

Cabinet

Date: Wednesday, 13 October 2021

Time: 17:30

Venue: Council chamber, City Hall, St Peters Street, Norwich, NR2 1NH

Committee members:

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Agenda

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- 1 Apologies**
To receive apologies for absence.
- 2 Declarations of interest**
(Please note that it is the responsibility of individual members to declare an interest prior to the item if they arrive late for the meeting).
- 3 Public questions/petitions**
To receive questions / petitions from the public.
For guidance on submitting public questions or petitions please see appendix 1 of the council's constitution.
- 4 Minutes** 5 - 10
To agree the accuracy of the minutes of the meeting held on 8 September 2021.
- 5 Covid 19 recovery plan progress update** 11 - 40
Purpose: To consider the progress of and the update to the council's Covid-19 recovery plan.
- 6 Climate and environmental update** 41 - 66
Purpose: To consider the climate and environmental update.
- 7 Norfolk Strategic Flooding Alliance Strategy** 67 - 90
Purpose: To consider and seek endorsement of the Norfolk Strategic Flooding Alliance Strategy.
- 8 Medium Term Financial Strategy Corporate Overview** 91 - 102
Purpose: To set out the latest position regarding the council's forecast overall budget envelope for the 2022/23 and the Medium Term Financial Strategy through to 2026, and the assumptions which underpin the budget forecasts.
- 9 Risk Management Policy and Strategy** 103 - 126
Purpose: To review the updated risk management policy and risk management strategy.

10 The award of a contract for the installation of a new District Heating System at Barnards Yard, Norwich 127 - 140

Purpose: To consider awarding a contract for the installation of a new district heating system.

11 The award of contract for leaseholder insurance 141 - 146

Purpose: To consider delegating authority to award a contract for leaseholder insurance.

12 Exclusion of the public

Consideration of exclusion of the public.

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.

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***13 Managing Assets (Non-Housing)**

- 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.

***14 Managing Assets (Housing)**

- 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: **Wednesday, 06 October 2021**



Cabinet

17.30 – 18.50

8 September 2021

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

1. Public Questions/Petitions

There were no public questions or petitions.

2. Declarations of interest

Councillor Harris declared a non-pecuniary interest in Item 8 below as a director of Norwich Norse Building Ltd but would remain in the meeting.

Councillor Kendrick declared a non-pecuniary interest in item 8 below as a director of NPS (Norwich) Ltd but would remain in the meeting.

Councillor Oliver declared a non-pecuniary interest in item 8 below as a director of Norwich City Services Ltd but would remain in the meeting.

3. Minutes

RESOLVED to agree the accuracy of the minutes of the meeting held on 7 July 2021.

4. Emergency Management Strategy

Councillor Oliver, cabinet member for environmental services, presented the report. She referred to the extensive work which had been done in preparing the strategy which covered the council's approach to emergency management, roles and responsibilities and training. She referred to the training and presentation that had been given to members on this subject earlier in the year.

Councillor Bogelein said that the Green group were concerned that the strategy should contain more tangible specifics and requested to send the suggestions to officers. The Emergency Planning Manager said that she would be pleased to receive those and any other suggestions.

RESOLVED to:

- (1) approve the Emergency Management Strategy;
- (2) refer the strategy to the Scrutiny Committee for review
- (3) ask Councillor Bogelein to send her group's suggestions to the cabinet member for environmental services and the emergency planning manager.
- (4) congratulate the emergency planning manager on her recognition by the Emergency Planning College.

5. Response to Transport for Norwich Strategy consultation

Councillor Stonard, cabinet member for inclusive and sustainable growth, presented the report and outlined the extent to which the city council's priorities had been taken into account in preparing the response to the consultation. He said that the council's support for the strategy would be dependent on the extent to which these priorities had been incorporated in the final strategy document.

Councillor Davis, cabinet member for social inclusion, expressed concern at the condition of the highways in the city since the Joint Highways Agency agreement had ceased. It seemed that the city was being treated with similar priorities to rural areas when its own highways needs were very different.

Councillor Bogelein expressed concern that the city council's carbon reduction targets had not been included within the strategy and asked whether implementation of the strategy should be delayed until these issues had been addressed. Councillor Stonard, cabinet member for inclusive and sustainable growth said that the city council would continue to make its representations known and suggested that the Green group could make its own comments as part of the consultation process.

RESOLVED to approve the response to Norfolk County Council's consultation on the Transport for Norwich Strategy contained in appendix 1 of the report.

6. Transfer of assets from the General Fund to the Housing Revenue Account

Councillor Packer, cabinet member for health and wellbeing, presented the report.

Members welcomed the proposals for the community centres concerned and noted the increase in community activities in the centres since the Covid-19 lockdown restrictions had been reduced.

Councillor Bogelein asked why other community centres in the city had not been included on the list. The neighbourhood and community enabling manager said that research had been undertaken on levels of use of the centres which had formed the basis for deciding which should be included in the transfer.

RESOLVED to transfer the assets and their associated costs, detailed in the report, to the HRA from 2021-22 onwards.

7. Q1 2021-22 Combined Corporate Assurance Report

Councillor Waters, leader of the council, presented the report and welcomed the new format in presenting the performance information. He referred to specific performance targets which were in the red and green categories.

Councillor Kendrick, executive member for resources, outlined the financial aspects of the report.

Councillor Bogelein welcomed the improvements to the targets for dealing with anti-social behaviour.

In response to concerns about staff shortage and their impact on the council's performance, the Chief Executive Officer said that local government was experiencing a number of skill shortages in certain areas. It was hoped that the council's hybrid working policy and a review of application rates for certain roles would help to improve level of recruitment to shortage areas.

RESOLVED to

- (1) note progress on the key performance indicators for this quarter and the corporate risk register;
- (2) note the financial progress for 2021-22 general fund, HRA and capital programme;
- (5) note the consequential balances of the general fund and HRA reserves as detailed in figures 1.6 and 1.7;
- (6) thank officers for the excellent presentation and content of the report

8. Transfer of building repairs and maintenance services to Norwich City Services Ltd and property services to Norwich City Council

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

The chair and members welcomed the positive proposals for the future provision of those services.

RESOLVED to approve

- (1) the utilisation of earmarked invest-to-save reserves to fund additional revenue investment of £747,000 to support delivery of project place phase 2 (£149,000 from the general fund invest to save reserve and £598,000 from the HRA invest to save reserve). The details as described in this report under financial implications;

- (2) the reprofiling of the existing cabinet budget between financial years, increasing the 2021/22 capital programme by the same value. The details as described in this report under financial implications

9. Treasury management Full Year Review Report 2020-21

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

RESOLVED to recommend that council note the report and the treasury activity for the year 31 March 2021.

10. Award of a Contract for Communal estate Improvement

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

Councillor Bogelein noted the underspend in the estate management budget and the delays in repairs to properties. The leader of the council said that this budget would continue to be available going forward and that the current underspend had been due to the impact of the Covid-19 pandemic, disruption in the supply chain, the effects of Brexit and the tightening labour market.

RESOLVED to approve the award of a contract for communal estate improvement work to Breyer Group PLC from 1 October 2021 to 30 September 2023. The contract is valued at £1,500,000 (£750,000 per annum)

11. Award of a contract for housing and non-housing lift servicing and maintenance

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

RESOLVED to delegate approval to the executive director for community services, the authority to award a contract for housing and non-housing lift servicing and maintenance as detailed in the report.

12. New District Heating System at Barnards Yard, Norwich

The leader of the council reported that whilst the Cabinet remained supportive in principle to the proposals in the report, the risks associated with the proposals required full understanding and in consequence officers had requested that the matter be deferred.

RESOLVED to defer consideration of this report until a future meeting.

13. The extension of an awarded contract for warden call upgrades to sheltered housing schemes

Councillor Harris, deputy leader and executive member for social housing, presented the report

RESOLVED to approve the extension to an awarded contract for warden call upgrades to sheltered housing schemes with M English Security Ltd.

14. Exclusion of the public

RESOLVED to exclude the public from the meeting during consideration of items *15 to *16 (below) on the grounds contained in the relevant paragraphs of Schedule 12A of the Local Government Act 1972 (as amended).

***15. Transfer of building repairs and maintenance services to Norwich City Services Ltd and property services to Norwich City Council - Appendix (Paragraph 3)**

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

RESOLVED to note the exempt appendix to the report.

***16. Managing assets (Housing) (Paragraph 3)**

Councillor Harris, deputy leader and cabinet member for social housing, presented the report

RESOLVED to approve the disposal of the land and property assets as set out in the report.

CHAIR



Committee Name: Cabinet

Committee Date: 13/10/2021

Report Title: COVID-19 recovery plan progress update

Portfolio:	Councillor Waters, Leader of the council
Report from:	Chief executive
Wards:	All Wards
OPEN PUBLIC ITEM	

Purpose

To consider the progress of and the update to the council's COVID-19 recovery plan.

Recommendation:

To note the progress made in the delivery of the COVID-19 recovery plan and the main actions contained within it.

Policy Framework

The Council has three corporate priorities, which are:

- People living well
- Great neighbourhoods, housing and environment
- Inclusive economy

This report meets all three corporate priorities.

This report addresses all strategic actions in the Corporate Plan.

Report Details

Introduction

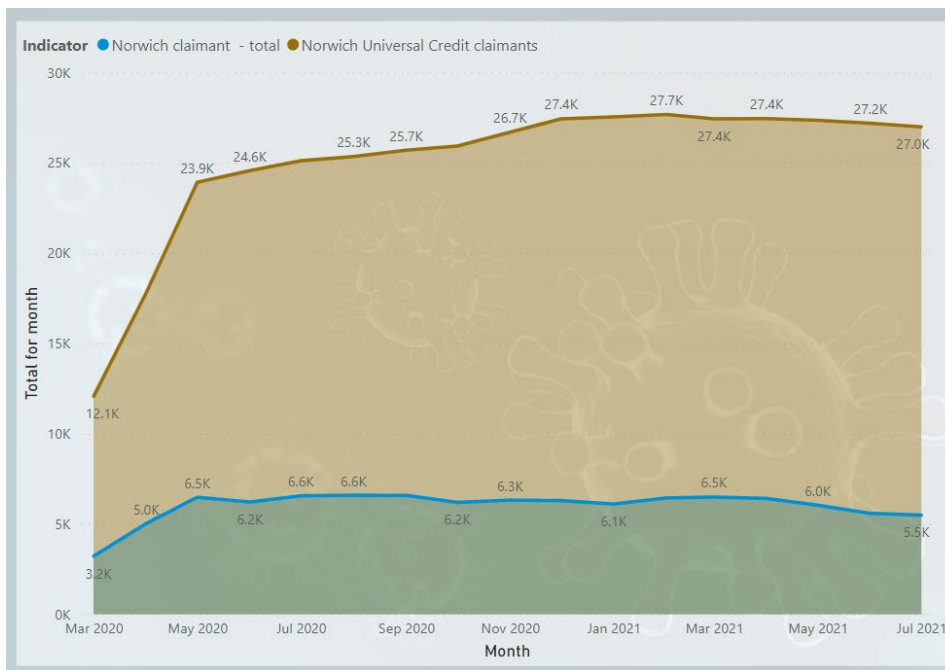
1. The impact of the Covid-19 pandemic has required a response at the global, national and local levels. In Norwich, as elsewhere across the United Kingdom, although restrictions have eased since the most recent lockdown, Covid continues to affect the lives of residents and businesses in the city.
2. In June 2020, Cabinet agreed the [Covid-19: A blueprint for recovery](#) which provided an overview of the council's initial response to the virus, and identified a number of priority themes and actions which would frame the council's – and the city's - recovery.
3. The city council was one of the first councils in the country to publish a comprehensive, forward looking recovery plan from Covid-19. It sets out a number of priority activities that the council feels are crucial to a sustainable recovery and the organisation will continue to track performance against the delivery of the plan and build on it as a 'living' document. Regular updates on progress will be reported to Cabinet.
4. As the recovery blueprint makes clear, the city's response to – and recovery from – the pandemic requires a partnership response. Since the document was developed and published, the [Norwich 2040 City Vision](#) partnership has been meeting regularly to steer the city through the challenges and opportunities ahead.
5. This report provides Cabinet with details of progress made against the plan since the last update in December 2020. It considers the impacts, successes and challenges faced so far or anticipated in the short to medium term.

Monitoring the impacts of COVID-19

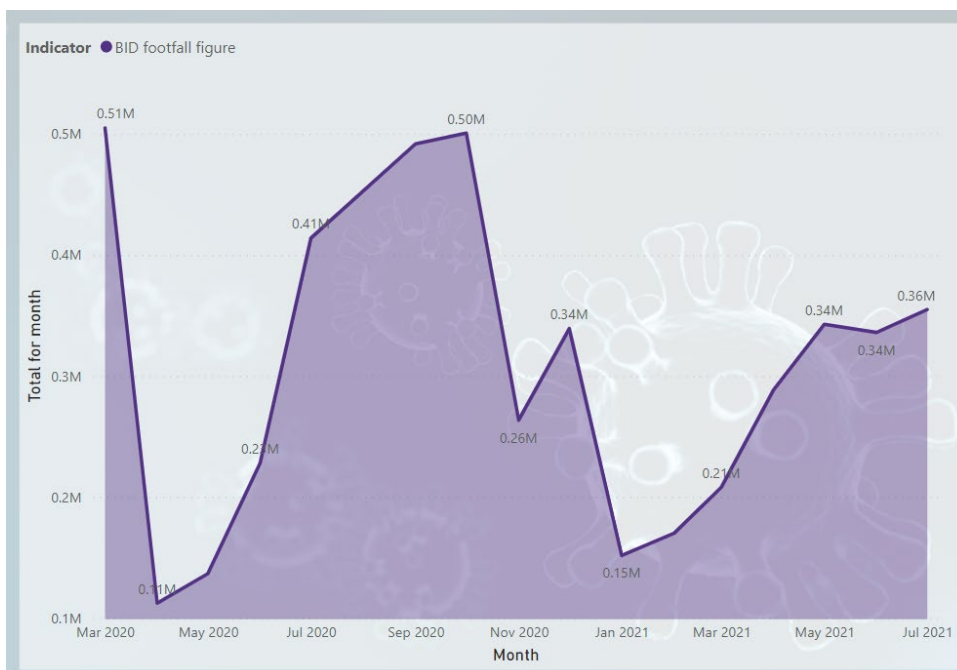
6. Since the last update to Cabinet, we have lived through a third lockdown from 6 January through to the first easing of restrictions on 12 April with all retail, personal care premises, gyms and outdoor hospitality reopening. This was followed by further easing of restrictions on 17 May with all remaining lockdown restrictions in England ending on 19 July.
7. In addition, the Delta variant started to increase in prevalence, and has continued to do so. Unsurprisingly, we have seen case rates rising most rapidly in younger, unvaccinated age groups and the data showed that by early July 42 per cent of recent cases in the city could be traced to education establishments.
8. We're continuing to track a range of data locally including case rates for various age groups, rates for different wards, and locations of specific outbreaks. We're also closely monitoring the local NHS data and working with NHS and CCG colleagues as part of a multi-agency response.
9. It remains the fact that the link between cases and hospital admissions has been severely disrupted by the vaccine and we're not seeing significant numbers flow through to the NHS. That said, given people remain exposed,

we continue to work hard to do what we can to reduce the risk. Vaccine take up is high overall across the county but the challenge is getting the remainder of people to come forward.

10. Inevitably, now that the night time economy has reopened, we are seeing an increase in cases linked to hospitality venues. Due to the different demographics of the city compared with other parts of the county, particularly our significantly younger population, the fact that we tend to live closer to each other and the density of hospitality venues – it's no surprise that case rates are higher in the city.
11. So, we are engaging with the night time economy and helping where we can to advise businesses on what they can do to prevent increasing cases. We're also continuing to work hard to encourage people to get tested and, most importantly, get vaccinated.
12. The council has developed a range of key metrics to help support officers, members and other stakeholders to understand the key impacts of Covid-19 on the people, place and economy of Norwich.
13. Norwich Covid-19 cases summary as of 1 October 2021:
 - a) Total number of C-19 cases in Norwich **13,339**
 - b) Total number of C-19 deaths in Norwich **235**
14. Norwich Community Response Hub summary as of 1 October 2021:
 - a) Total number of food parcels delivered **2,506**
 - b) Total number of prescriptions delivered **1,147** to June 21 (awaiting current figures from Voluntary Norfolk)
 - c) Total number of successful support calls **7,870**
15. Additionally, since February to 30 September 2021 through the Self isolation service - Enhanced track and trace:
 - a) 8,711 enhanced successful track and trace calls made
 - b) 1,459 enhanced successful track and trace visits made
 - c) 1,087 local contact trace service visit requests received from the NHS
16. The chart below shows how levels of benefit claims and universal credit claims have increased since the start of the pandemic in Norwich.



17. The chart below shows the levels of footfall in the city centre as captured by the Norwich Business Improvement District.



Keeping the city safe

18. The key local support services which have enabled the country to come out of lockdown safely – local contact tracing, community testing, rapid response to local outbreaks, financial support to those who are self-isolating, supporting vaccine uptake in hard to reach communities – have all been led and delivered by councils.

19. We continue to play a crucial role in the ongoing response to covid by helping to reduce case numbers, keep hospital admissions to a minimum, businesses to remain open safely, support residents, especially the vulnerable,

and continue with business as usual service delivery. Key projects and measures include:

- a) Working with Public Health to support the major covid outbreaks, for example at Ingram Micro – a telecommunications business in Norwich – where 190 staff tested positive back in early February.
- b) Supporting the NHS to roll out the Covid vaccine, with excellent progress being made.
- c) Setting up the city council's enhanced Covid contact tracing system in February, taking over responsibility from central government for contact tracing in the city. Our system continues to smash the performance levels of the central government system. So far, the team has contacted 6,574 people (4,629 of which were completed in July and August this year) with an 89.99 per cent success rate through to the end of August.
- d) Continuing to support people with food parcels, and a total of 371 food deliveries have been made up to the end of August to residents since we launched the enhanced system in February.
- e) Responding to 55 requests for table and chair licenses so that pubs and restaurants can have outdoor seating.
- f) Issuing 14,426 payments to Norwich businesses totalling just over £73m since the first lockdown in March 2020, meaning we have fully distributed our allotted fund by 30 July 2021 deadline. This means the council will receive nearly £1m of additional government funding for our Additional Restrictions Grant to support local businesses over the next year, which will aid the city's recovery.
- g) Covid support officers and Public protection officers helping to advise businesses on how to reopen safely, looking for problem areas such as pinch points in the streets and queue management for shops, plus Security trained wardens out and about to support the safe reopening of the night time economy.

Recovery themes and actions

20. It is important that the council not only focuses on how, as an organisation, it recovers and responds to challenges faced as a result of the pandemic but also the leading role it plays in the wider recovery of the city. The priority themes from the plan are helping to shape the council's approach to recovery. Each theme has a set of associated key actions, the progress of which is detailed in this section of the report.

Securing the council's finances

21. The blueprint identified key actions in relation to securing the council's finances. The table below details progress against outstanding actions:

Action	Status	Comments
Closely monitor and update budget impact analysis and regularly update CLT and Cabinet	Ongoing	Financial monitoring continues to be undertaken monthly with reports to CLT. The Q1 forecast position was reported to Cabinet in September.
Lobby government to ensure that Norwich City Council, and local government more widely, is fully compensated for the financial impacts of C19	Ongoing	<p>We continue to return the monthly financial monitoring forms to the Department for Levelling Up, Housing and Communities to highlight the ongoing financial impacts of Covid-19 on expenditure, fee income and taxation receipts.</p> <p>Briefings to local MPs on the financial position.</p> <p>Engagement and lobbying Government ahead of the 27 October Spending Review has continued via chief officers and NCC councillors.</p>
Review the capital programme to ensure that the schemes still reflect the council's current priorities and that these are affordable in the new financial landscape	Ongoing	<p>Council approved the 2021-22 capital budgets which are affordable within the medium-term financial strategy and HRA business plan.</p> <p>Financial monitoring of the capital programme is completed monthly.</p>
Update the council's Medium-Term Financial Strategy, to understand the short to medium implications for savings requirements and use of reserves	Ongoing	The medium-term financial strategy was approved as part of the budget papers in February 2021. An updated position to be provided to the October 2021 Cabinet following a review of the key assumptions by the relevant service areas. This report forecasts the budget envelope which the council has to live within for 2022/23 and over the medium term, subject to further changes following the announcement of the Local Gov't Finance Settlement (expected December 2021).
Commence the process for setting the budget for 2021-22 and provide further detail to Cabinet in July on the approach and timeline	Complete	The business planning process in underway for setting the 2022/23 budget alongside an updated corporate plan. Draft budget proposals expected to be presented to Cabinet in November

		2021 ahead of public consultation before Budget Council in February 2022.
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22. The pandemic continues to have a significant impact on the council's budget during the 2021/22 financial year and over the medium term. The impact of increased costs and reduced income is being felt and, although central government has provided additional funding, it is far from enough to plug the funding gap that has developed.
23. The government has advised local authorities that they will receive no more covid related grants after June 2021. However, the pandemic will continue to impact council funding over the medium to long term with:
- a) income received from car parking charges likely to remain below pre-pandemic levels
 - b) loss of commercial income
 - c) loss of council tax and business rates
 - d) increased rent arrears.
24. The council is doing all it can to mitigate the wider impacts of the pandemic. However, over the longer term, it is hard to predict the full extent of economic recovery required and what measures will be needed to address the financial deficit.

Modernising the council; reimagining local services

25. The blueprint identified key actions in relation to modernising the council and reimagining local services. The table below details progress against outstanding actions:

Action	Status	Comments
Take forward an organisation wide review of service delivery, to look at reimagining how services are delivered in future	On target	An organisation-wide service review process was commenced in September 2020, building on the experiences of service change through the initial Covid 19 lockdown. A number of reviews are currently being taken forward, and the next set of proposals will be considered over the Autumn, alongside the 2022/23 budget setting process
Recast its service transformation plans in light of this service review, to be taken forward as part of the 2021/22 budget and business planning cycle	On target	The Future Shape Norwich transformation programme has been established and is underway. The service reviews noted above form a key plank of this programme and its design was informed by the lessons learnt from service changes through the initial

Action	Status	Comments
		Covid 19 lockdowns.
Develop a customer experience and digital strategy to set out the council's vision and approach to services.	Complete	Strategy approved by Cabinet on 9 June 2021
Use the principles of recovery engagement to recalibrate the compact between the council and residents, communities, businesses and other city stakeholders	On target	A number of workstreams are underway to deliver this action: the customer experience and digital strategy as above, the Citizen Participation blueprint and a number of project being delivered via the Community Enabling team (further detail in the Harnessing Social Capital section), the Future Shape Norwich programme, as above, which includes an emphasis on engagement with customers in service design and includes a number of cross-cutting service reviews to consider how we work most effectively with residents in the long term, and the City Vision work, in which the City Vision steering group has a new broader remit and membership, and where individual workstreams within the action plan have an emphasis on hearing "unheard voices" to inform their work, and in bids made to the "Community Renewal Fund" on a "100 day challenge".

26. In June, Cabinet approved our customer experience and digital strategy, subject to final public consultation. The new strategy represents a big step for the council, and puts convenience and inclusivity at the heart of all council services. Our new approach, framed by the strategy, will enable customers to access more services 24/7, track the progress of ongoing requests and provide feedback on the service they receive. But we recognise that not everyone can access services online, which is why we'll still offer telephone and face-to-face services to those who need them.

27. As well as being resident facing, the customer experience and digital strategy also focuses on how we'll use technology to the benefit of our workforce, building on progress made in rolling out new laptops to allow for agile working and looking at how our IT systems are better integrated to make things smoother for us and our customers.

28. Phase one of our new Northgate Housing System is due to go live this autumn which will see the launch of an online customer portal for repairs,

rents, tenancies, properties, allocations, housing advice, customer services, and choice-based lettings. Early in 2022 we expect customers to be able to fully manage their repairs, rent accounts and tenancies via the online portal. This is closely followed by the introduction of mobile working functionality for contractors, housing services employees with the final back-office efficiencies in relation to property purchase and service charges, support services and customer relationship management being implemented by summer 2022.

29. This will provide several benefits to customers and officers including:

Customer benefits	Officer benefits
Enables self-service where required	Increases speed and efficiency of task completion
Speeds up the end-to-end process for customers – increases efficiency and satisfaction with right first-time fix	Single system for all housing queries
Allows the most vulnerable customers to receive a tailored service	Enables focus to be directed to the most vulnerable customers
Customer led – allows customers to receive a service that fits in with their life-style	Enables agile working and doesn't require the need to be based permanently in a physical office environment

Supporting the most vulnerable

30. The blueprint identified key actions in relation to supporting the most vulnerable. The table below details progress against outstanding actions:

Action	Status	Comments
Work proactively with partners through the Pathways programme to develop a sustainable approach to tackling homelessness in the city	On target	We are working with Pathways Norwich and our statutory partners (including the Department for Levelling Up, Housing and Communities) as to what our strategy will look like over the next 3 years, considering the future funding options for homelessness services, including how our interventions develop towards a more preventative approach in the future.
Over the longer-term, work with Pathways, the county council and the voluntary and community sector to look at pathways out of poverty for the most vulnerable. This will look at training and skills	On target	A No Homeless in Norfolk Strategy was agreed in autumn 2020 by the Norfolk Strategic Housing Partnership. Stephen Evans, chief executive at Norwich City Council has taken over as chair of the partnership. The next step is to develop and agree a joint working

Action	Status	Comments
opportunities and measures to move people closer to the labour market and into employment		charter and action plan to guide a cross system approach to homelessness.
Work with domestic abuse support providers to signpost victims of domestic abuse to the support on offer and to work with front line teams within the council to train staff to spot signs of domestic abuse	On target	We sit on the new Norfolk Domestic Abuse Partnership Board and part of this work is looking at training/funding for all front line staff so that these services will have Domestic Abuse Housing Alliance (DAHA) accreditation in the future. DAHA accreditation is the UK benchmark for how housing providers should respond to domestic abuse in the UK. The accreditation framework includes 8 priority areas that considers an organisation's operations and delivers safe and effective interventions in domestic abuse. It builds in processes that help guide staff to adequately address the needs of survivors and hold abusers to account.
Hold virtual internal and engagement events to gather evidence and lessons from the council's long-term approach to reducing inequalities and crisis support	On target	These conversations remain ongoing in terms of systems and connections which may remain post pandemic to improve on previous work, as well as analysis of areas of BAU which could be enhanced from the learning.
Use these principles and lessons learnt to build on existing collaborative and asset-based approaches to tackling pre-existing and emerging financial and digital inclusion in the city, as part of tackling wider inequality	On target	Ongoing through continuing work on City Vision Covid-19 Recovery group work strands, community participation strategy, Reducing Inequalities Target Areas, projects being developed through the Good Economy Commission, financial inclusion projects, including new non-commercial debt policy.

31. Last September Cabinet approved a new policy on non-commercial debt which seeks to better recognise and work proactively with vulnerable people. There is a growing number of people – exacerbated by the pandemic – who find it very difficult to pay their rent and council tax. This policy helps to ensure there is a consistent approach in how we support people to manage their debt.

32. A small team spanning revenues and benefits, housing income, sundry income, parking services and the strategy and transformation team have been working together as one team to support the implementation of our new debt

policy – which provides the framework for our approach. The team has worked collaboratively with one goal in mind: to put residents at the heart of the work they are doing. This also includes the preparation and implementation of the government's debt respite scheme – or 'breathing space' scheme – that came into force on 4 May this year. Processes are being built that will work across service areas but will mirror one another so that customers will receive the same experience whoever they contact first – a 'one front door' approach.

33. Throughout the pandemic, addressing homelessness and supporting those who need our help in the city has been a high priority. Daily multi agency meetings led by the council looked to accommodate people as soon as they're identified as being at risk.
34. The scale of the challenge is intense and, since the end of November 2020, we have housed 94 people in our hub and hotel accommodation and since moved nearly half of them into more secure housing. In addition, over the winter months we had to respond to more than half a dozen cold weather events, with the team providing 49 people with a safe and warm place to stay.
35. Alongside providing places for rough sleepers in the city centre to stay at night, we continue to explore venues where they can access support during the day. Another key aspect of our support is to make sure our homeless clients are registered with GP practices so they can access healthcare. We're also working with our housing and health partners to vaccinate all homeless people in Norwich.
36. Domestic abuse presentations increased as a result of Covid and far outstrip the eastern region and England average. In real terms, the council sees an average of 70 approaches for housing/homelessness assistance on the grounds of domestic abuse every month.
37. Funding from the Department for Levelling Up, Housing and Communities (formerly the Ministry of Housing, Communities and Local Government) has been awarded to local authorities to enhance their services to domestic abuse victims and we are using this to employ an administration assistant to the domestic abuse adviser who will collate data and statistics, provide clerical support and source refuge accommodation for clients. This will increase the capacity of the domestic abuse adviser to provide a personalised service to clients. Remaining Department for Levelling Up, Housing and Communities funding will provide a flexible fund for the domestic abuse adviser to spot purchase safe short-term accommodation for clients who are waiting for refuge accommodation.
38. In the medium term we are seeking to develop a supported, safe short-term accommodation 'hub' for domestic abuse victims to replicate the 'somewhere safe to stay hub' for rough sleepers.
39. As required by the Domestic Abuse Act, the County Council will develop a strategic, partnership-led approach to developing services for domestic abuse victims across the county.

Business and the local economy

40. The blueprint identified key actions in relation to business and the local economy. The table below details progress against outstanding actions:

Action	Status	Comments
Work with the Norwich BID, Norfolk Chambers of Commerce, police and county council to implement physical measures and signage in the city centre to support social distancing	Ongoing	<p>It is not proposed to remove any signage and additional signage may be provided for Norwich market. The physical changes in the city will remain - widening pavements and outside eating areas for premises without their own open space.</p> <p>With regard to Exchange Street, the recent removal of the pavement widening is due to the road works taking place in the vicinity of the Chapelfield roundabout. These works have necessitated the re-opening of Exchange Street to all traffic while they are ongoing, and as such it was not possible to safely maintain the use of the widened pavement areas with the traffic flow, so the areas have been temporarily removed.</p> <p>Further schemes are currently being developed by the council. Subject to the outcome of the Connecting the Norwich Lanes consultation (the feedback from which is currently being analysed) and committee approval, it is likely that the arrangements in Exchange Street will be reinstated from the start of December and those in St Benedicts Street will remain with some adjustments.</p> <p>The other scheme that we are working on that is likely to offer opportunities for pavement café / social distancing space is St Giles, which is part of the Towns Fund programme and Connecting the Lanes.</p>
Use licensing powers to support businesses – particularly those in the hospitality sector – where appropriate to vary their use of outside space, whilst ensuring that people with disabilities can access pavements and move around the city safely	Ongoing	<p>A streamlined licence application process for a table and chairs licence is in place and this has been well received by hospitality premises.</p> <p>The government are reviewing legislation to determine whether this should be allowed in future.</p>

Action	Status	Comments
Continue to identify opportunities to promote sustainable travel in the city centre – with a focus on walking, cycling and other forms of sustainable travel as appropriate	Ongoing	Since the start of the year we have worked with Norfolk County Council on the following strategies: Transport for Norwich Strategy, Local Cycling and Walking Infrastructure Plan, Norwich cycle map 4 th edition; secured Towns Fund money for public realm; consulted on Connecting the Norwich Lanes; built or are building schemes in Tombland and King Street; preparing to build schemes in St Stephens Street and the Train Station and Bus Station mobility hubs and we have developed a wayfinding project
Work with City Fibre and the county council to deliver full fibre broadband in Norwich	On target	Work is progressing well, main contractor is appointed and works in northwest Norwich commenced in early September
Where there is evidence of malpractice, assess whether action can be taken against employers who fail to provide a safe working environment	Ongoing	Enforcement action taken is proportionate following the giving of advice to the relevant employer.
Continue to deliver grants and wider support to businesses	Ongoing	Overall we have made 14,426 payments to Norwich businesses totaling just over £73m since the first lockdown in March 2020, meaning we have fully distributed our allotted fund by 30 July 2021 deadline. This means the council will receive nearly £1m of additional government for our Additional Restrictions Grant to support local businesses over the next year, which will aid the city's recovery.
Engage with business, representative groups and relevant public authorities, and monitor relevant data sources and emerging national and local analysis, to understand the challenges facing businesses and the wider economic impact of C19	Ongoing	This work is ongoing with a fast-changing picture as many of the government's C19 support measures for businesses such as furlough coming to an end in September. The picture is very varied across sectors. We are also working with partners and business intermediaries to identify new, real time data sources to give a detailed local picture of economic recovery.
Work in partnership to develop appropriate solutions to the challenges identified, including through council planning,	Ongoing	The council continues to work in partnership with Norwich BID, the constabulary and the county council to ensure C-19 safety in the city. Following

Action	Status	Comments
licensing and enforcement functions and by working with partners on issues including skills and pathways to work		<p>the easing of restrictions and associated legislation, we are moving to a more guidance and advice based role.</p> <p>Work is ongoing working with partners such as Norfolk County Council, open public estate, Norwich BID and Norwich to Cambridge Tech Corridor to promote economic growth, skills and job growth. Also as part of the Towns Deal projects, there are schemes to help upskilling of workforce to ensure we have the skills needed for the future.</p>
Establish the Good Economy Commission as the lead on the economy theme under the City Vision Steering board, to make recommendations across the City Vision partnership to support an inclusive recovery over the medium-term	On target	<p>The GEC has now established 8 themes, with work programmes being delivered across these, including around skills, digital inclusion, social enterprise, good jobs and anchor institutions. The GEC is also running an engagement programme to understand a range of perspectives on the local economy, including through use of an innovative future building game and a programme of seminars. More information on these themes and the work of the GEC is available on the GEC's website www.norwichgoodeconomy.com</p> <p>Learning from research, funded projects and engagement work is beginning to be collated to start the process of identifying recommendations for action to be included in the GEC's final report in June 2022.</p>
Consider how the council's role as an anchor institution can support an inclusive economy through the use of council assets, contractual, recruitment and procurement levers	Ongoing	<p>Work is underway to explore how the council can continue to embed social value through implementation of its new procurement strategy. Wider opportunities to ensure employment practices and assets maximise their benefit to the local economy are also being investigated and are key principles embedded in the Future Shape Norwich programme and the cross-cutting service reviews which form part of it. These issues were also discussed as part of a Good Economy Commission seminar around the role of anchor institutions in Norwich, which generated conversations with partner organisations about how good practice approaches</p>

Action	Status	Comments
		could be developed and shared.
Review the Norwich Economic Strategy 2019-24 to identify any new actions required to respond to C19	On target	<ul style="list-style-type: none"> • We are currently working with key business networks and intermediaries to put out a series of questions to businesses about their feelings on the economic landscape as we emerge from lockdown and the government's various support measures such as furlough. • The annual Local Economic Assessment will be completed by mid-October. • Quantitative survey of businesses (engagement through business network organisations as above) will be completed by end of October • Following analysis of the responses we will test the validity of data in the economic assessment against analysis of survey responses by end of November. • This will then be used to inform the review of economic strategy – draft document by mid December with internal consultation – end of December. • Draft document incorporating internal feedback to Cabinet for comment/approval in January. • Final document published February 2022.
Develop and deliver a Town Investment Plan to get access to £25m funding for investment in the city	On target	All Towns' Fund projects will be entering delivery phase by September 2021 with the first of the projects - Digitech Factory at City College scheduled to be completed and open on 20 October 2021.
Engage in wider recovery plans with partners including the New Anglia Growth Hub and the Norfolk Resilience Forum	Ongoing	Ongoing close engagement with LEP and NRF to promote wider recovery and support to business.

41. The impact of lockdown on the city centre has been significant. The council's objective is to support the local economy whilst doing what it can to protect Norwich. Colleagues from across the organisation continue to work hard to support the local and regional response to Covid-19. The council is an important anchor institution for the city and the return of more people working

from the office, both for the council and other businesses, is important to support the local economic recovery.

42. Our environmental health team continue to work in partnership with the Norwich Business Improvement District, Norfolk Chambers of Commerce, police and local businesses to make sure the right adjustments are made so that people in the city can shop, eat and drink with confidence.
43. The current UK Living Wage is £10.50 per hour (outside of London) for those over 18, whereas the national minimum wage for those over 21 is £8.20 – this is a clear gap. There are many benefits of paying a Living Wage, including a reduction in staff turnover, an improvement in morale and productivity and beyond that, creating a ‘virtuous circle’ with higher pay spent locally in order to boost the local economy.
44. In Norwich, more than one in four employees earn less than £9 per hour. A total of 28 per cent of families in the city are categorised as deprived and 31 per cent of children as living in poverty – this shows how important it is for us to change this across the city and demonstrate how it can improve our residents’ lives.
45. We are focussing on encouraging employers in the city to sign up for the Living Wage. We are proud to have Living Wage accreditation from the national Living Wage Foundation and are committed to supporting other businesses to do the same. Living Wage Places is a recognition scheme from the Living Wage Foundation
46. In March 2021, the council together with other partners started the journey to make Norwich a Living Wage Place. Living wage places is about developing a place-based approach to increasing the number of people earning a real Living Wage. It encourages major private sector employers, small businesses, local councils, charities, and citizens to come together and help make the Living Wage the expected norm.
47. The Norwich Living Wage City Working Group is building a three year action plan detailing how we will encourage others to accredit as Living Wage employers. The planned launch date for our submission will be in May 2022, and although the aim is to target retail, hospitality and care as specific sectors, the action plan will detail the ‘who, when, and how’.
48. Although the group has chosen to target these industries, being sectors where low pay is prevalent, the group will also work with other employers outside of these sectors. The group is currently talking with Flagship Housing, Norwich University of the Arts, Norwich BID and Norwich City Football Club beginning living wage accreditation conversations.
49. This is an example of how our council doesn’t just deliver services directly, but can also be at the forefront of key issues and champion positive change within Norwich by influencing others. We’re committed to working with partner organisations and businesses to ensure that as many employers as possible commit to the Living Wage.

50. Planning has now also started for this year's Living Wage Week celebration which begins on 15 November and will include an evening of celebration at The Forum on 16 November.

Housing, regeneration and development

51. The blueprint identified key actions in relation to housing, regeneration and development. The table below details progress against outstanding actions:

Action	Status	Comments
Support people in private sector rented accommodation, including implementing a private renters charter and taking action against sub-standard accommodation	On target	We have employed a specialist tenancy relations advisor to provide landlords and tenants support and advice around tenancy related issues and, through preventative work, to reduce the number evictions in the private rented sector. We have improved the level of information available to both landlords and tenants about their respective responsibilities and rights through the development of specialist web pages on the council's website. The adviser has built strong relationships with landlords and letting agents, which has enabled us to improve access to private rented accommodation for clients in housing need.
Make progress on the Greater Norwich Local Plan to put in place a framework to guide development in the city and encourage it to be well designed and genuinely sustainable	On target	Submitted GNLP for public examination – expecting examination to take place Jan/Feb 2022
Ensure that infrastructure to support growth is delivered in a timely manner, with delivery of affordable housing maximised, and planning powers used effectively to ensure delivery of priorities	Ongoing	<p>The work on the East Norwich masterplan is area based, progressing well and is a key piece of work to ensure delivery of infrastructure to enable this strategic and largest redevelopment site in the region. Phase one of public engagement is now complete, and a concept masterplan will be prepared building on the feedback received during the initial 'listening and learning stage' – which will be subject to further public engagement.</p> <p>The housing development team is actively working with partners and the planning team on an ongoing basis to</p>

Action	Status	Comments
		ensure that we maximise affordable housing delivery via numerous mechanisms and via the private and public sector.
Make the most of its own land holdings and financial capability to maximise rates of housing delivery through exemplary homes that meet the needs of the people of Norwich, and develop a pipeline of sites that can be delivered over the medium to long-term	On target	The asset management strategy is progressing well and will form the basis for asset review and identification of a pipeline of sites and prioritisation of sites for housing development. In July, cabinet took a decision to dispose of the Norwich Airport Industrial Estate in conjunction with the County Council. Marketing agents are currently being procured and marketing is expected to take place over Winter 2021/22. This will deliver a significant capital receipt for the council whilst realising investment in the north of the City.
Through its wholly owned housing company, Norwich Regeneration Limited, build 74 new homes at the Rayne Park development in Bowthorpe	On target	This is on target and the 74 properties that are referred to as Section 2,3 and 4 are now successfully constructed, and the company is delighted to report it is on target to complete the final 5 sales of these 74 properties throughout October 2021
Take forward the redevelopment of the former council depot at Mile Cross as a council housing-led scheme, to deliver c200 new council homes	On target	This development is now in progress. There have been several walk-overs of the site with senior officers and key stakeholders to set the parameters to the strategic brief. Critical activities in Q3 of this financial year will focus on a clear definition of the engineering and remediation works that are required to maximise a developable area whilst removing all containments from the ground. In parallel to this the Architectural Team is defining a zero carbon approach and conducting a detailed research into the history of Mile Cross to hold a rounded debate with the delivery director on all constraints and opportunities of ensuring a community will thrive in this area of this city. A walk around took place in early September regarding the zero carbon

Action	Status	Comments
		approach and its definition to us, and more concrete discussions are emerging to form part of the detailed research into the history of Mile Cross, which in turn will influence and help the emerging design as well as, how we will base our approach in its delivery.
Begin the master planning process for the regeneration of East Norwich, which has the potential to deliver 4,000 new homes and create 6,000 new jobs	On target	<ul style="list-style-type: none"> • The masterplan consultants were appointed in February 2021 and work commenced in March. A project manager was also appointed and started in March. • Good progress is being made to date including extensive stakeholder and public engagement, evidence gathering /analysis, and development of masterplan concept options. • The stage 1 masterplan is expected to be completed/signed off, and progression to Stage 2 authorised, by November 2021.

52. The construction sector was hit particularly hard by Covid, it was shut down completely for three months in the first lockdown and has faced ongoing challenges relating to the pandemic and from Brexit. Building more homes and regenerating dilapidated parts of the city is a vital aspect of our longer term recovery from Covid. Investing in the vital infrastructure of the city creates jobs and will keep Norwich an attractive place for people to live, work and visit.

53. The council's wholly-owned property company, Norwich Regeneration Ltd continues to build high quality, energy efficient homes for private sale and generates income for the council to reinvest. New homes have been built at Trinity Gardens in Rayne Park, Bowthorpe, continuing to attract high sales demand.

54. Overall, out of a total of 74 new homes being built across the two build phases since August 2020, the final eight properties are nearing sales completion. The fact that these high quality homes are attracting such attention is excellent news and the site is now shaping up to be a high quality new community for the city.

55. Norwich Regeneration Ltd are also set to deliver a further 24 high-quality, energy efficient homes in the next phase of the Three Score development, currently referred to as Phase 3. The company will build house types that take forward the sales intelligence that brought recent success.

56. The in-house housing delivery team will also be constructing 52 homes on the same parcel of land and these are to be retained as council owned social housing. The housing mix for these homes is in-line with housing need and supported by the housing options team.
57. It is pleasing also that the social housing development programme focused on building new council homes is progressing at pace. The planning strategy for the Threescore development in Bowthorpe (which will deliver more than 50 new council homes) is now submitted into planning and we await the determination of this application which is currently scheduled for 14th Oct.
58. The planning strategy and design process for the development at Argyle Street (14 new council homes) has now begun and builds on the house types from Threescore.
59. Finally, the development of new council homes at the former Mile Cross depot site (which should add more than 170 new homes to our housing stock) is progressing with a professional design consultancy recently being awarded the contract. Key activities in quarter 3 will be procurement of a specialist ground contractor to remediate the ground and conduct a thorough research into the history of Mile Cross such that the development enhances the existing community.
60. Making creative use of the open spaces we have in the city has been an important aspect of helping people and businesses through the pandemic. We all know about our great parks and how much people value them, but how we use the streets and other spaces in the city centre is critical too.
61. Last summer, we were asked by numerous businesses to help them establish outside space so they could continue trading while indoors was unavailable due to restrictions. We responded by working with the County Council to restrict traffic in St Benedicts Street and Exchange Street – allowing more space for pedestrians to socially distance and businesses to expand.
62. This work was underpinned by our commitment to develop plans for making the city centre an even better place for pedestrians and cyclists. Providing an environment where residents and visitors can enjoy the experience of being surrounded by great buildings, cultural activities and commerce is fundamental to the economic success of the city centre and its ability to compete with the convenience of online shopping.
63. Whilst we know that some people favour the ease of driving directly into the city, getting what they need, and driving away again, when it comes to city centre traffic management, there is also a large body of evidence to support the benefits of car-free inner city areas. By creating a better environment, free of cars, we create a destination where people are attracted to come, bring their families, dwell, spend more time and take part in a wider variety of activities beyond retail.
64. Online shopping will always beat bricks and mortar when it comes to convenience. The only way we counter this is to focus on improving the overall experience of a visit to the city. The projects that would start to make this vision a reality were sketched out in our City Centre Public Spaces Plan and

over the last few months a huge amount of work has been invested to develop these projects and to secure funding.

65. We have recently seen the area of Tombland transformed into a much more appealing space, a project to widen the footways on King Street is under construction and, this week, a declutter of redundant signs and other street furniture has begun.
66. Most significantly a public consultation has recently taken place to gather views on a programme of projects called “Connecting the Norwich Lanes”. The programme will further enliven this special area that hosts an array of vibrant independent businesses.
67. The production of East Norwich master plan is a major opportunity to shape the development of a new high quality urban quarter for Norwich, with the potential to deliver significant new housing and employment development and to act as a catalyst for the regeneration for both east Norwich and the wider city.
68. The masterplan is a high priority for the council and is also a key project within our Towns Deal programme. A new partnership, the East Norwich Partnership, has been established by the city council to drive forward the plan. This brings together public and private sector partners including Homes England, Network Rail, adjacent local authorities and landowners, and has secured government funding through the Towns Deal alongside other partners. The masterplan will be produced in two stages over the next 12 months.
69. In August Weston Homes confirmed that, following the Secretary of State’s refusal of planning permission for the redevelopment of Anglia Square last year, they have renegotiated new arrangements with the landowner of the site that will allow them to seek to develop a revised scheme. They intend to engage extensively with the local community and stakeholders over the autumn with a view to submitting a revised application next spring.
70. Securing the regeneration of Anglia Square remains a top priority for the city council so it’s encouraging that Weston Homes remain interested in developing the site and are seeking to engage with the community and interest groups at this stage of the process.
71. As we continue to respond to the day-to-day impacts of Covid and support the reopening of the city, our ambitious growth agenda continues to make progress at pace.

Arts, culture and heritage

72. The blueprint identified key actions in relation to arts, culture and heritage. The table below details progress against outstanding actions:

Action	Status	Comments
Work with the arts, heritage and culture sector to enable the city’s institutions and	Ongoing	The city’s arts, heritage and cultural institutions have reopened in line with current guidance including Norwich Arts

Action	Status	Comments
events to re-open in a safe way when it is appropriate to do so		Centre, National Centre for Writing, Playhouse, The Garage etc. The Theatre Royal will be reopening in September and Norwich Theatre have hosted the second Interlude festival in The Close. The Norfolk and Norwich Festival was able to go ahead in May with alterations to crowd management and programming, the Head Out Not Home programme ran over the summer.
Engage closely with the sector to understand the issues facing them and seek solutions together, including working with national arts and culture organisations as required	Ongoing	Ongoing engagement via New Anglia Cultural Board, Creative City Compact, Local Cultural Education Partnership.
At the appropriate time, work to deliver council run events, including to celebrate the hard work of the city over this period, in line with social distancing requirements	On hold	
Work with 2040 City Vision partners to develop a culture strategy for Norwich, which places the importance of arts, culture and heritage at the centre of the city's recovery	On target	Creative City Compact has engaged external consultant to work with partners and develop a 'manifesto' for culture in Norwich supported by in depth engagement and data. Manifesto is due to be launched in November 2021 to align with regional cultural strategy from New Anglia Cultural Board.

73. Arts, culture and heritage is critical to the fabric and character of Norwich and is one of the biggest things many of us have missed over the last eighteen months. Along with hospitality, the arts, culture and heritage sector has been hit hard by the pandemic and it's important that we support arts and culture institutions in the short term as we come out of lockdown and work collectively with the sector, as part of our Norwich 2040 City Vision partnership, to support growth in this area over the longer term, recognising that it is essential to the city's future and contributes to the general wellbeing of our residents.

74. One way of doing this is through Cultural Compacts, which are partnerships designed to support the local cultural sector and enhance its contribution to development, with a special emphasis on cross sector engagement beyond the cultural sector itself and the local authority.

75. The Cultural Compact model was a recommendation from the UK Cultural Cities Enquiry and Norwich was part of the first cohort of cities to establish a compact. The objectives of compacts are:

- a) Increased connectivity and partnerships between the cultural sector and broader priorities, including recovery plans.
- b) To create a shared ambition and approach to support joint ventures.
- c) To leverage resources enabling cities and organisations to respond quickly to funding opportunities.
- d) A commitment from compact members to work in partnership and support sector recovery.

76. City council colleagues are part of the Norwich 2040 Creative City Compact Board, working to develop the compact, which will be part of a wider cultural strategy for the city.

Climate change and the green economy

77. The blueprint identified key actions in relation to climate change and the green economy. The table below details progress against outstanding actions:

Action	Status	Comments
Ensure that its Environment Strategy and Action Plan (with input from stakeholders) includes reference to opportunities emerging from the crisis and articulates environmental objectives during the recovery phase	Complete	Strategy published last year, and updated to reflect this.
Build on its strong track record of success to identify further opportunities for reducing carbon emissions across council assets and operations, which has seen a 60% reduction since 2007	Ongoing	For the year 2020/21, using the 2019 DEFRA conversion factors, Norwich City Council has made an additional 9% reduction in its carbon emissions taking the total reduction to 71.1% saving against its target of net zero carbon by 2030. Progress remains good on the delivery of Environmental Strategy action plan. Works are progressing to install renewables at City Hall and the new depot funded via the Public Sector Decarbonisation Scheme grant. Work is progressing on the new energy efficient gas boiler retrofit. A new Carbon Management Plan is being developed and a report will go to Cabinet in the new year.

Action	Status	Comments
Undertake an 'opportunity audit' across the council's place-making activities to identify and prioritise specific opportunities to delivery quantifiable environmental benefits, to supplement the Environment Strategy	On target	<p>Work is underway to undertake a comprehensive analysis, across all service areas, of the Council's response to the climate and environmental emergency, to identify actions already taken, where further action may be required, and to consider how these actions could be taken forward. A report detailing the first phase of this work, achievements to date, is provided [at the same cabinet as this one/In October] and the fuller analysis will be provided early next year.</p> <p>In addition, the council was successful in bidding for £775,000 to retrofit a mixture of private and social housing. In the last 12 months the council has spent £385,000 via ECO funding on private sector retrofitting.</p> <p>Further opportunities have been identified. We has put in a 2.5 million bid to the Green Homes Grant Local Authority Delivery Fund.</p> <p>The council has put in 3 bids to the Community Renewal Fund. 1 project is solely council, 2 are in partnership. (Subjects include green hydrogen, Community energy and community gardens)</p>
Consider opportunities to further promote sustainable travel in the city, building on the already well-advanced measures already in place	Ongoing	The council has worked on options for refreshing its fleet in 2022/23. The council has responded to the County Council Transport Strategy. This includes a preference for a sustainable transport hierarchy. Further opportunities will be considered through the cross council analysis described above.
Work to ensure that future housing and regeneration schemes are subject to the highest possible environmental standards	Ongoing	Agreed as part of future housing plans

78. The council is continuing with its positive trend of environmental improvement. We have just started a new partnership with the Charge Collective project to install electric vehicle charging points across the city. There are over 50 public electric vehicle charging points in Norwich already but we need to go further.
79. Through this project, we are working with UK Power Networks to identify 45+ EV charging locations in Norwich's urban core. The locations have been selected to support citizens with no off-street parking provision, as homes with parking spaces can access charging more easily.
80. The idea of the project is that UK Power Networks will offer discounts to access the grid in these locations to encourage companies to invest in supplying charging services. It will be a model that could be scaled up across the country, and if successful a rollout would take place over 2021-23. Norwich is one of only three locations where this is being piloted, so it's an exciting chance for our council and city to be pioneering the expansion of electric vehicle use.
81. We have also successfully bid for nearly £1.5m of government funding to support our award winning carbon reduction programme. The new resource will further develop the council's successful approach to reducing its carbon emissions, which have already fallen by 71.1 per cent. Having declared a climate emergency in 2019, the council aims to be operationally carbon neutral by 2030.
82. We have been awarded £740,000 through the government's decarbonisation funding scheme to deliver renewable heating at City Hall, three major LED lighting retrofitting programmes at council car parks, and a large solar power system at our new environmental depot at Hurricane Way.
83. The council has also been awarded £716,000 from the government's Green Homes Grant fund to retrofit 80 homes in the city to make them more energy efficient.
84. Acknowledging the need to address not just climate change impacts but the wider agenda of sustainability, the council, along with a number of City Vision partners formed a Sustainability working group in March 2021. The executive director for the Tyndall Centre for Climate Change Research, University of East Anglia is a key member of this group, providing members with world-leading expertise.
85. Since its formation the group has reviewed a number of delivery frameworks including the Place based Climate Action Network's (PCAN) model and are moving at pace to set up a newly independent Norwich Climate Commission which is due to launch in November 2022. The commission will:
- a) cover the geographical area of Norwich
 - b) be an independent advisory body set up to bring actors from the public, private and third sectors together to support, guide and track the impact of ambitious climate and sustainability actions across the city

- c) focus on the transition to net zero carbon emissions, with a particular focus on energy, housing, commercial buildings, public buildings, transport, land-use, flooding and nature - the focus on net zero carbon emissions will consider not only direct emissions from fuel and electricity use within the area (scope 1 and 2 emissions), but also the significance of goods and services imported into or exported from the area (scope 3 emissions)
- d) inform and work with other initiatives across the city rather than duplicating existing efforts
- e) work with other commissions including those in the Place-based Climate Action Network (PCAN)
- f) be established for three years in the first instance, with a review of its contribution and value-added in year three to establish whether it should continue.

Harnessing social capital

86. The blueprint identified key actions in relation to harnessing social capital. The table below details progress against outstanding actions:

Action	Status	Comments
Develop a Community Participation Strategy which looks at how the council can work with communities across the city to enable them to realise the opportunities and respond to the challenges ahead	On target	Phase one (research) is complete with phase two (pilots) underway. Using the research, we have been able to gain external funding to pilot the learning to see what impact this can have and will be able to review this before phase three (wider implementation) in order to disseminate best practice throughout the council.
Work with residents to understand the level of support needed from the council without imposing unnecessary process and allowing communities to define their own local priorities and responses to local challenges	On target	This work is continuing. Many mutual aid groups have disbanded but often replaced by more general resident groups still wishing to link on non-covid issues. Work is gaining traction on simplifying internal permission to support us with green space maintenance and we have submitted a possible growth item into the budget (subject to approval) for a web tool which would help with engagement, as well as continuing to gain feedback from residents via various projects.
Adopt an asset-based community development approach which empowers residents and allows for community-led decision making in	On target	This is adapted into the Citizen Participation blueprint and how we enact these principles into engagement opportunities and

Action	Status	Comments
neighbourhoods, acknowledging that organic social capital building will vary by neighbourhood and adapt approaches accordingly		service development.
Develop communications strategies which both amplify inspiring stories and create two-way conversations to inform council decision making	On target	The Citizen Participation Strategy, (see above) is key here: the research undertaken so far provides high quality evidence about approaches to take in creating two-way conversations, and the pilots currently underway will provide further learning. Work is underway to develop communication strategies to share the work and successes of our communities, and these will be implemented over the coming months.

87. This report demonstrates that since the previous update to Cabinet, not only has the council continued to respond to the evolving needs of residents and businesses, but that, as an organisation, we've continued to deliver our stated priorities despite the challenges that the virus has presented.

88. The priorities and actions from the blueprint for recovery will form part of the council's next Corporate Plan due to be adopted in April 2022.

Consultation

89. Not applicable

Implications

Financial and Resources

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 2019-22 and Budget.

90. Any proposals in this report that would reduce or increase resources will be considered as part of the project management process for each specific project.

Legal

91. Not applicable

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
Include operational, financial, compliance, security, legal, political or reputational risks to the council	Risks are considered on a project specific basis.	

Other Options Considered

92. Not applicable

Reasons for the decision/recommendation

93. To note and comment on the progress made in the delivery of the COVID-19 recovery plan and the main actions contained within it.

Background papers:

- [Covid-19: A blueprint for recovery June 2020](#)
- [Covid-19: A blueprint for recovery December 2020 update](#)
- [Norwich 2040 City Vision](#)

Appendices: None

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Committee Name: Cabinet

Committee Date: 13/10/2021

Report Title: Climate and environment update

Portfolio:	Councillor Hampton, Cabinet member for climate change and digital inclusion
Report from:	Executive director of community services
Wards:	All Wards
OPEN PUBLIC ITEM	

Purpose

To consider the climate and environment update.

Recommendation:

To note the report, the appended climate and environment update, note planned further work as set out in this cover report and endorse the revised city vision target regarding areawide emissions.

Policy Framework

The Council has three corporate priorities, which are:

- People living well
- Great neighbourhoods, housing and environment
- Inclusive economy

This report meets the great neighbourhoods, housing and environment corporate priority.

This report addresses the following strategic actions in the Corporate Plan:

- Maintain a clean and sustainable city with a good local environment that people value
- Ensure our services mitigate against any adverse effects of climate change and are efficient to reduce carbon emissions
- Improve the quality and safety of private sector housing

- Continue sensitive regeneration of the city that retains its unique character and meets local needs

This report helps to meet the climate change and green economy objective of the COVID-19 Recovery Plan.

Report Details

1. The Council has been at the forefront of action on the environment over many years. It was one of the first to benchmark its carbon footprint in 2007, and has reduced its emissions by 70.1% since then. Ambitious targets have been agreed for the council to reach net zero by 2030.
2. Through its award-winning carbon management plan, the council has made impressive strides towards decarbonising its own operations, purchasing 100% renewable power for internal use, switching some petrol and diesel ground fleet for electric vehicles (EVs) and retrofitting buildings across its estate to boost energy efficiency.
3. It continues to promote issues such as: water reduction, food waste, sustainable transport, domestic energy efficiency and recycling, amongst others through our annual One Planet events and social media campaigns. This has resulted in achieving a recycling rate of 38.8 per cent.
4. But there is more to do. The council declared a climate emergency in 2019 and since then, the evidence of climate change, and the real impact it will have on our communities and our City, has become ever more apparent. The findings of the recent Intergovernmental Panel on Climate Change report are stark.
5. The upcoming UN Climate Change Conference (COP26) in Glasgow is a critical moment and further action must be taken at national and international level. Funding at a local level also needs to be commensurate with the size of the challenge.
6. Nonetheless, local councils can play a significant role in realising the benefits and opportunities of climate action in their areas. Councils are ideally placed to bring agendas together to ensure 'win-win' outcomes for the local communities we serve. In this sense, climate action is not a 'new' or 'different' agenda. For example - co-ordinating action to retrofit homes can help address fuel poverty, create local jobs, cut carbon and make homes more resilient to the effects of severe weather. And since climate impacts cannot be tackled by one organisation alone, the "convening" role of local authorities is critical: bringing partners together to understand how they can contribute, supporting communities to understand and adapt to the changes, and removing barriers to change where possible.

An updated assessment

7. The Council's most recent Environmental Strategy (2020-2025) was published in 2020 and sets out the Council's approach to reducing its own carbon emissions; supporting residents, businesses and organisations in Norwich to reduce their emissions; and helping the city adapt to the predicted changes in climate by adaption or increasing resilience.
8. Since publication, the strategy and action plan, with input from stakeholders, has been reviewed to include reference to opportunities emerging from the covid 19 crisis and articulates environmental objectives during the recovery

phase. However, the environmental landscape continues to change at pace, along with the impacts of covid. This, together with the recent Intergovernmental Panel on Climate Change report, the upcoming COP26, a new Norwich Climate Commission and the future Environment Act requires us to regularly reflect and review our approach to tackling the climate and environmental emergency.

9. Therefore, the council is undertaking a comprehensive assessment, across all service areas, of our response to the climate and environmental emergency and the wider sustainability agenda. The intention is to identify actions already taken, where further action is required, to consider the costs and benefits of new proposals, and develop a clear plan for future work across this agenda which sets out the council's climate change and sustainability commitment. As part of this work it will be necessary to review where the council's environmental resources are focused, including to ensure effective support for the Norwich Climate Commission.
10. This work is being undertaken in three stages:
 - Stage 1 - Identification of actions already taken - July to September 2021
 - Stage 2 – Identification of new opportunities, gaps and risks – to include a review of the Environmental Strategy Action Plan – September 2021 to February 2022
 - Stage 3 – Options assessment and development of a forward plan – January 2022 to March 2022 (final date to be confirmed depending on volume of options presented).
11. The first phase of work, identifying actions already taken, is complete, and detail on how we are creating low-carbon and climate-resilient communities, as well as facilitating and encouraging coordinated action on sustainability is included in the Appendix A of this report.
12. Alongside the analysis described in paragraph 10, detailed work is ongoing on key priority areas, including updating our Carbon Management Plan, developing a biodiversity Strategy, developing plans for improved energy efficiency and carbon reduction of our own council homes, and partnership working via the City Vision to deliver a Sustainable City. More detailed reports on these will be presented to Cabinet over the coming months.

Retrofitting

13. Reducing domestic energy use has important environmental, social and economic benefits and therefore clearly contributes to Norwich city council's corporate priorities. It also helps to meet both national and international targets to reduce carbon dioxide emissions. The Government's ambition on retrofitting is often not matched by the funding made available to local government. This has not stopped the council continuing its efforts to improve the condition of its housing stock.
14. The council has a strong history of investing in our homes, with our council housing having an average SAP rating of 70.9 (EPC Band C), which is

higher than both the national average (65) and the private stock (63) in Norwich. We have invested £129 million over the past six years in our existing homes and our current Housing Revenue Account capital programme contains an £18.5 million commitment to maintaining and improving the condition of existing council housing.

15. Through our Cosy City initiative, we have been able to help people living in the private sector make improvements to their homes too. As grant assisted funding is either removed or reduced however, less homes have been able to benefit from the installation of loft and cavity wall insulation, boilers and controls and external wall insulation. Further details on measures delivered to both private housing and council housing can be found at Annex A.
16. The Council has secured funding from the Public Sector Decarbonisation Scheme to install a 38kW solar and 60 kW battery storage system at the Norwich City Services' new depot. The system, subject to planning and structural surveys, will considerably lower CO2 emissions whilst also preparing the site for the transition towards electrification of its fleet.
17. We are proud of the progress we have made so far in reducing Norwich's carbon emissions and work to tackle fuel poverty and we are committed to continuing this in the future. However, we recognise that we need to be realistic and understand that we are operating in times of financial insecurity where future funding streams are not guaranteed. Without a long-term funding commitment from central Government many improvement schemes have to focus on individual measures rather than a whole house approach which can deliver higher savings.
18. Using BRE's stock modelling data we have been able to model the approximate cost of retrofitting all homes in Norwich with an EPC rating below band C. Retrofitting with wall and loft insulation could cost between £295 and £511 million with a 20-to-35-year payback. Energiesprong¹, which would deliver far higher energy savings, would cost £1.5 billion (million million) with a 40-year payback. Solar Photovoltaics systems on all eligible homes would cost £238 million with a 17-to-24-year payback. These figures seek to illustrate the scale of investment required to bring all homes in the city up to an EPC rating of band C.
19. Our Solar Together programme does encourage homeowners to invest in solar panels. However, with current regulations capping how much landlords have to spend on upgrades, the incentive can often be low. We have ongoing work to fit solar PV on our own council homes.
20. Reviewing our Housing Revenue Account financial capacity over the next financial year and our investment priorities will be key to developing a planned programme of continued investment in our own homes.

¹. Energiesprong is a whole house approach to retrofit - homes are fully insulated in conjunction with pre-assembled 'energy pods' providing low-carbon, high efficiency heating, hot water and renewable energy production. The end result is homes that are brought up to a minimum net-zero energy standard.

Adaptation

21. Since 2010 the council has used the Met Office UK climate impact projections to model future impacts on NCC service provision from predicted climate change. Adaptation is an essential part of addressing the impacts of our changing climate. The Intergovernmental Panel on Climate Change (IPCC) defines adaptation as: “adjustments in natural or human systems in response to actual or expected climatic stimuli or their effects, which moderate harm or exploit beneficial opportunities”. Despite efforts to limit the man-made causes of climate change, a level of change in our climate is unavoidable. Adaptation is vital in reducing the risks of climate change impacts on our wellbeing, business and society.
22. Despite changes to the UK climate pathways the overall predicted changes remain the same – warmer, drier summers and warmer, wetter winters. In the main we expect the risks to arise mainly from increased precipitation and storminess, and an increase in mean temperature and frequency and intensity of heatwaves, which will impact all areas of service. Our modelling covers 2020, 2050 and 2100 using a range of climate pathways. The council will continue to monitor and adapt services in accordance with the risks.

Transport and remodeling the city centre

23. Securing significant Town Deals and Transforming Cities funding will help to boost the local economy, enhance local transport links in Norwich, and remodel city centre areas to make them better for cycling and walking, transforming how residents use and access the city. It will also support the delivery of jobs, homes, skills and action to reduce our carbon emissions. Projects include activities which ensure all our residents directly benefit from the proposed investment.
24. Consultation feedback is being reviewed on each of the project areas that form the Connecting the Lanes proposal which considers how the Norwich Lanes area functions and feels. The projects aim to make it safer and easier to get around on foot or by bike, support outdoor hospitality and boost the local economy, and improve air quality.
25. We are also urging Norfolk County Council to make major improvements to the Transport for Norwich Strategy before it's formally adopted later this year. The council is proposing ambitious and progressive measures that need to be included and will continue to put pressure on the county council to deliver what is best for Norwich, transforming the city into a cleaner, safer, fairer and more sustainable city for everyone.
26. Some of the improvements the city council is urging the county council to include or expand on in the strategy are:
- a. more ambition to control vehicle speed in the city by making 20mph the default speed limit across Norwich
 - b. additional infrastructure to support the move to emission free vehicles and the take up of electric buses, taxis, and cars

- c. a greater focus on ensuring that public transport remains an affordable option for travel and measures to improve reliability are brought forward
- d. commitments regarding spending more on schemes to enable cycling and walking than what is being dedicated to road building
- e. maintenance of footpaths and cycleways to be improved and county council to make it easier for trees to be incorporated within transport schemes and new developments
- f. detailed action plan and further monitoring information to be published prior to the strategy being adopted.

Areawide emissions

27. Norwich City Council has been invited to sign UK100's Net Zero Pledge and join their network of 65 of the most ambitious local leaders in the UK ahead of COP26. The council is an UK 100 legacy member. We made a previous commitment to reach 100% Clean Energy by 2050 and this is reflected in our City Vision targets. To be able to continue our membership, sign up to the pledge and join the network, we now need to reach an areawide zero emissions target by 2045 at the latest.

28. When the City Vision was being developed the UK's target for emissions reduction was 80% of their 1990 levels by 2050. So the City Visions level of ambition was set higher than national policy as the City Vision target is carbon-neutral by 2050. *"A Liveable City: The city takes pride in being a place with a great local environment that people value. We are committed to shifting to clean energy by 2040 and carbon-neutral by 2050. We will support and promote sustainable living – where today's citizens meet the needs of the present without compromising future generations"*.

29. Net Zero for the whole community by 2045 is achievable only with technology and transformations, however much of what needs to be delivered or the structures required are out of our control, or we have limited influence. We are already leading in many aspects of the net zero agenda, but we could go so much further and faster if given the scope to do so. National policy and regulatory frameworks must be revised and co-ordinated to enable the local authorities to work more effectively in partnership towards net zero and adapting to climate change.

30. With an amended target, the actions and ambitions that Norwich needs to strive for are unchanged. Our vision targets are mixed with broader 2040 goals which means that remaining a UK100 member and signing up to the pledge works for Norwich. We have received endorsement from the City Vision and Covid-19 Recovery Steering Group to move to a revised 2045 target date for areawide emissions.

31. In addition, the council will continue to review the resources needed to focus on the highest priority issues in regard to the climate, environmental and sustainability agenda, taking account of the work and recommendations by the Norwich Climate Commission.

COP26

32. The United Nations Climate Change Conference (COP26) hosted by the UK Government in Glasgow will take place at the end of October. This conference will be the most important convention since COP21 which saw the drafting of the historic Paris Climate Accords in 2015.
33. As we get closer to the conference, we know there will be significant media coverage and political activism in climate change and lobbying for ambitious action on the pathway to Net Zero. To that end the council is developing a communications plan to promote local narratives, projects and success stories.

Consultation

34. Not applicable

Implications

Financial and Resources

35. 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 2019-22 and Budget.
36. There are no proposals in this report that would reduce or increase resources. Resource implications of specific actions recommended through the analysis being described in paragraph 10, above, will be considered in decisions around those actions.

Legal

37. There are no legal implications.

Statutory Considerations

Consideration:	Details of any implications and proposed measures to address:
Equality and Diversity	This report looks at what has already happened and therefore does not have any direct equalities implications. However, any future work we carry out could have equalities implications and equality impact assessments will be carried out as and when proposed changes are considered.
Health, Social and Economic Impact	There are a number of positive health, social and economic impacts as detailed throughout Annex A of the report. Any future work we carry out is likely to have health, social and economic implications and relevant impact assessments

	will be carried out as and when proposed changes are considered.
Crime and Disorder	The report and Annex A do not highlight any implications in regard to crime and disorder.
Children and Adults Safeguarding	The report and Annex A do not highlight any implications in regard to children and safeguarding adults.
Environmental Impact	There are positive impacts associated with a number of projects as detailed throughout Annex A of the report.

Risk Management

Risk	Consequence	Controls Required
Operational, financial, compliance, security, legal, political or reputational risks to the council	These risks are considered on a project specific basis.	
Environmental risk	<p>In order to update the council's risk register in regard to environmental risk, an analysis has been completed which identifies the new predictions of climate and environmental impacts on the council and the city.</p> <p>The next phase of the comprehensive assessment of the council's approach to climate change and sustainability will help to identify any further possible environmental risks.</p> <p>Once complete, the council's risk register will be updated taking account of the analysis which has already taken place and the new climate change and sustainability commitment.</p>	

Other Options Considered

38. Not applicable

Reasons for the decision/recommendation

39. To note and comment on the progress made in the climate and environmental update and the main actions contained within it.

40. To endorse the revised city vision target regarding areawide emissions.

Background papers:

[Norwich Environmental Strategy](#)

Appendices:

Appendix A - Climate and Environment Update, October 2021

Contact Officer:

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Email address: emmasmith@norwich.gov.uk

Norwich City Council, Climate and Environment Update, October 2021

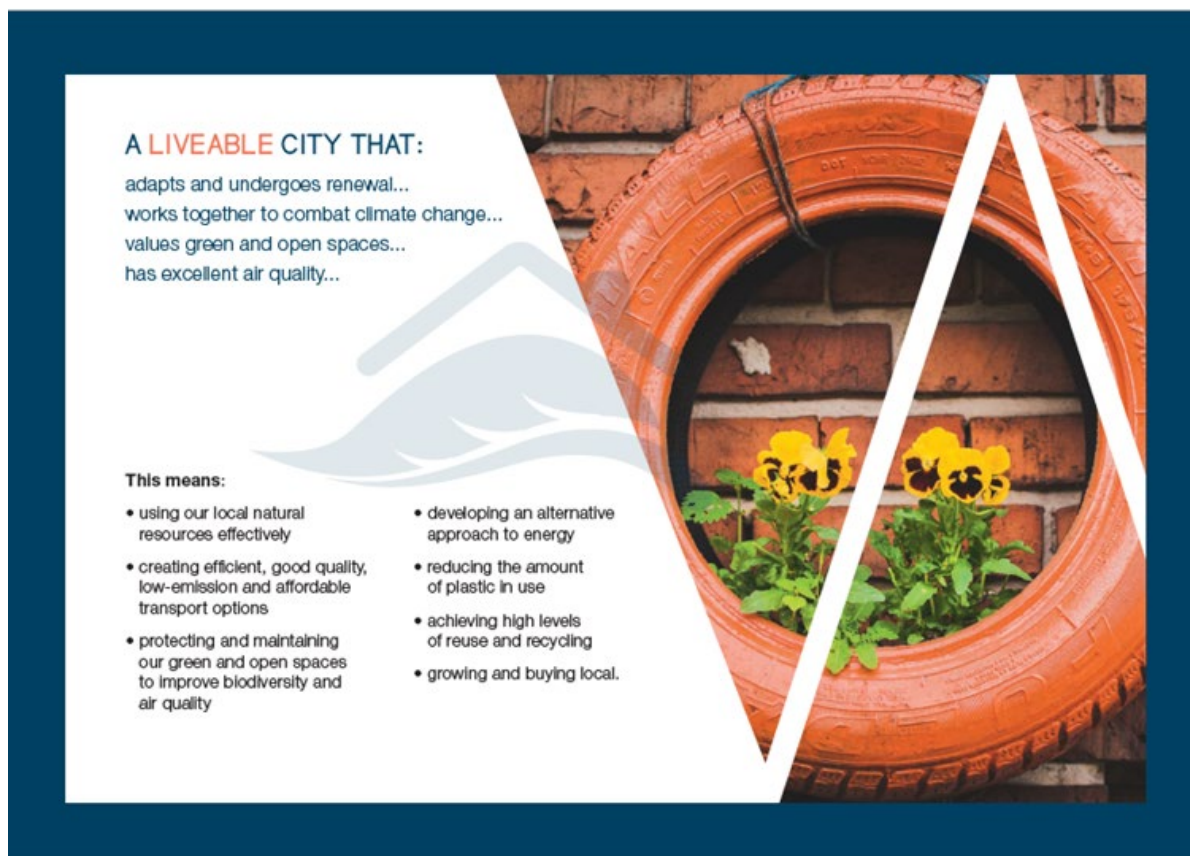
Introduction

1. Norwich City Council has a long history of innovation, and an excellent track record for leading change. Over many years, this has helped to improve and protect the environment of our fine city, one in which so many people appreciate living, working and visiting. Cities, and the council, have a vital role to play in the fight against climate change, alongside a range of partners.
2. Pre-covid, it was predicted that more people will be living in urban areas in the future, so the population and scope of the city would be likely to grow. Since covid, while many people have adapted smoothly to working from home, the benefits of face-to-face interaction are hard to replicate and working remotely means that we miss out on the spontaneous flow of ideas and the sense of camaraderie that being in an office creates.
3. We will continue to need spaces to come together, collaborate and build relationships. Offices and co-working spaces are natural places to do this and city centres remain the most convenient places to locate them.
4. The council firmly believes that if everyone pulls together and plays their part, the goals of dramatically reducing carbon dioxide emissions, reducing waste, protecting biodiversity, improving air quality, creating green jobs and moving towards a circular economy can be achieved.
5. This paper outlines some of our achievements to date in creating low-carbon and climate-resilient communities, as well as facilitating and encouraging coordinated action on sustainability.

Valuing the city's environment

6. The council's ongoing commitment to the city's environment is a key theme running through many of our key strategic plans and activities. We continue to be transparent and ambitious about our environmental agenda; from publishing our operational emissions via Cabinet since 2008, through to the publication of our revised Environmental strategy and Carbon Management Plan via Cabinet for cross party discussion.
7. Our current Corporate plan and Covid-19 blueprint for recovery both contain strategic priorities which focus on the environment, sustainability and the green economy by which we aim to:
 - a. maintain a clean and sustainable city with a good local environment that people value
 - b. ensure our services mitigate against any adverse effects of climate change and are efficient to reduce carbon emissions
 - c. improve the quality and diversity of jobs
 - d. consider opportunities to further promote sustainable travel in the city, building on the well-advanced measures already in place

- e. work to ensure that future housing and regeneration schemes are subject to the highest possible environmental standards
- 8. Last year we published our latest environmental strategy, with a vision to being recognised as one of the best councils in the country for addressing the issue of climate change through community leadership, service provision, buyers of goods and services, and estate management. The strategy's 10 priorities are closely aligned with our corporate plan, blueprint for covid recovery and the city vision, and have a strong focus on partnership working, community engagement and the three Rs (reduce, reuse, recycle).
- 9. In 2018, the River Wensum Strategy was adopted. The Strategy was developed by the River Wensum Strategy Partnership who work together to revitalise the river corridor. The group is led by Norwich City Council, working alongside the Broads Authority, Norfolk County Council, the Environment Agency, and the Norwich Society. The partnership, along with input from other stakeholders, including the BID and the Norfolk Wildlife Trust as well as public engagement, produced the Strategy and a three-year action plan.
- 10. A Delivery Plan is currently being produced which will set out project priorities for the next two years. The document will also provide an update on projects that have been completed or progressed since the adoption of the original strategy and action plan. Projects completed as part of this Strategy include the new eel pass at New Mills, two new canoe portages either side of New Mills, and public realm and access improvements at Barn Road gateway to Marriots Way. Progress is also being made on a project to complete a missing link of riverside walk between Duke's Palace and St George's Street Bridges, adjacent to Norwich University of the Arts, with feasibility work progressing.
- 11. In November 2018 the Norwich 2040 City Vision was published. It was developed by the council in partnership with key stakeholders from across the city, and informed by a significant amount of engagement and consultation activities commissioned by the council. The vision contains five themes, with the Liveable City theme making a commitment for the city to shift to clean energy by 2040 and being carbon-neutral by 2050. At the time of publication, this was more ambitious than government's 80% reduction target.



12. The City Vision has never been more important in shaping our future as a city, for the benefit of all our citizens. Considering the additional challenges presented by Covid-19, the council has been working more intensively with vision partners over the last 18 months to ensure that together we achieve the ambitions set out in the vision. The work of the group compliments and supports other partnerships in the delivery of the vision, for example:

- a. Norwich Good Economy Commission
- b. Norwich Business Climate Leaders Group
- c. Norwich Opportunity Area
- d. Norwich Town Deals Programme
- e. Transport for Norwich
- f. New Anglia Local Enterprise Partnership

13. Vision partners acknowledge the need to address not just climate change impacts but the wider agenda of sustainability, and are keen to bring about change at pace as well as setting some medium to long term ambitious objectives. A working group was convened in order for a number of partners to work together to help us maintain a liveable city and to consider how to keep us on track to reach the sustainability objectives linked to the vision. The executive director for the Tyndall Centre for Climate Change Research, University of East Anglia is a key member of this group, providing members with world-leading expertise.

14. Since its formation the group has reviewed a number of delivery frameworks including the Place based Climate Action Network's (PCAN) model and are moving at pace to set up a newly independent Norwich Climate Commission which is due to launch in November 2022. The commission will:

- a. cover the geographical area of Norwich
 - b. be an independent advisory body set up to bring actors from the public, private and third sectors together to support, guide and track the impact of ambitious climate and sustainability actions across the city
 - c. focus on the transition to net zero carbon emissions, with a particular focus on energy, housing, commercial buildings, public buildings, transport, land-use, flooding and nature - the focus on net zero carbon emissions will consider not only direct emissions from fuel and electricity use within the area (scope 1 and 2 emissions), but also the significance of goods and services imported into or exported from the area (scope 3 emissions)
 - d. inform and work with other initiatives across the city rather than duplicating existing efforts
 - e. work with other commissions including those in the Place-based Climate Action Network (PCAN)
 - f. be established for three years in the first instance, with a review of its contribution and value-added in year three to establish whether it should continue.
15. Shortly before Covid-19 hit, the Norwich Business Climate Leaders group was formed, following a request by the council for the Norfolk Chambers of Commerce to lead the way on bringing businesses together to share best practice, increase knowledge, and support and enable any business to choose and implement their specific path to Net Zero. Following a pandemic-related hiatus, business leaders are again beginning to come forward with the resources to focus more on their climate agenda.
16. The Norwich Good Economy Commission was established in March 2020 as an innovative, partnership-based approach to developing a 'good' economy - one which is inclusive, multi-dimensional and sustainable - within Norwich. It is a partnership between Norwich City Council, the University of East Anglia and a range of other key partners in the local economy with the key aim to work collaboratively to explore and address current and future economic issues in Norwich, promoting research, innovative thinking, broad engagement and trialling new ideas and interventions that push at the boundaries of conventional approaches.

Making it happen

17. Local authorities have had their funding reduced by an average of 60 per cent in the last 10 years and operate within the constraints of continuing financial challenges. Despite this, our strategic approach has delivered, enabled and influenced a multitude of achievements for the city, whilst also responding to unforeseen events: such as severe weather events due to climate change, and the Covid-19 pandemic. The Covid-19 crisis has shown the resilience of our city, and that mass behaviour change is possible and can attract widespread support.

Awards, funding and firsts

18. Over recent years the council's innovative approach and ongoing commitment to the city's environment has been recognised at a national level by winning awards, securing funding and leading the way with a number of firsts:

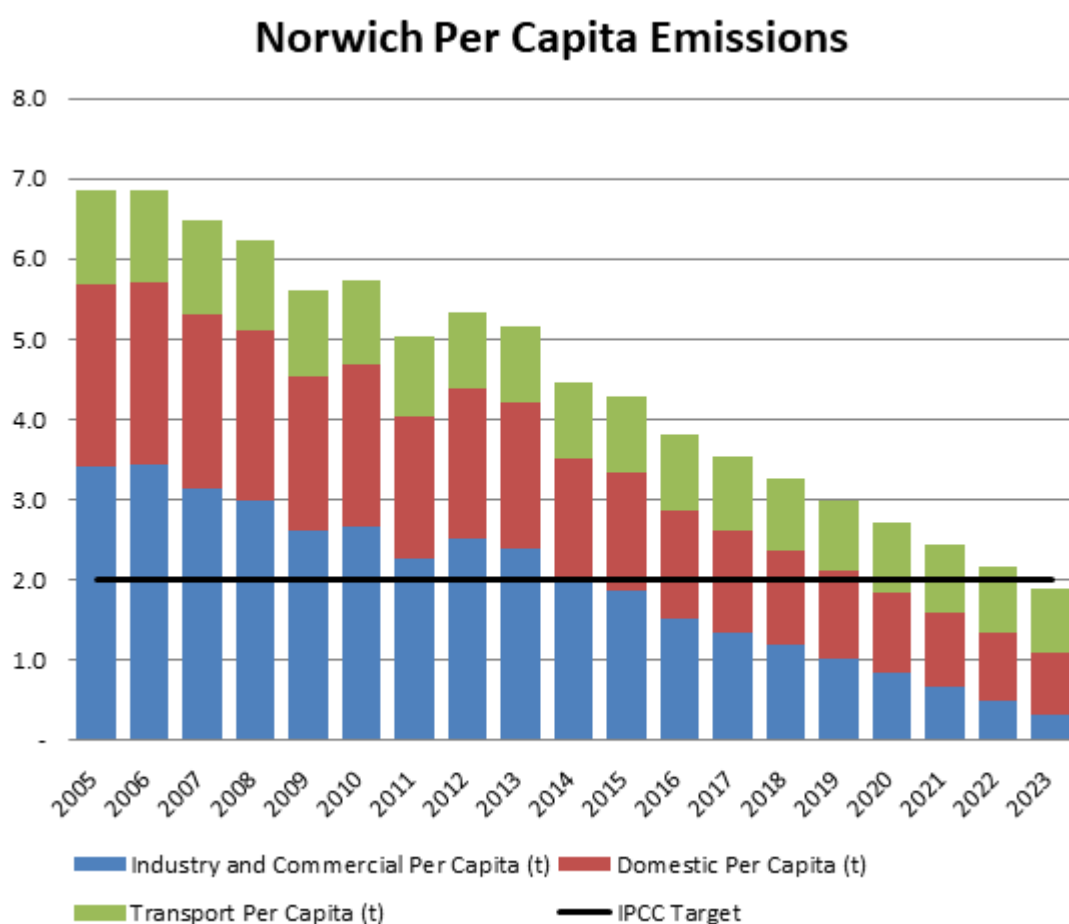
- a. At the United Nations Environment Programme's LivCom Awards in 2010 we received recognition as being regarded as a Gold standard in the management of our environment.
- b. In 2013 Norwich City Council became the first city in the UK to run a collective energy switching programme, helping households across Norwich to easily get the best deal for their energy. The overall average saving per household has been £171 a year with 66% of those signing up being offered a saving on their utility bill, saving an estimated £615,000 in excess energy costs. The project now only supplies renewable electricity.
- c. The City Council successfully applied for Cycle City Ambition status in 2013 and subsequently secured £14m of government investment in three of the pedalways, which are strategic cycle routes that cross the city. This contributed to a 45% increase in cycling at automatic count locations between 2012 and 2019, and a 31% increase at the crossing the inner ring road and 46% crossing the outer ring road between 2013 and 2018. The council continues to have a significant involvement in shaping the county's thinking and design work to promote cycling in the city since the ending of the highways agency agreement.
- d. In September 2014 Norwich was voted the top place in the country for children to grow up due to the combination of parks, open spaces, play and safe roads. More recently, a study conducted by Electric Ride on Cars analysed over 100 of the most populated towns and cities in England, with Norwich coming out as the second best place to raise a family.
- e. In 2014 we also received a £440,000 Department for Energy and Climate Change Green Deal Communities Fund Grant to finance home improvement grants to private householders.
- f. Norwich City Council was the first UK council to run a reverse public solar auction in 2015, with businesses competing to buy clean power generated by rooftop solar arrays on residential and commercial properties. To date, we have installed more than 3,400kW of solar capacity across the city, enabling homeowners and businesspeople to benefit from low group purchase prices.
- g. In March 2017 the council-owned Rose Lane car park won the British Parking Award 'Best New Car Park'. Being the UK's first carbon-negative car park which sequesters 59 tonnes of CO₂e annually, it has 530m² of solar panels on the roof and is fitted with modern Electric Vehicle charging infrastructure, encouraging residents to change their behaviour and travel more sustainably within the city.

- h. In 2019, Norwich City Council won the Edie Carbon Reduction award for its all-encompassing approach to reducing its own carbon emissions and those accounted for by its residents. The award recognises sustainability leaders for their ability to combine science with innovation, setting an example for other local authorities and helping to drive equally ambitious action from businesses and homeowners within the area.
- i. In October 2019 the Royal Institute of British Architects named Goldsmith Street, our newly built Passivhaus housing development, the winner of the 2019 Stirling Prize, the annual prize awarded to the UK's best new building. It was the first social housing scheme to secure the title in the prize's 23-year history. In the same year, the scheme also won the first Neave Brown Award for Housing for the best new example of affordable housing in the UK.
- j. Also in October 2019, Norwich City Council was named as the top local authority in Norfolk and one of the best in the country on a number of issues related to climate change. In a wide-ranging survey by environmental organisation Friends of the Earth, the city council was ranked joint-15th nationally (out of 350 local authorities surveyed) and first in Norfolk, with a performance score of 80 per cent.
- k. In September 2020 the city council won the Gold award in the 'Climate Action of the Year' category at The Global Good Awards - which focuses on success stories of those with effective carbon reduction programmes (our carbon emissions have fallen by 62.1% since 2007). We were the only local authority to have won, or been shortlisted for, a trophy at the event.
- l. In October 2020 the council won Green Flag Awards for Eaton Park (fifth year in a row) and Mousehold Heath, with Waterloo Park narrowly missing out. The Green Flag Award scheme is managed by environmental charity Keep Britain Tidy under licence from the Ministry of Housing, Communities and Local Government, and represents the standard for well maintained public places with biodiversity and environmental part of the assessment criteria.
- m. In February 2021 the city council was awarded further funding from the Government as well as accessing the rolling Salix loan fund to support efforts to further reduce our carbon emissions. The aim is to be operationally carbon neutral by 2030, with plans for the city to follow suit by 2050 or sooner. The funding will be used for:
 - i. £740,000 will go towards renewable heating at City Hall, three major LED lighting retrofitting programmes, and a large solar system at the our new environmental services depot at Hurricane Way
 - ii. £88,000 will go towards LED lighting retrofitting for St Giles car park and Blackfriars Hall.
 - iii. £36,000 + on more energy-efficient servers.

- iv. £715,000 from the £500m Green Homes Grant Scheme and will see 50 homes receive solid wall insulation/cladding, and a further 30 will receive solar PV. This project is expected to save over 30,000kg CO₂e of carbon due to improved energy efficiency of properties.

Plans in action

19. Between 2005 and 2019 Norwich reduced its carbon dioxide emissions by 52.9 %, whilst experiencing an increase in its population of 12.3%, with its emissions being considerably lower than both county and national levels. This represents a significant reduction, dropping from 6.8 tonnes per capita of carbon dioxide to 3.2 tonnes per capita 14 years later. The graph below shows the progress made to date and that as a city, Norwich is on track to achieve two tonnes of CO₂ per person by 2023/24 and based on trajectory data the city will achieve carbon neutrality before 2050.



20. Through our award-winning carbon management plan, the council has made several impressive strides towards decarbonising its own operations, purchasing 100% renewable power for internal use, switching some petrol and diesel ground fleet for electric vehicles (EVs) and retrofitting buildings across its estate to boost energy efficiency.

21. As with many local authorities, our carbon emissions have fallen significantly over the last year as a result of the pandemic, with pre-covid emissions standing at 61.1%. For the year 2020/21, using the 2021 Department for Business, Energy and Industrial Strategy (DBEIS) conversion factors, Norwich City Council has made an additional 9% reduction in its carbon emissions, taking the total reduction to 70.1% saving since 2007/08, against its target of net zero carbon by 2030. However it is likely that emissions will increase again as people return to offices.
22. Decarbonisation, both within and outside of our own operations, has been a key focus for the council in recent years, as has air quality and biodiversity. Measures and steps taken include:
- a. the construction of a “floating” solar array at City Hall and retrofitting programme. Taking the building from an EPC Grade G to a C.
 - b. the installation of modern insulation, lighting and air handling at our medieval friary complex used by Norwich University of the Arts.
 - c. promoting issues such as: water reduction, food waste, sustainable transport, domestic energy efficiency and recycling, amongst others through our annual One Planet events and social media campaigns.
 - d. achieving a recycling rate of 38.8 per cent in 2020/21
 - e. the supply of renewable energy to our landlord lighting services since 2015 which helps our estates to reduce their carbon footprint.
 - f. switching to 100% renewable power on our operational estate and implementing an energy efficiency recycling fund programme funded via SALIX finance. Leading to our annual energy bill decreasing from £2.4m in 2008 to £1.7m in 2018.
 - g. using ECO/ CERT funding to improve the energy efficiency of over 8,000 private homes across the city (since 2005) through our Cosy City programme, which continues to support energy efficiency retrofitting in our communities.
 - h. setting up the renewable energy company, for Norwich and Norfolk, Roar Power which is a real alternative to the big six energy providers, offers long term value renewable energy and reinvests locally to reduce fuel poverty
 - i. allocating investment for woodland improvement projects to improve the woodland for biodiversity at Netherwood Green, Acre Wood, and Bunkers Hill Woodland, including the planting of 900 native species trees and a further 2,000 low growing woodland edge trees
 - j. Average EPC C on our council homes via the delivery of various works (Solid Wall Insulation (SWI), Heating upgrades, new windows and doors etc)

- k. Other woodland work includes:
 - i. the willow trees at Earlham Millennium Green being repollarded around the pond and windblown trees coppiced and pollarded
 - ii. the hazel trees at Whitlingham Marshes and Charter Wood being recoppiced and guarded to protect from deer damage, and increase biodiversity by bringing light onto the woodland floor
 - l. putting in place grassland and grazing land management plans for the various marshes, commons and ponds across the city which manages for wildflowers and winter wading birds
 - m. incorporating advice on biodiverse planting into all agreements on community land use (gardens, housing land, and highways)
 - n. converting a small grant into continuing some collective plant growing with a consortium of community groups which makes biodiverse plants available for community planting following the loss of the sponsorship income from Norfolk Highways which used to fund plant growing
 - o. maintaining the Outdoor Projects Network which brings together 30 to 40 groups working on green space projects as a route for peer sharing, collective purchasing and giving advice and training
 - p. introducing enforcement powers for engine switch off offences when idling within the air quality management area is helping to bring about more immediate beneficial impacts on air quality
 - q. enabling the retrofitting of 24 of the worst polluting buses with devices to clean up their emissions, leading to a reduction in nitrogen emissions of around 100 tonnes and a reduction in carbon of around 200 tonnes over five years, and the continuing trend of falling nitrogen dioxide concentrations within the city centre.
23. In leading by example in our approach to decarbonising the built environment, transport and energy, the council has spurred a 52.9% reduction in the amount of carbon emitted by each resident between 2008 and 2019, with emissions figures falling from 6.8 to 3.2 tonnes of CO₂e per capita over this 14 year period.
24. This reduction has led the council to begin setting an approved science-based target in line with the trajectories outlined in the Paris Agreement. The council continues to model area wide emissions reductions via the use of the SCATTER (Setting City Area Targets and Trajectories for Emissions Reduction) tool and/or other emissions tools being developed via various specialists.

Retrofitting

25. Reducing domestic energy use has important environmental, social and economic benefits and therefore clearly contributes to Norwich city council's corporate priorities. It also helps to meet both national and international targets to reduce carbon dioxide emissions. Increasing the energy efficiency of homes can also

work to reduce fuel poverty and increase health. Since the introduction of the Home Energy Conservation Act in 1995 the council has been working to try to combat fuel poverty across the city and to mitigate the effects of fuel poverty wherever possible via a coordinated range of programmes which promote energy efficiency to our residents and tenants. These programmes have helped to flatten fuel poverty in the City. Whilst fuel poverty has increased nationally, it has not increased since 2011 in Norwich.

26. Norwich City Council has a strong history of investing in our stock, with our council housing having an average SAP rating of 70.9 (EPC Band C), which is much higher than both the national average (65) and the private stock (63) in Norwich. While being mindful of the challenging financial landscape we have a robust programme of investment planned for our housing stock in the city, having invested £129 million over the past six years. Our current Housing Revenue Account capital programme contains an £18.5 million commitment to maintaining and improving the condition of existing council housing.

27. The tables below provide a brief overview of the work delivered in the private sector through our Cosy City initiative and to council homes. As grant assisted funding is either removed or reduced however, less homes have been able to benefit from the installation of loft and cavity wall insulation, boilers and controls and external wall insulation.

Measures delivered via Cosy City project

GDAR and EPC assessments	350
Solid wall insulation	68
Boiler replacements	72
Cavity wall and Loft insulation	270
Heating Upgrades	9
Boiler repairs	8
Small insulation measures	497
Total	1254

Renewable technologies in council stock

Applied Renewable Technologies	Total Installations to date	What the technology does
Photovoltaics	139	Free electrical power from the sun
Solar Thermal	8	Free hot water from the sun
Voltage Optimisation	363	Lowers domestic electrical consumption
Air source heat pump	2	Creates energy efficient central heating

Applied Renewable Technologies	Total Installations to date	What the technology does
Loft insulation - over 200mm	6220	Helps to stop warmth escaping through the loft
External Wall Insulation	426 installed, 472 programmed	Helps to stop warmth escaping through the walls of a house, where there is no cavity in pre1920's houses
Gas condensing boilers	10846	Energy efficient gas fired central heating boilers
Thermal dynamic hot water systems	547	Provides very low cost, energy efficient 24 hour a day, every day, hot water.

28. The table below provides an overview of the funding we have bid for during 2020/21 and 2021/22.

Category	Amount	Notes
Green Home Grants – Local Authority Delivery	£775,000	Currently delivering until end March 2022. Mix of private and social housing.
Public Sector Decarbonisation Scheme	£750,000	Has been used for the depot and City Hall retrofitting
Off gas funding (Templemere)	£1.1 million (£322,000 in new heating systems, £800,000 in mains gas installations)	Via the Warm Homes Fund partnership which we are part of.
ECO spend (previous 12 months)	£385,290	External grant to private homeowners facilitated by NCC. Mainly focused on loft and cavity wall insulation
Sustainable Warmth Competition	Approximately £2.8 million	Focused on improving low energy efficiency fuel poor homes. We are awaiting the outcome of our bid.
Social Housing Decarbonisation Fund	TBC	Specifically focused on social housing and we are hoping to deliver EWI and Wimpey homes. Currently in the bid writing process.

Collaboration

29. The council works closely with its partners and people across the city to bring about change at pace to help protect the city's environment. This is not a new

approach but, now more than ever, collaboration is key to tackling the impacts of climate change and protecting our fine city securing all it has to offer for generations to come.

30. In partnership with Biffa, the council has implemented a new fleet of waste collection vehicles and made routing changes to improve efficiency. The new fleet includes dedicated food waste collection vehicles and has the capacity to adapt to alternative collection routines in the future.
31. The city council continues to work closely with the county council on transport matters and is closely involved in the roll out of the Transforming Cities Programme, which secured £32m of investment designed to promote sustainable travel and the review of the Transport for Norwich Strategy which will be subject to consultation later in the year. This partnership has enabled the rollout of the bike sharing scheme Beryl Bikes, and Charge Collective, a pilot project being launched by UK Power Networks with local authorities to end electric vehicle blackspots via the delivery of on street EV chargers.
32. Through the work of the Town Deals Board, Norwich City Council was awarded £25m at the end of 2020 from the Ministry of Housing, Communities and Local Government to deliver eight key projects. Developed in partnership with the city vision group, local communities, partners and public/private investors; these projects will provide a highly significant boost to deliver major regeneration alongside much needed skills infrastructure and jobs at a time when we are facing an unprecedented challenge to the future prosperity of the city, its residents and business community. Eight core projects will support the delivery of jobs, homes, skills and action to reduce our carbon emissions. Projects include activities which ensure all our residents directly benefit from the proposed investment.
33. A 'green industrial revolution' is recognised as a fundamental necessity to reach net zero and stave off the worst effects of climate change. How we go from our current business as usual scenario to a local economy founded on green jobs and zero or negative emissions, and within the timescale required, is a topic of enormous debate. The Good Economy Commission's 'Green Jobs for Norwich: a participatory event' was held in conjunction with Green New Deal UK's Norwich hub to allow representatives from across the city—social entrepreneurs, business leaders, councillors, educators, manufacturers, managers of transportation and capital assets—to provide their perspectives on the need and feasibility of creating green jobs in the short term.
34. Following the event, a report collecting possible future actions identified within the break out room discussions was circulated, providing the attendees with the information required to progress the conversation. The learning from this event will also be included in the Good Economy Commission's final report, again providing a clear path forward for individuals or organisation who feel they are placed to progress any aspect of the agenda forward.
35. The city vision sustainability working group are undertaking or have oversight of various projects including:
 - a. conducting a mapping exercise of sustainability activities across the city

- b. overseeing a research project into the opportunities for 'Urban Greening' in Norwich – the internship is funded by the UEA, hosted by the BID, and supported by city council
 - c. the European project UpCycle Your Waste, led by the BID, which explores how we can reduce landfill, and create a more sustainable city via a circular economy
 - d. establishing a new independent Norwich Climate Change Commission that affiliates itself to Place Based Climate Action Network PCAN, using a transparent application process (PCAN provide a framework for translating climate policy into action 'on the ground' in our communities. It's about engagement, impact, and the co-creation and sharing of knowledge)
 - e. working with the city vision steering group to connect young people to the vision workstreams and in particular the climate change and sustainability agenda
36. The Norfolk Climate Change Partnership comprises of representation from all the local authorities in Norfolk, the Broads Authority and the LEP. The group work to identify opportunities for collaborative working on issues of emission reduction and sustainability. The city council has offered support to other district colleagues who have just started on the carbon reduction pathway.
37. The group has recently applied to the Community Renewal Fund for two net zero projects:
- a. SHIFT (Sustainable Hydrogen Infrastructure for Transport); analysis of the transport sectors local needs to increase resilience to anticipated change. The project will enable new partnerships to be formed to enable greater understanding of the use of hydrogen as an alternative HGV fuel
 - b. Norfolk Community Energy Kickstarter - to develop a community energy business model to help transform our local energy system. To identify a range of suitable assets in Norfolk which would be suitable for solar private wire, funded by a not-for-profit energy provider.
38. The UK Community Renewal Fund is an additional £220 million of investment for 2021-22 and aims to help support local areas to pilot imaginative new approaches and programmes which will prepare them to take full advantage of the UK Shared Prosperity Fund when it launches in 2022, which has been set up as a result of the UK leaving the European Union, to help with the levelling up agenda across the country.
39. The council has also applied to the Community Renewal Fund for its 100-day challenge proposal. If successful, we will commission a series of 100 workshops aimed at understanding residents' desires for improving local green spaces and neighbourhood assets to inform future work, 25 digital refurbishment and 25 green space workshops. These will link skills development to motivation of beneficiaries to transform neighbourhoods, which is evidenced in Norwich, plus transferable skills like digital literacy, for up to 600 people.
40. The council is working with Norfolk County Council and UK Power Networks UKPN, on the 'Charge Collective' electric vehicle (EV) project, the aim of which is

to ensure that everyone has the confidence to switch to EVs, regardless of where they live or what parking space they have. By sharing data and expertise, the local authorities involved from across the country will help UKPN to identify 45 plus EV charging locations in Norwich. The locations have been selected to support citizens with no off-street parking provisions, for example terraced streets and flats. Homes with off-street parking can access charging via a simple fuse upgrade and an outside EV charging plug.

41. Before Covid-19, volunteers contributed a recorded more than 10,000 hours to environmental projects and conservation work in the city's natural areas, parks, open spaces and allotments. We have helped and supported 'Friends of' groups with 15 site groups and two council run groups now in existence who have achieved a huge amount in recent times including:

- a. working with Friends of Waterloo Park to develop a site management plan and support the development of the group to make improvements, concentrating on biodiversity and an area to relax and feel safe, accessible to all
- b. working with the Wensum Residents Association for Parks to deliver a £47,000 project to upgrade the current lighting, increase biodiversity, provide a space where small events can be held and an ongoing opportunity for the community to get hands on with the management of the gardens
- c. assisting the Trust for Conservation Volunteers with applications for National Lottery 'Awards for All' funding for site improvements. Three groups were successfully awarded £30,000
- d. working with Trust for Conservation Volunteers to deliver 40 days of volunteer work benefiting and enhancing the biodiversity on some of the council's natural areas

42. We have delivered, enabled and supported a hive of activity at Mousehold Heath including:

- a. community action days to improve access and biodiversity
- b. involving members of the community in ecological surveys, which support the work being undertaken to conserve and increase biodiversity and increase community understanding and enjoyment of the site.
- c. weekly Butterfly Conservation and Butterfly Monitoring Scheme surveys on the heath – starting in 1976 these are part of the longest running and largest biological surveys in the world and provide important site management and national data to inform government about ecosystem health and climate change
- d. school and college work days to engage with school students and improve access to and biodiversity on the heath
- e. provided environmental activities for over one hundred George White School students

- f. facilitated and supported two children's environmental education/play community activity groups, which regularly use the heath
- g. supervised six Goodgym community work sessions to involve people and highlight the work being undertaken to improve Norwich's largest green space and nature reserve for people and wildlife.

43. We also support community groups through our Outdoor Projects Network and Sustainable Living Initiative by:

- a. helping them to adopt pieces of council land to plant on or use
- b. providing small amounts of funding for plants and kit
- c. helping those who work on growing projects on private spaces i.e. not council land.

Conclusion

44. We have developed this update in preparation for refreshing the Environment Strategy, Carbon Reduction Plan, and ahead of COP26, to demonstrate that the collective achievements and progress made over the past 15 years on the city's journey towards net zero are significant. The update is not about 'resting on our laurels' we know that the challenge ahead is greater than 15 years ago.

45. We will continue our journey to net zero through an ambitious, refreshed agenda, by challenging ourselves to develop innovative projects and initiatives and driving carbon reduction in all areas where we have direct impact.

46. We will continue to work across the city with our partners, facilitating and encouraging coordinated action to create a sustainable, low carbon and climate resilient city and by being bold in our decisions to reduce the impact of climate change.



Committee Name: Cabinet

Committee Date: 13/10/2021

Report Title: Norfolk Strategic Flooding Alliance Strategy

Portfolio:	Councillor Oliver – environmental services
Report from:	Executive director of development and city services
Wards:	All wards
OPEN PUBLIC ITEM	

Purpose

To consider and seek endorsement of the Norfolk Strategic Flooding Alliance Strategy.

Recommendation:

To endorse the Norfolk Strategic Flooding Alliance Strategy.

Policy Framework

The Council has three corporate priorities, which are:

- People living well
- Great neighbourhoods, housing and environment
- Inclusive economy

This report meets the corporate priorities of people living well and great neighbourhoods, housing and environment and helps to support the strategic actions in the Corporate Plan.

Report Details

1. The Norfolk Strategic Flooding Alliance (NSFA) was formed in February 2021 following recognition that the county-wide response to flooding and flood-related risks is in need of improvement to protect and reassure Norfolk communities.

2. During the significant surface water flooding issues experienced in Norfolk in December 2020, over 260 properties were flooded, and 120 settlements effected. Norfolk has considerable flood-related challenges when extreme weather events occur, and these events are seemingly occurring more frequently as our climate changes.
3. There are many organisations who hold responsibilities to do with flood and water management within the county and who are members of the alliance, chaired by Lord Dannatt.
4. Members of the NSFA (listed in Appendix A) have committed to work collaboratively and transparently across boundaries and structures to improve the response to flooding and increase the coherency and consistency of flood risk management.
5. The unique selling point of the NSFA is that it represents a single point of focus and collaboration for all flood-related challenges facing the County of Norfolk.
6. The draft strategy is currently being developed and aims to reduce flood risk and improve water management across the County. It articulates the purpose of the Alliance as partners working together so that Norfolk communities and infrastructure are safer and more resilient to the risks of inland and coastal flooding, and better placed to ensure adequate water supplies during droughts.
7. Inland and Coastal tactical groups are being established to support the work of the Alliance and are building on existing partnerships, such as Coastal Partnership East and Water Resources East, where possible. The strategy is supported by a detailed action plan setting out dates and lead organisations against each action. The current version of the strategy can be found at Appendix B to this report.
8. To date the alliance has achieved the following outcomes:
 - A new single phoneline for residents to report flooding
 - Improved communication and working with the Norfolk Resilience Forum
 - Setting a date for Norfolk wide training on responding to a flooding event (programmed for 18 October 2021).

Implications

Financial and Resources

9. 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 2019-22 and Budget.
10. Following a meeting of the NSFA on 20 Sept it has been clarified that there are no financial implications of ratification of the strategy document.

11. It has also been confirmed that there is a typographical error and the reference to a strategy should be a reference to an approach.
12. In regard to resources, officers will be required to attend the NSFA meetings to ensure we are engaged in the work of the alliance to support the collaborative approach to flood management across Norfolk and to support our emergency response to flooding events

Legal

13. Under the Flood and Water Management Act 2010, Norfolk County Council is the designated lead local flood authority and is responsible for producing flood risk management strategies. It is under a duty to co-operate with other relevant authorities in how it discharges its responsibilities under the Act. In that regard, the Alliance presents the opportunity for a wide range of agencies and authorities to work together to support the risks and consequences associated with flooding.
14. Whilst Norwich City Council does not have a statutory role with regards flood risk management, the council has a statutory responsibility under the Civil Contingencies Act 2004 to ensure adequate preparations are in place to respond to and support an emergency such as a major flooding event.
15. Emergency planning works closely with partners in the Norfolk Strategic Flooding Alliance and this work will help ensure we are complying with our statutory duties.

Statutory Considerations

Consideration:	Details of any implications and proposed measures to address:
Equality and Diversity	None as known
Health, Social and Economic Impact	The action plan sitting behind the strategy (but not part of it) seeks to address areas where there are known flooding issues. By working collaboratively across partner organisations, positive and tangible outcomes can be achieved for communities.
Crime and Disorder	None as known
Children and Adults Safeguarding	None as known
Environmental Impact	The action plan sitting behind the strategy (but not part of it) seeks to directly address environmental issues arising from instances of flooding to ensure communities are more resilient and to reduce the potential and/or impact of flooding.

Risk Management

Risk	Consequence	Controls Required
Reputational	Reputation and media consequences if the authority does not endorse the strategy and seek to work with partner organisations, particularly if a flooding incident was to arise	<p>The following controls are in place to mitigate the risks:</p> <ul style="list-style-type: none">• Continued engagement with the Alliance and with emergency planning partners• Direct engagement with Norfolk County Council by virtue of their duty to co-operate under the Flood and Water Risk Management Act 2010

Other Options Considered

16. The Council does not have to endorse the strategy, but it is considered good practice to enable cross party and cross boundary working with all members of the NSFA to address the issues around responding to and managing flood risk across Norfolk.

Reasons for the decision/recommendation

17. It is considered good practice to enable cross party and cross boundary working with all members of the NSFA to address the issues around responding to and managing flood risk across Norfolk.
18. It is recommended the strategy is endorsed

Background papers: None

Appendices: Norfolk Strategic Flooding Alliance Strategy (excluding the action plan)

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Member organisations of the NSFA

- Lord Richard Dannatt (Chair)
- Anglian Water
- Association of Drainage Authorities
- Breckland District Council
- Broadland District Council & South Norfolk District Council
- Broads Authority
- Coastal Partnership East
- Environment Agency
- Great Yarmouth Borough Council
- King's Lynn and West Norfolk Borough Council
- NFU
- Norfolk Association of Local Councils
- Norfolk County Council
- Norfolk Resilience Forum
- North Norfolk District Council
- Norwich City Council
- Regional Flood and Coastal Committee
- Water Management Alliance
- Water Resources East

NORFOLK STRATEGIC FLOODING ALLIANCE – OVERALL STRATEGY

The purpose of the constituent members of the Norfolk Strategic Flooding Alliance (NSFA) is to work together so that Norfolk communities and infrastructure are safer and more resilient to the risks of inland and coastal flooding and better placed to ensure adequate water supplies during droughts.

1. **Introduction.** The NSFA was formed following recognition that the county-wide response to flooding and flood-related risks is incoherent and improvements are required to protect and reassure Norfolk communities. Members of the NSFA are united in their determination to work collaboratively and transparently across boundaries and structures to improve the response of flooding and increase the coherency and consistency of flood risk management. The unique selling point of the NSFA is that it represents a single point of focus and collaboration for all flood-related challenges facing the County of Norfolk. Our Action Plan is at Appendix A and the record of actions achieved, so far, is at Appendix B.

OUR GOALS

2. **Our Vision.** The NSFA will be successful through the coordinated actions of the statutory authorities from central to local government, through to commercial companies, land and property owners large and small, their communities and individuals themselves. As a result, the people of Norfolk will have high level of confidence that flood risks are as low as reasonably practicable and are being managed within the overall context of improved water management.

3. **Our Objectives.** Our objectives are:¹

- a. Achieve a transparent, collaborative, integrated and sustainable approach to water management issues across the County of Norfolk that is applied coherently.²
- b. Provide a cooperative approach to local, regional and national funding opportunities to mitigate Norfolk's flood risks.
- c. In accordance with Shoreline Management Plan governance, establish a strategic group (or Groups) for the coastal areas from the Yare to the Wash/Ouse to help mitigate coastal erosion and coastal flooding.
- d. Examine how to implement whole river management best practice for inland waterways from catchment areas to the sea.
- e. The planning system across the County is coherently applied and does not exacerbate the flood risks to new and existing residents and communities.
- f. When preparing and delivering their statutory or lead-agency responsibilities, category one responders and other relevant bodies will, where appropriate, collaborate through the Norfolk Resilience Forum (NRF) to:
 - I. enable the Local Lead Flood Authority (LLFA) to compile a common flood risk picture,
 - II. develop a consolidated action plan that maps multi-agency activities and progress,
 - III. ensure local flood resilience and the response to flooding events, which is streamlined and cohered across the County,
 - IV. achieve synchronised initiatives across Norfolk that mitigate the risk of flooding and enhance communities' local resilience, and
 - V. deliver a programme of exercises to confirm NSFA effectiveness and assure progress development.³

¹ These are distilled further into a series of actions and tasks in Annex A.

² This will include an understanding of other water management strategies and activities already in practice through other bodies and organisations.

³ We will do this in partnership with the Ministry of Housing, Communities and Local Government (MHCLG) or the Cabinet Office, partner authorities in the region and the Emergency Planning College, in the design, training, work up and delivery of the exercise.

- g. Enhance the confidence of Norfolk communities through regular public communications and engagement on flood risks, mitigation measures and resilience / self-reliance initiatives.
- h. Produce an Integrated Norfolk Water Management Strategy.⁴
- i. Deliver a united Norfolk view on flooding and water management issues to Central Government.

OUR APPROACH

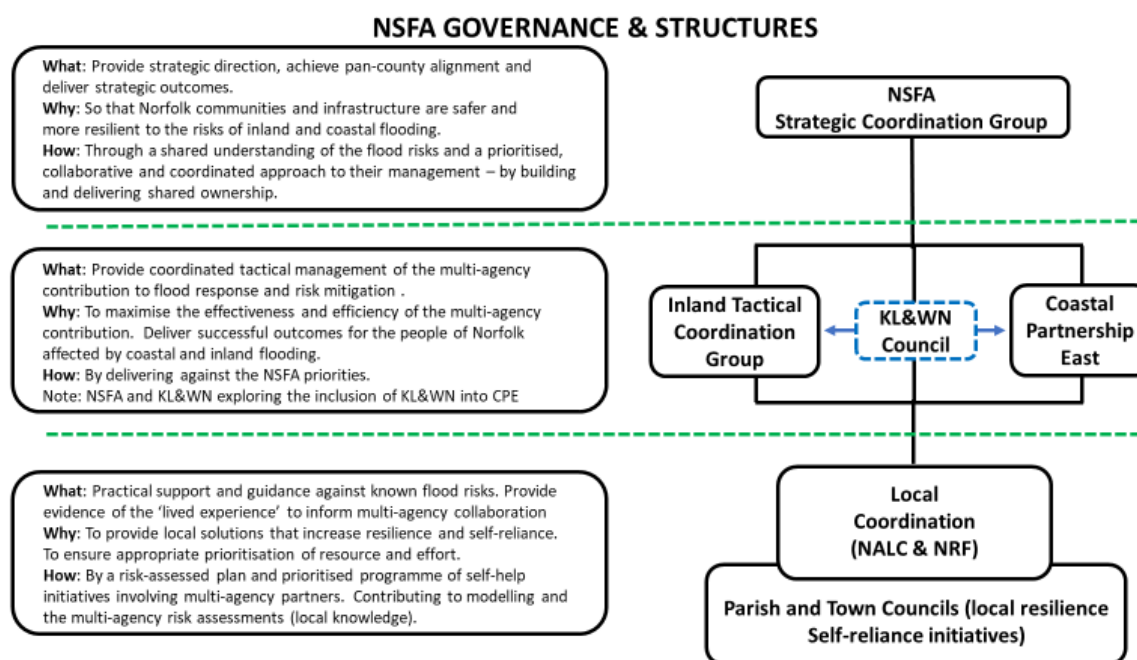
4. **Our Principles.** Our guiding principles are:

- a. We will work together in a collaborative and transparent manner through the statutory duties established by the Civil Contingencies Act (CCA) (2004) and its supporting doctrine and guidance as well as making maximum use of Public Sector Cooperation Agreements, where appropriate.
- b. Extant statutory or lead responsibilities remain with the relevant agency.
- c. We will share information and manage knowledge intelligently.
- d. We will focus on delivering the best outcome for Norfolk communities.
- e. We will speak with one voice and communicate clearly, coherently and consistently to Norfolk communities.
- f. We will exploit pre-existing structures and multi-agency fora to reduce duplication and ensure our activities are efficient and effective.
- g. We will ensure a balanced approach – delivering quick wins and set the conditions for achieving longer-term success.
- h. We will make evidence-based decisions and anticipate future risk through collaborative analysis and data sharing.
- i. We learn from others and our own experiences and seek to identify and share ‘best practice’ as appropriate.

5. **Strategic Collaboration – Threats and Opportunities.** It is unlikely that any single entity will be able to develop projects or solutions alone to mitigate the threats of flooding or to promote the opportunities of better water management. Collaboration (not duplication) between NSFA and Water Resources East (WRE) is essential to a coherent approach across the County of Norfolk. From a water management perspective, WRE and its strategic partners will identify opportunities in the short, medium and long-term to connect fluvial flood risk reduction with water scarcity opportunities, ideally delivering water quality benefits at the same time. This will predominantly focus on the opportunities to capture and store flood water and make it available for use for example for irrigation, energy production and to drive environmental improvement and natural capital net gain. Key partners in this work, alongside Norfolk local authority colleagues and WRE’s Norfolk Water Strategy partners (Anglian Water and The Nature Conservancy) will be landowners, internal drainage boards, local community leaders and environmental Non-Governmental Organisations (NGO).

⁴ To include an integrated approach to resource planning that considers all potential requests for funding to develop a single and prioritised statement of desired outcomes that all can work to deliver.

6. **How we Function.** The NSFA will operate across 3 levels (using Civil Contingencies Act doctrinal definitions for each level) – Strategic, Tactical and Operational/Delivery – a schematic representation of how this will be achieved, with broad roles and responsibilities, is shown below:⁵ The NSFA recognises that member organisations and authorities have different priorities, funding arrangements, regulators and statutory obligations. It is incumbent on NSFA members to highlight to the NSFA their constraints to help the NSFA appreciate how best to work around these for the benefit of local communities. While the NSFA will determine its priorities, it accepts the need to use the statutory and funding frameworks of other bodies in order to realise these priorities. The Norfolk County Council (NCC) communications team would use this strategy and action plan to develop a proactive communications and engagement plan.



ASSESSING SUCCESS

7. **What will success look like?** Achieving the stated vision will be the ultimate assessment of success for the NSFA. On our journey to achieving this vision, the NSFA will assess performance against the individual objectives (para 3), the specific actions and tasks (annex A) and our ways of working / guiding principles (Appendix B). On an annual basis (July NSFA meeting) members will be invited to affirm their commitment to the NSFA and the delivery of collaborative working in accordance with our guiding principles.

8. **Universal Stakeholder Buy In.** On an annual basis – commencing in July 2021 - the stakeholders, who are the constituent members of the NSFA (details at Appendix C), will commit to work together by formally signing off the annual NSFA Overall Strategy, of which this is the first.

⁵ For local operational/delivery groups to be successful, there will need to be multiple (to spread the load), probably covering either the district council areas (with a number amalgamated to ensure there aren't too many groups for those of us that cover the whole of Norfolk) or Anglian Water water recycling collection areas. Discussions are underway to see if KL&WN might consider joining Coastal Partnership East and therefore remove the need for a bilateral arrangement between the NSFA and KL&WN on coastal flooding matters.

APPENDIX A - ACTION PLAN

Code: **RED**: Significant issues to be resolved or task/outcome/action not commenced, **Amber**: Significant issues identified and plan to resolve developed – no target date set, **Yellow**: minor issues or progress to achieve goal is on track, **Green**: desired task/action/outcome achieved.

SER	TASK	ACTION	PROGRESS	LEAD/OWNER	ASSESSMENT
1	Task 1. Develop closer working between all agencies and better co-operation	1.1 More effective collaboration to ensure clearer multi-agency emergency response, recovery and remediation actions.	Agreement to this strategy signifies a commitment from members to adopt the principles and objectives in their own programmes, plans and strategies and a commitment to work collaboratively to achieve the NSFA's objectives.	All	
2		1.2 The need to have a single consolidated approach to flooding across Norfolk so there is no 'post code lottery' (e.g. removal of the confusion about the utility and availability of sandbags).	<p>To be addressed through the NSFA Inland Flooding Group. The NRF is developing a picture of what districts provide in terms of flooding support during both response and recovery phases. The NRF (via the Multi-Agency Fusion Group (MAFG)) will provide a formal update on who does what to the next Inland Flooding Group meeting in September.</p> <p>Explore the role of the Severe Weather and Flood Risk working group and how this might inform the working of the coastal and inland flooding groups.</p> <p>This work should recognise the roles and responsibilities of all 3 tiers of local government and consider how we balance locally derived needs with autonomy of decision-making and resourcing (especially finance) while achieving appropriate county-wide consistency.</p>	<p>Chair NSFA Inland Flooding Gp</p> <p>NRF Chair</p>	

3		<p>1.3 Develop in partnership with others (such as Water Resources East (WRE) and the Broadland Futures Initiative (BFI) options for how flood water might be used to alleviate drought risks or managed in a more integrated multi-agency approach.</p>	<p>First formal meeting between NSFA and WRE programmed for 17 May. It discussed opportunities for shared working and what 'plugs and sockets' are required between the 2 structures to ensure opportunities to deliver a holistic approach to water management might be achieved.</p> <p>Develop an appropriate 'plug and socket' approach with existing flood and drought initiatives to ensure an integrated approach while not duplicating effort.</p> <p>The BFI should be reviewed by the NSFA and areas of collaborative opportunity identified and factored into the NSFA Action Plan. The BFI considers existing and new plans that will emerge and impact upon the BFI plan area. It is expected that the BFI will inform the Norfolk Strategic Flooding Alliance (NSFA).</p> <p>Ensure the Current Shoreline Management Plans for the County are referenced in relation to the strategic flood (and erosion) management on the coast.</p>	<p>Chair NSFA</p> <p>MD WRE</p> <p>Chair BFI</p>	
4		<p>1.4 Develop a prioritised list of known flooding risk areas to guide initial collaborative working</p>	<p>NSFA members will share their capital and maintenance plans with each other to ensure the maximum opportunities possible for the development of synchronised and mutually supporting work and to help communicate our work with Norfolk Communities.</p>	<p>Chair NSFA</p> <p>Chairs of Inland and Coastal</p>	

			<p>An initial prioritised list comprises 16 flood sites that have been identified as complex and requiring multi-agency involvement to resolve. Outline costed solutions will be worked up, with a lead agency for each site. These solutions can then be delivered when the necessary funding has been secured.</p> <p>A second tranche of flood risk sites is being considered.</p>	Working Groups	
5	Task 2. Clarify roles and responsibilities both amongst partners themselves and for the general public.	2.1 Education of Riparian owners, homeowners and businesses on their responsibilities, how to be more resilient in the face of severe weather and who to reach out to in times of flooding.	<p>Flyer produced and to be distributed to all properties (business and private across Norfolk). It provides basic advice and linkages to where specific advice can be found.</p> <p>NFRS, NRF and NALC exploring ways to improve local resilience and self-reliance through education and advisory programmes.</p> <p>Riparian owners need to be updated on their responsibilities to watercourse maintenance. This might be led by the CLA and NFU.</p>	CFO, NFRS NALC CLA NFU	
6		2.2 The potential for a Memorandum of Understanding to provide greater clarity and the need to undertake a gap analysis of areas not covered by agencies.	<p>To be considered by the NCC as the LLFA. Consideration should be given to the NRF to lead on developing this.</p>	NCC as LLFA (through NRF)	
7		2.3 Encourage local support groups to help improve community resilience through provision of support, education and information.	<p>Consideration should be given to the Coastal and Inland groups leading on this with NRF liaison for delivery of engagement and education programme. These groups might want to explore the role of the Coastal Flood Wardens as</p>		

			<p>a resource that might be developed for other scenarios.</p> <p>Consider the development of dashboard, to guide planning and response, in which flood data and the current picture is made accessible to all stakeholders.</p> <p>Consider the Introduction of a web-based portal to help householders and businesses identify who is responsible for what drainage asset.</p> <p>Integration of data feeds by the NCCC Norfolk Office of Data Analytics (NODA) to create an more holistic appreciation of risk and situational awareness. Intention to embed this in an open forum website (Norfolk Prepared) to ensure agencies and public maintain situational awareness and can prepare and response more effectively</p>	<p>Chairs of Inland & Coastal Groups</p> <p>CFO, NFRS</p> <p>NALC</p> <p>NRF</p>	
8		<p>2.4 Maintain regular communications with Norfolk communities on flooding related issues to ensure communities are as well informed on NSFA activities as is practicable.</p>	<p>This recognises the need for direct (NSFA to communities) and indirect (through a third party) communications. Parish Councils will have a key role to play here.</p> <p>Requires close collaboration and coordination on flooding related communications. NCC will lead on the development of a coordinated NSFA Communications Plans (including agreed, immediate lines to take in times of crisis).</p> <p>Utilise Norfolk Prepared website, tactical delivery through inland and coastal NSFA groups.</p>	<p>Chair NSFA</p> <p>Chair Inland and Coastal Groups</p> <p>NCC as LLFA</p> <p>NRF</p> <p>NALC</p>	

			The Norfolk Prepared website was advertised in the flood flyer and the website provides broad resilience and self-reliance advice.		
9		2.5 Consider what flood protection and mitigation capabilities are required and how they might be supported and supplied.	Item needs to be addressed by the inland and coastal flooding groups to identify most appropriate capabilities to mitigate flooding. Once the 2 groups have considered the issue for their respective remits, the NSFA should consider a consolidate view including how capabilities might be resourced	NSFA Chairs of inland and Coastal groups	
10	Task 3. Determine and implement appropriate mechanisms for funding flood-related initiatives.	3.1 A shared resilience fund to help agencies and authorities better react to emergency situations in a collaborative manner.	The Chairs of the Inland and Coastal working groups should consider what additional resources they required. This detail should be submitted to the NSFA who would fuse the requirements into a single submission for the LLFA to consider. This should be completed by end of July 21. CPE is also exploring a coastal adaptation mechanism to support those affected by erosion which could be linked	Chairs of the inland and Coastal working groups	
11		3.2 Maximising the capital, maintenance and revenue funding streams of NSFA members , as well as resource and skills, jointly to agree common priorities and funding for proactive water management initiatives.	A more collaborative approach to funding-streams, utilising Regional Flood and Coastal Committees (RFCC), and a more coordinated approach to the Business Plans of NSFA members should be the preferred method to operationalise the water management outcomes we seek for Norfolk. The NSFA will work integrally with Anglian (Eastern) and Anglian (Gt Ouse) RFCCs to ensure Flood Defence Grant in Aid capital and other	All	

			funding opportunities are maximised for all RMAS in Norfolk.		
12		3.3 Lobbying DEFRA regarding the funding criteria for retro-fitting SuDS and drainage improvement works, as current model undervalues the damage caused by surface water flooding and the costs of mitigation schemes			
13	Task 4. Improve the coherency of planning processes across the County to ensure that new developments do not exacerbate the flood and coastal erosion risks or act as a barrier to the development of options.	4.1 Removal of the automatic right to connect surface water from new developments to the sewerage system, which should be replaced with a more conditional approach to ensure all parties work together to assess and approve connections to the sewer network.	<p>Anglian Water is already involved in this work nationally with Water UK.</p> <p>Lord Dannatt and George Freeman MP wrote, on 23 Jun 21, to SofS EFRA and SofS HCLG to express concerns over 2 planning policy matters. The first regarding the automatic rights for developers to connect surface water from new developments to the sewerage system. Second, The ongoing responsibility of developers for drainage and water management on their developments.</p>	<p>Chair NSFA</p> <p>Anglian Water</p>	
14		4.2 Planning policy and guidance to be updated and strengthened to require flood risk betterment in areas of high flood risk and to reflect new environment policy objectives and new SuDS National Non-Statutory Technical Standards.	<p>CPE is working with our 3 LA planning teams and those at KLWNBC and south into Essex to ensure we have integrated coastal planning policy in relation to erosion and coastal change. we have a shared Supplementary Planning Document which we are currently reviewing in line with new and emerging Local Plans. We are also exploring spatial planning and development in Coastal Change Management areas with planners locally and nationally.</p> <p>Farmers and landowners perceive planning to be a barrier to the development of on-farm reservoirs, which will play a crucial role in</p>	<p>Chair NSFA</p> <p>NCC and District / Borough Councils</p>	

			<p>connecting flood risk with water resources, delivering economic and environmental benefits. The group needs to consider what is most needed, is it formal policy changes, guidance to landowners submitting applications or is internal guidance for planners needed to help them with reviewing an application? It would also be helpful to identify a number of 'shovel-ready' projects and test them through the planning system.</p> <p>The NSFA would consider forming a focused working group to understand the breadth of planning-related challenges and recommend a programme of work to address these.</p>		
15		4.3 LLFA to review thresholds for bespoke responses to consultations on Major Development and LPAs to review provision of drainage advice for Minor Development to improve the technical expertise in flooding.		NCC / LLFA	
16		4.4 A clear process to remove and replace misconnections to sewers through Building Control, or re-classification of foul sewers into combined sewers.	<p>Seems a logical for Anglian Water to lead, given their role (this might ensure that foul sewer are not reclassified as combined sewers).</p> <p>Building Control at the local authorities with regards to spotting and addressing misconnections, working with Anglian Water to ensure that foul sewers are not reclassified as combined sewers).</p>	<p>Anglian Water</p> <p>and local authority Building Control teams</p>	
17	Task 5. Improve collective	5.1 Develop a shared surface water flood risk mapping resource and asset register, and provide districts with access to the LLFA's GIS system.	<p>Encourage wider use of EA flood map to increase awareness of surface water flood risks in the County. Information can be found on https://eur02.safelinks.protection.outlook.com/</p>	<p>EA</p> <p>Anglian Water</p>	

	understanding of the flood risks through the development of multi-agency situational awareness and data sharing protocols, establishing a commonly accessible mapping resource and modelling function.		<p>Anglian Water is developing something similar for all flood risk partners across the region, so no need to reinvent the wheel.</p> <p>CPE is also keen to develop a shared asset register for coastal locations so they can develop integrated asset investment strategies with their partners (similar to that with AW).</p>		
18		5.2 Establishing local community champions to support communities to map out relevant water management assets.	Potentially incorporated in LRF Stronger Community Resilience pilot. LRF to work with NALC, Community Resilience, PH etc to help identify local champions.	NRF Strategic Support Officer	
19		5.3 Develop and then monitor the concerns of Norfolk communities affected by flood and drought risks and realities – a form of persistent audience sentiment and analysis.	<p>The development of a prioritised list is based upon inputs from local communities and historic data. It is addressed by the Local Issues Working Group. Discussions have taken place with NCC Comms to explore a proactive approach to communications and with sentiment analysis.</p> <p>CPE is holding its first join Suffolk and Norfolk Coastal Community conference this autumn to discuss coastal change. They have held a Suffolk event for several years and invited schools and guest speakers as well as the community leads and partners. It's a very effective event for sharing information, networking and supporting peoples understanding of risks and solutions.</p>	Nick Tupper NSFA	
20		6.1 A coordinated effort from all RMAs to ensure that all their assets are regularly and proactively maintained, to lead by example.	EA and Anglian Water have an established, mature risk-based maintenance programme and could support others developing the same.	Anglian Water	

	Task 6. Creation of a sustainable approach to drainage through a coherent county-wide programme of improvements, prioritised maintenance and through the planning of new developments.		CPE conducts regular inspections of all its coastal assets and this informs their annual maintenance programmes. They also have a £150M capital delivery programme for 10 years: they have already delivered the Bacton Landscaping project and are in the process of progressing Lowestoft tidal flood walls and barrier. They will have a capital scheme for Cromer and Mundesley online early next year.	EA	
21		6.2 The maintenance regimes of delivery agencies and authorities are shared between NSFA partners to facilitate closer cooperation in areas of mutual interest / responsibility.		Anglian Water EA IDBs	
22		7.1 Sharing mobile numbers of all first responders to reduce the time it takes to contact the appropriate person who can make decisions with the skills and knowledge on the ground.	Services with 24hr response - contact should always be through established arrangements - not to individuals - relying on individual contacts more likely to impede and not enhance response - eg leave, change of roles, assigned to other events etc. Item closed – to be transferred to Appendix B.	NRF Chair	
23	Task 7. Effective management of the multi-agency response to improve consistency of delivery across the County to ensure we retain the confidence of Norfolk communities.	7.2 Explore the creation of Community Resilience Team at Parish Council level able to respond to flooding events.	Being considered by NRF, NFRS and NALC. To be assisted and enabled by increased situational awareness from data embedded in Norfolk Prepared website. Norfolk ALC is already doing work in this area to gather names into a 'register'. Learn from and make links with any COVID support groups set up at county, district or Parish level.	NRF Chair CFO, NFRS NALC	

24		7.3 Explore potential roles for the NRF and local resilience planners in advising, preparing and supporting mitigation measures (such as education).	Being considered by NRF. Will require identification of risks specific to geographical location. NRF assessing options for education/training of community champions. Norfolk Prepared to be used as a platform to inform public on pre-emptive actions that can improve their resilience to local risks.	NRF Strategic Support Officer	
25		7.4 Consider how the NCC Resilience Hub might lead in the setting up of initial coordination function of flooding events (what resources are required to enable this?)	NRF assessing options for an improved cascade call system for setting up initial response groups. Confirmation of Local Coordination Group (LCG) roles and responsibilities being amended in Norfolk Emergency Response Guidance (NERG).	NRF Chair	
26		7.5 Consider how regular exercise events might be used to prove and improve NSFA functionality and effectiveness through the use of a series of testing scenarios involving coastal and inland flooding events (and explore how these might mitigate drought risks).	<p>Training and assessment exercises are a key indicator of progress and to drive learning and development.</p> <p>A NSFA Flood exercise planning meeting will take place on 8 Jul (details to follow) to determine scope and objective for the NSFA autumn exercise. It will also explore options for the Norfolk contribution for the National Flood exercise in Oct 22.</p> <p>An exercise is being developed by NRF's multi-agency fusion group (MAFG) that will test our response to inland and coastal flood challenges. Expected to be delivered 26-28 Oct 21.</p>	NRF Chair	

27		<p>7.6 Ensure the Current Shoreline Management Plans for the County are referenced in relation to the strategic flood (and erosion) management on the coast. Can be accessed via https://eur02.safelinks.protection.outlook.com/</p>	<p>CPE will be developing this further with EA and our coastal partners and communities through the SMP action plans and via our IRF bid.</p> <p>An education campaign about climate change and SL rise at a regional/county level would help all RMA's in the discussions we have to have with communities.</p>		
28	<p>Task 8. Improving the oversight of and managing delivery of riparian responsibilities.</p>	<p>8.1 An education campaign to educate landowners and homeowners in terms of their responsibilities around keeping ditches and culverts cleared.</p>	<p>The EA are considering developing some guidance on this nationally but some local guidance could perhaps be developed more quickly with a Parish Council as a test area and involving local engagement from riparian owners about what support, knowledge, H&S considerations and equipment a riparian owner needs.</p> <p>Cambridgeshire County Council are developing riparian guidance asap on this so perhaps you could collaborate with them for efficiency and speed?</p> <p>Charles Krolik-Root is the lead on this at CCC.</p>	NCC as LLFA	
29		<p>8.2 Explore the practicalities and benefits of a single lead organisation for managing all watercourses in the County. How would this be resourced and what authorities would it require (how might these impact on the statutory obligations of other NSFA elements)?</p>			
30		<p>8.3 The NSFA partners will review existing responsibilities of the EA, LLFA, Broads Authority and IDBs across the County to assess if there is a better balance of those responsibilities in managing and maintaining</p>			

		the County's watercourses alongside riparian owners, and to look at mechanisms for achieving that, including new legislation.			
31	Task 9. Improve understanding of the policy framework across all NSFA members and improve the consistency of its delivery across the County of Norfolk	9.1 Need to better understand EA's policy around river dredging and whether this is being undertaken.	<p>EA provides their current policy position:</p> <p>Dredging means removing accumulated material in waterways, such as gravel or soil (often referred to as silt). Dredging in certain locations may improve land drainage by lowering the river level to allow water to flow from the land or from drains, however it may sometimes cause unintentional flooding downstream. Dredging may also be ineffective in reducing flooding, as the natural processes in many rivers can cause silt to build up again quickly. Dredging may also damage wildlife and ecosystems in certain areas. In extreme flooding events, the small increases in width and depth achieved by dredging a waterway do not provide enough capacity to contain the excess flood water. This means dredging is not always the best solution to managing flood risk, and we may suggest other measures instead. When the EA dredges they focus work on locations where the risk of flooding, economic loss and risk to life are the greatest. They may dredge an area if there is evidence that:</p> <ul style="list-style-type: none"> dredging will reduce flood risk to local properties will not increase flooding downstream it is affordable to do so (disposal of silt may be expensive). 	All	Item closed. Will be transferred to the record of completed actions in Jul 21.

			<ul style="list-style-type: none"> it is compatible with restrictions around protected species. 		
32		9.2 Need to better understand the Declassification of Infrastructure Programme being undertaken by Anglian Water.	Anglian Water does not have a declassification programme, but they will review assets that are incorrectly classified when they are made aware. Anglian Water to lead this work and communicate it comprehensively with the NSFA.	Anglian Water	

APPENDIX B – RECORD OF ACHIEVEMENTS

SER	ACTION	OUTCOME	ACHIEVED
1	Consider the need for a single, centralised flood line number that provides a mechanism through which flooding can be reported, specific triage advice can be provided and generic flood prevention and resilience guidance can be sought.	Single flood line number in place to provide 24/7 hub for flood advice and support. Flyer produced that covers advice and provides details on organisational flood roles and responsibilities. Flyer will be distributed to all properties and business and properties across Norfolk by the end of May 21	27 May 21
2	Production of clear comms tools (leaflet/website) for householders and businesses with emergency contact numbers.	Flyer produced by the NRF (MAFG) and NCC Comms that has been distributed to all addresses across the County. This flyer provided details on the single flood line number, the roles and responsibilities of various agencies and authorities and provided link to other advisory / resilience websites.	27 May 21
3	Develop a prioritised list of flood work that can be used to galvanise a collaborative approach to complex flooding sites	First tranche comprises a list of 16 flood sites that have been identified as complex and requiring multi agency involvement to resolve. Outline costed solutions will be worked up, with a lead agency for each site. These solutions can then be delivered when the necessary funding has been secured.	

APPENDIX C – NSFA MEMBERSHIP

SER	ORGANISATION	REPRESENTATIVE	COMMENT
1	NSFA Executive	Lord Richard Dannatt	Chair
2	NSFA Executive	Nick Tupper	Local Authorities POC
3	NSFA Executive	Philip Lester	Strategy, NRF and Exercising POC
4	NCC / LLFA	Cllr Andrew Proctor	Leader County Council
5	NCC / LLFA	Tom McCabe	ED Paid Services
6	NCC / LLFA	Graham Bygrave	Highways
7	NCC / LLFA	Mark Ogden	Flood and Water Management
8	NCC / LLFA	Duncan Merren	Communications
9	Inland Flooding Group	Trevor Holden	MD Broadland & South Norfolk District Council
10	Coastal Flooding Group	Sheila Oxtoby	CEx Great Yarmouth Borough Council
11	Breckland District Council	Cllr Sam Chapman-Allen	Leader District Council
12	Breckland District Council	Maxine O'Mahony	ED District Council
13	Broadlands District Council	Cllr Shaun Vincent	Leader District Council
14	Borough of Gt Yarmouth Council	Cllr Carl Smith	Leader Borough Council
15	Borough of Kings Lynn & West Norfolk Council	Cllr Stuart Dark	Leader Borough Council
16	Borough of Kings Lynn & West Norfolk Council	Lorraine Gore	CEx District Council
17	North Norfolk District Council	Cllr Sarah Butikofer	Leader District Council
18	North Norfolk District Council	Steve Blatch	CEx District Council
19	Norwich City Council	Cllr Alan Waters	Leader City Council
20	Norwich City Council	Stephen Evans	CEx City Council
21	South Norfolk District Council	Cllr John Fuller	Leader District Council
22	Anglian (Great Ouse) Regional Flood and Coastal Committee (ARFCC)	Richard Powell	
23	Anglian Eastern Regional Flood and Coastal Committee (AERFCC)	Brian Stewart	
24	Association of Drainage Authorities (ADA)	Innes Thompson	
25	Anglia Water (AW)	Jonathan Glerum	
26	Broads Authority (BA)	Marie-Pierre Tighe	
27	Coastal Partnership East (CPE)	Karen Thomas	
28	Environment Agency (EA)	Mark Johnson	
29	Highways Agency (HA)	Simon Amor	
30	National Farmers Union (NFU)	Rob Wise	
31	Norfolk Resilience Forum (NRF)	Stuart Ruff	Also Chief Fire Officer, NFRS

32	Norfolk Association of Local Councils (NALC)	John Pennell	
33	Water Resources East (WRE)	Robin Price	
34	Water Management Alliance (WMA)	Phil Camomile	

DRAFT



Committee Name: Cabinet

Committee Date: 13/10/2021

Report Title: Medium Term Financial Strategy Corporate Overview

Portfolio:	Councillor Kendrick
Report from:	Executive director of corporate and commercial services (S151 officer)
Wards:	All wards
OPEN PUBLIC ITEM	

Purpose

To set out the latest position regarding the council's forecast overall budget envelope for 2022/23 and the Medium Term Financial Strategy through to 2026, and the assumptions which underpin the budget forecasts.

Recommendations:

To:

- 1) note the current MTFS projections and approach to updating key assumptions; and
- 2) endorse the approach and timetable for setting the 2022/23 budgets.

Policy Framework

The Council has three corporate priorities, which are:

- People living well
- Great neighbourhoods, housing and environment
- Inclusive economy

This report meets all the corporate priorities

This report addresses healthy organisation strategic action in the Corporate Plan

Report Details

1. Like all local authorities, Norwich City Council continues to face substantial financial challenges. The sustained period of austerity – coupled with increasing demand for local services - has decreased the council's own budgets, putting huge financial pressures not just on council resources, but those of partners, local businesses, and residents, particularly the most vulnerable.
2. The council also continues to manage the ongoing risk and uncertainty over future funding as well as the budgetary impacts from Covid-19. Despite this the council has consistently approached the financial challenges in a sensible and planned way and has always sought to manage the council's finances responsibly. The city council has already made significant savings over the last ten years; has taken steps to try to manage demand; and has been innovative in its approach to the generation of new income streams. Like all councils, Government funding remains uncertain therefore Norwich City Council will need to continue to look at alternative ways of generating income to pay for local services.
3. As the country attempts to navigate through the longer-term impacts of COVID-19, district councils – being closest to communities - have a vital role to play in community and economic recovery. In order to do this, councils need sustainable, sufficient funding and the flexibility to plan their finances in a way that suits their local circumstances and needs.
4. It is within this context and financial uncertainty that the council must develop its medium-term financial strategy and approach to setting the 2022/23 budget. This paper outlines the key developments influencing the MTFS, the estimated impacts on the future savings challenge as well as the next steps for refining the MTFS and budget options for 2022/23. The 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 long term.

Strategic Context

5. The immediate impact of the Covid 19 pandemic has been clear. Norwich's claimant count, a proxy for unemployment, doubled in two months at the beginning of the pandemic (the fastest increase on record) and is only now starting to fall. Rent arrears in both public and private housing have increased significantly since the start of the pandemic. Disadvantaged communities have seen greater mortality as a result of the virus as well as being more likely suffer loss of income due to the pandemic's economic fallout.
6. Pressures around joblessness and reduced incomes are compounded by the rise in cost of living observed over the last few months. Inflation, largely driven by energy bills and food prices, jumped from 2% to 3.2% from July and August, with the Bank of England predicting a rise of up to 4% in the coming months. This is at the same time Government is set to cut the £20 weekly increase to Universal Credit introduced at the beginning of lockdown last year. The cumulative effect of benefit cuts and cost of living rises over the winter and into the spring means single out-of-work adults are set to be worse off by around £24 a week by April 2022, a significant fall of around 14

per cent to an already low income ([Resolution Foundation](#)). Low-earning families and single-parents are also unlikely to see sufficient pay rises to offset the rising cost of living this winter.

7. The longer-term impacts, alongside the consequences of Brexit are, as yet, unknown, but both create significant questions around the shape of our economy, and our city, in future years. In the year of COP 26, the impact of the Climate emergency and of extreme species loss is also central. How will the city change to reduce its environmental impact, and adapt to thrive in the new climate in which we live? And how can those changes be made in an inclusive way to ensure costs, and opportunities, are fairly distributed and that none of our many diverse communities across Norwich are left behind?
8. The Norwich 2040 City Vision sets out what we want our City to be in 2040: connected, creative, dynamic, fair and liveable, and provides a strong partnership within which the council is working to tackle the complex issues we face, for example through the Good Economy Commission and the Sustainable City working group.
9. The Corporate plan sets out how the council is working towards this vision through our priorities of People Living Well, Inclusive Economy and Great Neighbourhoods, Housing and Environment. The Corporate Plan will be updated for 2022/23 to recognise the changed context in which we are working, and the key areas for action within our priorities.
10. Covid 19, A blueprint for Recovery published in June 2020, established the priority actions required to drive forward the City's recovery. It includes how the organisation intends to operate going forward, how services may be delivered differently, and how the council will work in partnership with others to support the wider recovery of the city. The corporate priorities, and role the council plays in delivering these, will need to be balanced against the short- and medium-term financial constraints. An update on progress against those actions is a separate item on the meeting agenda.
11. Both of these documents – the corporate plan and Covid recovery blueprint – set out the council's strategic priorities and the actions we will take to deliver our ambitions and provide the framework for the allocation of council resources.

Wider Financial Context

12. In September the Chancellor detailed the plans for a multi-year Spending Review which will set the resource and capital budgets for 2022/23 to 2024/25 for Government Departments. This is due to conclude on 27th October 2021, alongside the Autumn Budget 2021 and updated fiscal envelope from the Office for Budget Responsibility (OBR). Local government has not received a multi-year settlement since before the Brexit referendum which has made it difficult to plan ahead with certainty.
13. The announcement from the Chancellor highlighted key themes that will be included in the Spending Review 2021:
 - Ensuring strong and innovative public services;
 - Levelling up across the UK to increase and spread opportunity; unleash the potential of places by improving outcomes UK-wide where they lag

and working closely with local leaders; and strengthen the private sector where it is weak;

- Leading the transition to Net Zero across the country and more globally;
- Advancing Global Britain and seizing the opportunities of EU Exit;
- Delivering our Plan for Growth – delivering on our ambitious plans for an infrastructure and innovation revolution and cementing the UK as a scientific superpower, working in close partnership with the private sector.

14. On 7 September 2021 the Prime Minister announced plans to provide an additional £12 billion per year for health and social care on average over the next three years, to be funded by a new, UK-wide 1.25 per cent Health and Social Care Levy.

15. In common with previous years, the exact financial allocations for the Council will be released as part of the provisional local government finance settlement. The current expectation is that this will follow in December 2021.

16. Confirmation is awaited on the previously proposed longer term local government financial reforms, including:

- 75% business rates retention with the aim of ensuring local authorities have more control over the money they raise and incentives to grow and reinvest in their local economies;
- introducing reforms to the business rates retention system to increase stability and certainty;
- reviewing the funding formula that determines funding allocations through the annual local government finance settlement (Fairer Funding Review); and
- reform of the New Homes Bonus scheme.

Medium Term Financial Strategy (MTFS) Assumptions & Forecast

17. The MTFS provides a projection of the cost of delivering current council services over the next 5 years alongside the expected scale of demand and projections for income forecasts. This provides us with an estimated budget gap, from which the council will need to identify options that deliver savings or generate additional income across all areas of council spending

18. In developing these savings options there is a need to address the budget position across the full four-year period. This is vital in creating a strategic medium-term approach to addressing the savings challenges and allows for the inclusion of projects that may have a longer lead in time or need up-front investment.

19. The MTFS has been updated to reflect key areas where there is more up to date information available. It should be noted that assumptions will continue to be updated during the Autumn with the final update provided to Cabinet and Council as part of the budget papers in February 2022.

20. The financial modelling also includes the cost to the council of services commissioned through the council's wholly owned companies, Norwich City

Services Limited and Norwich Regeneration Limited. Income streams are also incorporated into the model from the council's provision of support services and loan financing to the companies.

Revenue Contribution to Capital

21. The main adjustment to the MTFS is in relation the council's interest in the Norwich Airport Industrial Estate (NAIE). The site is owned by Norwich City Council and held on express trust for Norfolk County Council, effectively giving joint ownership. Income derived from the estate is divided 60% Norfolk County Council and 40% Norwich City Council.
22. In July 2021 Cabinet approved the disposal of the airport industrial estate site. It is assumed that the estimated capital receipt will enable the capital programme for the next 4-5 years to be funded from receipts rather than requiring a contribution from the revenue budget. This contribution was previously assumed in the MTFS at £1.5m in 2022/23 onwards. To enable this, it is assumed the sales of the site will be completed by March 2023. The adjustment to the MTFS also takes into account the loss of the council's share of the net income generated by the industrial estate.

Housing Benefit

23. In recent years the council has seen reducing level 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, with an additional £0.3m pressure in 2022/23 compared to the February estimates. 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 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.

Council Tax and Business Rates

24. Any increase in the level of council tax is limited by referendum principles. In 2021/22 for a district council this was set at a maximum of 2% or £5 each year. For future years of the MTFS, the same referendum principles have been assumed at 1.99% with the maximum increase allowed being taken each year. An increase in the council tax base of 1% per annum is also assumed for estimated growth in the number of dwellings in the Council's area.
25. There remain areas of uncertainty in the tax base assumptions, in particular around levels of student exemptions, the impacts of the end of the furlough scheme on the council tax reduction scheme and the impacts of short supplies of building materials on when new property are completed. These factors will continue to be monitored closely over the coming months.
26. The forecasts for retained Business Rates income from 2022/23 assume current baseline funding amounts and do not take into account, as they are currently unknown, the potentially significant changes in funding arising from 75% Business Rates Retention and the Fairer Funding Review.

Short Term Growth

27. Included in the 2021/22 budget were £3.175m of short-term growth items, with the majority related to the impact of Covid-19 on the council's income streams in areas such as car parking, rental income, licensing income and fees and charge from cultural and leisure activities. Due to uncertainty over how long and to what extent these impacts will continue a high-level assumption was adopted in the February MTFS to unwind the short-term growth evenly over a two-year period.
28. Feedback has been sought from services on the levels of recovery and degree to which the short-term growth assumptions can be reversed. Overall, the estimated reversals of short-term growth in 2022/23 total £1.528m against the MTFS assumption of £1.546m. The recovery levels vary across the income streams with car parking remaining a significant area of challenge and uncertainty. As part of the ongoing work to reach a balanced budget position, the level of growth will continue to be scrutinised and managed downwards where possible.
29. The other key areas reviewed include:
- Payroll inflation – this has been retained at 2.5% per annum. An additional pressure has been included to reflect the 2021/22 pay award being above the 1% assumed in the current year budget. An additional 1% on the inflation adds approximately £210k extra cost on a permanent basis.
 - Increased inflation assumptions on non-pay expenditure. Economic forecasts from the Bank of England indicate short term rises in CPI before falling back to the 2% target over the medium term. Price increases are a key risk, in particular around building supplies and utilities. An additional 1% on the inflation assumptions for 2022/23 adds approximately £140k of cost on non-payroll expenditure.
 - Grant income estimates updated with assumed reductions over the MTFS period. A further year of revenue support grant has been included but no new New Homes Bonus allocation (just the legacy payments from prior years).
 - Updated borrowing assumptions based on the current external debt levels and the assumption of additional borrowing for the GF (in line with the 21/22 budgets). This is a key assumption and will be updated in line with the emerging capital programme and cashflow requirements.

Updated MTFS Position

30. Table 1 shows the medium-term financial projections for the years 2022/23 to 2025/26. The council's future funding is less than its projected spending on an annual basis. This means that the council will be required to generate ongoing income, bear down on demand and transform the way services are delivered in order to balance its budget in future years.
31. Given the scale of the financial challenge, the council cannot at this stage rule out the need for stopping some activities. Where this is required, the potential impacts will be considered.

32. The MTFS maintains the previous approach of presenting a strategy to deliver a smoothed savings requirement over a 4-year period and utilising general reserves (down the prudent minimum level of £5.1m).
33. The modelling shows a need to make permanent gross savings of £10.56m over the next four years, assuming demand-led growth of £0.75m per annum. This is a reduction on the position in February 2021 mainly due to the reduction in the revenue contribution to capital over the four-year period (paras 21 and 22). This benefit has been applied in 2022/23 to reduce the permanent savings requirement to £2.10m. The permanent savings need increases however to £3.25m in 2023/24 and 2024/25 before reducing to £2.00m in 2025/26 (Table 2).
34. Included in the 2022/23 projections are £1.537m of short-term growth items relating to the ongoing impact of Covid-19 on the council's income streams in areas such as car parking, rental income and licensing income. These will need to be met by an additional short-term savings requirement. Any other short-term growth emerging from the budget setting process will also need to be offset from additional short-term saving options.

Table 1:

£'000s	2022/23	2023/24	2024/25	2025/26
Budget base	22,910	23,975	25,992	28,301
Resources	(16,369)	(16,786)	(17,288)	(17,745)
Savings required (cumulative)	6,541	7,189	8,704	10,556
Permanent savings (cumulative)	(2,100)	(5,350)	(8,600)	(10,600)
Short-term savings	(1,537)	0	0	0
Required use of reserves	2,904	1,839	104	(44)

Table 2:

£'000s	2022/23	2023/24	2024/25	2025/26
Assumed annual service growth	750	750	750	750
Permanent savings requirement	(2,100)	(3,250)	(3,250)	(2,000)
Short term savings requirement	(1,537)			
Total saving requirement	(2,887)	(2,500)	(2,500)	(1,250)

35. The smoothed MTFS brings the forecast reserves down to the Prudent Minimum Balance of £5.1m by the end of 2024/25 (Table 3). After 2024/25 savings will still need to be required if any inflationary increases or growth in costs are not able to be offset by rises in council tax, business rates and other income generated by the council. These savings will need to be made without relying on reserve contributions to balance the budget.

Table 3:

£'000s	2022/23	2023/24	2024/25	2025/26
Balance brought forward	(9,980)	(7,076)	(5,237)	(5,133)
Transfer (to)/from reserves	2,904	1,839	104	(44)
Balance carried forward	(7,076)	(5,237)	(5,133)	(5,177)

Budget Principles

36. 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.

37. The council has identified several provisional themes that underpin the approach to addressing the medium-term financial challenges.

- **Fees and charges** – the council has a range of services that users pay for. Reviews will be undertaken to benchmark charges, understand future demand and identify potential additional revenue.
- **Contracts** – given the level of spend the council has with suppliers it will be necessary to review key contracts and service specifications in the context of the current financial situation. There will be opportunities through the procurement process as current contracts come to an end but also the potential to drive out savings through negotiation and specification changes.
- **Wholly-owned companies** – in 2020 the council took the decision to transfer the environmental services contract (April 2021) and housing repairs contract (April 2022) to the council's wholly-owned company Norwich City Services Ltd. The decision is expected to deliver significant benefits including:
 - greater direct influence and control over how services are provided;
 - the opportunity to refresh the specification of services provided to reflect current local, political, financial and environmental changes;
 - the opportunity to integrate with the council more effectively to provide a more seamless service to customers and users of services;
 - the opportunity for reduced costs when systems have been condensed and integrated – spreading costs across a wider base and increased buying power across the council.

As part of the process to transfer services significant investment has been made by the council into the new company, including IT capabilities. The next stage following the transfer of services is to deliver the efficiencies enabled by the investment, recognising that the council's wholly owned companies are commissioned from within the overall budget envelope.

- **Service Transformation** – Covid-19 has forced the council to change how it operates and how it delivers services to residents, with the increased use of technology and channel shift away from face to face to online support. Whilst it is important to guard against digital exclusion, there is an opportunity to embed the learning from the council's response to reimagine how services are delivered.

Building on the technological changes made to become a modern, flexible organisation. There may be opportunities to join up across teams in a more proactive way, with staff working towards clear outcomes rather than through specified processes, and empowering staff to achieve their objectives through greater trust and flexibility. Service reviews led by the senior management team are ongoing and will be looking at different delivery options and the use of technology to unlock efficiencies.

- **Driving value from our assets** – the council is in the process of undertaking a comprehensive review of all of its non-HRA land and property assets to prioritise those that need investment, are not financially performing, or are surplus to service needs will enable the council to make best use of its assets. In line with the approach being taken to identifying savings, the asset review is being carried out as close to the service as possible, as managers are best placed to understand the impact of assets on the delivery of service.
- **Inward investment and growth** – 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. The council will need to look at how it uses council and privately owned land to encourage inward investment and housing development. Such opportunities can generate income to the council (e.g. capital receipts) as well as grow our tax base to provide more sustainable sources of income over the longer term.
- **Commercialisation** – there is a benefit to developing commercial approaches to service delivery which focus on generating sustainable income streams. The council will need to consider proportionality and risk when commercialising services.
- **Stop doing some things** – While the budget approach aims to improve the efficiency of service, given the scale of the challenge, reductions to some services cannot be ruled out. With all options there will need to be a clear and robust analysis of the impacts.

Capital Programme

38. 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 funding, can be accommodated within the revenue budget.

39. The March 2021 budget paper set out a funding envelope of £1.5m for capital projects that require funding from the council (i.e. works not linked to grant funding or other contributions). The envelope was set at this level to balance the known capital requirements against the available funding (capital receipts levels and revenue contributions). As work progresses on the asset management strategy, the council will have a clearer picture of the future investment requirements and potential receipts from asset disposals.
40. The budget setting process will look to develop a capital programme which balances addressing ongoing maintenance and legislative requirements with investment in services which can drive service efficiencies and improvements. The capital envelope level will be reviewed in light of the identified capital priorities and assessed against the available funding options ahead of Budget Council in February 2022.

Budget Next Steps

41. Key next steps in preparing budget options and updating the MTFS are shown below:
- Officers continuing to develop and refine savings options, growth requirements and capital proposals - ongoing
 - Government's 3-year Spending Review (SR21) – October
 - Draft budget options to Cabinet for consideration before the end of 2021
 - Consultation period for the proposed budget options – late 2021 – early 2022
 - Provisional Local Government Finance Settlement – Date to be confirmed (assuming December)
 - Budget Scrutiny, Cabinet and Council in February 2022

Consultation

42. In line with the approach used in previous years, citizens, HRA tenants, partners and local businesses will be consulted on the proposed approach to meeting the savings target for 2022/23 and the proposed council tax level. Further detail on the timetable is shown in paragraph 41.

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 Corporate Plan 2019-22 and Budget.
44. There are no direct proposals in this report that would reduce or increase resources. The financial position of the council is the focus of the report with the financial implications of the medium-term modelling detailed throughout.

Legal

45. There are no specific legal implications arising from this report.

Statutory Considerations

Consideration:	Details of any implications and proposed measures to address:
Equality and Diversity	No direct implications.
Health, Social and Economic Impact	No direct implications.
Crime and Disorder	No direct implications.
Children and Adults Safeguarding	No direct implications.
Environmental Impact	No direct implications.

Risk Management

Risks

46. The SR21 outcomes are better or worse than projected.

47. The current forecasts on continuing impact of Covid 19 do not reflect the future impacts accurately.

48. Inflation and other assumptions vary in the medium term to worsen the medium term projections and subsequent ongoing financial shortfall.

Controls

49. The 2021/22 budget and MTFS include several mitigating actions in terms of risk management, namely:

- the budget risk reserve to manage the financial risks associated with both the future impacts of the pandemic and the delivery of the 2021/22 budget savings identified;
- a business change reserve to fund costs linked to the council's transformational change programme;
- earmarked reserves established to help mitigate the risk associated with commercial property acquisition and lending to Norwich Regeneration Limited;
- The maintenance of a Prudent Minimum Level of General Fund reserve;
- The requirement to produce robust Business Cases for large capital projects (many of which will generate commercial returns or savings) before Council approves the project within the capital programme.

50. It is currently intended to continue this approach to risk management throughout the development of the refreshed MTFS and budget processes for 2022/23 onwards, although it is important to reiterate the risks associated with the SR21.

51. All other risks identified through the corporate risk register will continue to be reviewed on a quarterly basis by cabinet.

Other Options Considered

52. There are no alternative options to this report.

Reasons for the decision/recommendation

For Cabinet to consider the Medium-Term Financial Strategy Corporate Overview.

Background papers:

None

Appendices:

None

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Committee Name: Cabinet

Committee Date: 13/10/2021

Report Title: Risk Management Policy & Strategy

Portfolio:	Councillor Kendrick
Report from:	Executive director of corporate and commercial services (S151 officer)
Wards:	All wards
OPEN PUBLIC ITEM	

Purpose

To review the updated risk management policy and risk management strategy.

Recommendation:

To approve the council's risk management policy and strategy.

Policy Framework

The Council has three corporate priorities, which are:

- People living well
- Great neighbourhoods, housing and environment
- Inclusive economy

This report meets all the corporate priorities

This report addresses healthy organisation strategic action in the Corporate Plan

Report Details

Background

1. The council's risk management strategy and corporate risk register are key elements of the corporate plan delivery structure, ensuring that risks to the achievement of the council's corporate and service priorities are identified and effectively managed. A risk management policy & strategy is a fundamental element of the risk management framework and contains the process and governance arrangements that all staff are expected to follow.
2. Risk management enhances strategic planning and prioritisation, assists in achieving objectives and strengthens the ability to be agile to respond to the challenges faced.
3. The risk management policy was last updated in November 2017 and is due for review.
4. The previous Interim Internal Audit Manager completed a review of the two documents and amalgamated all the key features into a single revised policy and strategy document. The aim being to bring the information into one accessible and informative format.
5. The draft risk management policy and strategy was reviewed by the Internal Audit Manager and comments incorporated, The document was then considered by the Corporate Leadership Team on 8 September. The draft version is attached at **Appendix 1**.

Key features

6. The document contains a definition of risk, the principles and benefits of risk management, and a scoring matrix based on the widely accepted 5 x 5 grid.
7. The policy also refers to the council's appetite for risk, and cabinet will be recommended to agree a maximum level of residual risk which it is prepared to accept as 15 on the scoring matrix, i.e. there should be no 'red' risks after mitigating controls have been taken into consideration. However, in exceptional circumstances cabinet can approve a residual risk in excess of the risk appetite if it is agreed that it is impractical or impossible to reduce the risk level below 16.
8. The document is intended to guide officers through the identification, recording, scoring and action planning for the mitigation of risks, and can be used at the corporate, directorate, project and service level.
9. One specific change is the approach to scoring risks. The previous strategy included a two-stage approach:
 - inherent risk level: an initial base level which ignores any controls which might already be in place;
 - residual level: an assessment after taking into account of any controls already in place.

10. The updated document scores risk on the following bases:

- Current residual risk level. The risk assessment taking into consideration the effectiveness of existing controls that are already in place that will have an impact on the likelihood and impact of the risk occurring;
- Target risk level. If the identified risk requires mitigation, actions will be identified that reduce the likelihood or impact of the risk. A target risk assessment should evaluate the risk exposure as if all the identified actions have been completed, reflecting how the planned actions are expected to reduce the overall risk rating.

11. The rationale for the change is to emphasise the current scores (with controls in place) and then the target score once any identified actions have been completed. This focuses on the expected impact of identified actions and can better show a direction of travel.

12. For new projects, inherent risks (assuming no existing key controls in place) will still be considered at the planning stage while controls are being identified and implemented.

13. There is a template for any risk register entry which sets out the key controls, current residual and target risk scores, together with any additional actions that managers consider necessary to further manage the risks.

14. Appendix 2 of the draft document details the roles and responsibilities in risk management. This includes the role of audit committee, which is:

- Monitoring adherence to the risk management policy;
- Reviewing risk management policy;
- Reviewing reports on the council's risk management processes in order to provide independent assurance of the adequacy of the risk management framework and the associated control environment;
- Raising any concerns on risk management with cabinet.

15. Following approval of the revised policy and strategy and plan for communication and training will be developed.

Summary

16. Effective risk management is a key element in delivering the council's corporate plan.

17. The proposed risk management policy and strategy are based on best practice.

Consultation

18. The draft Risk Management Policy & Strategy has been reviewed by the Corporate Leadership Team. Audit Committee reviewed the draft policy and strategy at its meeting of 21st September 2021 and recommended the document to Cabinet.

19. The purpose of this report is to enable Cabinet to review the proposed risk management policy and risk management strategy.

Implications

Financial and Resources

20. 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 2019-22 and Budget. There are no proposals in this report that would reduce or increase resources.

Legal

21. There are no specific legal implications arising from this report.

Statutory Considerations

Consideration:	Details of any implications and proposed measures to address:
Equality and Diversity	No direct implications.
Health, Social and Economic Impact	No direct implications.
Crime and Disorder	No direct implications.
Children and Adults Safeguarding	No direct implications.
Environmental Impact	No direct implications.

Risk Management

Risk	Consequence	Controls Required
A risk management policy is a fundamental element of the risk management framework and contains the process and governance arrangements that all staff are expected to follow.	Without an effective policy in place, the Council is at risk of being unable to demonstrate that it has designed a process for effectively managing risks that threaten the achievement of its objectives.	Effective Risk Management Policy & Strategy which is regularly monitored and embedded into business processes.

Other Options Considered

22. There are no alternative options to this report.

Reasons for the decision/recommendation

23. To recommend cabinet to approve the council's updated risk management policy and strategy.

Background papers:

None

Appendices:

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Risk Management Policy & Strategy

Document control

Version	Author	Date	Summary of changes
V1.0	G Jones	3/2021	Merge of policy & strategy & removal of LGSS references and old templates
V1.1	H Simpson	06/2021	Introduction wording & foreword
V1.2	H Simpson	09/2021	Inclusion of feedback from IA manager including: Clarification on residual and target risk Risk appetite

Next review date:	September 2024
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Foreword by Chief Executive

This risk management policy is fully supported by myself and other members of the corporate leadership team who are accountable for the effective management of risk within the council. Our Councillors have also shown during my time with the authority that they understand the importance of effective risk identification and mitigation and have been supportive of steps we've taken as a council to improve our approach over the past 18 months.

All officers of the council have a responsibility to recognise and manage risk in accordance with this policy and the associated risk management strategy. **Risk management is everyone's business.**

In Norwich City Council, risk management is about improving our ability to deliver our strategic objectives by managing our threats, enhancing our opportunities and creating an environment that adds value to ongoing operational activities.

I am committed to the effective management of risk at all levels of this council. This policy is an important part of ensuring that effective risk management takes place. It's important that we remain agile in our approach and treat effective risk management as an ongoing process of improvement – learn for both successes and mistakes.

Stephen Evans
Chief Executive

Introduction

This document encompasses the Council's policy and strategy in relation to risk management. It is intended to provide a framework for the management of risk and explain how the Council will ensure that it is managing risk effectively to increase the likelihood that business objectives will be achieved. It aims to:

- increase overall awareness of risk throughout the council and to enable managers and those responsible for risk reporting, to better identify, assess and control risks within their areas.
- define roles and responsibilities to help ensure the risk management process is understood and owned across the council
- provide advice on best practice and describe the different elements that need to be managed in order that risk management methodology is embedded in every layer of the council.

The Accounts and Audit Regulations 2015 state:

A relevant authority must ensure that it has a sound system of internal control which

- (a) facilitates the effective exercise of its functions and the achievement of its aims and objectives;*
- (b) ensures that the financial and operational management of the authority is effective; and*
- (c) includes effective arrangements for the management of risk.*

Norwich City Council seeks to ensure that services, delivered either directly or through others, are of a high quality, provide value for money and meet evidenced need. The council is a complex organisation that works with a wide variety of other organisations in different and varying ways. As a result, it needs to ensure the way it acts, plans and delivers is carefully thought through both on an individual and a corporate basis.

There are, however, many factors which might prevent the council achieving its plans, therefore we seek to use a risk management approach in all of our key business processes with the aim of identifying, assessing and managing any key risks which might be faced. This approach is a fundamental element of the council's code of governance and is explained in the following extracts:

- *The council recognises that risk management is an integral part of all activities and must be considered in all aspects of decision making. Robust and integrated risk management arrangements are in place and regularly reviewed to ensure that they are working effectively. Risk management is embedded into the culture of the Council.*
- *The council ensures that responsibilities for managing individual risks are clearly allocated, and the Corporate Risk register is reported to and reviewed by the Council's Corporate Leadership Team, Audit Committee and Cabinet on a regular basis.*

It is important to recognise that the council is not seeking to 'factor out' all risk, as this would not be a cost-effective use of scarce resources, but instead to manage risk in a proportionate manner relative to the severity of the risk. It is also important to remember that risks must be managed, but not avoided to the extent that innovation and opportunities are stifled.

What is risk?

1. The council's definition of risk is:
"Factors, events or circumstances that may prevent or detract from the achievement of the council's priorities and service plan objectives."
2. Risk is an event, which if it crystallises, could adversely impact on the work of the Council. It may be a one-off event, repeated events or progressive continuum.

Risk management objective

3. Risk management is the process by which risks are identified, evaluated and controlled within the council's risk appetite. It is a key element of the council's governance framework.
4. The council will operate an effective system of risk management which will seek to ensure that risks which might prevent the council achieving its plans are identified and managed on a timely basis in a proportionate manner. In practice this means that the council has taken steps to ensure that risks do not prevent it from achieving its priorities or objectives.

Risk management principles

5. The policy establishes the following risk management principles:
 - The risk management process should be consistent across the council, clear and straightforward and result in timely information that helps informed decision making
 - Risk management should operate within a culture of transparency and openness where risk identification is encouraged, and risks are escalated where necessary to the level of management best placed to manage them effectively
 - Risk management arrangements should be dynamic, flexible and responsive to changes in the risk environment
 - The response to risk should be mindful of risk level and the relationship between the cost of risk reduction and the benefit accruing, i.e. the concept of proportionality
 - Risk management should be embedded in everyday business processes and risks managed in line with the council's risk appetite.
 - Officers of the council should be aware of and operate the council's risk management approach where appropriate
 - Directors should be aware of the council's risk management approach and of the need for the decision-making process to be informed by robust risk assessment.

Appetite for risk

6. With limited resources it is inappropriate for the council to seek to mitigate all of the risk it faces. The council therefore aims to manage risk in a manner which is proportionate to the risk faced, based on the experience and expertise of its

senior managers. The main types of risk areas the Council will face are detailed in Appendix 2.

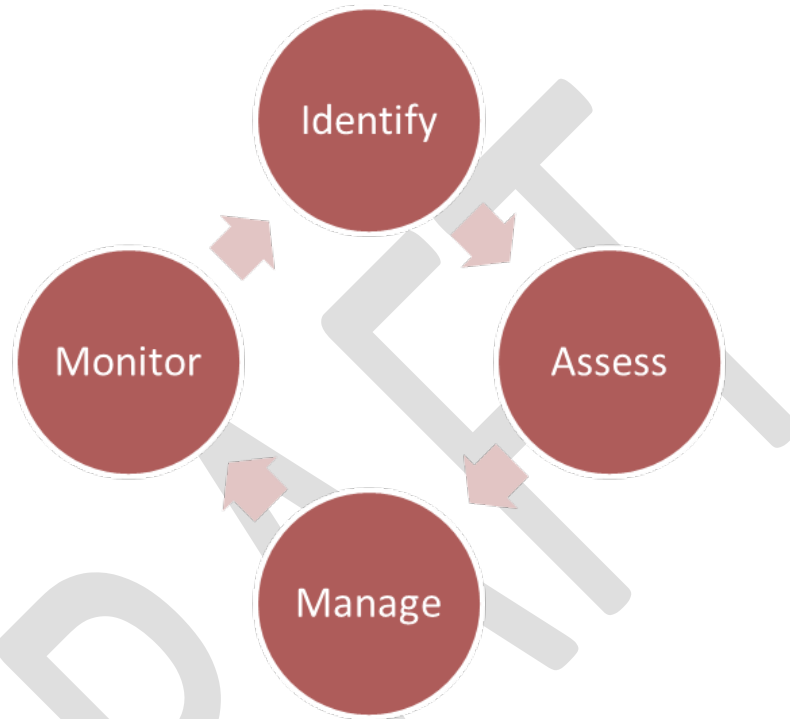
7. Risks will be taken in a considered and controlled manner to ensure exposure to risks is kept to a level deemed acceptable by the Council. CLT has defined the maximum level of residual risk which it is prepared to accept as a maximum risk score of 15 in line with the scoring matrix attached at Appendix 1. CLT will apply judgement when determining which risks are monitored via the corporate risk register, which may mean lower scoring risks are included, for example where there is a high reputational risk.
8. The acceptable level may vary from time to time and some risks may be accepted above the agreed acceptable level because:
 - The likelihood of the risk occurring is deemed to be sufficiently low
 - There is the potential to enable the realisation of considerable reward/benefit
 - They are considered too costly to control given other priorities
 - The cost of controlling them would be greater than the cost of the impact should they materialise
 - There is only a short period of exposure to them
 - They are considered essential to the achievement of aims and objectives
9. Other areas of risk, such as small projects or health and safety, may have a different risk appetite depending on the circumstances, but only if they do not impact on council priorities or service plan objectives.
10. All employees should systematically and promptly report to their manager any perceived new risks or failures of existing control measures for consideration.

Benefits of risk management

11. Benefits include:
 - Alerting directors and officers to key risks which might prevent the achievement of the council's plans, in order that timely mitigation can be developed to either prevent the risks or minimise impact should they occur.
 - Ensuring that directors and officers are fully aware of any key risk issues associated with proposals being considered at the point of decision making.
 - Greater risk awareness and an improved and cost-effective control environment, which should mean fewer incidents and other control failures and better service outcomes by allowing senior management to focus and prioritise mitigation of the most significant risks and opportunities.
 - Providing assurance to directors and officers on the adequacy of arrangements for the conduct of business. It demonstrates openness and accountability to various regulatory bodies and stakeholders more widely.
 - Allowing the council to take informed decisions about exploiting opportunities, ensuring that we get the right balance between rewards and risks.

Risk management approach

12. The risk management approach adopted by the council is based on identifying, assessing, managing and monitoring risks at all levels across its activities. This approach is based upon the standard management cycle shown in the diagram below. The detailed stages of the council's risk management approach are shown in **Appendix 3**.



Awareness and development

13. The council recognises that the effectiveness of its risk management approach will be dependent upon the degree of knowledge of the approach and its application by officers and directors.
14. The council is committed to ensuring that all directors, officers, and partners where appropriate, have sufficient knowledge of the council's risk management approach to fulfil their responsibilities for managing risk. This will be delivered through formal training programmes, risk workshops, briefings, and internal communication channels. More information can be obtained by contacting the Head of Finance, Audit & Risk.

Conclusion

15. The council will face risks to the achievement of its plans. The risk management approach detailed in this policy should ensure that the key risks faced are recognised, and effective measures are taken to manage them in accordance with the defined risk appetite.

Appendix 1

Scoring matrix

Impact	Very High	5	5	10	15	20	25
	High	4	4	8	12	16	20
	Medium	3	3	6	9	12	15
	Low	2	2	4	6	8	10
	Negligible	1	1	2	3	4	5
			1	2	3	4	5
			Very rare	Unlikely	Possible	Likely	Very Likely
Likelihood							

Colour	Score	Detail
Red	16 +	<p>Risks scored here represent a severe threat to the delivery of the Council's objectives and service delivery and are outside of the risk appetite of the Council. Risks scored at this level should be treated as a priority and actions identified to address the risk. Such risks should be escalated through the management reporting line to CLT. Reporting on progress will be required quarterly to CLT and Cabinet and twice yearly to Audit Committee.</p> <p>In exceptional circumstances residual risk in excess of the risk appetite can be approved if it is agreed that it is impractical or impossible to reduce the risk level below 16.</p>
Amber	5 to 15	<p>Risks scored here represent a moderate threat to the delivery of the Council's objectives and service delivery. They are within the risk appetite of the Council with some proportionate mitigation and regular monitoring required. Risks will be monitored quarterly through Directorate Risk Registers. For items escalated to the corporate risk register these will be monitored quarterly by CLT and reported to through to Cabinet and Audit Committee.</p>
Green	1 to 4	<p>Risks here represent a minor threat to the delivery of the Council's objectives and service delivery and are within the risk appetite. Review required to ensure risk score does not change/increase, however these risks can be managed at operational/service level.</p>

Risk Management Policy & Strategy - DRAFT

Impact guidance

The following table provides examples for the scoring of the impact of a risk:

	Negligible 1	Low 2	Medium 3	High 4	Very High 5
Legal and Regulatory	Minor civil litigation or regulatory criticism	Minor regulatory enforcement	Major civil litigation and/ or local public enquiry	Major civil litigation setting precedent and/ or national public enquiry	Section 151 or government intervention or criminal charges
Financial	<£50k	<£100k	<£250k	<£500k	>£500k
Service provision	Insignificant disruption to service delivery	Minor disruption to service delivery	Moderate direct effect on service delivery	Major disruption to service delivery	Critical long term disruption to service delivery
People and Safeguarding	Slight injury or illness	Low level of minor injuries	Significant level of minor injuries of employees and/or instances of mistreatment or abuse of individuals for whom the council has a responsibility	Serious injury of an employee and/or serious mistreatment or abuse of an individual for whom the council has a responsibility	Death of an employee or individual for whom the council has a responsibility or serious mistreatment or abuse resulting in criminal charges
Reputation	No reputational impact	Minimal negative local media reporting	Significant negative front page reports/ editorial comment in the local media	Sustained negative coverage in local media or negative reporting in the national media	Significant and sustained local opposition to the council's policies and/or sustained negative media reporting in national media
Project	Minimal effect on budget or overrun	Project overruns or over budget	Project overruns or over budget affecting service delivery	Project significantly overruns or over budget	Project failure
Sustainability and Environment	Minimal or no impact on environment or sustainability targets	Minor impact on environment or sustainability targets	Moderate impact on environment or sustainability targets	Serious impact on environment or sustainability targets	Very serious impact on environment or sustainability targets

Appendix 2

Roles & Responsibilities

Who	Risk Management Role
Cabinet	<ul style="list-style-type: none"> Ensuring corporate risks are identified and effectively managed across the council Approving the risk management policy including the risk appetite Ensuring periodic review of the policy is undertaken Considering risk in its decision making Receiving reports on significant risk issues
Audit Committee	<ul style="list-style-type: none"> Monitoring adherence to the risk management policy Reviewing risk management policy Reviewing reports on the council's risk management processes in order to provide independent assurance of the adequacy of the risk management framework and the associated control environment Raising any concerns on risk management with cabinet
Chief Executive	<ul style="list-style-type: none"> Overall responsibility and accountability for leading the delivery of an effective council-wide risk management approach Ensuring that the corporate risk register and service risk registers are subject to regular review
Corporate Leadership Team	<ul style="list-style-type: none"> Ensure consideration of risk setting the council's direction of travel. Approve the risk management policy for onward approval by cabinet and ensure periodic review is undertaken Be aware of and consider risk relating to their area of responsibility Overall responsibility and accountability for leading the delivery of an effective council wide risk management approach Ensuring that the council's risk register and directorate risk registers are subject to regular review. Owning and leading the council risk management process Reviewing significant council risks Receiving urgent risk reports as necessary Ensuring that risk is given due consideration in all management processes

Risk Management Policy & Strategy - DRAFT

Who	Risk Management Role
Executive Director Corporate & Commercial Services	<ul style="list-style-type: none"> • Championing and taking overall responsibility for seeking to ensure that effective risk management processes operate throughout the council
Executive Directors	<ul style="list-style-type: none"> • Reviewing area risk registers on a quarterly basis with heads of service. • Ensuring that risk is given due consideration in all management processes • Ensuring that risks identified within their area are managed at an appropriate level, including escalation to CLT level where appropriate • Working with staff within their area to use the risk management approach in assisting the delivery of outcomes • Driving the development and embedding of effective risk management across their area • Information exchange on emerging risks
Head of Finance, Audit & Risk	<ul style="list-style-type: none"> • Providing guidance, advice & support on the council's risk management approach • Coordinating risk management across the council • Maintaining the central record of the corporate risk register • Arranging risk management awareness, support and training for managers, staff and members • Compiling reports as appropriate for the corporate leadership team, cabinet and the audit committee
All Staff	<ul style="list-style-type: none"> • Understanding their accountability for individual risks • Reporting systematically and promptly to their manager any perceived new risks or failures of existing control measures • Completing any risk management training relevant to the post.

Who	Risk Management Role
Internal Audit Manager	<ul style="list-style-type: none">• Providing guidance, advice & support on the council's risk management approach• Facilitating risk workshops• Performing quality and performance checks on risk management documents• Arranging risk management awareness, support and training for managers, staff and members• Planning and delivering internal audit reviews of the internal control environment which helps to provide independent assurance on the risk management process• Developing a risk-based Internal Audit Programme

Risk Management Processes

Risk Recording

- 3.1 It is important that all stages of the risk management process are recorded to allow risks to be managed effectively on a dynamic basis. A standard risk register template is shown at Appendix 5.

Risk Identification

- 3.2 The identification of risk is the most difficult aspect of risk management as once a risk is identified the structured process of risk management should mean that the risk is fully evaluated and managed appropriately. Officers are therefore encouraged to devote sufficient time to it such that all key risks are recognised and appropriately managed.
- 3.3 There are several risk perspectives:
- Corporate - Those risks, which if they occurred, would have a major impact on the organisation or delivery of its priorities. Corporate risks also include cross cutting risks that impact across directorates.
 - Change related (Programme / Project) – where the council is exposed to risks that could affect its ability to successfully complete the desired transformational outcomes or deliver projects objectives.
 - Operational – where we are exposed to risks that could affect our control and ability to successfully and continually deliver or commission services to our service users / residents.
- 3.4 Risk identification should include consideration of any risks associated with missed opportunities, e.g. failure to take advantage of external funding opportunities.
- 3.5 Risk is best identified by means of a risk workshop at management team level where each team member is able to identify their perspective of risk without influence from other team members, although the outputs from this process are then subject to full team review to give a consensus on the main risks faced by that team. Other risk identification approaches can also be effective, e.g. open discussion at team meetings.
- 3.6 Risk registers should be prepared down to the lowest appropriate level in each directorate at management discretion but usually with a minimum of two levels in accordance with best practice.
- 3.7 The detailed responsibilities of support roles can be found in **Appendix 2**.
- 3.8 To assist risk identification, **Appendix 4** lists the types of risks which might be faced. However, it should be recognised that this list is simply a guide and is not exhaustive.

- 3.9 Risks should be clearly articulated to ensure there is a clear understanding of the risk. Risk descriptions should be expressed in negative terms and will refer to risks arising either from council actions or from external factors, e.g. 'The council does not'; 'The council fails to'; 'Failure to'; 'Supply chain failure'; 'Industrial action'.

Cause and Effect

- 3.10 At the point of risk identification, the possible causes of the risk and the likely effects if the risk were to occur should be identified to give a good understanding of the dynamics of the risk:
- Cause naturally leads to the identification of the mitigating actions necessary to either prevent the risk occurring or to recover quickly from the risk should it occur;
 - Effect assists in understanding the impact of the risk and hence it's scoring.

Risk Ownership

- 3.11 The effective management of risk requires that each risk should have a named owner (post title). Ownership should be vested at individual post level and not team level.

Escalation of Risk

- 3.12 In the interests of empowerment each risk should be managed at the lowest appropriate level of management. However, if it is considered that a risk identified at one management level cannot be effectively managed at that level, the risk should be escalated up the management chain until it reaches the level at which it can be effectively dealt with.
- 3.13 All risks scoring above the risk appetite (score above 15) should be escalated to CLT for monitoring and consideration for inclusion on the Corporate Risk Register.

Scoring of Risk

- 3.14 In order to assess the impact of risk in a consistent manner a scoring methodology has been adopted which takes account of the two distinct aspects of risk:
- The likelihood of the risk occurring.
 - The impact if it does occur.
- 3.15 The scoring methodology is expressed in the 5x5 scoring matrix as attached at Appendix 1. The matrix itself is supported by descriptors, over various elements, for the impact element of the risk. The impact score selected will be the highest score for any of the descriptor elements (N.B. not all may apply).
- 3.16 The risk will be scored in two stages:

- **Current residual risk level.** The risk assessment taking into consideration the effectiveness of existing controls that are already in place that will have an impact on the likelihood and impact of the risk occurring.
- **Target risk level.** If the identified risk requires mitigation, actions will be identified that reduce the likelihood or impact of the risk. A target risk assessment should evaluate the risk exposure as if all the identified actions have been completed, reflecting how the planned actions are expected to reduce the overall risk rating.

3.17 For new projects, inherent risks (assuming no existing key controls in place) will still be considered at the planning stage while controls are being identified and implemented.

Risk Mitigation

3.18 Mitigations in place, and known to be operating effectively, should be identified. Future actions to mitigate identified risks should be detailed along with the action owners and timescales for completion.

3.19 Identifying gaps in existing controls and identification of the actions that are needed to improve the mitigation of risks in line with both Council's risk appetite will involve employing either one or a mix of the following:

Acceptance	Where the level of the risk falls below the Council's risk appetite and a conscious decision is made to accept that risk and to take no further action other than ongoing monitoring and periodic review. Sometimes referred to as tolerate.
Avoidance	Where the actions causing the risk are avoided; for example, withdrawing from a particular activity, project or service.
Reduction	Take action to reduce the level of risk by reducing either the impact or the likelihood of the risk event occurring.
Transferring	Transferring most or some of the risk to a third party. The main types are insurance and outsourcing.
Sharing	Risk sharing is the distribution of risk to multiple organisations for example during a project with a number of stakeholders involved.

3.20 However, it is not appropriate for the council to attempt to manage all the risks which it faces – sometimes it is more effective to **terminate** the risk. This may mean ceasing the activity likely to trigger the risk or simply doing something in a different way that eliminates the original risk.

Action Planning

3.21 The residual risk score should be evaluated and an assessment made if this level of risk is appropriate.. The council has defined its maximum risk appetite as not accepting a residual risk score of 16 or more unless actions are planned to

reduce the score to below this level on a timely basis. In exceptional circumstances the CLT can approve a residual risk in excess of the risk appetite if it is agreed that it is impractical or impossible to reduce the risk level below 16.

- 3.22 Otherwise the appropriate level of residual risk should be based on the experience of the manager responsible for managing the risk.
- 3.23 In determining the mitigation required to manage a risk, regard must be had to the proportionality of the cost of the mitigation to the cost impact if the risk occurs, i.e. it would make no sense if the cost of the control exceeded the cost of the impact.
- 3.24 If the risk score is deemed to require adjustment, i.e. either reduction or increase, actions should be designed accordingly which must be assigned to a named owner and set an achievable specified target completion date.

Risk Monitoring

- 3.25 A full review of risk should be undertaken on a quarterly basis at all levels of management, i.e. CLT, directorate and team, to ascertain:
- If all relevant risks are included;
 - If any risks can be closed;
 - The progress in implementing agreed actions.
 - If residual risk scores should be re-evaluated, e.g. to reflect completed actions.
- 3.26 Managers should have regard to potential risks at all times and should use the risk management approach to help them analyse and manage such risks at the point they are identified. Managers should not wait for the next quarterly CLT review.

Risk Reporting

- 3.27 The corporate leadership team (CLT) will, on a quarterly basis, review the council's risk profile and details of business areas' residual risks in excess of the council's risk appetite (red risks).
- 3.28 The Corporate Risk Register will be reported to Cabinet on a quarterly basis as part of the Combined Performance Report.
- 3.29 In addition to its inclusion in the quarterly performance monitoring reports, a risk management report will be provided to the audit committee twice yearly so that the committee can fulfil its oversight function.
- 3.30

Risk Management in other Business Processes

- 3.31 The risk management processes defined in other business processes should be complied with. Other business processes include:
- **CLT decision making**

It is critical for effective decision making that the decision makers are provided with details of the risks associated with each proposal being considered.

- **Service planning**

As with CLT decision making it is critical that senior managers and ultimately directors understand the risks associated with the plans being designed by the council at the point of design.

- Service plans should have a risk section and require the service to identify risks and how they will be managed.
- Presentations to CLT on budget proposals should highlight key risk issues.

- **Project management**

Risk (and issue) management is a key element in delivering an effective project management methodology.

- **Contracts and collaborative relationships**

Effective contract and relationship management is of vital importance.

- **Health and safety**

The council's health and safety policy is also a key component of the structure of controls contributing to the management and effective control of risks affecting staff, contractors and the general public.

- **Business continuity planning**

It is important for the council to establish business continuity management arrangements to ensure that it can continue to deliver business critical services if business disruption occurs.

Risk identification

- 4.1 The checklist below is an aid to managers in risk identification. However, the checklist cannot be exhaustive, and you may identify other areas where you foresee there might be risks or opportunities.
- 4.2 Managers should recognise that the use of the “right” categorisation is not critical and is simply an aid to assist the identification of risk. The critical factor is that all key risks are identified and then managed effectively.
- 4.3 The first stage of risk identification is making sure that the objectives of the area being assessed are clearly understood in accordance with the council’s risk definition:
- “Factors, events or circumstances that may prevent or detract from the achievement of the council’s priorities and service plan objectives”.**
- 4.4 A risk may relate to the non-achievement of all or a number of council priorities or a single priority.
- 4.5 Please note that, depending on how a risk is worded, you may wish to reflect areas detailed below as the cause of a risk rather than a risk in its own right, e.g. ‘Changes in demography’ may be recorded as a cause of ‘Customers are not provided with the services they need’.

Risk category	When thinking about possible risks that could affect the different categories you might like to consider the following areas:
Customer Perspective	<ul style="list-style-type: none"> • Effects on social wellbeing, e.g. changes in economic conditions • Environmental issues, e.g. the effects of climate change, progressing the council’s strategic objectives e.g. the disposal of waste
Finance and Resources	<ul style="list-style-type: none"> • Ineffective financial planning including budget preparation • Weaknesses in workforce planning • Ineffective budget management • Loss or reduction in funding • Missed opportunities for obtaining additional funding • Failure to manage the council’s cash assets effectively, i.e. treasury management function • Failure to manage non-cash assets effectively

Processes and Systems	<p>Regulators:</p> <ul style="list-style-type: none">• Non-compliance with regulatory expectations• Non-compliance with legislative requirements, e.g. health and safety, equalities, data protection, environmental legislation, employment law, etc.• The council does not act within its statutory/legal powers. <p>Partners/Suppliers:</p> <ul style="list-style-type: none">• Poor partnership agreements/arrangements/relationships• Suppliers/partners do not provide effective, efficient and economic services to the council, e.g. a major contract fails <p>General</p> <ul style="list-style-type: none">• Weakness in procedures/systems that could lead to breakdown in service• Criminal or corrupt activity• Incorrect/unreliable/untimely information
Learning and Growth	<ul style="list-style-type: none">• Not having staff with the right skills and experience• Failure of key projects and programmes

Template register

Current template:

Risk:			Owner:			Category:		Risk Direction:		
			Current Residual Risk				Target Risk			
Description/Triggers	Impact	Mitigation	Date Raised	Impact	Likelihood	Score	Risk Strategy	Impact	Likelihood	Score
•	•	•								
			Risk Control Action							
			Action		Owner	Target Date	Update			
			Comments:							



Committee Name: Cabinet

Committee Date: 13/10/2021

Report Title: To award a contract for the installation of a **New District Heating System at Barnards Yard, Norwich**

Portfolio:	Councillor Harris - Deputy leader and social housing
Report from:	Executive director of community services
Wards:	Mancroft
OPEN PUBLIC ITEM	

Purpose

To consider awarding a contract for the installation of a new district heating system at Barnards Yard, Norwich.

Recommendation:

To approve the award of a contract for the installation of a new district heating system at Barnards Yard, Norwich to J Tomlinson Limited. The contract is valued at £1,829,505.02.

Policy Framework

The Council has three corporate priorities, which are:

- People living well
- Great neighbourhoods, housing and environment
- Inclusive economy

This report meets the great neighbourhoods, housing and environment corporate priority.

This report addresses the good quality housing strategic action in the Corporate Plan.

This report helps to meet People living well adopted policy of the Council.

This report helps to meet the housing, regeneration, and development objective of the COVID-19 Recovery Plan.

Report Details

Identification of need

1. In 2018 the Council disposed of Mary Chapman Court which contained the heating plant room for the adjacent Barnards Yard. The Council received a capital receipt for the sale of the land and a proportion of the receipt was allocated to the HRA to enable provision of a temporary heating solution whilst alternative options were investigated as agreed by Cabinet in July 2018.
2. Investigations have since taken place for the installation a new permanent heating solution to replace the temporary gas-powered plantroom.
3. Initial plans were to install a ground source heat pump. To determine that a ground source method utilising heat from water existing in boreholes would be suitable for Barnards Yard, trial core drilling was carried out at the site in June 2020. However, after further investigation, an alternative heat pump system utilising water as a renewable energy source which derives heat from the adjacent River Wensum, was found to be more viable. This report details the installation of the new system.
4. The new system will be a Water Source Heat Pump System (WSHP). WSHP systems are generally acknowledged to be more efficient than Ground or Air source devices as river temperatures are higher and more stable than ground or air temperatures and heat is transferred more efficiently from water.
5. Water will be removed from the Wensum (Abstraction) and pumped to a new plant room before it is returned to the Wensum (Discharged). A small amount of heat is taken from the abstracted water before it is discharged back into the river. At no point is the river water mixed with water to be used in the dwellings.
6. The new system will provide space and hot water heating to 85 dwellings from this renewable source. The previous fuel used to provide space heating and hot water was natural gas, a carbon generating fossil fuel. The new system will be electrically powered so no particulates will be created onsite by combustion. All electricity used on this development will be generated from a renewable source via our ESPO energy procurement.
7. The scheme will involve the removal of the existing temporary gas fired plant room located in the corner of the parking area within the courtyard.
8. It will be replaced with a permanent plant room constructed of brick with a double pitched tiled roof. The design and colour of materials will match the housing blocks at Barnards Yard.

9. This new plant room will house two custom built Titanium Heat Exchangers to extract the heat from the water 365 days a year strictly in line with the Environment Agency regulations. These will then feed five heat pumps which will work together to ensure balanced and monitored usage to maximise performance and life expectancy. The heat generated by the heat pumps will in turn heat water stored in buffer vessels within the plant room. This heated water will be pumped to each dwelling to provide space and hot water heating.
10. The existing original internal hot water and space heating pipework with radiators and associated plant will be stripped out (it was installed between 1976 -1982). All space heating and hot water pipework will be replaced. New larger radiators will be provided with individual temperature controls. Each dwelling will have its own individual combination Heat Interface Unit (HIU) that regulates space and hot water heating within each property. All communal pipework will be replaced and insulated to minimise heat loss.
11. A computerised Building Management System (BMS) will be installed in the new plant room. It will monitor the operation of the whole WSHP installation including the abstraction and discharge of water from the River Wensum in line with the EA requirements. It will include a remote monitoring dashboard to notify of any problems within the system and all data required to measure energy usage within the plant room and in each individual dwelling. This will enable energy usage to be accurately calculated and billed for each property.
12. This system is necessary to be able to calculate energy usage and the energy savings that will occur over the 20 years for which the Renewable Heat Incentive funding will be paid back to the council.
13. This system is also required to enable the council (as a Heat Network Operator) to comply with the new Heat Network (Metering and Billing) (Amendment) Regulations 2020.
14. The new plant room located within the car park area will have an impact on the existing car parking layout within Barnards Yard. The council have allocated funding for a separate scheme to rationalise the layout of car parking, planting and bin storage on the site. This scheme is not covered by this Cabinet Report. This scheme will be carried out in consultation with all stakeholders and funded using the Estate Aesthetics budget.

The benefits

15. This scheme has been awarded Non-Domestic Renewable Heat Incentive (NDRHI) funding via a TG:3 guarantee (tariff guarantee) already in place. The up-front capital costs of the scheme will be paid from the council's HRA Capital budget. The NDRHI will reimburse the council over a 20-year period. Minimum repayments are estimated at a total of £600,000 over the next 20 years, based on the energy savings calculated by the BMS system.

16. The payment over 20 years of the Non-Domestic Renewable Heat Incentive funding by Ofgem will occur as soon as the plantroom has been commissioned and is generating heat. Payments will be made to the council quarterly, within 40 days of receipt of meter readings. Whilst a completion date of 31st March 2022 is intended for the installation of the plantroom, there is no risk to the tariff guarantee should the project slip beyond this date, provided that a commitment to the scheme is demonstrated, i.e. it has commenced and is making progress towards completion.
17. WSHP systems are generally acknowledged to be more efficient than Ground or Air source devices. This system is expected to produce 4.71Kw's of heat for every 1Kw of electricity purchased.
18. This scheme will provide significant reductions in CO2 emissions per annum. Compared to the existing gas fired system it is anticipated that annually 270 tonnes approx of carbon will **not** be emitted into the atmosphere. A mature tree can absorb up to 21kg of CO2 per year. This equates to the work 12,857 fully grown trees would absorb every year. As one tonne of carbon has a volume of 556.2/m3 this scheme equates to almost 150,000 m3 of carbon reduction per annum.
19. This scheme involves the replacement of the existing basic mechanical controls. The existing systems are also poorly insulated. New installations within the dwellings will incorporate A-rated appliances with improved thermal insulation and efficient modern user controls.
20. There are no products of combustion or discharge of particulates into the courtyard area as the plant room will not require a flue outlet.
21. There are substantial savings on the cost of running the WSHP system when compared to the existing gas fired system. The existing gas system uses approximately £50,000 of gas per annum (calculated from utilities bills provided by NPSN). The new system powered by renewable electricity is expected to cost around £30,000 per annum (based on 19p per/Kwh electric). This equates to savings of approximately £20,000 per annum. For the 20-year duration of the NDRHI funding, this represents a saving on the cost of supplying energy of £400,000.
22. These savings will contribute towards the provision of affordable warmth and the alleviation of fuel poverty as running costs will be lower than at present.
23. The installation of a new metering and billing element will mean that tenants and leaseholders can be accurately billed for the hot water and space heating that only they use.
24. The removal of water storage in dwellings will eliminate the need for inspections for the unvented cylinders, and reduces the risks associated with stored hot water such as contracting Legionnaire's disease and other associated conditions.
25. The Energy Performance Certificate will be improved by the ability to reduce energy consumption.

26. The single plant room used in a district heating system reduces maintenance as opposed to the use of 85 separate boilers within dwellings with all of the necessary visits, checks, repairs etc. associated with that type of system.

Leasehold and Freehold Properties

27. There are a total of 85 properties included in the scheme. Of which:

- 54 are tenancies directly managed by the council
- 18 are leasehold properties (21%).
- TWO (2) are freehold properties (two other freehold properties are disconnected the scheme) Freehold properties are not obliged to contribute to the scheme irrespective of any consultation.
- Eleven have been leased by the council to charities providing supported housing.

28. In January 2020 the head of neighbourhood housing in consultation with the director of neighbourhoods considered whether it was reasonable and practicable to levy charges for these major works and therefore whether to commence consultation under Section 20.

29. It was noted that properties affected had been disconnected from the original boiler house as the HRA land on which it was sited, Mary Chapman Court, had been sold as part of an adjacent development.. The previous system was not at its end of life and the leaseholders did not benefit directly from the sale. In consequence, it was considered unlikely that leaseholders would be charged for the costs of the project and no consultation was undertaken.

30. The final tender prices for the project (July 2021) and the slightly reduced amount of grant funding from the government have changed since reporting in 2018. The amount which will be subsidised by the HRA is outlined below:

The capital costs of the scheme	£1,829,595
Renewable Heat Incentive Funding	£ 600,000
Balance	£1,229,595

HRA subsidy (leasehold/freehold homes)	£ 289,316
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31. The Council's scheme of delegation states that Chief Officers are empowered to:
- (i) Make such decisions and initiate such actions as they deem necessary in the interests of efficient delivery and improvement of services within their area of responsibility. Decisions between £200k - £499k will be taken in consultation with the relevant Portfolio Holder. All material or significant decisions (see page 84) affecting individual Wards will be notified to the local Ward member(s).
32. In theory (and subject to detailed consideration) up to 21% of the net costs of the project could have been chargeable to leaseholders (£258k).

The decision on whether or not to recoup the costs of the scheme from the leaseholder can therefore be taken by a Chief Officer in consultation with the Portfolio Holder. The decision not to recharge leaseholders will be made on the basis that the disposal of the adjacent site, for which the Council received a capital receipt resulted in the loss of the heating plant before end of life and the leaseholders were not direct beneficiaries of the capital receipt.

Procurement process

33. The procurement team have been working with NPS Norwich Ltd (NPSN) to look at the design and installation of the water source heat pump at Barnards Yard, Norwich.
34. Initial views were that a ground source heat pump would be a solution. Procurement activity ensued and research into ground source heat pump frameworks identified a route available to the council via a specialist Fusion 21 Framework (Construction Works and Improvements framework – Lot 1A Housing internal and external refurbishment) as being able to provide a suitable supplier to carry out the works.
35. The framework allows a direct award and is compliant to Public Contract Regulations. The suppliers offering these services are accredited to the framework and have already been vetted and overall capability proven.
36. In January 2020, expressions of interest, via the Fusion 21 Framework, were invited for the two-stage project. In March 2020, Fusion 21 confirmed that the only framework supplier interested in the two-stage design and installation of this project was J Tomlinson Limited.
37. As described at Point 2 above, in June 2020 trial core drilling was carried out by J Tomlinson Limited and after further investigation the water source heat pump system was found to be more viable.
38. Through a compliant procurement process through the Fusion 21 framework, in March 2021, J Tomlinson Limited were awarded the contract to undertake the Stage 1 Pre-Construction Services Agreement to prepare the design and to secure the RHI funding. This also included significant involvement from the Environment Agency (EA), whose approval for the scheme was required, and a guaranteed Renewable Heat Incentive (RHI) tariff was secured.
39. The contract values of the trial core drilling process and Stage 1 of the project were not a key decision and Cabinet approval was not required.
40. The value of Stage 2 of the project however is a key decision and is the subject of this report.
41. On 21 July 2021, J Tomlinson Limited submitted their fully costed design proposal for the water source heat pump installation (Stage 2) as below:

1.	Works	£1,339,181.44
2.	Provisional sums and contingency	£118,000.00

3.	Preliminaries, Margin and Fusion 21 fees	£372,413.58
	OVERALL TOTAL	£1,829,595.02

42. A full evaluation of the proposal and costings submitted by J Tomlinson Limited was carried out by Fusion 21 and NPSN. It was concluded that the proposal provides the council with an exemplary solution for the replacement of the existing temporary gas heating system at Barnards Yard for the following key reasons:

- Fusion 21 confirms the Preliminaries and Margin elements align with those set out in the Framework and are compliant with the Framework terms and conditions.
- Fusion 21 agree that these costs be accepted by the council due to there being sufficient transparency in the open book approach.

43. It should also be noted that J Tomlinson Limited have gained eight sustainability awards in the last three years for various schemes including energy efficiency projects with special commendations for large scale projects and RHI installations.

44. As they are the only supplier offering the services under the specialist Fusion 21 framework, we are recommending that J Tomlinson Limited be awarded the contract.

Consultation

45. Councillor Harris - Deputy leader and social housing has been briefed on the report.

46. These works are not subject to leaseholder consultation.

47. Residents have received outline communication regarding the proposed scheme and access to a limited number of dwellings has been necessary to be able to fully design the scheme.

48. The process of designing the scheme has involved detailed discussion with the council's heads of service, housing officers, the home ownership team, procurement, planning department and finance.

49. In addition, detailed consultation has taken place with the Environment Agency with regards to the design and for the obtaining of all permits and licences.

50. All those consulted have worked well with NPSN and J Tomlinson Limited to complete the design proposal.

51. For Stage 1 J Tomlinson Limited entered into a JCT 16 Pre-Construction Services Agreement (PCSA) with the council via the Fusion 21 procurement framework. The PCSA covered all aspects of the investigation work, design, and the obtaining by J Tomlinson Ltd of all statutory permissions and approvals. This involved:

- The submission of a pre-application to the Environment Agency for the installation of plant in the River Wensum. This outlined the scope of works and allowed the EA to assess the merits and the impact of the scheme on the River Wensum. The EA were positive and in agreement with the outline proposal.
- The submission of a full application for the scheme to the EA. The EA are responsible for the issuing of all licences and permits associated with the use of the River Wensum.
- Pre-consultation with the council's planning department and the submission of an application to the council for full planning permission for the scheme. This included the provision of reports by Arborists, Environmental Impact Assessment etc.
- The submission of an application for Building Regulations approval.

Implications

Financial and Resources

52. 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 2019-22 and Budget.
53. The approved 2021-22 HRA capital budget for Central Heating Upgrades - Boilers Communal totaled £3.664m which was increased to £5.064m following the carryforward of previous years unspent allocations. This project will be funded from this budget.
54. On 21 July 2021, J Tomlinson Limited submitted their Stage 2 fully costed design proposal for the WSHP installation at Barnards Yard at a cost of £1,829,595.02. The cost is summarized at point 33 above.
55. The submitted cost breakdown has allowed for the substantial increase in prices (related to the supply of materials, labour and plant etc.) due to the demand in the construction industry because of national schemes starting up after the end of restrictions imposed by the Covid 19 pandemic and Brexit.
56. It is estimated that over the next 20 years a minimum £600k of the forecast cost of the installation will be recovered via the approved RHI funding agreement.
57. The total cost includes for the upgrading of all of the internal space and hot water heating systems within the dwellings. As these systems are now over 40 years old, the upgrades would have been included in a planned upgrades programme.

58. After a full evaluation of the design and costings, including a full breakdown of all summary lines as submitted by J Tomlinson Limited, Fusion 21 and NPSN conclude that the proposal submitted provides an exemplary solution for the replacement of the existing temporary gas heating system at Barnards Yard.

59. The contract is due for completion by 31 March 2022. The completion date of 31 March 2022 is critical to enable the council to access the Renewable Heat Incentive funding. The works will be undertaken using the JCT Intermediate form of building contract.

Legal

60. This contract will be in compliance with the Public Contracts Regulations 2015.

Statutory Considerations

Consideration:	Details of any implications and proposed measures to address:
Equality and Diversity	Neutral
Health, Social and Economic Impact	The numerous benefits to health relating to Climate Change and the provision of a system that will be cheaper to run for tenants and leaseholders is outlined above.
Crime and Disorder	Neutral
Children and Adults Safeguarding	The supplier and all associated sub-contractors must adhere to the councils Safeguarding Policy statement.
Environmental Impact	<p>This scheme is an innovative and ground-breaking scheme and is one of less than half a dozen taking place in the UK.</p> <p>Its impact on</p> <ul style="list-style-type: none"> • climate change by the use of technology to de-carbonise • sustainability by the use of renewable energy • the significant reduction of pollution • the removal of a fossil fuel as an energy source • the reduction in heating bills <p>are all outlined in this Cabinet Report</p>

Risk Management

Risk	Consequence	Controls Required
Operational problems during the Construction Phase	Impact upon contractor. Impact upon tenants/leaseholders	J Tomlinson Limited are a multi award winning supplier of renewable solutions to various customers. They have a significant portfolio of successfully completed schemes for other Local Authorities. This scheme has been carefully designed in association with NPS Norwich Ltd and the council. A detailed construction phase programme is being developed to enable an effective delivery of this scheme. A Resident Liaison Officer will be on site during the scheme working with residents and providing essential communication throughout the construction phase. This scheme is a notifiable scheme with regards to the CDM regulations. A Construction Phase Plan will be put in place to manage health and safety during the works.
Financial Risk	Cost increases due to overruns, increase in project costs, unforeseen costs arising etc.	The total cost of the scheme includes an allowance for Covid 19 and Brexit related issues. In addition, the total cost of the scheme includes contingency and provisional sums to mitigate as best as possible against unforeseen costs arising.
Compliance	Faulty or non-compliant installation that could affect the supply of hot	The scheme will be Contract Administrated by NPS Norwich Ltd. All installations will be carried out strictly in

	water/space heating etc.	accordance with the provisions of the Building Regulations, planning permission etc. Regular site meetings will take place to ensure that service is maintained at all times.
Security	Risk to residents and their possessions during the works. Risk to contractor/sub-contractors and plant/materials etc. during the works.	Security will be a significant component in forming the CDM Construction Phase Plan to ensure that the consequences detailed are mitigated.
Legal	Non-compliance with legislation could result in a sub-standard installation. In addition, legal non-compliance may result in delays.	Nplaw have been consulted regarding the proposed scheme. All works will be compliant with current construction/ planning regulations.
Political, Reputational	The installation of a sub-standard, poorly executed installation that has a negative impact on residents would be detrimental politically and reputationally to the council.	As detailed above this scheme has been carefully and thoroughly planned, designed and procured. The contractor is a multi award winning supplier working in conjunction with NPS Norwich Ltd. All works will be carried out in accordance with construction, planning and Environment Agency recommendations.

Other Options Considered

Other heat options considered were:

61. **Do nothing:** The current gas-powered heating installation is a temporary solution, following the disposal of Mary Chapman Court. The current plantroom is of metal clad construction and has temporary planning permission. Planners have advised that an extension to the current permission is unlikely to be granted, therefore a permanent solution is required. The installation of permanent 'renewable' system was a condition of the planning consent. This option was not recommended.

62. **Installation of a Ground Source Heat Pump System Using Boreholes:** This method was investigated in June 2020 and, although

viable, would prove to be very disruptive and the civil engineering works risks identified could not be mitigated through the design of the scheme. The number and spacing of the boreholes and the depth of core drilling (up to 100m deep) incorporated too much risk. The number of boreholes required to meet the required performance meant that boreholes would not be confined to the parking area. The impact on the site would be detrimental. In addition, the cost of this type of installation has been calculated by J Tomlinson Limited to substantially exceed £2 million pounds.

The procurement options considered were:

- 63. **Do nothing:** See point 56 above. This was not the recommended option.
- 64. **In house provision:** The council does not have any existing in-house resources. This was not the recommended option.
- 65. **Joint venture provision:** The works are not able to be delivered by the council's current joint ventures or partnerships at this time. This was not the recommended option.
- 66. **Identify a single supplier to award the contract to without competition:** This route would be contrary to Contract Procedures due to the contract value. This was not the recommended option.
- 67. **Utilise an existing framework:** Research into Ground Source Heat Pump frameworks identified a specialist framework via Fusion 21 as being able to provide a suitable supplier to carry out the works. These frameworks are quick and easy to use and are compliant to the Public Contract Regulations. The suppliers offering these services are accredited to the framework and have already been vetted and overall capability proven. Expressions of interest via the Fusion 21 framework resulted in J Tomlinson Limited being the only framework supplier interested in both the trial core drilling element and the overall project. **This was the recommended approach.**
- 68. **Establish competitively tendered contract with one supplier by running a competitive procurement exercise looking for a single supplier to meet the council's requirements:** The project included highly specialised works which had been identified within a suitable framework so was not required. Therefore, this was not the recommended option.

Reasons for the decision/recommendation

- 69. **'The benefits'** referred to in the **'Report Details'** above itemise the significant improvements that this scheme will bring to tenants and leaseholders.
- 70. It will mean improved energy efficiency and comfort within the dwellings. The use of electricity generated from a renewable source to provide hot water and space heating will reduce bills and contribute towards reducing

fuel poverty. The new metering and billing system will mean that tenants pay for what they use with the new system providing a cheaper energy than natural gas.

71. This innovative and ambitious scheme will cause a substantial reduction in the release of CO2 into the atmosphere and will make a contribution towards the de-carbonisation of the council's assets.

Appendices:

None

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Committee Name: Cabinet

Committee Date: 13/10/2021

Report Title: The award of contract for leaseholder insurance

Portfolio:	Councillor Gail Harris, Portfolio holder for social housing
Report from:	Executive director of community services
Wards:	All wards
OPEN PUBLIC ITEM	

Purpose

To consider delegating authority to award a contract for leaseholder insurance.

Recommendation:

To:

- 1) approve the delegation of the decision to award the contract for leaseholder insurance to the Director of Community Services, in consultation with the portfolio holder for Social Housing; and
- 2) award the contract for the period commencing 1 April 2022 for a term of three years with an option to extend for an additional two.

Policy Framework

The Council has three corporate priorities, which are:

- People living well
- Great neighbourhoods, housing and environment
- Inclusive economy

This report meets the people living well corporate priority

Report Details

Background

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. The current contract for leaseholder insurance is provided by Ocaso SA, who were awarded a five year contract from 01 August 2018, with break clauses. The contract with Ocaso SA was aligned to the rest of the Council insurance arrangements and now has an annual renewal of 01 April 2022.
3. Ocaso SA have notified the Council insurance brokers that they intend to withdraw from the public sector leasehold housing market and as a result do not intend to invite renewal of this insurance for the period of cover commencing 01 April 2022 leaving the Council no option but to retender this insurance provision.
4. Cambridgeshire County Council provides insurance services to Norwich City Council and manages this contract on our behalf. Cambridgeshire will take responsibility for the procurement of the insurance contract supported by the Council's home ownership team.

Tender process

5. In order to provide leaseholder insurance provision Cambridgeshire County Council will need to tender for a new supplier. This will be advertised as an open opportunity during October 2021, the procurement exercise shall comply with the Public Contract Regulations 2015.
6. The current contract is for enhanced cover, including accidental damage, and has an excess of £100. Suppliers will be requested to submit tenders with a level of cover of not less than that currently provided.
7. Due to changes in the housing market predominantly driven by the events at Grenfell Tower insurers are more selective on risk and the insurance team are finding that premiums are increasing significantly, to try and arrest any significant costs increases to leaseholder they will invite potential providers to issue insurance terms on existing basis and also with higher levels of leaseholder excess.
8. To ensure value for money for leaseholders, the evaluation of submitted tenders will seek a minimum overall weighting of 60% for price and 40% quality criteria.
9. Full leaseholder consultation will be required, which is due to commence on 01 December 2021. This allows for nomination rights, any non-broker nominations will be advised and given the opportunity to submit a tender.

Timescales

10. Tight timescales apply. A provisional supplier will be selected by the end of December 2021. Once the delegated decision to award the contract has been made, a further period of 30 days leaseholder consultation is required before the Council issues an intention to award.
11. Delegated authority to approve the contract award is requested due to the timing of Cabinet meetings during the coming months and the need for the compliant consultation process with leaseholder to be undertaken.

Consultation

12. The provision of leasehold insurance is subject to the consultation provisions contained within the Housing Act 1988. To ensure compliance and appropriate consultation the Home Ownership Team will commence the consultation with interested parties.

Implications

Financial and Resources

13. 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 2019-22 and Budget.
14. There are no proposals in this report that would reduce or increase resources. The current contract value per annum is £245,000 although it is expected the contract value will increase, therefore insurance costs associated with leasehold housing will increase.
15. The contract shall be between the council and the winning supplier however, the full cost of the premiums are recharged to leaseholders resulting in a zero overall cost to the Council.

Legal

16. Failure to have in place appropriate cover for the leasehold housing stock will result in the Council being in breach of the requirements within the leases it has entered into with the leaseholders.
17. Cambridgeshire County Council in undertaking insurance services for Norwich City Council shall undertake the procurement exercise and be responsible for ensuring the appropriate legislation is adhered to.

18. Statutory Considerations

Consideration:	Details of any implications and proposed measures to address:
Equality and Diversity	No impact
Health, Social and Economic Impact	Predicted that policy renewal will result in higher premiums for leaseholders.
Crime and Disorder	No impact
Children and Adults Safeguarding	No impact
Environmental Impact	No impact

Risk Management

Risk	Consequence	Controls Required
Council fails to ensure leasehold housing and is in breach of lease agreements with leaseholders resulting in complaints	Potential litigation, negative reputational impacts, financial and wellbeing harm to leaseholders	Arrange appropriate insurance cover for leasehold buildings
Council fails to adequately consult with leaseholders in respect of the insurance purchase for their properties resulting in challenge under the Housing Act	Failure to recover some or all of the premiums from leaseholders resulting in financial risk to the council	Full consultation in line with requirements of Section 20 of the Housing undertaken
Council fails to arrange appropriate cover resulting in claims by leaseholders not being met	Potential litigation, negative reputational impacts, financial and wellbeing harm to leaseholders	The Council will seek insurance cover to a standard no less comprehensive than existing and will ensure leaseholders are made aware of insurance policy limitations

Other Options Considered

19. There are no other reasonably viable options.

Reasons for the decision/recommendation

20. The Council is being recommended to approve this procurement in order to ensure the Council complies with its duties under lease agreements and also to ensure that the financial interests of leaseholders in respect

of their housing continue to be protected in the event of an insured loss such as fire or flood.

Background papers: None

Appendices: None

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