

Cabinet

Date: Wednesday, 11 September 2019

Time: 17:30

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

Committee members:

Councillors:

Waters (chair)
Harris (vice chair)
Davis
Jones
Kendrick
Maguire
Packer
Stonard

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Information for members of the public

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For information about attending or speaking at meetings, please contact the committee officer above or refer to the council's website



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.

Agenda

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|----------|--|---------|
| 1 | Apologies

To receive apologies for absence | |
| 2 | Public questions/petitions

To receive questions / petitions from the public

Please note that all questions must be received by the committee officer detailed on the front of the agenda by 10am on Friday 6 September 2019 .

Petitions must be received must be received by the committee officer detailed on the front of the agenda by 10am on Tuesday 10 September 2019 .

For guidance on submitting public questions or petitions please see appendix 1 of the council's constitution. | |
| 3 | 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) | |
| 4 | Minutes
To approve the accuracy of the minutes of the meeting held on 10 July 2019 | 7 - 10 |
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Purpose - To consider the revised Norfolk Strategic Planning Framework (the Framework) and whether to agree it. | 11 - 18 |
| 6 | New Anglia LEP Local Industrial Strategy - KEY DECISION
Purpose - The New Anglia Local Enterprise Partnership is seeking Norwich City Council endorsement of its new Local Industrial Strategy prior to publication. | 19 - 28 |
| 7 | Quarter 1 Corporate Performance Report for 2019-20
Purpose - To report progress against the delivery of the corporate plan priorities and key performance measures for quarter 1 of 2019-20. | 29 - 44 |
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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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***17 Update on potential development sites - KEY DECISION (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.

***18 Managing Assets (Housing) - KEY DECISION - (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.

***19 Commercial services strategy - KEY DECISION (Paras 3 and 4)**

- This report is not for publication because it would disclose information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority as in para 4 of Schedule 12A to the Local Government Act 1972.
- This report is not for publication because it would disclose information relating to the financial or business affairs of any

particular person (including the authority holding that information) as in para 3 of Schedule 12A to the Local Government Act 1972.

Date of publication: **Tuesday, 03 September 2019**



Cabinet

17:35 to 18:40

10 July 2019

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

Apologies: Councillor Jones.

Also present: Councillors Schmierer and Wright.

1. Public Questions/Petitions

No public questions or petitions had been received.

2. Declarations of interest

There were no declarations of interest.

3. Minutes

RESOLVED to agree the accuracy of the minutes of the meeting held on 12 June 2019.

4. Quarter 4 Corporate Performance Report for 2018-19

Councillor Waters, leader of the council presented the report. The report highlighted positive performance achieved in a number of areas, including; hygiene ratings, installation of 20 mph speed limits in residential areas, Heartsease Healthy Living Project, Digital inclusion project, homelessness prevention and resident satisfaction. There was a strong underspend achieved in the general fund budget too.

In response to Councillor Schmierer's question the city development manager said the aspiration to make residential streets in Norwich 20mph was dependant on what was affordable. The cycle ambition programme which had funded a number of schemes was ending and other opportunities had to be investigated such as Transforming Cities. Councillor Stonard, cabinet member for sustainable and inclusive growth emphasised that the aim was to achieve a new behavioural norm to drive at 20mph. Blanket coverage in areas proved more effective than targeting smaller areas such as outside schools.

In response to Councillor Wright's question the city development manager said the private sector housing team had focussed on housing standards enforcement action. It was hoped this would be rebalanced going forward to improve performance on bringing empty homes back into use. It was dependant on having the resources to complete this time intensive work.

RESOLVED to note progress against the corporate plan priorities for quarter 4 of 2018-19.

5. Update on Corporate Performance Framework 2019-20

Councillor Waters, leader of the council presented the report. The council had approved a new Corporate Plan for the period 2019-22 at its meeting 26 February 2019. The previous Corporate Plan had five priorities which had been consolidated to three. The new framework emphasised the role for partnership working on achieving performance targets. This was represented by the Norwich 2040 Vision work, a conference for which was scheduled in the autumn.

The senior strategy officer advised that under the 'a healthy organisation' priority, two financial indicators; the outcome indicator CIPFA financial resilience measure and the output indicator HRA financial resilience were to be removed. One indicator on the environmental strategy was yet to be completed and new indicators would be developed in new performance area over the year.

RESOLVED to endorse the Corporate Performance Framework for 2019-20.

6. Home Energy Conservation Act Report 2019 - 2021

Councillor Davis, cabinet member for social inclusion presented the report. Whilst Norwich was the economic and cultural capital of the region many residents still struggled with rising fuel costs and fuel poverty in the city had increased. The report outlined the work completed and planned to challenge fuel poverty and energy efficiency in the city.

In response to a question from Councillor Schmierer, the cabinet member for sustainable and inclusive growth said that the third iteration of the Greater Norwich Local Plan (GNLP) was being worked on and would go out for public consultation. This document would consider targets on renewable energy in new developments.

RESOLVED to note the progress made against addressing energy efficiency within the city.

7. Scrutiny committee recommendations

Councillor Wright, chair of scrutiny, presented the report. A challenging work programme had been set by the committee, with many items related to climate change. In response to Councillor Wright's request for an update on the establishment of a climate and environment scrutiny committee the leader of the council said that a proposal would be taken to full council this month and he and the cabinet member for safe and sustainable city environment would be pleased to speak with group leaders in relation to this.

RESOLVED to consider in relation to the Norwich Economic Strategy, how Norwich could transition to a carbon neutral economy.

8. The award of contract for bus lane enforcement – key decision

Councillor Stonard, cabinet member for sustainable and inclusive growth presented the report.

RESOLVED to award the contract for bus lane enforcement services to Bramble Hub Ltd for the period 1 October 2019 to 30 September 2024 with an option to extend for two additional one year periods.

9. Proposed disposal of long term investment – key decision

Councillor Waters, leader of the council presented the report. The city council currently received no dividends from its shares in the airport and was unlikely to do so in the foreseeable future. The county and city councils agreed to explore the option to sell shares at the request of Regional and City Airports Limited and an independent valuation was undertaken to ensure best value for money. If a sale was agreed the agreement allowed for two meetings a year with the airport and the leaders of the two councils. It was noted that the council retained its powers as a planning authority in relation to the airport.

RESOLVED to:

- 1) approve the sale of Norwich City Council's shares in Norwich Airport Limited to Regional and City Airports Limited; and
- 2) subject to agreeing to the sale of the city council's shares in Norwich Airport Limited to agree to enter into a 15-year ongoing engagement agreement with Norwich Airport Limited.

10. Exclusion of the Public

RESOLVED to exclude the public from the meeting during consideration of items *11 to *12 (below) on the grounds contained in the relevant paragraphs of Schedule 12A of the Local Government Act 1972 (as amended).

***11. Proposed disposal of long term investment (exempt appendix) – key decision (para 3)**

Councillor Waters, leader of the council presented the exempt appendix to the report.

RESOLVED to agree the recommendations as set out in the report.

***12. Managing assets (housing) – key decision (para 3)**

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

RESOLVED to approve:

- (1) disposal of the freehold interest in the asset on the open market; and
- (2) reinvestment of the capital receipt from the disposal in the housing capital program for improving, repairing and maintaining the housing stock and/ or for building or enabling new affordable housing.

Report to	Cabinet	Item
	11 September 2019	
Report of	Head of planning services	5
Subject	Endorsement of Revised Norfolk Strategic Planning Framework	

Purpose

To consider the revised Norfolk Strategic Planning Framework (the Framework) and whether to agree it.

Recommendation

To agree to the revised Norfolk Strategic Planning Framework including the commitment to review and update objectives around climate change in the next iteration of the Framework.

Corporate and service priorities

The report helps to meet the corporate priority people living well and great neighbourhoods, housing and environment.

Financial implications

The city council's share of costs of undertaking the preparation and review of the NSPF will be from the Local Plan budget.

Ward/s: All Wards

Cabinet member: Councillor Stonard - Sustainable and inclusive growth

Contact officers

Graham Nelson, head of planning services

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Report

Introduction

1. When preparing Local Plans the authority is subject to a number of legal and regulatory requirements. Amongst these the council must discharge a legal duty to co-operate with neighbouring authorities in relation to strategically important land use issues which cross administrative boundaries. The result of such co-operation is expected to be better planning outcomes.
2. The Norfolk Authorities have a strong track record of working together with perhaps the best example being the preparation of a single local plan to cover Norwich, Broadland and South Norfolk planning authority areas. In 2015 a formal county wide Strategic Planning Member forum was established with terms of reference to ensure that the duty to co-operate was effectively discharged. These can be seen at <https://www.norfolk.gov.uk/what-we-do-and-how-we-work/policy-performance-and-partnerships/partnerships/norfolk-strategic-planning-member-forum>.
3. All authorities in Norfolk including the county council participate in the forum which is supported via an officer team drawn for the councils. The forum sought and gained agreement from each of the partner authorities to prepare a framework document. The city council's cabinet resolved to agree to co-operate on strategic planning matters through the preparation of a shared non-statutory strategic framework in March 2015.
4. This process led to the agreement of the original Norfolk Strategic Planning Framework by Cabinet in February 2018. It was similarly agreed by all other Norfolk planning authorities.

Revisions to the Framework

5. In order to ensure that the Framework remains current there is a need to periodically review it and the joint Member Forum agreed to do this following the publication of the revised national planning policy framework in 2018 and update it so it accorded with the requirement to produce a Statement of Common Ground. Due to the relatively short period from endorsement of the original framework the scale of revisions needed to framework has been limited. The main changes proposed to the NSPF include:
 - (a) Updating the document in relation to the latest position regarding 5G and broadband
 - (b) Updating the health section in line with the updated Health Protocol following further improved engagement with the Norfolk Clinical Commissioning Groups and the Sustainability and Transformation Partnership (STP)
 - (c) Updates to the housing section to revise housing need figures following the finalisation of the national methodology for assessing housing need and updates to various input information;
 - (d) Updates to the utilities section following further improved engagement with UK Power Networks and Anglian Water
 - (e) Updates to the transport section in line with the new Norfolk Infrastructure Delivery Plan
 - (f) Review of tier one employment sites and updates to text to reflect progress

on the Economic Strategy and forthcoming Local Industrial Strategy; and
(g) The inclusion of a new minerals and waste section

6. Because of the rather limited and technical nature of the changes proposed to the document it was not considered that formal public consultation was needed on the revised Framework although there is considerable ongoing joint working with a wide range of partner organisations many of whom have indicated they remain prepared to formally endorse it.
7. A progress report on the Framework was considered at the Sustainable Development Panel meeting of 27th February. The panel were content to note the relatively limited nature of the review and progress being made with it but expressed a concern that its content needed to be significantly updated to more thoroughly address the threat of climate change, particularly as it fails to reflect or respond to the IPCC (Intergovernmental Panel on Climate Change) report of October 2018.
8. Following discussion the Panel resolved to ask the cabinet when endorsing the current emerging iteration of the NSPF to press for a full reconsideration of climate change minimisation and mitigation issues when the next iteration of the NSPF is produced. However, this is no longer considered necessary as Cllr Stonard raised the matter at the joint planning member forum meeting in July which agreed to recognise this issue within the Framework itself. As a result of this the following text has now been included within the framework to recognise that the existing vision and objectives (which have not been amended as part of the current review) need to be updated to address this issue in the next iteration of the Framework:

“The above vision and objectives were established to form part of the original Strategic Planning Framework and it is recognised that since they were originally agreed there has been considerable research in relation to climate change, including reports by the Intergovernmental Panel on Climate Change, and there is emerging change to the Government policy on the matter, including the recent announcement of the intention to legislate to set a net zero climate change emission target by 2050 into law. A group has been set up to review evidence and develop updated objectives around climate change. The group will develop a framework of clear policies and guidance to support and enable the county’s development partners to deliver technically and commercially viable low carbon, climate resilient developments and infrastructure, and advise on appropriate revisions to our objectives to reflect this in the next version of this document.”

9. The full text of the proposed revised Framework can be found [here](#). The previously endorsed version can be found [here](#). The timetable for the next iteration of the Framework is due to be agreed by the joint member forum in the Autumn.

Integrated impact assessment



NORWICH
City Council

The IIA should assess **the impact of the recommendation** being made by the report

Detailed guidance to help with the completion of the assessment can be found [here](#). Delete this row after completion

Report author to complete

Committee:	Cabinet
Committee date:	
Director / Head of service	
Report subject:	
Date assessed:	

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

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

Recommendations from impact assessment
Positive
Negative
Neutral
Issues

Report to Cabinet
11 September 2019
Report of Head of city development services
Subject New Anglia LEP Local Industrial Strategy

Item

6

KEY DECISION

Purpose

The New Anglia Local Enterprise Partnership is seeking Norwich City Council endorsement of its new Local Industrial Strategy prior to publication.

Recommendation

To endorse the New Anglia Local Industrial Strategy and further engagement on its implementation to ensure the delivery of inclusive, clean growth the transition to a zero-carbon economy for Norwich.

Corporate and service priorities

The report helps to meet the corporate priority of an inclusive economy

Financial implications

Nil

Ward/s: All Wards

Cabinet member: Councillor Waters - Leader

Contact officers

Ellen Tilney, Economic Development Manager 01603 212501

Sharon Quantrell, Economic Development Officer 01603 212501

Background documents

<https://newanglia.co.uk/wp-content/uploads/2019/08/DRAFT-Norfolk-and-Suffolk-LIS-consultation-190813-1.pdf>

Report

Background

1. New Anglia LEP is negotiating with Government to finalise a Local Industrial Strategy for Norfolk and Suffolk.
2. The Local Industrial Strategy (LIS) is the next stage in the implementation of the Norfolk and Suffolk Economic Strategy, presenting a strong, well-informed evidence base and outlining a long-term set of priorities that capitalise on existing opportunities in the economy and address weaknesses to deliver sustainable, inclusive growth and economic wellbeing.

Key priorities of the Local Industrial Strategy

3. The LIS follows a format that mirrors the Government's Industrial Strategy White Paper (published November 2017), setting out a long-term plan to boost the productivity and earning power of people in Norfolk and Suffolk. Building upon a range of existing local, sub-regional and national strategies and policy documents it presents a detailed focus on global and national trends that will shape economic wellbeing in the future, looking at the actions required to take the opportunities ahead as the economy evolves post-Brexit.
 - (a) Five foundations of productivity – Ideas, People, Places, Infrastructure and Business Environment. These key hygiene factors are the foundation of all proposed interventions within the LIS.
 - (b) Four grand challenges: AI (Artificial Intelligence) and Data, Ageing Society, Clean Growth and Future of Mobility
4. It is also influenced by the Industrial Strategy Challenge Fund, Sector deals and the UK Shared Prosperity Fund.
5. For Norfolk and Suffolk the opportunity presented by three key, high growth sectors will be used to drive growth - clean energy, agri-food and ICT/digital. These sectors represent Norfolk and Suffolk's strongest competitive advantage in the UK economy; each provides significant scope for high skilled jobs, supply chain growth and improved productivity through collaboration and knowledge transfer. These sectors will also deliver the greatest impact in terms of in-work progression and skills development opportunities for our communities. The LIS recognises that the majority of the "future workforce" is within the existing workforce and that there must be significant effort to reskill and prepare people for emerging new jobs as technology transforms the labour market. Cross sector workforce development schemes will be used to ensure that the growing numbers of technology driven jobs and highly-skilled, well-paid roles are available to local people.
6. The LIS summarises the opportunities presented by the three high growth sectors backed by the foundation sectors – financial services, culture and the visitor economy, ports and logistics, advanced manufacturing and construction – and by promoting greater collaboration between sectors, setting out the linkages

between economic data/evidence, aims and actions for the five foundations of productivity.

7. One of the five foundations of productivity is place. This is central to the LIS which recognises the key, driving role of both Norwich and Ipswich. All proposed actions are place-based in the drive towards more prosperous communities and tackling regional and local disparities.
8. Although the format and language of the LIS has been determined by government; the development of its content has been a highly collaborative process, locally led by a wide partnership of businesses, local authorities, social enterprises, universities and colleges. There is strong alignment with both the Norwich Economic Strategy and also the Norwich 2040 Vision. Norwich will play a key role in the delivery of the ambitions and goals set out within the LIS and the strong place-focused approach seeks to recognise the strengths and needs of its economy and residents.
9. The development of the strategy has helped focus attention on the key building blocks of our economy, understand the areas with greatest potential and identify interventions to unlock this potential.

Next steps

10. Whilst there is no funding specifically set aside by Government for the implementation of local industrial strategies, by signing up to the document Government is endorsing its aims and ambitions and existing Government policy and future plans will need to take into account the local industrial strategy. Discussions are underway with a number of Government departments to see how key elements of the strategy can be taken forward. The development process has also significantly raised the profile of our economy and its key components within Whitehall.

Integrated impact assessment



NORWICH
City Council

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

Report author to complete

Committee:	Cabinet
Committee date:	11 September 2019
Director / Head of service	Andy Watt
Report subject:	New Anglia Local Industrial Strategy (LIS)
Date assessed:	13 August 2019

	Impact			
Economic (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Finance (value for money)	<input type="checkbox"/>	x	<input type="checkbox"/>	The LIS includes several significant capital and revenue based interventions which will directly benefit the Norwich economy including investment in a digital accelerator for scale-ups in Norwich and increased investment in infrastructure, workforce skills and business support.
Other departments and services e.g. office facilities, customer contact	x	<input type="checkbox"/>	<input type="checkbox"/>	No immediate or future direct impact upon other departments can be identified at this stage.
ICT services	x	<input type="checkbox"/>	<input type="checkbox"/>	No direct impact can be identified upon ICT services and it is unlikely that the LIS will have any direct influence upon ICT.
Economic development	<input type="checkbox"/>	x	<input type="checkbox"/>	The LIS is strongly aligned with the priorities and opportunities detailed in the Norwich Economic Strategy and mirrors the aspiration to widen opportunity, inclusive growth and transition to a zero carbon economy.
Financial inclusion	<input type="checkbox"/>	x	<input type="checkbox"/>	The LIS seeks to increase in-work progression, close the low pay gap and widen opportunities for local people to benefit from jobs and business growth. It recognises that the majority of the future workforce is actually within the existing workforce and there is a strong emphasis on reskilling and on inspiring and preparing young people for opportunities within a rapidly changing labour market.
Social (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments

	Impact			
Safeguarding children and adults	x	<input type="checkbox"/>	<input type="checkbox"/>	No direct impact can be identified within the LIS.
<u>S17 crime and disorder act 1998</u>	x	<input type="checkbox"/>	<input type="checkbox"/>	No direct impact can be identified within the LIS.
Human Rights Act 1998	x	<input type="checkbox"/>	<input type="checkbox"/>	No direct impact can be identified within the LIS.
Health and well being	x	<input type="checkbox"/>	<input type="checkbox"/>	No direct impact can be identified within the LIS.
Equality and diversity (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Relations between groups (cohesion)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	The LIS is unlikely to have any discernible impact.
Eliminating discrimination & harassment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	The LIS is unlikely to have any discernible impact.
Advancing equality of opportunity	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The LIS recognises the inclusive growth challenge and seeks to invest in activities to widen skills provision and in-work progression opportunities.
Environmental (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Transportation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The LIS commits to pursuing opportunities clean growth via broader network efficiency, modal shift and initiatives such as digital connectivity which will reduce the need to travel.

	Impact			
Natural and built environment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	As one of the government's grand challenges, Clean growth and transition towards a zero carbon economy is a strong cross-cutting theme within the LIS, this includes measures to reduce the impact of growth and protect the natural environment.
Waste minimisation & resource use	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	As one of the government's grand challenges, Clean growth and transition towards a zero carbon economy is a strong cross-cutting theme within the LIS, this includes measures to support businesses in waste reduction and greater water efficiency across all sectors of the economy.
Pollution	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	As one of the government's grand challenges, Clean growth and transition towards a zero carbon economy is a strong cross-cutting theme within the LIS.
Sustainable procurement	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	It is not possible to identify any impact within the LIS at this stage.
Energy and climate change	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	As one of the government's grand challenges, Clean growth and transition towards a zero carbon economy is a strong cross-cutting theme within the LIS – increasing growth of the clean energy sector, delivering energy saving projects to benefit local communities and driving further innovations to minimise the impact of business upon climate change are key initiatives within the strategy.
(Please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Risk management	x	<input type="checkbox"/>	<input type="checkbox"/>	It is not possible to identify any significant impact within the LIS upon risk management.

Recommendations from impact assessment

Positive

The draft Local Industrial Strategy (LIS) has a strong evidence base which fully recognises the challenges imposed by climate change, population growth and global competition. The LIS is very closely aligned with the priorities, opportunities and challenges outlined in the Norwich Economic Strategy and the long term aspirations for a more inclusive, low carbon city expressed in the Norwich 2040 Vision, acknowledging the wider role played by Norwich in the Norfolk and Suffolk economy. The proposed interventions, as described, will be highly beneficial to the inclusive growth, widening opportunities in the local labour market and supporting businesses with sustainable growth and higher productivity through collaboration and innovation.

It is recommended that Cabinet endorses the draft LIS prior to publication and supports a strong partnership with the New Anglia LEP in delivering the ambitions within the document.

Negative

Neutral

Issues

The LIS sets out an ambitious plan which will require close partnerships and collaboration around a shared vision. The opportunity to deliver a step change in clean, inclusive growth is real but this will also require focused investment and clear policy support both locally and nationally if the vision is to be fully realised.

Report to	Cabinet	Item
	11 September 2019	
Report of	Strategy Manager	7
Subject	Quarter 1 Corporate Performance Report for 2019-20	

Purpose

To report progress against the delivery of the corporate plan priorities and key performance measures for quarter 1 of 2019-20.

Recommendations

To:

- 1) consider progress against the corporate plan priorities for quarter 1 of 2019-20; and
- 2) suggest future actions and / or reports to address any areas of concern.

Corporate and service priorities

The report helps to meet the corporate priority of achieving a healthy organisation.

Financial implications

The direct financial consequences of this report are none.

Ward/s All wards

Cabinet member Councillor Waters - Leader

Contact officers

Adam Clark, Strategy Manager 01603 212273

Ruth Newton, Senior Strategy Officer 01603 212368

Background documents

None

Introduction

1. This report sets out progress against the key performance measures that are designed to track delivery of the corporate plan priorities. This is the first quarterly performance report for the corporate plan 2019-2022.

2. The corporate plan 2019-22 established three corporate priorities: people living well; great neighbourhoods, housing and environment; and inclusive economy. It also contained the objective of maintaining a healthy organisation. The performance framework aims to measure progress against these through 108 outcome and output measures:

- a) Output measures which monitor the council's performance in delivering activities which it is responsible, including targets for each indicator.
- b) Outcome measures which monitor the wider context relating to that priority, including changes which may happen through the work of partners, or as a result of wider trends at a national or local level, and are monitored for context and so do not have targets set for them.

3. Data for most of the output measures is available and reported quarterly, while data for the contextual outcome measures is more variable with some are reported quarterly (included in this report) but others six monthly or annually.

4. Performance for output indicators is based around a traffic light concept where green is on target, red is at a point where intervention may be necessary and amber a point in between these two.

5. Performance status for each of the output measures is then combined for each priority to show at a glance high level performance. This should enable members to see at a high level where performance is improving or falling.

6. Methodological changes have been made to some survey derived measures this year to improve the robustness of the results as agreed at cabinet on 8 November 2017. These include a new text message-based methodology for the Local Area Survey, including the weighting of measures that are derived from this. These changes improve accuracy but have an impact on reported performance, as can be seen from this quarter and previous quarters' performance.

7. The target for the indicator '% of council homes at 'C' or higher energy efficiency rating' has been increased from 72% to 80% since targets for output measures were agreed by Cabinet on 10th July 2019. This is due to an improved methodology which excludes homes where the rating is not yet known.

8. A copy of the full performance report can be found at appendix A.

Headlines for quarter 1 outcome measures

9. The percentage of residents overall feeling safe continues to fluctuate, with analysis continuing to understand this variation. The council continues to work with the police to address issues arising from county lines and better support residents feeling safe.

10. Though many food banks nationally have seen higher increases in people visiting, Norwich overall has seen a more moderate increase than the national picture. The Q1 figure for 2019/20 is still higher than the Q1 figure for last year.

11. Residents who feel part of their communities, and who believe their communities pull together are both below 40% this quarter. This is the first quarter that data has been collected for either of these outcome measures and they will be monitored for trends as additional data is collected. These questions will also be asked in specific parts of the city pre- and post-intervention to compare the data.

12. There is currently no data available for the quarterly BID footfall figures due to software changes and this will be reported from Q2.

13. The proportion of people that were economically inactive in Q1 was 19.2%, though this is lagged data with a margin of error, it does provide an insight in the economic performance of the city overall.

Headlines for quarter 1 performance output measures

14. Overall performance on output measures this quarter is sees two of the council priorities showing as amber (great neighbourhoods, housing and environment and inclusive economy). There are areas where the council is performing well and exceeding its targets but also some specific issues highlighted below. Each of the performance measures are provided within the relevant section of the performance report at appendix A.

15. The following areas of performance on output measures are brought to your attention:

a) % of tenants feeling safe this quarter is below target and slightly below the percentage of all residents feeling safe for the quarter. The safer neighbourhoods initiative is now being implemented and evaluation will be built into the delivery to understand if it is positively having an impact.

c) The amount of additional income clients have gained via council advice is below target for the quarter due to long term staff vacancies, this is expected to improve during Q2.

d) The percentage of food premises moving from non-compliant to compliant is above target for the quarter as the team continues to improve most failing businesses through training, advice and enforcement action.

e) The percentage of people reporting an increase in digital skills and confidence is above target for the quarter. This is through the continued success of the Digital Inclusion Action Plan for 2019/20 which has seen new partnerships formed this quarter with the Boundary Pub, Shelter and the Men's Shed and one digital grant awarded to Norfolk Library and Information Service to run simple coding sessions for new learners and parents.

f) No data is available for the % of the community accessing community centres by income decile for Q1 but final assessment should be finished in September 2019 and data will be available for Q2.

g) Though assets maintained by community groups is below target for the quarter, it is gradually increasing, including in non-traditional areas such as alleyways with interest from resident groups in adopting a number of these spaces.

h) The percentage of council homes at 'C' or higher energy efficiency rating is amber for the quarter but if all 250 programmed upgrades take place this year, moving from 'D' to 'C' the target of 80% will be achieved.

i) Recycling and composting rates are green for the quarter and have actually risen, against a national picture of stable or even decreasing rates.

j) The percentage of customers satisfied with the planning service is above target and green for the quarter. This is based on asking agents and applicants how satisfied they were with the council's handling of their case and how well the service communicated with them. 93% of agents and 100% of applicants who responded to the survey felt the council were helpful with their case.

k) The proportion of top council earners with protected characteristics (ethnic minorities, women and people with disabilities) are all below target this quarter, though the percentage of women has increased compared to the same time last year.

l) Performance is positive for the occupancy rate of Norwich market, with a 96% occupancy rate compared to a target of 90%. Six traders have taken on additional stalls to expand their existing market businesses and six start-ups have also opened in Q1.

m) The General Fund revenue budget is forecast to underspend by £509,000 against the budget and is green for the quarter.

n) Performance is encouraging for channel shift as work continues to improve and streamline online web-forms and ease of accessing services on our website.

o) The percentage of customers satisfied with the council is above target for the quarter, and this is an indicator which has seen its target increased for 2019-20.

Integrated impact assessment



NORWICH
City Council

Report author to complete

Committee:	Cabinet
Committee date:	11 September
Head of service:	Adam Clark
Report subject:	Quarter 1 performance report 2019/20
Date assessed:	August 2019
Description:	This report sets out progress against the key performance measures that are designed to track delivery of the Corporate Plan priorities for quarter 1 of 2019/20.

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

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

Recommendations from impact assessment
Positive
Negative
Neutral
Issues
The range of council activity represented by this report means that it is not possible to identify the aggregate impact; this is covered by the individual impact assessments that are conducted as part of routine council business



People living well

Great neighbourhoods, housing and environment

Inclusive economy

Healthy organisation

People living well

**Great neighbourhoods,
housing and environment**

Inclusive economy

Healthy organisation

Comments

This report sets out the progress against the key performance measures that are designed to track delivery of the corporate priorities. This is the first quarterly performance report for the corporate plan 2019-22.

Overall performance shows that two priorities are amber for the quarter (great neighbourhoods, housing and environment and inclusive economy). People living well and healthy organisation are green for the quarter.

Outcome indicators:

The percentage of residents feeling safe continues to fluctuate, but the council is continuing to work with partners such as the police to address issues such as with county lines to help increase feelings of safety.

The number of people visiting foodbanks has increased compared to this time last year, but it is still a lower increase than the national picture.

This is the first quarter of collecting data for the percentage of residents that feel part of their communities and who believe their communities pull together. For both outcome measures they are below 40% for the quarter. These will be monitored going forward to monitor trends, as well as monitoring what is causing these results.

Output indicators:

The total amount of income clients have gained via council advice is below target for the quarter and this is due to long term staff vacancies having an impact on meeting the target.

The percentage of food premises moving from non-compliant to compliant is green for the quarter as the team continues to support failing businesses.

Recycling and composting rates are above target this quarter and have actually increased this quarter, compared to a national picture of stalling or decreasing rates.

Customers are very satisfied with the planning service and is green for the quarter with both agents and applicants happy with the service provided and how their cases were processed.

The occupancy rate for Norwich market is above target for the quarter with new start-ups taking over stalls and existing businesses in the market expanding their stalls as well.

Performance continues to be encouraging for Channel Shift as work continues to improve and streamline online web-forms.

Customers who initially contacted the Council via the customer contact team continue to be satisfied with the service they received, especially as the target was increased for 2019/20

Green is on target, amber between target and cause for concern and red is cause for concern.

For more information please contact the Strategy & Transformation team on ext 2535 or email strategy@norwich.gov.uk

Key to tables (following pages) :

Outcome indicators: These indicators are monitored for context and so do not have targets set for them but instead are monitored for trends.

Output indicators: RAG - Red, Amber, Green; DoT - Direction of Travel: a green upward arrow signifies an improvement in performance compared with the previous reporting period, a red downward arrow shows a drop in performance and a horizontal arrow shows no change.

YTD - data shown is for the (financial) year to date



Outcome measures 2019-20 People Live Well



Measure	Actual	DoT	Actual YTD
CPlan 2019-22 People Living Well : Community Tension statistics	0.00	?	0.00
Comments: There has been no reports of community tension in the first quarter of this year. Last year there were just six reports for the whole year. This does not reflect what operational council officers report anecdotally. The ABATE team plans to work with the council's communications team this year to remind officers and council members of the community tension reporting process. This will be particularly important following Brexit.			
CPlan 2019-22 People Living Well : % people feeling safe (including by protected characteristics)	47.50%	?	47.50%
Comments: Performance for this indicator continues to fluctuate quarter on quarter. Work will continue to analyse some of the service level performance measures for service delivery to help understand what may be driving the variation. The council remains committed to working cooperatively with police & other partners to address the issues arising from county lines activity in the city and better support Norwich residents to feel safe. The activity to implement the safer neighbourhoods initiative is now being implemented and evaluation will be built into the delivery from the outset to understand if it is positively impacting on residents feelings of safety.			
CPlan 2019-22 People Living Well : Number of people presenting in housing need - broken down by local connection	121.00	?	121.00
Comments: This shows the number of clients presenting to us as threatened with homelessness, for whom a personalised housing plan has been completed as per the requirements of the Homelessness Reduction Act. The effect of the Act has been to make more people eligible for housing assistance and for longer and while presentations have been relatively steady, the increase in officer caseloads through the extended timeframe for assistance and the more intensive work with clients means that there is an increased burden on the team which may not be reflected in the indicator.			
CPlan 2019-22 People Living Well : Council ASB Statistics	246.00	?	246.00
Comments: Council ASB cases for the quarter total 246. This includes nuisance behaviour, intimidation and harassment, drug dealing, domestic bonfires and statutory noise nuisance. In addition, the council received a further 2,943 noise app recordings to review, assess and respond to.			
CPlan 2019-22 People Living Well : Police ASB Statistics	988.00	?	988.00
Comments: ASB reported to police for the quarter totals 988. This includes, personal, environmental and community ASB.			
CPlan 2019-22 People Living Well : Overall crime statistics	1,705.00	?	1,705.00
Comments: Crime statistics from police show 1,705 reported crimes for the first quarter. This incorporates crimes of arson, theft (of and from a vehicle), robbery, burglary and violence (with and without injury).			
CPlan 2019-22 People Living Well : Total number of foodbank visits per quarter	2,720.00	?	2,720.00
Comments: Lots of foodbanks, upon releasing their financial year stats and even their 2018 calendar year stats saw staggering increases (often due to Universal Credit), but at both points, increases in Norwich were there, but minimal. For the third month in a row, we are seeing increases for the rolling 12 month periods too - 10,729 to the end of June 2019.			
There is also an increase in the amount of children helped within each period and it is expected to increase during the end of July / August as we get to school holidays.			
CPlan 2019-22 People Living Well : Total amount of additional income clients have gained through debt/money advice (via commissioned pa	880,601...	?	880,601...
Comments: This is based on where data is available from the members of the Financial Consortium at the end of Q1. This includes debt arrangements and support claiming benefits clients are eligible for.			

Measure	Actual	Target	RAG Status	DoT	Actual YTD	Target YTD	RAG YTD	Date Measured
CPlan 2019-22 People Living Well : Proportion of benefit decisions upheld at review stage	?	40.00%	?	?	?	40.00%	?	06/19
Comments: Data not available for Q1 as the method of measurement for this new KPI was agreed during Q1 and will be reported from from Q2 2019/20. It measures the percentage of benefit decisions upheld at review stage. Measure being one of 3 outcomes - Decision upheld, decision revised or decision revised after the claimant provides new information. KPI is calculated as the number of 'upheld' outcomes as a percentage of all reviews actioned within the month. Target of 40%.								
CPlan 2019-22 People Living Well : % of respondents satisfied with the service provided to deal with ASB (CP)	38.00%	59.00%	▲	?	38.00%	59.00%	▲	06/19
Comments: The figure for the first quarter is just under 40% and below target. Work is in train to address the current issues in the ASB service. The commentary from customers largely focus on a lack of knowledge of case progress as a result of poor communication from officers. Some residents' dissatisfaction is focussed on the amount of time it takes to resolve cases. The service is currently achieving case closure within 80 days in 87% of cases - not far from the target of 90% - so work is required by officers to better manage customers' expectations.								
CPlan 2019-22 People Living Well : % of tenants feeling safe	46.00%	60.00%	▲	?	46.00%	60.00%	▲	06/19
Comments: Results for this indicator are based on a local area survey sent via SMS text message to a representative spread by gender and council wards. The survey is sent to a mixture of residents and council tenants, however only the latter are included in these results.								
46% of council tenants feel safe, in comparison to 47.5% of all respondents (including non-council residents) while results fluctuate quarter on quarter.								
Work will continue to analyse some of the service level performance measures for service delivery to help understand what may be driving the variation. The council remains committed to working cooperatively with police & other partners to address the issues arising from county lines activity in the city and better support Norwich residents to feel safe. The activity to implement the safer neighbourhoods initiative is now being implemented and evaluation will be built into the delivery from the outset to understand if it is positively impacting on residents feelings of safety.								
CPlan 2019-22 People Living Well : % of respondents satisfied with the outcome of their ASB case (CP)	37.00%	62.00%	▲	?	37.00%	62.00%	▲	06/19
Comments: The figure for the first quarter is just 37% and below target. Work is in train to address the current issues in the ASB service. Improvement can be achieved in relation to this target by improving communication and better managing customer expectations; as identified above. That said, some customers approach the council with an expected outcome which can be outside the remit or control of council services. In such cases, the target has a limit in relation to satisfaction.								
CPlan 2019-22 People Living Well : Total amount of additional income clients have gained through debt/money advice (via council-provide	£22,609...	£43,000...	▲	?	£22,609...	£43,000...	▲	06/19
Comments: Low figures this quarter due to long term staff absences. It is expected that this will improve during the second quarter of 2019/20.								

Measure	Actual	Target	RAG Status	DoT	Actual YTD	Target YTD	RAG YTD	Date Measured
CPlan 2019-22 People Living Well : % of food premises moving from non-compliant to compliant	87.00	80.00	★	?	87.00	80.00	★	06/19
Comments: The team is continuing to improve most failing food businesses through an appropriate mix of training, advice and enforcement action.								
CPlan 2019-22 People Living Well : % of households who asked for help who were prevented from homelessness	90.00	60.00	★	?	90.00	60.00	★	06/19
Comments: This demonstrates the council's commitment to the prevention of homelessness; provision of high quality, personalised advice and assistance and a broad range of housing options for clients in housing need.								
CPlan 2019-22 People Living Well : % of people reporting an increase in digital skills and confidence	90.00	70.00	★	?	90.00	70.00	★	06/19
Comments: The Digital Inclusion Action Plan has been updated for 2019/20, and can be found online on the Norwich City Council website. Key changes involve removing the explicit mention for Universal Credit digital support which now sits with Citizens Advice (although we are still supporting residents with applying for, and maintaining, their UC benefit if they present at a Digital Hub session). This quarter has seen the beginning of some interesting new partnerships, including with the Boundary Pub, Shelter and the Mens Shed (Pitt Stop café). We have awarded one Get Digital Grant this quarter, to the Norfolk Library and Information Service to run simple coding sessions for new learners and parents. We are continuing to pilot the Digital Stuff Hub loan scheme, which we will review later in the summer.								
CPlan 2019-22 People Living Well : Additional quarterly income identified for users through use of the Better Off website	6,555....	6,500....	★	?	6,555....	6,500....	★	06/19
Comments: Over quarter 1 (April to June 2019) there was 333 new accounts created on Betteroff Norwich, and 210 entitled to assessments. There was 1,179 user sessions. Activity was slightly down compared to the previous quarter, but copied the pattern from 2018/19 of this being a quieter time of year.								
CPlan 2019-22 People Living Well : Average saving of switch and save beneficiaries	£100.00	£85.00	★	?	£100.00	£85.00	★	06/19
Comments: Switch and save beneficiaries continue to see savings of over £100+, with even larger savings for those entering the scheme for the first time.								
CPlan 2019-22 People Living Well : Number of insulation measures completed	109.00	31.00	★	?	109.00	31.00	★	06/19
Comments: Over 100 insulation measures have been completed in the past quarter. This includes small measures and larger measures like installation of cavity wall and loft insulation.								
CPlan 2019-22 People Living Well : Revenue and Benefits satisfaction levels	85.30%	75.00%	★	?	85.30%	75.00%	★	06/19
Comments: Q1 results are Council Tax 87.2%, Benefits 82.8% and combined 85.3%. This compared to the overall result of 78.2%.								



Outcome measures 2019-20 Great Neighbourhoods and Housing



Measure	Actual	DoT	Actual YTD
CPlan 2019-22 Great Neighbourhoods : Food waste per household	10.38	?	10.38
Comments: Food waste tonnages are remaining at a high level following intervention measures that began in May 2018.			
CPlan 2019-22 Great Neighbourhoods : People satisfied with parks and open spaces	65.00%	?	65.00%
Comments: The answers received in the local survey don't identify why this may be. With the exception of one the only park related comments were positive.			
CPlan 2019-22 Great Neighbourhoods : Resident perception of how much part of a community they feel	39.00	?	39.00
Comments: This is the first time this data has been collected so we will start to watch this as a trend. It will also be used as a benchmark for areas where we focus attention, such as Waton and Dolphin Groves, where we will ask the same question pre- and post- intervention to compare both the difference and the city average.			
CPlan 2019-22 Great Neighbourhoods : Resident perception of how the community pulls together	34.00	?	34.00
Comments: This is the first time this data has been collected so we will start to watch this as a trend. It will also be used as a benchmark for areas where we focus attention, under the community safety initiative work, where we will ask the same question pre- and post- intervention to compare both the difference and the city average.			
CPlan 2019-22 Great Neighbourhoods : Residents satisfied with their neighbourhood	50.00	?	50.00
Comments: Performance for this indicator continues to be variable quarter on quarter. No explanation has been identified to date to explain this variation. Work will continue to analyse some of the service level performance measures for service delivery to help understand what may be driving the variation.			

Measure	Actual	Target	RAG Status	DoT	Actual YTD	Target YTD	RAG YTD	Date Measured
CPlan 2019-22 Great Neighbourhoods : % of community accessing community centres by income decile	?	30.00%	?	?	?	30.00%	?	06/19
Comments: No data available for Q1, the data will be reported for Q2, after the final assesment for this year which should be finished in Sept 2019.								
⊕ Asset Management : % of upgrades complete	18%	23%	▲	➡	18%	23%	▲	06/19
Comments: Quarterly proxy measure for % of Council homes which have met the Norwich standard:								
The heating upgrade programme was running on target at the end of quarter 1. While both kitchen and bathroom programmes were on target at the end of quarter 1, the council's contractor, Roalco, has since entered administration. A new contractor has been appointed for these programmes and works will be recommencing shortly.								
Electrical rewires and upgrade installations were slightly behind target compared with the planned programme at start of the financial year. This was due to legislative changes which affected pricing, causing delays until this was agreed.								
The composite doors programme is behind schedule due to delays in signing the contract by one of our contractors and subsequent delays raising a purchase order. Our contractor, Anglian Building Products, who jointly fit the doors, is awaiting their 3rd party accreditation for fire door installations and is expected to start installing doors by the end of August.								
CPlan 2019-22 Great Neighbourhoods : Assets maintained by community groups	48.00	60.00	▲	?	48.00	60.00	▲	06/19
Comments: Gradually increasing, especially in non-traditional areas such as alleyways where we have one formed and two potential resident groups adopting them.								
⊕ CPlan 2019-22 Great Neighbourhoods : % of planning appeals overturned on review	50.00%	66.00%	!	?	50.00%	66.00%	!	06/19
Comments: Only two appeal decisions received in Q1 - one allowed and the other dismissed. Both decisions were delegated. Whilst below the 66% target, the limited number does not provide a statistical basis upon which to be concerned about performance for the year. The allowed appeal related to minor works to a listed building where the inspector took a different view on the level of harm, it does not indicate any need for a change of approach.								

Measure	Actual	Target	RAG Status	DoT	Actual YTD	Target YTD	RAG YTD	Date Measured
⊕ CPlan 2019-22 Great Neighbourhoods : % of council homes at 'C' or higher Energy Efficiency rating	77.60%	80.00%	●	?	77.60%	80.00%	●	06/19
Comments: This is a brand new performance indicator, with no historic data for comparison. The target of 80% represents approximately what will be achieved if all 250 programmed properties for insulation upgrades are completed this year, increasing their existing rating of a 'D' or below to 'C' or higher.								
The 80% target excludes those properties for which we currently have no energy efficiency rating. Initial calculations included these 'nil ratings' but this methodology (which resulted in a result of 69%, on which a provisional target of 71% was based) was inconsistent with how we measure our average SAP score. Please therefore disregard any reference to a target of 71%.								
CPlan 2019-22 Great Neighbourhoods : SCL01 % of streets found clean on inspection	84.0%	88.0%	●	?	84.0%	88.0%	●	06/19
Comments: Street cleaning figures are affected by significant mechanical issues with the sweeper fleet. A number of new vehicles have been trialled and the fleet will be replaced over the coming year.								

Measure	Actual	Target	RAG Status	DoT	Actual YTD	Target YTD	RAG YTD	Date Measured
CPlan 2019-22 Great Neighbourhoods : Volunteer hours in parks and open spaces	1,727.50	1,200.00	★	?	1,727.50	1,200.00	★	06/19
Comments: Q1 and Q2 usually have lower figures than Q3 and Q4 which are busier usually due to the seasons, so it is a healthy start to the year								
⊕ CPlan 2019-22 Great Neighbourhoods : Customers satisfied with the Planning Development Management Service	90.00%	75.00%	★	?	90.00%	75.00%	★	06/19
Comments: In Q1, we surveyed 231 planning applicants or agents about their experience in dealing with us with a recent application. We received 31 complete responses. The survey questions cover how well customers felt the planning department communicated with them and how satisfied they were with the handling of their application. 90% of participants were satisfied or very satisfied with the service they received. Notably 93% of agents and 100% applicants who responded to the survey felt the council were helpful with their case.								
⊕ CPlan 2019-22 Great Neighbourhoods : % domestic waste recycled/ composted	42.70%	40.00%	★	?	42.70%	40.00%	★	06/19
Comments: The national picture for recycling is that rates are stable and in some places are reducing. For local levels to remain above target is a credit to residents and to the work done by officers to improve services.								
CPlan 2019-22 Great Neighbourhoods : Green flag awards for parks and open spaces	1.00	1.00	★	?	1.00	1.00	★	04/19
Comments: Maintaining the award requires continuous improvement, so it is pleasing to see that despite pressure on resources we have achieved this and we have also moved up a score band each judging. We now sit in the highest band.								



People living well

Great neighbourhoods, housing and environment

Inclusive economy

Healthy organisation

Outcome measures 2019-20 Inclusive Economy

Measure	Actual	DoT	Actual YTD
CPlan 2019-22 Inclusive Economy : BID footfall figures	?	?	?
Comments: Data not available until next quarter owing to software changes			
CPlan 2019-22 Inclusive Economy : Proportion of people that are economically inactive	19.20%	?	19.20%
Comments: Please note this is lagged data (to March 2019) with a large margin of error			

Measure	Frequency	Actual	Target	RAG Status	DoT	Actual YTD	Target YTD	RAG YTD	Date Measured
CPlan 2019-22 Inclusive Economy : Proportion of top earners with protected characteristics - Disability	Quarterly	2.70%	11.20%	▲	?	2.70%	11.20%	▲	06/19
Comments: There has been increase in women in the top 5% of earners in Qu1 compared to the previous quarter and the same period last year. There has been a decrease in the number of employees in the top 5% of earners for both disability and ethnic minority. Disability and ethnicity are self recorded by employees and this reduction may be due to the implementation of a new HR information system. All employees will be encouraged to record protected characteristics									

Measure	Frequency	Actual	Target	RAG Status	DoT	Actual YTD	Target YTD	RAG YTD	Date Measured
CPlan 2019-22 Inclusive Economy : Proportion of top earners with protected characteristics - Ethnic minorities	Quarterly	2.70%	3.08%	●	?	2.70%	3.08%	●	06/19
Comments: There has been increase in women in the top 5% of earners in Qu1 compared to the previous quarter and the same period last year. There has been a decrease in the number of employees in the top 5% of earners for both disability and ethnic minority. Disability and ethnicity are self recorded by employees and this reduction may be due to the implementation of a new HR information system. All employees will be encouraged to record protected characteristics									
CPlan 2019-22 Inclusive Economy : Proportion of top earners with protected characteristics - Female	Quarterly	37.00%	42.70%	●	?	37.00%	42.70%	●	06/19
Comments: There has been increase in women in the top 5% of earners in Qu1 compared to the previous quarter and the same period last year. There has been a decrease in the number of employees in the top 5% of earners for both disability and ethnic minority. Disability and ethnicity are self recorded by employees and this reduction may be due to the implementation of a new HR information system. All employees will be encouraged to record protected characteristics									

Measure	Frequency	Actual	Target	RAG Status	DoT	Actual YTD	Target YTD	RAG YTD	Date Measured
CPlan 2019-22 Inclusive Economy : Norwich Market occupancy rate	Quarterly	96.30%	90.00%	★	?	96.30%	90.00%	★	06/19
Comments: Performance remains positive with occupancy rates at the highest level for several years. In this quarter six traders have taken on additional stalls to expand their existing market businesses and six new start-ups have opened.									
CPlan 2019-22 Inclusive Economy : Number of visitors to council run events	Quarterly	154,425...	140,000...	★	?	154,425...	140,000...	★	06/19
Comments: The attendance at council run events remains strong, with the great attendance at the football celebrations and the highest summer footfall figures for the city being recorded on the Saturday of the Lord Mayors celebration.									



	People living well	Great neighbourhoods, housing and environment	Inclusive economy	Healthy organisation
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Measure	Frequency	Actual	Target	▲ RAG Status	DoT	Actual YTD	Target YTD	RAG YTD	Date Measured
✚ CPlan 2019-22 Healthy Organisation : Overall council performance - % of output indicators on target	Quarterly	58.00%	75.00%	▲	?	58.00%	75.00%	▲	06/19

Comments: 18 out of the 31 output indicators were green for the quarter, highlighting that although there are areas where the Council is performing well there are also some specific issues.

Measure	Frequency	Actual	Target	RAG Status	DoT	▲ Actual YTD	Target YTD	RAG YTD	Date Measured
CPlan 2019-22 Healthy Organisation : Presence rate of employees (proportion of employees with 100% attendance)	Quarterly	61.70%	70.00%	●	?	61.70%	70.00%	●	06/19

Comments: 100% attendance has been less than the target in Qu 1 and compared to Qu1 2018/9 which was 74%

Measure	Frequency	Actual	Target	▲ RAG Status	DoT	Actual YTD	Target YTD	RAG YTD	Date Measured
✚ CPlan 2019-22 Healthy Organisation : Avoidable contact - failure demand (by service area)	Quarterly	31.60%	32.00%	★	?	31.60%	32.00%	★	06/19
Comments: The target has been achieved. Development of services for benefitS online should help further reduce levels of avoidable contact.									
✚ CPlan 2019-22 Healthy Organisation : Customer satisfaction	Quarterly	78.10%	76.00%	★	?	78.10%	76.00%	★	06/19
Comments: Performance against the target has been achieved which is encouraging since it was increased for 2019.									
CPlan 2019-22 Healthy Organisation : Absence rate of employees	Quarterly	9.40	9.80	★	?	9.40	9.80	★	06/19
Comments: Projected outturn based on Qu1 figures is 9.4 days per employee. Actual outturn for 2018/19 was 10.27 days per employee.									
✚ CPlan 2019-22 Healthy Organisation : Channel shift - online usage	Quarterly	23.60	22.00	★	?	23.60	22.00	★	06/19
Comments: Performance is really encouraging since it was increased for 2019. Work continues to improve and streamline online web-forms and ease of accessing services on our website.									
CPlan 2019-22 Healthy Organisation : VFM 10 Council on track to remain within General Fund budget	Quarterly	-£509,...	£250,...	★	?	-£509,...	£250,...	★	06/19

Comments: The quarter 1 general fund forecast outturn for the 2019/20 financial year is an underspend against budget of £509k.

Report to	Cabinet	Item
Date	11 September 2019	8
Report of	Chief finance officer	
Subject	Treasury Management Full Year Review Report 2018-19	

Purpose

This report sets out the Treasury Management performance for the year to 31 March 2019.

Recommendation

To recommend that council note the report and the treasury activity for the year to 31 March 2019.

Financial implications

The report has no direct financial consequences however it does report on the performance of the council in managing its borrowing and investment resources.

Ward/s: All wards

Cabinet member: Councillor Kendrick, resources

Contact officers

Karen Watling, chief finance officer

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Background documents

None

Report

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 actual prudential and treasury indicators for 2018-19. 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 2018-19. It compares this activity to the Treasury Management Strategy for 2018-19, approved by Full Council on 20 February 2018. 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 2018/19 financial year the minimum reporting requirements were:
 - (a) an annual Treasury Management Strategy in advance of the year (Council 20 February 2018).
 - (b) a mid-year Treasury Management Review report (Cabinet 12 December 2018).
 - (c) an annual review following the end of the year describing the activity compared to the strategy (this report).
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:-
 - (a) Capital activity during the year (paragraphs 6 - 8)
 - (b) Impact of this activity on the Council's underlying indebtedness (the Capital Financing Requirement) (paragraphs 9 - 15)
 - (c) The actual prudential and treasury indicators (paragraphs 16-20)
 - (d) Overall treasury position identifying how the Council has borrowed in relation to this indebtedness, and the impact on investment balances (paragraphs 21-25)
 - (e) Borrowing strategy and detailed debt activity (paragraphs 26-31)
 - (f) Investment strategy and detailed investment activity (paragraphs 32-40)

The Council's Capital Expenditure and Financing 2018-19

6. The 2018-19 capital programme budgets were approved as part of the budget papers by full Council on 20 February 2018. Subsequent to this there were approved revisions to the 2018-19 capital budgets to include the 2017/18 capital carry forwards and new capital schemes approved during the year. The final capital programme budget is shown in **Table 1** along with the mid-year estimate as reported to Cabinet in December 2018.
7. Actual capital spending was under budget for the year by £71.813m. This capital spending included spend on individual capital projects, commercial property investment, and a capital loan made in year to the council's wholly owned subsidiary Norwich Regeneration Ltd. The actual level of revenue and borrowing needed to finance the expenditure was less than that originally estimated. The actual capital expenditure forms one of the required prudential indicators. **Table 1** shows the estimates and then the actual capital expenditure for 2018-19 and how this was financed in the year:

Table 1

	2018/19 Original Budget	2018/19 Final Budget	2018/19 Mid-Year Estimate	2018/19 Actual Outturn	Variance
Capital Expenditure	£m		£m	£m	£m
General Fund capital expenditure	42.793	78.769	36.441	27.394	(51.375)
General Fund capital loans		1.881	1.881	0.900	(0.981)
HRA Capital expenditure	31.572	45.857	30.086	26.400	(19.457)
	74.365	126.507	68.408	54.694	71.813
Financed by					
Capital Receipts	5.221	15.200	6.571	5.704	(9.496)
Capital Grants/Contributions	3.265	8.303	6.272	5.513	(2.790)
Capital Reserves	14.238	21.601	14.739	11.707	(9.894)
Revenue	11.641	12.008	11.944	11.997	(11)
	34.365	57.112	39.526	34.921	(22.191)
Borrowing need for the Year	40.000	69.395	28.882	19.773	(49.622)

8. Capital expenditure may either be:
 - (a) Financed immediately through the application of capital or revenue resources (e.g. capital receipts, capital grants, revenue contributions etc.), which has no impact on the Council's borrowing need; or
 - (b) If insufficient financing is available, or a decision is taken not to apply resources, the capital expenditure will give rise to a borrowing need, which will be satisfied by either external or internal borrowing.

Council's overall borrowing need

9. The council's underlying need to borrow for capital expenditure is termed the Capital Financing Requirement (CFR). The CFR arises 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 2018-19 CFR year-end balance is the cumulative total

of the 2018-19 unfinanced capital expenditure i.e. £19.773m and prior years' unfinanced capital.

10. Treasury Management includes addressing the funding requirements for this borrowing need; it also includes maintaining a cash position to ensure sufficient cash is available to meet the capital expenditure and cash flow requirements. 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).
11. The council's (non-HRA) underlying borrowing need (CFR) is not allowed to rise indefinitely. Therefore 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).
12. The total CFR can also be reduced by either:
 - (a) the application of additional capital financing resources (such as unapplied capital receipts)
 - (b) charging more than the statutory MRP each year through a Voluntary Revenue Provision (VRP).
13. 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.
14. 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.

Table 2

	2018/19 Original Estimate	2018/19 Revised Estimate	2018/19 Actual
General Fund	£m	£m	£m
Opening balance	93,900	58.918	58.918
Add: Unfinanced capital expenditure*	40.000	24.747	19.773
Less: MRP and other credits*	(0.345)	(0.314)	(1.628)
General Fund closing balance	133.555	87.401	77.063
HRA	£m	£m	£m
Opening balance	187.698	205.717	205.716
Add: Unfinanced capital expenditure	(2.096)	-	-
HRA closing balance	185.602	205.717	205.716
Total Capital Financing Requirement	319.157	293.118	282.779

* The credits of £1.628m include loan repayments received in year which have reduced the capital financing requirement.

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

The actual prudential and treasury indicators

16. **Gross borrowing and the CFR** - in order 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 (2017/18) plus the estimates of any additional capital financing requirement for the current (2018/19) 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 prudential indicator.

Table 3

	2018/19 Original Estimate £m	2018/19 Revised Estimate £m	2018/19 Actual £m
Gross borrowing	302.050	200.518	199.392
CFR	319.157	293.118	282.779
Over Borrowed/(Under Borrowed)	(17.107)	(92.600)	(83.387)

17. **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. The table below demonstrates that during 2018/19 the Council has maintained gross borrowing within its authorised limit.

Table 4

	2018/19 Original Estimate £m	2018/19 Revised Estimate £m	2018/19 Actual £m
Authorised Limit for external debt			
Borrowing	335.000	335.000	335.000
Other long term liabilities	1.600	1.600	1.600
Total Agreed Authorised Limit	336.600	336.600	336.600
Operational boundary for external debt			
Borrowing	315.000	315.000	315.600
Other long term liabilities	1.600	1.600	1.600
Total Agreed Operational Boundary	316.600	316.600	316.600

External debt (including other long term liabilities e.g. finance leases)	302.050	200.620	200.729
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18. 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.

Actual financing costs as a proportion of net revenue stream

19. 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.
20. The table below shows that the General Fund is currently a net investor as net financing costs are an income stream. This is partly the result of internal borrowing being used in the short term to fund capital additions. The negative percentage is therefore the contribution that the capital investments are making to the General Fund as a percentage of the net revenue stream.

Table 5

	2018/19	2018/19
Affordability of financing costs	Estimate	Actual
General fund - financing costs as a percentage of net revenue	0.59%	(0.53)%
HRA - financing costs as a percentage of rental income	37.92%	43.59%

Treasury Position as at 31 March 2018

21. 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 detailed in the Council's Treasury Management Practices.
22. The council's actual borrowing position at 31 March 2019 and activity during 2018-19 is detailed in the table below:

Table 6

Borrowing activity 2018-19 (excluding finance leases)	PWLB loans £m	Market loans £m	Total £m	Average interest rate %
Opening balance (1 April 2018)	196.107	5.000	201.107	
New borrowing taken	-	-	-	
Borrowing matured/repaid	(2.000)	-	(2.000)	
Closing balance (31 March 2019)	194.107	5.000	199.107	4.01%

Authorised limit for external debt	336.600
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23. The maturity structure of the debt portfolio was as follows:

Table 7

Maturity Structure of fixed rate borrowing	Upper Limit per Strategy %	31-Mar-19 %	£m
Under 12 months	10	0	0.000
Between 12 months and 2 years	10	0	0.000
Between 2 years and 5 years	40	29	57.459
Between 5 years and 10 years	70	59	117.700
Over 10 years	70	12	23.948
			199.107
Perpetually irredeemable stock			0.510
Total borrowing			199.617

24. The following table shows the movement in investments in the year. The decrease in year was due to investments being liquidated to fund commercial property investments and the loan to Norwich Regeneration Ltd.

Table 8

Investments	Actual 31 March 2018 £m	Net movements in year £m	Actual 31 March 2019 £m
Short term			
Banks	8.000	3.000	11.000
Building Societies	12.000	(9.000)	3.000
Local Authorities	3.000	9.000	12.000
Cash Equivalents			
Banks	6.770	(6.940)	13.710
Building Societies	1.650	(1.650)	0.000
Local Authorities	4.250	(0.250)	4.000
Money Market Funds	15.000	(15.000)	0.000
UK Government	0.000	6.000	6.000
Total Internally Managed Funds	50.670	(0.960)	49.710

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

Table 9

	31 March 2018 £m	31 March 2019 £m
Under 1 year	50.670	49.710
	50.670	49.710

Borrowing Strategy for 2018-19

26. The council maintained an under-borrowed position in 2018/19. 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. This strategy is prudent as investment returns are low and counterparty risk is relatively high.
27. Going forwards caution will be adopted with the 2019-20 treasury operations. The Chief finance officer will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances:
 - (a) if it was felt that there was a significant risk of a sharp FALL in long and short term rates (e.g. due to a marked increase of risks around relapse into recession or of risks of deflation), then long term borrowings will be postponed, and potential rescheduling from fixed rate funding into short term borrowing will be considered.
 - (b) if it was felt that there was a significant risk of a much sharper RISE in long and short term rates than that currently forecast, perhaps arising from a greater than expected increase in world economic activity or a sudden increase in inflation risks, then the portfolio position will be re-appraised with the likely action that fixed rate funding will be drawn whilst interest rates were still relatively cheap.
28. The Chief Finance Officer (CFO) advise that it is very likely that the Council will need to undertake fixed rate long term borrowing within the next 12 months. Any decisions will be reported to Cabinet at the next available opportunity.

Policy on borrowing in advance of need

29. The council's policy is not to borrow more than, or in advance of, its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates, and will be considered carefully to ensure that value for money can be demonstrated and that the council can ensure the security of such funds. The policy has been complied with in 2018/19.

Borrowing Outturn for 2018-19

30. No borrowing was undertaken during the year because cash balances have been sufficient in the short term to cover the 2018/19 unfinanced capital and short term investments. During 2018-19 £2.000m of PWLB debt was repaid.
31. During 2018-19 the council paid £7.8m in interest costs on external loans, this compares to a budget of £8.4m.

Investment Strategy for 2018-19

32. The council's investment policy has regard to the MHCLG's Guidance on Local Government Investments ("the Guidance"), the CIPFA Treasury Management in Public Services Code and Cross Sectoral Guidance Notes ("the CIPFA TM Code"). The council's treasury management investment priorities will be security first, liquidity second, followed by yield.
33. In accordance with the above guidance from the Government and CIPFA, and in order to minimise the risk to investments, the Council applies minimum acceptable

credit criteria in order to generate a list of highly creditworthy counterparties which also enables diversification and thus avoidance of concentration risk.

34. The aim of the strategy is to generate a list of highly creditworthy counterparties which will also enable diversification and thus avoidance of concentration risk.
35. 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 are covered under the Non-Financial (Commercial) Investment Strategy published in February 2019 for implementation in financial year 2019/20 and onwards.

Investment Outturn for 2018-19

36. The investment activity during the year conformed to the approved strategy, and the Council had no liquidity difficulties.

Reserves

37. The Council's cash balances comprise revenue and capital resources and cash flow monies. The Council's reserves comprised:

Table 11

Balance Sheet Reserves	31-Mar-18	31-Mar-19
	£m	£m
General Reserves	43.644	42.556
Earmarked Reserves	8.360	12.055
Useable Capital receipts	33.997	43.154
Capital grants Unapplied	8.079	5.141
Major Repairs Reserve	7,000	9.796
Total	101.080	112.702

Investments held by the Council

38. The Council's year-end balance of cash and short term investments was £49.710m. These internally managed funds earned an average rate of return of 0.88%.
39. The Council is part of a benchmarking group (run 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 19			
	Norwich	Benchmark Group (7 of 12)	Non met districts (90)	All authorities (231)
WARoR ¹	0.88%	0.89%	0.88%	0.87%
WA Risk ²	3.25	3.45	3.23	2.94
WAM ³	93	99	84	78

WATT ⁴	134	192	179	167
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40. The council's average investments return (0.88%) is on par with that for the benchmark group (0.89%), and it was same as both the 90 non-met authorities at 0.88% and the population of 231 local authorities at 0.87%. The average investment return in 2018/19 compares favourably with other similar authorities while still keeping council funds readily available so that if an opportunity to acquire an investment property arose the funds would be available to purchase it at short notice.

Integrated impact assessment



NORWICH
City Council

The IIA should assess **the impact of the recommendation** being made by the report

Detailed guidance to help with completing the assessment can be found [here](#). Delete this row after completion

Report author to complete

Committee:	Cabinet
Committee date:	11 September 2019
Head of service:	Karen Watling
Report subject:	Full Year Treasury Management Report
Date assessed:	28 August 2019
Description:	This report is to inform members of the actual treasury activity for the year and compares that to the treasury management indicators set in the Treasury Management Strategy for 2018-19.

	Impact			
Economic (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Finance (value for money)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The report has no direct financial consequences however it does report on the performance of the Council in managing its borrowing and investment resources
Other departments and services e.g. office facilities, customer contact	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
ICT services	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Economic development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Financial inclusion	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Social (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Safeguarding children and adults	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<u>S17 crime and disorder act 1998</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Human Rights Act 1998	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Health and well being	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

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

Recommendations from impact assessment
Positive
Negative
Neutral
Issues

Report to Cabinet
Date 11 September 2019
Report of Chief finance officer (Section 151 Officer)

Item

9

Subject Revenue and capital budget monitoring 2019/20: Period 3

Purpose

To update Cabinet on the financial position of the council as at 30 June 2019

Recommendation

- 1) To note the forecast outturn for the 2019/20 General Fund, HRA and capital programme;
- 2) To note the consequential forecast of the General Fund and Housing Revenue Account balances;
- 3) To note the use of the HRA contingency fund, as detailed in paragraph 3
- 4) To note the additions to the General Fund and HRA capital programmes as detailed in paragraph 11
- 5) To note the General Fund capital programme use of the capital contingency fund, as detailed in paragraph 12
- 6) To note the approved capital carry forwards as detailed in paragraphs 13 & 14

Corporate and service priorities

The report helps to meet the corporate priority of a healthy organisation and the service plan priority to provide accurate, relevant and timely financial information.

Financial implications

The General Fund revenue budget is forecast to underspend by £0.507m.
The Housing Revenue Account budget is forecast to underspend by £0.679m.
The General Fund Capital Programme is forecast to underspend by £1.356m.
The Housing Revenue Account Capital Programme is forecast to underspend by £1.589m.

Ward/s: All Wards

Cabinet member: Councillor Kendrick - Resources

Contact officers

Karen Watling, chief finance officer
Adam Drane, finance business partner

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01603 212567

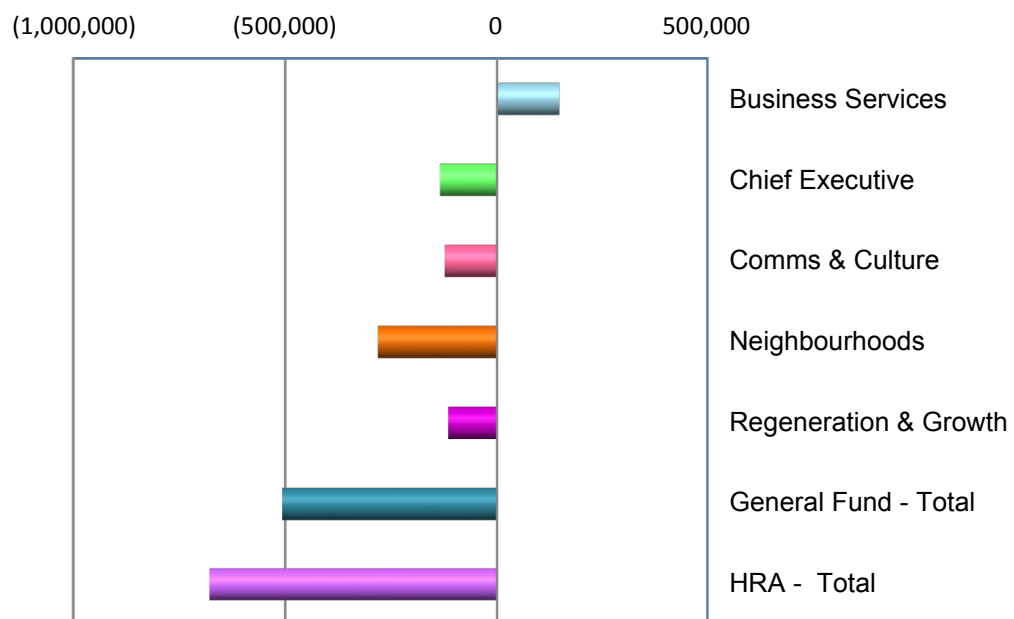
Background documents

None

Financial Position - Period 3 – 2019/20 Figures in 000s

General Fund	Current budget	Forecast outturn	Forecast variance
Expenditure	152,594	152,088	(507)
Income	(57,955)	(57,203)	752
Grants and subsidies	(94,639)	(95,392)	(752)
Total	0	(507)	(507)

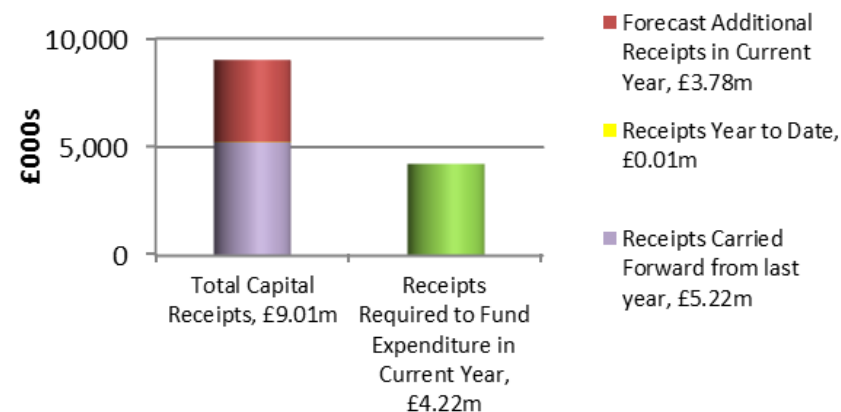
Forecast variances by service area (under) and overspends



Housing Revenue Account	Current budget	Forecast outturn	Forecast variance
Expenditure	68,320	67,665	(655)
Income	(68,320)	(68,344)	(24)
Total	0	(679)	(679)

Capital programme	Current budget	Forecast outturn	Forecast variance
General Fund	58,968	57,612	(1,356)
Housing Revenue Account	46,608	45,028	(1,589)

Non-Housing Capital Receipts



- The General Fund revenue budget is forecast to underspend by £0.507m, mainly arising from lower than budgeted external borrowing costs and additional car parking income
- The HRA is forecast to underspend by £0.679m largely due to savings in the HRA dwellings repair budget and staff vacancies
- The General Fund capital programme is forecast to underspend by £1.356m mainly due to delays in; undertaking the parks tennis expansion and developing the Mile Cross depot site and a lower than anticipated requirement for disabled facilities grants
- The Housing Revenue Account capital programme is forecast to underspend by £1.589m mainly due to a reduction in structural works requirement on council dwellings
- Both the General Fund and HRA reserves are expected to exceed their respective prudent minimum balances.

General Fund Revenue Budget

1. The forecast is a £0.507m underspend. This equates to 0.33% of the gross expenditure budget. If the underspends relating to commercial property investment and Norwich Regeneration Ltd were transferred to the relevant earmarked reserves, as detailed in paragraph 7, this would result in a net general fund overspend of £0.153m.

The key forecast budget variances (those with variances of +/- 100k) are set out below:

Table 1: Key General Fund revenue budget variances (NB: figures in brackets represent savings or increased income)

General Fund Service	P3 Forecast Variance £000s	Description and commentary
Business Services	299	Variance largely due to: <ul style="list-style-type: none"> £400k vacancy factor – underspends realised within service areas, so showing as an overspend against this service
Finance	(117)	Underspend variance largely due to: <ul style="list-style-type: none"> £537k - lower than budgeted net borrowing costs due to internal, rather than external, borrowing £122k - lower than budgeted minimum revenue provision requirement due to later acquisition of investment properties than originally anticipated Partially offset by: <ul style="list-style-type: none"> £234k - slightly lower than anticipated housing benefit recovery rates £121k - higher than budgeted interest owed to the HRA in respect of balances £115k – higher than budgeted bank charges in respect of transactions
Strategy & Programme Management	(106)	Variance largely due to: <ul style="list-style-type: none"> £66k vacant posts £27k unbudgeted grant income
Citywide Services	(237)	Variance largely due to: <ul style="list-style-type: none"> £200k vacant posts across the service
City Development	(124)	Variance largely due to: <ul style="list-style-type: none"> £220k higher than anticipated income from off street and multi-story car parks Partially offset by lower than anticipated recovery of overhead in respect of highways arrangement: £104k

Further detail is set out in **Appendix 1**.

Housing Revenue Account

2. Net expenditure on the HRA is forecast to be £0.679m underspent. The key forecast budget variances are set out below in Table 2.

Table 2: Key HRA revenue budget variances (NB: figures in brackets represent savings or increased income)

Housing Revenue Account	P3 Forecast Variance £000s	Description and commentary
Repairs & Maintenance	(335)	<p>The key variances are:</p> <ul style="list-style-type: none"> • £50k forecast underspend on landlord lighting maintenance forecast based on information from engineers • £225k forecast underspend for major & minor repairs based on current volumes up to the end of P3 • £83k forecast higher income from void rechargeable repairs based on current volume
General Management	(271)	<p>The key variances are:</p> <ul style="list-style-type: none"> • £73k forecast underspend on salaries for vacant posts in various stages of recruitment • £50k forecast underspend on area offices due to no longer being used £15k forecast underspend on compensation to tenants • £23k forecast underspend on legal expenses & court fees based on current caseload • £20k forecast underspend on professional advice and fees as originally advice services were periodically planned but are now on an ad-hoc basis as required • £13k forecast underspend on energy performance certificates as certificate no longer needed for each changeover if there is already a valid certificate in place
Dwelling Rents	170	Void rate currently higher than at time of budget setting
Interest Received	(121)	Higher than budgeted income from general fund in respect of interest on HRA balances

Further detail is set out in **Appendix 1**.

3. Use of the HRA contingency fund was approved by the CFO in July, as follows:

Table 3

Scheme	Current Budget £000s	Virement £000	Revised Budget £000s	Description
HRA Contingency	250,000	(13,000)	237,000	The ABATE team is not currently operating with its full establishment due to various staffing shortages. The additional funds from contingency will be used to fund a senior case officer within the team for 12 weeks.
ABATE salaries	284,510	13,000	297,510	
Total	534,510	0	534,510	

Collection Fund

4. The Collection Fund includes all income generated from council tax and business rates that is due in the year from council taxpayers and ratepayers.

Council Tax

5. Council tax collection is on target at the end of Quarter 1. Any surplus or deficit on council tax income will be distributed in subsequent years.

Table 4

	Budget £000s	Forecast £000s	(Surplus) / deficit £000s
Total Council Tax Collection Fund Income	(68,271)	(68,271)	0
Norwich City Council Share (14.18%)	(9,595)	(9,595)	0

Business Rates

6. The latest forecast shows a projected surplus of £140k on the general fund. The forecast takes into account the higher forecast levy payment to the Norfolk Business Rates Pool. Any surplus or deficit on business rates will be distributed in subsequent years.

Table 5

	Budget £000s	Forecast £000s	(Surplus) / deficit £000s
Norwich City Council Retained Income Share	(6,789)	(6,929)	(140)

Impact on Balances

7. The prudent minimum level of General Fund reserves has been assessed as £4.232m. The budgeted and forecast outturn's impact on the 2018/19 balance brought forward is as follows:

Table 6

Item	£000s
Balance at 1 April 2019	(13,156)
Budgeted contribution from reserves 2019/20	1,458
Forecast outturn 2019/20	(507)
Transfer to commercial property reserve	538
Transfer to NRL earmarked reserve	122
= Forecast balance at 31 March 2020	(11,545)

The General Fund balance is, therefore, expected to continue to exceed the prudent minimum balance.

8. The prudent minimum level of HRA reserves has been assessed as £5.844m. The budgeted and forecast outturn's impact on the 2018/19 balance brought forward is as follows:

Table 7

Item	£000s
Balance at 1 April 2019	(30,489)
Budgeted contribution to reserves 2019/20	(2,175)
Forecast outturn 2019/20	(679)
= Forecast balance at 31 March 2020	(33,343)

The Housing Revenue Account balance is, therefore, expected to continue to exceed the prudent minimum balance.

9. An Invest to Save earmarked fund was created to allow the Council to support the delivery of savings and efficiencies, through the Fit for the Future Transformation Programme. The fund was created from revenue budget underspends in prior years. The balance on the fund at 1 April 2019 was £4.2m. A corresponding Housing Revenue Account Invest to Save fund was also created. The balance on this fund at 1 April 2019 was £1.5m.

Capital Programme

10. The general fund capital programme is forecast to underspend by £1.356m and the HRA capital programme is forecast to underspend by £1.589m in this financial year.

Table 8: Key capital programme budget variances (NB: figures in brackets represent savings or increased income)

Capital Programme Group	P3 Forecast Variance £000s	Description and commentary
GF Capital Expenditure Programme (Including Capital Contingency)	(838)	<ul style="list-style-type: none"> £429k - Norwich Parks tennis expansion. Implementation delayed until 2020/21 pending confirmation that the external funding for the project has been secured. £315k - Mile Cross Depot Site. Forecast underspend in 2019/20 reflects higher than forecast expenditure in the previous financial year as the let demolition and remediation contract was completed.
GF Capital Section 106/GNGP/CIL	(119)	<ul style="list-style-type: none"> £105k Ketts Heights - Restoration. Delivery of project conditional on successful applications for Heritage Lottery Fund and CIL funding. Implementation unlikely in 2019/20.
GF Not Controlled By NCC	(399)	<ul style="list-style-type: none"> £150k DfH Churchman House - Crisis Hub. The grant funding awarded by the DfT has been released direct to the NHS. Utilisation of budget no longer required £270k Disabled Facilities Grant. Annual budget was estimated before the amount of DFG funding awarded to the city for 2019/20 had been confirmed. Forecast outturn has been set to match the level of funding subsequently confirmed and released
HRA Neighbourhood Housing	(1,334)	<ul style="list-style-type: none"> £1,256k Planned Maintenance - Structural- Projection based on programme of works in progress and programmed for 2019/20.
New Build Social Housing	(246)	<ul style="list-style-type: none"> £246k LANB Bullard Road Re-development. Forecast underspend in 2019/20 reflects higher than forecast expenditure in the previous financial year

Further detail is set out in **Appendix 2**

11. The following additions to the 2019/20 General Fund & HRA Capital Programmes were approved by Council on the 25 June 2019:

Table 9

2019/20 General Fund Capital Programme		
Scheme	Budget Approved £000s	Description
Churchman House Refurbishment & Upgrade	150	To enable the payment of a Department of Health and Social Care (DHSC) grant to NHS Property to pay towards the refurbishment and upgrading of Churchman House.

Table 10

2019/20 HRA Capital Programme		
Scheme	Budget Approved £000s	Description
Affordable Housing Opportunities Fund	2,500	The establishment of a fund to purchase council homes or land to develop new council homes where this is affordable within the HRA Business Plan. £750k of the approved budget will be funded from Right To Buy receipts.

12. The use of the General Fund capital contingency fund was approved by the CFO in July 2019, as follows:

Table 11

Scheme	Current Budget £000	Virement £000s	Revised Budget £000	Description
General Fund Account Capital Contingency	150,000	(53,835)	96,165	Norwich City Council has been awarded grant funding by MHCLG to fund a Rapid Rehousing Pathway in partnership with St Martins Housing Trust. The award has been made to provide additional financial support to the existing rough sleeping initiatives. The terms of the MHCLG funding require that the St Martin's property is ready to accept clients from the beginning of August. The current committee timetable means that the next opportunity for cabinet to recommend an increase in the 2019/20 General Capital Programme to council will not represent itself until September. In view of the requirement to release the funding to St Martins in advance of September council it is recommended that provision is made by utilising the existing contingency held in the 2019/20 General Fund Capital Programme.
MHCLG Rapid Rehousing Pathway	0	53,835	53,835	
Total	150,000	0	150,000	

Capital Carry Forwards

13. On 12 June 2019 Cabinet agreed a delegation to the director of regeneration and development, director of neighbourhoods and chief finance officer, in consultation with the portfolio holder for resources, for the approval of carry-forwards of unspent 2018/19 capital budgets still required, to the 2019/20 capital programme.

14. In line with the Cabinet delegation, £30.55m of unspent 2018/19 capital budgets have been approved to be carried forward into 2019/20. These amounts have been included in the Period 3 capital budgets shown in **Appendix 2**.

Integrated impact assessment



NORWICH
City Council

Report author to complete

Committee:	Cabinet
Committee date:	
Head of service:	Chief Finance Officer
Report subject:	Budget Monitoring 2019/20
Date assessed:	19/08/19
Description:	This is the integrated impact assessment for the Budget Monitoring 2019/20 report to cabinet

	Impact			
Economic (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Finance (value for money)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The report shows that the council monitors its budgets, considers risks to achieving its budget objectives, reviews its balances position, and is therefore able to maintain its financial standing
Other departments and services e.g. office facilities, customer contact	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
ICT services	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Economic development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Financial inclusion	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Social (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Safeguarding children and adults	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<u>S17 crime and disorder act 1998</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Human Rights Act 1998	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Health and well being	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Equality and diversity (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Relations between groups (cohesion)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Eliminating discrimination & harassment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Advancing equality of opportunity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Environmental (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Transportation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Natural and built environment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Waste minimisation & resource use	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Pollution	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Sustainable procurement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Energy and climate change	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
(Please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Risk management	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The report demonstrates that the council is aware of and monitors risks to the achievement of its financial strategy.

Recommendations from impact assessment

Positive

None

Negative

None

Neutral

None

Issues

The council should continue to monitor its budget performance in the context of the financial risk environment within which it operates.

Revenue Budget Monitoring Summary Year: 2019/20 Period:3 (June)

General Fund Summary

Approved budget	Current budget		Forecast outturn	Forecast variance
4,927,771	4,927,771	Business Services	5,226,842	299,071
460,611	460,611	Democratic Services	430,955	(29,656)
(17,605,895)	(18,105,895)	Finance	(18,223,343)	(117,448)
0	0	Human Resources	24,186	24,186
0	0	Procurement & Service Improvement	(28,897)	(28,897)
(12,217,513)	(12,717,513)	Total Business Services	(12,570,256)	147,257
0	0	Chief Executive	(28,450)	(28,450)
368,262	368,262	Strategy & Programme Management	262,239	(106,023)
368,262	368,262	Total Chief Executive	233,789	(134,473)
1,795,949	1,808,531	Communications & Culture	1,733,453	(75,078)
(156,161)	(156,161)	Customer Contact	(204,510)	(48,349)
1,639,788	1,652,370	Total Customers, Comms & Culture	1,528,943	(123,427)
9,597,312	9,599,846	Citywide Services	9,378,354	(221,492)
1,498,388	1,498,388	Neighbourhood Housing	1,489,361	(9,027)
669,266	676,768	Neighbourhood Services	626,166	(50,602)
11,764,966	11,775,002	Total Neighbourhoods	11,493,881	(281,121)
(4,140,260)	(4,121,237)	City Development	(4,245,436)	(124,199)
0	0	Environmental Strategy	(7,437)	(7,437)
0	0	Executive Head of Regeneration &	(2,297)	(2,297)
1,431,310	1,931,310	Planning	1,933,714	2,404
1,153,448	1,111,806	Property Services	1,128,226	16,420
(1,555,502)	(1,078,121)	Total Regeneration & Growth	(1,193,229)	(115,108)
0	(2)	Total General Fund	(506,873)	(506,873)

Housing Revenue Account Summary

Approved budget	Current budget		Forecast outturn	Forecast variance
13,603,112	13,603,112	Repairs & Maintenance	13,268,034	(335,078)
6,073,636	6,073,636	Rents, Rates, & Other Property Costs	6,017,715	(55,921)
12,693,640	12,693,640	General Management	12,422,789	(270,851)
4,691,722	4,691,722	Special Services	4,603,321	(88,401)
22,027,205	22,027,205	Depreciation & Impairment	22,027,205	0
170,000	170,000	Provision for Bad Debts	170,000	0
(56,698,536)	(56,698,536)	Dwelling Rents	(56,528,830)	169,706
(2,174,887)	(2,174,887)	Garage & Other Property Rents	(2,151,835)	23,052
(7,927,438)	(7,927,438)	Service Charges - General	(7,942,868)	(15,430)
(81,579)	(81,579)	Miscellaneous Income	(68,644)	12,935
8,169,114	8,169,114	Adjustments & Financing Items	8,171,314	2,200
(445,989)	(445,989)	Amenities shared by whole community	(445,989)	0
(100,000)	(100,000)	Interest Received	(221,000)	(121,000)
0	0	Total Housing Revenue Account	(678,788)	(678,788)

General Fund summary by type

Approved budget	Current budget		Forecast outturn	Forecast variance
21,438,275	21,538,275	Employees	21,457,565	(80,710)
9,455,547	9,455,947	Premises	9,470,423	14,476
265,875	265,875	Transport	284,169	18,294
16,957,625	17,407,224	Supplies & Services	18,009,921	602,697
4,047,541	4,047,541	Third Party Payments	4,071,329	23,788
76,865,167	76,865,167	Housing Benefits & Business Rates Tariff	82,259,299	5,394,132
3,295,901	2,795,901	Capital Financing	2,158,006	(637,896)
1,250,000	1,250,000	Rev Contribs to Capital	1,250,000	0
(30,674,034)	(30,724,034)	Fees, charges and rental income	(30,737,372)	(13,338)
(94,639,432)	(94,639,432)	Government Grants	(100,785,657)	(6,146,225)
1,061,908	1,061,908	Centrally Managed	1,062,306	398
17,906,628	17,906,628	Recharge Expenditure	17,458,886	(447,742)
(27,231,000)	(27,231,000)	Recharge Income	(26,465,747)	765,253
1	0	Total General Fund	(506,873)	(506,873)

Housing Revenue Account summary by type

Approved budget	Current budget		Forecast outturn	Forecast variance
5,883,178	5,896,178	Employees	5,819,692	(76,486)
21,794,095	21,794,095	Premises	21,448,468	(345,627)
101,227	101,227	Transport	86,766	(14,461)
2,503,600	2,490,600	Supplies & Services	2,376,020	(114,580)
1,560	1,560	Third Party Payments	1,560	0
7,816,919	7,816,919	Recharge Expenditure	7,713,373	(103,546)
9,573,737	9,573,737	Capital Financing	9,573,737	0
(67,766,160)	(67,766,160)	Receipts	(67,790,247)	(24,087)
0	0	Government Grants	0	0
(553,744)	(553,744)	Recharge Income	(553,744)	0
6,013,240	6,013,240	Rev Contribs to Capital	6,013,240	0
14,632,348	14,632,348	Capital Financing	14,632,348	0
0	0	Total Housing Revenue Account	(678,788)	(678,788)

Capital Budget Monitoring Summary Year: 2019/20
Period:3 (June)

Appendix 2

GF Capital Expenditure Programme	Current Budget	Forecast Outturn P.3	Variance
2705 Grounds Maintenance	263,783	258,000	(5,783)
5093 Norwich Parks tennis expansion	434,760	6,000	(428,760)
5097 Riverbank stabilisation (River Yare &	113,198	113,198	0
5190 Hewett Yard refurb - Communal toilet	6,600	6,600	0
5192 Hewett Yard refurb - Roofing	10,214	10,214	0
5194 City Hall - Fire system detector	0	98	98
5197 Riverside Leisure Centre - Plant	182,000	182,000	0
5198 Earlham Park toilet replacement	83,100	82,750	(350)
5199 Eaton Park path replacement	45,000	45,000	0
5345 HR System	16,631	16,631	0
5352 Non trafficked pedestrian bridges	39,595	39,595	0
5353 Strangers Hall stores roof	27,500	27,500	0
5354 Riverside Footpath District Lighting	23,406	23,406	0
5355 City Hall heating system	105,287	105,287	0
5356 Castle Museum windows	20,150	20,150	0
5357 Pulls Ferry quay heading	14,627	14,627	0
5362 St Giles MSCP Lift Controller	7,956	7,956	0
5371 Wensum Park Stone Wall	20,000	20,000	0
5372 Community Centres - Upgrades	101,750	101,750	0
5373 Motor Cycle Park	38,500	38,500	0
5374 City Hall Kitchens & Toilets	65,000	65,000	0
5375 Yare - Wensum Green Infrastructure	75,000	75,000	0
5376 IT Transformation - Digital platform	200,000	200,000	0
8475 Mile Cross Depot Site	1,425,000	1,110,318	(314,682)
5020 CCTV replacement	142,963	142,963	0
5350 Parking Management System	21,832	21,832	0
5040 Customer centre redesign	67,521	67,521	0
5317 IT Investment Fund	583,901	583,901	0
5343 Finance System	110,456	141,301	30,845
5327 Park Depots demolition	157,267	157,267	0
Total GF Capital Expenditure Programme	4,428,997	3,710,365	(718,632)

GF Capital Section 106/GNGP/CIL	Current Budget	Forecast Outturn P.3	Variance
5188 CCAG2 20MPH Yellow	203,000	203,000	0
5742 Play Sector 3 & 4 improvements	5,815	5,815	0
5743 St Georges open space and play	88,217	88,217	0
5744 Wensum Park Play Area -	62,016	62,016	0
5837 St Stephens Towers Public Realm	70,296	70,296	0
5838 S.106 Bus Shelter Installation Clover	4,000	4,000	0
5839 Bunkers Hill - Entrance & path	59,000	59,000	0
5705 s106 The Runnel Play Provision	0	3,809	3,809
5728 S106 Mile Cross Gardens Play	2,001	2,001	0
5740 Bowthorpe Southern park	5,000	5,000	0
5821 S106 Livestock Mkt Cycle/Walkway	0	2,600	2,600
5823 BRT & Cycle Route Measures	76,283	76,283	0
5563 CIL GNGB Castle Gardens	150,000	150,000	0
5564 CIL GNGB Football Pitch	40,000	40,000	0
5566 CIL GNGB Riverside Walk	193,432	193,432	0
5567 GNGB IIF M Way, A Meadow to	2,500	2,500	0
5569 UEA to Eaton boardwalk extension	90,000	30,000	(60,000)
5572 Ketts Heights - Restoration	105,000	0	(105,000)
5921 Earlham Millenium Green	21,250	59,000	37,750
5923 Marriotts Way GNDP	0	126	126
5964 GNGP Bowthorpe Crossing	3,222	3,222	0
5596 CIL Crowdfunding matched funding	30,000	41,250	11,250
5598 Mile Cross cycle and pedestrian links	23,857	23,857	0
5599 CIL Parish Partnership matched	20,000	32,500	12,500
5558 Co-CIL Nhood Ketts Heig	6,445	6,445	0
5559 CIL Nhood 20 Acre Wood	5,625	5,625	0
5562 CIL Nhood Community Enabling	6,478	6,478	0
5557 CIL Neighbourhood Projects	150,000	150,000	0
Total GF S106/GNGP/CIL Programme	1,566,863	1,447,628	(119,235)

	Current Budget	Forecast Outturn P.3	Variance
5181 CCAG2 Wayfinding	33,173	33,173	0
5379 DfH Churchman House - Crisis Hub	150,000	0	(150,000)
5570 Cycle safety funding	953,480	953,480	0
5571 Cycle Safety Grant	620,004	620,004	0
6061 MHCLG Rapid Rehousing Pathway	0	53,835	53,835
5580 CIL Contribution Strategic	1,198,000	1,198,000	0
5592 CIL neighbourhood - Natural	5,528	5,528	0
5595 CIL neighbourhood - Netherwood	29,000	29,000	0
5126 PtP - Yellow - Lakenham/Airport	161,816	160,528	(1,288)
5145 CCAG2 Fifers Lane/Ives Rd/Heyford	30,000	30,000	0
5151 CCAG2 Angel RD	38,712	40,000	1,288
5153 CCAG2 Edward Street north	17,032	10,000	(7,032)
5154 CCAG2 St Crispins (St Georges -	11,113	31,000	19,887
5161 CCAG2 20 MPH areas (Yellow)	134,634	197,000	62,366
5163 CCAG2 Wayfinding	13,120	13,120	0
5166 Co-CCAG2 A11 north slip	8,820	11,000	2,180
5171 CCAG2 Newmarket Rd (Unthank Rd	0	7,000	7,000
5175 CCAG2 Magdalen Rd	0	102	102
5177 CCAG2 Chartwell Road/St Clements	128,829	0	(128,829)
5185 CCAG2 City Centre Strategy for	1,000	1,111	111
5186 CCAG2 Administration	0	32,000	32,000
6018 Disabled Facilities Grant	1,250,000	980,032	(269,968)
6044 Works in Default	0	16,734	16,734
6047 DFG Residents Contribution	0	1,563	1,563
6050 Strong & Well Project	0	829	829
6052 HIA - Housing Assistance	200,000	160,000	(40,000)
Total GF Not Controlled By NCC	4,984,261	4,585,039	(399,222)

	Current Budget	Forecast Outturn P.3	Variance
GF Capital Asset Investment Programme			
5366 Asset Acquisition 6	427,757	427,757	0
5377 4b Guildhall	73,000	73,000	0
5378 26-28 St Giles Steet	40,950	40,950	0
5380 Asset Acquisition 7	5,258,300	5,258,300	0
5381 Asset Acquisition 8	6,973,500	6,973,500	0
8343 144A King Street	19,000	19,000	0
5315 Asset investment for income (other	32,768,200	32,768,200	0
Total GF Asset Investment Programme	45,560,707	45,560,707	0

	Current Budget	Forecast Outturn P.3	Variance
GF Capital Expenditure Programme			
5369 Equity Investment	2,277,000	2,277,000	0
Total GF Financing For NRL	2,277,000	2,277,000	0

	Current Budget	Forecast Outturn P.3	Final Variance
GF Capital Expenditure Programme			
5358 Capital contingency	150,000	30,845	(119,155)
Total GF Capital Contingency	150,000	30,845	(119,155)

Total General Fund Capital Programme	58,967,828	57,611,584	(1,356,244)
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HRA Capital Programme Group	Current Budget	Forecast Outturn P.3	Variance
Community Upgrades	1,436,395	1,436,395	0
Heating Upgrades	4,587,275	4,587,275	0
Home Upgrades	6,501,085	6,501,085	0
Independent Living Upgrades	1,055,007	977,007	(78,000)
Preventative Upgrades	11,952,537	10,696,288	(1,256,249)
Sheltered Housing Regeneration	0	0	0
Thermal Upgrades	1,003,135	1,003,135	0
Window & Door Upgrades	2,724,346	2,724,346	0
Site Development	150,000	150,000	0
New Build Social Housing	13,271,246	13,024,840	(246,406)
RTB Buyback Programme	0	0	0
Grants to Registered Housing Providers	4,005,312	4,005,312	0
CCTV Replacement	72,157	72,157	0
Total HRA Capital Programme	46,758,495	45,177,840	(1,580,655)

Report to Cabinet
11 September 2019
Report of Chief finance officer
Subject Replacement tenancy and estate management system

Item

10

KEY DECISION

Purpose

To consider an increase in the Housing Revenue Account Capital Programme to fund the acquisition and implementation of new tenancy and estate management software to replace the existing Academy housing management system.

Recommendation

That cabinet recommends to council:

- (1) an increase in the Housing Revenue Account Capital Programme of £695,000 in 2019/20 and £230,000 in 2020/21 as set out in the report to fund the acquisition and implementation of new tenancy and estate management system to replace the existing Capita Housing Management (Academy) system; and
- (2) an increase in the HRA revenue budget of £10,000 for additional software licence support and maintenance costs from 2020/21.

Corporate and service priorities

The report helps to meet the corporate priorities of great neighbourhoods, housing and environment, a healthy organisation and the service plan priority to deliver the *Corporate Asset Management Strategy*.

Financial implications

The forecast costs for the acquisition and implementation of the new tenancy and estate management software are £925,000 to be included in the HRA Capital Programme across the 2019/20 and 2020/21 financial years.

These costs have been input into the finance model that supports the existing HRA Business Plan and have been deemed affordable.

Wards All

Cabinet member

Councillor Kendrick – Cabinet member for Resources

Contact officers

Karen Watling, Chief Finance Officer	01603 212440
Lee Robson, Head of Neighbourhood Housing Services	01603 212939
Jane Allen, Service Improvement Manager	01603 212497

Background documents

None

Report

Background

1. The council currently uses the Academy software data management system to support delivery of the housing service. The system provides information on:
 - (a) Rent accounting and service charges
 - (b) Income management
 - (c) Estate management
 - (d) Repairs and maintenance
 - (e) Tenancy management
 - (f) Allocations and lettings
 - (g) Home ownership, right to buy and private sector leasing
 - (h) Home options
2. The council has been notified by Capita, the provider of the data management system, that Academy will no longer be supported from August 2020 and therefore requires replacement to prevent the loss of IT based service capability and to continue to deliver the service.

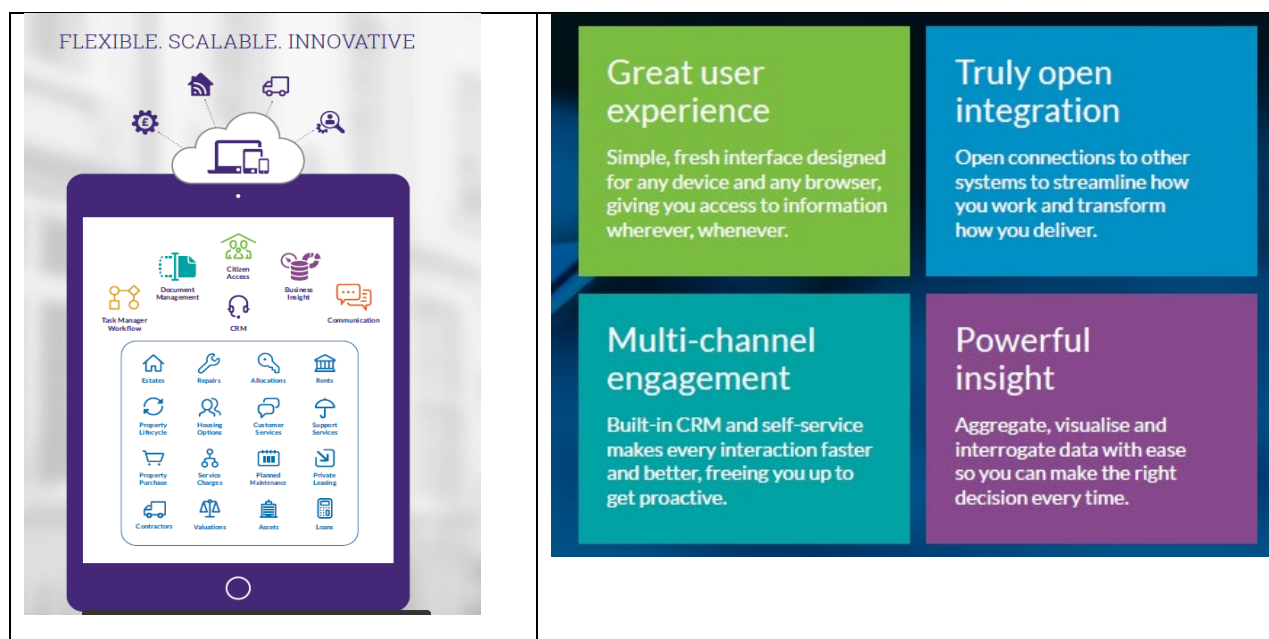
Proposal:

3. It is proposed to procure a replacement system that delivers:
 - (a) Access to information about tenants, tenancies and property wherever whenever
 - (b) Open connections to other systems
 - (c) Multi-channel engagement allowing tenancy relationship management and user self-service.
 - (d) Interrogation and analytic tools to enhance management reporting
 - (e) Capability for use by other council services e.g. broader debt management and cross functional case work
 - (f) An IT platform that has the capability for use by other council services e.g. estate management, broader debt management and cross functional case work.
4. The proposed investment continues the modernising the housing service with the investment in IT allowing improvements in the following areas:
 - (a) developing comprehensive and holistic tenancy management service

(b) helps neighbourhood estate management

(c) identifies areas for improvement

5. Considerable work has been undertaken to identify the requirements of a new system that would continue to meet the needs of the housing service as well as opportunities to support more integrated working across the council.
6. The system functions to be included or can include are:



7. A key aspect of the proposed investment is that it complements the Council's ICT, digital and customer strategies and will provide an integrated platform for a whole council approach.
8. The requirements of the new system are now finalised and the council is close to the procurement phase. The purpose of this report is to seek an increase in the Housing Revenue Account Capital Programme to fund the acquisition and implementation of the new system as this information was not available at the time the budgets were set in February.

Financial

9. The apportionment of the recommended investment through the HRA Capital Programme budget for the project over two financial years is shown in Table 1 below.
10. It is anticipated that additional annual software licence support and maintenance costs will require a budget increase of £10,000 per annum. The IT services resource to support the new software will be met from existing revenue expenditure.


Table.1

Planned Capital Expenditure	19/20 £'000	20/21 £'000
Software licenses, consultancy & project management costs	450	
IT Infrastructure investment	50	50
Dependency costs. Data Cleansing and migration	15	
Project resource. 1 FTE project manager + 1 FTE administrator plus technical consultancy, service area backfill and data cleansing resource	180	180
Proposed Increase 19/20 HRA Capital Programme	695	230

Recommendation

That cabinet recommends to council:

- (1) an increase in the Housing Revenue Account Capital Programme of £695,000 in 2019/20 and £230,000 in 2020/21 to fund the acquisition and implementation of new tenancy and estate management system to replace the existing Capita Housing Management (Academy) system; and
- (2) an increase in the HRA revenue budget of £10,000 for additional software licence support and maintenance costs from 20/21.

Integrated impact assessment				 NORWICH City Council
The IIA should assess the impact of the recommendation being made by the report Detailed guidance to help with completing the assessment can be found here . Delete this row after completion				
Report author to complete				
Committee:	Cabinet			
Committee date:	September 2019			
Head of service:	Lee Robson			
Report subject:	Additional Capital allocation for procurement of Replacement Tenancy and Estate Management IT system			
Date assessed:	May 2019			
Description:	To seek approval for additional (HRA) capital funding to procure and implement replacement IT software			
	Impact			
Economic (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Finance (value for money)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The proposals outlined in the report will integrate existing IT functions allowing greater levels of efficiencies in terms of self-serve, data driven service delivery and mobile working.

Other departments and services e.g. office facilities, customer contact	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
ICT services	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Economic development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Financial inclusion	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Social (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Safeguarding children and adults	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
<u>S17 crime and disorder act</u> 1998	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Human Rights Act 1998	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Health and well being	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	Impact			
Equality and diversity (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Relations between groups (cohesion)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Eliminating discrimination & harassment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Advancing equality of opportunity	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Allows better targeting of resources.

Environmental (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Transportation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Natural and built environment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Waste minimisation & resource use	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Pollution	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Sustainable procurement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Energy and climate change	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
(Please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Risk management	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	

Recommendations from impact assessment
Positive
The positive financial implications support the report recommendations
Negative
Neutral

Issues

Report to Cabinet
11 September 2019
Report of Director of neighbourhoods
Subject Award of a contract for replacement windows in housing stock

Item

11

KEY DECISION

Purpose

To seek approval to award a contract for replacement windows in the council's housing stock.

Recommendation

To award a contract for replacement windows in housing stock to Anglian Windows Services Ltd for the period 30 July 2019 to 31 March 2020.

Corporate and service priorities

The report helps to meet the corporate priority of great neighbourhoods, housing and environment.

Financial implications

The financial consequences of this report are the award of orders for replacement windows to housing stock to a value of £130,000.00 for the rest of the financial year 2019-20.

An initial £180,000 spend within the current framework has already been given approval by the head of service under the scheme of delegation to ensure continued service delivery.

Orders placed will not exceed the approved budgets included within the Housing Revenue Account, capital financial forecast and budget for the 2019-20 financial year 2019-20.

The total spend in this area is anticipated to be £310,000.00 for 2019-20.

Ward/s: All Wards

Cabinet member: Councillor Harris - Deputy leader and social housing

Contact officers

John Hodson (Housing & Operations Manager) NPS Norwich Ltd	01603 227911
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Lee Robson Head of Neighbourhood Housing	01603 212445
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Background documents

None

Report

Introduction

1. In order for the council to provide good well-maintained properties, a programme window replacement to the housing stock is in place.
2. To meet the budgeted requirement for this financial year, which is £310,000.00, a further award is required.
3. Should the volume of repairs required not meet the estimated volume, NPS (Norwich) Ltd have indicated that this budget could be reduced.
4. The Councils current PVCu windows contract ended on 31 March 2019 and was being delivered by Anglian Windows Ltd under a contract procured by the Council via an Eastern Procurement Ltd (EPL) framework. Whilst the replacement window programme for the Councils entire housing stock should have been completed at the end of the current contract there will still be a need to replace windows to properties where permission was refused by the tenant or leaseholder or where windows fail for whatever reason.

Contract

5. The contract is for a supplier to carry out for replacement windows in housing stock for the rest of 2019/20

Procurement process

6. Eastern Procurement Ltd (EPL) is a local consortium of 10 small/medium Registered Providers (Registered Social Landlords' as they used be called) who have 'joined together' to procure housing maintenance and improvement works. EPL has a number of responsive, cyclical and planned contracts in place which are all OJEU compliant from a procurement perspective. In effect EPL procure contracts on behalf of its members. The members can then 'call' down works from these contracts. This has the significant collective advantage of increasing buying power and taking the burden of procurement away from individual members. The group has been in existence now for around 12 years and the Council joined the consortium in October 2011.
7. As members of EPL the Council can take advantage of what contracts it wishes, or decide not to procure any work at all through the consortium. In this way the Council retains complete control without any commitment.
8. It is recommended that an award is made against the same framework for these works for 2019/20 as it still provides the same value for money shown when previously awarded.
9. The prices supplied by the recommended supplier were the lowest received from suppliers on the framework who had the capability to carry out these works.
10. There is no minimum value of work guaranteed to the contractor each year; however the estimated value of the replacement windows is now £310,000.00.

11. It was previously anticipated that £180,000.00 would be required for these works, but subsequently it has been identified that further works are required and £310,000.00 is now allocated.
12. Cabinet is requested to award this contract against previously approved budgets.

Integrated impact assessment



NORWICH
City Council

The IIA should assess **the impact of the recommendation** being made by the report

Detailed guidance to help with the completion of the assessment can be found [here](#). Delete this row after completion

Report author to complete

Committee:	Cabinet
Committee date:	11 September 2019
Director / Head of service	Bob Cronk
Report subject:	To award a contract for replacement windows in housing stock
Date assessed:	27 August 2019

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

	Impact			
Equality and diversity (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Relations between groups (cohesion)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Eliminating discrimination & harassment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Advancing equality of opportunity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Environmental (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Transportation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Natural and built environment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Replacement windows in housing stock helps to maintain the council's housing stock
Waste minimisation & resource use	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Suppliers appointed to the framework recycle the vast majority of waste material
Pollution	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Sustainable procurement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Energy and climate change	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
(Please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments

	Impact			
Risk management	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>1. Risk of challenge from unsuccessful suppliers:</p> <p>Any tenders and frameworks will have followed a restricted process carried out by Eastern Procurement Ltd, with award criteria being based on the most economically advantageous tender, there is no risk of challenge from unsuccessful suppliers at this stage.</p> <p>2. Risk of supplier failure:</p> <p>There is a risk that the appointed suppliers could fail during the life of the contract (as is currently the case). This is still a low risk as a number of suppliers are still on the available framework to provide some cover as required. In addition the Council is not investing in the supplier and so the risk is one of service continuity rather than financial.</p> <p>A new framework will soon become available to enable us to consider our requirements for our future year's requirements.</p>

Recommendations from impact assessment	
Positive	
Negative	

Neutral
Issues

Report to Cabinet
11 September 2019
Report of Director of neighbourhoods
Subject Award of a contract for replacement kitchens and
bathrooms in housing stock

Item

12

KEY DECISION

Purpose

To seek approval to award a contract for replacement kitchens and bathrooms in housing stock.

Recommendation

To award a contract for replacement kitchens and bathrooms in housing stock to Gasway Services Ltd for the period 2 August 2019 to 31 March 2020.

Corporate and service priorities

The report helps to meet the corporate priority of great neighbourhoods, housing and environment.

Financial implications

The financial consequences of this report are the award of orders for kitchen and bathroom upgrades to a value of £1,620,000.00 for the rest of the financial year 2019/20.

An initial £180,000 spend within the current framework has already been given approval by the head of service under the scheme of delegation to ensure continued service delivery.

Orders placed will not exceed the approved budget included within the Housing Revenue Account capital programme for 2019-20.

Ward/s: All Wards

Cabinet member: Councillor Harris - Deputy leader and social housing

Contact officers

John Hodson (Housing & Operations Manager) NPS 01603 227911
Norwich Ltd

Lee Robson Head of Neighbourhood Housing 01603 212445

Background documents

None

Report

Introduction

1. The council has a need within its housing stock for replacing kitchens and bathrooms. Under the Norwich standard no kitchen should be older than twenty years and no bathroom should be older than thirty years. The replacement kitchens are planned to maximise storage potential and to ensure that there is space for modern appliances. There is a wide range of work surfaces, kitchen units, tiles and floor finishes for tenants to choose which means that each kitchen is installed to meet individual tenant's requirements.
2. White suites are installed in the replacement bathrooms, along with over bath showers. Tenants are given the choice of colour of the tiles and flooring.
3. In September 2017 cabinet approved the award of a three year programme for the replacement of kitchens and bathrooms to Roalco Ltd via the Eastern Procurement Ltd (EPL) framework for property improvements.
4. The current supplier, Roalco Ltd, has recently gone into administration and can no longer fulfil the remainder of their contract.
5. To enable these works to be carried out without undue delay, the Eastern Procurement Ltd (EPL) framework was used to identify if a suitable supplier could be sourced. One supplier was identified who had the capability and capacity to carry out most of the outstanding works in 2019/20. Due to the timescales and nature of the requirement, this framework was already identified as compliant to EU and Public Contract Regulations and therefore recommended to be used.
6. The anticipated volumes are shown below in Table 1 below. These are taken from the thirty year plan for council housing improvements and are subject to confirmation.

Table 1	2019/20
Kitchens	239
Bathrooms	292

Contract

7. The contract is for an alternative supplier to carry out replacement kitchen and bathroom installations for the rest of 2019/20

Procurement process

8. Following the originally contracted supplier falling into administration and therefore not being able to complete their contract, a new contract is required from the 8 August 2019 to enable outstanding works to be carried out up to 31 March 2020 for kitchen and bathroom installations.
9. This framework allows a direct award to a supplier. The choice of Gasway Services Ltd will enable a continuity of service as they are a local company already geared up to carry out the required works without any delay and they will still be able to offer value for money services within their framework prices.

Integrated impact assessment



NORWICH
City Council

The IIA should assess **the impact of the recommendation** being made by the report

Detailed guidance to help with the completion of the assessment can be found [here](#). Delete this row after completion

Report author to complete

Committee:	Cabinet
Committee date:	11 September 2019
Director / Head of service	Bob Cronk
Report subject:	To award a contract for replacement kitchens and bathrooms in housing stock
Date assessed:	27 August 2019

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

	Impact			
Equality and diversity (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Relations between groups (cohesion)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Eliminating discrimination & harassment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Advancing equality of opportunity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Environmental (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Transportation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Natural and built environment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Replacement kitchens and bathrooms helps to maintain the council's housing stock
Waste minimisation & resource use	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Suppliers appointed to the framework recycle the vast majority of waste material
Pollution	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Sustainable procurement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Energy and climate change	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
(Please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments

	Impact			
Risk management	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>1. Risk of challenge from unsuccessful suppliers:</p> <p>Any tenders and frameworks will have followed a restricted process carried out by Eastern Procurement Ltd, with award criteria being based on the most economically advantageous tender, there is no risk of challenge from unsuccessful suppliers at this stage.</p> <p>2. Risk of supplier failure:</p> <p>There is a risk that the appointed suppliers could fail during the life of the contract (as is currently the case). This is still a low risk as a number of suppliers are still on the available framework to provide some cover as required. In addition the Council is not investing in the supplier and so the risk is one of service continuity rather than financial.</p> <p>A new framework will soon become available to enable us to consider our requirements for our future years requirements.</p>

Recommendations from impact assessment

Positive

Negative

Neutral
Issues

Report to Cabinet
11 September 2019
Report of Director of neighbourhoods
Subject Award of a contract for re-pointing works to housing stock

Item

13

KEY DECISION

Purpose

To seek approval to award a contract for re-pointing works to the council's housing stock.

Recommendation

To award a contract for re-pointing works to the housing stock to Aspect Group Services Ltd for the period 2 August 2019 to 31 March 2020.

Corporate and service priorities

The report helps to meet the corporate priority of great neighbourhoods, housing and environment.

Financial implications

The financial consequences of this report are the award of orders for re-pointing works to housing stock to a value of £320,000.00 for the rest of the financial year 2019/20.

An initial £180,000 spend within the current framework has already been given approval by the head of service under the scheme of delegation to ensure continued service delivery.

Orders placed will not exceed the approved budget included within the Housing Revenue Account capital programme for 2019-20.

Ward/s: All Wards

Cabinet member: Councillor Harris - Deputy leader and social housing

Contact officers

John Hodson (Housing & Operations Manager) NPS 01603 227911
Norwich Ltd

Lee Robson Head of Neighbourhood Housing 01603 212445

Background documents

None

Report

Introduction

1. Many of the council's older council houses are constructed in brickwork with soft mortar joints. This is worn away with time and needs replacing in order to prolong the life of the property. Re-pointing maintains the integrity of the brickwork and helps to prevent dampness by stopping water ingress through the joints.
2. The council has a programme of properties to be re-pointed each year ensuring that the houses most in need are attended to in priority order.
3. In September 2017, cabinet approved the award of a two and a half year programme for re-pointing works to Roalco Ltd via the Eastern Procurement Ltd (EPL) framework for property improvements. For 2019/20 an additional award was approved taking this year's works to £700,000.00
4. The current supplier, Roalco Ltd, has recently gone into administration and can no longer fulfil the remainder of their contract.
5. To enable the remainder of these works to be carried out without undue delay the Eastern Procurement Ltd (EPL) framework was used to identify if a suitable alternative supplier could be sourced. This identified that there was one supplier who had the capability and capacity to carry out most of the outstanding works in 2019/20. The EPL framework is compliant with EU and Public Contract Regulations and therefore could be used to meet the timescales for delivery and nature of the work required.

Contract

6. The contract is for an alternative supplier to carry out re-pointing works for the remainder of 2019/20 financial year.

Procurement process

7. Following the originally contracted supplier falling into administration and therefore not being able to complete their contract, a new contract is required from the 2 August 2019 to enable outstanding works to be carried out up to 31 March 2020 for re-pointing works.
8. The EPL framework allows a direct award to a supplier. The choice of Aspect Group Services Ltd will enable a continuity of service as they are the sub-contractor for the previous contractor and already geared up to carry out the required works without any delay and they will still be able to offer value for money services within their framework prices.
9. This supplier can also better the currently charged rates and offer a 3% reduction. This is due to the fact they were not being paid the full Roalco Ltd rates and therefore are able to offer a cost reduction in this area.

Integrated impact assessment



NORWICH
City Council

The IIA should assess **the impact of the recommendation** being made by the report

Detailed guidance to help with the completion of the assessment can be found [here](#). Delete this row after completion

Report author to complete

Committee:	Cabinet
Committee date:	11 September 2019
Director / Head of service	Bob Cronk
Report subject:	To award a contract for re-pointing works to housing stock
Date assessed:	27 August 2019

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

	Impact			
Equality and diversity (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Relations between groups (cohesion)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Eliminating discrimination & harassment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Advancing equality of opportunity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Environmental (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Transportation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Natural and built environment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Re-pointing works to housing stock helps to maintain the council's housing stock
Waste minimisation & resource use	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Suppliers appointed to the framework recycle the vast majority of waste material
Pollution	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Sustainable procurement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Energy and climate change	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
(Please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments

	Impact			
Risk management	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>1. Risk of challenge from unsuccessful suppliers:</p> <p>Any tenders and frameworks will have followed a restricted process carried out by Eastern Procurement Ltd, with award criteria being based on the most economically advantageous tender, there is no risk of challenge from unsuccessful suppliers at this stage.</p> <p>2. Risk of supplier failure:</p> <p>There is a risk that the appointed suppliers could fail during the life of the contract (as is currently the case). This is still a low risk as a number of suppliers are still on the available framework to provide some cover as required. In addition the Council is not investing in the supplier and so the risk is one of service continuity rather than financial.</p> <p>A new framework will soon become available to enable us to consider our requirements for our future years requirements.</p>

Recommendations from impact assessment

Positive

Negative

Neutral
Issues

Report to	Cabinet
Item	11 September 2019
Report of	Head of city development services
Subject	Award of a contract for LED lighting upgrades to St Andrews multi storey car park

Item

14

KEY DECISION

Purpose

To seek approval to award a contract for LED lighting upgrades to St Andrews multi storey car park.

Recommendation

To:

- (1) award a contract for LED lighting upgrades to St Andrews multi storey car park; and
- (2) recommend to council that the 2019/20 General Fund Capital programme is increased by £285,000 to facilitate utilisation of the Salix Energy Efficient Loan Scheme to finance the cost of installing the new LED lighting and associated fees.

Corporate and service priorities

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

Financial implications

The financial consequences of this report are the award of an order for LED lighting upgrades to St Andrews multi storey car park to a value of approximately £284,608.01 (based on an indicative quote previously supplied).

Any award will require council approval for the General Fund Capital programme increase to go forward.

Ward/s: All Wards

Cabinet member: Councillor Kendrick - Resources

Contact officers

Andy Watt, head of city development services 01603 212373

Chris Bailey, (Carbon Management Programme Coordinator), 01603 227942
NPS Norwich Ltd

Richard Willson, environmental strategy manager

01603 212312

Karen Watling, chief finance officer, LGSS

01603 212440

Background documents

None

Report

Introduction

1. The proposed project will replace the existing lighting with energy-efficient LED equivalents within St Andrews multi-storey car park. The only areas of the car park that will not have the lighting upgraded are the emergency stairwells, where an existing LED replacement project has been completed. It is intended that 1,083 light fittings will be replaced with new energy-efficient LED options. The replacement light fittings will have additional sensors to further reduce energy consumption – via motion and daylight sensing technology.
2. The site is the second highest electricity consuming asset controlled by Norwich City Council and as such is making a significant contribution to the total carbon emissions from the council.
3. This project will make a significant contribution to the council's carbon reduction plans. If works proceed as planned, then there will be a 116.35 tonne reduction in annual CO₂ emissions.
4. It will also significantly reduce the energy usage on this site – calculations show an 87% energy consumption reduction is achievable.
5. The project is intended to be completed before the end of the 2019 financial year.
6. The existing lighting equipment is now 15 years old. Some component parts are now obsolete and lighting failures are now commonplace with repairs expenditure increasing with time – it is anticipated that an annual saving of approximately £10,000 on repairs and maintenance could be achieved once work is complete. This project will refresh this equipment which otherwise would be recommended for replacement in the near future.

Contract

7. The contract is for a supplier to carry out works at St Andrews MSCP to design, supply, install and commission new energy-efficient LED lighting to replace the existing lighting equipment within the 2019-20 financial year.

Procurement process

8. An open tender process was undertaken to select a supplier to provide this works provision. Tender documents have been produced and advertised on the council's e-tendering portal and contracts finder.
9. Evaluation of the interested suppliers was carried out to determine the most economically advantageous return. Suppliers were asked to submit details of their company in terms of finance, contractual matters, technical and professional ability, insurances, quality assurance, environmental standards, equality and diversity policies, references and previous experience and these were evaluated to establish if the suppliers meet council requirements to deliver the required works.

Tendering

10. The tender was advertised on 20 August 2019 with a return date of 06 September 2019. The returns are being evaluated on the 09 September 2019. This timetable does not allow for the name of the recommended supplier and the price of the works to be available at the time of this report being written. However, this information will be available and be provided as an update for the cabinet meeting on 11 September 2019.

Tender evaluation

11. The supplier selection process requires suppliers to provide four quality question responses. The responses given will be evaluated against predetermined criteria. This quality assessment carries a maximum of 40% of the marks. The lowest price will be allocated 60% of the marks and marks will be deducted, pro-rata, with each increasing tender price. Suppliers need to prove their capability to deliver these works by means of specific quality questions and a number of “must have” requirements in terms of certifications and company accreditations.
12. The supplier with the highest cumulative score will be deemed the best value submission.

Additional financial information

13. Council approval for an increase in the 2019/20 General Fund Capital Programme is required to confirm the capital budget to finance this initial award.
14. Orders placed will not exceed the approved budgets included within the capital budget allocation.
15. The contract value will initially be repaid via a Salix financing loan to fund the project.
16. Salix Financing will be sought to fund 100% of this lighting upgrade project. Salix loans ‘provide interest-free Government funding to the public sector to improve their energy efficiency, reduce carbon emissions and lower energy bills. Salix is funded by the Department for Business, Energy and Industrial Strategy, the Department for Education, the Welsh Government and the Scottish Government and was established in 2004 as an independent, publicly funded company, dedicated to providing the public sector with loans for energy efficiency projects.’
17. This loan will then be repaid through energy and maintenance savings over a period of 5 years.
18. Savings made after that period will be reflected in the significant reduction in energy costs on the asset – projected to be in excess of £53,000 less per annum than would have been the case with no work undertaken.
19. To date the council has achieved a carbon reduction of 57.1%. The project contributes towards the council’s ongoing programme of energy efficiency and

will therefore complement the objectives within the Environmental Strategy. Any wastes will be recycled where possible or be disposed in accordance with relevant legislation. Any lessons will be applied to other relevant assets where possible.

20. No contract will be entered into without official confirmation of the Salix funding being obtained – via a Salix Reservation of Funding letter. Loan agreements would subsequently be finalised upon completion of works up to the agreed project stages – expected to be after Stage 1, Stage 3 & Stage 6 of the project. It is anticipated that 3 separate sums (totalling the whole loan value) will be transferred to NCC by Salix at these agreed intervals to ensure payments to contractors can be made.

Integrated impact assessment



NORWICH
City Council

Report author to complete

Committee:	Cabinet
Committee date:	11 September 2019
Director / Head of service	Andy Watt
Report subject:	To award a contract for LED lighting upgrades to St Andrews multi storey car park
Date assessed:	27 August 2019

	Impact			
Economic (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Finance (value for money)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	To ensure the best value for money is obtained from the available supplier.
Other departments and services e.g. office facilities, customer contact	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Reduced luminaire failures and faults will reduce maintenance requirements and associated costs. Sectioning-off areas of the car park during installation may lead to a minor level of revenue loss – despite mitigation measures in place.
ICT services	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Economic development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Financial inclusion	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Social (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Safeguarding children and adults	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<u>S17 crime and disorder act 1998</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Human Rights Act 1998	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Health and well being	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Equality and diversity (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Relations between groups (cohesion)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Eliminating discrimination & harassment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Advancing equality of opportunity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Environmental (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Transportation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Natural and built environment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Waste minimisation & resource use	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Suppliers appointed will recycle the vast majority of waste material.
Pollution	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Sustainable procurement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Energy and climate change	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Make a significant contribution to the NCC carbon reduction plans. If works proceed as planned, then there will be a 116.35-tonne reduction in annual CO2 emissions. Significantly reduce the energy usage on this site – calculations show an 87% energy consumption reduction is achievable.

(Please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Risk management	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>1. Risk of challenge from unsuccessful suppliers:</p> <p>There is no risk of challenge from unsuccessful suppliers at this stage.</p> <p>2. Risk of supplier failure:</p> <p>There is a risk that the appointed suppliers could fail during the life of the contract.</p> <p>3. Risk of product failure:</p> <p>Installation guarantees and warranties will cover the loan repayment period of 5 years but expected product life-times will exceed this by approximately 6 years (11 years total). So failures after 5 years would reduce the long-term savings expected.</p> <p>4. Risk of financial savings falling below expectations:</p> <p>There is a risk that assumptions made on energy cost increases over the period of the loan (5 years) will not occur, leaving gaps in funding repayments. NCC would make significant savings on total energy costs on all assets as a result of any lack of increase in energy costs but would still leave a repayment shortfall on this asset.</p>

Recommendations from impact assessment
Positive
Negative
Neutral
Issues

Report to Cabinet

Item

11 September 2019

Report of Director of business services

15

Subject Award of a contract for revenues and benefits remote processing resource

KEY DECISION

Purpose

To seek approval to award a contract for revenues and benefits remote processing resource.

Recommendation

- 1) To award the contract for Revenues and benefits remote processing resource to Liberata UK Ltd for the one year period 01 October 2019 to 30 September 2020 together with the option to extend on an annual basis until the period ending 30 September 2024; and
- 2) Delegate authority to the director of business services in consultation with the portfolio holder for resources to exercise the extension options as they arise.

Corporate and service priorities

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

Financial implications

Funding is provided through Government Funding including DWP New Burdens funding and from unspent salary budgets arising from vacancies.

Ward/s: All Wards

Cabinet member: Councillor Kendrick - Resources

Contact officers

Adrian Mills, Anglia Revenues Partnership, strategic manager 07984 255437

Anton Bull, director of business services 01603 212326

Background documents

None

Report

1. The revenues and benefits service requires the ability to access external processing resource to supplement the established team resource. This will ensure that the key performance indicators and the required level of performance throughout the year is achieved; providing a legislatively compliant and prompt level of service to vulnerable customers
2. Remote processing resource is required for the completion of Housing Benefit, Council Tax Support and Council tax processes using the Northgate Revenues & Benefits Platform and the Civica document management system.
3. The Government continually reviews benefits provision and introduces specific initiatives which councils are obliged to implement locally, the Government in most cases will provide funding to support this additional work load.
4. Therefore due to fluctuating demands and these Government initiatives, it is not always possible to manage within existing establishment. These can be short term funded requirements so there is a need for remote resource on an ad-hoc basis to deliver the required level of service.
5. Generally due to the nature of the initiatives experienced staff are assigned to this work, thereby reducing available resource to complete business as usual work that directly affects the performance of the service. This temporary remote resource is used as backfill.
6. Typically, timeframes to seek approval to recruit directly employed temporary staff, interview, appoint and train new starters before they can commence working in the team inevitably means gaps in resource cause performance issues and it is likely they would leave the council at the end of the piece of work. This approach is costly to the council and is an inefficient use of the funding and our resources.
7. It is considered a more efficient approach is to utilise the services of specialist agency staff who are able to start immediately and do not require any technical or systems training. Typically these staff can work remotely, securely accessing our systems with the council determining their work allocation and performance, whilst closely monitoring value for money.
8. To illustrate indicative volumes during the last 12 month period the council has used 500 days in revenues and benefits remote processing resources. The majority of resource for remote benefits processing with 368 hours and the remaining 132 being for remote revenues processing.
9. It is expected that the use of this service will result in the following benefits for the council and its customers:
 - (a) Cost savings through lower processing resource rates, utilising the correct level of resource to match the requirements at the correct time

- (b) Meeting demands from central Government, by prompt increase in resource when required
 - (c) Ensuring the required level of performance throughout the year and achievement of key performance indicators.
10. The contract term will initially be a one year period with the option to extend on an annual basis until 30 September 2024.

Procurement process

11. The procurement process was concluded in August 2019.
12. To ensure an open, fair and transparent procurement process, adhering to the Public Contract Regulations 2015 an OJEU tender opportunity was advertised on the council's e-tendering portal, Contracts Finder and OJEU on 18 July 2019.
13. Ten expressions of interest and two tender submissions were received and opened on 21 August 2019.

Evaluation Criteria

14. Tenders were evaluated with a maximum of 30% of the available marks awarded for price and 70% of the marks awarded for quality criteria.
15. Suppliers were evaluated on four quality questions regarding skills, knowledge and experience; quality control; operational processes and equality and diversity and provided a fixed daily rate

Evaluation Outcome

16. The cost and quality scores achieved by the tenderers are set out in the table below:

Company	Price per day	Price score	Quality Score	Total Score
Liberata UK Ltd	£136.95	30.00	70.00	100.00
Losing supplier	£147.47	27.70	61.67	89.36

17. The recommended supplier following evaluation is Liberata UK Ltd representing best value for money

Budget and other considerations

18. The anticipated annual cost for this service based on an estimated 500 days is £68,475 and therefore an estimated full value contract of £342,375 over the five years.
19. There shall be no service spend under the contract unless there is Government Funding provision or surplus underspend salary budget.
20. The award is over £25,000 therefore as per the Public Contract Regulations 2015 it will be published in Contracts Finder.

Integrated impact assessment



NORWICH
City Council

The IIA should assess **the impact of the recommendation** being made by the report

Detailed guidance to help with the completion of the assessment can be found [here](#). Delete this row after completion

Report author to complete

Committee:	Cabinet
Committee date:	11 September 2019
Director / Head of service	Anton Bull
Report subject:	Procurement of temporary services for revenues and benefits
Date assessed:	21 August 2019

	Impact			
Economic (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Finance (value for money)		<input checked="" type="checkbox"/>	<input type="checkbox"/>	Capacity for temporary resource will fulfil DWP grant funding requirement.
Other departments and services e.g. office facilities, customer contact	X	<input type="checkbox"/>	<input type="checkbox"/>	
ICT services	X	<input type="checkbox"/>	<input type="checkbox"/>	
Economic development	X	<input type="checkbox"/>	<input type="checkbox"/>	
Financial inclusion		<input checked="" type="checkbox"/>	<input type="checkbox"/>	Vulnerable customers will get paid the correct benefit in a timely manner
Social (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Safeguarding children and adults	X	<input type="checkbox"/>	<input type="checkbox"/>	
<u>S17 crime and disorder act 1998</u>	X	<input type="checkbox"/>	<input type="checkbox"/>	
Human Rights Act 1998	X	<input type="checkbox"/>	<input type="checkbox"/>	
Health and well being	X	<input type="checkbox"/>	<input type="checkbox"/>	

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

Recommendations from impact assessment
Positive
Acceptable
Negative
Acceptable
Neutral
Acceptable
Issues
None