	0	(150)	0	0	0	0	0
2020/21	GP69	Broadland	Ongoing	Community	Aylsham Sports Hub Stage 3	(986)	(511)	(475)	(385)	(90)	0	0	0	0	0
2020/21	GP68	South Norfolk	Ongoing	Green Inf.	Frenze Beck Green Infrastructure	(45)	(10)	(35)	0	(35)	0	0	0	0	0
2020/21	GP67	County	Complete	Green Inf.	Ketts Country Long Distance Trail	(98)	0	(98)	(54)	(43)	0	0	0	0	0
2020/21	GP66	Norwich	Ongoing	Green Inf.	20 Acre Wood Community Access Improvements	(62)	0	(62)	0	(62)	0	0	0	0	0
2020/21	GP65	South Norfolk	Ongoing	Green Inf.	East Wymondham Green Infrastructure	(46)	(2)	(44)	0	(44)	0	0	0	0	0
2020/21	GP64	Norwich	Ongoing	Green Inf.	Hellesdon Station Green Infrastructure	(453)	(232)	(232)	(1)	(145)	(86)	0	0	0	0
2020/21	GP63	Broadland	Complete	Green Inf.	Broadland Country Park (prev NWW)	(1,265)	(546)	(719)	(290)	(143)	(143)	(143)	0	0	0
2019/20	GP62	County	Ongoing	Education	Education - Cringleford	(2,000)	0	(2,000)	0	(2,000)	0	0	0	0	0
2018/19	GP61	County	Ongoing	Education	Education - Blofield and Brundall	(2,000)	0	(2,000)	(1,000)	(1,000)	0	0	0	0	0
2018/19	GP60	County	Complete	Community	Mile Cross Library self-access improvement	(35)	0	(35)	(24)	0	0	0	0	0	0
2018/19	GP59	County	Complete	Community	Earlham Library self-access improvement	(35)	0	(35)	(26)	0	0	0	0	0	0
2018/19	GP58	County	Complete	Community	Loddon Library self-access improvement	(35)	0	(35)	(22)	0	0	0	0	0	0
2018/19	GP57	County	Complete	Community	Costessey Library self-access improvement	(35)	0	(35)	(26)	0	0	0	0	0	0
2018/19	GP56	County	Complete	Community	Harleston Library self-access improvement	(35)	0	(35)	(22)	0	0	0	0	0	0
2018/19	GP55	Broadland	Complete	Community	Community Sports Hub - The Nest Horsford	(4,625)	(3,501)	(1,124)	(1,124)	0	0	0	0	0	0
2018/19	GP53	County	Closed Prematurely	Transport	MW: Surfacing Works (Drayton)	(85)	0	(24)	(24)	0	0	0	0	0	0
2018/19	GP52	Broadland	Complete	Green Inf.	Thorpe Marriott Greenway	(121)	0	(121)	(108)	(13)	0	0	0	0	0
2018/19	GP51	County	Ongoing	Green Inf.	Green Infrastructure: Access for All	(150)	0	(150)	(53)	(67)	(30)	0	0	0	0

AGP Year	Ref	Applicant	Status	Theme	Expenditure	Project Budget	Other funding	CIL funding	Spend to 2021/22	2022/23	2023/24	2024/25	2025/26	2028/27	2028/29
2018/19	GP50	Norwich	Ongoing	Green Inf.	Yare and Wensum Valleys Link	(170)	0	(170)	(29)	(141)	0	0	0	0	0
2018/19	GP49	Norwich	Complete	Green Inf.	Earlham Millennium Green Improvement Project: Phase 3	(25)	0	(25)	(15)	(10)	0	0	0	0	0
2018/19	GP48	South Norfolk	Ongoing	Green Inf.	Wherryman's Way: Yare Valley Cycle Route	(23)	0	(23)	(5)	(18)	0	0	0	0	0
2018/19	GP47	Norwich	Ongoing	Green Inf.	Yare Valley Walk- Cringleford Meadow (formerly UEA to Eaton Boardwalk)	(47)	0	(47)	(2)	(45)	0	0	0	0	0
2018/19	GP46b	County	Ongoing	Transport	Marriotts Way-Costessey resurfacing & Drayton ramp	(526)	0	(526)	(8)	(518)	0	0	0	0	0
2018/19	GP46	County	Closed Prematurely	Transport	MW: Thorpe Marriott to Costessey	(100)	0	(12)	(12)	0	0	0	0	0	0
2018/19	GP45	Norwich	Complete	Transport	Green Pedalway- junction improvements	(560)	0	(560)	(462)	0	0	0	0	0	0
2017/18	GP44	County	Complete	Education	Education - Hethersett	(2,000)	0	(2,000)	(2,000)	0	0	0	0	0	0
2017/18	GP43	County	Complete	Community	Diss library: self service improvements	0	0	0	(29)	0	0	0	0	0	0
2017/18	GP42	County	Complete	Community	Plumstead Road Library: self service improvements	0	0	0	(112)	0	0	0	0	0	0
2017/18	GP41	County	Complete	Community	Wroxham Library: self service improvements	(153)	(33)	(1,110)	(34)	0	0	0	0	0	0
2017/18	GP40	South Norfolk	Complete	Community	Ketts Park Sports Hub: Wymondham	(800)	(550)	(250)	(250)	0	0	0	0	0	0
2017/18	GP39	South Norfolk	Closed Prematurely	Community	Hales cricket and bowls clubhouse improvements	(190)	(160)	(30)	(5)	0	0	0	0	0	0
2017/18	GP38	Norwich	Ongoing	Community	Football pitch improvements	(100)	0	(100)	(45)	(55)	0	0	0	0	0
2017/18	GP37	South Norfolk	Closed Prematurely	Community	Long Stratton Sports Hub	(2,655)	(2,045)	(610)	0	0	0	0	0	0	0
2017/18	GP36	Norwich	Ongoing	Green Inf.	Castle Gardens	(220)	(70)	(150)	0	(150)	0	0	0	0	0
2017/18	GP33	Broadland	Ongoing	Green Inf.	Strumpshaw Pit Circular Walk	(60)	(25)	(35)	(35)	0	0	0	0	0	0
2017/18	GP31	Norwich	On Hold	Green Inf.	Riverside Walk accessibility improvements	(200)	0	(200)	(28)	(172)	0	0	0	0	0
2017/18	GP30	Norwich	Complete	Green Inf.	Sloughbottom Park - Andersons Meadow	(343)	0	(343)	(343)	0	0	0	0	0	0
2017/18	GP29	Norwich	Complete	Green Inf.	Marriott's Way-Barn Road Gateway	(69)	(24)	(45)	(46)	0	0	0	0	0	0
2017/18	GP27	South Norfolk	Closed Prematurely	Green Inf.	Lizard and Silfield Nature Reserves	(14)	0	(14)	(14)	0	0	0	0	0	0
2016/17	GP26b	South Norfolk	Complete	Transport	Hempnall Crossroads	(4,600)	(4,038)	(562)	(305)	0	0	0	0	0	0
2016/17	GP26	County	Ongoing	Transport	Long Stratton Bypass (see borrowing costs below)	0	0	0	0	0	0	0	0	0	0
2016/17	GP25	Broadland	Complete	Transport	NDR (see borrowing costs below)	0	0	0	0	0	0	0	0	0	0

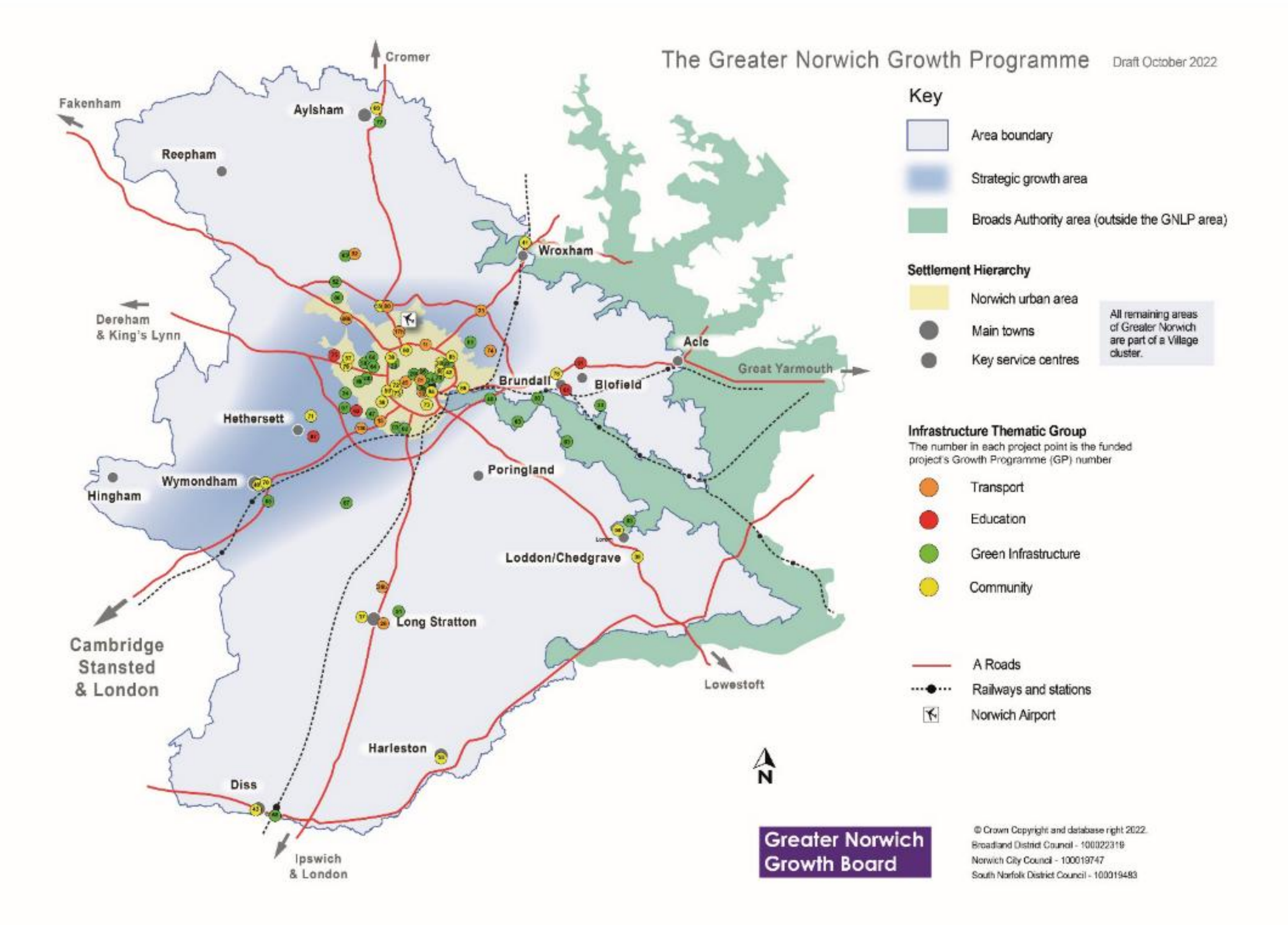
AGP Year	Ref	Applicant	Status	Theme	Expenditure	Project Budget	Other funding	CIL funding	Spend to 2021/22	2022/23	2023/24	2024/25	2025/26	2028/27	2028/29
2016/17	GP24	Norwich	Complete	Transport	Colney River Crossing (NRP to Threescore)	(422)	(251)	(171)	(171)	0	0	0	0	0	0
2016/17	GP23	Norwich	Closed Prematurely	Green Inf.	Carrow to Deal Ground riverside walk	(350)	(250)	(100)	(29)	0	0	0	0	0	0
2016/17	GP22	Norwich	Complete	Green Inf.	Pink Pedalway - Heathgate	(250)	(100)	(150)	(150)	0	0	0	0	0	0
2016/17	GP19	Broadland	Closed Prematurely	Transport	St Faiths to Airport Transport Link	(1,000)	0	(1,000)	(20)	0	0	0	0	0	0
2015/16	GP17b	County	Complete	Transport	Cromer Rd - Aylsham Rd (A140)	(416)	(329)	(87)	(87)	0	0	0	0	0	0
2015/16	GP16	County	Complete	Transport	Golden Ball Street (NATS)	(3,448)	0	(1,023)	(1,023)	0	0	0	0	0	0
2015/16	GP13b	County	Complete	Transport	Roundhouse Way	(795)	0	(50)	(50)	0	0	0	0	0	0
2015/16	GP13	County	Complete	Transport	Eaton Interchange	(825)	0	(100)	(100)	0	0	0	0	0	0
2015/16	GP11	County	Complete	Transport	St Clements Toucan Crossing	(339)	0	(113)	(113)	0	0	0	0	0	0
2015/16	GP09	County	Complete	Green Inf.	Marriott's Way - Phase 2	(250)	0	(250)	(237)	0	0	0	0	0	0
2015/16	GP08	Norwich	Complete	Green Inf.	Earlham Millennium Green - Phase 2	(66)	0	(66)	(52)	0	0	0	0	0	0
2014/15	GP07	South Norfolk	Complete	Green Inf.	Norwich Health Walks	(40)	0	(40)	(38)	0	0	0	0	0	0
2014/15	GP06	County	Complete	Green Inf.	Marriott's Way - Phase 1	(60)	0	(60)	(60)	0	0	0	0	0	0
2014/15	GP05	Norwich	Complete	Green Inf.	Riverside Walk	(70)	(19)	(51)	(48)	0	0	0	0	0	0
2014/15	GP04	Norwich	Complete	Green Inf.	Earlham Millennium Green - Phase 1	(15)	0	(15)	(3)	0	0	0	0	0	0
2014/15	GP03	Norwich	Complete	Green Inf.	Marston Marsh	(30)	0	(30)	(24)	0	0	0	0	0	0
2014/15	GP02	Norwich	Complete	Green Inf.	Danby Wood	(35)	0	(35)	(26)	0	0	0	0	0	0
2014/15	GP01	Broadland	Ongoing	Green Inf.	Harrisons' Wood	(45)	0	(45)	(44)	(1)	0	0	0	0	0
2014/15	GP01	Broadland	Ongoing	Green Inf.	Harrisons' Wood secured funding (S106)	45	0	45	0	0	0	0	0	0	0
N/A	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**(80,424)**	**(40,145)**	**(40,065)**	**(13,542)**	**(10,357)**	**(10,545)**	**(6,890)**	**(2,691)**	**(2,500)**	**(2,500)**

Table 4 IIF Expenditure Summary*

IIF Expenditure	Project Budget	Other funding	CIL funding	Spend to	2022/23	2023/24	2024/25	2025/26	2028/27	2028/29
Full Growth Programme	(80,424)	(40,145)	(40,065)	(13,542)	(10,357)	(10,545)	(6,890)	(2,691)	(2,500)	(2,500)
Cash Reserves - Equal to one years City Deal loan repayment	0	0	(2,345)	0	(345)	0	0	0	0	0
Cash Reserves - Proposed Match Funding	0	0	0	0	0	(4,000)	0	0	0	0
GP25 Broadland Northway (amount borrowed)	205,000	0	(40,000)	(40,000)	0	0	0	0	0	0
Interest and loan repayment against borrowing	0	0	0	(10,843)	(2,057)	(2,057)	(2,057)	(2,057)	(2,057)	(2,057)
Loan set up fee	0	0	0	(14)	0	0	0	0	0	0
GP26 Long Stratton Bypass (proposed amount borrowed)	46,231	0	(10,000)	0	0	0	0	0	0	0
Forecasted interest and loan repayments against the borrowing	0	0	0	0	0	(680)	(680)	(680)	(680)	(680)
Forecasted loan set up fee	0	0	0	0	0	0	0	0	0	0
Strategic Investment Fund - Forecasted draw down	0	0	0	0	0	0	0	0	0	0
Forecasted interest and loan repayments against the borrowing	0	0	0	0	0	0	0	0	0	0
Forecasted loan set up fee	0	0	0	0	0	0	0	0	0	0
TOTAL borrowing costs (annual payment made from pooled CIL)	0	0	0	(10,857)	(2,057)	(2,737)	(2,737)	(2,737)	(2,737)	(2,737)
TOTAL pooled CIL funding requirement	N/A	N/A	N/A	N/A	**(12,759)**	**(17,282)**	**(9,627)**	**(5,428)**	**(5,237)**	**(5,237)**
Actual pooled CIL Income	N/A	N/A	N/A	N/A	0	0	0	0	0	0
Forecasted pooled CIL Income	N/A	N/A	N/A	N/A	11,646	8,358	2,441	4,542	4,303	7,829
Forecasted annual pooled CIL surplus / (deficit)	N/A	N/A	N/A	N/A	**(1,113)**	**(8,923)**	**(7,186)**	**(886)**	**(934)**	**8,358**
CIL Interest Earned	N/A	N/A	N/A	N/A	9	0	0	0	0	0
Forecasted Cumulative CIL balance (including interest)	N/A	N/A	N/A	N/A	20,132	11,209	4,023	3,137	2,203	10,562
Forecasted Cumulative CIL income	N/A	N/A	N/A	N/A	59,149	67,508	69,949	74,491	78,794	86,624
Forecasted Cumulatve CIL commitment	N/A	N/A	N/A	N/A	(39,158)	(56,440)	(66,067)	(71,495)	(76,732)	(81,969)

Appendix C - Schematic Map Showing the Locations of All Previously Agreed Projects.

The numbers correspond to the projects 'GP' or Growth Programme number which is included in the full growth programme list on the previous page and detailed against the delivery updates in Appendix D – Project Updates.



Appendix D – Project Update

This appendix provides an update on projects that are currently underway, which were funded in previous Annual Growth Programmes. They are grouped by their Sponsoring Authority as denoted in the AGP in Appendix B.

Projects which have completed in the last 12 months are included here as their final delivery report. Projects which have completed in previous years are not included.

Broadland

GP1 - Early Delivery of Public Access to Harrison's Plantation: £45,000

This project secures areas of woodland located off Blue Boar Lane, Sprowston (associated with the White House Farm development proposal) for public access and future use as a 'Woodland Park', as set out within Sprowston Neighbourhood Plan. Public access was achieved in 2016 and Broadland District Council has been enhancing, maintaining and managing the site since that time.
Negotiations are in hand for Harrisons Wood and Boar Plantation due to be transferred directly to Sprowston Town Council rather than Broadland District Council, for ongoing maintenance and management.

GP33 - Strumpshaw Pit Circular Walk: £35,000

This project aims to expand the dog walking capabilities of Strumpshaw Pit, offering an alternative location for walking and offsetting the impact of visitor numbers in the protected sites of Norfolk.

The project deliverables are;

- Part 1: improvement to the landfill gas infrastructure – this phase is complete, the site is now fully DSEAR (Dangerous Substances and Explosive Atmospheres Regulations) safe for public access. Visitors now have open access across the site.

- Part 2 - improvement of parking facilities for cars and bicycles, addition of benches and dog bins.
- Part 3 - Improvement of the circular walk and links to the entry points
- Part 4 – consideration of biodiversity improvements along the path

Funding has been secured from Broadland District Council to support delivery of the next phase, including construction of the car park and improvements to the perimeter path.
The project will be completed in 2023.

GP52 - Thorpe Marriott Greenway: £121,000

The Thorpe Marriot Greenway is designed to promote better greenspace and access in the Thorpe Marriott area, by creating a path through the current tree belt to link the Thorpe Marriot estate, the Marriott's Way, Nabour Furlong, Pendlesham Rise, Littlewood (three woodlands owned by Broadland District Council) and the NDR green bridge that leads to Drayton Drewray.

Project is now **complete** and delivered;

- A brand new 1.7km footpath through the Thorpe Marriott estate woodland
- Installation of new kissing gates at road crossings for multiple public access points on to the new path
- Relocation of Openreach pole to improve visibility and new drop kerbs to facilitate access
- Installation of interpretation boards
- New step access installed with handrail Improved access onto Marriott's Way through woodland.
- Footpath to provide a vital green infrastructure link between the Marriott's Way and Broadland Country Park
- Ancient trees protected through no dig construction methodology.

GP63 – Broadland Country Park: £719,290

Broadland Country Park (BCP) was purchased with IIF funding by Broadland District Council in 2019. The new Country Park was launched online with its new name at Easter 2021 with a new website, a promotional film and a blog site. www.southnorfolkandbroadland.gov.uk/broadlandcountrypark and links from google maps. The Park is receiving positive reviews from its Google listing.

There is a growing group of regular volunteers supporting practical work at the park, amounting to almost 2500 hours from Jan-end Sept 2022. A partnership with the Norfolk and Norwich Naturalists Society has harnessed the work of the county's expert naturalists and so far, 1749 species of wildlife have been recorded. Planning Solutions Consulting have been appointed to undertake an options analysis and financial appraisal for the future of Broadland Country Park. They will report early in 2023.

Broadland Country Park helps to maneuver the Greater Norwich area into a strong position in which to deliver sustainable, well-planned communities by enabling a mitigation strategy that alleviates the impact of growth on the internationally designated sites in Norfolk.

GP69 - Aylsham Sports Hub Stage 3 - £475,000

The project is to deliver a full-size, floodlit 3G pitch which can be sub-divided into 3 smaller pitches suitable for football and rugby, on the site of the Aylsham Sports Hub at Aylsham High School, owned by the Aylsham Cluster Trust.

This will provide all weather floodlit facilities in the Aylsham area which will be available to local clubs and teams, and for recreational football players to hire on a pay-as-you-go basis or block bookings. The pitch will include two changing rooms and a referee area adjacent to the gym/fitness building in line with Football Association regulations, to facilitate use for tournaments and official events.

The 3G pitch which completed and handed over on 28 August 2020, is running as normal with good usage. The club are reviewing the impact of Covid-19 on the provision of the changing rooms and are exploring the potential of extending the delivery timescale to incorporate further stage 4 building works in 2023. The school has formed a partnership with Wroxham FC to become their official training ground, which secures income and opens the potential for new funding streams.

GP74 - Plumstead Road Roundabout - £725,000

The project will deliver a new roundabout on Plumstead Road as well as: new footways and cycleways, a new pedestrian crossing, road re-alignment and associated services. In delivering the scheme, the project will directly unlock the development of 315 homes across two allocated sites located within the Broadland Growth Triangle and ensure that the strategically important orbital link road between Salhouse Road and Plumstead Road can be delivered.

An additional £625,000 of match funding from the LEP and Business Rates Pool has been secured to facilitate delivery.

Negotiations are ongoing with local landowners to complete and sign the s.278 agreement. Commencement of works on site will be dependent upon how quickly the s.278 is signed and land secured. Anticipated timescales range from Jan 2022 to Nov 2023. Heads of terms have been agreed for Halsbury Homes to deliver a T-junction option which allows other development to come forward while the CPO process (required for the roundabout) is concluded. The T-Junction delivery is expected to start in January 2023.

GP76 – Brundall Sports Hub - £100,000

This is phase one of the project which is known as Brundall Sports Hub. It will deliver a multi-sport floodlit 3G pitch with fencing, floodlighting, a maintenance storage container, hard standing pathways, car parking and a single storey club house/changing room building. The building incorporates plans for a community gym which will be capable of hosting various sports clubs, teams and coaching sessions within the community, whilst drawing people into the village

Delays and increased costs have been caused by external factors. Construction on the pitch, carpark and surrounds started in October 2022, and is expected to complete by March 2023. Work on tender applications for the community building is ongoing and may require further funding.

GP77 – Bure Valley Path - £259,124

The Bure Valley Path is already a well-used walking and cycling route and a key component of the Greater Norwich Infrastructure Plan project 'the Green Loop'. Despite this, there remain a series of obstacles which prevent it from reaching its full potential as a Norfolk-Wide destination and alternative destination to the Natura 2000 sites.

This project will deliver a broad range of improvements to the Bure Valley Path and the surrounding area. Including provision of a pedestrian and cyclist access crossing over the A140, creation of 5 circular walks, way marking, surface and biodiversity improvements.

Circular walk, installation of waymarking, improvement of heritage stations and habitat creation works on the Bure Valley Path are progressing. Work to deliver the crossing over the A140 is under review. The feasibility study and design are being revised in light of recent inflationary cost increases and planned development work on an adjacent site.

GP82 – Broadland Country Park, Horsford Crossing - £100,666

The principle is to encourage green transport options for accessing Broadland Country Park. This project will provide:

- A road crossing Refuge Island on the B1149 Holt Road at Horsford, to cater for both pedestrians and cyclists entering Broadland Country Park.
- Installation of a new 'welcome' sign, directional signage and cycle racks at Broadland Country Park Sandy Lane entrance.

Works are expected to commence in Spring 2023 and take 6-8 weeks, but costs are likely to escalate due to inflationary pressures. The scheme may need to be adjusted to fit the budget or further funding sought.

GP86 – Yare Boat Club - £80,000

This is a multi-stage programme designed to improve and expand the existing rowing facilities at Yare Boat Club. This will enable the volunteer run club to proactively take their sport out to the local community and particularly younger people (18-25), encouraging and enabling participation whilst specifically targeting those that would not stereotypically access the sport from within the local lower socio-economic communities.

Funding has been allocated to Stage one which is the provision of a new, light weight boatshed to house all the club and member fleet that is currently held on site. This new storage will accommodate all current club and member-owned boats and prevent further degradation to the fleet (caused by exposure to the elements). The new boatshed will be large enough to allow for continued expansion of the club and will increase the lifespan of the fleet.

Piling work completed in July 2022. Construction of the building began in August 2022. Cladding materials have been delivered and quotes are being taken for electrical works and main doors. The club has come to agreements with youth groups based in Sprowston and Old Catton to begin outreach inclusivity sessions in mid- January 2023 when progression to ‘on water’ activities is more available.

Norwich

GP30 – Marriott's Way: Sloughbottom Park – Anderson Meadow: £342,504

The objective of this project was to put measures in place to increase safety, comfort and personal security of pedestrians and cyclists who use the route. This has been achieved by installing motion detecting street lighting on a 1km section of Marriott's Way between Dragon Bridge and Sloughbottom Park. This complements the lighting already installed between Dragon Bridge and Barn Road.

The scheme also incorporated localised path widening/edge strengthening, ditch clearance, vegetation management and new tree planting.

This project is now **complete**.

GP31 - Riverside walk accessibility improvements: £200,000

The project, which is an important part of the River Wensum Strategy Delivery Plan, aims to enable the use of the Riverside Walk (between New Mills and Carrow Bridge) by all, including access measures on and adjacent to the walk, and improved signage and waymarking linking the river with the city centre and other key attractions.

This project is currently on hold until staff resource can be allocated; it is expected to resume in 2023..

GP36 - Castle Gardens: £150,000

Restoration and improvement works to Castle gardens to promote the use of the gardens as a linear park. Restoration works will safeguard the gardens for future use whilst planned improvements will ensure that the gardens can be maintained within the available budgets. The linkage to the gardens from the surrounding street scene will be enhanced along with improved linkages to the castle and green.

The project is currently on hold, with construction expected to commence in 2023 once the Castle Keep project is completed.

GP38 - Football Pitch Improvements: £100,000

This project provides football pitch improvement works at Eaton Park, Sloughbottom Park, Britannia Barracks and Fountain Ground including drainage improvements, improved grass species and improved goal facilities through the provision of new posts, nets and additional ground sockets. Also the purchase of additional equipment to allow a good standard of maintenance for the pitches. This will permit moving the pitches annually to prevent excessive wear, improve the playability of the pitches and increase capacity.

Phase 1: work to procure machinery to improve maintenance and increase capacity of pitches has been completed.

Phase 2: work for football pitches to be re-graded and re-seeded and provide new goals to all sites has also been completed.

Phase 3: completion date for installation of sustainable irrigation is scheduled for April 2023.

GP47 – Yare Valley Walk, Cringleford Meadow Improvements (formerly UEA to Eaton Boardwalk): £47,000

The project has improved the last remaining section of the Yare Valley Walk between the UEA and Cringleford. The works have provided better access to the Yare Valley Walk for all users and acts as a starting point for many by:

- Providing a 1.2m wide hardcore path from the car park to the point Norwich City Council land adjoins Bartram Trust Land

- Providing interpretation at Cringleford Meadow car park
- Installing waymarking posts
- Grubbing out part of an historic ditch system for biodiversity enhancement (fish spawning)
- Enhancing the informal car park to provide a welcoming and key starting point for circular walks

The final stage of the project (to install interpretation boards) will complete by the end of 2022.

GP49 - Earlham Millennium Green (EMG) Phase 3: £25,000

The main pedestrian route through EMG has previously been upgraded under Phase 2 of a CIL funded improvement project. Under an earlier Phase 1, habitat improvements were undertaken including refurbishment and enlargement of the wildlife pond.

Phase 3 was to enhance opportunities for leisure and employment by providing safe and convenient access between adjacent neighbourhoods.

This has been achieved with the following works;

- Improving links to the main route through the site from Bowthorpe, and from West Earlham via George Fox Way
- Refurbishing and improving existing but 'tired' entrance features such as estate fencing and gates
- Provision of a new, high quality interpretative signboard
- Replacing 3 worn-out timber pond and river dipping platforms with more durable recycled plastic versions
- Refurbishing an existing timber footbridge connecting EMG with Earlham Marsh, by replacing it with a maintenance free culvert.

The project was **completed** in March 2022.

GP50 - Yare and Wensum Valleys Link: £170,000

The River Wensum and Yare run close together in the west of the city between Marriott's Way and the Three Score development site. The link between the two river valleys is a recognised green infrastructure corridor and the route of the purple pedalway. The project will improve this link for walkers, cyclists and wildlife.

Works at Oval Road, & Knowland Grove are completed. Linear open space tree works are completed with highway works waiting to be scheduled. Bunkers Hill Wood works are completed. Norwich Road works are progressing following a public consultation, the revised completion date is dependent on Tarmac; costs have increased due to inflation, redesign, re-consultation and provision of temporary shuttle bus service.The funding gap will be covered by savings on other aspects of the project.

GP64 - Hellesdon Station Green Infrastructure: £232,200

The project will deliver a range of inter-related green infrastructure improvements in the Hellesdon Station area. These improvements will boost the transport and ecological functions of strategic green infrastructure corridors to support growth. Works include;

- Improvements to the Hellesdon Road crossing and provision of ramped access and path on Marriott's Way
- Improvements to the Hellesdon Mill Meadow
- Improvements to Hellesdon Marsh including provision of a canoe platform.

Construction of the Hellesdon Road crossing and Marriott's Way ramped access and path completed in March 2021. Milestone target dates for Hellesdon Mill Meadow and Hellesdon Marsh improvements have been re-programmed to 2023/24 to reflect available staff resources and need for felling licenses and consultation. Final delivery are subject to the availability of staff, contractors, receiving relevant consents and public consultation.

GP66 - 20 Acre Wood Community Access Improvements: £62,450

The project will improve an existing woodland path through 20 Acre Wood from Enfield Road to Earlham Green Lane. The current informal path is used regularly by the community to access the West Earlham shops, school and Health Centre.
The project involves:

- installing a raised hard surface path to avoid damaging any tree roots, and would be suitable for cyclists, pedestrians, mobility scooters and push chairs. Additionally, way-markers will be installed at each end of the path, and a wooden chicane to slow pedestrian movement from the path to the tarmac path and road.
- deliver an element of community engagement working with the Friends of West Earlham Woods and the Local Infant and Primary Schools to develop a sense of community ownership of the woodland.

Most work has been completed on this project, apart from some remedial work to the footpath's surface which has suffered in the extreme heat over summer.

GP72 - Recreation Road Pool: £60,000

The project outputs include: constructing new fencing to allow the swimming pool to be accessed during the school day whilst safeguarding pupils; constructing a covered cycle store to encourage users to cycle to the centre; and increasing the size of the car park to increase community access to the pool, while also increasing hours of use and viability of the pool and sports centre.

This project is now **complete**.

GP73 - Norwich Parks Tennis: £103,453

The project will deliver a total of 5 all-weather tennis courts across two different parks in Norwich, to add to the provision offered by the Norwich Parks Tennis Programme. The courts will be located at Heigham Park (3 courts) and at Lakenham Recreation ground (2 courts). The additional courts and improvements are required to support the future growth of affordable quality tennis, accommodating the demands of the growing population in the Greater Norwich area. The project has secured an additional £319,330 of match funding to deliver the project.

This project is now **complete**.

GP78 – Kett's Heights - £312,000

Kett's Heights is described as one of Norwich's best kept secrets, containing the remains of a medieval chapel and 19th century garden terraces. It is named after Robert Kett who occupied the site during his advance on the City in 1549. The site was acquired by Norwich City Council in the 1980s and is managed by the Friends of Kett's Heights, who are supported by the Norwich Fringe Project.

The improvements to Kett's Heights provide for a more accessible and resilient space and enhancements to the green links through this area (linking with Mousehold Heath and Lion Wood). Current access to the site is from Kett's Hill via a pedestrian gate and a series of failing timber steps. As such there is no DDA compliant access or provision for maintenance vehicles

The project aims to provide:

- Improved access to the site with new steps from Kett's Hill and provision of a new ramped access from Ladbrook Place
- Repairs to the walls and infrastructure of the site, ensuring their preservation and the safety of users of the site.
- Creation of new habitat and improvements to existing habitat, leading to increased biodiversity
- Community involvement – continued support to and from the Friends group, volunteer programme for delivery of biodiversity enhancements and conservation repairs to the site infrastructure

Construction works are scheduled to commence in March 2023, subject to any works required on the on-site gas pipeline.

GP79 – FDC Bowthorpe - £250,000

The conversion of the full size grass pitch at the FDC Bowthorpe to a 3G pitch to cater for more football activity, both traditional and recreational. The facility is the main training venue for three large affiliated grassroots football clubs, the primary hub site for Norfolk County Football Associations' County 5ives small-sided football programme and is the location of Norfolk's largest Walking Football programme. The centre hosts a weekly mental health inclusion programme delivered in partnership with our Active Partnership & NHS Norfolk & Suffolk Foundation Trust.

The project provides a facility which is able to meet the local demand to participate in traditional and recreational grassroots football, whilst developing sustainability for the long term.

This project is now **complete**.

GP85 – FDC Heartsease Open Academy: £150,000

The FDC@OpenAcademy project will see the installation of a new 7v7 3G football pitch, replacing the current youth sized grass pitch. The new pitch would connect to the existing full sized 3G football pitch that is currently operated at the facility, increasing their 3G pitch capacity by an additional 50%

This will enable more football activity covering both the traditional and recreational formats of the game. As well as being able to host football programmes such as Walking Football, Disability football and Health & Wellbeing football focused interventions.

The project has been tendered and fees agreed. A planning application is to be submitted in Autumn 2022. A decision on match funding from the Football foundation is expected in January 2023.

South Norfolk

GP37 - Long Stratton Sports Hub: £500,000

The project aimed to bring together a number of facility-providing partners (South Norfolk Council, Long Stratton High School and Long Stratton Parish Council) to improve the sport and leisure facility stock in the village in anticipation of significant housing growth.

Post-Covid, the plan to renovate, re-open and operate the swimming pool was no longer deemed financially viable. It should also be noted that Sport England's recently updated Facilities Planning Model Assessment of swimming pool provision states that 84% of the demand for swimming in South Norfolk is already met.

Improvements to existing local leisure facilities have been recently delivered with no CIL funding. The Trust will now develop plans for the ongoing use of the pool building, within the delivery of education at the school.

This project is now **closed**.

GP39 - Loddon and Hales Cricket Club and Hales Bowls Club: £30,000

The strategic review of sports facilities and playing pitches commissioned by the Greater Norwich Growth Board between 2013 and 2015 highlighted the need for a replacement pavilion to serve Loddon and Hales Cricket Club and Hales Bowls Club on their shared site on Green Road, just of the A146.

This project was to be managed by volunteers from the club. Unfortunately, complications with the project meant that they did not have the financial or staffing resources to drive the project forward, and planning consent lapsed.

The club hope to reapply in the future, once match funding and a viable way forward has been identified.

This project is now **closed**.

GP48 - Wherryman's Way: Yare Valley Cycle Route: £23,000

This project will improve the Yare Valley Cycle Route, which follows the Wherryman's Way Loddon cycle loop. This links into the Norwich cycle map and Norwich pedalways project.

Work is progressing with an estimated start date of Spring 2022

GP65 - East Wymondham Green Infrastructure: £44,422

Oxford Common is an area of natural countryside that has been identified as having the potential to support recreation and enhance GI provision within the South and East Wymondham areas. The project will install appropriate infrastructure around the site to create an accessible area for local residents to visit for recreation purposes. The project will establish approximately 1800 metres of new permissive paths, resulting in a newly defined circular route and the possible enclosure of 9 hectares of grassland to restore the site to County Wildlife Site (CWS) standard.

Due to an increase in material costs the Lizard Charity are re-visiting some elements of the project. Delivery of key planned improvements such as public access will not be affected. Revised quotes hare awaited and it is anticipated that the project will be completed by Summer 2023.

GP68 - Frenze Beck Green Infrastructure: £35,200

The project will deliver a number of green infrastructure updates and installations on Frenze Beck, on the eastern edge of Diss. The work to be delivered includes the installation of new entrance gates, the design and installation of new information boards and trails, installing benches and picnic benches and the installation of gravel footpaths to unlock access to two viewing areas.

The new gate has been installed, and benches have been purchased. The boards are with the design company; benches and fencing should be installed in Autumn 2022. Work has commenced on the footpath.

GP70 - Wymondham Tennis Club: £149,962

The project improves Wymondham Tennis Club's facilities at Kett's Park in Wymondham. This includes a new fourth court to provide additional capacity in an area of high housing and population growth.

Additionally, the project will deliver the resurfacing of three existing courts, conversion of floodlights to LED Lumineers to provide lower running costs and deliver a greener operation; the enhancement will also see netball courts provided on the site, bringing outdoor, publicly-accessible floodlit courts to Wymondham for the first time. Wymondham tennis club, who have been displaced during the works, are currently using the courts at Framingham Earl.

Work has now been completed, with the exception of installation of new LED floodlights, which have been delayed due to supply issues. These will now be completed in Winter 22. Work has been completed to a good standard and feedback has been very positive.

GP71 - Crusaders Rugby Football Club Clubhouse Extension: £150,000

The project will deliver new infrastructure and enhanced facilities at Crusaders Rugby Club, based in Little Melton (South Norfolk). The enhanced facilities to be provided include: four en-suite changing rooms that meet Rugby Football Union (RFU) guidelines, a new referees' changing space, refurbished and extended social spaces, an accessible entrance, first floor viewing area and new accessible toilet facilities. £450,000 of match funding has been secured.

In July 2021the IDB approved a change in the scope of works to a phased approach due to the impact of COVID-19 on project delivery. Phase ,1 which completed in September 2022, included rebuilding 3 x RFU/Sport England compliant en-suite changing rooms & referee changing facilities.

Phase 2, which includes the 4th changing room and a kitchen, is due to commence, and will be funded by the RFU.

Norfolk County Council

GP17b – Cromer Rd-Aylsham Rd (A140) Bus Priority and sustainable transport improvements: £87,000

The primary objective was to implement on-carriageway bus priority measures through the reallocation of road space on the A140 Cromer Road north of Norwich city centre. This has now enabled the benefits of the NDR to be realised by improving bus journey reliability and bus service performance as well as having a positive impact on bus patronage.

Significant lengths of inbound bus lane have been created on Cromer Road and Aylsham Road without the requirement to remove any general traffic lanes. The provision of the inbound bus lane is also shared with cyclists.

This project is now **complete**.

GP26 Long Stratton Bypass: £10,000,000 (IIF supported borrowing)

This scheme is identified as a Regional Priority and is progressing as a Developer led single Carriageway bypass to the east of Long Stratton.

The developer submitted revisions to planning applications in early August 2021 leading to a full consultation process undertaken with stakeholders and consultees. Comments/challenge arising from the consultation have required the Local Planning Authority (LPA) to request the Applicant revise their submitted information and prepare for a re-consultation exercise. A full re-consultation process commenced on 3rd February 2022 but the revised application has been further delayed following the introduction of the requirement to demonstrate nutrient neutrality.

Commencement of construction is programmed for early in the financial year 2024/25. This date is dependent upon several key precursors having been completed in advance which include a successful Full Business Case application in

Winter 23/24, Planning approval with a reasonable timescale associated to the completion of the Section 106 Agreement and Conditioning, including any requirements associated to nutrient neutrality, any potential objections to Statutory Orders are removed (even if it requires a full Public Inquiry) and that any remaining risks such as archaeology, ecology, land assembly and funding requirements are completed in a timely enough manner.

It is currently anticipated that the bypass will be completed by late Autumn/early Winter 2025.

GP46B Marriott's Way Ramp & Resurfacing: £526,000

The Marriott's Way Thorpe Marriott to Costessey surfacing works (GP46) and Marriott's Way Ramp (GP53) projects came forward as part of a programme of works identified through the Marriott's Way Implementation and Delivery plan, informed by public and stakeholder consultations in 2015. Having progressed both schemes, it became apparent that the works required, and the initial estimated costs of the proposed works were both significantly over the original allocation.

Following a review of costs, a change request was presented to the Infrastructure Delivery Board (IDB) in October 2020, seeking further IIF funds to progress the works. The IDB concluded that due to the scale of additional funds required, these projects should be re-presented as one merged new IIF application. The project was recommended for inclusion in the IIF by the IDB on 6th November 2020. The original total budget for both projects was £185,000. The total revised amount for the combined GP46b Marriott's Way Ramp & Resurfacing project is £526,000.

The project aims to improve access and accessibility on Marriott's Way and link into a number of other projects along the route which are funded from the Heritage Lottery Fund and Transforming Cities as well as the IIF, to help facilitate the use of Marriott's Way as a key walking / cycling route and as a sustainable transport corridor for people commuting into and out of Norwich. The project involves improvements in access points and resurfacing between Thorpe Marriott and Costessey, plus the creation of a ramp to the rear of the Tesco supermarket in the Drayton area which will reduce the gradient, allowing much improved accessibility for all.

All Tarmac construction works have been completed. The remaining elements of the project which are tree planting and wildflower/grass seeding are scheduled to be completed by volunteers between Dec 22 – Mar 2023.

GP51 - Green Infrastructure, Access for All: £150,000

A number of Green Infrastructure trails across the Greater Norwich area have been audited for both power chair use and general accessibility, identifying the improvement works necessary to allow such access. This project implements a range of smaller scale accessibility improvements across various projects and areas. The funding allocated is £30,000 a year for five years with different project areas being delivered each year.

Rockland accessible footpath works were completed in September 2021 with widened footway and passing places/ viewpoints created on the route. The footpath is now open for use.

The final phase of the project will deliver a fully accessible route from the car park in Rockland through to the bird hide overlooking the Rockland Broad. Works are progressing.

GP61 – Education – Blofield Primary: £2,000,000

Relocation and expansion of the existing Blofield primary school to 420 places on a new site. Land assembly is progressing. Approval to acquire the land was agreed at NCC Cabinet in August 2022. Planning application submission is imminent.

GP62 – Education – Cringleford Primary: £2,000,000

Provision of a new 420 place primary school in Cringleford on S106 land from developers. An off-site nursery provision will be made, separate from the school scheme.

Planning approval has been achieved and the project is currently out to tender. Timescales for project delivery are dependent of land transfer from the developer and resolution of other outstanding issues.

GP67 - Kett's Country Long Distance Trail - £97,630

Recreation of Kett's Country Long Distance walking trail linking Norwich through to Wymondham and creating a series of 5 local circular walks linked to areas of increased development. This project provides additional access to Green Infrastructure to the new populations at Wymondham and Hethersett.

This will include

- installation of new signage and furniture
- creation of walks books and promotional materials
- removal of all access obstacles
- countryside access improvements
- installation of new data counters to monitor usage and economic impact

Route launch and Linear route improvements were completed in Spring 2022. Waymarking improvements including wooden sculptures from Arnie Barton, a carved bench at Wymondham and a sculpture at Eaton have been installed. Interpretation panels at Eaton, Wreningham and Wymondham were completed in July 2022.

This project is now **complete**

GP75 – Education – Ormiston Victory Academy: £4,000,000

Provision of a new three storey classroom block and internal remodeling to increase the number of school places from 1050 (7 Form Entry) to 1500 (10 Form Entry) for 11-16year old pupils. The new building is complete, and the internal remodeling is nearing completion. The project will conclude at the end of 2022.

GP80 – Yellow Pedalway extension- £1, 600,000

The project will deliver active travel infrastructure improvements in the Hellesdon area to the north of Norwich. These improvements will enhance the provision of different transport options along the strategic A140 corridor to support growth. A summary of the key project deliverables is outlined below:

- Extend an existing shared use cycling and walking path from the Broadland Enterprise Park and the Broadland Northway (A1270) roundabout to the junction with Amsterdam Way along Holt Road. Two new bus stops within laybys will also be provided adjacent to The Nest / Manor Park sports facilities.
- A new toucan crossing (for pedestrians and cycles) to connect The Nest / Manor Park sports facilities to the new bus stops.
- A new short length of shared use pathway (140 metres) will also be provided along the western side from the Broadland Northway (A1270) roundabout to the new junction at The Nest.
- A 40mph limit will be introduced in place of the short stretch of existing 'national speed limit' along Holt Road, to extend the existing 40mph limit at the airport end. This creates a safer environment for walking and cycling.

This project has been delayed due to resourcing issues, but has now got an allocated design team, and construction is expected to start in July 2024.

GP81 Wensum Walkway - £1,264,951

This project will deliver a new elevated walkway (approx. 70 metres in length) on the Wensum Riverside Walk, closing the last gap in this popular, traffic-free route as it travels from New Mills to Carrow Bridge. The walkway will connect St Georges Street to Duke Street along the southern bank of the River Wensum, it will be for use by walkers and cyclists and will also deliver high quality access for users with physical, sensory and/or cognitive impairments. It will project from the southern end of Blackfriars Bridge and will land on a build out on Dukes Palace Wharf.

The new walkway will provide:

- Connectivity between the two sites of the Norwich University of the Arts (NUA) on Duke Street and St Andrews Street
- A safe and continuous link of the Wensum Riverside Walk between Norwich Train Station, central Norwich and Hellesdon to the north of the city
- Wider access to the Norfolk Trails of Wherryman's Way to the south and Marriott's Way to the north of the scheme

Work is underway to develop detailed design and costs as part of the inclusion into the "Connecting the lanes" Transforming Cities programme. The initial indication is that the current solution will require an increased budget. A design review exercise is being undertaken to explore cost savings and to seek potential additional funding to cover the gap.

GP83 Wherryman's Way access improvements - £216,500

The Wherryman's Way is a 37.5mile walking trail from Norwich Train Station to Great Yarmouth Train Station via the Reedham Ferry following the River Yare through the protected landscape of the Norfolk Broads. It is part of the Norfolk Trails Network of promoted routes that connect the key communities across Norfolk into our natural landscape. The project will be delivered by Norfolk County Council in partnership with, and match funded by, the Broads Authority. It will create access improvements on the route through sections at Surlingham, Bramerton and Hardley Flood allowing improved all ability access.

The project will deliver:

- Bank stabilisation at Surlingham, Bramerton and Hardley Flood where the bank has been eroded by the river
- Installation of Bridges at Hardley Flood on the public footpaths which have previously been lost due to river erosion
- Upgrading of footpaths Surlingham FP1, Bramerton FP5 and footpaths on Hardley Flood (Loddon FP4, Langley with Hardley FP9, Loddon FP5 and Langley with Hardley FP5)
- Public engagement with the path
- Restoration of the bird hide on Hardley Flood (as match funding through Watermills and Marshes project)

- Improvements at Rockland Staithe to the footpath (through the CIL Access For All project) and also to the moorings (funded through the Broads Authority)

Consultants have been appointed to conduct a feasibility study on replacement of the four bridges at Hardley. NCC's Ecologist is to be appointed to work with Natural England for license and consent for bridge works, vegetation and tree England clearance work (for bridges and surfacing works). The landowner for Hardley Flood is engaged with the project and has agreed access and hardstanding storage. The Broads Authority have provided options to carry out the bank stabilisation on Bramerton FP5. This needs to be reviewed with the landowner before a preferred option can be agreed.

GP84 Wensum Lodge - £1,090,000

Current home of Norfolk County Council's Adult Learning service, it engages with 7,000 Norfolk residents annually. Norfolk County Council has an ambitious new model for Wensum Lodge to become an outstanding regional creative business incubator, creative and community hub (including digital skills), and centre of craft excellence in the East.

This project sought to implement extensive works to improve the accessibility of the site.

Whilst buildings were closed during the pandemic, issues with water ingress and mould were identified at one of the key buildings on the site. As the building is of historical significance, further investigations and works are now needed to fully understand and resolve the issues discovered, followed by repairs. The historic nature of the building means the work needs to be undertaken cautiously to protect its heritage for future generations. The timescales for this complex programme of works are unknown at this stage and have therefore unfortunately impacted on timescales for wider plans for the site.

Whilst the County Council's ambition for the development of the site remains, the project has been removed from the Annual Growth Programme at this time.

GP87 – Education – Hethersett Academy: £2,000,000

This expansion of the existing school is a second phase of development in response to 1400 new homes in the village (1200 originally with an additional 200 recently confirmed). Design of the project is progressing well, with the project programmed to start in the summer of 2023, and completion by Autumn 2024.

Appendix E – Neighbourhood CIL

Table 5 South Norfolk Neighbourhood CIL income by financial year. For 2022, figures are to October 2022 only.

Parish	Received April 2018 – March 2019	Received April 2019 – March 2020	Received April 2020 – March 2021	Received April 2021 – March 2022	Received April 2022 - September 2022	Received April 2015 – September 2022
Cringleford	£0.00	£366,687.37	£585,402.60	£1,307,268.05	£1,862.73	£2,314,452.24
Wymondham	£34,532.05	£146,924.40	£110,836.13	£400,103.48	£136,728.64	£873,357.02
Poringland	£159,560.98	£1,075.72	£2,856.93	£18,577.53	£0.00	£230,827.50
Easton	£0.00	£0.00	£0.00	£88,818.53	£88,818.53	£178,167.57
Diss	£72,719.62	£3,176.71	£3,413.47	£3,078.41	£19,125.62	£134,864.45
Trowse	£0.00	£34,370.97	£91,525.36	£1,118.08	£0.00	£127,014.41
Stoke Holy Cross	£82,969.68	£171.06	£0.00	£478.80	£0.00	£113,165.51
Hingham	£1,208.62	£126.78	£0.00	£463.67	£3,716.90	£75,059.01
Little Melton	£20,640.40	£12,370.91	£11,797.37	£13,560.63	£0.00	£73,340.24
Swardeston	£0.00	£0.00	£62,054.17	£4,717.06	£0.00	£72,843.56
Costessey	£17,163.09	£12,512.67	£10,958.80	£1,000.73	£0.00	£70,763.00
Redenhall with Harleston	£6,852.09	£31,956.73	£0.00	£16,585.62	£4,447.61	£62,275.98
Spooner Row	£26,398.43	£8,285.42	£8,263.23	£759.79	£5,074.19	£48,781.06
Bergh Apton	£9,520.63	£2,712.99	£0.00	£0.00	£0.00	£43,255.54
Hempnall	£608.04	£0.00	£7,787.17	£29,881.56	£0.00	£38,549.02
Rockland St Mary	£9,274.85	£24,347.88	£0.00	£0.00	£0.00	£33,622.73
Bunwell	£1,718.29	£1,277.75	£2,366.83	£10,368.13	£0.00	£32,307.68
Dickleburgh	£18,371.68	£3,583.99	£0.00	£0.00	£0.00	£30,950.49

74 *The Tables within this appendix provide the total Neighbourhood CIL received by each parish in Greater Norwich. These tables report income only, and do not incorporate Parish's Neighbourhood CIL spend or current balance.*

Parish	Received April 2018 – March 2019	Received April 2019 – March 2020	Received April 2020 – March 2021	Received April 2021 – March 2022	Received April 2022 - September 2022	Received April 2015 – September 2022
Bressingham	£6,052.70	£5,063.15	£11,817.92	£0.00	£1,665.32	£29,522.43
Wreningham	£356.58	£9,600.38	£0.00	£0.00	£1,917.91	£29,338.53
Gillingham	£0.00	£0.00	£6,148.85	£22,589.78	£0.00	£28,738.63
Bawburgh	£1,495.60	£0.00	£602.47	£24,756.39	£0.00	£27,876.76
Alpington	£361.53	£0.00	£3,367.22	£0.00	£0.00	£27,192.92
Hethersett	£0.00	£0.00	£2,735.22	£8,192.64	£0.00	£26,683.86
Thurlton	£5,013.45	£14,815.84	£0.00	£600.00	£369.49	£25,592.11
Bracon Ash	£2,589.76	£13,233.62	£1,331.77	£3,995.32	£3,408.70	£25,499.96
Broome	£5,511.70	£9,023.75	£8,763.56	£1,477.63	£0.00	£25,135.55
Seething	£2,250.93	£10,704.90	£0.00	£0.00	£0.00	£24,898.34
Chedgrave	£0.00	£0.00	£1,606.58	£18,023.23	£2,298.79	£21,928.59
Scole	£0.00	£0.00	£5,030.39	£15,091.16	£0.00	£21,463.09
Woodton	£0.00	£0.00	£0.00	£5,148.59	£15,445.77	£20,594.36
Brooke	£12,178.00	£915.76	£3,022.57	£4,412.71	£0.00	£20,529.04
Long Stratton	£0.00	£286.14	£1,896.05	£1,508.04	£5,670.76	£20,515.84
Pulham Market	£213.95	£12,048.06	£4,143.30	£402.49	£379.37	£18,420.09
Geldeston	£18,331.54	£0.00	£0.00	£0.00	£0.00	£18,331.54
Ditchingham	£0.00	£443.96	£0.00	£3,766.27	£11,298.82	£16,491.29
Pulham St Mary	£13,772.73	£1,012.37	£0.00	£0.00	£0.00	£16,352.18
Earsham	£95.09	£12,720.00	£0.00	£0.00	£0.00	£15,446.10
Surlingham	£11,344.28	£312.01	£0.00	£326.41	£0.00	£14,930.90
Ashwellthorpe	£3,638.36	£3,684.68	£2,485.17	£3,917.59	£302.58	£14,793.46
Carleton Rode	£855.80	£644.05	£591.90	£4,887.22	£6,108.95	£14,254.24

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Parish	Received April 2018 – March 2019	Received April 2019 – March 2020	Received April 2020 – March 2021	Received April 2021 – March 2022	Received April 2022 - September 2022	Received April 2015 – September 2022
Tasburgh	£0.00	£11,813.25	£0.00	£1,579.94	£0.00	£13,676.38
Barford	£1,929.11	£2,685.14	£8,055.42	£0.00	£0.00	£12,996.78
Burston	£3,438.75	£3,836.19	£3,581.34	£471.41	£0.00	£12,494.77
Great Moulton	£3,580.72	£213.95	£0.00	£4,337.42	£204.44	£11,933.20
Forncett	£0.00	£915.45	£0.00	£7,428.56	£0.00	£11,130.08
Tacolneston	£0.00	£1,469.24	£0.00	£0.00	£0.00	£9,611.17
Aslacton	£475.82	£164.75	£2,317.92	£5,757.95	£0.00	£8,836.14
Tibbenham	£76.27	£965.74	£96.89	£4,657.62	£0.00	£8,488.86
East Carleton	£0.00	£0.00	£0.00	£1,633.01	£6,844.41	£8,477.42
Mulbarton	£0.00	£1,525.75	£5,995.00	£0.00	£0.00	£8,286.76
Tharston	£0.00	£5,195.47	£1,903.98	£0.00	£0.00	£8,096.60
Flordon	£0.00	£2,676.91	£3,117.10	£0.00	£0.00	£7,783.82
Wortwell	£584.40	£2,857.06	£1,221.58	£1,127.56	£0.00	£7,027.94
Loddon	£440.77	£539.39	£490.43	£0.00	£614.36	£6,805.94
Gissing	£1,940.78	£2,072.87	£442.79	£1,644.24	£0.00	£6,595.79
Deopham	£0.00	£6,338.35	£0.00	£0.00	£0.00	£6,338.35
Caistor St Edmund & Bixley	£0.00	£0.00	£0.00	£5,773.81	£0.00	£5,773.81
Bramerton	£0.00	£0.00	£2,983.38	£0.00	£2,750.41	£5,733.79
Great Melton	£0.00	£0.00	£0.00	£5,155.59	£0.00	£5,155.59
Hales	£2,337.60	£0.00	£1,611.87	£0.00	£0.00	£5,078.08
Caistor St Edmund	£0.00	£0.00	£0.00	£0.00	£0.00	£5,072.47
Marlingford & Colton	£5,017.50	£0.00	£0.00	£0.00	£0.00	£5,017.50
Starston	£319.93	£730.59	£0.00	£0.00	£1,613.47	£4,363.71

76 *The Tables within this appendix provide the total Neighbourhood CIL received by each parish in Greater Norwich. These tables report income only, and do not incorporate Parish's Neighbourhood CIL spend or current balance.*

Parish	Received April 2018 – March 2019	Received April 2019 – March 2020	Received April 2020 – March 2021	Received April 2021 – March 2022	Received April 2022 - September 2022	Received April 2015 – September 2022
Ashby St Mary	£1,224.97	£2,941.80	£0.00	£74.88	£0.00	£4,241.65
Swainsthorpe	£3,654.76	£0.00	£211.39	£0.00	£0.00	£3,866.15
Tivetshall St Margaret	£1,366.20	£398.55	£240.08	£0.00	£0.00	£3,809.11
Wicklewood	£0.00	£3,795.22	£0.00	£0.00	£0.00	£3,795.22
Wramplingham	£0.00	£0.00	£1,290.77	£2,293.61	£0.00	£3,584.38
Aldeby	£114.80	£0.00	£2,898.23	£0.00	£0.00	£3,505.54
Morley St Botolph	£0.00	£3,199.34	£0.00	£0.00	£0.00	£3,199.34
Burgh St Peter	£0.00	£3,047.16	£0.00	£0.00	£0.00	£3,047.16
Heckingham	£0.00	£0.00	£0.00	£0.00	£0.00	£2,896.84
Hedenham	£0.00	£0.00	£0.00	£2,821.46	£0.00	£2,821.46
Tivetshall St Mary	£0.00	£0.00	£0.00	£0.00	£133.83	£2,728.63
Framingham Earl	£0.00	£0.00	£0.00	£0.00	£2,190.57	£2,408.82
Needham	£0.00	£945.88	£185.18	£0.00	£0.00	£2,326.47
Roydon	£0.00	£0.00	£0.00	£2,218.73	£0.00	£2,218.73
Wheatacre	£0.00	£0.00	£0.00	£1,078.10	£0.00	£2,128.10
Ketteringham	£653.33	£900.00	£0.00	£0.00	£0.00	£2,071.97
Topcroft	£0.00	£271.71	£0.00	£1,243.48	£0.00	£1,948.74
Norton Subcourse	£0.00	£0.00	£1,405.76	£0.00	£0.00	£1,915.26
Marlingford	£0.00	£0.00	£0.00	£0.00	£0.00	£1,672.50
Barnham Broom	£0.00	£0.00	£981.92	£0.00	£0.00	£1,671.58
Shelfanger	£0.00	£0.00	£664.18	£0.00	£0.00	£1,437.62
Saxlingham Nethergate	£0.00	£79.50	£0.00	£0.00	£0.00	£1,298.73
Alburgh	£0.00	£1,096.69	£0.00	£0.00	£0.00	£1,249.45

77 *The Tables within this appendix provide the total Neighbourhood CIL received by each parish in Greater Norwich. These tables report income only, and do not incorporate Parish's Neighbourhood CIL spend or current balance.*

Parish	Received April 2018 – March 2019	Received April 2019 – March 2020	Received April 2020 – March 2021	Received April 2021 – March 2022	Received April 2022 - September 2022	Received April 2015 – September 2022
Shelton	£0.00	£434.73	£175.46	£502.66	£0.00	£1,112.85
Roydon	£0.00	£1,083.86	£0.00	£0.00	£0.00	£1,083.86
Kirby Cane	£952.06	£0.00	£0.00	£0.00	£0.00	£952.06
Raveningham	£0.00	£0.00	£0.00	£939.99	£0.00	£939.99
Keswick	£0.00	£0.00	£230.42	£0.00	£0.00	£921.42
Colney	£0.00	£0.00	£0.00	£874.65	£0.00	£874.65
Morningthorpe	£0.00	£0.00	£622.55	£0.00	£0.00	£853.63
Hellington	£0.00	£0.00	£0.00	£0.00	£0.00	£843.75
Toft Monks	£0.00	£488.73	£207.30	£0.00	£0.00	£822.54
Runhall	£202.06	£0.00	£0.00	£0.00	£0.00	£779.33
Denton	£0.00	£525.00	£235.70	£0.00	£0.00	£760.70
Brockdish	£475.44	£0.00	£0.00	£0.00	£280.83	£756.27
Deopham & Hackford	£0.00	£0.00	£0.00	£0.00	£625.42	£625.42
Winfarthing	£0.00	£0.00	£0.00	£0.00	£175.98	£557.64
Kimberley	£0.00	£0.00	£0.00	£447.86	£0.00	£447.86
Morningthorpe & Fritton	£395.61	£0.00	£0.00	£0.00	£0.00	£395.61
Newton Flotman	£0.00	£0.00	£0.00	£0.00	£395.04	£395.04
Morley	£0.00	£0.00	£0.00	£0.00	£0.00	£373.37
Haddiscoe	£0.00	£0.00	£0.00	£129.62	£0.00	£312.40
Wacton	£0.00	£0.00	£0.00	£0.00	£0.00	£303.78
Tharston and Hapton	£0.00	£0.00	£0.00	£0.00	£0.00	£291.60
Shotesham	£0.00	£225.36	£0.00	£0.00	£0.00	£225.36
Kirby Bedon	£0.00	£0.00	£0.00	£0.00	£0.00	£83.25

Parish	Received April 2018 – March 2019	Received April 2019 – March 2020	Received April 2020 – March 2021	Received April 2021 – March 2022	Received April 2022 - September 2022	Received April 2015 – September 2022
Stockton	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00
Kirstead	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00
Bedingham	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00
Framingham Pigot	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00
Grand Total	**£574,781.33**	**£807,523.65**	**£991,971.67**	**£2,068,067.67**	**£324,469.46**	**£5,317,457.63**

79 *The Tables within this appendix provide the total Neighbourhood CIL received by each parish in Greater Norwich. These tables report income only, and do not incorporate Parish's Neighbourhood CIL spend or current balance.*

Table 6 Broadland Neighbourhood CIL income by financial year. For 2022 figures run up to October 2022 only.

Parish	Received April 2018 – March 2019	Received April 2019 – March 2020	Received April 2020 – March 2021	Received April 2021 – March 2022	Received April 2022 – October 2022	Received April 2013 – October 2022
Sprowston	£94,468.89	£16,498.60	£181,832.79	£317,097.20	£454,606.01	£1,099,771.58
Acle	£0.00	£1,384.91	£60,677.34	£948,162.86	£0.00	£1,050,264.07
Horsford	£131,021.39	£125,701.58	£237,827.09	£350,852.34	£4,613.13	£1,021,179.57
Blofield	£104,084.73	£166,978.31	£279,609.95	£27,295.36	£5,571.35	£867,461.77
Rackheath	£2,875.34	£12,891.08	£36,664.60	£86,164.01	£679,321.86	£818,401.01
Old Catton	£0.00	£114,033.60	£247,200.59	£360,872.65	£8,761.94	£785,009.51
Drayton	£11,588.30	£55,425.76	£149,360.93	£140,180.16	£107,184.02	£468,484.15
Great & Little Plumstead	£19,142.05	£75,959.24	£42,698.86	£122,994.76	£19,998.12	£402,768.35
Hellesdon	£31,680.64	£108,582.70	£75,897.17	£63,121.54	£85,426.12	£382,302.20
Spixworth	£0.00	£8,430.92	£0.00	£58,997.24	£181,299.24	£271,909.16
Taverham	£8,046.12	£3,725.23	£197,437.84	£21,488.96	£2,174.16	£241,821.10
Brundall	£0.00	£0.00	£49,989.18	£125,307.78	£39,819.06	£220,885.06
St Faiths	£450.00	£31,395.58	£46,184.56	£1,543.26	£3,218.10	£86,801.50
Wroxham	£0.00	£0.00	£0.00	£1,522.90	£0.00	£85,820.35
Aylsham	£2,564.54	£8,628.98	£28,907.99	£12,453.71	£4,563.64	£66,641.99
Salhouse	£3,937.83	£3,618.62	£20,001.93	£0.00	£0.00	£51,164.50
Postwick	£2,477.94	£0.00	£7,247.07	£37,135.44	£0.00	£50,785.76
Strumpshaw	£29,083.12	£9,813.82	£0.00	£0.00	£0.00	£48,516.63

 The Tables within this appendix provide the total Neighbourhood CIL received by each parish in Greater Norwich. These tables report income only, and do not incorporate Parish's Neighbourhood CIL spend or current balance.

Thorpe St Andrew	£8,432.40	£9,112.63	£13,523.01	£6,048.48	£4,176.49	£46,378.21
Weston Longville	£14,413.78	£1,080.07	£1,772.78	£7,107.90	£0.00	£28,333.21
Honingham	£0.00	£8,387.69	£509.95	£15,137.18	£0.00	£27,180.24
Reedham	£5,961.00	£0.00	£0.00	£0.00	£0.00	£26,395.00
Reepham	£1,317.14	£3,271.55	£3,591.41	£630.56	£0.00	£24,160.43
Gt Witchingham	£0.00	£12,373.99	£3,512.35	£0.00	£0.00	£21,337.57
Hemblington	£0.00	£17,415.55	£0.00	£1,442.18	£0.00	£18,857.73
Freethorpe	£0.00	£2,517.61	£7,552.84	£3,062.30	£0.00	£17,924.35
Felthorpe	£3,274.61	£1,931.89	£757.61	£0.00	£0.00	£12,420.53
Foulsham	£8,645.77	£1,377.16	£1,550.39	£183.39	£0.00	£11,756.71
Marsham	£1,235.27	£0.00	£3,066.43	£0.00	£2,423.47	£10,467.36
Beighton	£848.87	£0.00	£1,556.70	£4,670.46	£245.29	£10,054.77
Hainford	£0.00	£0.00	£0.00	£0.00	£735.87	£9,570.26
Cawston	£2,556.20	£1,455.11	£704.53	£1,762.45	£1,181.85	£8,365.14
Hevingham	£0.00	£0.00	£0.00	£1,756.11	£0.00	£8,204.01
Stratton Strawless	£0.00	£1,894.88	£3,216.02	£0.00	£135.00	£5,965.15
Haveringland	£0.00	£0.00	£0.00	£0.00	£0.00	£5,880.72
Frettenham	£1,170.38	£0.00	£1,576.25	£0.00	£0.00	£5,860.79
Coltishall	£4,418.75	£0.00	£234.84	£1,024.62	£0.00	£5,678.21
Swannington	£168.72	£0.00	£5,240.19	£0.00	£217.42	£5,626.33
Cantley & Limpenhoe	£0.00	£0.00	£0.00	£0.00	£897.60	£5,377.85
Salle	£0.00	£0.00	£1,932.22	£2,331.37	£0.00	£5,023.20

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Buxton	£0.00	£0.00	£0.00	£0.00	£0.00	£4,472.42
Heydon	£3,681.68	£14.06	£0.00	£0.00	£0.00	£3,885.38
Horstead	£859.35	£894.68	£0.00	£0.00	£0.00	£3,778.75
Lingwood	£0.00	£0.00	£2,132.99	£0.00	£0.00	£3,372.45
Ringland	£0.00	£0.00	£0.00	£0.00	£0.00	£3,108.78
Halvergate	£0.00	£0.00	£1,404.93	£1,096.78	£0.00	£2,501.71
South Walsham	£0.00	£0.00	£0.00	£39.39	£0.00	£2,136.54
Wood Dalling	£0.00	£0.00	£0.00	£0.00	£0.00	£1,877.70
Upton	£0.00	£0.00	£706.16	£0.00	£0.00	£1,234.69
Oulton	£0.00	£867.29	£329.90	£0.00	£0.00	£1,197.19
Guestwick	£352.68	£234.48	£0.00	£0.00	£320.14	£1,152.44
Booton	£0.00	£0.00	£0.00	£0.00	£0.00	£1,109.78
Beeston St Andrew	£0.00	£0.00	£0.00	£974.63	£0.00	£974.63
Brampton	£0.00	£543.65	£0.00	£0.00	£0.00	£543.65
Themelthorpe	£0.00	£494.89	£0.00	£0.00	£0.00	£494.89
Woodbastwick	£151.20	£0.00	£0.00	£0.00	£0.00	£151.20
Morton on the Hill	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00
Grand Total	**£498,908.69**	**£806,936.11**	**£1,716,409.39**	**£2,722,457.97**	**£1,606,889.88**	**£8,372,798.23**

82 *The Tables within this appendix provide the total Neighbourhood CIL received by each parish in Greater Norwich. These tables report income only, and do not incorporate Parish's Neighbourhood CIL spend or current balance.*

Table 7 Norwich Neighbourhood CIL income by financial year.

Note: The Norwich City Council area has no parishes, so the council consults directly with communities to allocate this element of CIL income.

Area	Received April 2018 – March 2019	Received April 2019 – March 2020	Received April 2020 – March 2021	Received April 2021 – March 2022	Received April 2022 – October 2022	Received April 2013 – October 2022
Norwich	£133,705	£133,363	£173,285	TBC	TBC	£819,709

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NORWICH
City Council

Item 10

Committee name: Cabinet

Committee date: 08/02/2023

Report title: Procurement of Leaseholder Insurance

Portfolio: Councillor Harris, Deputy leader and cabinet member for social housing

Report from: Head of legal and procurement and Interim Head of Housing and Community Safety

Wards: All wards

OPEN PUBLIC ITEM

KEY DECISION

Purpose

The purpose of this report is to seek Cabinet's approval of the procurement of leaseholder insurance services following withdrawal of the existing provider.

Recommendation:

To enter a contract for the provision of leaseholder insurance and delegate authority to the Executive Director for Communities, in consultation with the deputy leader and cabinet member for social housing, to award the contract to the most economically advantageous tenderer or, if no tender is received, to utilise an emergency procurement route to award the contract on an emergency basis.

Policy framework

The council has five corporate priorities, which are:

- People live independently and well in a diverse and safe city.
- Norwich is a sustainable and healthy city.
- Norwich has the infrastructure and housing it needs to be a successful city.
- The city has an inclusive economy in which residents have equal opportunity to flourish.
- Norwich City Council is in good shape to serve the city.

This report meets the corporate priorities for people live independently and well in a diverse and safe city and that Norwich City Council is in good shape to serve the city

Report details

1. Leaseholder insurance covers residential leasehold properties for buildings material damage. There is a requirement, under the leases entered into by the leaseholders, that this cost is borne by the leaseholder rather than the council. Contents insurance is to be sourced privately by the leaseholders.

2. In October 2021, the Council considered a report relating to its leaseholder insurance contract. The provider at that time, Ocaso, was withdrawing from the market and it was necessary to seek to procure a new provider of leaseholder insurance. Following Cabinet approval, a new provider was sought and a contract was entered into with Avid Insurance on a 3 year basis, with the option to extend for a further 2 years.

3. On 16 January 2023, the Council was notified by its insurance brokers that Avid was withdrawing from the leaseholder market as of 1 April 2023, leaving the Council without a leaseholder insurance provider.

4. The current public sector leaseholder provider market is now just two providers: Aspen and Protector. 3 major providers have withdrawn, primarily for 3 reasons:

    a. Historic under-pricing; premiums have not been keeping pace with claims, meaning insurers have been incurring losses;

    b. Low excesses, compounding insurers losses in the event of a claim;

    c. The issues highlighted in the market by Grenfell, and concerns on the part of insurers regarding the potential for catastrophic losses

5. Since the Council was notified of the withdrawal of Avid, it has worked closely with its insurance brokers and legal team to identify a way forward that is compliant with public procurement procedures in a challenging situation.

6. The Council's insurance brokers have indicated that there is the potential that with increased business potentially available, private sector property insurers may be more attracted to the public social housing insurance market at this stage. Further, any potential insurance provider is likely to favour a longer term contract (such as a 3 year contract with extension options) rather than a short-term, 12 month arrangement due to the level of certainty it provides and the time invested in preparing a bid.

7. Procurement options were carefully assessed:

    a. The timing of the announcement meant that there is not sufficient time for the Council to go through a full, standard open tender process compliant with the public contract regulations;

    b. Potential frameworks were explored, however to add further complexity to the matter, further competition of the Council's insurance broker would have been required to access the relevant frameworks.

    c. To utilise the emergency options available under public contract regulations (as set out in procurement policy note 01/21, procurement in an emergency)

8. Utilising the advice in the procurement policy note, the Council established the use of an accelerated procurement procedure as a legitimate way through which the insurance can be procured in a competitive way, seeking to achieve best value for the Council's leaseholders, whilst remaining compliant with procurement regulations.

9. On 23 January, the Council issued an Invitation to Tender (ITT) for Leaseholder insurance on a 3 year basis, with the option of extending for 2 further years. The policy excess for leaseholders has remained at £100 as in previous years, albeit it may be that given the risks highlighted above the market seeks a higher premium level. The ITT was advertised to the public sector providers and advertised to private sector property insurance companies that may be interested in entering the market to widen the potential value.

10. A significant concern in undertaking the procurement is that overall, insurance premiums in the property sector have been rising, and the reduction in the market may result in an increase in the costs of insurance. Whilst this cost is passed on to leaseholders, this risks putting further pressure on residents during the cost of living crisis.

11. It is hoped that by widening the potential bidders to the private sector market may increase the competitiveness of bids; further, the Council has increased the premium placed on bid price in the tender evaluation so that it will be evaluated based on 70% price and 30% coverage and claims handling basis.

12. Tenders are due back to the Council on 8 February 2023. These will then be evaluated and the contract awarded on 24 February.

13. There is a risk that no bid is received through the accelerated open tender process. If that is the case, the Council will then seek to use the emergency procedure provided for in public procurement regulations. This allows that in extreme urgency the Council may directly award the contract to one supplier. In this scenario, the Council would be able to negotiate directly with one company.

14. **Consultation**

15. When tendering leaseholder contracts, the Council is usually obligated to consult with leaseholders prior to entering the contract.

16. Due to the short notice the Council has been given of the need to re-tender this contract, there is not sufficient time to undertake the normal leaseholder consultation period. The law provides that in this urgent situation, the Council can seek tribunal consent to not undertake consultation with leaseholders which is currently being progressed. Tribunal consent can (and usually is) applied retrospectively in urgent situations.

Implications

Financial and resources

17. Any decision to reduce or increase resources or alternatively increase income must be made within the context of the council's stated priorities, as set out in its Corporate Plan 2022-26 and budget.

18. The costs of leaseholder insurance are fully recharged to leaseholders. There are therefore no financial implications to the Council of this decision.

19. There is a risk that due to contractions in the market, the costs of this insurance could increase, which in turn places pressure on to leaseholder budgets. The Council will, as required, offer financial support and assistance to leaseholders who are concerned about increased budgetary pressure.

Legal

1. Termination of the contract by Avid on a short notice period has left a limited amount of time in which to reprocure these services. However, regulation 27(5) of the public contract regulations does allow a shorter 15 day timescale for the receipt of tenders where the usual timescales for an open procedure would be impracticable due to the urgency. The Council is working with its procurement team to manage that process.

Statutory considerations

Consideration	**Details of any implications and proposed measures to address:**
Equality and diversity	None
Health, social and economic impact	No direct implications, albeit as above this could result in an increased premium for leaseholders. The Council will offer support and assistance as required.
Crime and disorder	None
Children and adults safeguarding	None
Environmental impact	None

Risk management

Risk	**Consequence**	**Controls required**
That a leaseholder insurance provider cannot be identified	The Council is failing in its obligation to provide leaseholder insurance	The Council has assessed the available options for a compliant process. An open tender is being conducted at this stage to obtain the most economically advantageous outcome but if required, an urgent negotiated procedure with one supplier will be undertaken.

Risk	Consequence	Controls required
The costs of leaseholder insurance will rise due to limited market options	Leaseholders suffer budgetary pressure	The Council is seeking to undertake an open tender to attract market competition. The Council will provide support if leaseholders are under pressure.

Other options considered

20. The options considered are set out in paragraph 7 above.

Reasons for the decision/recommendation

21. The Council is under an obligation to provide leaseholder insurance. Due to withdrawal of the current supplier, the Council is required to urgently seek an alternative route through which to procure the insurance service.

Background papers: None

Appendices: None

Contact officer: Leah Mickleborough, Head of Legal and Procurement, and Bob Granville, Interim Head of Housing and Community Safety

Email address: leahmickleborough@norwich.gov.uk and bobgranville@norwich.gov.uk

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