



**NORWICH**  
City Council

## Cabinet

**Date: Wednesday, 11 September 2024**

**Time: 17:30**

**Venue: Mancroft room, City Hall, St Peters Street, Norwich, NR2 1NH**

### Committee members:

### Councillors:

Stonard (chair)  
Hampton (vice chair)  
Giles  
Jones  
Kendrick  
Kidman  
Packer

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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 which have been submitted in accordance with the council's constitution.
- 4 Questions to cabinet members**  
(A copy of the questions and replies will be available on the council's website prior to the meeting)
- 5 Minutes** 7 - 18  
To approve the accuracy of the minutes of the meeting held on 17 July 2024.
- 6 Norwich Western Link planning application consultation response** 19 - 42  
**Purpose** - To agree the City Council's response to Norfolk County Council's public consultation on the planning application for the Norwich Western Link Road.
- 7 Corporate Performance Report for Quarter 1, 2024-2025** 43 - 60  
**Purpose** - To report progress against the delivery of the corporate plan priorities and key performance indicators for quarter one of 2024-2025.
- 8 Corporate Risk Register 2024-25 – Quarter 1** 61 - 66  
**Purpose** - This report provides an update to the Council's corporate risk register based on the position for quarter one (June 2024).
- 9 2024-25 Quarter 1 – budget monitoring report** 67 - 76  
**Purpose** - This report sets out the Council's overall financial position based on managers' forecasts to the end of June 2024 (quarter 1). The report covers the Council's General Fund and Housing Revenue

Account (HRA) resources and includes information in relation to both its revenue and capital position.

- 10 Treasury Management Review and Outturn 2023-24** 77 - 94
- Purpose** - This report set out the Treasury Management Review and Outturn for the year to 31 March 2024.
- 11 Anti-social behaviour policy - Key Decision** 95 - 112
- Purpose** - The purpose of this report is to seek adoption of the proposed anti-social behaviour (ASB) policy.
- 12 Norwich City Services Limited - Business Plan 2024-27 - Key Decision** 113 - 124
- Purpose** - To approve the Norwich City Services Limited Business Plan 2024/27 in accordance with the governance arrangements for the company.
- 13 Supply of Enforcement Agents and Debt Collection Services to Norwich City Council - Key Decision** 125 - 134
- Purpose** - To maximise the collection of debts through the effective use of all available recovery options, by ensuring a high-quality enforcement agent/debt collection service is delivered that provides valuable income to the council.
- 14 Development Site Pipeline - Key Decision** 135 - 142
- Purpose** - To consider the development site pipeline.
- 15 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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**\*16 Corporate Risk Register 2024-25 – Quarter 1 – Exempt Appendix**

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

**\*17 Treasury Management Review and Outturn 2023-24 - Exempt Appendix**

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

**\*18 Norwich City Services Limited - Business Plan 2024-27 - Exempt Appendix**

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

**\*19 Development Site Pipeline – Exempt Appendix**

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

**\*20 Managing Assets (Housing) (Exempt - Para 3)**

- 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.

**\*21 Proposed Investment Partnership - (Report to follow)**

This report will not be 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 paragraph 3 Schedule 12A to the Local Government Act 1972 and would disclose information in respect of which a claim to legal professional privilege could be maintained in legal proceedings as in paragraph 5 of Schedule 12A to the Local Government Act 1972.

Date of publication: **Tuesday, 03 September 2024**



## **Cabinet**

**17:35 to 19:20**

**Wednesday, 17 July 2024**

**Present:** Councillors Stonard (Chair), Hampton (Vice-Chair), Giles, Jones, Kendrick, Kidman and Packer

**Apologies:** None

**In attendance:** Councillor Schmierer (on behalf of the Green Group)  
Councillor Lubbock (on behalf of the Liberal Democrat)

### **1. Declarations of Interest**

There were no declarations of interest received from Members.

### **2. Public Questions and Petitions**

One public question had been received from Dr Sarah Eglington. Dr Eglington asked the Leader of the Council the following question:

“Will the Cabinet write to the Secretary of State for Housing, Communities and Local Government to ‘Call In’ the Norwich Western Link planning application and hold a planning inquiry for her determination?”

Councillor Stonard, the Leader of the Council, responded:

“Thank you for your question. I can add little to the answer I gave to Councillor Fox last night at our Council meeting which was:

‘The proposed Norwich Western Link Road, although entirely outside of our administrative area, is a very significant strategic road scheme that will have long term impacts on transport in the City and County. With the submission of the planning application, it has reached an important stage and it is important that this Council considers its response carefully.

It is intended to prepare a report to Cabinet for 11 September for this response to be agreed. Officers are engaging with staff at the County Council to ensure that flexibility in the timetable will be allowed to enable us to undertake this proper consideration.

Until Cabinet has been able to consider relevant information and reaches a decision on the proposed response to the consultation our position on the scheme remains as set out in January 2022 when it was resolved not to support either the Transport for Norwich Strategy or the Western Link project contained within it.”

In response to Dr Eglington’s supplementary question the Executive Director of Development and City Services confirmed there were ongoing discussions with Norfolk County Council about the timing of the City Council’s response to the planning application in respect of the Norwich Western Link.

### **3. Questions to Cabinet Members**

There had been no questions received.

### **4. Minutes**

**RESOLVED** to approve the accuracy of the minutes of the meeting held on 6 March 2024.

### **5. Progress on Motion 12(c), approved at Council on 30 January 2024**

The Cabinet Member for A Fairer Norwich presented the report, which provided an update on the work in bringing forward a Norwich Affordable Financial Services Strategy as agreed through the above motion ‘It costs more to be poor: tackling the poverty premium in Norwich’.

The work to date was over a number of workstreams, which were gathering evidence of need, mapping the existing provision (locally and nationally), the work of other local authorities and public sector bodies; and the resources required to deliver both the feasibility study and the strategy itself.

The Cabinet Member for A Fairer Norwich highlighted the progress that had been made against each of these workstreams, which would enable the production of a feasibility study to a future Cabinet meeting for consideration. A range of partners and evidence sources had been used to better understand both the evidence of need and existing provision within Norwich and nationally. The feasibility study would progress alongside the business planning elements of the Council’s community-led plan “We are Norwich” and would also form a major part of the Equality, Diversity and Inclusion (EDI) Action Plan, due to be considered by Cabinet in December 2024.

Councillor Schmierer thanked the Cabinet Member and officers for the report and said the Green Group was supportive of the work and pleased to see progress on this item. He asked whether consideration had been given to the impact of poverty on the health inequalities faced in the city. The Cabinet Member for A Fairer Norwich said that the LGA report on the programme highlighted the impact of poverty on health inequalities and other academic research also highlighted this. He confirmed that the next steps were to identify the resources required and would form part of the business planning for the community-led plan “We are Norwich” and EDI Action Plan.

**RESOLVED**, unanimously, to:



- 1) Note the work undertaken so far towards the preparation of a feasibility study for the development of a Norwich Affordable Financial Services Strategy; and
- 2) agree that this feasibility study be progressed in parallel with the business planning elements of the Council's community-led plan "We are Norwich", particularly the "Fairer Norwich" priority, with the study being considered by Cabinet at a future date when the business plan had been fully developed.

## **6. Norwich City Council, Control of Alcohol Public Space Protection Order – Key Decision**

The Cabinet Member for Housing presented the report and said that there had been a previous Control of Alcohol PSPO for a number of years, which covered a smaller area of the city. Following a consultation and examination of hotspot areas of antisocial behaviour, this had demonstrated that there was a need to cover the entire city. The experience of the Vehicular Antisocial Behaviour PSPO had also shown that a wider area made the PSPO easier to manage. The Police and Crime Commissioner and the Chief Constable of Norfolk were supportive of the PSPO. The PSPO would provide an escalation model which could lead to Fixed Penalty Notices being issued by the City Council.

The Leader of the Council commented that the PSPOs for smaller areas could lead to the issues being pushed into areas of the city which did not have a PSPO in place. Therefore, it seemed sensible for the Control of Alcohol PSPO to cover the entire city.

Councillor Lubbock highlighted the distress that alcohol related antisocial behaviour caused residents and asked what practical steps residents should take if they were subjected to or witnessed alcohol-related antisocial behaviour. The Cabinet Member for Housing confirmed that residents should continue to report such behaviour to Norfolk Police. The PSPO would offer Norfolk Police another tool to deal with alcohol related antisocial behaviour.

In response to Councillor Schmierer's question, the Cabinet Member for Housing said that banning super-strength alcohol would not solve the issue of alcohol-related antisocial behaviour as there was a range of factors that led to this. It formed part of a larger issue, which was determined by the lack of access to services for individuals.

**RESOLVED**, unanimously, that:

- 1) The Control of Alcohol Public Space Protection Order (PSPO) be made for the period of three years to May 2027; and
- 2) The boundary of the PSPO be extended to cover the whole Norwich City district.

## **7. Corporate Performance Report for 2023-24**

The Leader of the Council presented the report, which measured the Council's performance against the Key Performance Indicators (KPIs) of the previous Corporate Plan. Performance from April 2024 would be measured against the community-led plan "We are Norwich", adopted in March 2024. Overall, the Council's performance was steady, and improvements had been made in several areas, which included complaints that had been responded to within the target timescales; the number of private sector homes that had been made safe and the number of affordable homes that had been built. The re-let times

of council homes, the number of new homes built within the city and the number of private homes insulated were some of the areas, which were below target and which the Council was intervening in.

The Cabinet Member for A Fairer Norwich congratulated the Council's Benefits Team as the service continued to meet its targets for the processing of new Housing Benefit claims.

In response to Councillor Lubbock's question, the Cabinet Member for Housing said that she was closely monitoring the re-let times of council homes. This was on a positive trajectory and there were several factors that lengthened the void turnaround times, which included a number of properties, which had been occupied for a long period and previous occupants may have refused upgrades to the property, which required larger works when the property was handed back to the Council before it could be re-let. The performance was being measured monthly and the time could fluctuate depending on the properties and the scale of the works required.

Councillor Schmierer asked what improvements were being made to address the number of households living in temporary accommodation. The Cabinet Member for Housing said that in comparison to other local authorities Norwich City Council had fewer households living in temporary accommodation. There had been an increase in demand for these services due to a range of factors, which included increased presentation of homelessness and the increased speed of the asylum seeker process. It was recognised that there would always be a need for temporary accommodation as the Council needed to respond to need at the point of presentation. The current challenge was that adequate temporary accommodation was under demand from other public sector services not under the City Council's control.

**RESOLVED**, unanimously, to review the progress of the corporate plan priorities and key performance indicators for 2023-2024.

## **8. 2023-24 Provisional Outturn**

The Cabinet Member for An Open and Modern Council presented the report and highlighted the underspends for both the revenue and capital funds, which had been transferred to earmarked reserves. The current reserves continued to be above the prudent minimum level, which demonstrated the careful management of the Council's finances in a challenging financial market for local authorities.

The Cabinet Member for A Fairer Norwich commented that the staff at the Norman Centre be congratulated for increasing the number of memberships and income generated for the Centre. Some rental income had been lost as an agreement had been reached with Norfolk County Council that it would pay only the service charges for the provision of the nursery at the Centre.

The Cabinet Member for Housing responded to Councillor Schmierer's question to confirm that the programme of works in the HRA to install fire doors was ongoing and that the delays to this programme had been due to due diligence on the quality of the doors to be fitted. She wanted to be assured that the doors fitted were of the highest standard and that the contractor was using staff that had been appropriately trained to fit these doors. A programme of works had been developed and was currently being implemented.

**RESOLVED**, unanimously, to:

- 1) Note the provisional £4.22m underspend on the General Fund revenue account and the £0.32m underspend on the Housing Revenue Account (HRA);
- 2) Note the provisional underspend against the General Fund and £8.09m underspend against the HRA capital programmes;
- 3) Note the consequential General Fund and HRA balances;
- 4) Note the transfers to earmarked reserves;
- 5) Delegate to the Chief Finance Officer, in consultation with the Cabinet Member for An Open and Modern Council, the approval of carry forwards of unspent 2023/24 capital budgets into the 2024/25 Capital Programme; and
- 6) Approve adjustments to the 2024/25 General Fund capital programme to enable external funding to be utilised for projects.

## **9. 2023-24 Quarter 4 – Risk Register**

The Cabinet Member for An Open and Modern Council presented the report, which detailed the risk register as at the end of Quarter 4 2023/24. There had been no significant changes in the residual risk scores and the Council's risk continued to be high due to the economic situation and other factors.

Councillor Lubbock asked for clarification why Risk CORP27 – Failure to deliver acceptable levels of performance in the management of HMO licences, had worsened. The Executive Director of Development and City Services said that this did not reflect the Council's current performance but was from the period ending 31 March 2024. The Council had been made aware of the extent of the backlog for processing applications, and that some of this had been due to COVID. The backlog was currently being addressed and applications was being dealt with.

**RESOLVED**, unanimously, to note the identified risks and the direction of travel.

## **10. Gender Pay Gap Report 2023**

The Cabinet Member for An Open and Modern Council presented the report, which was a statutory requirement for the Council to publish and provided a snapshot of the Council's gender pay gap. The report published in March 2024 showed the snapshot date of 31 March 2023, which showed no gender pay gap when measuring the median income. This measure was generally considered as the most accurate measure of the gender pay gap as it was not skewed by particularly high or low pay. There was a small gender pay gap when considering the mean pay. He highlighted that the report for the snapshot data of 31 March 2024 would also show the ethnicity and disability pay gap.

In response to Councillor Schmierer's question, the Chief Executive said she would need to confirm with the relevant officer of whether gender pay gap for ancillary companies could be identified. She also confirmed the commitment to look at measures to increase the number of leavers completing exit questionnaires.

**RESOLVED**, unanimously, to note:

- 1) The results outlined in Appendix 1 to the report;
- 2) The intention to report on ethnicity and disability pay gap in addition to gender pay gap from the snapshot date of 31 March 2024; and
- 3) That reporting on the Government and Council websites was completed in March 2024 to meet the statutory deadline.

## 11. Norwich City Council Productivity Plan

The Leader of the Council presented the report. The Council had been requested to submit a Productivity Plan by the previous Government and this report fulfilled the requirement. It was not yet clear whether the new Government would continue to require the Productivity Plan.

**RESOLVED**, unanimously, to endorse the Norwich City Council Productivity Plan.

## 12. Scrutiny Committee Recommendations to Cabinet

The Cabinet Member for An Open and Modern Council introduced the report.

The Deputy Leader and Cabinet Member for A Climate Responsive Norwich provided responses to the Scrutiny Committee's recommendations as both topics were in her portfolio.

The review of the Parks and Green Spaces Strategy recommendations would be addressed and incorporated into the Strategy when it was brought back to Cabinet. This area was a priority for residents as had been highlighted through consultations as part of the community-led plan "We are Norwich" and she was pleased to confirm that Kett's Heights, Jenny Lind Park, Heigham Park, Mousehold Heath, Waterloo Park and Eaton Park had received the Green Flag award.

The Scrutiny Committee had considered fly tipping within Norwich a number of times, which included a review of the Love Norwich programme. Progress had been made in a number of areas, which included the increased use of enforcement around fly tipping but there was more work that could be done.

She addressed each of the recommendations in turn and a detailed response to each recommendation is available on the Council's website [here](#). Cabinet was happy to adopt the recommendations, in principle, but a number of recommendations were being addressed through other means.

In response to a request by Councillor Schmierer, the Deputy Leader and Cabinet Member for A Climate Responsive Norwich confirmed that a detailed written response would be provided to members of the Scrutiny Committee.

**RESOLVED**, unanimously, that:

- 1) Ward Councillors be consulted in future on the locations of CCTV cameras used in their wards;

- 2) A Clean Streets dashboard be provided to members to allow them to monitor performance in relation to environmental services;
- 3) Ways in which residents could be consulted at an earlier stage where the installation of new bins were required, be explored;
- 4) Officers continue to explore ways to combat litter by working with local businesses to provide litter picking in areas where litter was generated by that business;
- 5) Officers continue to explore best practice for waste management and recycling in the UK and explore how learnings from abroad could be incorporated;
- 6) The results of community organisation led waste amnesties continue to be supported and investigated with a view to exploring whether a Council-run pilot could be considered while ensuring it offered value for money;
- 7) Cabinet note that evidence had been provided to the Scrutiny Committee during the meeting on how target locations had been selected
- 8) Cabinet note the report to the Scrutiny Committee had provided a breakdown of the £100,000 Love Norwich Scheme funding;
- 9) Cabinet note that the Clean Streets dashboard would provide information as to how well the Council had performed against its targets;
- 10) Cabinet note that a wider piece of work would explore ways in which the Council communicated with residents in creative ways; and
- 11) Officers continue to liaise with the Community Pay Back Scheme to arrange clean ups in areas that required it regularly but were more difficult to reach.

### **13. Complaints Performance and Service Improvement**

The Cabinet Member for Housing presented the report, which covered two reports that the Council was required to publish in line with new requirements. The Tenant Satisfaction Measures were a new regulatory requirement under the Social Housing (Regulation) Act and the Complaints Performance and Service Improvement Report was a statutory requirement under the Housing Ombudsman's Complaint Handling Code. Norwich City Council had published both results by the deadline of 30 June 2024, but due to the General Election and the associated rules around the pre-election period had not been able to provide a response from Cabinet. The requirements for both had been provided late, which had made it challenging to produce and publish the reports. She highlighted that a lot of work was ongoing to understand the results within both reports as it provided information that would help guide an improvement plan for services. In comparison to other local authorities that had a similar level of housing stock a number had not published their results on time or only published part of their results.

The report highlighted the improvements that had been made regarding dealing with compliance of health and safety checks in Council homes and tenants' perception of the safety of Norwich City Council homes but highlighted other areas for improvement, which included handling of complaints. The reports would be published on an annual basis.

A number of areas were already on an improvement pathway. The Council, when it had published the report, was compliant in 63 out of 72 areas and following the meeting would become compliant in another two areas bringing the compliance rate to 90%. The data measured provided a better understanding of tenants' experiences; how to address areas for improvement and aided the Council's transparency as a landlord.

In response to Councillor Schmierer's question, the Cabinet Member for Housing addressed a number of areas where the Council had low scores of tenant satisfaction. This included the cleanliness of communal areas where the Council was trialling approaches and looking at the responses from residents. In terms of dealing with antisocial behaviour she considered that the Council had improved significantly but it was likely that some of the issues reported were being treated as antisocial behaviour but did not meet the criteria of antisocial behaviour and therefore no further action was taken. Improvements were needed to better communicate this with residents. She acknowledged that the Tenant Engagement Panel was not fully representative of tenants and creative ways were being explored to engage with residents in new ways to work with them. Councillor Lubbock commented that she welcomed the steps the Council was taking to address areas of improvement.

**RESOLVED**, unanimously, to:

- 1) Note the results of the first set of Tenant Satisfaction Measures;
- 2) Note the Complaints Performance and Service Improvement report; and
- 3) Respond to the Complaints Performance and Service Improvement report.

#### **14. Norwich Unity Hub, Carrow House – Key Decision**

(This item was contained in the second supplementary agenda)

The Cabinet Member for An Open and Modern Council presented the report and said that this was an innovative use of one of the Council's assets to deliver for the residents of Norwich. Carrow House had been purchased by the City Council as part of the wider East Norwich redevelopment, which would take time to be fully realised and this provided a short-term use of the asset. Norwich Unity Hub was a charity that had members from the voluntary, community and cultural sectors in Norwich. This created a space for these charities and the estimated social value of providing this space was £2.3m. The creation of this space was an example of the Council working in partnership with other organisations to use assets in beneficial ways.

The Cabinet Member for A Fairer Norwich commented that this delivered against the "A Fairer Norwich" corporate aim within the community-led plan "We are Norwich". It would boost residents' well-being where they belonged to a range of groups as it provided improved access to residents to services. Norwich Unity Hub was committed to annual monitoring, which would be reported to Norwich City Council and the social value of the site would form the basis for measuring the performance. Data would also be collected on where residents who accessed the services were located. The terms within the lease were restricted on who would be eligible for the subsidised rate and this was based on both the organisation's turnover and that the services provided must primarily be to Norwich Residents. An application for Neighbourhood Community Infrastructure Levy (NCIL) had been made to help fund a project manager to enable delivery and capital works to Carrow

House. The NCIL Board had recommended that NCIL was awarded, and the bid had scored 90.6% against its criteria. The Cabinet Member for A Prosperous Norwich commented that the project also provided the additional benefit of co-location for the organisations involved, which could enable skill sharing.

Councillor Lubbock and Councillor Schmierer added their support to the initiative.

**RESOLVED**, unanimously, to:

- 1) Approve the grant of a lease of Carrow House, King Street, Norwich as per the terms outlined in the exempt appendix; and
- 2) Approve the NCIL funding to be awarded to Norwich Unity Hub to deliver this project.

### **15. Potential Acquisition of Land – Anglia Square – Key Decision**

(This item was contained in the first supplementary agenda).

The Leader of the Council presented the report and highlighted that Anglia Square was the most significant redevelopment project in Norwich and that, as yet, redevelopment of the site had not come forward due to a number of reasons, which included the cost of demolition of the existing buildings. There had been a cross-party motion passed unanimously by Full Council the previous evening (16 July 2024), which set out the Council's vision for the comprehensive redevelopment of the site, which kept the existing community as a key stakeholder. There was a need for homes and jobs within the area and the loss of the scheme approved in July 2023 had meant a significant loss of homes. The concern was with the sale of the site by the landowner that this would be sold and parcelled up by a developer for use as car parking. The Council was working with partners on strategic ways to redevelop the site. The options available to the Council had been considered and it was deemed that the option that would most likely secure the necessary redevelopment of the site then purchase of the site was the preferred option. The cost of purchasing the site and redeveloping would require significant Government funding and the Council was positively engaged in discussions with Homes England. The Council was engaging with the landowner to pause the sale to allow the Council to conduct the necessary due diligence before making an expression of interest. He highlighted that the decision taken was not a commitment to purchase the site.

In response to Councillor Schmierer's question, the Interim Executive Director of Major Projects highlighted his experience of delivering large development projects for public sector bodies such as the redevelopment of Wembley Stadium and working in areas in East London. The Council was working with partners to facilitate the developments as there was recognition that expertise in this area was needed, this included local partners who were able to provide the local context to these sites. The Interim Executive Director of Major Projects highlighted that it was important to protect the Council's interests while ensuring that development was done in the right way for Norwich.

**RESOLVED**, unanimously, to:

- 1) Note the work to date on the project detailed in the report and endorse the work activities identified to take the project forward; and

- 2) Delegate authority to the Executive Director with responsibility for non-housing assets, in consultation with the Section 151 Officer and Cabinet Member for An Open and Modern Council, to enter into discussions and negotiation with the landowner with a view to make an expression of interest for the potential acquisition of the site, subject to due diligence and full business case approval.

## **16. Exclusion of the Press and Public**

**RESOLVED** to exclude the press and public from the meeting during consideration of items \*17 to \*20 (below) on the grounds that they contained exempt information as defined in the relevant paragraphs within Part 1 of Schedule 12A, as amended, of the Local Government Act 1972.

### **\*17. 2023-24 Quarter 4 – Risk Register – Exempt Appendix (Para 3)**

This item was noted under item 9 above.

### **\*18. Norwich Unity Hub, Carrow House – Exempt Appendix (Para 3)**

This item was noted under item 14 above.

### **\*19. Potential Acquisition of land – Key Decision (Para 3)**

The Cabinet Member for An Open and Modern Council presented the report and highlighted the complex history of the site. The Interim Executive Director of Major Projects highlighted that the Council faced significant liabilities on the existing site. It was positively engaged with a range of stakeholders and alternative sites were being pursued and the appropriate due diligence on each of these sites would be taken. The Council was also engaging with the Members of Parliament for the Norfolk constituencies to ensure that if a Private Bill was brought forward, subject to Full Council agreement, it could demonstrate support from the local MPs.

**RESOLVED**, unanimously, to:

- 1) Note the work to date on the project detailed in the report and endorse the work activities identified to take the project forward;
- 2) Delegate authority to the Executive Director with responsibility for non-housing assets, in consultation with the Section 151 Officer and Cabinet Member for An Open and Modern Council, to enter into negotiation with the Developer of the existing site, with a view to agreeing a premium, as detailed in paragraph 22 of the report, for the Council obtaining vacant possession; and
- 3) Delegate authority to the Executive Director with responsibility for non-housing assets, in consultation with the Section 151 Officer and Cabinet Member for An Open and Modern Council, to enter into negotiation with the landowner with a view to making a conditional offer for the acquisition of the land up to £5m, subject to the conditions outlined in paragraph 21 of the report.



**\*20. Disposal of Assets (Housing) (Para 3)**

The Cabinet Member for Housing presented the report and highlighted that the properties listed within the report were not a realistic prospect for these to remain in the HRA due to the significant works required. The proceeds of the sales would be reinvested in other stock within the HRA.

**RESOLVED**, unanimously, to approve the disposal of the freehold interest in the property assets of the two properties referred to in the report.

CHAIR





**Committee name:** Cabinet

**Committee date:** 11/09/2024

**Report title:** Norwich Western Link planning application consultation response

**Portfolio:** Councillor Stonard, Leader of the council

**Report from:** Head of planning and regulatory services

**Wards:** None directly

**OPEN PUBLIC ITEM**

### **Purpose**

To agree the City Council's response to Norfolk County Council's public consultation on the planning application for the Norwich Western Link road.

### **Recommendation:**

Cabinet is requested to approve the submission of the proposed response to Norfolk County Council's public consultation on the planning application for the Norwich Western Link (NWL) road contained in appendix 1.

### **Policy framework**

The council has five corporate priorities, which are:

- A prosperous Norwich.
- A fairer Norwich.
- A climate responsive Norwich.
- A future-proof Norwich.
- An open and modern council.

This report meets the prosperous, fairer, climate responsive and future-proof Norwich corporate priorities.

## Background

1. Norfolk County Council has developed the NWL proposals to construct a 3.8 mile dual carriageway between the Broadland Northway from the A1067 to the A47 west of Norwich. The scheme requires planning permission and the County Council as scheme promotor has submitted a planning application to itself as County Planning Authority. That application has been subject to a public consultation that closed on 19 August 2024. Details of the scheme proposed are available to view on the County Council's website [here](#).
2. Norwich City Council has informed the County Council that it will be commenting on the application but cannot submit the representation until Cabinet has met. The County Council will be obliged to take into account any representations that raise material planning consideration that are received before the application is determined and the County has confirmed that there is no possibility that it will make a decision before Cabinet meets on 11 September. Our representation will therefore be taken into account even though it will be submitted after the advertised consultation deadline has expired.
3. The draft text of our proposed response follows in appendix 1. The summary of the response is that Norwich City Council does not support the NWL scheme as presented in the planning application. In the context of the Transport for Norwich Strategy and programme, it is not supported by sufficiently convincing evidence that the NWL is a critical part of an environmentally progressive and deliverable transport strategy for the city that delivers:
  - a. Considerable air quality and decongestion benefits in the city;
  - b. A comprehensive investment package in public transport, cycling and walking that is commensurate with the investment being considered for the NWL capable of delivering against internationally agreed carbon reduction targets;
  - c. The completion of complementary schemes before the NWL is completed;
  - d. A political mechanism to ensure the governance is in place to ensure that these commitments are implemented; and
  - e. Evidence that the wildlife and landscape impacts of the scheme can be satisfactorily mitigated.

In the light of this position the City Council would not be prepared to support any proposal for the pooled funding resources of the Greater Norwich Growth Board being used to assist with delivery of the scheme.

## Consultation

4. There is no requirement for the City Council to consult on our response to the County Council's consultation.

## Implications

### Financial and resources

5. There are no direct financial implications for the City Council from submitting this response.

### Legal

6. There are no legal implications for the City Council.

### Statutory considerations

Consideration	Details of any implications and proposed measures to address:
Equality and diversity	It is the County Council's responsibility to fulfil this statutory consideration.
Health, social and economic impact	It is the County Council's responsibility to fulfil this statutory consideration.
Crime and disorder	It is the County Council's responsibility to fulfil this statutory consideration.
Children and adults safeguarding	Not applicable
Environmental impact	It is the County Council's responsibility to fulfil this statutory consideration.

### Other options considered

7. The City Council could have chosen not to respond to the consultation, but this has been ruled out because the NWL is strategically significant, it affects the planning and development of the Norwich area that we have a close interest in and involvement with and we have said publicly on several occasions that we will respond.
8. The City Council could have submitted a response supporting the scheme. It is not considered that sufficiently compelling evidence exists to justify this approach.

### Reasons for the decision/recommendation

9. The draft consultation response at appendix 1 provides the reasons for the recommendation.

### Background papers:

**Appendices:** Appendix 1 – Draft Consultation Response

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## Appendix 1 – Draft Consultation response

By e-mail to [nwlplanning@norfolk.gov.uk](mailto:nwlplanning@norfolk.gov.uk)

Planning application FUL/2024/0022

Response by Norwich City Council

Please find below the response of Norwich City Council to the above application. This response was agreed by the City Council's cabinet on 11 September 2024.

### Summary

Norwich City Council does not support the NWL scheme as presented in the planning application. In the context of the Transport for Norwich Strategy and programme, it is not supported by sufficiently convincing evidence that the NWL is a critical part of an environmentally progressive and deliverable transport strategy for the city that delivers:

- a. Considerable air quality and decongestion benefits in the city;
- b. A comprehensive investment package in public transport, cycling and walking that is commensurate with the investment being considered for the NWL capable of delivering against internationally agreed carbon reduction targets;
- c. The completion of complementary schemes before the NWL is completed;
- d. A political mechanism to ensure the governance is in place to ensure that these commitments are implemented; and
- e. Evidence that the wildlife and landscape impacts of the scheme can be satisfactorily mitigated.

In the light of this position the City Council would not be prepared to support any proposal for the pooled funding resources of the Greater Norwich Growth Board being used to assist with delivery of the scheme.

### 1.0 Introduction and approach

- 1.1 The proposed Norwich Western Link road (NWL) is a strategic infrastructure project that would result in important changes to the way people move around the Greater Norwich area. Its construction and use will lead to significant social, economic, and environmental effects.
- 1.2 Norwich City Council [henceforth referred to as “we” and “us”] is closely involved in the planning of development, transport infrastructure and environmental initiatives across the Greater Norwich area through our participation in the Greater Norwich Growth Board, Greater Norwich Development Partnership and Transport for Norwich (TfN).

- 1.3 We have not been formally consulted on the NWL by Norfolk County Council because the NWL would not be within our administrative area, and we are therefore not a “consultation body” under the terms of the EIA Regulations 2017. However, we have decided to respond to the consultation on the planning application [henceforth referred to as “the application”] because of the strategic significance of the project and our interest in the planning of the Greater Norwich area.
- 1.4 This consultation response is provided corporately rather than as a local planning authority because we are not a “consultation body”. We recognise that some of our comments may not be material to the decision that the County Council makes as planning authority when determining the application and may be more relevant for you to consider in your capacity as scheme promotor.
- 1.5 We have not attempted to comment on many of the issues that are material to the determination of this application or the planning policies associated with them because they either extend beyond our areas of expertise, other authoritative bodies will comment on these matters that are within their core competence, or we have not had the staff resources to review the material associated with those matters. We cannot therefore offer an overall conclusion on the “planning balance” and have not attempted to mirror the task of the County Council as planning authority to weigh the benefits against the harms of the project.
- 1.6 What we have done is concentrate on issues that we have previously indicated are of particular importance to us and that we have said our support for the scheme would be tested against when the application is submitted. Annex 1 reproduces the main statements that we have made about the NWL since the start of 2021. In Cabinet on 20 January 2021, Cllr Mike Stonard, then Cabinet Member for Sustainable and Inclusive Development, said we would require:

*“Convincing evidence that the NWL is a critical part of an environmentally progressive and deliverable transport strategy for the city that delivers:*

- a. Considerable air quality and decongestion benefits in the city;*
- b. A comprehensive investment package in public transport, cycling and walking that is commensurate with the investment being considered for the NWL capable of delivering against internationally agreed carbon reduction targets;*
- c. The completion of complementary schemes before the NWL is completed;*
- d. A political mechanism to ensure the governance is in place to ensure that these commitments are implemented; and*
- e. Evidence that the wildlife and landscape impacts of the scheme can be satisfactorily mitigated.”*

## 2.0 Transport strategy



- 2.1 The main transport strategy document guiding decisions in the Norwich area is the [TfN Strategy](#). We worked with the County Council on this document, which was adopted by their Cabinet on 6 December 2021. We decided at our Cabinet meeting on 12 January 2022 *“that the strategy as adopted by the County Council is not sufficiently ambitious in moving the city toward a sustainable future for transport in the absence of an agreed action plan or approved Local Cycling and Walking Infrastructure Plan and with a capital investment programme that devotes a higher proportion of funds to road building by comparison with schemes that support sustainable transport; and therefore the City Council cannot currently endorse the strategy or support the proposal for the Norwich Western Link that is contained within it”*.
- 2.2 In the period since the adoption of the TfN Strategy several positive developments have occurred. The [Local Cycling and Walking Infrastructure Plan](#) for Greater Norwich was adopted by the County Council in March 2022, successful schemes have been implemented through the Transforming Cities Fund programme (including at the Heartsease roundabout) and considerable progress has been made on boosting bus passenger numbers by amplifying the benefit of the temporary national £2 fare cap through the introduction of electric buses and introducing new services through Bus Service Improvement Plan subsidies.
- 2.3 We explain below why we consider that the Norwich area still does not have a sufficiently “environmentally progressive and deliverable transport strategy for the city” through which the NWL could be justified.

### 3.0 Carbon reduction targets

- 3.1 The UK’s Climate Change Committee (CCC) has said in its latest Progress Report to Parliament published on 18 July 2024 that the transport sector, as the sector that emits the most greenhouse gas (GHG), needs to be at the forefront of decarbonisation over the next three carbon budgets (2028-42), along with buildings, agriculture, and land. They say that the *“annual reduction in surface transport emissions across the rest of the decade must be more than four times what we have seen in 2023”*. A principal element of the national strategy for decarbonising surface transport has been converting the fleet of cars and vans to EV but one of the CCC’s key messages is that the uptake of electric vehicles is off track.
- 3.2 These observations by the CCC, coupled with the accelerating rate of climate change, mean that investment decisions concerning transport projects should be carefully scrutinised for their greenhouse gas (GHG) emissions.
- 3.3 Chapter 15 of the Environmental Statement (ES) accompanying the application says that the NWL will result in 129,724 tCO<sub>2</sub>e emissions from the construction phase and 293,616 tCO<sub>2</sub>e from the operational phase of the road (calculated as 60 years). It describes this as a moderate adverse (significant) effect.
- 3.4 Although there are no statutory requirements for a local authority such as the County Council to meet a carbon target that aligns with the UK Nationally Determined Commitment to the Paris Agreement 2015, it is instructive to frame the emissions as

a proportion of the County Council's own target for reducing emissions from transport.

- 3.5 The Local Transport Plan target (see ES chapter 15 table 15-5) entails reducing GHG emissions by 1,113 ktCO<sub>2</sub>e between 2025 and 2037. The GHG emissions arising from the NWL during that period are forecast in ES chapter 15 to be 183.102 ktCO<sub>2</sub>e (construction 129.724 ktCO<sub>2</sub>e + operation emissions 53.378 ktCO<sub>2</sub>e). This means that 16.45% of the County Council's own emissions reduction targets for transport would be reversed by this one scheme, making it harder to make the necessary contribution to the UK's legal obligations under the Climate Change Act 2008 (2050 Target Amendment) Order 2019.
- 3.6 The TfN Strategy contains a net zero carbon policy to *“reduce carbon emissions from transport in Norwich to make the necessary contribution to the national target of reducing emissions from all sources by 78% by 2035 compared to 1990 and achieving net zero emissions by 2050. A carbon budget will be developed for the transport programme to demonstrate how it will ensure emissions are contained within the budget.”* Since this policy was adopted there have been no calculations produced about whether the suite of transport measures planned during the life of the TfN Strategy will be sufficient to meet the carbon reduction target. The ES says that there will be no monitoring of the carbon emissions arising from building the NWL. Therefore there is currently no evidence that delivery of the TfN strategy incorporating the NWL will fulfil the above policy objective nor is there any intention to produce this.
- 3.7 The government has recently revised the National Policy Statement for National Networks (March 2024) (NPS / NN). The NPS / NN governs the approach to determining development consent orders for Nationally Significant Infrastructure Projects (NSIP). It says in para 5.40 that *“given the important role national network infrastructure plays in supporting the process of economy wide decarbonisation, the Secretary of State accepts that there are likely to be some residual emissions from construction of national network infrastructure.”* The Planning Statement contends in para. 5.6.13 that this principle can be applied to the NWL, which is not a NSIP. It does not cite any legislation, guidance or case law that supports this extension of the principle. The logical implication of extending this principle down the hierarchy of roads would be that all schemes to build or enlarge roads that feed the strategic road network could justify generating significant carbon emissions even if they are not part of an overall transport strategy that results in balancing decarbonisation or necessary for implementation of a sustainable development proposed through an adopted development plan.

#### 4.0 Sustainable transport investment package commensurate with the NWL

- 4.1 In January 2022 our Cabinet criticised the *“capital investment programme that devotes a higher proportion of funds to road building by comparison with schemes that support sustainable transport”* reinforcing the point made by Cllr Stonard in January 2021 that we need to see a *“comprehensive investment package in public transport, cycling and walking that is commensurate with the investment being considered for the NWL”*.

- 4.2 The costs cited by the County Council and National Highways for major road building schemes within the TfN area that are being developed for implementation in the decade since the opening of the Broadland Northway (A1270) in 2018 amount to £569m-£779m (see table 1).

<b>Table 1 – Road schemes</b>		
<b>Scheme</b>	<b>Promoter</b>	<b>Published cost<sup>1</sup></b>
NWL <sup>2</sup>	Norfolk County Council	£273m
Long Stratton bypass	Norfolk County Council	£46m
Hethel Innovation Park access improvements	Norfolk County Council	£10m
A47 North Tudenham to Easton	National Highways	£100m-£250m
A47 Blofield to North Burlingham	National Highways	£90m-£100m
Thickthorn junction	National Highways	£50m-£100m
<b>Total</b>		<b>£569m-£779m</b>

<sup>1</sup> Rounded down to the nearest £1m.

<sup>2</sup> Excluding the cost of any further traffic mitigation works that might be required under the 'monitor and manage' regime to be secured by planning condition.

- 4.3 It is difficult to calculate a comparable figure for dedicated sustainable transport schemes but table 2 suggests that (taking into account funding sources that we have not been able to disaggregate at TfN level) approximately £75m-£80m of public money has been allocated to capital expenditure on sustainable transport projects in the Transport for Norwich area over the same time period. This suggests a financial bias of between 7 and 11 to 1 towards schemes that are principally about providing new capacity for vehicular traffic (albeit sometimes with subsidiary benefits for sustainable transport) over schemes that are primarily devoted to making it more attractive to use buses, walk and cycle.

<b>Table 2 – Sustainable transport schemes</b>		
<b>Programme</b>	<b>Promoter</b>	<b>Estimated funds to be spent<sup>1</sup></b>
Transforming Cities Fund	Norfolk County Council	52,100,000
Zero Emission Bus Regional Access	Norfolk County Council / First	14,700,000
Infrastructure Investment Fund	Various	3,800,000
Cycle City Ambition	Norwich City Council	1,800,000
Active Travel Fund	Norfolk County Council	600,000
<b>Total</b>		<b>73,000,000</b>

<sup>1</sup> Includes match funding associated with main funding source, rounded up to nearest £100k, does not include Bus Service Improvement Plan funding, some section 106 funding and some Local Transport Plan funding.

- 4.4 There is little prospect of this situation improving because the work to define future schemes or traffic demand management measures that was promised through the adoption of the TfN Strategy has been too slow. Furthermore, in the last year some

schemes that were in the TfN programme have been cancelled by the County Council and the future of others is unclear, meaning funds for sustainable transport may be lost to Norwich. This reflects an apparent concern (echoing the policy shift indicated in the last government's "Plan for Drivers", that was published in Oct 2023) about implementing schemes that would lead to short-term disadvantage for motorists, regardless of the benefits for the economy of the city arising from investment in good quality public space, decongestion through more efficient use of highway space and improved public health from active travel and reductions in air pollution. Schemes in the City Council's area that have been cancelled or have an uncertain future are:

- Connecting the Norwich Lanes programme (including Exchange Street, Guildhall Hill, St Andrew's Street, Duke Street and the riverside walk between Duke Street and St Georges Street)
- Sprowston Road
- Ketts Hill bus lane

- 4.5 This bias is hard to justify when research published by the DfT in November 2014 (Claiming the Health Dividend by Dr Adrian Davis) found that walking and cycling interventions in the UK offered an average benefit cost ratio of 5.62:1. By comparison the NWL's indicative benefit cost ratio is much worse at between 1.5 and 2 to 1 (transport assessment (TA) para. 4.15.1).
- 4.6 A principal objective for the NWL is to remove traffic from rural roads to the west of Norwich and alleviate the problems that arise for residents there. The TA observes in para 1.2.9 that *"There are existing single-track sections of road through villages such as Weston Longville and Ringland which have a theoretical capacity of about 300 vehicles per hour (based on research referred to in DfT Traffic Advisory Leaflet TAL 2/04). This translates to an Annual Average Daily Traffic (AADT) equivalent to around 3,600 vehicles per day. Strategic modelling indicates that the AADT capacity threshold is likely to be exceeded in the opening year of 2029 if the Proposed Scheme does not proceed."* Whilst accepting that current traffic patterns create genuine impacts for the people living in those communities it should be noted that this demonstrates that these roads are still operating within their capacity. It is also worth questioning both whether the scale of the problem warrants the expenditure of such large sums of money or whether it may be possible to implement other more cost-effective methods of addressing them.
- 4.7 A Sustainable Transport Strategy document accompanies the application. This Strategy is divided into the Non-motorised User Provision (a series of committed measures) and the Complementary Sustainable Transport Measures (CSTM) (facilitated by the implementation of the NWL but without a commitment to implement them). The application makes the case that the road will remove traffic from other roads and provide links in the public right of way network that will encourage people to walk and cycle and bus operators to run orbital services that are not currently viable. On some routes in the vicinity of the NWL traffic levels will significantly reduce and people will feel safer walking and cycling, which is a positive benefit. However, the benefits of the Sustainable Transport Strategy have been overstated in the application and will be undermined by other factors, for the reasons explained in the remainder of this section.

- 4.8 The proposals in the CSTM package are modest in scope and scale, have not been developed in detail and are not guaranteed to be implemented if the NWL is built. The “cycle friendly routes” plan within it disregards the established policy in the Greater Norwich Cycling and Walking Infrastructure Plan to extend the green pedalway west from Bowthorpe to Easton via an alignment closer to Longwater, opting for a more circuitous and undulating route via Bawburgh. The CSTM does not meet our requirement that measures should be completed before the NWL is completed.
- 4.9 The construction of new roads and the provision of extra traffic capacity makes driving motorised vehicles easier and this induced demand will mean that there will be more vehicles on other parts of the network that will adversely affect users of sustainable transport modes. It is acknowledged in para 1.4.1 of the TA that National Highways’ A47 North Tuddenham to Easton Improvement Scheme will draw more traffic through the area between the A1067 and A47 and it will close off several existing roads through the area, increasing pressure on those that remain. This will also happen if the NWL is built and exemplifies the process whereby creating road space of this nature generates additional traffic that is then used to make the case for more road building in future.
- 4.10 The level of development planned in the recently adopted Greater Norwich Local Plan (GNLP) is cited in the application as a reason why the extra road capacity is needed. In fact, the GNLP did not allocate land for the NWL and none of the development in the plan relies on the building of the NWL to be considered acceptable. The danger of building the NWL in the absence of the CSTM is that occupants of development on the sites allocated within the GNLP become excessively dependent on use of the private car. Providing better road access to Longwater Retail Park and Norwich Airport, which are cited as benefits para 2.6.10-2.6.11 of the Planning Statement, may make it harder to achieve modal shift away from the private car and towards sustainable modes at these highly car dependent places.
- 4.11 The TA suggests in para 4.12.1 that one way the NWL will improve access to public transport is by facilitating access to the Airport P&R site by linking the A1067 and A47 radial corridors into Norwich to avoid the outer ring road. This claim lacks credibility because it is not clear why a motorist driving towards the city along the A47 would drive around the NWL, part of the Broadland Northway and the Holt Road (A140) to reach the Airport P&R when they could use Thickthorn P&R to reach the city centre more quickly.
- 4.12 If a piece of infrastructure is built it needs to be maintained. The County Council will need to maintain the NWL at considerable expense. Its maintenance budgets for sustainable transport infrastructure and place quality, which are already insufficient to achieve satisfactory standards, will be placed under even greater strain.
- 4.13 The Planning Statement says in paras 5.3.35-37 that that the NWL is aligned with the environmental and carbon emissions aims of the TfN Strategy through facilitating active travel and public transport and alludes to the CSTM. Any beneficial effects arising from the CSTM (if implemented) will be completely outweighed by the effect

of the carbon emissions that are forecast to arise from the NWL. The TfN Strategy and the GNLP provide heavily qualified support the NWL to the extent that it enables sustainable transport measures to be implemented as part of a balanced package of measures. It clearly does not in its current form with the limited range of associated measures.

## 5.0 Air quality and decongestion benefits in the city

5.1 Our response to the County Council's consultation on the draft Local Transport Plan agreed at Cabinet on 16 December 2020 included the statement that *"The combination of the Western Link and the Broadland Northway would produce a third ring of orbital strategic traffic routes encircling Norwich. We do not regard this as sustainable development, even if it is proved that the local environmental harm can be mitigated, unless the new road capacity is used to re-purpose existing road space for more sustainable uses. We therefore expect to see proper investigation of how the NWL can take traffic off the outer ring road, which in turn could take traffic off the inner ring road, allowing the inner ring road to be downgraded and redesigned."*

5.2 To avoid or curb induced traffic demand the road space that is freed up needs to be devoted to dedicated infrastructure for sustainable modes. When a large amount of additional road space is created through a strategic scheme such as the NWL the benefits for sustainable modes should be strategically important. However, it appears that the NWL only guarantees the provision of localised benefits for walking and cycling. The benefits for bus passengers from predicted lighter volumes of traffic on parts of the local network will likely be undermined through future traffic growth due to a lack of measures to lock-in road space reallocation in association with the NWL.

5.3 We have stated that one test for our support is achieving *"considerable air quality and decongestion benefits in the city"*. It is therefore disappointing not to see significant reductions of traffic forecast on parallel routes crossing the Wensum Valley within the city or any proposals to provide benefits for non-motorised users on those routes, which would encourage greater use of the NWL by motorised vehicles rather than routes within the city where they conflict with non-motorised users. The particularly applies to:

- Marl Pit Lane and Hellesdon Road, which carries the purple pedalway. The Planning Statement says in para. 2.4.20 that *"Hellesdon bridge, located approximately 800m west of Sweet Briar Road, crosses the River Wensum. This narrow bridge has a carriageway width of about 4m and is subject to a 3T weight restriction. Surveys identify that this bridge is popular among local cyclists, who will be negatively impacted when cars and vans opt to use this crossing as a short cut"*. It is regrettable that no solution is proposed through the NWL Sustainable Transport Strategy.
- West section of the A140 / outer ring road which causes severance for residential communities and radial roads e.g. blue pedalway at Newmarket Road, pink pedalway at The Avenues, green pedalway at Earlham Road and neighbourhood routes at Dereham Road.

5.4 The opportunity to improve radial routes into the west of the city have also not been built into the project. The Planning Statement at para 2.5.4 says *“There is forecast traffic reduction on A47 southern bypass east of A11 and south western radial routes into central Norwich (A1074 and B1108) as traffic switches to use available capacity on the A1270 with the Proposed Scheme in place”*. It is therefore a missed opportunity that there are no schemes proposed on Watton Road (B1108), Earlham Road (B1108) or Dereham Road (A1074) in association with the NWL for cyclists, pedestrians or bus passengers that would lock in the benefits and avoid inducing traffic growth.

## 6.0 Political governance mechanism

6.1 In January 2021 we sought *“a political mechanism to ensure the governance is in place to ensure that these commitments [to a comprehensive investment package in complementary measures] are implemented”* as a condition of our support for the NWL. This derived from the discontent felt by politicians representing the city about the County Council’s unilateral decision to end our successful and long-standing Highways Agency Agreement and disband the Norwich Highways Agency Committee that was associated with it in March 2020.

6.2 We were keen to ensure that a publicly transparent and accountable decision-making process was retained, and it was agreed that a new committee would be set up with decisions made by elected members from Norfolk County Council, Norwich City Council, Broadland District Council and South Norfolk Council. That committee worked well, and its members voted on decisions in relation to published reports. It was later discovered that the committee was not legally constituted to make decisions. Rather than correcting the legal status and giving the committee the power to make decisions the County Council decided that the committee should have advisory status instead. Soon afterward the County Council abolished the advisory committee and there is now no open public forum where decisions are made.

6.3 We were clear throughout this sequence of events that it represented an unacceptable diminution of democratic accountability and influence by councillors who have been elected to represent constituents in the city who will be most affected by schemes that are built and the policies that are adopted. A political mechanism therefore does not currently exist that would give us the confidence that sustainable transport measures would be implemented to make the building of the NWL acceptable.

## 7.0 NWL Wildlife and landscape impact

7.1 The comments in this section focus on the landscape impact of the scheme, and are largely an assessment of whether the proposal fulfils our test that there is *...“evidence that the ... landscape impacts of the scheme can be satisfactorily mitigated.”*

- 7.2 Our review of the documents has focused on the landscape and visual impact of the proposals, and the degree to which the landscape proposals are an appropriate response to the scheme and the receiving landscape. Whilst landscape matters do overlap with ecology and biodiversity, these comments do not cover ecological matters.
- 7.3 We have decided not to make any comment on wildlife impacts because we know this will be a subject that is thoroughly reviewed and discussed with the County Council by other organisations, such as Natural England. It is also a highly technical issue that is covered by a huge amount of information in the planning application, and we lack the resources and in-house expertise to provide a robust commentary on such an important scheme.
- 7.4 The analysis in this section is based on a review of the following documents within the application:
- Design and Access Statement
  - ES Chapter 9 – Landscape and Visual (inclusive of appendix 1-5)
  - ES Chapter 21 – Non-Technical Summary
  - Landscape Ecological Key Plan
  - Landscape Ecological Plans Sheets 1-5
  - Landscape Key Plan
  - Landscape Layout Sheets 1-10
- 7.5 The NWL will affect the landscape character, physical landscape and visual amenity of what is currently a relatively unsettled and tranquil stretch of land. Comprehensive efforts have been made to mitigate these impacts, with a relatively sensitive approach to creating new varied habitats, working with surrounding land to screen and integrate the proposals into the landscape, and minimising the visual intrusion of the proposals with the design, detailing and use of materials. Despite this, it is also clear that residual impacts will remain.
- 7.6 Chapter 9 of the ES contains a Landscape and Visual Impact Assessment (LVIA). It references the Guidelines for Landscape and Visual Impact Assessment, 3rd Edition 2013 (GLVIA3), which is the relevant industry standard for undertaking LVIA's. Other relevant industry standards for the assessment of highways projects are also referenced, however we are less familiar with these standards and the methodology recommended within them.
- 7.7 Although ES chapter 9 refers to GLVIA3 it does not conform to the general format of LVIA's. Landscape sensitive receptors and visual sensitive receptors are identified as part of the baseline, but the assessment of effects is not fully defined and separated. As a result, many of the potential landscape effects are only discussed in the context of what can be seen, and not in the context of what permanent changes would result on the landscape itself. The landscape features and characteristics identified within the baseline are not taken forward for assessment in terms of landscape effects and this has not been justified. The level of consideration given to landscape receptors is



not sufficiently thorough given the large scale of the proposed development. It is usual practice to identify landscape character (using national and local level landscape character areas (LCAs)), along with a more tailored individual considerations of the direct context of the site. In addition, it is usual practice to identify receptors such as the physical landscape fabric and individual features that could be impacted by the proposed development. We are concerned that these omissions have led to the magnitude of effects being understated and some potential receptors not being identified.

- 7.8 ES chapter 9 states in para 9.10.6 and 9.10.7 that the predicted residual effects during operation will be “slight adverse” (or “minor adverse” in appendix 1) in relation to LCA1: A1 Wensum River Valley and LCA2: D2 Weston Green Tributary Farmland. Our methodological concerns mean that we think these professional judgements understate the potential effects of the development on landscape receptors and that the consideration of landscape effects in relation these and adjacent LCAs is not comprehensive.
- 7.9 In relation to visual effects, the ES non-technical summary says that these are expected to be of “neutral to moderate-large adverse”, reducing to “slight moderate adverse” by year 15. Four close distance viewpoints were considered to experience “moderate adverse effects” (or above), reducing to “slight-moderate adverse effects” by year 15 once planting and mitigation is established.
- 7.10 The LVIA in chapter 9 of the ES concludes that there will be no significant effects resulting from the proposal by year 15 once mitigation is established, in relation to assessed LCAs and visual receptors. LVIAs inherently rely on professional judgement based on the application of a particular methodological approach. We have concluded that this LVIA lacks a proper consideration of the impact that the proposal will have on the physical landscape and lacks a more detailed consideration of contextual site-specific landscape character (including perceptual qualities of place). This has led to the potential impacts of the proposals being understated and we therefore cannot fully agree with the conclusion that the proposals would result in no significant effects at year 15, particularly in relation to landscape character and physical features, without further consideration and assessment of these by the applicant. For this reason, we have concluded that there is not sufficient evidence to demonstrate that the landscape impacts of the scheme can be satisfactorily mitigated.
- 7.11 The treatment of adjacent LCAs is confusing within the LVIA, being discounted in para 9.6.3 of ES chapter 9 as an unnecessarily disproportionate area of analysis, yet referred to in the section on cumulative effects under para 9.8.2. GLIVIA3 encourages analysts to be proportionate, however in this instance some of the more impactful elements of the scheme, such as roundabouts and connections to other roads at the ends of the NWL that fall within or adjacent to LCAs, do not appear to have been given the consideration they deserve.
- 7.12 Beyond the obvious impact that the proposal will have on the physical landscape, landscape character and visual amenity, there appears to be other negative changes that would result from the NWL that are relevant to a landscape commentary

because they affect the ability for people and nature to experience good connectivity and access to the existing environments within the area. Habitat degradation of ancient woodland and veteran trees, specific issues relating to bat populations, severance of public footpaths, disturbance to historic field patterns and even minor changes such as the culverting of small water courses would have negative impacts on the landscape, both in terms of its value and perceptual qualities.

Norwich City Council  
September 2024

## Annex 1 – Earlier statements and decision by Norwich City Council about the NWL

### 7 October 2022 – Letter responding to NWL pre-planning application consultation from Norwich City Council Executive Director of Development and City Services to Norfolk County Council Highway and Major Projects Manager

Thank you for the opportunity to respond to your consultation on the Norwich Western Link (NWL) ahead of the submission of a planning application.

Our Cabinet member Cllr Stonard explained at a Council meeting on 20 January 2021 the circumstances under which our council could support the NWL. These were summarised in a Cabinet report on 12 January 2022 as being:

- Considerable air quality and decongestion benefits in the city
- A comprehensive investment package in public transport, cycling and walking that is commensurate with the investment being considered for the NWL capable of delivering against internationally agreed carbon reduction targets
- The completion of complementary schemes before the NWL is completed
- A political mechanism to ensure the governance is in place to ensure that these commitments are implemented
- Evidence that the wildlife and landscape impacts of the scheme can be satisfactorily mitigated.

We had hoped that the combined development of the Transport for Norwich Strategy and actions flowing from it and the investments in sustainable transport measures associated with the NWL would help to satisfy us that the NWL sat within a balanced and environmentally progressive overall transport package for the Norwich area.

Unfortunately our Cabinet concluded, in approving the main recommendation in the January 2022 report, "that the strategy as adopted by the County Council is not sufficiently ambitious in moving the city toward a sustainable future for transport in the absence of an agreed action plan or approved Local Cycling and Walking Infrastructure Plan and with a capital investment programme that devotes a higher proportion of funds to road building by comparison with schemes that support sustainable transport; and therefore the City Council cannot currently endorse the strategy or support the proposal for the Norwich Western Link that is contained within it.

Nine months have elapsed, and we have not seen any changes that would alter this position. In fact, our concerns have deepened for the following reasons:

- Insufficient progress has been made on implementing the actions in the Transport for Norwich Strategy.
- The increased cost of the NWL has widened the disparity in the level of investment planned in road schemes in the Norwich area (over £600m) compared to the investment planned in sustainable transport. Once the TCF programme is completed the only committed funds for sustainable transport are a share of the £49.5m BSIP allocation, sums in the hundreds of thousands annually from Active Travel England and a share of pooled CIL through the Infrastructure Investment Fund.
- The traffic modelling presented through the NWL public consultation does not demonstrate that traffic levels will be reduced within Norwich in a way that would facilitate any schemes to improve active travel or public transport. The improvements to cycling and walking associated with the project are modest and local to the scheme. The welcome adoption of the Local Cycling and Walking Infrastructure Plan (LCWIP) by the County Council earlier this year does not appear to have informed the proposals. For example, the LCWIP commits to extending the green pedalway beyond Bowthorpe over the A47 via Long Lane to connect with Easton whereas the NWL consultation disregards this. The NWL promotes the enhancement of New Road between Bawburgh and Bowthorpe instead. This would need to be informed by likely increases in traffic volumes should the contingency site in the Greater Norwich Local Plan GNLP2043/0581 between New Road and Long Lane be developed that could make New Road intimidating for cyclists without the severance of this route for general traffic. It is also disappointing that the consultation is silent on the western arc bus route proposals and lack any detail of other public transport measures that might be facilitated by the NWL.
- The County Council has revised the political governance arrangements for Transport for Norwich that were set up following the termination of the highways agency agreement so that the joint committee does not have decision making powers.

As a result, the City Council cannot support the proposal for the Western Link. However, it remains keen to continue working with the County Council on the co-ordination of transport policy and investment in Norwich.

## 12 January 2022 Cabinet report extracts - TfN Strategy

Approved recommendation: “that the strategy as adopted by the County Council is not sufficiently ambitious in moving the city toward a sustainable future for transport in the absence of an agreed action plan or approved Local Cycling and Walking Infrastructure Plan and with a capital investment programme that devotes a higher proportion of funds to road building by comparison with schemes that support sustainable transport; and therefore the City Council cannot currently endorse the strategy or support the proposal for the Norwich Western Link that is contained within it”

5. The Norwich Western Link (NWL) is being promoted by County and reference is made to it in the TfN strategy. On 20 January 2021 Cllr Mike Stonard made a statement to Council in response to public questions on the NWL setting out the City Council’s conditions for supporting that project. These included seeing clear and convincing evidence of the NWL being a critical part of an environmentally progressive and deliverable transport strategy for the city

11. On 20 January 2021 Cllr Stonard sought convincing evidence that the NWL is a critical part of an environmentally progressive and deliverable transport strategy for the city that delivers: a. Considerable air quality and decongestion benefits in the city b. A comprehensive investment package in public transport, cycling and walking that is commensurate with the investment being considered for the NWL capable of delivering against internationally agreed carbon reduction targets c. The completion of complementary schemes before the NWL is completed d. A political mechanism to ensure the governance is in place to ensure that these commitments are implemented; and e. Evidence that the wildlife and landscape impacts of the scheme can be satisfactorily mitigated.

12. The TfN strategy contains an action to “Carry out strategic assessments of the traffic impacts as a consequence of completing the committed strategy schemes (including improvements to the A47, the committed transforming cities programme and the Norwich Western Link) to identify the opportunities to deliver enhanced sustainable transport measures to support public transport and active travel”. There is no clarity about the scope of these assessments, when they will be done and why this has not already happened, given the advanced state of planning for these schemes. There is a risk that the construction of the road will promote car-dependency in the area, worsening rather than alleviating traffic in Norwich.

13. Investment levels are important in determining outcomes. The County and National Highways are planning to spend about half a billion pounds on new and expanded roads within the TfN strategy area, including £198m on the NWL. In contrast, once the Transforming Cities Fund and Town Deal programmes end there is a risk of much less funding being available for sustainable transport schemes than now or by comparison with road schemes. The Bus Service Improvement Plan hopes to secure £107m from the Department for Transport over five years matched by £65m of local money for the whole county. The LCWIP has not been costed and dedicated funds from DfT for cycling are small by comparison with the roads investment programme.

14. None of conditions outlined in January 2021 for supporting the NWL have been fulfilled. Whilst the possibility exists that evidence could be provided as part of the

planning application submission for the NWL that the wildlife and landscape impacts of the scheme can be satisfactorily mitigated, all the tests needed to be met for the City to support the NWL and it is clear, following the adoption of the TfN strategy, that the prospect is remote. The NWL is a project of such significance that it is considered the City Council should make its position clear and in light of the information above it is recommended that the Council should resolve not to support the NWL at this stage.

15. It should be noted that the relationship between the NWL and growth is very different to the circumstances that existed in relation to the previous Norwich Northern Distributor Road (now Broadland Northway), which was necessary to deliver growth proposals set out in the Joint Core Strategy, and that the County Council have not sought to access any infrastructure funds over which the City Council has control to deliver the NWL. However, it follows from the paragraph above that should such a request be received it would not be agreed by the City Council.

16. The TfN Strategy and NWL are mentioned in the Greater Norwich Local Plan (GNLP) policy 4 and paragraphs 237-245, which was agreed for submission by Council in July 2021. The evidence supporting the plan is clear that no development delivery in the GNLP is dependent on the completion of the NWL road. However, it is considered that the text of the GNLP will need to be updated to reflect both the County Council's adoption of the TfN strategy and the City Council's current position on it. Should the recommendations of this report be agreed, officers will seek to agree an appropriate main modification with partners in the GNLP to reflect the updated position.

17. The Norfolk Strategic Infrastructure Delivery Plan includes a supportive reference to the NWL. If the recommendations are accepted the City will need to make it clear to the County that the recent discussions at the Norfolk Leaders meeting should not be taken to signify any agreement by the City to the NWL.

20 January 2021 Cabinet – Response by Cllr Mike Stonard, then Cabinet member for sustainable and inclusive development, to questions

Thank you for the multiple questions about the city council's position on the proposed Norwich Western Link (NWL).

Clearly the Western Link scheme is a very major and controversial proposal and, if built, it will have significant implications for Norfolk's carbon emissions, its environment, traffic conditions across the city and economic activity in the north of the city. However, it should be remembered that the scheme proposed is entirely outside our administrative area and that the city council is not a transport authority. Therefore, we are not part of the decision making process on the NWL, which is entirely a county council matter.

The city council has always been consistent that any support for the scheme would be dependent on it being satisfied that certain conditions were fulfilled. This is consistent with the content of the emerging Greater Norwich Local Plan that is on the agenda for consideration at this meeting. In particular, we have demanded that the NWL needs to be set in the context of a clear and environmentally progressive strategy for the development of transport in Norwich.

This strategy needs to be the foundation for a clearly defined and comprehensive set of schemes with funding attached which would demonstrate that, when viewed as a package, public transport, cycling and walking would be prioritised and promoted over the use of the private car. In particular, evidence of the decongestion benefits of the NWL in the city was sought as the basis for some of these measures to promote modal shift and road space reallocation.

Since the city council expressed conditional support for the strategic outline business case, almost no progress has been made on the Transport for Norwich Strategy, and the Local Cycling and Walking Infrastructure Plan has not been published for consultation. The award of £32m for the Transforming Cities Fund project last year was welcome but a far smaller award than the original high value package that would have been comparable in value to the estimated £153m cost of the NWL. We have as yet received no evidence that traffic levels in the city's streets will be eased in a way that would improve air quality or enable modal shift or road space reallocation as a result of the construction of the NWL.

In December, cabinet approved a detailed and considered response to the draft Local Transport Plan. At the time of writing this answer, we have not received an acknowledgement or a response to that submission, which was sent on 17 December. The response explained the types of principles and interventions that we would like to see implemented to improve transport in the city.

The city council's response to the Local Transport Plan sets out our bold and radical vision for transport in Norwich. It was drafted in the context of the Council's 2040 City Vision, the Covid-19 Recovery Plan and the Norwich City Centre Public Spaces Plan. It sets out thirteen policy principles, the very first of which is to respect climate limits. It supports the county's carbon neutrality target of 2030 and proposes tough carbon reduction targets for transport, supported by an immediate and radical reduction in emissions. It demands that the Local Transport Plan should set a carbon budget for transport in Norfolk and Greater Norwich, supported by strong policies to contain emissions within that budget.

The second principle of the city council's bold vision for transport is that health and wellbeing and fairness must be at the centre of transport policy. Access to transport directly impacts life chances but it is the poorest in society who tend to live beside busy roads or in polluted city centres, with a consequent impact on life expectancy and general health and wellbeing, so transport must be clean and transport policy must promote social justice by reducing inequalities and promoting fairness.

The third policy principle is that non-car access from homes to places where people work, learn, shop and are entertained must be affordable. This will require an approach to land use and transport planning which creates compact mixed-use clusters and directs development and calibrates density towards them.

The city council's fourth principle is to prioritise the different modes of transport on the basis of efficient energy and space use. We need to continue to induce demand for more sustainable travel behaviour by designing Norwich around the needs of pedestrians, cyclists and buses. We propose the prioritisation of different modes of transport according to a hierarchy which is based on their energy efficiency, with walking and cycling at the very top.

There are a further nine policy principles for transportation in Norwich, which are freely available to peruse. They cover vital issues such as the equality impact of transport policy and design; the need to actively manage the delivery of goods, which has increased dramatically as a consequence of the rise of online shopping; the use of technology to support our goals; and the generation of revenue to invest in sustainable transport and to make us less reliant on central government grants.

Our ambitious transport vision also makes radical proposals of interventions for delivery, including a workplace parking levy; a gradual reduction in the space available for fossil fuel vehicles to park; the allocation of spaces for autonomous vehicles; the reallocation of road space and time from cars to more sustainable modes; measures to free the city centre and neighbourhoods from polluting vehicles; a reduction in traffic levels in the vicinity of schools; the setting of 20 mph as the default speed limit across Norwich; and the creation of Mobility Hubs, which would facilitate smooth transfers between shared and clean modes of transport and to ensure people can be confident that there are hubs places in the city where they can access and smoothly switch between buses, trains, car club vehicles and hire bikes.

All of these ambitious and radical policies and measures would transform the city into a safer, cleaner, more sustainable and more equitable place. This is now the city council's main focus for influencing the county council on transport matters.

But, this vision must be seen in the context of the city council's diminished influence on the development and implementation of transport policy and projects in and around the city. This reduced role is a direct consequence of the county council's unilateral decision to terminate the Highways Agency Agreement. Therefore, the city council can propose ambitious and radical policies and measures, but we no longer have any role in the decision-making and implementation process.



In terms of the Western Link, the termination of the Highways Agency Agreement and the diminution of the city council's role in transport matters has combined with a lack of progress on the part of the county council in developing a new transport strategy. This slowness has served to undermine our confidence that the county is serious about providing sufficient complementary measures to satisfy our conditions for supporting the project. As I say, the termination of the Highways Agency Agreement means the city council does not have a formal role in this process; a role which would have helped ensure confidence that such complementary transport policies and schemes in the city were being planned, funded and implemented in a timely way and as agreed.

However, our final position will await the outcome of work that is being undertaken to prepare for the submission of the planning application for the NWL and the adoption of the Transport for Norwich Strategy. On a decision as important as this it is only right that we wait until we are in full possession of all the relevant information.

In order for the city council to consider supporting the proposal we will need to see clear and convincing evidence of the NWL being a critical part of an environmentally progressive and deliverable transport strategy for the city delivering:

- considerable air quality and decongestion benefits in the city;
- a comprehensive investment package in public transport, cycling and walking that is commensurate with the investment being considered for the NWL capable of delivering against carbon reduction targets in the Paris agreement or any successor agreements;
- the completion of complementary schemes before the NWL is completed;
- a political mechanism to ensure that the governance is in place to ensure that these commitments are implemented; and
- evidence that the wildlife and landscape impacts of the scheme can be satisfactorily mitigated.

We are an evidence based council, which has consistently requested both the evidence and the answers to our questions before a decision of support could be considered. This evidence has not been forthcoming and we can only surmise. However, meanwhile, the actions of the Tory-run county council have removed from the city any meaningful power in decision making on city transport and highways matters through the removal of the Highways Agency Agreement. But, we have not waited idly for the county council to respond. Instead, our alternative is clear. We have produced a Norwich transport plan that is bold, radical, evidence based and decisive. If implemented, it would give our city a better future in making practical real life improvements to people's day to day transport needs while safeguarding our precious environment. So, our message is simple, but I'll repeat it again for those who have chosen not to listen. If the Tories at county what us to change they'll need to answer the questions, provide the evidence, reinstate the Highways Agency, or something very much like it, deliver on our bold transport plan and give us a meaningful say in transport and highways matters in the city. Until then, just as before, we cannot consider support.





**Committee name:** Cabinet

**Committee date:** 11/09/2024

**Report title:** Corporate Performance Report for Quarter 1, 2024-2025

**Portfolio:** Councillor Stonard, Leader of the council

**Report from:** Executive director of communities and housing

**Wards:** All wards

**OPEN PUBLIC ITEM**

**Purpose**

To report progress against the delivery of the corporate plan priorities and key performance indicators for quarter one of 2024-2025.

**Recommendation:**

It is recommended that cabinet review progress on the key performance indicators for this quarter.

**Policy framework**

The council has five corporate priorities, which are:

- A prosperous Norwich.
- A fairer Norwich.
- A climate responsive Norwich.
- A future-proof Norwich.
- An open and modern council.

This report meets the 'An open and modern council' corporate priority.

## Report details

### Introduction

1. For the reporting period 2024-2025, information across corporate performance, finance and risk elements will be presented to Cabinet as three quarterly reports, and an annual report for 2024-2025.
2. The KPIs in this report have been carried over from the previous Corporate Plan and are under review, as part of the new business planning process. For the purpose of this report, the existing KPIs have been mapped to the new priorities in the Community-led Plan 2024-2029 'We are Norwich':
  - An open and modern council
  - A prosperous Norwich
  - A fairer Norwich
  - A climate responsive Norwich
  - A future-proof Norwich
3. This report sets out progress for the period 01 April 2024 to 30 June 2024.
4. Performance reporting for indicators in this report is based around a traffic light system, for further information please see [here](#).

### Overview of Performance Measures for Quarter One 2024-2025

5. There are 23 quarterly KPIs reported for this period, two of which are being monitored before setting targets and intervention levels. The table below compares the latest quarterly performance with a rolling 12-month average, broken down by status:

KPIs against targets		Rolling 12-month average		Q1 totals 2024-2025	
<b>Green</b>	Performance is on or above target	14	67%	11	52%
<b>Amber</b>	Early warning that performance is not on target and action may be required.	3	14%	5	24%
<b>Red</b>	Performance has reached a level where we will intervene and agree what action is required to bring it back on target.	4	19%	5	24%
<b>Totals</b>		<b>21</b>		<b>21</b>	

6. Overall, performance remains steady with positive movement across a majority of indicators. There are five KPIs that have reached a level where we are taking action to bring them back on target.

7. The information below provides an overview of the following:

- KPIs off target and have reached a level where we will intervene.
- KPIs not on target and action may be required to improve performance
- KPIs where there have been significant improvements during the quarter.





## KPIs off target requiring intervention

### KPIs to watch for Quarter one

Indicator	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024
% of council housing rent collected (excluding arrears brought forward)	96.71	96.66	99.10	99.17	97.50
% of planning decisions upheld after appeal (where council has won)	100.00	77.00	72.00	65.00	41.00
Average re-let time of council homes in calendar days (excluding major works)	69.00	55.00	58.00	79.00	79.00
Number of homeless households living in temporary accommodation	59.00	57.00	60.00	75.00	73.00
Total number of private sector insulation measures completed	60.00	62.00	83.00	43.00	0.00

- % of council housing rent collected (excluding arrears brought forward):** Performance remains under target for quarter one but better than compared to quarter one of 2023. The automation of the arrears escalation process will commence in quarter two, and performance should increase after implementation. Working practices and processes are being reviewed to understand where we can prioritise urgent cases earlier and achieve further efficiencies.
- % of planning decisions upheld after appeal (where council has won):** The KPI looks at our decisions *upheld* after appeal, and we are determining fewer applications due to nutrient neutrality. There was only one appeal decision this quarter, where the appeal was not upheld. This single decision has resulted in deterioration of the rolling annual indicator from 65% to 41%. Previous quarters performance had been impacted by a series of decisions around advertising hoardings where the Council had refused several digital advertising displays, but these decision had been overturned by the planning inspectorate. Future decisions on digital advertising hoardings will need to have regard to the appeal decisions so it is anticipated that more will be approved going forward. Performance will be monitored on an on-going basis.
- Average re-let time of council homes in calendar days (excluding major works):** Performance remains below target and continues to be monitored carefully. Performance is comparable with similar sized authorities who are experiencing challenges with voids relating to costs, availability of materials and the standard and volume of work required to each void.
- Number of homeless households living in temporary accommodation:** Demand for temporary accommodation remains high. We actively manage temporary accommodation to ensure that it is used as effectively as possible and that people are supported into more suitable long-term accommodation.
- Total number of private sector insulation measures completed:** There have been no private sector installation measures completed this quarter. We have previously remained in target or above target in 2022-2023, largely due to the Sustainable Warmth Competition which has now ended. The nature of the funding landscape for this KPI produces 'peaky' quarterly KPI outcomes, however at this point last year the rolling 12-month total was 144 versus the current rolling 12-month total of 188 installations.



## KPIs not on target and where action may be required

Indicator	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024
% of council homes with a valid gas safety certificate	100.00	100.00	99.99	100.00	99.99
Average number of days taken to process new Housing Benefit claims from point of receipt to notification of entitlement	18.00	16.00	18.00	17.00	20.00

There are five KPIs that are not on target this quarter, and two measures have decreased in performance, which are as follows:

- Average number of days taken to process new Housing Benefit claims from point of receipt to notification of entitlement:** There is a slight decrease in performance this quarter due to fewer claims being received and an increase in complex cases which require more processing time. We continue to monitor performance and focus on processing as efficiently as possible.
- % of council homes with a valid gas safety certificate:** Overall, there has been good consistency across this measure. For the quarter, there was one property that required a gas safety certificate, and a new certificate was issued on the first day of quarter two.

However, there are significant improvements in two of these KPIs compared to the previous quarter, for further information please see the ['Improvements'](#) section.





## Improvements

Indicator	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024
% household waste sent for reuse, recycling, composting (reporting on previous quarter)	38.30	38.50	40.00	36.00	40.60
% of corporate complaints responded to within stated timescales	68.00	58.00	58.00	74.00	78.00
% of customer contact that takes place through digital channels	46.36	43.59	37.36	36.12	52.31
% of FOI requests responded to within statutory timescales	98.50	97.20	97.00	95.40	98.20

There are four KPIs that are showing improvements this quarter.

- % household waste sent for reuse, recycling, composting (reporting on previous quarter):**  
 The figure for Q1 has moved from amber to green and is above the target of 40% and a significant increase in performance recorded in Q4 last year. It is also notably above the equivalent performance reported in Q1 last year and is bucking a national trend of recycling figures tending to flatline. It should be noted that at this stage the Q1 figure has not been verified through the Environment Agency's waste data flow portal so may change once this verification is complete.
- % of corporate complaints responded to within stated timescales:**  
 Performance continues to improve and is 10 percentage points higher than the same quarter last year. This is the highest performance to date.
- % of customer contact that takes place through digital channels:**  
 A review of customer contact through digital channels has taken place to ensure all online systems are included in the KPI calculation. This has led to a significant improvement, and 6.95 percentage points higher than the same quarter last year.
- % of FOI requests responded to within statutory timescales:**  
 Performance continues to remain on or above target. It is notable that the volume of FOI requests has increased by 7% compared to the same quarter last year, but performance is consistent across this measure.



8. Please see [Appendix A](#) for all performance data for quarter one with commentary of progress.
9. For further information, please see Norwich City Council's [website](#) for a detailed list of each KPI, how it is calculated, how frequently it is reported and what the target and intervention levels are.

### Financial and resources

10. 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 2024-2029, budget and medium-term financial strategy.
11. There are no proposals in this report that would reduce or increase resources.

### Legal

12. In considering its financial and non-financial performance, the Cabinet is supporting the Council to fulfil its duties under s.151 of the Local Government Act 1972 to ensure there are arrangements in place for the proper administration of its financial affairs, and under s.3 of the Local Government Act 1999 to make arrangements to secure continuous improvement in the way its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

### Statutory considerations

Consideration	Details of any implications and proposed measures to address:
Equality and Diversity	This report does not have direct implications for equality and diversity; it reports on progress made in delivering agreed services and programmes, the equality implications of which will have been considered as part of service planning or other decision-making processes.
Health, Social and Economic Impact	This report does not have direct health, social or economic implications; it provides an update on progress made in delivering agreed services and programmes, the implications of which will have been considered elsewhere.
Crime and Disorder	This report does not have direct implications for crime and disorder; it provides an update on progress made in delivering agreed services and programmes, the implications of which will have been considered elsewhere.
Children and Adults Safeguarding	This report does not have direct safeguarding implications; it provides an update on progress made in delivering agreed services and programmes, the implications of which will have been considered elsewhere.

Consideration	Details of any implications and proposed measures to address:
Environmental Impact	This report does not have direct environmental implications; it provides an update on progress made in delivering agreed services and programmes, the implications of which will have been considered elsewhere.

### Risk management

Risk	Consequence	Controls required
Specific risk management activities and detailed consideration of the corporate risk register are reported separately through the quarterly Risk Management Report.	Failure to manage risks appropriately could have financial reputational or other consequences	Risk owners are required to implement controls to mitigate risks and update these regularly.

### Other options considered

13. There are no alternative options to consider.

### Reasons for the decision/recommendation

14. It is recommended that cabinet review progress on the key performance indicators for this quarter.


### Appendices:

- **Appendix A** provides performance data for quarter one with commentary of progress.

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	<p>If you would like this agenda in an alternative format, such as a larger or smaller font, audio, or Braille, or in a different language, please contact the committee officer above.</p>
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# Appendix A

## Key Performance Indicators Data

### *Quarter one 2024-2025*

*Please note, there are currently no KPIs being monitored for the priority 'A future-proof Norwich.' However, we are developing a new performance framework to ensure our KPI's align to our new corporate priorities.*

Indicator	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024
% of corporate complaints responded to within stated timescales	68.00	58.00	58.00	74.00	78.00
% of customer contact that takes place through digital channels	46.36	43.59	37.36	36.12	52.31
% of customer's responding as satisfied with customer contact team service	67.46	73.95	79.80	80.80	81.02
% of FOI requests responded to within statutory timescales	98.50	97.20	97.00	95.40	98.20
Business Rates Collection – the amount of in year business rates plus arrears from old years collected (target set according to budget requirement)	105.48	101.11	100.20	100.94	100.36

There are ten quarterly KPIs for this priority.

- % of corporate complaints responded to within stated timescales:**  
Performance continues to improve and is 10 percentage points higher than the same quarter last year. This is the highest performance to date.
- % of customer contact that takes place through digital channels:**  
A review of customer contact through digital channels has taken place to ensure all online systems are included in the KPI calculation. This has led to a significant improvement, and 6.95 percentage points higher than the same quarter last year.
- % of customers responding as satisfied with customer contact team service:**  
Customer satisfaction levels remain above target. An action plan to improve service levels has helped to drive up performance for this measure.
- % of FOI requests responded to within statutory timescales:**  
Performance continues to remain on or above target. It is notable that the volume of FOI requests has increased by 7% compared to the same quarter last year, but performance is consistent across this measure.
- Business Rates Collection – the amount of in year business rates plus arrears from old years collected (target set according to budget requirement):**  
Despite an increase of work from the Valuation Office which has influenced collectable debt, performance has remained stable and on track for Business Rates collection.

Indicator	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024
Council income from investment property portfolio expressed as % of target income	95.00	95.00	95.00	98.00	97.00
Council on track to remain within General Fund budget (£)	-2,070,000.00	-3,260,000.00	-3,500,000.00	-3,959,000.00	0.00
Council Tax Collection – the amount of in year council tax plus arrears from old years collected (target set according to budget requirement)	102.93	101.60	100.21	100.26	105.08
Customer facing IT services availability expressed as a % of time (24/7 excluding scheduled downtime)	99.93	99.82	99.18	99.97	100.00
IT System availability expressed as a percent of time available during core hours	96.60	99.94	99.77	99.92	99.97

- Council income from investment property portfolio expressed as % of target income:**  
 Council income from investment property portfolio remains above target. The council continues to monitor and review income from our investment portfolio, in particular debt.
- Council on track to remain within General Fund budget (£):** There has been no profit or loss this quarter, and the council remains within the General Fund Budget.
- Council Tax Collection – the amount of in year council tax plus arrears from old years collected (target set according to budget requirements):**  
 Council Tax collection is exceeding the target in quarter one 2024.
- Customer facing IT services availability expressed as a % of time (24/7 excluding scheduled downtime):**  
 Target and intervention levels have now been set. There have been no IT service issues in quarter one for our customers, and performance is 100%. This demonstrates the Councils commitment to deliver services which are accessible for our residents.
- IT System availability expressed as a percent of time available during core hours:**  
 Performance exceeds the target which reflects efforts made by the IT Team to maintain service levels across the organisation.

Indicator	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024
% of planning applications determined within statutory time limits	93.00	93.00	91.00	87.00	88.00
% of planning decisions upheld after appeal (where council has won)	100.00	77.00	72.00	65.00	41.00
Average number of days taken to process new Housing Benefit claims from point of receipt to notification of entitlement	18.00	16.00	18.00	17.00	20.00

There are three quarterly KPIs for this priority.

- % of planning applications determined within statutory time limits:** Performance has slightly improved this quarter compared to Q4 but is still marginally below the target of 90%. This is due to applications being refused due to applicants being unwilling to allow extra time because of frustrations with delays caused by nutrient neutrality. Managers will continue to monitor timescales for a decision and encourage a firmer approach to securing extensions or issuing timely refusals, where necessary.
- % of planning decisions upheld after appeal (where council has won):** The KPI looks at our decisions *upheld* after appeal, and we are determining fewer applications due to nutrient neutrality. There was only one appeal decision this quarter, where the appeal was not upheld. This single decision has resulted in deterioration of the rolling annual indicator from 65% to 41%. Previous quarter's performance had been impacted by a series of decisions around advertising hoardings where the Council had refused several digital advertising displays, but these decision had been overturned by the planning inspectorate. Future decisions on digital advertising hoardings will need to have regard to the appeal decisions so it is anticipated that more will be approved going forward. Performance will be monitored on an on-going basis.
- Average number of days taken to process new Housing Benefit claims from point of receipt to notification of entitlement:** There is a slight decrease in performance this quarter due to fewer claims being received and an increase in complex cases which require more processing time. We continue to monitor performance and focus on processing as efficiently as possible.



Indicator	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024
% of council homes with a valid gas safety certificate	100.00	100.00	99.99	100.00	99.99
% of council housing rent collected (excluding arrears brought forward)	96.71	96.66	99.10	99.17	97.50
% of households owed a homelessness prevention duty (in accordance with the Homelessness Reduction Act) where the duty was ended due to suitable accommodation being secured for them	89.00	81.00	69.00	71.00	67.00
% of residents responding as feeling safe in their local area after dark		41.00	47.00	42.00	43.00
% of residents responding as feeling safe in their local area during the day		69.00	67.00	68.00	68.00

There are eight KPIs for this priority this quarter.

- % of council homes with a valid gas safety certificate:**  
Overall, there has been good consistency across this measure. For the quarter, there was one property that required a gas safety certificate, and a new certificate was issued on the first day of quarter two.
- % of council housing rent collected (excluding arrears brought forward):** Performance remains under target for quarter one but better than compared to quarter one of 2023. The automation of the arrears escalation process will commence in quarter two, and performance should increase after implementation. Working practices and processes are being reviewed to understand where we can prioritise urgent cases earlier and achieve further efficiencies.
- % of households owed a homelessness prevention duty (in accordance with the Homelessness Reduction Act) where the duty was ended due to suitable accommodation being secured for them:**  
The recruitment of externally funded specialist advisers for refugee and ex-offender clients has aided work to optimise all available accommodation options.
- % of residents responding as feeling safe in their local area during the day, and also after dark:**  
These KPIs were introduced in quarter two last year and are being monitored therefore showing as a white status. We expect targets and intervention levels to be set from quarter two this year. Overall, performance across these measures remain consistent. There are new processes in place to determine quarterly Policing Priorities in consultation with Safer Norwich Board partners.

Indicator	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024
Average re-let time of council homes in calendar days (excluding major works)	69.00	55.00	58.00	79.00	79.00
Number (of total) (%) of food premises rated 0,1 or 2 (non-broadly compliant), moving to a compliant rating of 3, 4 or 5 against the Food Hygiene Rating System following intervention by food safety officers	95.00	92.00	92.00	86.00	88.00
Number of homeless households living in temporary accommodation	59.00	57.00	60.00	75.00	73.00

- Average re-let time of council homes in calendar days (excluding major works):**  
Performance remains below target and continues to be monitored carefully. Performance is comparable with similar sized authorities who are experiencing challenges with voids relating to costs, availability of materials and the standard and volume of work required to each void.
- Number (of total) (%) of food premises rated 0,1 or 2 (non-broadly compliant), moving to a compliant rating of 3, 4 or 5 against the Food Hygiene Rating System following intervention by food safety officers:**  
Performance has increased this quarter - officers conducted a Norwich Street survey to ensure the premises database is as accurate as possible.
- Number of homeless households living in temporary accommodation:**  
Demand for temporary accommodation remains high. We actively manage temporary accommodation to ensure that it is used as effectively as possible and that people are supported into more suitable long-term accommodation.

Indicator	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024
% household waste sent for reuse, recycling, composting (reporting on previous quarter)	38.30	38.50	40.00	36.00	40.60
Total number of private sector insulation measures completed	60.00	62.00	83.00	43.00	0.00

There are two KPIs for this priority this quarter.

- **% household waste sent for reuse, recycling, composting (reporting on previous quarter):**

The waste recycling figure for Q1 has moved from amber to green and is above the target of 40% and a significant increase in performance recorded in Q4 last year. It is also notably above the equivalent performance reported in Q1 last year and is bucking a national trend of recycling figures tending to flatline. It should be noted that at this stage the Q1 figure has not been verified through the Environment Agency's waste data flow portal so may change once this verification is complete.

- **Total number of private sector insulation measures completed:**

There have been no private sector installation measures completed this quarter. We have previously remained in target or above target in 2022-2023, largely due to the Sustainable Warmth Competition which has now ended. The nature of the funding landscape for this KPI produces 'peaky' quarterly KPI outcomes, however at this point last year the rolling 12-month total was 144 versus the current rolling 12-month total of 188 installations.

For further information, please see . [Corporate Performance Report for 2023/24](#), section 22.





**Committee name:** Cabinet

**Committee date:** 11/09/2024

**Report title:** Corporate Risk Register 2024/25 – Quarter 1

**Portfolio:** Councillor Kendrick, cabinet member for an open and modern council

**Report from:** Interim Chief Finance Officer

**Wards:** All wards

**OPEN PUBLIC ITEM**

### **Purpose**

This report provides an update to the council's corporate risk register based on the position for quarter one (June 2024)

### **Recommendation:**

It is recommended that the cabinet notes the identified risks and the direction of travel.

### **Policy framework**

The Council has five corporate priorities, which are:

- A prosperous Norwich.
- A fairer Norwich.
- A climate responsive Norwich.
- A future-proof Norwich.
- An open and modern council. This report meets the “An open and modern council” corporate priority.

This report meets the Norwich City Council is in good shape to serve the city corporate aim.

## **Introduction and background**

1. Heads of Service and other risk owners were asked to update their directorate and corporate registers to reflect the position at the end of quarter one (June 2024). Directorate level risks are reviewed by the relevant management team and are escalated to the Corporate Risk Register, for consideration by the Executive Leadership Team (ELT) where the residual risk exposure supports that action.
2. The Corporate Risk Register is shown at Appendix A with a report included on the exempt agenda. The position at the end of quarter 4 (up to 31 March) was reported to Cabinet in July. There have not been significant changes in the Council's risk profile at the end of this quarter.
3. The environment in which the council operates remains relatively high risk as the financial environment is challenging both in terms of the economic and the funding position. The council approved its main budget and council tax setting reports at Full Council in February. Financial planning and the budget setting process for the 2025/26 budget has already begun.
4. Inflation has fallen from double digit levels but still remains above the government's long term target rate despite recent falls, placing demands on the council, its partners and residents. The General Election has led to the establishment of a new Government but their plans for local government financing are yet to be published therefore planning continues currently on the basis of the assumptions linked to the most recent Local Government Finance Settlement and the Autumn Statement.
5. The relevant service leads have identified that corporate risk 27 (Failure to deliver acceptable levels of performance in the management of HMO licenses) has been downgraded and moved to the relevant Directorate risk register. The council continues to keep a watching brief on all key risk areas. In that same vein, the Council is also in the process of updating its risk management policy to ensure that risks are properly managed and that there is adequate guidance.
6. Audit Committee at their meeting in March made recommendations to Cabinet in respect of the Q4 Risk Register. These risks continue to be monitored and reviewed with the relevant service leads.

## **Consultation**

7. There has been no specific consultation on these proposals.

## **Implications**

### **Financial and resources**

8. Any decision to reduce or increase resources or alternatively increase income must be made within the context of the council's stated priorities, as set out in its Corporate Plan 2022-26 and budget.
9. There are no proposals in this report that would reduce or increase resources.

## **Legal**

10. Identification and consideration of its corporate risks is an important governance function of the cabinet to ensure that appropriate action is being

taken to ensure the Council takes lawful decisions and mitigates exposure to risk. The audit committee also exercises similar oversight and collectively this is designed to ensure that the council understands and is in a position to respond to risks as they arise.

### Statutory considerations

Consideration	Details of any implications and proposed measures to address:
Equality and Diversity	N/A
Health, Social and Economic Impact	N/A
Crime and Disorder	N/A
Children and Adults Safeguarding	N/A
Environmental Impact	N/A

### Risk management

Risk	Consequence	Controls required
The council is exposed to risks which need to be identified recorded and managed appropriately	Not managing risks appropriately exposes the council to a range of potential negative outcomes ranging from financial loss to impacts on its reputation.	The risk register provides a focus to consider risk management and in particular mitigations.  Other broader mitigations such as insurances also support the council's management of risk.

### Other options considered

11. As the report is primarily for information no other options have been considered.

### Reasons for the decision/recommendation

12. It is important for the Cabinet to understand the risks that the council is exposed to and the mitigations in place to minimise those risks to acceptable levels.

**Background papers:** None

### Appendices:

Appendix A Summary Risk Register

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## Appendix A

Risk (inc reference)	Q4 2023/24		Q1 2024/25		Current direction	Last Review Date
	Residual risk score	Target risk score	Residual risk score	Target risk score		
CORP01 Council Funding Medium - Long Term	12	8	12	8	Static	25-Jul-24
CORP03 Health & safety in the workplace	12	8	12	8	Static	15-Jul-24
CORP06 Failure to respond to a critical, business continuity or emergency planning event	12	6	12	6	Static	15-Jul-24
CORP07 Cyber security	15	15	15	15	Static	11-Jul-24
CORP09 Failure to fulfil statutory or legislative responsibilities - safeguarding	15	12	15	12	Static	22-Aug-24
CORP12 Contract management - governance	6	4	6	4	Static	25-Jul-24
CORP17 Failure to deliver acceptable levels of performance in regulatory services	12	8	12	8	Static	15-Jul-24
CORP18 Failure to address Natural England advice on Nutrient Neutrality (NN)	15	10	15	10	Static	15-Jul-24
CORP20 Cost of living (COL) crisis has a negative impact on the city and the council	16	12	16	12	Static	11-Jul-24
CORP21 Climate Change risk to Council and its residents	16	12	16	12	Static	11-Jul-24
CORP23 Impact of economic downturn on key council suppliers	16	8	12	8	Improving	25-Jul-24
CORP24 Temporary and Supported Accommodation - Reducing the Housing Benefit Subsidy gap	15	12	15	12	Static	25-Jul-24
CORP28 Failure to get acceptable cover for rebuild cost of the Halls, at acceptable cost, during the period of construction and refurbishment.	10	5	10	5	Static	22-Aug-24



**Committee name:** Cabinet

**Committee date:** 11/09/2024

**Report title:** 2024/25 Quarter 1 – budget monitoring report

**Portfolio:** Councillor Kendrick, cabinet member for an open and modern council

**Report from:** Interim Chief Finance Officer

**Wards:** All wards

**OPEN PUBLIC ITEM**

### **Purpose**

This report sets out the council's overall financial position based on managers' forecasts to the end of June 2024 (quarter 1). The report covers the council's General Fund and Housing Revenue Account (HRA) resources and includes information in relation to both its revenue and capital position.

### **Recommendation:**

It is recommended that the cabinet:

- 1) Notes the forecast outturn for the both the general fund revenue account and the Housing Revenue Account (HRA) is **currently reflecting a breakeven position**. However there potential budget pressures across all service areas which will need to be analysed further as the financial year progresses.
- 2) Notes the forecast **£1.083m overspend** against the general fund and the **£13.389m underspend** against the HRA capital programmes.
- 3) Approves adjustments to the 2024-29 five year general fund capital programme to enable the utilisation of external funding and the re-profiling of budgets as set out in paragraphs 4.3, 4.4 and 4.6 below.

### **Policy framework**

The council has five corporate priorities, which are:

- An open and modern council
- A prosperous Norwich.
- A fairer Norwich.
- A climate responsive Norwich.
- A future-proof Norwich

This report supports the delivery of all these priorities.

## **1. General Fund Revenue**

- 1.1. The Council's record of prudent financial management over many years has stood it in good stead to weather the volatility in economic circumstances in recent years. This is reflected again within this report, reflecting a breakeven position across both the General Fund and Housing Revenue Accounts. However, recognising that this is still relatively early in the new financial year, close attention will need to be maintained in order to understand potential budget pressures and changes in economic circumstances. The outturn for the last financial year, 2023/24, provided a lesson in this respect where an underspend overall was delivered in spite of a number of budget pressures across the council.
- 1.2. Nationally, there has been a number of factors that will potentially impact upon budget management during 2024/25, including the reduction in the rate of inflation, the reduction in the level of the Bank of England base rate and the change in government, which is already seeing some changes in economic and funding priorities. Work will continue to understand the impact of both local and national factors on revenue budgets in order to maintain effective control over the budget and to inform the development of the Medium Term Financial Strategy.

### **Key Drivers**

- 1.3. Norwich City Council has healthy levels of reserves as a consequence of past decisions and effective budget management, the investment of which has provided a welcome source of income to help manage some of the service pressures in recent years. Whilst this continues to be the case, interest rates have fallen in the current financial year and the outlook is that there may be further reductions in the Bank of England's base rates during the remainder of the year, which means that the recent experience of earning income significantly in excess of that budgeted is unlikely to be sustainable in the future.
- 1.4. This in turn emphasises the need to ensure that budgets are managed effectively to meet the changing circumstances and budget pressures. Some of these pressures are familiar, such as inflation and pay awards can be anticipated to one degree or another, but others can require a more flexible and agile response during the financial year. Work is constantly being undertaken between budget managers and Finance to analyse and understand these trends and patterns and will continue despite the breakeven forecast at this time.
- 1.5. Examples of these changing circumstances include the need for the use of interim staff to maintain appropriate levels of expertise and to support service delivery. Recognising that there are circumstances where specialist knowledge, skills and experience can support the delivery of outcomes and priorities, there is also a need to ensure that value for money continues to be delivered. To this end work is being undertaken to ensure that this balance is effectively maintained, alongside work to develop opportunities to support permanent staff to develop and broaden their knowledge and skills in line with the challenges and needs of Norwich City Council.
- 1.6. A similar situation exists in relation to the procurement of goods and services, whereby despite the best efforts to anticipate market developments, budget pressures can emerge sometimes as a consequence of broader economic circumstances, as seen in recent years with energy inflation. Work also continues to ensure that procurement processes are developed and improved to support the delivery of value for money, for example in relation to the management of the pipeline of contracts, the implementation of the Procurement Act 2023 and the

introduction of a No Purchase Order, No Pay policy, which will potentially reduce administrative burdens and improve the speed at which payments can be made to suppliers.

- 1.7. In the longer term there is a recognition that further work is required to map budgets and resources to the delivery of the outcomes and priorities adopted within the We Are Norwich – A Community Led Plan whilst demonstrating value for money.

## **2. General Fund revenue position**

- 2.1. Whilst the outturn forecast for the General Fund is breakeven at this point in time, the following paragraphs highlight some of the areas of work that are being undertaken to track trends and performance.

### **2.2. Corporate Financing**

This is a prudent forecast at this point in the financial year, but there is always the possibility that the position could alter, in either a positive or negative direction, during the remainder of the year dependent upon investment performance. Currently the Bank of England base rate has fallen from its high levels of recent years, so whilst the budgeted income for 2024/25 is currently anticipated to be achieved, the levels of income in excess of the budget in previous years is not anticipated to continue.

### **2.3. Resources**

Recruitment has continued to be a focus in 2024/25, with new appointments made at senior management levels, however there continue to be some posts that have proven challenging to recruit to, resulting in the need for interim appointments. Work continues to ensure that value for money can be demonstrated. Other potential pressures being kept under review are linked to the inflationary factors around postage and translation services, where prices and activity levels are potentially driving costs upwards.

### **2.4. Communities and Housing**

Additional income has been identified in 2024/25, arising from new grants and income streams which hadn't been announced or identified at the time the budget was set. This will potentially benefit the outturn position for the council, but a prudent approach is being taken to ensure that the implications and commitments associated with these income streams are fully understood and reflected, e.g. grant funding often comes with specific compliance and performance criteria.

### **2.5. Development & City Services**

In particular, work continues to review the activity and associated financial implications relating to areas such as car parks and market stall occupancy, recognising that there are elements within these budget areas that are outside of the control of the council. Staffing is also a key element of these budgets which continue to be monitored closely.

## **3. Housing Revenue Account Revenue (HRA)**

The HRA and its resourcing are being reviewed to ensure that the assumptions within the business plan are reflective of current circumstances and priorities, this will be invaluable preparation for updating the budget and business plan for future years, as well as providing driving further analysis of cost pressures within the current financial year. In particular, property maintenance costs have been more

volatile in recent years, reflecting demand and supply pressures within the property sector which have been offset, to a degree, by staff vacancies and income recovery.

## 4. Capital

### 4.1. General Fund

Table 1 sets out below that overall, the General Fund capital programme is projected to be overspent by £1.083m for the year. Table 1a sets out the major variations against the revised capital budget.

**Table 1 – General Fund capital forecast**

Directorate	Original Budget £000s	Revised Budget £000s	Forecast £000s	Variance £000s
Communities and Housing	4,995	5,530	6,176	646
Resources	560	660	660	0
Development & City Services	28,097	33,333	33,770	437
<b>Total</b>	<b>33,652</b>	<b>39,523</b>	<b>40,606</b>	<b>1,083</b>

Unspent 2023/24 General Fund capital budgets totalling £5.477m that have been requested to be carried forward, along with associated budget virements relating to Towns Fund projects are included in the revised budget while awaiting formal approval.

**Table 1a – General Fund capital programme – key issues**

Summary issues	Detailed	£000
<b>TF Making space at the Halls</b>	Increase in forecast is due to additional security and CCTV costs while the upgrade work is completed.	575
<b>Play park refurbishment</b>	Three year programme needs to be reprofiled based on the forecast expenditure planned for 2024/25 compared to the approved budget split.	125
<b>Demolition and site maintenance</b>	Increase in forecast reflects the proposed use of reserves for feasibility work to support ongoing development pipeline work on Threescore and Livestock market.	373
Other variances		10
<b>Total</b>		<b>1,083</b>

There remains a potential budget risk relating to on-going negotiations around the cost of project, but these will not be reflected within the outturn forecast until the likelihood of the risk materialising becomes clearer.

### 4.2. General fund strategic property remediation fund

As part of the 2024/25 general fund capital programme, a budget of £1.530m was approved for the remediation of property. In order to ensure that expenditure against individual projects is accurately monitored, technical virements have been approved by the Chief Finance Officer, to create smaller project specific budgets as shown in Table 2 below.

**Table 2 – Strategic property remediation fund**

<b>Approved capital programme 2024/25 (£)</b>	<b>1,530,000</b>
St Giles House edge protection	(41,819)
St Johns Maddermarket wall	(54,153)
Churchman house cupola repairs	(200,790)
4a Exchange Street – shop refurbishment	(26,141)
Rose Lane MSCP edge protection	(33,256)
St Giles MSCP edge protection	(46,825)
Castle project (contribution to Bigod stairs)	(50,000)
Guildhall – Mansafe system	(16,563)
35 St Georges – heating upgrade	(13,365)
Guildhall long term external repairs	(329,135)
St Andrews MSCP structural repair works	(192,900)
<b>Balance</b>	<b>525,053</b>

**4.3. Reprofiting of 2024-29 general fund capital programme**

The approved 2024-29 general fund capital programme included a budget for the upgrade of play areas, over a period of three years (2024/25 £0.375m, 2025/26 £0.375m, 2026/27 £0.350m) to be funded from Section106 contributions.

Following further review, it is now proposed to accelerate the programme and reprofile the expenditure accordingly (2024/25 £0.500m, 2025/26 £0.300m, 2026/27 £0.300m).

**4.4. Adjustments to the general fund capital programme**

On 21<sup>st</sup> February 2024, Council approved to delegate to Cabinet, approval to include in the capital programme, additional capital schemes funded wholly by grant where it meets the Council’s aims. It is therefore recommended that Cabinet consider the following proposals to adjust the 2024/25 general fund capital programme.

**UK Shared Prosperity Fund (UKSPF)**

Following the receipt of a £0.201m grant from the Department of Levelling Up, Homes and Communities (DLUHC – now MHCLG) as part of their 3 year Shared Prosperity Fund, it is proposed that the 2024/25 general fund capital programme is increased accordingly to enable its utilisation.

The funding is ringfenced to be spent by 31<sup>st</sup> March 2025 to deliver against the government’s Community and Place intervention, improving community and neighbourhood infrastructure projects.

**Lakenham Way**

Additional funding of £0.017m has been received from the Department of Transport towards this project. It is proposed that the 2024/25 general fund capital programme is increased to enable the additional funds to be utilised.

#### 4.5. Housing Revenue Account (HRA) – capital forecast

Table 3 sets out below that overall the HRA capital programme is projected to be underspent by £13.389m for the year. Table 3a sets out the major variations against the revised capital budget.

**Table 3 – HRA – capital forecast position**

Directorate	Budget £000s	Revised Budget £000s	Forecast £000s	Variance £000s
Communities and Housing	26,607	31,908	31,074	(834)
Development & City Services	17,100	19,993	7,438	(12,555)
<b>Total</b>	<b>43,707</b>	<b>51,901</b>	<b>38,512</b>	<b>(13,389)</b>

Unspent 2023/24 HRA capital budgets totalling £8.194m that have been requested to be carried forward are included in the revised budget while awaiting formal approval.

**Table 8a – HRA capital programme – key issues**

Summary issues	Detailed	£000
<b>Upgrades – Whole house improvements</b>	The increase in forecast is based on current work stream and volume of demand is expected to remain the same throughout the year.	1,000
<b>Upgrades – Kitchens</b>	The forecast reduction is based on works identified to date, with further work pending approval but not anticipated to spend budget in full.	(310)
<b>Upgrades – Bathrooms</b>	The forecast reduction is based on works identified to date, with further work pending approval but not anticipated to spend budget in full.	(416)
<b>Upgrades – Heating/boilers communal</b>	The forecast reduction reflects current work being scoped and priced, but not anticipated to spend budget in full this financial year.	(400)
<b>Upgrades – Windows</b>	Reduction in forecast is based on current work identified, but this will be reviewed before quarter 2.	(250)
<b>Upgrades – Re-roofing</b>	Budget is fully committed in 2024/25 with additional urgent works identified, costing £0.400m.	400
<b>Upgrades – Structural</b>	No planned programme in 2024/25, only small ad-hoc works identified this year; to be reviewed before quarter 2.	(350)
<b>Upgrades – Property services fees</b>	Forecast reduced based on ongoing consultancy costs.	(489)



<b>Summary issues</b>	<b>Detailed</b>	<b>£000</b>
<b>Mile Cross depot site</b>	The forecast underspend reflects the project reprofiling required to future years as the current design review will delay the build programme.	(10,485)
<b>Threescore Phase 3</b>	The forecast underspend is due to the construction programme being brought forward in 2023/24 so less expenditure in the current year.	(570)
<b>LANB Argyle Street</b>	Construction expected to begin later in the financial year, so the forecast underspend reflects the budget reprofiling required to fund the project costs in 2025/26.	(1,420)
Other variances		(99)
<b>Total</b>		<b>(13,389)</b>

#### **4.6. Reprofiling of 2024-29 HRA capital programme**

The approved 2024-29 HRA capital programme included a budget for Mile Cross depot site in 2024/25 of £10.49m. Following a council decision to undertake a design review, it is now proposed to reprofile £10.49m expenditure to future years.

The approved 2024-29 HRA capital programme also included a budget for LANS Argyle Street in 2024/25 of £2.36m. There is a delay in construction which will now commence later in the year, it is now proposed to reprofile £1.42m to 2025/26 when the project will complete.

### **5. Consultation**

There has been no specific consultation on this report.

#### **Implications**

##### **5.1. 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 2024-29 and budget.

##### **5.2. Legal**

In considering its financial and non-financial performance, the Cabinet is supporting the Council fulfil its duties under s.151 of the Local Government Act 1972 to ensure there are arrangements in place for the proper administration of its financial affairs, and under s.3 of the Local Government Act 1999 to make arrangements to secure continuous improvement in the way its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

#### **Statutory considerations**

<b>Consideration</b>	<b>Details of any implications and proposed measures to address:</b>
Equality and Diversity	This report does not have direct implications for equality and diversity; it reports on the financial progress made in delivering agreed services and programmes, the equality implications of which will have been considered as part of service planning or other decision-making processes.
Health, Social and Economic Impact	This report does not have direct health, social or economic implications; it provides an update on the financial progress made in delivering agreed services and programmes, the implications of which will have been considered elsewhere.
Crime and Disorder	This report does not have direct implications for crime and disorder; it provides an update on the financial progress made in delivering agreed services and programmes, the implications of which will have been considered elsewhere.
Children and Adults Safeguarding	This report does not have direct safeguarding implications; it provides an update on the financial progress made in delivering agreed services and programmes, the implications of which will have been considered elsewhere.
Environmental Impact	This report does not have direct environmental implications; it provides an update on the financial progress made in delivering agreed services and programmes, the implications of which will have been considered elsewhere.

## 6. Risk management

<b>Risk</b>	<b>Consequence</b>	<b>Controls required</b>
The council does not understand or manage its resources appropriately.  Budget overspend.	A potential overspending position or failure to deliver the outcomes intended from the resources allocated.  Unexpected need to draw on reserves	Management actions where an overspend is indicated.  Where underspends are apparent decisions on resource re-allocation or transfers to reserves as appropriate.

## 9. Other options considered

As the report is primarily for information no other options have been considered.

## 10. Reasons for the decision/recommendation

It is important for the Cabinet to understand the council's financial performance and to highlight corrective actions where significant variances are apparent.

**Background papers:** None

**Appendices:** None

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**Committee Name: Cabinet**

**Committee Date: 11/09/2024**

**Report Title: Treasury Management Review and Outturn 2023/24**

**Portfolio:** Councillor Kendrick, cabinet member for an open and modern council

**Report from:** Interim Chief Finance Officer (S.151)

**Wards: All Wards**

## **OPEN PUBLIC ITEM**

### **Purpose**

This report sets out the Treasury Management Review and Outturn for the year to 31 March 2024.

### **Recommendation:**

That Cabinet;

- i) notes the report detailing the treasury activity for the year to 31 March 2024 and recommends it for approval by Council.
- ii) notes the change to table 5.9 in the 2024/25 Treasury Management Strategy.

### **Policy Framework**

The Council has five corporate priorities, which are:

- A prosperous Norwich.
- A fairer Norwich.
- A climate responsive Norwich.
- A future-proof Norwich.
- An open and modern council.

This report meets the “An open and modern council” corporate priority.

This report meets the Treasury management strategy policy adopted by the Council.

## **Report Details**

### **Background**

1. The Council is required by regulations issued under the Local Government Act 2003 to produce an annual review of its treasury management activities and the final prudential and treasury indicators for each financial year. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).
2. This report details the results of the council's treasury management activities for the financial year 2023/24. It compares this activity to the Treasury Management Strategy (TMS) for 2023/24, approved by Full Council on 21 February 2023. It will also detail any issues that have arisen in treasury management during this period.

### **Introduction**

3. Treasury management relates to the policies, strategies and processes associated with managing the cash and debt of the Council through appropriate borrowing and lending activity. It includes the effective control of the risks associated with the lending and borrowing activity and the pursuit of optimum performance consistent with the risks.
4. For the 2023/24 financial year the Code required Council's to report quarterly Treasury Management activity to Council. The reporting requirements were met as follows:
  - an annual Treasury Management Strategy in advance of the year (Council 21 February 2023).
  - a Quarter 1 and mid-year Treasury Management Review report (30 January 2024).
  - A Quarter 3 Treasury Management Review report (12 March 2024).
  - an annual review following the end of the year describing the activity compared to the strategy (this report).

All Treasury Management activity is reported through Treasury Management Committee and Cabinet prior to consideration by Council.

5. The regulatory environment places responsibility on members to review and scrutinise treasury management policy and activities. This report is therefore important in that respect, as it provides details of the outturn position for treasury activities and highlights compliance with the council's policies which have previously been approved by members. This report summarises the following:

- Capital activity during the year (paragraphs 6 - 10)
- The impact of this activity on the Council's underlying indebtedness (the Capital Financing Requirement) (paragraphs 11 - 17)
- The 2023/24 performance against the approved prudential and treasury indicators (paragraphs 18 - 24)
- The overall treasury position identifying how the Council has borrowed in relation to this indebtedness, and the impact on its investment balances (paragraphs 25 - 30)
- The council's borrowing strategy and detailed debt activity (paragraphs 31-41)
- The council's investment strategy and detailed investment activity (paragraphs 42 - 53)

### The Council's Capital Expenditure and Financing 2023/24

6. The 2023/24 capital programme budgets were approved as part of the budget papers approved by full Council on 21<sup>st</sup> February 2023. Subsequent to this there were approved revisions to the 2023/24 capital budgets to include the 2022/23 capital carry forwards and new capital schemes approved during the year. The final capital programme budget for 2023/24 is shown in **Table 1** below.
7. Actual capital spending was under budget for the year by £15.241m. The actual level of resources needed to finance the expenditure was also less than that originally estimated. Capital expenditure forms one of the required prudential indicators. **Table 1** shows the estimates and then the actual capital expenditure for 2023/24 and how this was financed in the year:

**Table 1: Capital Programme Financing**

	<b>2023/24 Original Budget</b>	<b>2023/24 Final Budget</b>	<b>2023/24 Actual Outturn</b>	<b>Variance from Final Budget</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
Capital Expenditure				
General Fund capital expenditure	25.595	21.285	15.128	(6.157)
General Fund capital loans	3.000	1.000	-	(1.000)
HRA capital expenditure	35.656	33.544	25.459	(8.085)
<b>Total Expenditure</b>	<b>64.251</b>	<b>55.829</b>	<b>40.588</b>	<b>(15.241)</b>
<b>Financed by</b>				
Capital receipts	22.09	6.910	5.600	(1.310)
Capital grants/contributions	16.503	16.029	12.459	(3.570)
Capital & earmarked reserves	15.918	20.656	13.148	(7.508)
Revenue	6.740	7.228	6.843	(0.384)
<b>Total Financing</b>	<b>61.251</b>	<b>50.823</b>	<b>38.050</b>	<b>(12.773)</b>
<b>Borrowing need for the year</b>	<b>3.000</b>	<b>5.006</b>	<b>2.537</b>	<b>(2.469)</b>

8. Lion Homes (Norwich) Ltd (LHL) is a private limited company wholly owned by Norwich City Council. In order to finance its housing development, LHL borrows money at commercial interest rates from the council. During 2023/24 LHL did not repay any of its loans and no new loans were made. Therefore, as at 31

March 2024 the company had a loan outstanding with the council of £6.150m (2022/23 £6.150m).

9. Norwich City Services Ltd (NCSL) is a private limited company wholly owned by Norwich City Council. To finance the set-up of the company including capital works on its depot building, the council has provided NCSL with both loan and equity financing. Equity investment was made into the company of £0.370m. A 20-year capital loan of £1.140m was also advanced to the company as well as a working capital loan of £0.500m. In 2021/22, the council loaned a further £0.180m to NCSL. No new loans were taken by NCSL in 2022/23. Repayments of £0.040m and £0.060m were made in relation to the loans during 2022/23 and 2023/24 respectively, in addition to a further loan of £0.500m, bringing the balance of the loans to £2.220m as at 31 March 2024 (2022/23 £1.780m). The council receives income relating to loan interest and services provided by the council to the company as part of a service level agreement. The impact of these capital loan movements on the capital financing requirement is shown in **Table 2**.
10. Capital expenditure may either be:
  - Financed immediately through the application of capital or revenue resources (e.g. capital receipts, capital grants, revenue contributions etc.), which does not impact on the council's borrowing need; or
  - Financed by either external or internal borrowing, if there is insufficient financing available, or a decision is taken not to immediately apply resources.

### **Council's overall borrowing need**

11. The council's underlying need to borrow for capital expenditure is termed the Capital Financing Requirement (CFR). The CFR increases as the council incurs capital spending and then if it does not apply resources immediately to finance the capital spend, (i.e. capital receipts, capital grants, capital reserves or revenue), a borrowing need arises. The 2023/24 CFR year-end balance is the cumulative total of the 2023/24 unfinanced capital expenditure and prior years' unfinanced capital expenditure.
12. Treasury management includes addressing the funding requirements for this borrowing need; it also includes maintaining a position to ensure sufficient cash is available to meet the capital expenditure as they occur. This may be sourced through borrowing from external bodies, e.g. the Government through the Public Works Loan Board (PWLB) or the money markets, or utilising temporary cash resources within the council (known as internal borrowing).
13. The Council's (non-HRA) underlying borrowing need (CFR) is not allowed to rise indefinitely. Statutory controls are in place to ensure that capital assets are broadly charged to revenue over the life of the asset. This requirement is met by making an annual revenue charge, called the Minimum Revenue Provision (MRP), to reduce the CFR. This is effectively a repayment of the non-HRA borrowing need (there is no statutory requirement to reduce the HRA CFR). During 2023/24 following a review by the council's treasury advisors (Link Asset



Services) the Council agreed and adopted revised minimum revenue provision policy.

14. The total CFR can also be reduced by either:
  - the application of additional capital financing resources (such as unapplied capital receipts)
  - charging more than the statutory MRP each year through a Voluntary Revenue Provision (VRP).
15. This differs from the treasury management arrangements which ensure that cash is available to meet capital commitments. External borrowing can be taken or repaid at any time, but this does not change the CFR.
16. The Council's CFR for the year is shown below and is a key prudential indicator. It includes leasing schemes on the balance sheet, which increase the Council's borrowing need. No borrowing is actually required against these schemes as a borrowing facility is included in the contract. During 2023/24 the council agreed to apply useable Capital receipts totaling £25m to reduce the CFR and reduce the MRP charge.

**Table 2: Capital Financing Requirement**

	<b>2023/24 Original Estimate £000</b>	<b>2023/24 Revised Estimate £000</b>	<b>2023/24 Outturn (unaudited) £000</b>
<b>Opening General Fund CFR</b>	<b>112,652</b>	<b>112,112</b>	<b>112,062</b>
Movement in General Fund CFR	3,384	(416)	(20,893)
<b>Closing General Fund CFR</b>	<b>116,036</b>	<b>111,696</b>	<b>91,169</b>
<i>Movement in CFR represented by:</i>			
Application of capital receipts			(25,000)
Borrowing need (capital programme)	3,000	1,000	2,538
Additional loan			500
Loan repayment	(16)	(16)	(60)
Less MRP and other financing adj.	400	(1,400)	1,129
<b>Movement in General Fund CFR</b>	<b>3,384</b>	<b>(416)</b>	<b>(20,893)</b>
<b>Opening HRA Fund CFR</b>	<b>208,533</b>	<b>208,532</b>	<b>208,533</b>
Movement in HRA CFR	690	0	0
<b>Closing HRA CFR</b>	<b>209,223</b>	<b>208,532</b>	<b>208,533</b>
<b>TOTAL CFR</b>	<b>325,259</b>	<b>320,228</b>	<b>299,702</b>

17. Borrowing activity is constrained by prudential indicators for borrowing and the CFR, and by the authorised limit.

#### **The prudential and treasury indicators**

18. **Gross borrowing and the CFR** - to ensure that borrowing levels are prudent over the medium term and only for a capital purpose, the council should ensure that its gross external borrowing does not, except in the short term, exceed the

total of the capital financing requirement in the preceding year (2023/24) plus the estimates of any additional capital financing requirement for the current (2023/24) and next two financial years. This essentially means that the Council is not borrowing to support revenue expenditure. This indicator allows the Council some flexibility to borrow in advance of its immediate capital needs. The table below highlights the Council's gross borrowing position against the CFR. The Council has complied with this indicator.

**Table 3: Gross Borrowing**

	<b>2023/24 Original Estimate</b>	<b>2023/24 Revised Estimate</b>	<b>2023/24 Actual</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
Gross borrowing	206.648	206.648	206.648
CFR	325.259	320.228	299.533
<b>Over Borrowed/(Under Borrowed)</b>	<b>(118.611)</b>	<b>(113.580)</b>	<b>(92.885)</b>

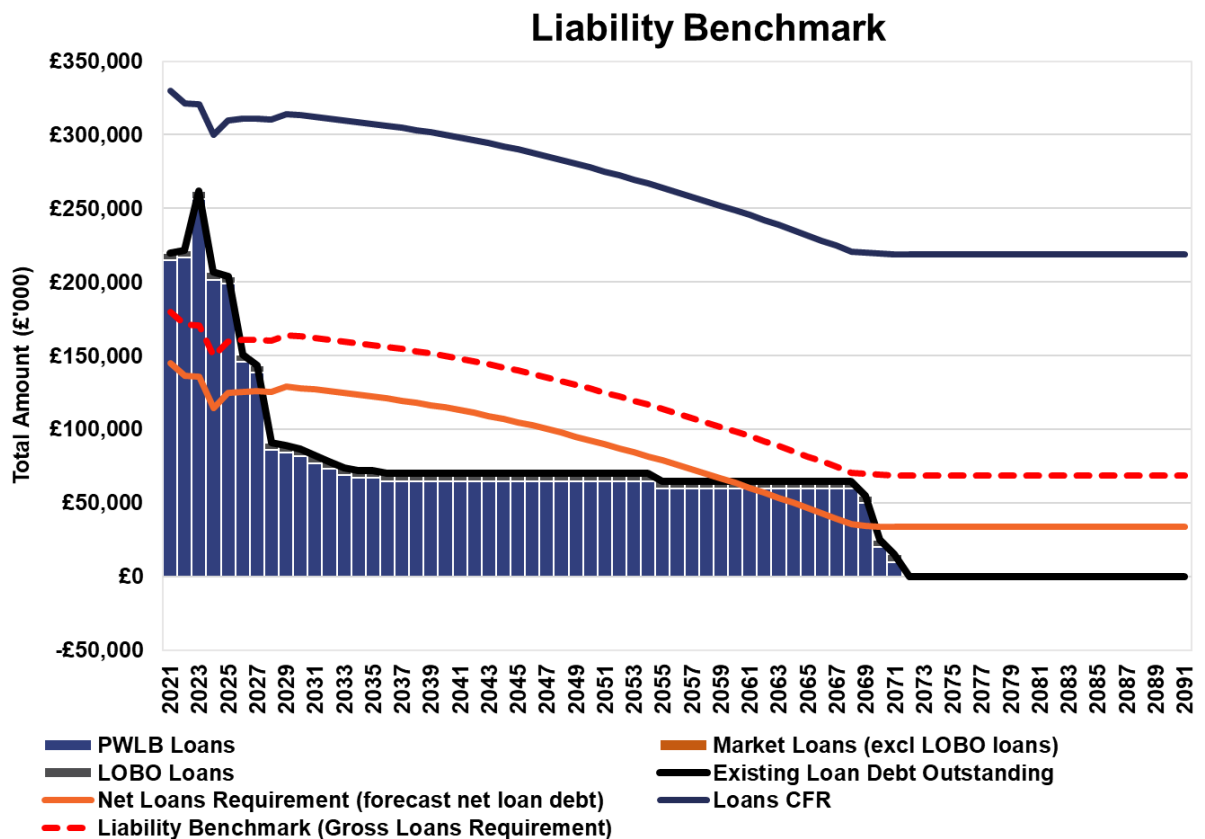
19. **The authorised limit** - the authorised limit is the “affordable borrowing limit” required by s3 of the Local Government Act 2003. The Council does not have the power to borrow above this level. **Table 4** below demonstrates that during 2023/24 the Council has maintained gross borrowing within its authorised limit.
20. **The operational boundary** – the operational boundary is the expected borrowing position of the Council during the year. Periods where the actual position is either below or over the boundary is acceptable subject to the authorised limit not being breached. **Table 4** below demonstrates that during 2023/24 the Council has maintained gross borrowing within its operational boundary.

**Table 4: Authorised Limit & Operational Boundary**

	<b>2023/24 Original Estimate (TMS)</b>	<b>2023/24 Revised Estimate (Mid-Year Review)</b>	<b>2023/24 Actual (Unaudited)</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
<b>Authorised Limit for external debt</b>			
Borrowing	355.123	355.259	329.695
Other long-term liabilities	0.136	0.136	0.136
<b>Total Agreed Authorised Limit</b>	<b>355.259</b>	<b>358.259</b>	<b>329.831</b>
<b>Operational boundary for external debt</b>			
Borrowing	325.123	325.259	299.695
Other long-term liabilities	0.136	0.136	0.136
<b>Total Agreed Operational Boundary</b>	<b>325.259</b>	<b>325.259</b>	<b>299.831</b>
<b>External debt (including other long-term liabilities e.g. finance leases)</b>			<b>207.282</b>

## 21. Liability Benchmark

Following the release of the CIPFA Treasury Management in the Public Services Guidance Notes, CIPFA introduced the liability benchmark as a new Prudential Indicator for 2023/24. The guidance states that “the liability benchmark is a projection of the amount of loan debt outstanding that the authority needs each year into the future to fund its existing debt liabilities, planned prudential borrowing and other cash flows.”



The liability benchmark is presented as a chart of four balances which are:

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

Any years where actual loans are less than the benchmark indicate a future borrowing requirement; any years where actual loans outstanding exceed the benchmark represent an overborrowed position which will result in excess cash requiring investment.

The graph above is in line with the Approved MTFS which also includes the Treasury Managements Strategy.

### Actual financing costs as a proportion of net revenue stream

22. The authority is required to report on the ratio represented by its net financing costs to its net revenue stream. For the general fund net revenue is represented by the amount that is funded by government grants and council tax payers, while for the HRA it is the rental income paid by tenants. This is intended to be a measure of affordability, indicating how much of the authority's revenue is taken up in financing its debt.
23. Table 5 shows that the general fund outturn is lower than the estimate mainly due to higher than budgeted investment income, the policy change to the minimum revenue provision and that there are no capital financing costs. The HRA affordability ratio is higher than estimated mainly due to the inclusion of capital costs which have been written back to revenue where the essential adaptations and enhancements to properties carried out did not add value to the asset, offset by higher than budgeted investment income.

24. **Table 5: Affordability Ratio**

	2023/24	2023/24
Affordability of financing costs	Estimate	Actual
General fund - financing costs as a percentage of net revenue	5.44%	0%
HRA - financing costs as a percentage of rental income	35.38%	40.17%

### Treasury Position as at 31 March 2024

25. The Council's debt and investment position is managed by the in-house treasury management team. All activities are undertaken primarily to ensure security for investments, to ensure that there is adequate liquidity for revenue and capital activities, and to manage risks within all treasury management activities. Procedures and controls to achieve these objectives are well established both through member reporting detailed in the summary, and through officer activity.
26. The Council has implemented a pooling arrangement for all its bank accounts with Barclays. Interest is now earned on all remaining balances without the need to move these to an interest-bearing account. The Pooling arrangement improves the overall interest income return as cash held in the Barclays accounts to meet cash liquidity profiling still earns interest.
27. The council's actual borrowing position at 31 March 2024 and activity during 2023/24 is detailed in the table below. Borrowing has remained within the authorised limit of £329.831m throughout the year.

**Table 6: Borrowing activity 2023/24 (excluding finance leases)**

	PWLB loans £m	Market loans £m	Total £m	Average interest rate %
Opening balance (1 April 2023)	205.648	5.000	210.648	
New borrowing taken	-	-	-	
Borrowing matured/repaid	(4.000)	-	(4.000)	
Closing balance (31 March 2024)	201.648	5.000	206.648	3.44
Authorised limit for external debt			329.831	

28. The maturity structure of the debt portfolio was as follows:

**Table 7: Maturity Structure of Fixed Rate Borrowing**

	%	31-Mar-24 £m
Under 12 months	1.24	2.500
Between 12 months and 2 years	26.38	53.200
Between 2 years and 5 years	30.75	62.000
Between 5 years and 10 years	7.35	14.830
Over 10 years	34.28	74.118
Perpetually irredeemable stock		0.130
<b>Total borrowing</b>		<b>206.778</b>

29. Table 8 shows the movement in investments in the year.

**Table 8: Investment Movements**

	31 March 2023 £m	Net movement £m	31 March 2024 £m
<b>Short term</b>			
Banks	25.000	(5.000)	20.000
Building Societies	0.000	0.000	0.000
Local Authorities	20.000	26.000	46.000
<b>Cash Equivalents</b>			
Banks	14.600	(3.154)	11.446
Non-UK Banks	5.000	(5.000)	0.000
Building Societies	10.000	(10.000)	0.000
Local Authorities	45.000	(40.000)	5.000
Money Market Funds	12.000	(5.700)	6.300
UK Government	0.000	0.000	0.000
<b>Total Internally Managed Funds</b>	<b>131.600</b>	<b>(42.854)</b>	<b>88.746</b>

30. The maturity structure of the investment portfolio was as follows:

**Table 9: Maturity Structure**

	<b>31 March 2023</b>	<b>31 March 2024</b>
	<b>£m</b>	<b>£m</b>
Under 1 year	131.600	88.746
Over 1 year	0.000	0.000
	<b>131.600</b>	<b>88.746</b>

**Borrowing Strategy for 2023/24**

31. The council maintained an under-borrowed position in 2023/24. This means that the capital borrowing need (the CFR) has not been fully funded with loan debt as cash supporting the council’s reserves, balances and cash flow has been used as a temporary measure.

32. Table 10 below shows the interest rate forecast to March 2027 as at the end of 2023-24. These forecasts have been provided by the Council’s treasury advisor, Link Asset Services and show a gradual reduction in medium and longer-term fixed borrowing rates over the next two financial years. Variable, or short-term rates, are expected to be the cheaper form of borrowing over the period.

**Table 10: Interest Rate View**

Link Group Interest Rate View	28.05.24											
	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27
<b>BANK RATE</b>	5.25	5.00	4.50	4.00	3.50	3.25	3.25	3.25	3.25	3.00	3.00	3.00
3 month ave earnings	5.30	5.00	4.50	4.00	3.50	3.30	3.30	3.30	3.30	3.00	3.00	3.00
6 month ave earnings	5.30	4.90	4.40	3.90	3.50	3.30	3.30	3.30	3.30	3.10	3.10	3.20
12 month ave earnings	5.10	4.80	4.30	3.80	3.50	3.40	3.40	3.40	3.40	3.20	3.30	3.40
5 yr PWLB	4.90	4.70	4.50	4.30	4.10	4.00	3.90	3.90	3.90	3.90	3.90	3.80
10 yr PWLB	5.00	4.80	4.60	4.40	4.30	4.10	4.10	4.10	4.00	4.00	4.00	3.90
25 yr PWLB	5.30	5.20	5.00	4.80	4.70	4.50	4.50	4.40	4.40	4.40	4.30	4.30
50 yr PWLB	5.10	5.00	4.80	4.60	4.50	4.30	4.30	4.20	4.20	4.20	4.10	4.10

Source: Link Treasury 2024 (PWLB rates include adjustments for Certainty rate discounts)

33. The Authority has continued the prudent approach of utilising internal borrowing to fund its borrowing requirement where cash levels permit or interest rates mitigate against taking on external debt; overall the strategy is designed to reduce external borrowing costs.

34. Long-term fixed interest rates are initially expected to remain the same before falling over the five-year treasury management planning period. The Council’s S.151 Officer, under delegated powers, will take the most appropriate form of borrowing depending on the prevailing interest rates or opportunities at the time, taking into account the associated risks e.g. counterparty risk, cost of carry and impact on the Medium Term Financial Strategy as well as risk of future more significant interest rate increases. Any further decisions to borrow will be reported to Cabinet at the next available opportunity.

35. The Council is due to repay £2.5m of maturing PWLB in September 2024. However, given the current higher interest rates and forecasts showing rates starting to fall in the new year, officers are considering options to delay borrowing in order to fix any loans at lower rates.

## **PWLB rates**

36. PWLB rates are based on, and are determined by, gilt (UK Government bonds) yields through HM Treasury determining a specified margin to add to gilt yields. As the interest forecast table for PWLB rates above shows, there is likely to be a steady rise over the forecast period, with some degree of uplift due to rising treasury yields in the US.
37. The Council has previously relied on the PWLB as its main source of funding; however, the council will consider alternative sources of borrowing as appropriate and in line with the treasury management strategy. We will continue to liaise closely with our treasury advisors, monitor the borrowing market and update Members as this area evolves.
38. The Municipal Bond Agency are now offering loans to local authorities. This Authority may make use of this emerging source of borrowing as and when appropriate. This is within the existing approved Treasury Management Strategy.

## **Forward borrowing considerations to mitigate expected future interest rate increases**

39. The Council may also look to arrange forward borrowing facilities should the future borrowing risk rise, although the recent increase in rate may mitigate against this in the short term. The policy on forward borrowing has been complied with in 2023/24.

## **Debt Rescheduling**

40. No debt rescheduling was undertaken during 2023/24. Opportunities for debt restructuring will be continually monitored alongside interest rate forecasts. The council retains some higher rate borrowings and if rates continue to rise there may be some opportunities for debt rescheduling if this proves cost effective. Until borrowing rates fall the Council is unlikely to consider additional loans to finance its unfinanced borrowing. Action will be taken when the council's S.151 officer considers it is most advantageous.

## **Borrowing Outturn for 2023/24**

41. During 2023/24 the Council repaid £4m PWLB debt and there was no new borrowing. The council paid £6.823m in interest costs on external loans, this compares to a budget of £6.972m. The reduction against budget was due to the repayment of maturing debt and the use of internal borrowing rather than external borrowing as a result of holding sufficient cash balances.

## **Investment Strategy for 2023/24**

42. The TMS for 2023/24, which includes the Annual Investment Strategy, was approved by the council on 21 February 2023. It sets out the Council's investment priorities as being Security of capital, Liquidity; and Yield.
43. No policy changes have been made to the investment strategy, the Council will continue to aim to achieve the optimum return (yield) on investments commensurate with proper levels of security and liquidity.

44. This report does not cover the Council's investment strategy in regard to non-financial investments. These investments which include the purchasing of commercial property and lending to third parties were covered under the Non-Financial (Commercial) Investment Strategy published in February 2023 as part of the Budget papers.
45. As part of the new Prudential and Treasury Management codes Councils are now required to review assets held for investment purposes against ongoing borrowing requirements. The code requires Councils to consider disposal of investments to finance borrowing where the sale of an investment is financially viable. The Council has implemented an ongoing a review of its investment property portfolio to determine assets returns and the potential cost of disposal.
46. The Treasury Management Strategy for each financial year is published on the Council's website.
47. As part of the recommendations included in the 2023/24 Treasury Management Strategy the Council, has opened a 4<sup>th</sup> Money Market Fund. A briefing note setting out the selection process and the selected Sterling Liquidity Fund was circulated to the Treasury Committee in April.

#### **Investment Outturn for 2023/24**

48. The investment activity during the year conformed to the approved strategy, and the Council had no liquidity difficulties.
49. Investment returns picked up throughout the course of 2023/24 as central banks, including the Bank of England, continued to respond to inflationary pressures. Starting in April 2023, Bank Rate moved up in stepped increases of either 0.25% or 0.5% reaching 5.25% in August. By the end of the financial year, no further increases were anticipated. The financial markets had been pricing in a first cut in Bank rate in late summer or early autumn of 2024. This has resulted in significantly higher interest rate returns available for the Council's cash deposits.

**Table 11a** below shows the interest income for 2023/24 against the 2023/24 budget.

#### **Table 11a Investment Activity 2023/24**

	Budget	Actual	Variance
	£'000	£'000	£'000
Interest Earned Invested Funds	(4,032)	(5,979)	(1,947)

The Item 8 share of the above £5.979m actual income recharged to the HRA was £2.309m resulting in a net General Fund additional income of £3.670m.

#### **Reserves**

50. The Council's cash balances comprise revenue and capital reserves and day to day cash flow monies.

Within the reserve figures below the main reduction year on year was against Useable Capital receipts as £25m was used to reduce the CFR and reduce the MRP charge.



The Council's reserves are shown in the draft 2023/24 statement of accounts and comprise the balances summarised in **Table 11b** below.

**Table 11b: Balance Sheet Reserves**

	<b>31-Mar-23</b>	<b>31-Mar-24</b>
	<b>£m</b>	<b>£m</b>
General Reserves	8.249	8.249
HRA	46.128	43.086
Earmarked Reserves	19.512	23.112
Useable Capital receipts	95.694	72.606
Capital grants Unapplied	4.249	2.388
Major Repairs Reserve	10.396	13.993
<b>Total</b>	<b>184.228</b>	<b>163.435</b>

\* Unaudited figures

51. The Council's year-end balance of cash and short-term investments was £88.746m. These internally managed funds earned an average rate of return of 5.44%.
52. The Council is part of a benchmarking group (facilitated by our treasury management advisors, Link Asset Services) across Norfolk, Suffolk & Cambridgeshire. The table below shows the performance of the Council's investments when compared with this benchmark group, and also when compared with the non-metropolitan districts and all authorities that use Link's benchmarking group facility.

**Table 12: Link benchmarking - position at 31 March 2024**

	<b>Norwich</b>	<b>Benchmark Group 7 (11)</b>	<b>Non met districts (82)</b>	<b>All authorities (230)</b>
WARoR <sup>1</sup>	5.77%	5.34%	5.19%	5.17%
WA Risk <sup>2</sup>	2.37	2.85	2.52	2.53
WAM <sup>3</sup>	132	89	70	56
WATT <sup>4</sup>	230	199	165	133

Source: Link Treasury March 2024

<sup>1</sup> **WARoR** Weighted Average Rate of Return This is the average annualised rate of return weighted by the principal amount in each rate.

<sup>2</sup> **WA Risk** Weighted Average Credit Risk Number Each institution is assigned a colour corresponding to a suggested duration using Link Asset Services' Suggested Credit Methodology.

<sup>3</sup> **WAM** Weighted Average Time to Maturity This is the average time, in days, till the portfolio matures, weighted by principal amount.

<sup>4</sup> **WATT** Weighted Average Total Time This is the average time, in days, that deposits are lent out for, weighted by principal amount.

53. The council's average investments return (5.77%) is higher when compared with that for the benchmark group (5.34%), the 82 non-met authorities (5.19%) and the population of 230 local authorities (5.17%). The WATT is higher and the

average investment return in 2023/24 is slightly higher than the benchmarking group and the other authorities whilst still allowing the authority to keep council funds readily available to pay make capital programme payments as they fell due.

### **Treasury Management Activity 2024/25**

54. Due to the timings of Committee meetings it is not possible to include a Quarter 1 2024/25 Treasury Management review in this report. The Head of Finance will provide a verbal update at the meeting and include the Quarter 1 reporting along with the mid year review at the Treasury Management Committee meeting on 5<sup>th</sup> November.
55. As part of the operational delivery of the 2024/25 Treasury Management Strategy (TMS) an administration error on table 5.9. As part of the 2023/24 TMS Council agreed an increase in the Money Market overall limit from £25m to £35m. The overall limit of £35m was left unchanged in the 2024/25 TMS. However table 5.9 still reflects the 2022/23 overall limit of £25m. Appendix A shows the current and amended table 5.9.

### **Consultation**

56. The report is the outturn position statement to ensure that the council is kept informed of treasury activity. No additional consultation has been undertaken.

### **Implications**

#### **Financial and Resources**

57. There are no proposals in this report that would reduce or increase resources however it does report on the performance of the council in managing its borrowing and investment resources which have significant financial implications for the council.

### **Legal**

58. The Council is required by regulations issued under the Local Government Act 2003 to produce an annual review of its treasury management activities and the actual prudential and treasury indicators for 2022/23. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).

### **Statutory Considerations**

<b>Consideration:</b>	<b>Details of any implications and proposed measures to address:</b>
Equality and Diversity	n/a
Health, Social and Economic Impact	n/a
Crime and Disorder	n/a
Children and Adults Safeguarding	n/a
Environmental Impact	<p>Sustainable investment products are an area of growth in the market. These options will be considered where the investments are in line with approved Treasury Management Strategy.</p> <p>Security, liquidity and yield remain the cornerstones of the council's Treasury Management Strategy, and it is vital that all investments ensure the security of council funds as a priority and remain compatible with the risk appetite of the council and its cash flow requirements.</p>

## **Risk Management**

<b>Risk</b>	<b>Consequence</b>	<b>Controls Required</b>
Future interest rate changes can offer both opportunity and risk.	Future interest rate changes need to be assessed against the cost of borrowing.	To mitigate the risk, we will continue to work closely with the council's advisors to review interest rate forecasts to assess when we would look to borrow.

## **Other Options Considered**

59. No other options to be considered. The report is to inform council of the treasury activity for the year to 31 March 2024.

## **Reasons for the decision/recommendation**

60. To ensure that council are kept informed of treasury activity.

**Background papers: None**

**Appendices: Appendix A**

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**Appendix A**

Extract from the current 2024/25 Treasury Management Strategy – table 5.9

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

Proposed amendment to the current 2024/25 Treasury Management Strategy – table 5.9

Counterparty/Financial instrument	Minimum Long-term Credit Criteria or Equivalent	Specified Investments		Non-specified Investments	
		Maximum duration	Counterparty Limit (£m)	Maximum duration	Counterparty Limit (£m)
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UK Government gilts	UK Sovereign rating	12 months	£15m	3 years	£5m
UK Government Treasury bills	UK Sovereign rating	6 months	£10m	n/a	n/a
Money Market Funds - CNAV	AAA	Liquid	£10m per fund £35m overall limit	n/a	n/a
Money MARKET Funds - LVNAV	AAA			n/a	n/a
Money Market Funds - VNAV*	AAA			n/a	n/a
UK Local Authority term deposits (LA)**	n/a	12 months	£13m per LA	5 years	£5m per LA
Term Deposits with UK Building Societies	Assets worth at least £2.5bn but do not meet the minimum Bank/Building Society credit Criteria	12 months	£5m	n/a	n/a
Banks/UK Building Societies (Term deposits, CD, Call & Notice accounts)	AAA	12 months	£20m	2 years	£10m
Banks/UK Building Societies (Term deposits, CD, Call & Notice accounts)	AA+	12 months	£17m	12 months	£5m
	AA				
Banks/UK Building Societies (Term deposits, CD, Call & Notice accounts)	AA-	12 months	£10m	n/a	n/a
	A+				
	A				
Banks/UK Building Societies (Term deposits, CD, Call & Notice accounts)	A-	6 months	£5m	n/a	n/a
The Authority's own banker	A-	12 months	£15m (for day to day operational working capital requirements – not for investment purposes)	Non-specified investment if banker fails to meet the minimum credit criteria	balances will be minimised as far as is possible.
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Loan Capital and other third party loans including parish councils	Subject to financial & legal due diligence	considered on individual basis	n/a	considered on individual basis	n/a



**Committee name:** Cabinet

**Committee date:** 11/09/2024

**Report title:** Anti-social behaviour policy

**Portfolio:** Councillor Jones, cabinet member for housing

**Report from:** Executive director of housing and communities

**Wards:** All Wards

**OPEN PUBLIC ITEM**

**KEY DECISION**

### **Purpose**

The purpose of this report is to seek adoption of the proposed Anti-social behaviour (ASB) Policy 2024 to 2027.

### **Recommendation:**

It is recommended that Cabinet approve the Anti-Social Behaviour Policy 2024.

### **Policy framework**

The Council has five corporate priorities, which are:

- A prosperous Norwich.
- A fairer Norwich.
- A climate responsive Norwich.
- A future-proof Norwich.
- An open and modern council.

This report meets the “A Fairer Norwich” corporate priority.

## **Background**

1. As a landlord the council has a responsibility under the Anti Social Behaviour Act 2003 to address ASB affecting the homes it manages. The council had a policy in place for a number of years which has now been updated to reflect best practice and the requirements of the Social Housing Regulation Act.

## **Key aims of the policy**

2. The key aims and underpinning principles of the policy are to set out how we will manage ASB within council housing stock areas.
  - a. Reduce neighbourhood crime and ASB and increase residents' feelings of safety.
  - b. Inform residents of what constitutes ASB and the steps we will take to manage this.
  - c. Empower residents to report incidences of ASB appropriately.
  - d. Encourage all residents to co-operate with investigations whether a victim, witness or suspected perpetrator.
  - e. Encourage resolution using early intervention methods to maintain good neighbourly relationships.
  - f. Provide an understanding of the steps involved with investigation and resolution of ASB.
  - g. Set out support that we can facilitate for victims, witnesses and suspected perpetrators.

## **Consultation**

3. Consultation was undertaken from the end of December 2023 until early in 2024 to help shape the content of this policy. The period of time that has passed since this consultation and consideration of this report has been due to the impact of two elections and the volume of business to be considered at Cabinet.
4. All councillors were sent an e-bulletin and had the opportunity to comment on the development of the policy. Positive responses were received on the importance of partnership working and keeping victims and witnesses informed. Other feedback included having a section dedicated to preventative action rather than incorporated in other sections of the policy.
5. Consultation was carried out with key stakeholders including the Safer Norwich Board, Norfolk Police, and our Tenant Involvement Panel (TIP) in person. Feedback gathered at the time was positive, with no suggestions for inclusion or omission.
6. Wider consultation with residents and visitors was undertaken via our website. Consultation online closed 21 December 2023. There were minor suggestions



on wording which was updated in a subsequent version, and positive comments regarding the proposal to implement a Good Neighbourhood Management Policy, together with suggestions of what may be incorporated therein.

## Implications

### Financial and resources

7. There are no proposals in this report that would reduce or require increased resources.

### Legal

8. The Council is required, as a local housing authority, to prepare and publish policies and procedures on anti-social behaviour, which must be made available to the public (section 12 Anti-social Behaviour Act 2003; section 218A Housing Act 1996). The Council has a statutory duty to address anti-social behaviour, in particular, by partnership working and appropriate use of its powers under the Anti-social Behaviour, Crime and Policing Act 2014.

### Statutory considerations

Consideration	Details of any implications and proposed measures to address:
Equality and diversity	The policy will have no specific implications as contained in the Public Sector Equality Duty under the Equality Act 2010. An Equality Impact Assessment has been conducted
Health, social and economic impact	We anticipate the policy and subsequent service improvements will enable positive improvements in health and social wellbeing.
Crime and disorder	Reducing crime and disorder are the main aims of the policy under the Crime and Disorder Act 1998
Children and adults safeguarding	The council's policy for safeguarding adults and children is embedded within the policy.
Environmental impact	The policy will have no specific environmental impact.

**Risk management:**

Risk	Consequence	Controls required
Failure to implement the actions necessary to deliver the policy	Loss of reputation  Penalties from the regulatory bodies for not meeting our Statutory Obligations	Oversight for delivery will lie with the Portfolio Holder and Executive Director.  The Council's senior leadership team and elected members will be regularly appraised of progress.
ASB Policy missing legislative requirements	Failure in duties of a registered landlord	Review policy minimum every two years, with a full re-write where changes to legislation makes this necessary

**Other options considered:**

9. No other option has been considered.

**Reasons for the decision/recommendation**

10. It is recommended that Cabinet approve the ASB Policy 2024 - 2027 as

- It is supported by relevant stakeholders.
- Consultation feedback from elected members and the public has been positive.
- It will provide a framework for further service improvements with the ASB and wider Community Service teams.

**Background papers:****Appendices:**

Appendix 1 – Anti-Social Behaviour Policy 2024 - 2027

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# Anti-social behaviour

policy statement 2024-27



**NORWICH**  
City Council

# Norwich City Council Anti-social behaviour policy statement 2024 – 2027

Version	Date	Author
Draft 1	03/10/23	Chris Hancock
Draft 2	06/11/23	Karen Smith
Draft 3	30/11/23	Ian Wakefield
Draft 4	30/11/23	Karen Smith
Draft 5	06/08/24	Karen Smith

## Scope and purpose of this policy statement

This policy statement supports Norwich City Council's community-led plan *We are Norwich* and meets our requirements as a local housing authority (Housing Act 1985, Housing Act 1996) regarding Anti-social behaviour (ASB).

The policy explains what ASB is and the standards we have set to manage and respond to ASB. A procedures document will be produced that sets out our procedural approach to how staff tackle ASB, to be read in conjunction with this document. This policy specifically refers to our role as a social housing landlord.

Environmental ASB is tackled by other teams within the Council and where they may crossover this will be clearly set out in any policy or subsequent procedure document. Details of what they do, and how to report incidences of this can be found at [Environmental issues | Norwich City Council](#)

## Our responsibilities

Norwich City Council has a wide range of responsibilities, which arise from three distinct roles in dealing with ASB:

### 1. Our role as a social landlord

As a landlord we have a duty under the Antisocial Behaviour Act 2003 to respond to ASB affecting the homes we manage. Our landlord powers and duties are different from, and can sometimes be used in addition to, the other duties and powers we hold to deal with ASB in the wider community.

We are also required by the Regulator of Social Housing to set out our approach to how we deter and tackle incidents of ASB and Hate Crime.

## **2. Environmental protection**

We have a range of powers to deal with ASB related to environmental issues for example: littering, noise, fly-tipping and abandoned vehicles. The primary legislation that this type of nuisance refers to is the Environmental Protection Act 1990.

## **3. Our role in Norfolk County Community Safety Partnership (NCCSP)**

We have a duty under the Crime and Disorder Act 1998 to work with the Police and other key agencies to reduce crime and disorder in Norwich. We do this through the NCCSP structure of boards and groups tasked with making Norfolk a safer place for everyone. We also lead a local Safer Norwich Board that is tasked with looking at Norwich specific community safety issues. Details can be found at [The Norfolk County Community Safety Partnership | The Norfolk County Community Safety Partnership | Norwich City Council](#)

## **Guiding principles**

The council's five guiding principles to approaching anti-social behaviour are, we will:

1. use customer feedback to provide a high-quality service.
2. encourage victims to report ASB, treating them with professional courtesy and respect and taking reports seriously
3. signpost victims to help and support them to recover.
4. provide clear processes to ensure that when victims report ASB concerns they will be given clear instructions of how the matter will be investigated and how they will be kept informed of progress once a report is made.
5. work with our partners to deliver an effective ASB service to protect individuals and communities from harm using tools and powers that are specific, proportionate, and appropriate to the behaviour.

## **Our ASB service standards**

Reports of antisocial behaviour will be assessed according to the National Risk Assessment Matrix, and we will prioritise the most serious reports which we will contact within two days, all other reports will be contacted within five days.

Staff will take further details of the report and may ask the victim to download an App or keep records of the ASB they are experiencing before passing the case to a response officer. Priority will continue to be given to high-risk cases.

We will contact victims prior to closing their case to explain the reasons why. This may be due to resolving the situation, insufficient evidence being available or referral to another team within Norwich City Council.

Where three or more separate incidents of ASB have been reported in the past six months to any of the main responsible agencies, within one month of each incident happening, victims can apply for an ASB Case Review. You can apply for an ASB Case Review by visiting the online portal: [www.online.norfolk.gov.uk/anti-socialcasereview/](http://www.online.norfolk.gov.uk/anti-socialcasereview/)

## What is anti-social behaviour?

Anti-social behaviour includes a range of nuisance and criminal behaviours which are causing distress to others. Whether someone's actions can be classed as anti-social behaviour relies heavily on the impact it has on other people. Behaviour that is more frequent or persistent is more likely to be considered as anti-social behaviour.

The type and intensity of the behaviour also matters. Landlords, the police, and councils consider all these factors when deciding how best to deal with reports of anti-social behaviour.

Every report made to Norwich City Council is looked at individually considering the suffering of the victims and the impact on the wider community. We have separate policies for dealing with domestic abuse, for which there are separate legal protections, for any noise that is reported and we later find domestic abuse is a factor we will deal with this according to our domestic abuse policies which are available at [Domestic abuse policy | Norwich City Council](#)

Examples of anti-social behaviour can include:

- noisy and/or abusive behaviour
- vandalism
- graffiti
- intimidation
- public drunkenness
- littering
- fly tipping
- illegal drug use
- excessively barking dogs

Some behaviour, even though it may cause nuisance to individuals, is not regarded as ASB. For example, as mentioned in [Help with anti-social behaviour for social housing tenants - GOV.UK \(www.gov.uk\)](#) this can include:

- one-off parties and barbecues
- infrequent and occasional noise or disturbances
- children's play

- occasional dog barking
- excessive noise from domestic appliances (e.g., washing machines, vacuum cleaners)
- minor vehicle repairs
- gossip
- escalated disputes.

## Vulnerability and safeguarding

Whilst being a victim of ASB is distressing for anyone who is affected, the Council recognises that for some people the impact may be far worse because of an identified vulnerability.

Vulnerable victims are likely to be disproportionately affected by ASB and vulnerabilities can be caused by a wide range of factors, such as isolation, a mental health condition, physical disability, age, or substance misuse.

Sometimes it will be necessary to make a safeguarding referral and cases that require this course of action will be additionally recorded as part of safeguarding procedures. Concerns about ASB and safeguarding often overlap which reinforces the necessity for strong partnership working. You can read our safeguarding children and vulnerable adults policies here: [Safeguarding policy | Norwich City Council](#)

## Hate Crime

Norwich City Council is committed to reducing hate crime across Norwich.

We value our diverse communities which make our City a unique and vibrant place to live, work and visit.

However, we know that these diverse communities can face discrimination or harassment. There is no place in Norwich for any form of prejudice and hate and we will do all we can with our partners to tackle this.

A hate crime is any crime which is perceived by the victim or anyone else, to be motivated by hostility or prejudice towards someone because of:

- disability
- gender identity
- race or ethnic origin
- religion or belief including lack of belief/religion
- sexual orientation

It can be against an individual or their property.

A hate incident is a non-crime incident but can feel like a crime to those who suffer from an incident like this. Just as a hate crime, it is an incident which is perceived by

the victim or anyone else, to be motivated by a hostility or prejudice towards someone for the same reasons as a hate crime.

The Police can only prosecute if the law is broken, but we will all work with partners in the community and with offenders to try and prevent these types of incidents happening.

Everyone has the right to live without fear and harassment and so it is important that everyone reports a hate crime or incident. This is whether they have been a victim, a witness or you are reporting on behalf of someone else, for example a friend, family member or for one of your employees at work. We all have a duty to keep our community and workplace safe and unless we know what is happening, we can't do anything about it. Reporting does make a difference and can stop it happening to someone else. Reporting will also help us and the Police to understand the level of hate crime and incidents in our local area and improve the way we respond to them.

**We will:**

- work with partner agencies to raise the profile of hate crime in Norwich
- work with Police and the Office of the Police and Crime Commissioner to make sure the right strategies are in place to respond to hate crime and incidents and community tension
- promote third party reporting services
- work with schools and youth organisations on hate crime training
- work with community organisations on tackling hate crime and the causes of hate crime

## Long term support

**We will:**

1. Make clear where support to a vulnerable person continues after an ASB case has been closed as to which agency will be providing support with a named contact where appropriate.
2. Carry out customer satisfaction questionnaires with a sample of closed cases picked at random and will be prepared to reopen cases where it is clear that the victim has seen a reoccurrence of issues. We will engage with local police teams to maintain joint responsibility after case closure.

## Anti-social behaviour in communal areas or by unknown persons

3. Not all anti-social behaviour reported to Norwich City Council is by persons who can be readily identified or may take place in public or communal areas in our housing estate/areas.
4. The principles of our response to this are similar to above but the actions may vary.



**We will:**

5. Provide well publicised and accessible methods of reporting.
6. Contact all complainants/victims to understand the nature, extent and impact of the issues.
7. Work with police and other partners to establish a full understanding of the issues.
8. Provide advice and guidance to victims and signpost them to support.
9. Analyse and assess the problem and prioritise our responses to ensure resources are targeted at those issues causing most harm.
10. Attempt to identify the perpetrators and take action.
11. Regardless of priority we will always take any quick and simple measures we can to alleviate the ASB problem.

## **Customer experience and governance of this policy**

**We will:**

12. Use customer satisfaction surveys/ adherence to ASB casework timescales to measure, report and benchmark customers' experiences.
13. Keep this policy under review to ensure that it is reasonable and practicable. Residents will be engaged in any review of this policy, including residents who have recently raised a formal complaint with us as landlord.

## **Data, record keeping and information sharing**

14. We will only record and share your data in accordance with Norwich City Council Data Protection Policy [Data Protection Policy | Data Protection Policy | Norwich City Council](#)

## **Appendix 1 How we will manage an ASB case**

Our approach to ASB covers five specific areas<sup>1</sup>:

---

<sup>1</sup>

1. Opening a case.
2. Early intervention.
3. Enforcement/ use of preventative tools.
4. Legal considerations.
5. Closing a case.

## 1 Opening a case

15. The Council may take the lead in investigating reports of ASB in the following circumstances:

- When the person experiencing and/or perpetrating ASB is a Council tenant, or if the ASB is perpetrated by another person when visiting a Council tenant,
- When the person experiencing and/or perpetrating ASB is a leaseholder, or if the ASB is perpetrated by another person when visiting a leaseholder,
- When the person experiencing and/ or perpetrating ASB in a Norwich City Council estate neighbourhood,
- Where we have a statutory duty to investigate domestic noise nuisance under the Environmental Protection Act, regardless of tenure of the properties involved

### **We will:**

16. Provide the complainant with contact details of the named officer who has been assigned the case and who will be responsible for actions and updates. Make sure the time and date of all contact with the complainant is always recorded.
17. Maintain witness confidentiality.
18. Manage complainants' expectations from the outset and be realistic and open with them. Explain the process and minimum standards of service to the complainant so they know what to expect.
19. Develop an action plan with the complainant that is agreed and understood by them. This will include timescales and agreed actions.
20. Adherence to ASB casework timescales will be measured as part of governance reporting.
21. Ask the complainant for permission before contact with the perpetrator is made (unless there are safeguarding concerns). Where permission has not been given, we will work closely with the complainant to gain their trust, provide reassurance of support available to encourage permission.

22. Ensure support should be tailored to the needs of the individual. Establish an understanding of the complainants' support needs and other partner agencies involved. In everything we do we will consider the requirements of the Equality Act 2010.
23. Work in a trauma- sensitive way, to ensure that, whilst we may need to ask difficult questions or decide a course of action that one of the parties may not agree with, we will limit the possibility of our processes unintentionally being re-traumatizing or stress inducing to the people involved as far as possible.
24. Ensure a risk assessment is updated regularly at all key stages. For example, following each substantive contact with the victim, alleged perpetrator, partners and when actions are planned and/or taken.
25. Keep in regular communication with the complainant and involved partners to update them on progress.
26. Where diaries are used, should be issued with advice on how to complete and the type of information required.

## 2 Early intervention

Wherever possible we will intervene early to prevent ASB from happening in the first place. However, we recognise that this is not possible in all cases.

### **We will:**

27. Use the full range of ASB tools and powers available where appropriate.
28. Share action, activity, and data with partners safely and appropriately.
29. Maintain an awareness of support available locally and how to refer into/access and ensure good communication with local community groups.
30. Select interventions that are appropriate, reasonable and proportionate to the behaviour and most likely to produce an effective solution. Be ready to take follow up action if early interventions fail to resolve the problem.
31. Make every effort to ensure that home visits to alleged perpetrators are impactful working with and conducting visits where appropriate with local partner agencies.
32. Maintain witness and complainant confidentiality.
33. Use any meetings with alleged perpetrators to challenge their behaviour setting out the complaint (taking account of complainants' anonymity) referring to existing actions taken such as warning letters and provide an opportunity for the alleged perpetrator to respond.

**If the complaint is about a young person, we will:**

34. Identify any agencies involved (if any) and make relevant referrals.
35. Meet with child and responsible parent/guardian and explain impact of behaviour and clearly set out expectations and consequences.
36. Consider use of appropriate, reasonable, and proportionate interventions, for example, ABC or warning notice.
37. If the young person is connected to a tenant of a Norwich City Council home, we will advise them and the tenant of the potential impact on their tenancy if the behaviour continues.

**If the complaint is about an adult, we will:**

38. Attempt to find out if the perpetrator is known to local probation, housing, and mental health/adult services/ drug & alcohol services.
39. Consider what the complainant wants and build this into any realistic agreed solutions.
40. Risk assess the situation and ensure that we have considered the likelihood of reprisals against the complainant.
41. Maintain regular communication with the witness/complainant and partner agencies to reassure of progress being made against objectives set at any communications made with witnesses/complainants.

### **3 Enforcement / use of preventative tools**

Our driving principles is to protect individuals and communities from harm using tools and powers that are specific, proportionate, and appropriate to the behaviour.

**We will:**

42. Only use tools and powers when there is sufficient evidence to do so.
43. Consider all available resources, powers and tools including preventative measures with the aim of stopping occurrences of ASB to protect complainants, witnesses, and the community from harm.
44. Identify the most appropriate enforcement tools if early resolution attempts are unsuccessful. We will consider these actions taking the following into account:

- Assessment of victim and witness vulnerability, risk and harm.
  - Use or threat of violence.
  - Housing tenure.
  - Frequency.
  - Safeguarding and hate crime aspects including people with protected characteristics.
  - Was the victim intentionally targeted or situational?
45. Use preventative tools that are appropriate and proportionate to stopping the behaviours, supported with sufficient evidence.
46. Engage the community using impact statements (where appropriate) within overall evidence gathering including any community driven responses and attempts to resolve matters locally.
47. Be clear about what is achievable to manage expectations of both complainant and perpetrator, in accordance with our ASB service standard.
48. Consider next steps if action is not successful in stopping the behaviour and/or order is not obtained or granted.
49. Pay due regard to Norwich City Council Corporate Enforcement Policy )

#### 4 After the case

We will:

50. Engage and build public confidence – communicate successful outcomes back to the community through communications, leaflets and information to local networks.
51. Signpost and provide support to the complainant after the case until it is no longer required working with local support agencies including victim support.

#### 5 Evidence and court requirements

**We will:**

52. Prepare cases for court thoroughly with an intention to detail seeking legal advice where appropriate.
53. Where it is appropriate seek legal advice on using ASB reports in a casefile or tenancy file into statements or evidence for use in court.
54. Discuss with victims and witnesses the evidence options and explain the difference between direct evidence and hearsay.

55. Explain the court processes and possible outcomes clearly to the victim or witness.
56. If the perpetrator has a history of mental ill-health engage with local mental health services using methods of escalation where there are any apparent blockages.
57. Where an order is being considered ensure that the prohibitions being sought are appropriate, specific, practical, and enforceable to the circumstances it will be applied.
58. Actively challenge legal advice that fails to protect communities.
59. Engage local communities and work with any local community groups at the earliest opportunity.

## 6 Going to court, getting the order, and managing breaches

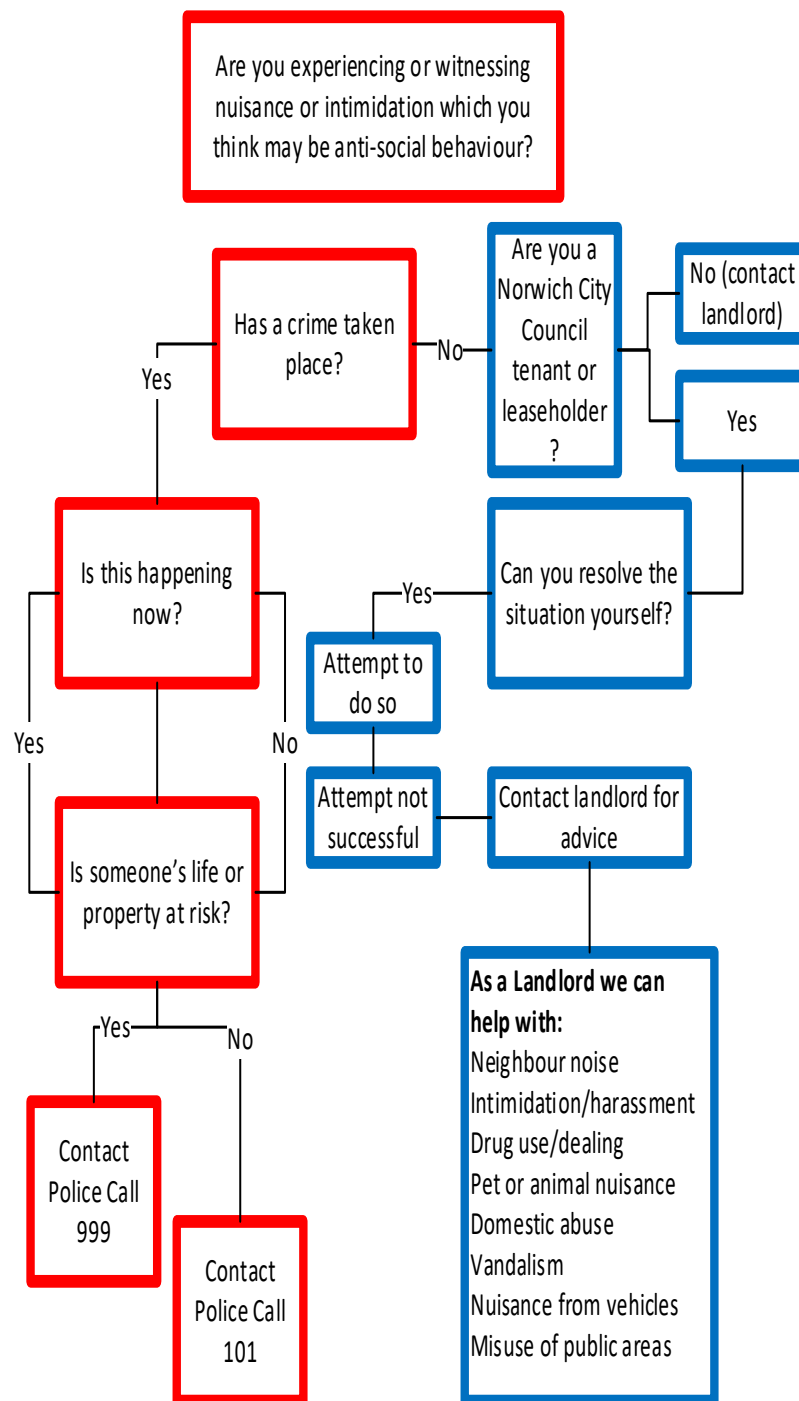
### **We will:**

60. Keep victims / complainants / community leaders informed of hearings and court dates and work collaboratively with them to monitor community tensions.
61. Maintain communication with police and housing about protection measures at court and in the community.

## 7 Closing a case

### **We will:**

62. Ensure that cases should be consistently maintained and closed in accordance with:
  - Policies and procedures, protocols and data protection principles, and,
  - The case action plan is agreed with the complainant / victim and the named caseworker at the outset and updated throughout the duration of the case.
63. Ensure that cases should be closed with the agreement of the complainant / witness and followed up with written confirmation of case closure within our ASB case standard timescales.
64. Maintain accurate case records – record the reason for case closure and notify relevant partners of case closure and reason.
65. Make every attempt to ensure that case closure does not come as a surprise to the victim by ensuring that there has been regular communication with the complainant throughout the duration of the case management.





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**Produced by Norwich City Council - August 2024**  
[www.norwich.gov.uk](http://www.norwich.gov.uk)





**Committee name:** Cabinet

**Committee date:** 11/09/2024

**Report title:** Norwich City Services Limited – Business Plan 2024/27

**Portfolio:** Councillor Stonard, Leader of the council

**Report from:** Chief executive

**Wards:** All Wards

**OPEN PUBLIC ITEM**

**KEY DECISION**

### **Purpose**

To approve the NCSL Business Plan 2024/27 in accordance with the governance arrangements for the company.

### **Recommendations:**

- 1 - That the NCSL Business Plan 2024/27 be approved.
- 2 – That the responses to the Scrutiny Committee’s recommendations in appendix 3 be agreed.

### **Policy framework**

The council has five corporate priorities, which are:

- A prosperous Norwich.
- A fairer Norwich.
- A climate responsive Norwich.
- A future-proof Norwich.
- An open and modern council.

This report meets all five corporate priorities and in particular the following outcomes:

- Good quality homes for all – our tenants benefit from high quality repairs and maintenance services.
- Our city and local neighbourhoods are safe, diverse and vibrant – we have diverse and vibrant neighbourhoods where our streets are clean and safe.

## Report details

### Background

1. In April 2021 and April 2022 respectively, the Council transferred environmental and building repairs and maintenance services from two former joint ventures (Norwich Norse Environmental Limited and Norwich Norse Building Limited) to Norwich City Services Limited (NCSL).
2. This followed consideration of the options for the continued provision of these important services to residents and tenants, starting in 2018 and culminating in a business case agreed by Cabinet in 2020.
3. By the time that services were transferred, performance, particularly in relation to building maintenance services, had deteriorated significantly. It was acknowledged that improving performance, dealing with backlogs, and changing health and safety working practices would be challenging. Reports to Cabinet in 2022, prior to transfer of the repair's services estimated that it would take three years to see tangible improvement.
4. In July 2021, the Council established a shareholder panel to oversee the relationship between the Council and its companies. The Shareholder Panel's role is to monitor performance of the companies in relation to their agreed business plans and to monitor performance on both financial matters and objectives.
5. Membership of the Shareholder Panel consists of the Leader of the Council, portfolio holders, the leader of the largest non-administration group and senior officers including the Council's statutory officers.
6. Each year, NCSL is expected to bring forward a business plan to establish its objectives over the next year, and how it intends to deliver these objectives. This includes key performance metrics and financial analysis of the company. The business plan is approved by Cabinet.

### Draft business plan

7. The draft business plan for 2024/27 was presented to Shareholder Panel in January 2024. In response five recommendations were made to the NCSL Board by Shareholder Panel. Additionally, officers committed to working with NCSL on the following matters:
  - Concluding the Open Book Audit for 2022/23 and understanding the consequent impacts into later years. **Completed with future impacts informing work on financial arrangements.**
  - Resolving the significant intercompany balances that were distorting financial reporting. **Completed.**
  - Putting in place improvements to the financial arrangements (both contractual and processes) that govern the payment mechanisms for voids and repairs and for payments for 'excluded costs' outside the PPV and PPP rates. **In progress.**

- Resolving the apparent disparities between the contractual volumes and frequencies for environmental services activities considering current and aspirational performance levels to remain within the currently approved budgetary envelope for 2024/25 – 2026/27 i.e. delivering the agreed efficiencies assumed in the council's MTFS of £1.013m without slippage. **Completed.**
  - Critically reviewing the existing IT systems operated by the company to determine the extent to which they are fit for purpose, require enhancement or replacement and supporting the production of an agreed and robust business case in support of any change identified. **Completed.**
  - Agree a realistic, timebound, measurable performance improvement plan which would be monitored by the Shareholder Panel on a quarterly basis. **In progress.**
8. The business plan was considered by the Scrutiny Committee on 18 July 2024. The recommendations of the Scrutiny Committee and the proposed responses are included at appendix 3 to this report.

### **Governance**

9. Additionally in 2023, Shareholder Panel supported the commission of a governance review. The governance review was undertaken by Local Partnerships, who produce national guidance in relation to the management of council companies.
10. The Local Partnerships report was reviewed, and an action plan agreed by Shareholder Panel. The action plan is currently being monitored by Shareholder Panel. A progress report, alongside an internal audit analysis of the overall governance matrix, is to be reported to Audit Committee in September this year.

### **Performance and Improvement**

#### **Environmental services**

11. The table at appendix 1 provides comparative performance data over a 12-month period.
12. NCSL and council officers continue to work closely to drive improvements to performance and efficiency and confirm the bill of quantities. Overall, the performance of the company has significantly improved over the past year although due to the lagging nature of the indicators of the scorecard the picture shown in the scorecard in appendix 1 shows a more mixed picture, with an increasing focus on LAMS data recording the state of the environment rather than the level of activity undertaken.
13. The LAMS data shows a year-on-year improvement in street cleanliness but a deterioration in grounds maintenance. However, this masks quarterly variations with a sustained improvements in both metrics in the latter half of the year. The figures in relation to grounds maintenance were impacted by poor performance on winter maintenance programme in 22/23. This left shrub beds looking particularly poor during the summer growing season. The company has worked

hard to catch up on historic backlogs and even though the 23/24 winter shrub bed indicator remained poor this has now been largely caught up by activity taken outside the 5-month period. Street cleanliness and street sweeping frequency indicators were impacted significantly by the reliability of the sweeping fleet in the early part of the last year. This was addressed through the hire of new vehicles pending a decision on the purchase of a new fleet which will be taken following the consideration of the business.

14. Successes and improvements during this reporting year within environmental services have included:

- 100% of all tree works have met or exceeded response target windows throughout the year.
- Sharps and dog fouling removal have seen a steady increase in responsiveness during the year with Sharps improving from a Q1 position of 93% to 100% for the last two quarters and dog fouling removal also improving from 96% in Q1 to 100% for the last two quarters.
- The completion of street cleansing schedules has steadily improved from a baseline of 65% at the start the year to 85% at the end of the year.
- A full autumn annual hedge cutting programme (excluding sites that couldn't be accessed 0.4%) was completed for the first time this year and included significant growth reduction. The hedge maintenance programme had to absorb an additional 78% of works - this being the difference in NCC's stated measurements and the actual measurement of hedges (after cut).
- This year the annual shrub bed maintenance programme will continue beyond the start of the grass cutting season to ensure all shrub beds receive an annual visit.

### **Repairs and maintenance services**

15. The table at appendix 1 provides comparative performance data over a 12-month period.

16. Successes and improvements in repairs and maintenance services within this reporting year have included:

- Significant improvement in customer satisfaction as measured by NCCs independent survey. Customer satisfaction improved by 12% from 61% in 2022/23 to 73% in 2023/24.
- Significant improvement in managing emergency repairs, as well as other service metrics. Customer satisfaction improved by 21.9% from 76.8% in 2022/23 to 97.7% in 2023/24.
- Improvement in complaint handling using learning outcomes to continue to improve customer satisfaction. NCSL took over direct control in addressing Stage 1 complaints at the end of quarter 3. The

performance in Q4 was 95% completed in target time with an average response time of 5 days, which represents good performance.

- Joined up working with NCC to continue to improve the service, through customer journey mapping to design effective processes.
- Improved visibility on historic backlogs and Work in Progress costs. Reduced the volume of outstanding repairs and voids works within Building Maintenance. Overdue works have reduced by 41% over the last year.
- Improved communications within the company to ensure that everyone is aware of current performance including change requirements.

17. Additionally, council officers and NCSL officers have worked collaboratively to instil safe working practices including asbestos management to embed a positive safety culture. To support this a dedicated role within the Safety, Health, Environment and Quality (SHEQ) Team focusses on asbestos management.

18. The repairs and maintenance service has made considerable improvements in the last 12 months. However, there has been a significant volume of new legislation introduced into the sector with the introduction of the consumer standards and the Building Safety Act and at the same time, the sector, and in particularly the Norfolk area, is experiencing large scale skill shortages making it difficult to recruit trade employees and also contracting organisations to undertake repairs and maintenance activity, this is expected to continue and may impact on the pace of continued improvement.

19. NCSL and the council are working collaboratively to address these challenges. This includes implementing a review to amend the current contractual arrangements to support a more effective delivery. This will include new governance arrangements between NCC and NCSL which will give greater control and visibility of the contract and its performance at all levels. Some of this work has already started with new operational governance arrangements, a new performance framework and a review of policies and procedures to ensure NCC and NCSL are clear on the service standards required from the contract, this includes a review of the voids service with a view to implement a voids standard, performance and financial model which supports the standard.

## **Consultation**

20. Consultation has taken place with Shareholder Panel, relevant portfolio holders, the executive leadership team, and officers across the Council. No public consultation is required for this decision.

## **Implications**

### **Financial and resources 2023/24**

21. 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 2024-29 and budget. The NCSL business plan covers a three-year period although the budget for each financial year will be agreed

separately on an annual basis and incorporated into the council's own budget for that year.

22. The business plan continues to predict growing profits going forward for both the repairs and environmental elements.
23. Within the business plan a number of assumptions are made which are of course, by their nature, subject to uncertainty and changes, it is therefore necessary to continue to maintain a close watching brief on the financial performance of the company. The company has also set out a small number of areas where the council must consider how to proceed. A request is set out for a loan to support future asset purchases and acquire assets currently held by the council on behalf of the company.
24. The extent to which this can be accommodated relies at least in part on the changes to the capital financing regulations; the council must now provide in its own revenue budget for the repayment of loans made to third parties, including wholly owned companies, which changes the position to one where the financial benefits are reduced to minimise risks to the council taxpayer.
25. Secondly the treatment of profits and the desire to minimise tax liabilities and strengthen the company's balance sheet means that it is unlikely the council will see returns from its investment in the company over the term of the business plan. Whether that is consistent with the overall purpose of the company needs to be considered and agreed by members as part of their on-going oversight of company performance and objectives.

## Legal

26. It should also be noted that as a TECKAL subsidiary, there are restrictions on how NCSL can grow. As the plan highlights, NCSL can only perform up to 20% of its revenue for other organisations. As such, the substance of any profit it makes will ultimately be made from Council contracts, and any net profit will then be subject to company taxation rules. Any dividends will then be for the Council to determine.
27. NCSL will remain bound by public procurement rules, and will be required to comply with the new Procurement Act requirements.
28. NCSL have highlighted the potential to seek loan financing from the Council to support acquisition of its capital needs. This is entirely feasible, but as with current loans to the Council's companies, will need to be done on appropriate terms set out in a binding agreement to avoid the potential of subsidising NCS, and will impact on the Council's MRP calculations.

## Statutory considerations

<b>Consideration</b>	<b>Details of any implications and proposed measures to address:</b>
Equality and diversity	The provision of an effective repairs and maintenance service, which responds to individuals' needs is essential.

<b>Consideration</b>	<b>Details of any implications and proposed measures to address:</b>
Health, social and economic impact	Housing quality and standards are a key wider determinant of health. As is the cleanliness and quality of the built environment and open spaces. NCSL is a key service delivery provider to support people's health and wellbeing.
Crime and disorder	The delivery of NCSL services supports the council's obligations in relation to community safety, particularly tackling environmental crime and providing safe homes and communal areas.
Children and adults safeguarding	The delivery of these services align with the council's Safeguarding Policy statement.

### **Risk Management**

<b>Risk</b>	<b>Consequence</b>	<b>Controls required</b>
NCSL is unable to deliver performance improvement in environmental and repairs and maintenance services.	Residents will receive poor quality services, homes will be poorly maintained and risks to health and safety may arise.  Street scene and city environment is poor leading to increase in anti-social behaviour and reputational issues for the city	Regular performance monitoring based on up to date and accurate performance information.  Company Board continuing to focus on performance and ensure that this is prioritised in line with shareholder discussions.  Shareholder panel continues to focus on and review performance.
NCSL's financial position worsens.  Business plan financial projections are not achieved.	Further accumulated losses accrue.  Cost of borrowing increases, short term cashflow support needed.  Outstanding loans with the Council will crystallise. Alternative service delivery options will need to be implemented.	Company Board and shareholder panel continue to review quarterly budget monitoring information.  Cashflow closely monitored and action taken to minimise avoidable intercompany debt.

Governance arrangements are not effective.	Early opportunities to take corrective actions are missed  Governance failures lead to company breaching responsibilities.	Regular and effective Board and Shareholder panel meetings.  Effective agenda management, minuting of actions and follow up of actions
NCSL is unable to retain/recruit the necessary skills and expertise to deliver its objectives.	Service improvement and long-term sustainable service delivery will not be achieved.	
The transfer of business support services isn't well planned or is unsuccessful.	Disruption to services and oversight.  Core support services fail.	Effective project management and oversight by Head of Corporate Services.

### Other options considered

29. The Cabinet could choose not to approve the NSCL business plan, however this would result in the company being unable to pursue the key objectives set out in the business plan. Therefore, this option is not recommended.

### Reasons for the decision/recommendation

30. The governance arrangements for NCSL require that the Council, via the Cabinet, approves the business plan on an annual basis.

### Background papers: None

**Appendices: Appendix 1 – Performance scorecard**

**Appendix 2 – NSCL Business Plan (Exempt appendix – Para 3)**

**Appendix 3 – Scrutiny Recommendations**

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## Appendix 1

### Performance Scorecard

Norwich City Services Limited - Environmental Services							Green: On / ahead of target	
Environmental Scorecard 2022-23 & 2023-24 comparison							Amber: Below target but within 10%	
							Red: Below target by more than 10%	
Area	Ref.	Scorecard Perspective	Metric	2022-23 target	2023-24 prov. target	2022-23	2023-24	Change from prev. year
Operations	O1	LAMS standard for street cleanliness (Grade A - B)	%	88%	88%	85.00%	87.50%	▲
	O2	LAMS standard for grounds maintenance operations (Grade A - B)	%	85%	85%	78.00%	75.31%	▼
	O3	Total frequency of street cleansing	%	88%	88%	83.00%	71.33%	▼
	O4	Sharps cleared within Service Standards	%	95%	95%	97.00%	96.63%	▼
	O6 & O7	Graffiti removed within service standards	%	95%	95%	100.00%	100.00%	▬
	O9	Cleaning at contracted sites achieved	%	95%	95%	100.00%	99.79%	▼
	O10	Cleaning inspections achieving quality target	%	90%	90%	99.00%	99.26%	▲
	O11 A	Grass cutting programme completed (per 4 weekly cycle)	%	90%	90%	95.00%	79.00%	▼
	O11 B	Winter shrub bed programme completed (over 5 months).	%	80%	80%	73.28%	67.76%	▼
	O12	Play Area inspections completed	%	100%	100%	100.00%	100.05%	▲
	O13-O18	Priority Tree work requests within target date.	%	100%	100%	100.00%	100.00%	▬
Customer	CU1	NCSL complaints	No.	0.58	0.33	0.33	0.50	▼
	CU2	NCSL compliments	No.	8.83	6.42	6.42	6.83	▲

Building Maintenance Scorecard 2022-23 & 2023-24 comparison							Amber: Below target but within 10%	
							Red: Below target by more than 10%	
Area	Ref.	Scorecard Perspective	Metric	2022-23 target	2023-24 prov. target	2022-23	2023-24	Change from prev. year
Housing Revenue	HRA1	Customer satisfaction	%	79%	83%	61%	73%	▲
	HRA2	Repairs completed right first time - customer perception	%	#N/A	80%	65%	68%	▲
	HRA3	Emergency repairs completed on time (within 24 hours)	%	#N/A	92%	76.88%	96.77%	▲
	RTR	Right to repair - amount completed within 5 days	%	#N/A	85%	54.68%	56.96%	▲
	HRA4	Average time to complete a non-urgent repair	Days	#N/A	20.00	30.74	39.36	▼
	HRA8	Voids turnaround time (repairs)	Days	78	25	56	66	▼
	HRA9	Voids - satisfaction with condition of new home	%	#N/A	80%	64.58%	74.68%	▲

## Scrutiny Committee 20 July 2024 NCSL Business Plan Recommendations:

Ref	Scrutiny Recommendation	NCSL response
1.	That NCSL performance is incorporated into the quarterly performance reports to the Cabinet.	<p>NCSLs metrics already form part of the reporting, which are provided to the relevant heads of service.</p> <p>NCSL has created its reporting structure to enable quarterly reporting to its Board. This reporting can be included in quarterly performance reporting to Cabinet.</p>
2.	That training be provided for all councillors on the governance and operating arrangements for NCSL.	NCSL can develop induction style training material to use for explaining what our internal service arrangements are and a thematic approach on how that then is delivered on the ground. This would enable Cllrs to have post training reference material they can access as and when required. Training can be delivered via dedicated Councillor briefing sessions.
3.	That the Cabinet should develop an action plan to deliver the pesticide free control of weeds, where appropriate.	NCSL can work with Council Officers to identify potential alternative options to weed control for Cabinet consideration.
4.	That an options appraisal be produced setting out the possible options for pesticide-free weed control, including an assessment of the costs and effectiveness of these options.	The option appraisal on weed control will include full analysis of any potential changes required to the current maintenance frequencies which will be included in the cost benefit analysis for consideration.
5.	That the Chair of Audit Committee and Chair of Scrutiny committee are appointed to the shareholder panel.	This is a Norwich City Council decision.
6.	That consideration is given to producing an annual report on performance against the business plan and that this be presented to an annual shareholder meeting which could be attended by all members.	There currently exists an annual process of bringing the Business Plan to Shareholder Panel, which sets out achievements in the previous year as well as plans for future years. An annual report can also be developed to supplement the annual business planning process, prepared for an AGM.

Ref	Scrutiny Recommendation	NCSL response
7.	That the considerable contribution made by the NCSL workforce be noted and that the Committee's thanks to the team be formally recorded and passed on.	This feedback has been shared with the NCSL workforce
8.	That the training for members of the shareholder panel be delivered as a matter of urgency.	Training can be delivered for members of Shareholder Panel in the Autumn/Winter 2024.
9.	That the business plan demonstrates a clear pathway to pay parity between NCSL employees and Norwich City Council employees.	<p>It is not part of the current business plan to align pay with the City Council.</p> <p>Pay for NCSL is not linked to national pay bargaining arrangements and is entirely locally agreed with the recognised Trade Unions. This has provided the discretion to apply pay increases that are locally agreed.</p> <p>The business plan includes the two-year agreed pay deal (2023/24 and 2024/25). Currently a job evaluation exercise is underway, and a new pay structure is being developed which will seek to align salaries with local market conditions to support recruitment and retention.</p> <p>In the main, NCSL roles are not comparable with roles in Norwich City Council and the Council's current pay and grading structure was not designed with these roles in mind when it was established.</p>



**Committee name:** Cabinet

**Committee date:** 11/09/2024

**Report title:** Supply of Enforcement Agents/Debt Collection Services to Norwich City Council

**Portfolio:** Councillor Kendrick, Cabinet member for an open and modern council

**Report from:** Head of Revenues and Benefits

**Wards:** All wards

**OPEN PUBLIC ITEM**

**KEY DECISION**

**Purpose:**

To maximise the collection of debts through the effective use of all available recovery options, by ensuring a high-quality enforcement agent/debt collection service is delivered that provides valuable income to the council.

**Recommendation:**

It is recommended that Cabinet approves the awarding of a contract to both Jacobs and Marston (Holdings) Ltd to supply Enforcement Agents/Debt Collection services to the council.

**Policy framework**

The council has five corporate priorities, which are:

- A prosperous Norwich.
- A fairer Norwich.
- A climate responsive Norwich.
- A future-proof Norwich.
- An open and modern council.

This report meets the A Fairer Norwich and An open and modern council corporate priorities.

## Background

1. The council currently uses Enforcement Agent/Debt Collection services as one option available for the collection of debts owed to it.
2. It is necessary to revisit the current council-wide arrangements to deliver best value in this area, and to ensure that this recovery option is used ethically and fairly.
3. Across the council service areas have had separate contracts for the provision of this service, and the services have agreed to bring the contracts together from 1 October 2024.
4. Services are mindful of individual circumstances. Vulnerability is individual to the debtor, and not necessarily permanent. The council expects the supplier to recognise vulnerability and have procedures in place to support debtors.

## Options

5. The council could have continued with the delegation of the enforcement function for Council Tax, Business Rates and Sundry Income to Breckland Council (ARP) for the service currently provided, however this would mean that separate contracts would be needed for debts outside of their remit and for the out of area debts. Best value has not been tested for 6 years and any added value/ social value had not been assessed against competitors for the service.
6. The council can contract with more than one supplier, which will allow cases to be recycled between the chosen suppliers. This may improve the potential collection of all types of debts.

## Expected benefits

7. As part of the recent tender process, suppliers were given the opportunity to advise how they operate ethically and fairly, and how they will deliver such service to the council. It was especially encouraging to see how this service can be seen to be an extension of the work the council undertakes to support debtors, and how the suppliers work with debt charities and agencies. Much contact is done up front before there are any visits and fees added, which gives the debtor more opportunity to discuss and address their situation.
8. Areas where the suppliers focussed on added value and social value were:

Welfare and Support Teams	Sponsoring warm places	Translation services	Income/Expenditure analysis
Use of debt protocols and NCAN	Early intervention	Pre-compliance before adding fees	Debt clinics
Single View of Debt (linking debts and only	Working with Debt/Advice	Holding debt surgeries and	Training for Members and Officers

charging 1 set of fees)	Agencies and Charities	cost of living roadshows	
Ethical code of business and conduct	Client portal	Real time suspension of cases	Well-being advice surgeries
Social plan that aligns with We are Norwich	Foodbank donation	Free debt collection services	Use of specialist solicitors for complex cases
Fund Institute of Revenues, Rating and Valuation Forum membership	Support Community projects	If troughs in workload will have additional training or volunteering	Financial support for apprenticeships
Hardship funding	Capital funding annually	Vulnerability indicators using technology - listening for specific words during conversations and passing debtors immediately to welfare teams	

9. Bringing contracts together under a single contract manager will provide more opportunity to manage and monitor supplier performance as well as ensuring the added value and social value is achieved.
10. A wider network of Enforcement Agents may improve collection of debt for out of area debts.
11. The contract will run for an initial period of 2 years, with the ability to extend for a further 2 years . This will allow the council to revisit the contract should it be felt necessary to change suppliers after the initial 2-year period.
12. Knowing that more than one supplier is being used can encourage good performance on collection. Debts can be recycled between the suppliers who may have more success in collection than the other.

### **Consultation**

13. The cabinet members' for An open and modern council and A fairer Norwich have been consulted on the procurement exercise.
14. Both members have been advised of the tender responses and the added value that we can achieve under these new contracts.

## Implications

### Financial and resources

15. The ability to use Enforcement Agents to recover debt can be seen as a deterrent to avoidance of paying a debt owed. The council prefers to use enforcement as a matter of last resort, to target those that won't pay their debts rather than those that can't pay due to their current financial circumstances, or those that refuse to make contact.
16. The council's approach to debt is to encourage customers to discuss their debts owed to the council at an early stage, and to seek support and advice before their situation worsens. For some, debt is ignored and can then lead to other issues that can affect mental health and well-being.
17. Contact from an Enforcement Agent will often be the catalyst to a debtor actually seeking help, and advice agencies would prefer that the council makes contact as early as possible with a debtor to avoid debt accumulating and becoming a much greater problem.
18. Exiting the pandemic, during which debt recovery was paused, many councils took a softer approach to recovering debt, and with recovery not starting in full until the start of the 23/24 financial year, this has contributed to longer term financial problems for debtors as their debts continued to rise year on year.
19. The council is currently undertaking a Debt Recovery project across all debt types and has been largely successful in contacting debtors and securing payments in full or receiving offers to pay, however some debtors are not willing to engage and enforcement action is a useful option to use in these cases.
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 Community Led Plan and budget.
21. The aim of this proposals is to increase resources by collecting debt owed to the council having due regard to a debtors circumstances. The volumes passed to Enforcement Agents/Debt collectors in the previous 2 years can be seen at Appendix A.
22. The service from suppliers is provided at no cost to the council for most debts because the Enforcement Agencies' income is derived from the statutory fees charged to debtors and collected and retained by the Agencies. These fees are shown at Appendix B.
23. For those debts not covered by the Taking Control of Goods (TCOG) Fees Regulations 2014, suppliers were invited to advise on any % fees/commission required and both successful bidders have advised there will be no costs to the council to collect these debts.



## Legal

24. With effect from 6<sup>th</sup> April 2014, where a liability order is made, the Billing Authority may use an enforcement agent to take control of goods of the debtor concerned under the Taking Control of Goods Regulations 2014. Fees may be charged in accordance with the Taking Control of Goods Fees Regulations 2014.

## Statutory considerations

<b>Consideration</b>	<b>Details of any implications and proposed measures to address:</b>
Equality and diversity	The council has a Public Sector Equality Duty. All enforcement action is taken on a case-by-case basis and is compliant with that duty.
Health, social and economic impact	Enforcement Agents are subject to strict controls and abide by regulations. Their Welfare Teams are alerted to a debtor with vulnerability or financial hardship. Cases will be returned to the council and fees waived. Breathing Space is abided by. Hardship funding is provided annually for certain cases up to a maximum amount.
Crime and disorder	N/A
Children and adults safeguarding	If an Enforcement Agent discovers a child at home alone, they will withdraw and return when an adult is present. If a vulnerable adult is identified safeguarding protocols will be instigated. All visits are recorded, and some agencies now record all calls.
Environmental impact	All of the tender responses were scored on social value, this included environmental impact such as using less gas, electricity, or fuel oil for heating buildings, reduced mileage or travel undertaken to complete tasks by using software to advise of the shortest route, increasing recycling of materials such as paper and contribute to climate change by moving to hybrid/electric vehicles, and using enforcement agents that live locally and don't have to travel far to start work.

## Risk management

Risk	Consequence	Controls required
Financial risk	Failure to collect revenue owed could mean council services would need to be reduced.	Quarterly contract monitoring will allow the council to monitor performance via KPI's and evidence the benefits of using Enforcement Agents for those that are refusing to pay.
Reputational risk to the council	Failure to collect money from willful non-payers could mean others refuse to pay their debts	The council will monitor the social and added value elements of the contracts to ensure these elements of the contract are met.

## Procurement

25. The new Enforcement Agency contract will commence on 01 October 2024 and will be for an initial term of two years followed by an extension period of two years until 30 September 2028.

26. An initial analysis was undertaken to explore the potential ways forward to procure the service. Routes such as not entering a contract were discounted due to the essential need for the service. The options are:

- (a) **Identify a single supplier to award the contract to without competition:** This route would be contrary to Contract Procedures as the value is over the £25k threshold. This option is **not recommended**.
- (b) **Establish competitively tendered contract with one supplier:** Run a competitive procurement exercise looking for a single supplier to meet the council's requirements. With existing frameworks active and available, it would be a duplication of efforts to pursue a contract via open tender. This option is **not recommended**.
- (c) **Utilise an existing framework:** Frameworks provided by Crown Commercial Services (CCS) and Yorkshire Purchasing Organisation (YPO) were explored. CCS has a compliant framework available for use by local authorities which the service area have deemed suitable. Suppliers have been through a competitive process to be accepted onto the framework and therefore Procurement Contract Regulations are met. This is the **recommended approach**.

27. Following the competitive process, using the CCS framework, Jacobs and Marston (Holdings) Limited have been selected as the preferred suppliers.

## Reasons for the decision/recommendation

28. Cabinet is recommended to award the contract for the provision of Enforcement Agents/Debt Collection Services to Jacobs and Marston (Holdings) Ltd. This will allow the council to continue to use enforcement as a means of collecting outstanding debts when other recovery options have failed.
29. The contract will be managed by a contract manager and quarterly contract meetings will be undertaken to ensure the contract is delivering the expected benefits.
30. In the longer term this work will support the outcomes of the Debt project in bringing debt collection into a more single view of customer debt and will support customers with welfare support, advice and longer term will support their well-being by bringing debt under control.


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### Appendices: Appendix A – Anticipated volumes and Amounts

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## Appendix A

### Anticipated Volumes and Amounts

The total amount of debt sent to the Council's current provider(s) in 2022/23 and 2023/24 is shown in the table(s) below:-

<b>Year commencing</b>	<b>No. of Council Tax Debt Collection Cases</b>	<b>Amount</b>
2022/2023	1285	£1,478,997.59
2023/2024	4556	£5,301,748.63
<b>Overall Total</b>	<b>5841</b>	<b>£6,780,746.22</b>

<b>Year commencing</b>	<b>No. of Non-Domestic Rates Debt Collection Cases</b>	<b>Amount</b>
2022/2023	154	£645,977.93
2023/2024	206	£879,806.91
<b>Overall Total</b>	<b>360</b>	<b>£1,525,784.84</b>

<b>Year commencing</b>	<b>No. of Road Traffic Debt Collection Cases (PCN's)</b>	<b>Amount</b>
2022/2023	1520	156,623
2023/2024	2009	207,524
<b>Overall Total</b>	<b>3529</b>	<b>364,147</b>

Parking has now moved to a contractor so the amount of work for parking debt is likely to be reduced.

<b>Year commencing</b>	<b>Sundries AR Norwich City Council including Commercial Rents</b>	<b>Amount</b>
2022/2023	0	0
2023/2024	0	0
<b>Overall Total</b>	<b>0</b>	<b>0</b>

We have restarted Sundry Debt arrears recovery. Owing to implementing a new

system we are unable to provide any details about likely volumes or monetary values.

<b>Year commencing</b>	<b>Sundries- Markets repossessions</b>	<b>Amount</b>
2023/24	2	n/a
<b>Overall Total</b>	<b>2</b>	<b>n/a</b>

<b>Year commencing</b>	<b>Housing Income- Current and Former Tenant Arrears/ Voids/Repairs/Garages, Bays and Service Charges (may be included in Sundries above)</b>	<b>Amount £</b>
2022/2023	0	0
2023/2024	0	0
<b>Overall Total</b>	<b>0</b>	<b>0</b>

We have restarted Former Tenant Arrears recovery and would estimate going forwards somewhere in the region of 70-100 cases for the first year. We are unable at this point to provide any details about monetary values.

## Taking Control of Goods Fees

Compliance Stage	£75
Enforcement Stage	£235 + 7.5% of the debt that exceeds £1,500
Sale Stage fee	£110 + 7.5% of the debt that exceeds £1,500



**Committee name:** Cabinet

**Committee date:** 11/09/2024

**Report title:** Development Site Pipeline

**Portfolio:** Councillor Kendrick, Cabinet member for an open and modern council

**Report from:** Head of property and economic development

**Wards:** All wards

**OPEN PUBLIC ITEM**

**KEY DECISION**

### **Purpose**

For cabinet to consider the development site pipeline.

### **Recommendation:**

Cabinet is requested to:

- 1) Note the progress on the development site pipeline work.
- 2) Delegate the disposal of the 6 assets listed within paragraph 20a of the exempt appendix to the executive director of resources, in consultation with the Section 151 officer and cabinet member for an open and modern council.
- 3) Recommend to Council, the adjustment to the 2024/25 capital programme, to fund further design, feasibility and infrastructure works to the 4 sites detailed in paragraph 20d of the exempt appendix to this report.

### **Policy framework**

The council has five corporate priorities, which are:

- A prosperous Norwich.
- A fairer Norwich.
- A climate responsive Norwich.
- A future-proof Norwich.
- An open and modern council.

This report meets the 'A prosperous Norwich and a fairer Norwich' corporate priorities.

This report addresses 'Business in Norwich thrives in an inclusive and resilient economy' and 'Good quality homes for all' priorities or actions in the Corporate Plan

This report helps to meet the Greater Norwich Local Plan and the Strategic Asset Management Framework, adopted policies of the Council.



## **Background**

1. The Corporate Plan 2022-2026 identified a key action to review potential council-owned development sites, including surface car parks, to improve their management, to develop a pipeline of potential housing development opportunities, and unlock revenue opportunities.
2. This action is underpinned by the strategic asset management framework of the council, which seeks to 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 development sites that can be delivered over the medium to long-term.
3. On 14 December 2022 cabinet endorsed Phase 1 of development site pipeline work, carried out by Bidwells, and approved further detailed feasibility work to be undertaken. Phase 1 included a market commentary on potential uses, a review of existing information on the sites, an initial assessment of the optimum use of the site and an initial valuation of the land.
4. Significant work has now been undertaken as part of phase 2 by Bidwells in partnership with Ingleton Wood architects and has included:
  - a. Detailed feasibility work on the potential of the site.
  - b. Design work to consider type, massing and scale of development that can be achieved on the site.
  - c. Full Red Book Valuations of sites.
  - d. Prioritisation of sites to be taken forward either for development or disposal.

## **Summary of Bidwells' report**

5. Phase 2 work has identified the priority sites. The information is commercially sensitive, so at this time the sites will remain confidential, but each site will be subject to further consideration under the delegated authority sought in this report to determine the future use or disposal.
6. Based upon the advice, some sites would be more suited to disposal to the wider market, and this could generate significant capital receipts to the council.
7. Of the fifteen original pipeline sites the feasibility work has identified six as priority sites for disposal with one of these sites requiring wider land assembly before disposal and two sites for further feasibility / business case development for the council to deliver for commercial development.
8. Six sites require further feasibility and project planning work to be undertaken before determining the preferred decision for the future and 1 site has been withdrawn at this time.
9. The advice received from Bidwells shows a potential for delivery of between 978 and 1347 new homes across the priority sites along with approx. 70,000 sq ft of light industrial development for letting that would support economic growth as well as revenue returns.

10. Three further sites which were not in the original pipeline are also included in the exempt appendix for information following recent work. One we are seeking additional budget for further design and feasibility studies, with the remaining two sites involving site acquisitions that have previously been approved by cabinet.

### **Asset Disposals**

11. Following approval by Cabinet in March 2024 an Asset & Development Board has been established to oversee proposals for the development pipeline.
12. The decision to dispose of land, detailed in the exempt appendix will be delegated to the executive director of resources, in consultation with the Section 151 officer and cabinet member for resources. The exception to this will be a site detailed in the exempt appendix which following a marketing exercise will be subject to further consideration by cabinet due to the scale of potential capital receipt.
13. Assets for which delegated authority to dispose is granted will be subject to a further review ahead of disposal with a report to the Asset & Development Board to allow a final decision. That report will also consider the most appropriate method of disposal and marketing strategy, which could include Lion Homes, and how best value considerations will be achieved.
14. Assets recommended for disposal in this report have the potential to raise c£32.74m in capital receipts and will be taken forward during this financial year.
15. Assets which, once competitively marketed, have bids that fail to achieve at least 90% of a red book valuation will be subject to further consideration by the Asset & Development Board for revised marketing or a further report to cabinet for a decision to proceed.
16. As detailed in the Managing Assets report, there is a need for a more effective deployment of capital to support longer term revenue generation and growth. This can be supported through an orderly disposal of property assets including those detailed in this report. Consideration would be given to not affecting land values by disposing of all the assets at one time.
17. However, generally, the Council will apply property capital receipts against debt. All future investment decisions are made on the basis as to whether the council would borrow for them. This is in line with CIPFA's best practice for holding and investing in investment properties.
18. Asset disposals will be managed in house by existing resource. Agents will typically be used for marketing, and this cost along with any legal fees will be set against the capital receipt, subject to a limit of 4% in line with guidance.

### **Investing in new development**

19. The financing of assets and decisions to invest are separate decisions, particularly within the local government framework, where there are statutory charges (Minimum Revenue Provision) against the underlying need to borrow.

20. All decisions to invest in development of new commercial assets will be compared against investment hurdle rates, which would be slightly above 7.75% in today's current environment. The council will assess options for more detailed metrics, but the return required would be expected to cover repayment of principal and interest.
21. Following more detailed work some sites may be suitable for development through a range of delivery methods including those led by the council. Any development by the council will be subject to detailed business case and further cabinet and council approval for the budget, should this be the preferred option for a particular site.
22. Based upon the initial advice some sites would be more suited to disposal to the wider market, and this could generate significant capital receipts to the council. Some properties are generating an income and there should also be an underpinning strategy to understand the extent to which that revenue stream could be replaced to avoid undermining the council's revenue budget. There are also likely to be a range of capital and revenue costs associated with individual properties.
23. Assets recommended for light industrial development have the potential to generate £0.7m per annum in revenue.
24. Development of new assets for commercial purposes would generate additional business rates and any growth in residential development would also increase the council tax base for the council.
25. When sites are brought forward it is therefore important the total financial impact is understood and taken into account as part of the decision-making processes.

## **Consultation**

26. The relevant portfolio holders have been briefed on the phase 2 work.
27. The report was taken to Scrutiny committee for consideration in March 2024.
28. At this time no public consultation has been carried out but individual sites will become subject to consultation through the planning process should they be taken forward for development.

## **Implications**

### **Financial and resources**

29. 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 2024-29 and budget.
30. The cost of the phase 2 feasibility work is funded from the approved site feasibility budget. £0.61m in additional funding is being sought as an adjustment to the approved capital programme for 2024/25 to carry out further work on sites detailed in the exempt appendix to this report.

31. To the extent that the work is feasibility, it cannot be capitalised. However, if during the process those became actual delivery plans, they could. Therefore, the request is for the funding and as to whether it is capital or revenue will be determined at a later date.
32. Depending on the disposals undertaken, capital receipts of £32.74m could be generated, if the disposal estimates were based on the lower figures in the red book valuations. At current investment rates of 5%+, this could generate over £1.637m investment income over the course of a year, although future returns are likely to reduce as interest rates and investment yields fall. It is worth noting that even if the cash was reinvested into investment property improvements, that impact is unlikely to be immediate and there would be a short boost to revenues.
33. Disposals would also have two other consequences: that of reducing capital liabilities and associated revenue costs and the revenue income streams attached to these council owned assets. However, those details will be considered in full as part of the proposed feasibility studies.

## Legal

34. There are no legal implications arising from this work to date.
35. Following further detailed feasibility work, by virtue of section 123 of the Local Government Act 1972, the city council has the necessary statutory powers to dispose of its land. This section also states that on a disposal, the council are under a statutory obligation to obtain the best consideration that can reasonably be obtained for the land.
36. Best consideration will typically be achieved via a competitive marketing process. In cases where there is a proposed sale to a 'special purchaser' due to the ability to realise a marriage value, these will be subject to a red book valuation to ensure that there is an uplift above market value.
37. Achieving best consideration will also ensure that the council is not caught by the subsidy control regime.
38. If any part of the site consists of open space land, section 123(2A) of this Act states that the council must follow certain statutory requirements to advertise the disposal of the said areas of open space land.
39. Open space is defined in the Town and Country Planning Act 1990 as land laid out as a public garden, or used for the purposes of public recreation, or land which is a disused burial ground. If it's not held for such purposes, it can be disposed of without the need to advertise the sale. This will be considered ahead of any disposal of such land.
40. Section 122(1) of the Local Government Act 1972 states that local authorities have a general power of appropriation for land or property which is no longer needed for the purpose its held: *'a principal council may appropriate for any purpose for which the council are authorised by this or any other enactment to acquire land by agreement any land which belongs to the council and is no longer required for the purpose for which it is held immediately before the appropriation'* but subject to the rights of other persons in or over the land.

41. This general power is subject to the provisions of section 19(2) of the Housing Act 1985. This states that if property is being used for housing accommodation, the consent of the Secretary of State is required if the property is to be disposed of or otherwise taken out of the Housing Revenue Account. This section applies to properties used partly or wholly for housing, including yards, gardens and outhouses, but garages are excluded from this.

### Statutory considerations

Consideration	Details of any implications and proposed measures to address:
Equality and diversity	Sale of the assets will result in the transfer of the freehold interest, but this is not anticipated to have any material equality and diversity implications.
Health, social and economic impact	There are no direct consequences flowing from these proposals. Subject to full business case approval there would be potential economic growth from new development of light industrial or residential development.
Crime and disorder	There are no direct consequences flowing from these proposals. Albeit some of the properties in question are vacant and therefore can be targets for crime and disorder. The decision to dispose should assist in bringing the assets back into productive use.
Children and adults safeguarding	Not applicable
Environmental impact	Not applicable to this report however individual projects will have their own environmental assessment as they progress.

### Risk management

Risk	Consequence	Controls required
Inability to dispose of the asset for the capital values identified.	Reduced capital receipts.	This will be monitored by the board and the action plan will be updated. A further asset review will be undertaken for assets which fail to sell on the open market.

Risk	Consequence	Controls required
Deterioration of market interest for development land	We are unable to generate interest for the land.	This will be monitored by the asset & development commissioning board. There will need to be flexibility over the exact timing of disposals to guard against this and the board will also consider the best method of disposal to realise a sale and maximise a return.
Deterioration of market for proposed light industrial development.	We do not generate the anticipated revenue income.	This will be monitored by the asset & development commissioning board. Decision gateways will be implemented at each RIBA stage to monitor the market. If risk is realized post completion asset can be considered for disposal to recover the capital outlay.

### Other options considered

42. Each asset has options considered through the development pipeline work.

### Reasons for the decision/recommendation

43. The recommendations within this report are aimed at ensuring the continued proactive management of our land and property assets. This builds on the substantial achievements made over the past two years and as set out in this report. Setting out a clear policy for assets, understanding why we own them and how they contribute to corporate objectives, including the development of new homes and the creation of jobs will enable us to maximise the use of our assets. The capital receipts and generation of revenue streams will play a key role in helping to fund front line services and our proactive management of the portfolio will ensure that this is sustainable into the future.


### Background papers:

**Appendices:** Exempt appendix to this report

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