

Report to Cabinet
14 April 2021
Report of Director of people and neighbourhoods
Subject Approval of NPS Norwich Business Plan

Item

7

Purpose

To seek cabinet approval for the NPS Norwich Business Plan 2021/2022.

Recommendation

To approve the NPS Norwich Business Plan 2021/22 attached to this agenda at confidential appendix 1.

Corporate and service priorities

The report helps to meet the corporate priority Great neighbourhoods, housing and environment

Financial implications

NPS Norwich Ltd began trading in March 2012 as a joint venture between Norwich City Council and NPS Property Consultants Ltd. It provides estate services, including asset management and rural estates, estate management, property agency, rating and valuation, and consultancy services.

At the end of each trading year any operating surplus is returned to the shareholders on a 50:50 basis. In the case of the council this is taken in the form of a discount against the cost of services delivered.

The 2021/22 Business Plan is projecting an operating surplus which is detailed on page 21. If achieved, this will return a discount to the council against budgeted spend.

The 2021/22 projected surplus is based on the core fee the council have approved for 2021/22, and projects deemed 'non-core' which have either already commenced and are carrying into 2021/22, or have been programmed/requested by the council for NPSN to deliver.

The schedule of 'non-core' projects will be reviewed, so that clarity and agreement can be made at the start of the year on what amount will be paid from the lump sum (core fee) and what will be invoiced (non-core).

Should the joint venture not make an operating surplus the risk is held by Norse Group Ltd (the holding company of NPS Property Consultants Ltd) and not by the Council.

Ward/s: All Wards

Cabinet member: Councillor Harris - Deputy leader and social housing

Contact officers

Louise Rawsthorne Interim Director of People and
Neighbourhoods

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Background documents

None

Report

Background

1. NPS Norwich Ltd (NPSN) began as a local authority company co-owned by NPS Property Consultants Ltd and Norwich City Council on 1 March 2012 with 17 employees delivering estate management and strategic property advice. The company expanded on 1 March 2013 with the transfer of a further 55 employees from the council's property services department to widen the service scope to include the maintenance and upgrade of housing and corporate property portfolios.
2. Each new financial year, a business plan is to be approved by Cabinet, which will agree the priorities and services to be delivered by NPSN for the council over the forthcoming year. The annual business plan, attached at **confidential appendix 1** has been developed in collaboration with council officers and is presented to Cabinet for consideration and approval.
3. Cabinet has approved the business case to transfer services delivered by NPSN, back to the council with effect from 1st April 2022. The services delivered by NPSN will be transferred back to the council's property and housing departments.
4. The NPSN Business Plan 2021/22 represents the final trading year for the company. Thereafter, it would be expected that NPSN will be wound up. The process to wind up NPSN will require the co-operation of NPS Property Consultants Limited and the consent of both Norwich City Council and Norfolk County Council. On a company's winding up, the assets will be collected, any claims to creditors would be settled in accordance with statutory priority and any surplus would be distributed to shareholders in accordance with their shareholding.

Key information

5. The purpose of the business plan is to set out the overarching objectives and resources available to support the NPSN service delivery in 2021/22. The NPSN board has formally signed off the business plan and awaits Cabinet approval.
6. The Business Plan is divided into a number of sections, including Governance, Financial Performance and Budget 2021/22, and key business aims for 2021/22
7. A summary of NPSN's key achievements for 2020/21 and key aims for 2021/22 are set out in the paragraphs below.
8. The pandemic had a significant impact on the delivery of capital programmes and repairs and maintenance services. During the lockdown periods, essential services, health and safety and compliance requirements continued to be delivered, however a number of capital and planned works programmes were paused. At the same time there was an increased focus

on securing commercial income and debt control and in supporting the Towns Fund projects.

9. 'What have we done 2020/21'

- Risers and Laterals at Winchester Tower – installation of new electrical feeds.
- Towns Fund Schemes – support for a range of projects to achieve funding deadlines
- Geothermal Heating Scheme – Barnards Yard
- Carbon Monoxide Detectors – installation in tower blocks
- Recovery of 85% recovery of commercial rent roll/debt
- Forecasting an operating surplus

10. Acknowledging that this is the final year of trading for the business, the focus for 2021/22 is one of continued delivery of capital and revenue priority investment programmes for the council, and the smooth transfer of staff and services back to the council.

'What will we do 2021/22'

- Deliver a profitable year of trading in line with the NPSN board expectations.
- Ensure the smooth planning and handover of services at the end of March 2022
- Ensure sufficient resources to deliver the council's capital and revenue investment priorities
- Continue to further support and develop staff with a focus on procurement and contract management where further training and continuous personal development will be beneficial
- Support property related priorities and aspirations particularly in relation to climate and sustainability matters and support the recruitment to legionella and carbon manager posts.
- Comply with Health & Safety, quality and environmental standards
- Remain Covid-19 secure and protect staff and customers

11. The detail of delivery for 2021/22 will be contained within an operational plan. The plan is being developed by council officers and colleagues from NPSN and will be completed by the end of April.

12. The work to support the transfer of colleagues and services back to the council will be included within the Project Place Programme. Recruitment, retention and secondment of specialist resources to support the transfer of services is underway.

Integrated impact assessment



NORWICH
City Council

The IIA should assess **the impact of the recommendation** being made by the report
Detailed guidance to help with the completion of the assessment can be found [here](#). Delete this row after completion

Report author to complete	
Committee:	Cabinet
Committee date:	14 th April 2021
Director / Head of service	Louise Rawsthorne
Report subject:	NPSN Business Plan
Date assessed:	6 th April 2021

	Impact			
Economic (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Finance (value for money)	<input type="checkbox"/>	x <input type="checkbox"/>	<input type="checkbox"/>	
Other departments and services e.g. office facilities, customer contact	<input type="checkbox"/>	x <input type="checkbox"/>	<input type="checkbox"/>	
ICT services	x <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Economic development	<input type="checkbox"/>	x <input type="checkbox"/>	<input type="checkbox"/>	
Financial inclusion	<input type="checkbox"/>	x <input type="checkbox"/>	<input type="checkbox"/>	
Social (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Safeguarding children and adults	<input type="checkbox"/>	x <input type="checkbox"/>	<input type="checkbox"/>	
<u>S17 crime and disorder act 1998</u>	x <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Human Rights Act 1998	x <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Health and well being	<input type="checkbox"/>	x <input type="checkbox"/>	<input type="checkbox"/>	

	Impact			
Equality and diversity (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Relations between groups (cohesion)	x <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Eliminating discrimination & harassment	x <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Advancing equality of opportunity	x <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Environmental (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Transportation	x <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Natural and built environment	<input type="checkbox"/>	x <input type="checkbox"/>	<input type="checkbox"/>	
Waste minimisation & resource use	<input type="checkbox"/>	x <input type="checkbox"/>	<input type="checkbox"/>	
Pollution	x <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Sustainable procurement	<input type="checkbox"/>	x <input type="checkbox"/>	<input type="checkbox"/>	
Energy and climate change	<input type="checkbox"/>	x <input type="checkbox"/>	<input type="checkbox"/>	
(Please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Risk management	<input type="checkbox"/>	x <input type="checkbox"/>	<input type="checkbox"/>	

Recommendations from impact assessment

Positive

Negative

Neutral

Issues