

## Cabinet

**Date:** Wednesday, 08 March 2023

**Time:** 16:30

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

### Committee members:

### Councillors:

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

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## Agenda

### Page nos

- 1 Apologies**  
To receive apologies for absence.
- 2 Declarations of interest**  
(Please note that it is the responsibility of individual members to declare an interest prior to the item if they arrive late for the meeting).
- 3 Public questions/petitions**  
To receive questions / petitions from the public which have been submitted in accordance with the council's constitution.
- 4 Minutes** 7 - 20  
To agree the accuracy of the minutes of the meeting held on 8 February 2023.
- 5 LGA Corporate Peer Review of Norwich City Council – review findings, council response and next steps** 21 - 52  
**Purpose:** This report presents the findings of the recent LGA Corporate Peer Review of the city council, together with the council's response to the recommendations and proposed next steps. The Peer Review feedback report is appended.
- 6 Town Deal Fund Programme Update** 53 - 84  
**Purpose:** This report is to update Cabinet on the NCC Towns' Fund Programme. It provides an update on progress being made in delivery on the towns' fund programme, outlines the governance and oversight measures that have been put in place to manage the programme and gives an overview of the budget situation. It is intended that similar update will be provided annually for the duration of the programme. In addition to providing an overview of progress in relation to all projects, the report also seeks delegated authority to award a contract for the refurbishment and operation of The Digital Hub at Townshend House in order to minimise delay to that project.
- 7 Culture Action Plan** 85 - 102

**Purpose:** To seek approval of the Action Plan for Culture.

<b>8</b>	<b>The tenant engagement, housing management and safer Norwich strategies</b>	103 - 134
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**Purpose:** To seek approval for the adoption of the tenant engagement strategy, housing management strategy and safer Norwich strategy 2023-26.

<b>9</b>	<b>Procurement Strategy Update</b>	135 - 148
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**Purpose:** The Council's procurement strategy requires that each year, the Cabinet receives an update on how the strategy is being implemented. This report seeks to provide this update.

<b>10</b>	<b>Pay Policy Statement 2023-24</b>	149 - 164
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**Purpose:** To note and recommend to full Council the pay policy statement for 2023/24.

<b>11</b>	<b>Adjustment to the general fund capital budget – The Halls</b>	165 - 172
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**Purpose:** To adjust the general fund capital programme to provide additional funds for major repairs and upgrades to The Halls.

<b>12</b>	<b>The award of contract for a decoration allowance scheme for new housing tenants</b>	173 - 178
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**Purpose:** To seek approval to award a contract for a decoration allowance scheme for new housing tenants.

<b>13</b>	<b>The award of four contracts for Asbestos Surveys, Asbestos Removals and Fire Risk Assessments (Compliance Improvement Programme)</b>	179 - 188
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**Purpose:** To consider the award of four contracts for Asbestos Survey and analytical works, Asbestos Removal and Fire Risk Assessments as part of the Council's Compliance Improvement Plan.

To consider that, where any future contract variations be required which would constitute a Key Decision, these be delegated to the Executive Director of community services, in consultation with the Portfolio Holder for Social Housing.

**14 Housing Revenue Account contracts 2023-24 for housing maintenance and upgrades** 189 - 196

**Purpose:** To consider the award of the following Housing Revenue Account contracts  
2023-24 for housing maintenance and upgrades:

- Window Upgrades
- Domestic Heating Upgrades
- Domestic Electrical Inspections, Upgrades and Rewires
- Communal Estate Improvements
- External decorations

**15 Write-off of irrecoverable debt** 197 - 202

**Purpose:** To request write offs for irrecoverable commercial customer debts in excess of £50,000 in accordance with the council's financial regulations, following completion of all available debt recovery options.

**16 Establishing a Joint Venture with Anglian Water and Norfolk authorities to provide environmental credits (Report to follow)**

**17 Exclusion of the public**

Consideration of exclusion of the public.

**EXEMPT ITEMS:**

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

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

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

**Page nos**

- \*18 Establishing a Joint Venture with Anglian Water and Norfolk authorities to provide environmental credits - exempt appendix (para 3) (Report to follow)**

Date of publication: **Wednesday, 01 March 2023**





**Cabinet**

**17:30 to 19:30**

**8 February 2023**

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

**Also present:** Councillors Galvin, Green Group Leader, Wright, Liberal Democrat Group Leader

**1. Declarations of interest**

Councillor Stonard, cabinet member for inclusive and sustainable growth, declared an interest in relation to items 3, 11 and \*12 (below) in that he was a director of Norwich Regeneration Limited. He would not take part in the vote on item 3 and would not take part in the vote and leave the room for items 11 and \*12.

**2. Public questions/ petitions**

One public question had been received from Mr James Hawkett.

Mr Hawkett asked the leader of the council the following question:

“I attempted to attend Cabinet as a member of the public last month but found the public entrance locked upon my arrival. It remained locked after the start time of the meeting, and I only managed to get in by calling up a friend of mine, Cllr Lubbock, who recommended waving frantically at the employee entrance until security came to investigate. I have also discovered that closing the public door 30 minutes before cabinet begins has been common policy for a while. There is no mention of any of this on the council’s website.

Is the leader aware of this occurrence from last time, and may I please seek assurances that changes have been made, or will soon be made to address such a fundamental error of judgement? Public oversight and accountability of power are cornerstones of democracy that, contrary to the evidence, I would hope this council takes seriously.”

Councillor Waters responded:

“Thank you for your question.

This was an unfortunate incident and I apologise for any inconvenience that this caused you. I can ensure you that the city council is committed to open

and transparent governance as demonstrated by the fact that many of our meetings are livestreamed to ensure people can watch at their convenience.

The standard procedure is for the front doors to be open 15 minutes before a public meeting starts and to remain open for 30 minutes with a telephone number to contact staff to gain entry outside of these times. On this occasion, just as the meeting started, we became aware of the issue and immediately requested that the doors be re-opened and an outside check done to ensure anyone waiting was given access to the meeting.

I have reviewed the process to make certain that all relevant staff members are aware to ensure this error does not occur again.

Thank you for bringing the matter to my attention.”

In response to Mr Hawkett’s supplementary question, Councillor Waters leader of the council noted that it did not adhere to the rules of the constitution because it did not relate to his initial question nor did it follow the response he received. However, he assured Mr Hawkett that whilst he did not support the new voter ID legislation the council were making every effort to ensure those that were entitled to vote were able to.

### **3. Minutes**

**RESOLVED** to agree the accuracy of the minutes of the meeting held on 18 January 2023.

### **4. Local Council Tax Reduction Scheme 2023/24**

Councillor Jones, cabinet member for safe, strong and inclusive neighbourhoods, presented the report. She emphasised that the council’s sound financial management enabled it to continue to offer a 100% Local Council Tax Reduction Scheme (LCTRS) which helped to assist the most financially vulnerable. The Head of Revenues and Benefits advised that 13,000 individuals received the LCTRS with 77.6% receiving a 100% reduction.

In response to Councillor Galvin’s question the Head of Revenues and Benefits advised that claimants with support needs were signposted to the Financial Inclusion Consortium or the Norfolk Community Advice Network. She noted that benefit letters were being reviewed to ensure information on support agencies was provided.

**RESOLVED** to recommend:

- 1) That Council retains a maximum 100 per cent LCTRS for working age recipients.
- 2) That Council make the following changes to the LCTRS for 2023/24 by continuing with the 2022/23 scheme with the following annual modifications:
  - a) include provision for future central and local government financial support payments (such as energy rebates/council tax support funding) to be disregarded from the scheme;



- b) to increase the working age applicable amounts for allowances and premiums by the September 2022 Consumer Price Index (CPI) rate of 10.1 per cent;
- c) to increase the level of income brackets used to decide non-dependant deductions and level of non-dependant deductions by the September 2022 Consumer Price Index (CPI) rate of 10.1 per cent;
- d) to increase the level of income brackets used to decide entitlement to second adult reduction by the September 2022 Consumer Price Index (CPI) rate of 10.1 per cent;
- e) to retain the maximum household capital limit of £16,000;
- f) to amend the wording of the LCTRS to use self-employed earnings figures for Universal Credit (UC) claimants as determined by the Secretary of State from 1 April 2023;
- g) to amend the wording of the LCTRS to take into account the prescribed regulations as notified by the Department for Levelling Up, Housing and Communities.

## **5. The council's 2023/24 budget and medium-term financial strategy**

The leader of the council introduced the item and noted that the report had the benefit of being considered at scrutiny committee and would go on to full council. Councillor Kendrick, cabinet member for resources, presented the report. He commented that the recent local government spending settlement had meant a 4.7% rise in the council's core budget which was far below the level of inflation. Despite this, the 2023/24 budget was balanced without the use of financial reserves and enabled the provision of vital services. The recent peer review which had been conducted commended the council's financial management.

Councillor Harris, deputy leader and cabinet member for social housing referred to the Housing Revenue Account 30 year business plan which illustrated income and investment levels were sustainable. She emphasised that significant progress was being made in relation to historic compliance issues in council homes and noted that the council's zero carbon ambitions presented funding challenges.

New house building had been affected by the nutrient neutrality (NN) issue but new homes were still being built at Bowthorpe having received planning permission prior to NN. The aspiration was to build 234 new homes over the next five years whilst significantly investing in current housing stock with a programme of bathroom, kitchen and electrical upgrades.

Councillor Hampton, cabinet member for climate change and digital inclusion thanked scrutiny committee for their consideration of the budget and the recommendation made to cabinet as below:

"Pilot a whole house approach to decarbonisation of our council homes. Use data, information and practice gathered from the pilot, alongside stock condition data and

thermography surveys to support the development of the Housing Revenue Account Decarbonisation Plan.”

She agreed that a whole house approach was ideal but noted that it was not always feasible due to the nature of grant funding the council received but she supported the recommendation. She also supported a data led approach as noted in the recommendation and highlighted that work had started in this area already and would be reported on at the Climate and Environment Emergency Executive Panel (CEEEP) on 14 February 2023.

Councillor Waters, leader of the council, invited Councillor Wright in his role as chair of scrutiny to feedback from the meeting of scrutiny committee that considered the budget. Councillor Wright advised that members praised officers for their work and recognised the robust financial management which had achieved a balanced budget. Suggestions were made by members as below which were noted for consideration by the interim Section 151 Officer.

Concern was raised regarding the use of electronic advertising hoardings on council land. Members wanted to see the cost implications of the council's net zero carbon aspirations represented in the budget, how would this be funded and what external sources of funding could be leveraged. The 7% increase in the council's housing rents was discussed with some members concerned that this would affect the most vulnerable.

Members discussed updates to council housing stock in terms of bathrooms and kitchens and adopting a whole house approach to works including retrofitting. A recommendation was discussed in relation to a whole house approach to the decarbonisation of housing stock and its cost implications.

Members discussed table 4.1 the council's proposed capital investments which related to the corporate plan objectives and asked if a strand on carbon reduction and biodiversity could be added. Lastly, a member raised a concern regarding the council's bank and its lack of ethical credentials.

Councillor Waters, leader of the council commended scrutiny for raising the issue of the council's bank. He confirmed that the contract ended in 2024 at which time hopefully there would be greater choice in the market place and the ethical credentials of possible banks could be considered.

Councillor Galvin referred to the cabinet report from December 2022 which noted that £53m was allocated to improve energy efficiency and carbon reduction measures in the council's housing stock for the period 2023-2028 and asked why there was no spend assigned for 2023/24. In response the Executive Director of Communities advised that the allocation would go into the next year and that during 2023/24 stock condition and thermography works would be conducted. Councillor Giles, the cabinet member for wellbeing highlighted that £500,000 was allocated every year for the following four years for solar thermal/ photovoltaic works within the council's housing stock.

Councillor Oliver, cabinet member for environmental services referred to the high public response to the budget consultation and noted that common themes arising were the cost of living crisis, housing waste and recycling; and parks and open

spaces. Environmental services was highlighted by 28% of respondents (nearly 600 people) as an area where they would like to focus additional funding. Communities and Neighbourhoods also featured highly in response to several questions. In response to this public feedback she proposed an amendment to the budget papers being recommended to full council to provide for an additional capital scheme to be included in the 2023/24 programme.

She proposed the creation of the “Love Norwich” fund of £100k in order to support key local ward priorities and to respond to those priorities effectively; she advised that the council’s section 151 officer had confirmed that this could be funded through a £50,000 contribution from HRA capital receipts and £50,000 from general fund capital receipts. Councillor Harris, the deputy leader and cabinet member for social housing considered this was a good use of funds and would improve people’s quality of life.

The chief executive officer commented that at the July 2022 meeting of cabinet he was honest about the financial challenge facing the council. He noted that setting a balanced budget for the financial year 2023/24 and coming in within budget this year had been one of the hardest challenges the council had faced financially in over a decade of severe funding constraints. The challenge was made significantly worse by inflation running at over 10% and more like 20% for capital infrastructure projects. The impact of inflation meant the forecast budget gap for the next financial year increased from £4m to £6m for day to day services.

Given the context he was pleased that the recommendations before cabinet presented a balanced budget for the year 2023/24 and over the medium term to 2027. Importantly this was without the use of reserves which could therefore be used as a safety net to deal with unforeseen financial shocks and pressures. The budget proposals provided resources to deliver the council’s priorities and avoided significant cuts to frontline services and investment in a number of key service areas. The proposals provided for nearly £50m of investment over the next five years and nearly £30m next year in important infrastructure projects such as investment in skills, redesigning areas of the city and supporting economic development.

Finally, the budget proposals provided for investment of £36m in 2023/24 and a total investment of £182m over five years in council housing. He noted that the recent LGA peer review was positive about the council’s approach to financial management. He considered that the proposals presented put the council in a strong position to meet the challenges of the next few years and importantly to realise the opportunities ahead for the city.

Councillor Waters, leader of the council emphasised the achievement of balancing the budget was a whole council effort and involved the council’s 2040 city vision partners too.

**RESOLVED to:**

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

- c) Note the Section 7 report of the chief finance officer on the robustness of the budget estimates, the adequacy of reserves, and the key financial risks to the council.
- d) Note that the Council Tax resolution for 2023/24, prepared in accordance with Sections 32-36 of the Local Government Finance Act 1992 as amended by the Localism Act 2011, will be calculated, and presented to Council for approval once Norfolk County Council and the Office of the Police and Crime Commissioner for Norfolk have agreed the precepts for the next financial year.

Recommend to Council to approve:

**General Fund**

- i. The council's net revenue budget requirement as £19.041m for the financial year 2023/24 including the budget allocations to services shown in Section 2, Appendix 2 (C) and the savings and growth proposals set out in Section 2, appendices 2 (F) and 2 (G).
- ii. An increase to Norwich City Council's element of the council tax of 2.99%, meaning that the Band D council tax will be set at £288.59 (Section 2, paragraph 2.17) with the impact of the increase for all bands shown in Section 2, Appendix 2 (E).
- iii. The prudent minimum level of reserves for the council as £5.400m (Section 2, paragraph 2.38).
- iv. Delegation to the chief finance officer (S151 Officer), in consultation with the portfolio holder for resources and the portfolio holder for safe, strong and inclusive neighbourhoods, the award of any new business rates reliefs announced by government using discretionary relief powers.
- v. The following additional Council Tax premiums be determined from 1 April 2024 (Section 2, paragraphs 22-26), or as soon as possible thereafter, subject to the required legislation being in place:
  - 100% premium for second homes;
  - 100% premium for properties which have been empty and unfurnished for a period of between 1 and 5 years.
- vi. Delegation to the chief finance officer (S151 Officer) in consultation with the portfolio holder for resources inclusion of any minor changes consequent on the publication of the final local government settlement or subsequent additional grant allocations.
- vii. Delegate to the chief finance officer (S151 Officer) the approval of technical virements for general fund, housing revenue account and capital budgets, to make budget transfers where there is no underlying change in the budget intention.
- viii. Delegate to the chief finance officer (S151 Officer) the approval of adjustments to the 2023/24 revenue and capital budgets to reflect the inclusion of expenditure in line with the UK Shared Prosperity Fund grant.

### **Housing Revenue Account**

- ix. The proposed Housing Revenue Account gross expenditure budget of £71.540m and gross income budgets of £77.070m for 2023/24 (Section 3, paragraph 3.25).
- x. The use of the estimated surplus of £5.530m along with a further £1.210m of HRA general reserves to make a revenue budget contribution of £6.740m towards funding the 2023/24 HRA capital programme (Section 3, paragraph 3.25).
- xi. A 7.0% increase in dwelling rents for 2023/24, in accordance with the government cap. This will result in an average weekly rent increase of £5.85 for Norwich social housing tenants (Section 3, paragraphs 3.30 to 3.36).
- xii. That garage rents increase by 10.1%, based on CPI in September 2022 (Section 3, paragraph 3.37).
- xiii. That the setting of tenants' service charges is delegated to the executive director of community services in consultation with the portfolio holder for Social Housing after engagement with tenant representatives (Section 3, paragraph 3.38)
- xiv. The prudent minimum level of Housing Revenue Account reserves as £5.848m (Section 3, paragraph 3.55 and table 3.4).
- xv. The use of £0.500m of the HRA underspend in 2022/23, to increase an existing earmarked reserve formed to fund costs associated with HRA service transformation linked to a programme of review and improvement, with the release of funds being approved in accordance with paragraph 26 of the Council's Financial Regulations.

### **Capital and Commercial Strategy**

- xvi. The proposed general fund capital programme 2023/24 to 2027/28 (2023/24: £28.545m; 5 years: £48.543m) and its method of funding as set out in Section 4, table 4.2, table 4.4 and Appendix 4 (B).
- xvii. The proposed HRA capital programme 2023/24 to 2027/28 (2023/24: £35.606m; 5 years: £182.181m) and its method of funding as set out in Section 4, table 4.2, table 4.5 and Appendix 4 (B).
- xviii. The capital strategy, as required by CIPFA's Prudential Code.
- xix. Delegating to Cabinet, approval to include in the capital programme, additional capital schemes funded wholly by grant where it meets the Council's aims.
- xx. Delegating to the chief finance officer in consultation with the executive director of development and city services and executive director of community services, approval of adjustments to the 2023/24 and future capital programmes to reflect the funding requirements of projects funded from the Towns' Deal and UK Shared Prosperity Fund (UKSPF).

### **Treasury Management Strategy**

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

- xxii. The capital and treasury prudential indicators and limits for 2023/24 through to 2027/28 contained within Section 5, paragraphs 5.29 to 5.59 and table 5.3, including the Authorised Borrowing Limit for the council.
- xxiii. The Minimum Revenue Provision (MRP) policy statement described in paragraphs 5.38 to 5.42 and contained in Appendix 5 (Section 5)
- xxiv. The (financial) Investment Strategy 2023/24 including changes to counterparty limits (Section 5, paragraphs 5.69 to 5.104).

#### **Summary of key financial indicators**

- xxv. Additional indicators for 2023/24 through to 2027/28 as contained in section 6.
- xxvi. Pilot a whole house approach to decarbonisation of our council homes. Use data, information and practice gathered from the pilot, alongside stock condition data and thermography surveys to support the development of the Housing Revenue Account Decarbonisation Plan
- xxvii. Increase the general fund and HRA capital programmes to create a “Love Norwich” fund of £0.100m in order to support key local ward priorities and respond to those priorities effectively; funded through a £0.050m contribution from HRA capital receipts and £0.050m from general fund capital receipts.

### **6. Q3 22/23 Corporate Performance Assurance Report**

Councillor Waters, leader of the council presented the report. He commended the quality of the report, noting it was accessible and clear, highlighting areas of successful performance and areas for improvement within each council directorate and illustrated with case studies.

Within the community services directorate he highlighted the progress made towards domestic abuse accreditation from the Domestic Abuse Housing Alliance, the introduction of a new IT service operating model and a reduction in the annual rough sleeper count. In terms of challenges the cost of living crisis was impacting residents with an increase in referrals to food banks and numbers of people in a negative budget position were rising. The council was reviewing its processes in terms of damp and mould complaints after the tragic death of Awaab Ishak in Rochdale.

Within the corporate and commercial services directorate, successes included the balancing of the council's budget in a time of financial uncertainty particularly in relation to central government funding. The council had successfully taken part in the Department for Levelling Up, Housing and Communities Contract Management Pioneer Programme securing placements for several officers to receive contract management qualifications; and a new agreement had been brokered with npLaw which allowed for greater flexibility and increased focus on measuring performance outcomes.

In relation to challenges, the reduction in Discretionary Housing Payments from government meant that funding had run out due to levels of demand. Work was ongoing to intervene earlier with residents who were struggling financially to ensure income was maximised and debt prevented where possible.

In the development and city services directorate, successes were highlighted as the compulsory purchase order of the Kings Arms site with residents now installed in five

new homes built on the site. The retail monitoring report conducted by the council highlighted that shops in Norwich outperformed the national picture on the high street. In relation to the issue of Nutrient Neutrality (NN) (which remained a blockage in terms of development), progress had been made with the creation of headroom to free up some development on an interim basis whilst a longer term solution was sought.

In relation to challenges, rising capital costs were affecting Town Deal funded projects within an increase in costings since bids were made.

Councillor Harris, deputy leader and cabinet member for social housing highlighted in relation to damp and mould inspections a robust system had been put in place with a dedicated team and new staff recruited. She noted in relation to capital variances within the HRA that some contracts had been renegotiated saving funds.

Councillor Kendrick, cabinet member for resources commented that there had been a slight decrease in performance for council tax and business rates collection but considered this inevitable due to the current financial climate. He highlighted the successful balancing of the budget for the year 2023/24 and over the medium term to 2027.

In response to Councillor Wright's question, the interim head of housing and community safety advised that data on voids had previously been held by Norse and was now captured by the council's IT systems and more accurate data helped to drive improved performance.

Councillor Galvin referred to corporate risk 21, equality impacts due to climate change, and asked what factors impacted upon the target. Councillor Waters highlighted that the council's retrofitting work impacted positively on environmental benefits and resident's finances. The executive director of community services noted that the council was investing £290m over 30 years on its housing stock to move to a carbon neutral position and funding had been committed to achieving an EPC rate of C by 2030. The senior strategy officer advised that CEEEP's Environment Programme drove this work and that retrofitting was a key part of tackling fuel poverty in tandem with wider work to boost household income.

With no members indicating that they wished to discuss the exempt appendix accompanying the report, it was:-

**RESOLVED** to note:

- 1) progress on the key performance indicators for this quarter and the corporate risk register
- 2) the financial position for quarter 3 2022/23 for the general fund, HRA and capital programme.

## **7. Equality Information Report 2023**

Councillor Waters, leader of the council presented the report. He advised that the council had a statutory duty to publish an annual Equality Information Report. He referred to the joint work the council was doing with communities and organisations

to tackle inequalities within the city. This year's report was in a new format and section three highlighted celebrations in the city from Black History Month to St. Martin's housing being granted the Freedom of the City.

Section four, changing how we do things, highlighted the work conducted during the covid-19 pandemic with the development of a covid recovery plan and now the work in reaction to the cost of living crisis. Work had also been undertaken to enhance the diversity of the council's workforce. Section five, information about our people, customers and employees involved understanding what success looked like. This included the State of Norwich report which was updated in line with census data.

The senior strategy officer referred to the progress of developing an Equality, Diversity and Inclusion Strategy which formed part of the basis of engagement work with communities, looking to understand how to align resources. In terms of the Reducing Inequalities Target Areas (RITAs) work was underway with the county council to review data sets. The State of Norwich report gave a wider picture of the city and an updated report would be published in April 2023 and shared with members of the council.

The head of HR and organisational development referred to the diversity of the council's workforce. A report had been presented to cabinet in March 2021 following the Black Lives Matter movement. The report highlighted that the workforce was not reflective of the local community and an action plan was devised to improve this. In March 2021, 3.4% of the council's workforce was from an ethnic minority and as at January 2023 this had risen to 9.56%. The chief executive officer commented that he was pleased to see this improvement as it was important that the council reflected the city it served, and diversity brought a richness of different views to the work of the council.

In response to Councillor Galvin's question the head of strategy, engagement and culture advised a Citizen Participation Strategy was being developed which would assist in improving two way dialogue with the council. Various pilots would provide evidence on what was effective and how to develop this area. The strategy was planned to be a living document that would develop as views were incorporated.

Councillor Waters, leader of the council invited Councillor Wright in his role as chair of scrutiny to feedback from the meeting of scrutiny committee that considered the Equality Information report. Councillor Wright advised that committee had highlighted the trend based reporting and whether this could be included in order to make year on year comparisons. Members of the committee had also asked if the social economic background of employees could be included. Members were keen to see that weight was given to lived experience during recruitment rather than just qualifications.

Members discussed the Reducing Inequality Target Areas (RITAs) and Community Conversations and asked how success was measured. She also requested further information on data detailing the objectives of the RITAs and the progress made on meeting them. Finally, as customer flags indicating vulnerability, she asked whether a strand could be included in the next Equality Information report on flags and what they denoted in terms of equalities data.



The senior strategy officer advised that the Equality, Diversity and Inclusion Strategy would help inform the Equality Information report going forward along with census data which should pick up on these key points.

**RESOLVED** to approve the publication of the annual Equality Information Report for 2023.

## **8. Greater Norwich Joint Five-Year Infrastructure Investment Plan**

Councillor Waters, leader of the council presented the report. He advised that all members of the Greater Norwich partnership; Broadland and South Norfolk district councils and Norfolk County Council had to sign off the plan and each had veto powers. The partnership provided a unique opportunity to pool Community Infrastructure Levy (CIL) income to form an Infrastructure Investment Fund (IIF).

Under current procedures projects could only be allocated IIF funding if they were 'shovel ready' and therefore major schemes which ran over several years were difficult to secure funding for. It was proposed that two new categories to the fund be added; Major Infrastructure Projects and Match Funding to enable some large strategic projects to have IIF earmarked to their delivery in the medium and long term.

A change to the allocations for education projects was also being proposed with funding being ringfenced to schools within the Greater Norwich partnership. The report also detailed the partnership's commitment to fund the Long Stratton Bypass and the costings associated with this.

Councillor Waters referred to two unsuccessful levelling up fund bids the city council had made; one to regenerate two city centre spaces and the other for the regeneration of Sloughbottom Park. However, he noted the projects had received match funding via the partnership with the rationale being that other forms of funding maybe able to be accessed.

Councillor Stonard, cabinet member for inclusive and sustainable growth, welcomed the scheme outlined in the report and highlighted that the River Wensum walk was a high priority. The scheme was on hold due to rising costs and he urged the county council to complete the works.

**RESOLVED** to agree:

- (i) the introduction of two new categories to the Infrastructure Investment Fund - Match Funding and Major Infrastructure Projects (see paras 9-11 and appendix A)
- (ii) that education funding allocations from the Infrastructure Investment Fund be used in whole or in part to repay Norfolk County Council's borrowing, on condition that it is used to support the delivery of a Schools Capital Programme that is ringfenced to the Greater Norwich area, and that annual programme delivery and budget updates are reported to the Greater Norwich Growth Board. (see paras 12-13 and appendix A)
- (iii) in relation to borrowing for the Long Stratton bypass

- a. to the signing of a deed of variation to the agreement entitled “Partner Draw down and Borrowing Authorisations”, that was originally signed by all Greater Norwich Growth Board partners on 21st October 2015. (see paras 14-19 and appendix A).
  - b. to enter into a draft loan agreement for the draw-down of £10m through the Greater Norwich City Deal with authority for the s151 officer, in consultation with the portfolio holder for resources, to agree the terms of the agreement on behalf of the Council.
  - c. to agree (subject to recommendation iii(a&b) for the Greater Norwich Growth Board to be granted delegated authority to sign the final loan agreement together with their s151 officers, under the direction of Norfolk County Council as the Accountable Body (see appendix A)
- (iv) (Subject to agreement of recommendations (i)-(iii)) the Draft Five Year Infrastructure Investment Plan 2023-28 (see appendix B), which includes the proposed 2023/24 Annual Growth Programme and note that approval to allocate funding for the following two projects in Norwich is subject to the approval of a future amendment to the Council’s capital programme:
- Sloughbottom Park Regeneration
  - Guildhall Hill and Exchange Street Regeneration

## **9. Procurement of Leaseholder Insurance**

Councillor Harris, the deputy leader and cabinet member for social housing, presented the report. The current provider had withdrawn from the market which was why this report was being brought to cabinet. Leaseholders bore the cost of the insurance but the council was obliged to find the provider. There were only two current public sector leaseholder providers in the market and it was hoped that private providers might be encouraged to tender for the contract in order to increase competitiveness. Due to the short notice to retender there was no opportunity to conduct consultation with leaseholders.

### **RESOLVED to**

- 1) enter a contract for the provision of leaseholder insurance; and
- 2) delegate authority to the Executive Director for Communities, in consultation with the deputy leader and cabinet member for social housing, to award the contract to the most economically advantageous tenderer or, if no tender is received, to utilise an emergency procurement route to award the contract on an emergency basis.

## **10. The award of a contract for door entry and access controls systems for new site installations**

(This item was contained within the supplementary agenda).

Councillor Harris, the deputy leader and cabinet member for social housing, presented the report. A single supplier was being sought to install new door entry and access controls at 207 sites, which had been identified to be in need of

additional security due to anti-social behaviour. The previous five year programme of installations had ended in August 2022 and the contract was due to commence on 1 April 2023.

The interim head of asset management commented that specifications and the value and quality of the installations had been carefully considered, to ensure they were fit for purpose within each individual block.

In response to Councillor Galvin's question, the interim head of asset management advised the biggest lesson learnt from the previous five year programme was in communicating and consulting with residents and providing individual solutions for individual sites. In the wider context how to manage the displacement of anti-social behaviour was being considered too.

**RESOLVED** to award a contract for the Door Entry and Access Control Systems installation programme to Alphatrack Systems Limited, subject to annual budget setting and satisfactory performance and quality being met.

#### **11. Department for Levelling Up, Housing and Communities funding opportunities for housing**

(Councillor Stonard left the meeting at this point).

(This item was contained within the supplementary agenda).

Councillor Harris, the deputy leader and cabinet member for social housing, presented the report. She advised that the council was recently contacted by the Department for Levelling Up, Housing and Communities (DLUHC) regarding two funding opportunities. The first was through the Norfolk Devolution Deal where up to £2m had been provisionally allocated to deliver new affordable housing and the second via the Local Housing Authority Housing Fund with £1.466m provisionally allocated towards providing accommodation for Ukrainian and Afghan refugees.

Councillor Galvin asked if accepting the funding was an endorsement of the Norfolk Devolution Deal by the City Council. Councillor Waters, leader of the council agreed consultation on potential devolution should come first but a submission would be made in due course and he would seek cross party agreement on any response. However, he did not consider accepting the funding to build much needed affordable homes constrained the council in terms of its view of the devolution deal.

With no members indicating that they wished to discuss the exempt appendix accompanying the report, it was:-

**RESOLVED** to:

- 1) Delegate authority to the executive director of communities, in consultation with the council's Section 151 officer and the cabinet member for social housing, to acquire 24 properties for the council's Housing Revenue Account (HRA).
- 2) Delegate authority to the executive director of communities, in consultation with the council's Section 151 officer and the cabinet member for social housing, to determine the appropriate rent level subject to any approval

required by the Secretary of State or the Regulator of Social Housing.

- 3) Delegate authority to the executive director of communities, subject to business case and in consultation with the council's Section 151 officer and the cabinet member for social housing, to approve the acceptance of funding from the Department for Levelling Up, Housing and Communities (DLUHC).
- 4) Recommend to Council, the adjustment of the 2022-25 HRA capital programme, to fund the acquisition of the dwellings as set out in the report; and
- 5) Note the exempt appendix.

**\*12. Department for Levelling Up, Housing and Communities funding opportunities for housing – exempt appendix (para 3)**

This item was noted under item 11 above.

**\*13. Q3 22/23 Corporate Performance Assurance Report – exempt appendix (para 3)**

This item was noted under item 6 above.

CHAIR



**Committee name:** Cabinet

**Committee date:** 08/03/2023

**Report title:** LGA Corporate Peer Review of Norwich City Council – review findings, council response and next steps

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

**Report from:** Chief executive

**Wards:** All wards

**OPEN PUBLIC ITEM**

**Purpose**

This report presents the findings of the recent LGA Corporate Peer Review of the city council, together with the council's response to the recommendations and proposed next steps. The Peer Review feedback report is appended.

**Recommendation:**

It is recommended that:

1. Cabinet considers the findings of the LGA Corporate Peer Review and the council's response.
2. Agrees that actions in response to the recommendations and other key points from the review are mainstreamed into the council's work programme via the refreshed Corporate Plan and deliverables for 2023/24; the Future Shape Norwich transformation programme; and the annual budget and business planning process, with progress monitored via the senior leadership team.
3. The council welcomes members of the review team back to the council to conduct a short progress update in the autumn when the new political leadership and new CEO are in post.

**Policy framework**

The council has five corporate priorities, which are:

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

The LGA Corporate Peer Review cuts across all of the council's corporate priorities as set out in the Corporate Plan.

## **Report details**

### **Background and scope of the LGA Corporate Peer Challenge**

Norwich City Council's Corporate Plan sets out a vision for the council to be an 'outward facing, learning organisation'. This will be achieved in large part by seeking to learn from other successful local authorities and parts of the public sector; being open to independent assessment and challenge; and actively engaging with external partners to identify areas of best practice.

2. A cornerstone of the Local Government Association's (LGA) offer to member authorities is peer challenge support. This involves a team of experienced officers and members spending time with another council as 'peers' to provide challenge and share learning. Participating councils receive a final report and recommendations from the peer team and identify their own actions in response.

3. Peer challenges are an established tool which support councils to drive improvements and efficiency in specific service areas as well as at a corporate level. The City Council has been embracing the importance and benefits of peer learning in recent years, with recent examples including a peer challenge of regulatory services led by Oxford City Council.

4. A core element of the LGA's support is the Corporate Peer Challenge (CPC) which is an integral element in the peer challenge offer. A CPC involves peer teams spending significant time within councils to identify and address issues and challenge progress across a range of core corporate – as opposed to service-specific - themes.

5. There are 5 standard core themes of a CPC, which are:

1. Local priorities and outcomes
2. Organisational and place leadership
3. Governance and culture
4. Financial planning and management
5. Capacity for improvement

6. It should be noted that a corporate peer challenge is only intended to be a high-level review against these key corporate themes. Although the peer team consulted with a large number of stakeholders during the review and had access to a wide range of background material, the depth of the review and its findings is limited by the fact that the review lasted 3 days – the usual duration for a CPC.

7. A CPC is intended to look at the council's corporate approach against the 5 core themes - it is not intended to go into detail about the quality of local services. Norwich City Council delivers a wide range of complex services to the city and, like most authorities, some services are performing well, while others are in the process of being improved. A CPC is not intended to focus on the delivery of specific council services, so the fact that a specific service – particularly one which is in the process of being improved - might not be reflected in the final report does not mean that the review team have missed it, it simply reflects that it is not in scope of a CPC.

## **The Norwich CPC peer team**

8. The Norwich CPC took place in January this year, with the team on site at City Hall from 23 – 25 January. The peer challenge team was made up of:

- Michael Bracey - Chief Executive, Milton Keynes (Lead Peer)
- Cllr Darren Rodwell - Leader, London Borough of Barking and Dagenham
- Lindsay Barker - Deputy Chief Executive, Colchester City Council
- Mark Green - Director of Finance & Business Improvement, Maidstone Borough Council
- Jess Crowe - Director of Culture, Strategy and Engagement, London Borough of Haringey
- Chanelle Busby - Service Lead, Commercial and Procurement, Exeter City Council
- James Mehmed - LGA Peer Challenge Manager
- Rachel Robinson - LGA Shadow

## **Approach of the Norwich CPC team**

9. CPCs are improvement-focussed and tailored to meet a council's needs. They are designed to complement and add value to a council's own performance and improvement focus. The peers use their experience and knowledge of local government to reflect on the information presented to them by people they meet, things they see and material that they read. The team provide feedback as critical friends, not as assessors, consultants or inspectors.

10. The Norwich peer team reviewed a range of background information relating to the council to ensure they were familiar with the council, the challenges we are facing and our plans for the future.

11. While on site at City Hall, the team gathered information and views from more than 33 meetings, in addition to further research. The team spoke to c100 people during the course of the review, including a range of council staff together with members and external stakeholders.

## **Findings and recommendations of the Norwich CPC**

12. The CPC final report into Norwich City Council is appended to this Cabinet report. This next section summarises some of the key findings in terms of the positive outcomes as well as some of the areas which the team recommend are developed further.

13. This cover report does not cover all of the points made by the review. It is recommended that all councillors read the review final report in full.

14. The final report has also been shared with all council staff and the Chief Executive has led an all staff briefing to feed back the findings and proposed next steps. The Chief Executive has also held a similar session to which all Councillors were invited. A final copy of the report will also be sent to all partners who participated in the review.

## **Summary findings – the city council is ‘on a positive journey of change’**

15. The findings of the CPC paint a very positive picture of where the city council is currently and the progress that has been made over the past few years.

16. The headline conclusion of the review is that the city council ‘is on a positive journey of change and is focused on achievement and delivery, with fantastically committed people, including staff, members and partners’.

17. The review finds that the council’s relationships with statutory partners are ‘strong and effective’ and that ‘the council is widely regarded in a positive light across the region and country’ with partners very upbeat about their engagement with the council - some describing their experience as ‘exemplary and constructive’.

18. The review comments that ‘the senior management team and statutory partners have a strong connection with the 2040 vision and understand its strategic objectives’. Building on this, the review concludes that the opportunity is there to ensure everyone across the organisation has a clear understanding of how the Norwich 2040 vision informs the corporate plan and the relationship with directorate and service area business plans, including the contribution teams and individuals play in achieving those objectives and outcomes.

19. During the review, managers highlighted how important it is that the council’s corporate plan now includes deliverables that the workforce feel more engaged in and places customers and the community at the heart of delivery.

20. The review also finds that ‘the workforce value the investment in transformation capacity via the Future Shape Norwich programme, which has been welcomed across the organisation to assist with project management and delivery capacity’.

21. In relation to the council’s financial position and wider approach to governance, the review finds that the council has invested well in improving governance and assurance processes and comments that ‘the council is in a relatively strong financial position, with stronger financial metrics than many of its peers’. The review also notes that the council ‘is proud to have protected council services’.

22. The council has a ‘robust governance framework for managing change and financial savings projects’ which is noted by peers as positive, given the new approach has delivered detailed change proposals, whilst enabling increased cross-service challenge, with staff supporting each other throughout the process. The approach shows ‘a strong link back to corporate priorities and city-wide benefits’ which, according to the report, ‘demonstrates the council’s ability to challenge and learn whilst improving corporate governance and assurance’.

23. The review comments that ‘senior political leadership is widely respected by members and officers and that respect for political leadership extends across all political parties’, which is cited by peers as being a very positive attribute of organisational culture. Peers identified cross-party working as a strength and that relationships between members and officers were ‘positive and constructive’.

24. In relation to organisational change, the review comments that ‘the chief executive rightly identified the need to focus on the values and behaviours of the



organisation, and has been leading a two-way, inclusive process with colleagues to explore this, which been well received and has good prospects for supporting the organisation to develop’.

### **Areas for further focus and development**

25. The review finds that the council is seen as an ‘exemplary and constructive partner’ with some of its strategic partners such as education, health and police and that there is a strong willingness from all partners to assist the delivery of the 2040 vision. The review recommends that more work is done with partners to further explore the delivery of the vision to ensure the council is maximising the available resource, skills and expertise partners have to offer. The review suggests that a more formal approach to engaging 2040 partners in delivery could help with collective ownership of the priorities and identify shared resources to deliver.

26. While understood by partners and across the council’s senior team, the CPC recommends that more work is needed to embed the vision throughout the organisation - to enable the vision to permeate throughout the organisation and be more central to each person’s role.

27. Although there are good plans in place to strengthen community engagement through the citizen participation strategy, the programme of community conversations and the new tenant and wider engagement strategy, the peer team suggests that consideration is given to accelerating the prioritising this work to delivery on the council’s stated commitment to put residents at the ‘heart of everything we do’.

28. Peers acknowledge frameworks have been developed to allow for wider community engagement to ensure the council gains a better understanding of community needs to inform delivery objectives. But the review suggests that more attention is required ‘to ensure those approaches to community engagement yield a greater input to provide the council with a well informed and diverse response to feed into policy making and local decisions’.

29. Peers heard from a range of staff that more focus should be given to internal communications, ensuring there are effective two-way channels. Positive examples shared with peers involved a well-received webinar on organisational culture and work on the new values. The council should accelerate further engagement with staff and find capacity to focus on internal communications that can actively support the senior team with engaging the workforce on a range of work areas. This is vital as further transformation takes place across the council.

30. In relation to housing, peers were pleased to understand a new resident engagement strategy is due to be launched with a focus on open conversations and building trust, which will also feed into a revised tenant’s approach. Tenant engagement and involvement needs to be improved to ensure the tenant voice is prominent. It is the council’s intention – through the recent work on the tenant strategy and other work – to improve this.

31. The peer team recognise the council’s ambitions in relation to housing and infrastructure – referencing the ambitious East Norwich regeneration programme and other sites under development. The report references the ‘numerous sites identified that make up a pipeline of future building schemes’ but believe the council could sharpen its focus on what it is trying to build, who it is for and what the best approach to take to deliver the schemes.

## Review recommendations, initial council response and proposed next steps

32. The CPC has set out 7 recommendations for the city council to consider and take forward, these are set out below together with an initial response. There are also other points of further development set out in the report.

33. It is recommended that actions in response to the recommendations – and other points of suggested further exploration raised in the report - are mainstreamed into the core business of the council where possible. This would be primarily through the annual update of the Corporate Plan priorities and actions; embedded in the council's Future Shape Norwich transformation programme; reflected in the Council's Code of Corporate Governance and Annual Governance Statements; and taken forward as part of the annual budget and business planning process.

34. This will ensure that any the actions become mainstreamed into existing programmes and become part of our core work. It also means that we can track progress through our quarterly performance reports and annual review of Corporate Plan activities.

Peer review recommendation	Initial council response
1. With the departure of the leader, deputy leader and chief executive over the next few months, the council needs to quickly plan how it will support the new leadership. The LGA can assist. During this time, it will be critical that other members and senior colleagues do not allow momentum to be lost and remain focused on further improvement.	<b>In progress</b> <ul style="list-style-type: none"><li>• A member support programme is being finalised and the council will engage the LGA as part of this.</li><li>• Recruitment for the new CEO is underway and a member of the senior team has stepped up to be interim CEO to ensure continuity and momentum.</li><li>• The senior team will continue to take responsibility for delivering the priorities of elected members and responding to the recommendations of the peer review.</li></ul>
2. Accelerate and prioritise plans to strengthen community and tenant engagement to deliver on the NCC stated commitment to put residents at the 'heart of everything we do'.	<b>In progress</b> <ul style="list-style-type: none"><li>• Action to be reflected in the refreshed Corporate Plan for 2023/24.</li><li>• The council's Covid 19 recovery plan sets out the need for a community participation strategy and this work is underway.</li><li>• Work has progressed in recent months to develop an online engagement platform and work on tenant engagement is moving forward at pace with a new strategy recently agreed by Cabinet.</li></ul>
3. Strengthen place leadership by involving partners more formally in the delivery of the local 2040 vision and clearly identifying officers to be the strategic leads for key	<b>In progress</b> <ul style="list-style-type: none"><li>• Action to be reflected in the refreshed Corporate Plan for 2023/24.</li></ul>

partnerships.	<ul style="list-style-type: none"> <li>• Work is underway to consider where we go next with the 2040 vision coordination group with a specific focus on delivery.</li> </ul>
4. Having improved governance processes, the council's focus and transformation resource should now shift rapidly to culture change, building on the work already started with a strong emphasis on staff engagement, equalities and inclusivity.	<p><b>In progress</b></p> <ul style="list-style-type: none"> <li>• Culture change is now embedded as a key workstream within the Future Shape Norwich (FSN) transformation programme.</li> <li>• Work is currently focused on the next phase of the culture change programme, which will pick up feedback from the peer review.</li> <li>• As part of this, the council will be launching refreshed organisational values in 2023 which have been developed following colleague workshops and will help frame the future direction of the programme.</li> <li>• Work to invest in City Hall to make it a more modern working environment – with the council using less space in the building – is also gathering pace through the FSN programme and will form a key strand of our culture change work.</li> </ul>
5. Whilst we recognise that review of the governance of the wholly owned companies has recently taken place (in 2021), we recommend further consideration of the arrangements in line with the recommended best practice (including members not sitting on boards).	<p><b>To be considered</b></p> <ul style="list-style-type: none"> <li>• The review recommendation will be looked at as part of ongoing work which looks at how to improve governance of the council and its companies.</li> </ul>
6. Identify further growth and invest to save opportunities needed to meet corporate priorities as part of 2024/25 budget planning.	<p><b>In progress</b></p> <ul style="list-style-type: none"> <li>• This will be developed as part of the budget and business planning round for setting the 2024/25 budget which will start in the spring and will build on the work already done through FSN and through plans to balance the budget over the medium-term.</li> </ul>
7. Set clear priorities and identify resources required for delivery when developing a five-year capital programme.	<p><b>In progress</b></p> <ul style="list-style-type: none"> <li>• As above, this will be developed as part of the budget and business planning round for setting the 2024/25 budget which will start in the spring and will build on the work already done through FSN and through plans to balance the budget over the medium-term.</li> </ul>

35. As part of the CPC process, it is expected that members of the peer team return to the council after 6 months for a short progress update. Given that a new leader, deputy leader and CEO are unlikely to be in post until the summer, it is recommended that the update visit takes place later in the year.

## **Consultation**

36. In terms of the peer team reaching their conclusions, the peer team met c100 stakeholders via 33 meetings while conducting the CPC as well as consulting a range of background documents and materials.

37. The Chief Executive has led and all staff briefing with colleagues to feed back the conclusions of the review and the council's response to the recommendations and has held a similar session to which all councillors were invited.

38. Cabinet were invited to a feedback session with the peer team on the final day of the review in January and the contents of this report have been discussed with the Leader of the Council and with the council's Corporate Leadership Team.

## **Implications**

### **Financial and resources**

39. There are no proposals in this report that would reduce or increase resources, with any financial implications of responding to the CPC to be funded via existing budgets and resources.

### **Legal**

40. There are no legal implications associated with this report.

### **Statutory considerations**

<b>Consideration</b>	<b>Details of any implications and proposed measures to address:</b>
Equality and diversity	No direct impact
Health, social and economic impact	No direct impact
Crime and disorder	No direct impact
Children and adults safeguarding	No direct impact
Environmental impact	No direct impact

## Risk management

Risk	Consequence	Controls required
The main risk to the council is not to respond proactively to the points made in the review and the recommendation which would lead to reputational and wider risks	Largely reputational damage.	<p>The feedback from the review has been shared with all councillors and staff. It has also been shared with participating partners.</p> <p>The review is published on the council's website and a press release has been issued to ensure transparency.</p> <p>Response to the actions will be mainstreamed into council activities and monitored by the Corporate Leadership Team.</p>

## Other options considered

41. None.

## Reasons for the decision/recommendation

42. The council has been proactive in inviting an LGA Corporate Peer Challenge – it has been transparent in its approach and the findings have been shared and made public. The review sets an overall positive picture of the council's improvement at the corporate level together with areas for further development. It will only be of benefit to the council to respond positively to the recommendations of the review and it is therefore recommended that the review is welcomed and the council takes action as part of its future improvement plans.

## Appendices: LGA Corporate Peer Challenge feedback report – Norwich City Council

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# LGA Corporate Peer Challenge

Norwich City Council

23 – 25 January 2023

Feedback report





1. Executive summary .....	3
2. Key recommendations .....	6
3. Summary of the peer challenge approach .....	7
4. Feedback .....	9
5. Next steps .....	23

# 1. Executive summary

Norwich is a cathedral city and district of Norfolk with a footprint covering just over 15 square miles, ranking the fourth most populated area within the East of England region. Norwich is one of the fastest growing cities in the UK and is growing younger, with the average age of almost 34 years. The city is becoming more diverse having experienced significant population growth over the last 10 years.

The city of Norwich is home to an estimated 177,000 jobs and more than 8000 businesses. Norwich contributes more than £3b per annum to the national economy and is part of the Fast Growth Cities group. The council experienced a strong recovery from the pandemic with high street footfall reported at higher levels than in 2019.

Norwich and the council have a lot to be proud of including a vibrant city centre, thriving economy and culture scene. Norwich boasts more arts and culture than cities twice its size; people in Norwich spend more per capita on culture than anywhere in the UK. Norwich has established itself as a place of innovation and technological excellence with projects such as the '[Digi-Tech Factory](#)' to grow the skills and expertise in the Digi-Tech sector given the Cambridgeshire – Norwich tech corridor which builds on the two universities, creative sector and [research park](#).

It's no surprise given the diversity in place that Norwich has been voted recently over three consecutive years of one of the best places to live.

There is a hugely ambitious plan for land in the east of Norwich to become the biggest regeneration project in the East of England and deliver a new urban quarter for Norwich, offering 3600 new homes and 4000 new jobs. The council are cognisant to the climatic and environmental challenges of growth and have been recognised in 2020 by the [Global Good Awards](#) through the achievement of a gold award for climate action of the year.

The 2040 vision developed with partners aspires to deliver a creative city, a fair city, a liveable city, a connected city and a dynamic city. The council aims to (i) support people living well and independently in a diverse and safe city (ii) ensure Norwich is a sustainable and healthy city (iii) deliver infrastructure and housing it needs to be a successful city (iv) deliver an inclusive economy in which residents have equal



opportunity to flourish and (v) NCC is in good shape to serve the city.

The council has benefited from stable and strong political leadership with notable good practice relating to cross-party working. It was clear during the corporate peer challenge that NCC is on a positive journey of change and is focused on achievement and delivery, with fantastically committed people, including staff, members and partners.

The timing of the corporate peer challenge is critical given the current chief executive will be leaving the organisation at the end of March 2023 to undertake a new role and both the leader and deputy leader will not be standing for re-election in May 2023. The leader of the council is recognised as an important figure in the leadership of Norwich as a place.

Given this challenging dynamic, there is naturally some organisational anxiety whilst the transitional arrangements are being considered. There is however a commitment from the current leadership to ensuring the council is prepared for change and arrangements are being put in place.

The council now needs to plan how it will provide support to the new political leadership. The LGA can readily assist and provide advice and guidance in line with the council's requirements. A large part of the council's capacity to improve will be dependent on making the right appointment to replace the outgoing chief executive.

Despite the transitional arrangements there is a strong desire to progress with the council's ambitious plans, driving forward the 2040 vision but cognisant to the point new leadership will need to pick up the mantle and continue to embed new ways of working, drive the council forward with its strategic plans and next phase of organisational development.

The relationship with statutory partners is strong and effective, although non-statutory partners want to support the council more actively with delivering the 2040 vision. The council should seek to involve partners more formally and harness their energy and enthusiasm through identifying distinct strategic leads for key partnerships. A more distributed model of partnership leadership will enable a larger cohort of managers to be involved and deliver more external engagement.

The council will need to accelerate and prioritise plans to strengthen community and

tenant engagement to deliver the commitment to put residents at the '*heart of everything we do*', a key objective within the council's transformation plan 'Future Shape Norwich'. As the region's largest landlord, this provides even more emphasis to ensure tenant engagement is meaningful and effective in developing and informing housing policy, performance and investment.

The council has invested well in improving governance and assurance processes, providing the organisation and staff with a framework to operate within. As these processes further embed, peers strongly advise moving attention onto culture change with a strong focus on staff engagement, equalities and inclusivity.

The workforce is ready to take on more responsibility and a higher level of autonomy. Following new governance, structure and frameworks being implemented, the timing is now right to support the workforce by ceding some controls and increasing further flexibility, whilst not eroding the benefits of new ways of working.

NCC has two wholly owned companies, Norwich Regeneration Ltd (NRL) and Norwich City Services Ltd (NCSL). The companies are governed by individual boards who meet each quarter with a shareholder panel of members and officers to review performance and outcomes. Peers recognise a review of the governance of the wholly owned companies has recently taken place and recommend further consideration of the arrangements in line with recommended best practice, for example not including members sitting on the company board and instead exercising supervision through a shareholder panel.

The council is in a relatively strong financial position. Whilst the local government sector generally has been subject to severe financial constraints and pressures over the past ten years, and Norwich has not been immune from this, the council has stronger financial metrics than many of its peers.

Core spending power per head of population for 2023/24 (£137) puts NCC in the top quartile of all districts in England. This has allowed the council to deliver service expenditure per head (£186 according to its revenue outturn return) which is amongst the highest of its peer group and to forego substantial council tax income by offering 100% council tax reduction support, unlike many other authorities. The council is also proud to have protected council services.

Financial savings are being made alongside increased income, however there is likely to be further savings which can be driven out through service transformation. While the council's relatively strong financial position means that this may not be absolutely imperative from a financial viewpoint, it might allow resources to be redeployed to areas of higher priority. Peers recommend the council identifies growth and invest to save opportunities to meet corporate priorities as part of 2024/25 budget planning as well as setting clear priorities and identification of resources required for delivery when developing a 5-year capital programme.

## 2. Key recommendations

There are a number of observations and suggestions within the main section of the report. The following are the peer team's key recommendations to the council:

### 2.1.

With the departure of the leader, deputy leader and chief executive over the next few months, the council needs to quickly plan how it will support the new leadership. The LGA can assist. During this time, it will be critical that other members and senior colleagues do not allow momentum to be lost and remain focused on further improvement.

### 2.2.

Accelerate and prioritise plans to strengthen community and tenant engagement to deliver on the NCC stated commitment to put residents at the 'heart of everything we do'.

### 2.3.

Strengthen place leadership by involving partners more formally in the delivery of the local 2040 vision and clearly identifying officers to be the strategic leads for key partnerships.

## **2.4.**

Having improved governance processes, the council's focus and transformation resource should now shift rapidly to culture change, building on the work already started with a strong emphasis on staff engagement, equalities and inclusivity.

## **2.5.**

Whilst we recognise that review of the governance of the wholly owned companies has recently taken place, we recommend further consideration of the arrangements in line with the recommended best practice (including members not sitting on boards).

## **2.6.**

Identify further growth and invest to save opportunities needed to meet corporate priorities as part of 2024/25 budget planning.

## **2.7.**

Set clear priorities and identify resources required for delivery when developing five year capital programme.

# **3. Summary of the peer challenge approach**

## **3.1. The peer team**

Peer challenges are delivered by experienced member and officer peers. The make-up of the peer team reflected the focus of the peer challenge and peers were selected on the basis of their relevant expertise. The peers were:

- Michael Bracey - Chief Executive, Milton Keynes City Council
- Cllr Darren Rodwell – Leader, London Borough of Barking and Dagenham
- Lindsay Barker – Deputy Chief Executive, Colchester City Council
- Mark Green – Director of Finance & Business Improvement, Maidstone Borough Council

- Jess Crowe – Director of Culture, Strategy and Engagement, London Borough of Haringey
- Chanelle Busby – Service Lead, Commercial and Procurement, Exeter City Council
- James Mehmed – LGA Peer Challenge Manager
- Rachel Robinson – LGA Shadow

### 3.2. Scope and focus

The peer team considered the following five themes which form the core components of all corporate peer challenges. These areas are critical to councils' performance and improvement.

1. **Local priorities and outcomes** - Are the council's priorities clear and informed by the local context? Is the council delivering effectively on its priorities?
2. **Organisational and place leadership** - Does the council provide effective local leadership? Are there good relationships with partner organisations and local communities?
3. **Governance and culture** - Are there clear and robust governance arrangements? Is there a culture of challenge and scrutiny?
4. **Financial planning and management** - Does the council have a grip on its current financial position? Does the council have a strategy and a plan to address its financial challenges?
5. **Capacity for improvement** - Is the organisation able to support delivery of local priorities? Does the council have the capacity to improve?

### 3.3. The peer challenge process

Peer challenges are improvement focused; it is important to stress that this was not an inspection. The process is not designed to provide an in-depth or technical assessment of plans and proposals. The peer team used their experience and

knowledge of local government to reflect on the information presented to them by people they met, things they saw and material that they read.

The peer team prepared by reviewing a range of documents and information in order to ensure they were familiar with the council and the challenges it is facing. The team then spent three days onsite at Norwich City Council, during which they:

- Gathered information and views from more than 33 meetings, in addition to further research and reading.
- Spoke to around 100 people including a range of council staff together with members and external stakeholders.

This report provides a summary of the peer team's findings. In presenting feedback, they have done so as fellow local government officers and members.

## 4. Feedback

### 4.1. Local priorities and outcomes

Norwich and the council have a lot to be proud of including a vibrant city centre, thriving economy and culture scene. Norwich boasts more arts and culture than cities twice its size; people in Norwich spend more per capita on culture than anywhere in the UK. Norwich has established itself as a place of innovation and technological excellence with projects such as the 'Digi-Tech Factory' to grow the skills and expertise in the Digi-Tech sector given the Cambridgeshire – Norwich tech corridor which builds on the two universities, creative sector and research park.

It's no surprise given the diversity in place that Norwich has been voted recently over three consecutive years of one of the best places to live.

There is a hugely ambitious plan for land in the east of Norwich to become the biggest regeneration project in the East of England and deliver a new urban quarter for Norwich and offering 3600 new homes and 4000 new jobs. The cabinet approved stage two of the master plan during summer 2022. Norfolk is currently working through the detail of a devolution deal; peers were surprised that the opportunity did not present itself more prominently during the peer challenge process.

The council are cognisant to the climatic and environmental challenges of growth and have been recognised in 2020 by the Global Good Awards through the achievement of gold award for climate action of the year. A large art installation depicting climate change through the years installed in the council chamber is a firm reminder that all council decisions have a climate impact.

The council has a vision for the city; '[Norwich 2040 City Vision](#)' was developed in collaboration with the community and a range of local partners during 2018 and sets the context for the corporate plan and related strategic plans. The approach allowed the community and partners to express what they valued in Norwich whilst identifying the future challenges.

The councils 2040 vision aspires to deliver a creative city, a fair city, a liveable city, a connected city and a dynamic city. The council aims to (i) support people living well and independently in a diverse and safe city (ii) ensure Norwich is a sustainable and healthy city (iii) deliver infrastructure and housing it needs to be a successful city (iv) deliver an inclusive economy in which residents have equal opportunity to flourish and (v) NCC is in good shape to serve the city.

The senior management team and statutory partners have a strong connection with the 2040 vision and understand its strategic objectives and how this interrelates with other strategic plans and outcomes. There is further work needed to embed the vision throughout the organisation, to enable the vision to permeate throughout the organisation and be more central to each person's role. More work needs to be done with partners to further explore the delivery of the vision to ensure the council is maximising the available resource, skills and expertise partners have to offer. The relationships with statutory partners were described as positive, although some of the non-statutory partners and the voluntary and community sector would appreciate more structure to the relationship. Peers strongly advise identifying specific officer leads to start building more sustainable relationships with partners and harnessing the contribution all partners can make to the 2040 vision.

More broadly, the council is widely regarded in a positive light across the region and country. Partners were very upbeat about their engagement with NCC, some describing their experience as exemplary and constructive.

Peers acknowledged the positive cross party working which is well embedded



providing the council with a sound basis for further joined up working.

The council benefits from a track record in successful delivery of regional and government opportunities such as the Community Infrastructure Levy and a [Town Deal](#).

Peers acknowledge frameworks have been developed to allow for wider community engagement to ensure the council gains a better understanding of community needs to inform delivery objectives. More attention is required to ensure those approaches to community engagement yield a greater input to provide the council with a well informed and diverse response to feed into policy making and local decisions.

Despite the frameworks being in place, peers did not see consistent inclusion of the community voice. This needs to be addressed to ensure communities are actively shaping and informing policy making, enabling a more direct influence over how local decisions are made whilst informing the 2040 vision to ensure this adapts and evolves with local need. As one of the region's largest landlords with housing stock circa 14,000 units the level of tenant engagement and involvement was seen as low and needs to be improved to ensure the tenant voice is prominent and enables housing provision and future strategic planning and investment to be shaped by tenant feedback and future needs. Peers were pleased to understand a new resident engagement strategy is due to be launched with a focus on open conversations and building trust, this will also feed into a revised tenant's approach.

Although the council uses data and insight to inform areas of concern, peers identified there was no consistent approach. The council should strengthen the way it uses data and insights in particular in its transformation work. The council should consider using [LG Inform](#) to benchmark its performance against other councils in and out of the region. This over time could provide a basis for identifying areas of concern and deploying early intervention strategies.

The council wants to build. There are numerous sites identified that make up a pipeline of future building schemes. However peers believe the council could sharpen its focus on what it is trying to build, who it is for and what the best approach to take to deliver the schemes. An offer for a site visit was made by the leader of Barking and Dagenham to discuss their local approach to housing delivery and this was well received by the leader of NCC and note taken to action.




Peers heard how local river water contamination has recently put a hold on approving any building planning applications. Despite this very serious environmental constraint, the council has found a way of off-setting water contamination to give the areas some further bandwidth in building new homes.

NCC has two wholly owned companies, Norwich Regeneration Ltd (NRL) and Norwich City Services Ltd (NCSL). The council is clearly on a journey on changing its approach with its wholly owned companies. The companies are governed by individual boards who meet each quarter with a shareholder panel of members and officers to review performance and outcomes. Peers recognise a review of the governance of the wholly owned companies has recently taken place and recommend further consideration of the arrangements in line with recommended best practice, for example not including members sitting on the company board.

#### **4.2. Organisational and place leadership**

The leader of the council is recognised internally and externally as a key figure in the leadership of Norwich as a place. In the context of the leader not standing in the May 2023 elections, this provides a risk that will need a plan to manage the transition before and beyond May 2023. To ensure Norwich 2040 and the corporate plan maintain momentum, the new leader will quickly need to identify the priority areas to provide continuity. The next chief executive will need to skilfully balance support to the newly elected leader whilst working closely to provide effective place leadership to accelerate the councils work to develop its culture and the next phase of organisational development. This will require leadership at all levels to respond to staff feedback and model the emergent new organisational values and behaviours.

Staff and partners were generally positive about the council's leadership. The chief executive, leader and deputy leader were held in high regard. Many external stakeholders cited their positive working relationship with the chief executive, leader and deputy leader, however most struggled to identify and name any other senior leader. Leadership of place needs to be broadened to ensure a wider cohort of senior



managers can engage with partners to provide more decentralised leadership whilst enabling more strategic capacity for the chief executive and executive directors. Peers heard that not all managers are clear on their specific expectations and some staff were also confused about how the council is transforming 'from' and 'to'. The advent of new leadership provides the opportunity to ensure everyone across the organisation has a clear understanding of how the Norwich 2040 vision informs the corporate plan and the relationship with directorate and service area business plans, including the contribution teams and individuals play in achieving those objectives and outcomes. Managers highlighted how important it is that the corporate plan now includes deliverables that the workforce feel more engaged in and places customers and the community at the heart of delivery. The workforce valued the directly led investment in transformation capacity from the chief executive in the Future Shape Norwich programme, this direct approach of leadership was welcomed across the organisation to assist with project management and delivery capacity.

The council is seen as an exemplary and constructive partner with some of its strategic partners such as education, health and police. There is a strong willingness from all partners to assist in the delivery of the 2040 vision. A more formal approach to engaging 2040 partners in delivery could help with collective ownership of the priorities and identify shared resources to deliver. Partners have asked for council wide strategic leadership engagement beyond the leader and chief executive to maintain some of the key external partnerships and relationships that will enable the council to focus on investment and deliver on key priority areas such as arts, culture and heritage, inclusive economic growth and the community voluntary sector. Senior officers need to prioritise engaging with partners to build connections and formal structures with key agencies to avoid the risk of missing out on opportunities that support the councils desired outcomes.

Progress has clearly been made with internal governance and processes in recent years. From this platform resource should now be realigned to the delivery of

corporate plan priorities, which will allow the council to fill the gaps in leadership felt by some partners and enable the council to become outward looking again.

Although there are good plans in place to strengthen community engagement through the citizen participation strategy, the programme of community conversations and the new tenant and wider engagement strategy, consideration should be given to accelerating the prioritising this work to delivery on the NCC stated commitment to put resident at the 'heart of everything we do'.

The council is on a journey with its organisational development and should consider accelerating this work and focussing more strongly on culture change. The recent investment in structure and frameworks to provide the organisation with more rigour have for example directly influenced increased accountability for budget setting, provided more discipline in agreeing projects and programmes of work, however the feedback to peers has indicated a strong desire for staff to be given more independence and empowerment. Staff valued being able to respond directly with management through a recent webinar and would like more opportunities to directly influence the delivery of outcomes opposed to just receiving messages and updates. The council should conduct more staff engagement activities like this quickly and more frequently.

#### **4.3. Governance and culture**

Senior political leadership is widely respected within the organisation by members and officers. Externally partners made positive references about political leadership and value the strong relationship with the leader and deputy leader. The respect for political leadership extends across all political parties and was cited by peers as being a very positive attribute of organisational culture. Peers identified cross party working as a clear strength.

The relationships between members and officers were seen as positive and constructive. The opposition plays a key role at the council by competently chairing

both audit and scrutiny committees. Group leaders meet regularly with the chief executive and are able to raise questions at cabinet. The opposition leader also attends the shareholder panel meetings to scrutinise the performance and decision making of the council's two wholly owned companies.

Member oversight has been strengthened through the provision of a new combined budget and performance report which the leader and portfolio holders receive each quarter and then further discuss at cabinet. Corporate risks are taken to cabinet as part of an improved approach to performance and budget monitoring. The audit committee also scrutinise the risk register.

Recent governance changes were felt to have made the organisation more positively receptive to challenge and are making checks and balances more effective for example the audit committee, new performance reporting to management teams and the corporate leadership team assurance (CLT) which focuses on a range of themes e.g. budget, performance, risks and workforce. The leader and portfolio holders receive a combined performance report and then further debated at cabinet.

There is a desire from some members for scrutiny to focus more on operational work areas. This view was also shared by officers who proactively want more scrutiny of their projects. Peers understand the scrutiny forward plan is developed through voting for subject and topic areas. Changing how the scrutiny forward plan is developed would need to be reviewed to influence a more joined up approach with officers.

Peers strongly suggest exploring if more formal officer support should be invested to support and raise the profile of scrutiny within the organisation, as well as provide timely support to members for requests for information.

The imminent departure of the respected leader and deputy leader present a risk to the recent changes to governance (a comprehensive governance review was completed during 2021) that have been implemented by the chief executive as these are not yet sufficiently embedded and his departure in March 2023 creates additional risk to this work area. The interim chief executive and wider senior leadership team will need to ensure the governance framework is further embedded and new ways of working become second nature and part of the organisational culture.

The council has recently implemented a robust governance framework for managing

change and financial savings projects. The council tested this approach in earnest when working through the detail and planning of the 2023/24 budget. The process was noted by peers as positive given the new approach has delivered detailed proposals, whilst enabling increased cross organisational challenge with staff supporting each other throughout the process. Peers heard of more rigour in developing business cases with a strong link back to corporate priorities and city-wide benefits. The new approach demonstrates the council's ability to challenge and learn whilst improving corporate governance and assurance. New approaches have landed well with staff, despite the timescales being challenging. The council is on a learning curve and expect refinement will come from further practice.

Peers heard from a range of staff that more focus should be given to internal communications, ensuring there are effective two-way channels. Positive examples shared with peers involved a well-received webinar and work on the new values. The council should accelerate further engagement with staff and find capacity to focus on internal communications that can actively support the CLT with engaging the workforce on a range of work areas. This is vital as further transformation takes place across the council.

There are no staff equalities networks or other formal mechanisms to hear the views of different groups of staff and peers heard reference to concerning behaviours that the council has taken intervention to address. As part of the council's journey to greater staff engagement, discussing future networks with the workforce may help identify specific support needs of distinct staff groups.

Poor performance with for example housing repairs and a community engagement approach that is still in development suggests the culture is not fully focused in putting residents at the 'heart of all council activity'.

### **Governance of wholly owned companies**

Both wholly owned companies NRL (Norwich Regeneration Ltd) and NCSL (Norwich City Services Ltd) have clearly defined business plans with a vision and direction of travel over the next 2 – 3 years.

Managing directors of the companies also sit on the senior leadership team and

therefore more actively engage in the wider leadership approach of the council. This was flagged by peers as a potential conflict of interest and some examples were shared where these arrangements make some business difficult and conflicting. The council should review if these arrangements are providing any risk to governance and mitigate as appropriate.

Whilst it is recognised that some areas of performance have been poor, there is an ongoing journey with planned mitigations to rectify. The last three-months of housing repairs performance data indicate an upward trend of improved performance which peers found encouraging.

With specific respect to the NCSL contract, there are three managers within the council that undertake aspects of the client role which is leading to an inconsistent approach to contract management. This needs to be resolved urgently as part of the improvement plan.

The council and political leadership need to undertake more urgent work to provide clarity around NRL's core purpose. During the peer challenge process there was some discussion concerning the overall objectives of NRL and an openness to explore alternative models of delivery whilst ensuring political objectives for regeneration and housing are delivered. The member peer, leader of Barking and Dagenham has offered to host a visit to discuss the model of housing delivery in the borough. This offer was positively received and is in the pipeline for actioning as part of the post corporate peer challenge actions.

Further work is required to align a communication strategy across the council and the wholly owned companies. This could be further addressed with investment in internal communications resource.

#### **4.4. Financial planning and management**

The council is in a relatively strong financial position. Whilst the local government sector generally has been subject to severe financial constraints and pressures over the past ten years, and Norwich has not been immune from this with stronger financial metrics than many of its peers. Core spending power per head of

population for 2023/24 (£137) puts NCC in the top quartile of all districts in England. This has allowed the council to deliver service expenditure per head (£186 according to its revenue outturn return) which is amongst the highest of its peer group and to forego substantial council tax income by offering 100% council tax reduction support, unlike many other authorities.

Briefing for members through the medium-term financial strategy and budget development process has been thorough and has clearly identified where there remains a budget gap but may not have brought out clearly enough the opportunities offered by the council's relatively strong financial position.

The budget process for 2023/24 has been thorough, incorporating detailed review of individual budgets with the relevant service managers. This has allowed an identified budget gap of £5.7 million to be closed. The savings include £3.4 million of savings from treasury and debt management which have no direct service impact. The process is clearly more ambitious and focused than that followed in the previous year when it was necessary to draw on reserves in order to balance the budget.

Financial savings are being made alongside increased income, however there is likely to be further savings which can be driven out through service transformation. While the council's relatively strong financial position means that this may not be absolutely imperative from a financial viewpoint, it might allow resources to be redeployed to areas of higher priority.

The balance sheet position of the council is also strong, with £838 million of net assets, £164 million of short-term investments and cash and £10 million of unallocated reserves as at 31 March 2022. This should provide confidence that the capital programme can be funded without excessive reliance on external finance. The general fund capital programme shows expenditure falling from £28



million in 2023/24 to £3 million in 2027/28, indicating that there is scope for more ambitious forward planning.

The process of savings identification has covered the years 24/25 to 26/27 and whilst the budget gap for these years has not been closed the process gives a measure of confidence that, if repeated annually, it could yield further savings if necessary.

### **Financial Risk**

From a management and operational viewpoint, finance is currently the responsibility of an experienced interim section 151 officer but a permanent solution will be required as soon as possible. The delivery of a new ERP system (Agresso) looks set to slip from the scheduled date of 31 March. Both these issues pose a potential risk to effective financial management.

Risk management generally is the responsibility of the section 151 officer. A corporate risk register is maintained but there is scope for more rigorous identification and analysis of risks.

The external audit for 21/22 has been delayed, although this does not appear to be through any fault of the council itself.

### **Financial Governance**

The audit committee approaches its role diligently and there is a willingness to undergo training and development. It recognises the value of independent input and has recruited an 'independent person' for this purpose. There is scope for pursuing this approach further and considering one or two independent members of the audit committee. Care would need to be taken to ensure that they had the breadth of skills and experience to make a positive contribution.



Internal audit has recently (April 2022) become the responsibility of a shared service. It appears to be too early to form a judgement as to the effectiveness of the new service. A number of audits have had to be deferred until 2023/24. The head of internal audit did not attend a scheduled meeting with the peer challenge team.

#### **4.5. Capacity for improvement**

The council are clearly on an improvement journey. There are plans and programmes underway that have enabled the council to reflect on how they undertake a range of functions with new thinking, investment and plans to improve. For example the new approach to budget setting, a more rigorous approach to project management and refreshed policy and plans on community and tenant engagement.

There is some recognition that the implementation of new frameworks and structures now need to be further supported by a programme of organisational development, ensuring all staff at all levels are fully onboard with the councils next phase of development. There is organisational awareness for the need to increase staff engagement.

The chief executive rightly identified the need to focus on the values and behaviours of the organisation, and has been leading a two-way, inclusive process with colleagues to explore this. This work has been well received and is has good prospects for supporting organisation develop. The council has engaged external support to run a culture diagnostic tool, supporting the organisation with understanding a baseline for improvement and to identify a narrative for future culture that staff can understand and work towards.

The council rightly recognises the need to provide support for organisational transformation. A corporate change programme, Future Shape Norwich, has been created and the council has sensibly appointed a director of transformation and invested in areas like project management. Many members of staff peers engaged with wanted to see change, to be more empowered and work in a cross-council way

and the Future Shape Norwich programme has the potential to deliver this and much more but needs further embedding into the organisation.

Peers were encouraged to hear how the council is building new skills and capabilities that support transformation and serve as a strong foundation for driving change and improving service delivery. There is a strong awareness of ensuring there is a clear knowledge transfer to staff from interim expertise brought in by the council to ensure skills are developed and retained. As practices evolve and application of new approaches are deployed, the council will be in a much stronger position to effectively manage transformation.

The chief executive has completed a restructure of the senior team and this has led to a sense of confidence by senior managers (directors and heads of service) in the capability of the team. However, like many councils, there are challenges recruiting to key roles, for example the director of housing role, and as a result there have had to be several interim appointments. A clear plan to make further permanent appointments to key strategic and operational roles is needed. Peers were informed that there is no specialist recruitment capacity within the HR team as a HR generalist model is in place. This may need to be reviewed given the national challenges with recruitment and retention combined with feedback indicating recruitment processes are not always aligned to operational needs.

In terms of improving the day-to-day work of the council, there is a busy change programme underway. Major computer systems are in the process of being upgraded (finance, HR and customer contact) which, although important and good to see, are placing a strain on the organisation. Similarly, restructures are taking place across the council, which need careful planning and an organisational wide approach to make sure capacity is not stretched too far.

Some staff raised concerns that HR policies on employee performance do not go far enough and would welcome a more robust approach to tackling poor performance

and inappropriate behaviours. There was a strong message from a range of staff concerning the need for more investment in learning and development to support upskilling and professional development. There was a consistent view that corporate training budgets and local management training budgets were not in line with the council's ambition and future direction of travel.

Some of the necessary organisational change has unsurprisingly caused quite a lot of turbulence. This has been recognised by the senior team and measures are in place to stabilise and improve things are being prioritised, for example by setting up an improvement board focusing on the repairs and maintenance service.

The council has recognised the need to do more to change the workforce profile so it better reflects the community, especially in relation to the numbers of staff from a black and ethnic minority background. The council is taking advantage of schemes like the LGA NGDP programme and there are local opportunities to explore, including with the local college, to use routes like apprenticeships to increase the diversity of the workforce as well as tackle some of the recruitment challenges the organisation faces. The council has an important role in influencing course delivery at the higher education establishments to ensure there is a pipeline of future skills being developed for the business community who cite this as a current risk.

Capacity to improve will be dependent on sustaining the momentum of improvements currently under way pending the appointment of a chief executive and to embed the new political leadership after May 2022.

Peers are keen to see the impact and organisational feedback regarding the progress being made with Future Shape Norwich when returning to the council to facilitate the six-month progress review.

## 5. Next steps

It is recognised that senior political and managerial leadership will want to consider, discuss and reflect on these findings.

Both the peer team and LGA are keen to build on the relationships formed through the peer challenge. The CPC process includes a six-month check-in meeting. This will be a short, facilitated session which creates space for the council's senior leadership to update peers on its progress against the action plan and discuss next steps.

In the meantime, Rachel Litherland, Principal Adviser for the East of England Region, is the main contact between your authority and the Local Government Association. Rachel is available to discuss any further support the council requires.

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07795 076834

**Committee name:** Cabinet

**Committee date:** 08/03/2023

**Report title:** Town Deal Fund Programme Update

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

**Report from:** Executive director of development and city services

**Wards:** All wards

## **OPEN PUBLIC ITEM**

### **KEY DECISION:**

#### **Purpose**

This report is to update Cabinet on the NCC Towns' Fund Programme. It provides an update on progress being made in delivery on the towns' fund programme, outlines the governance and oversight measures that have been put in place to manage the programme and gives an overview of the budget situation. It is intended that similar update will be provided annually for the duration of the programme.

In addition to providing an overview of progress in relation to all projects, the report also seeks delegated authority to award a contract for the refurbishment and operation of The Digital Hub project at Townshend House in order to minimise delay to that project.

#### **Recommendation:**

1. To note the current position regarding delivery of the Towns' Fund programme
2. To delegate authority to the Executive Director of Development and City Services, in consultation with the portfolio holder for sustainable and inclusive growth, to award the contract for refurbishment of Townshend House and operation of the Digital Hub, subject to approval of the PAR request and the budget limits as set out in para 47 of this report

#### **Policy Framework**

The Council has five corporate aims, which are:

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

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

This report meets the 'Norwich has the infrastructure and housing it needs to be a successful city' corporate priority

This report addresses the 'provide and encourage others to provide new homes, open spaces, and infrastructure for residents' and the 'secure and manage funds from a range of sources to invest in the city' priority or action in the Corporate Plan

This report helps to meet housing strategy adopted policy of the Council

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

## Report Details - Town Deal Programme Update

### Background

1. The council established the Town Deal Board in January 2020 as detailed at cabinet in March 2020. This Board met monthly to develop proposals in line with the key themes and requirements of the funding and Norwich's 2040 Vision. The Town Deal Board remains in place and meets monthly to oversee the delivery of the programme. It's membership, terms of reference and minutes of meetings can be found [here](#).
2. In July 2020 Cabinet endorsed the submission of the Town Investment Plan which set out a comprehensive package of eight schemes for investment totalling £26.13m.
3. By October 2020 the Council was notified that its bid had been successful. Norwich was one of only 4 places nationally that were successful in being offered the full £25m of funding available. This was reported to Cabinet which delegated authority for the offered town deal to be accepted. This was duly done on 16 November 2020.
4. Following the formal acceptance of the Town Deal, further detail was required to be submitted about each project. Budget profiles of projects, statements of community engagement and programme confirmation documentation were agreed by Cabinet at its meeting on 20th January 2021. Cabinet also delegated authority to allow the sign off of individual project business cases. Over the period January 2021 – July 2021 the eight detailed business cases were prepared and approved for submission to government. These were grouped in two themes (skills and enterprise infrastructure and urban regeneration) as follows:

#### 5. Skills and enterprise infrastructure

This package of projects supports how we will grow the digital and creative economy and ensure our residents and businesses have the advanced skills in digital, construction and engineering they need to prosper.

**Digital hub** – a new city centre workspace with start-up and grow on space for digital businesses.

**The Halls** – investment to update and refurbish the venue including the development of a state-of-the-art making space for collaboration and high value cross sector partnerships between culture, digital and tech.

**Digi-tech factory** – a new skills facility at City College providing digital tech, engineering and design courses.

**Advanced construction and engineering** centre – a new technological advanced training facility at City College, supporting the application of digital technology to construction, manufacturing and engineering sectors.

#### 6. Urban regeneration

These projects offer opportunities for significant levels of housing growth and employment space creation to accommodate the needs of a growing city.

**East Norwich and Carrow House** – investment to accelerate the development of a new high-quality urban quarter in east Norwich. Including support for the masterplanning exercise that is currently being commissioned and the purchase

of Carrow House complex from Norfolk County in order to give the City Council a greater stake in the redevelopment and to ensure that the historic Carrow works site can be redeveloped as a whole.

**Revolving fund** – investment to unlock brownfield sites to deliver modern homes and workspaces for the growing economy.

**Public realm** – investment to enhance the city centre public and urban spaces and improve connectivity and navigation.

**Branding** – communicating what the city has to offer by developing a commercial proposition for Norwich as the place for business and a city to live, learn and invest in.

7. Two of the projects (East Norwich and Carrow House, and the Digitech Factory) were promoted as fast track projects which allowed spending to be incurred in 20-21.
8. By August 2021 the Council was notified that all eight business cases had been approved by MHCLG [now DLUHC], making it one of the first areas nationally to have approval and award of the Town Deal Funding.
9. In total £23.645m of government funding has now been drawn down from DLUHC. A progress report was given to cabinet in Feb 2022. This report updates on progress made over the past year.

## Programme Governance

10. The Town Deal programme governance for Norwich City Council follows the guidance of DLUHC. The Town Deal Board continues to operate under the chairmanship of Andrew Dernie of Aviva and Chair of Norwich BID, and it meets monthly to review progress in relation to all projects. Details of the Town Deal Board can be found [here](#).
11. As Norwich City Council is the accountable body for the programme and is responsible for delivering five of the eight approved projects, an Internal Programme Board has been established to ensure the programme is managed in an effective, efficient, and compliant manner. A new dedicated programme manager post and project manager post have been appointed to ensure sufficient resources are available to the programme.
12. The reporting procedures within the governance structure are as follows:
  - The Town Deal Project Managers report to the Town Deal Programme Manager.
  - The Programme Manager reports to The Norwich Town Deal Board and the NCC Internal Town Deal Programme Board;
  - Internal Town Deal Programme Board reports to CLT, Cabinet or Council as required.
13. The governance structure ensures that all required decisions are authorised by Senior officers via the Internal Town Deal Programme Board, Cabinet, and Town Deal Board as appropriate.
14. The Internal Town Deal Programme Board, chaired by the Executive Director of Development and City Services, works at the operational level, and makes



recommendations for decision to officers, cabinet, or for consideration at CLT or the (external) Norwich Town Deal Board.

15. The Internal Town Deal Programme Board is accountable for the following:

- Programme planning of the in-scope programmes to meet programme and project objectives
- Provision of sufficient financial, staff and other resource to meet objectives
- Programme level risk, action, issue, and decision management
- Escalation of matters as required
- Agreeing decisions made under delegated powers (where approval has been gained from cabinet), to ensure required momentum is upheld in each of the internal TD projects

16. The Internal Programme Board meets monthly to oversee the 5 NCC lead Town Deal funded projects, referred to in paragraph 18. The Internal Board monitors the projects progress and risk, and escalates decisions to CLT if required, with recommendations.

## Project Progress

17. Overall, there has been very considerable progression with the Towns Fund projects since the February 2022 update. The Fast-Tracked projects that were awarded early funding by DLUHC, which included East Norwich masterplan, Carrow House and the DigiTech factory, have all been completed. The ACE Centre and Branding projects are also complete, and the remaining capital projects are all progressing and are expected to complete by the DLUHC deadline of 31st March 2025.

18. The below table summarises the achievements of each of the Towns Fund projects over the past year and key upcoming milestones.

Project	Achievements	Key Milestones
Digital Hub	Design work and building layouts have been completed, and a combined tender has been issued for the refurbishment of Townshend House into The Digital Hub and the operational management of The Digital Hub.	Tenders submitted – Early April 2023 Award Design and Build Contract – Beginning of May 2023 Anticipated contractors start on site – Beginning of July 2023
The Halls	Project team consultants have been appointed and are currently progressing the RIBA Stage 3 design.  A Building condition survey of the Halls carried out in August 2022, identified a number of urgent issues with the building fabric. Further detailed surveys identified costs and funding has been requested from the capital fund to do these works at the same time as the Town Deal The Halls project.	Appointment acoustic consultant – March 2023  Complete design stage ready for construction tender issue – End April 2023  Anticipated start on site – September 2023  Cabinet/council consideration of budget amendment to allow

	The Arts Council application for capital funding was unsuccessful.	remedial works to the Halls to be undertaken alongside Towns Deal project
DigiTech Factory	Accelerated Project. Officially opened 20 <sup>th</sup> October 2021	Project completed
ACE Centre	Building project completed and open to students in October 2022. Some technical equipment was outstanding initially but has now been installed. Official opening 24 <sup>th</sup> Feb 2023	Project completed
Carrow House	Purchase of Carrow House completed – Sept 2021 Construction contract for New Carrow House completed – June 2022. Construction contract for Old Carrow House completed – February 2023.	Project completed. Property being marketed.
East Norwich Masterplan	Town Deal Funded stages of the project completed with endorsement of stage 2 Masterplan by Cabinet in June 2022.	Project completed. Information and updates can be found <a href="#">here</a> .
Revolving Fund	Negotiations with site owners are continuing, and a number of sites have been progressed by developers after communication from the team. Authority to CPO 2 sites approved by cabinet – Dec 2022. Further sites have been identified to request authority to CPO. One site appears likely to progress via negotiation	Site purchase negotiations – ongoing  Milestone agreements are being concluded with the site owners of the land cabinet approved for CPO in Dec 2022, to ensure continued development progress.  The list of sites to be include in the second stage of negotiations with will be concluded by May 2023. Further report to Cabinet due in June/July.
Public Realm	Project has been descoped due to escalating construction costs jeopardising both areas of the project. It was agreed to postpone St Giles Street and remove it from the Public Realm project. Hay Hill is progressing well. The team have appointed Tarmac to carry out the construction works. This appointment is being arranged via the Norfolk County Council framework.	St Giles detailed design - Mar 22. Hay Hill structural Engineer appointment – Feb 22 Hay Hill planning application for removal of sculptures – Mar 2023 Anticipated start on site – End April 2023.
Branding	WiN launched October 2022	Project completed. A link to the website is <a href="#">here</a> .

## Project budget and Forecast Outturn

19. Various amendments have been made to budgets in year to ensure the Towns Fund Programme can be delivered within budget. This includes additional Council investment has been secured to ensure delivery of the project at Carrow House. There is a proposal to do something similar to The Halls (subject to cabinet endorsement on 28<sup>th</sup> Feb-23 and subsequent Council consideration)
20. The cost increases on Digital Hub project are being met by a proposed PAR from the Public Realm project as the Public Realm project has been descoped to ensure sufficient finance is available to deliver a high-quality public realm in Hay Hill (approved by DLUHC) and there remains a considerable underspend in relation to the revolving fund as negotiations continue on the sites
21. Following these amendments all the projects are projected to be delivered within budget at present. Further detail is set out in **Appendix A, Table 1**
22. All the projects are projected to be delivered on budget or are showing an underspend at present. It should be noted that the scope of works in some projects has been reduced to enable the projects to remain within budget. A decision was made to descope the Public Realm project removing the St Giles element, due to construction cost pressures. Please see **Appendix A Table 2**

## Overview of risks and issues

23. Since the project Business Cases were submitted to DLUHC there has been increasing cost inflation in the construction market as well as supply chain challenges. This ongoing pressure in the market means that all capital Town Deal projects price and programmes have been impacted, with the exceptions of Branding, which was a revenue only project, Revolving Fund, which is not a typical capital project, and DigiTech Factory, which was completed prior to the bigger impact of the increased costs.
24. On 13<sup>th</sup> October 2021 a paper was presented to cabinet regarding the award of contract for Carrow House. Similar issues are affecting the remaining 3 'traditional' Town Deal capital projects (The Halls, The Digital Hub and the Public Realm), however these projects are progressing well, and officers are aware and working to mitigate these problems wherever possible. DLUHC is also aware of the national construction industry pressures, which are being experienced by all 101 Town Deal programmes and has worked with the team to approve project descoping and project adjustment requests, to ensure the schemes remain viable and deliverable.
25. Now that all the remaining projects are entering their development phase, each project manager is revisiting their programme of works and project costs, with a view, if required, of going back to DLUHC to reprofile the funding between projects to ease budgetary pressures. Scope from other funding sources is also being explored at this time.

26. The programme for each project is evaluated regularly by the project team, including the programme manager, and at the monthly Internal Town Deal Programme Board and The Norwich Town Deal Board. At the time of writing, the internal NCC projects are all programmed to be completed during 2024, which is within the final DLUHC funding end date of 31<sup>st</sup> March 2025.
27. The overriding risks to the capital projects are cost inflation in the construction market and supply chain challenges, as previously mentioned. These risks may impact on both budget and programme, however the extent of this will not be known until projects have progressed to a tender stage for the works, and officers are working to mitigate the impact. The Digital Hub is now out to tender, and we are aware of a funding shortfall, therefore officers have submitted a request to DLUHC for a virement of funds (a PAR) from the Public Realm project, which has excess funding due to the project descope. If this funding virement is approved by DLUHC this will ensure the project will continue and that both the Hay Hill Public Realm project and the Digital Hub projects are fully deliverable.
28. Project risks are discussed at the Norwich Town Deal Board and Internal Town Deal Programme Board monthly meetings. Individual Project Highlight Reports are produced which detail all project risks for discussion, and a programme level risk register is also completed and reviewed at these meetings.
29. **Appendix B** contains the programme and project risk logs. Please note that although this follows a similar methodology to the Council's corporate risk management approach, the risks have been assessed and are managed on a programme basis, and this risk log will evolve as the programme develops.

### **Future Programme Updates**

Cabinet will receive an update on the Town Deal Programme yearly for the duration of the programme. The next update is due to be made to Cabinet in March 2024.

## **Update on the Digital Hub Project**

30. Townshend House is a council-owned office block in Norwich city centre. The successful Towns Deal business case sought investment to support a comprehensive renovation and upgrade of the building into a Digital Hub, creating new, digital hub workspace in the city centre to support fast-growing knowledge businesses, cross-sector collaboration, generating digital scale-ups and lifelong learning opportunities.
31. The Digital Hub is designed to provide accommodation to attract smart, ambitious, like-minded entrepreneurs and companies; co-locating them in scalable facilities with connections to high quality business support, investors and potential customers. Accelerator programmes will be run on a wide range of business and technical topics. Overall, the Digital Hub will provide a focus to raise the profile of digital and the opportunities within the sector, increasing digital start-ups, scale-ups and business growth in Norwich and supporting the retention of ideas, talented people and knowledge jobs in the Norwich economy.
32. A successful building and wrap-around business support offer will also deliver:
  - Wider stimulation of Norwich's office market.
  - Increased employment density in knowledge sectors.
  - Increased digital sector jobs and businesses.
  - Increased individuals engaged with digital learning
  - Creation of sustainable employment opportunities providing career progression and higher than living wage.
  - Increased collaboration between Higher Education, graduates and business.
33. The Digital Hub will be a new and unique business space in the heart of the city centre, which will enable the clustering of tech start-ups and established digital businesses. It will also provide the right environment for these firms to grow and scale-up, and through this create new jobs in Norwich.

## **Capital Works and Operational Management Procurement Background**

34. The original business case was developed on the basis that NCC would oversee the design and refurbishment works, and finally appoint managers to operate The Digital Hub. Through early engagement with the digital community and the project's design progression it has become clear that a more efficient way to commission the contract was for the NCC team to lead the design up to RIBA stage 3, and then tender as a design, build and management contract, to allow specialist organisations, who will run the facility, to input into its design.
35. It is intended that Townsend House will be leased to the management operator, as part of the combined tender. The proposed lease will be a 15-year lease, with a 5-year break. The value of the lease will ensure that the revenue generated from it is in line with the revenue shown in the Business Case.
36. NPLaw have undertaken a comprehensive review of the combined tender proposals and advised throughout the process.

## **Legal advice**

37. NPLaw advised that the procurement position is, the tender forms a “mixed procurement” as set out in Regulation 4 of the Public Procurement Regulations on the basis that the two components of the project, the works, and the concession arrangement, are objectively inseparable for reasons that:
  - a. both component parts together form an ‘indivisible whole’ and otherwise the prospects for securing a best value outcome would markedly reduce.
  - b. procuring the refurbishment in isolation may be unattractive to a potential operator with wasted time and resources
  - c. awarding separate contracts could compromise the overall management of the contract
  - d. there are sound and objective reasons to have both parts performed by the same contractor (e.g. a consortium)
38. In addition to overarching principles of transparency, and equal treatment in terms of compliance with the procurement regulations, this procurement can be deemed a sub-threshold procurement, the key resulting requirement being to advertise on the Find a Tender service.
39. As a condition of the lease, the successful bidder will be bound to a Service Level Agreement that will ensure that objectives of the City Council are delivered.

## **Combined Tender**

40. The proposed combined tender process was approved by the Internal Town Deal Programme Board on the 18<sup>th</sup> October 2022.
41. An Expression of Interest was published on Contract Finder/Find a Tender on 24<sup>th</sup> October 2022.
42. Following completion of the tender package, the Invitation to Tender was published on Contract Finder/Find a Tender on 24<sup>th</sup> January 2023, with a tender submission date of first week of April and likely date for award of contract falling in May 2023.
43. In order to avoid any delay to the project by waiting until Cabinet meets in June to agree the contract delegated authority is sought to allow the contract to be entered into.

## **Finances**

44. The forecasted capital costs of the Towns Deal Digital Hub Project is £3.18m including £0.16m of contingency, the funding available is only £2.78m giving a £0.4m shortfall (**see Appendix A – Table 3**).
45. Per the project budget section earlier in the paper, the capital and revenue funding totals £2.98m (see Appendix B), £0.2m relates to allocated and spent revenue costs to vacate the building, leaving £2.78m of funding for capital costs.

46. The primary sources of funding are £2.45m from Towns Deal, £0.32m from Norfolk County Council, £0.13m from Norwich City Council and £0.08m from DLUHC £1m Accelerated funding.
47. The £0.4m shortfall is expected to come from a closed Towns Deal project from this round of funding, the closed project has sufficient funds to cover the shortfall.
48. A PAR (Project Adjustment Request) has been submitted to DLUHC to request approval of a £0.4m transfer to the Digital Hub project.

## Conclusion

49. In accordance with the Council's constitution, contracts that are greater than £500k in value must either be determined by Cabinet or delegated by Cabinet to Officers. The value of the contract is expected to be approximately £2.5m and exceeds the criteria for a key decision and hence contract award requires a cabinet decision. However, it is likely that the contract will need to be awarded and works will need to commence before the next cabinet in June 2023 and therefore it is recommended that the decision to award the contract is delegated to the Executive Director of development and city services, in consultation with the portfolio holder for sustainable and inclusive growth, subject to approval of the PAR so that the budget is available.

## Implications

### Financial and Resources

50. Any decision to reduce or increase resources or alternatively increase income must be made within the context of the council's stated priorities, as set out in its Corporate Plan 2019-22 and Budget.
51. See paragraphs 42 – 46 on financial resources and funding

## Statutory Considerations

Consideration	Details of any implications and proposed measures to address:
Equality and Diversity	All Towns Fund projects have been designed to support a positive contribution to equalities, particularly in the delivery of improved accessibility, skills infrastructure and access to employment.
Health, Social and Economic Impact	The Towns Fund projects provide significant improvements in economic regeneration and skills infrastructure in Norwich in line with the Norwich 2040 Vision and the Norwich Economic Strategy. They make a major contribution to delivering key priorities and outcomes in partnership with a wide range of key stakeholders.
Crime and Disorder	No implications

Consideration	Details of any implications and proposed measures to address:
Children and Adults Safeguarding	No implications
Environmental Impact	All the projects have been developed to support clean growth and particularly development of skills associated with a transition to a carbon zero economy.

## Risk Management

Risk	Consequence	Controls Required
Please see Appendix B		

## Other Options Considered

52. With regards to the Digital Hub update, consideration was given to waiting until the cabinet meeting in June 2023, however this would mean that works are unlikely to commence on site until the middle of August 2023, and this creates a high risk to the project programme.

## Reasons for the decision/recommendation

53. With regards to the Digital Hub update, the decision is recommended to ensure the Town Deal Digital Hub project programme continues in line with the information given to the Department of Levelling Up, Communities and Housing.

## Appendices:

### Appendix A Towns Deal Programme and Project Risk Logs


### Appendix B Financial Tables and Notes

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

## **FINANCIAL TABLES AND NOTES**

**Table 1**

**Town Deal and Match Funding**

**Summary of Total Funding**

Projects - Capital	Original Budget	Townsfund Funding Committed	Towns fund PAR Adjustment	Match Funding Committed	Match Funding UnCommitted	£1m Accelerated Fund Adj. (Note 1)	Revised Budget
	£000s	£000s		£000s	£000s	£000s	£000s
Capacity Funding	173	173		5	-		178
£1m Accelerated Fund	1,106	1,000		106	-	(355)	751
<b>Sub-Total</b>	<b>1,279</b>	<b>1,173</b>		<b>111</b>	<b>-</b>	<b>- 355</b>	<b>929</b>
Programme Management	581	581		-	-		581
Digital Hub	2,848	2,450		457	-	75	2,982
The Halls	3,706	3,426		-	100	280	3,806
Carrow House	4,192	4,192		728	-		4,920
East Norwich MasterPlan	100	100		-	-		100
Revolving Fund	5,472	5,472		-	-		5,472
Public Realm - St Giles	1,806	1,744	- 942	180	-		982
Public Realm - Hay Hill	2,290	2,209	942	81	-		3,232
Digitech Factory	1,500	1,500		-	-		1,500
ACE	3,100	3,100		-	-		3,100
Branding	180	180		-	-		180
<b>Sub-Total</b>	<b>25,774</b>	<b>24,953</b>	<b>-</b>	<b>1,446</b>	<b>100</b>	<b>355</b>	<b>26,853</b>
<b>Grand Total</b>	<b>27,053</b>	<b>26,126</b>	<b>-</b>	<b>1,556</b>	<b>100</b>	<b>-</b>	<b>27,782</b>

## Funding Table 1 Comments:

Various amendments have been made to budgets in year to ensure the Towns Fund Programme can be delivered within budget.

This includes:

Total funding for each project, includes:

- The agreed Town Deal funding per project
- Match funding confirmed
- Match funding unconfirmed
- The uncommitted funding column above shows £0.1m for the Halls, we are awaiting confirmation for the funding and the value, as a larger contribution maybe available.
- The separate column for the £1m Accelerated Fund adjustment above, shows the transfer of funds of £0.36m from the £1m Accelerated fund to the Digital Hub and The Halls shown as match funding for these projects.

## Table 2

### Town Deal Summary

#### Summary of Towns Deal Actuals and Committed Costs to 31st January 2023

#### *Capital and Revenue Costs*

Internal External Projects	WIP or Completed	Projects	YTD Actuals	Future Committed Costs	YTD Actuals & Committed Costs
Internal			£000's	£000's	£000's
Internal	Completed	Capacity Funding	178	-	178
Internal	WIP	£1m Accelerated Fund	519	232	751
Total Capacity Funding and £1m Accelerated Funding			697	232	929
Internal	WIP	Programme Mgmt	282	146	428
Internal	WIP	Digital Hub	351	9	361
Internal	WIP	The Halls	407	214	622
Internal	WIP	Carrow House	4,331	381	4,712
Internal	Completed	East Norwich MasterPlan	100	-	100
Internal	WIP	Revolving Fund	134	122	256
Internal	WIP	Public Realm - St Giles	219	-	219
Internal	WIP	Public Realm - Hay Hill	155	74	229
Total Townsfund Internal Projects & Programme Management			5,980	947	6,927
External	Completed	Digitech Factory	1,500	-	1,500
External	Completed	ACE	2,042	1,058	3,100
External	Completed	Branding	180	-	180
Total Townsfund External Projects			3,722	1,058	4,780
<b>Grand Total</b>			<b>10,398</b>	<b>2,237</b>	<b>12,635</b>

Original Budget	Revised Budget	Forecast Outturn	Variance
£000's	£000's	£000's	£000's
173	178	178	-
1,106	751	751	(0)
1,279	929	929	- 0
581	581	581	0
2,848	2,982	3,381	(399)
3,706	3,806	3,806	0
4,192	4,920	4,919	0
100	100	100	0
5,472	5,472	5,471	0
1,806	982	219	763
2,290	3,232	3,232	(0)
20,994	22,073	21,710	363
1,500	1,500	1,500	0
3,100	3,100	3,100	(0)
180	180	180	0
4,780	4,780	4,780	- 0
<b>27,053</b>	<b>27,782</b>	<b>27,419</b>	<b>363</b>

% of YTD Actuals & Committed costs vs Forecast Outturn	46%
% of completed projects	27%

Actuals, Budget, and Outturn Table Notes:

- 1) The Towns Deal Public Realm, St Giles project has been approved by DLUHC to be closed for this Towns Deal funding round, leaving St Giles with available funds of £1.7m after sunk costs.

DLUHC and NCC approved that Hay Hill (part of the Public Realm Project) would receive £0.94m of St Giles funding, leaving a remaining £0.76m.

- 2) The Digital hub forecast outturn is £3.38m capital and revenue, of which £3.18m relates to capital as discussed in this paper. A Project Adjustment Request (PAR) has recently been submitted to DLUHC to request £0.4m of the St Giles funds be vired to cover the shortfall.
- 3) The ACE project is being completed by City College Norwich (CCN), this project is now completed and £0.6m was approved and paid to CCN in February 2023 in addition to £2m in actuals above. Invoices for the remaining amount excluding retention costs are expected later in the year.

Table 3

**Forecasted capital costs of the Towns Deal Digital Hub**

Towns Fund - Digital Hub Full Project Costs <i>February 2023</i>								
Description	20-21 £000's	21-22 £000's	22-23 £000's	23-24 £000's	24-25 £000's (Retention costs)	Sub Total £000's	Contingency £000's	Grand Total £000's
Construction Works (inc. Prelims, Design)				2,558	39	2,597	130	2,727
Consultants and Surveys	6	23	78	127		234		234
<b>Main Construction + Other Costs Part of Oxburys Costings</b>	<b>6</b>	<b>23</b>	<b>78</b>	<b>2,685</b>	<b>39</b>	<b>2,831</b>	<b>130</b>	<b>2,961</b>
Consultants	6	14	13	1		34	27	62
Internal Staff Costs		29	54	46		129		129
Legal Costs		4	9	11		24		24
<b>Additional Costs</b>	<b>6</b>	<b>47</b>	<b>75</b>	<b>58</b>	<b>-</b>	<b>187</b>	<b>27</b>	<b>215</b>
<b>Total Capital Costs</b>	<b>12</b>	<b>71</b>	<b>153</b>	<b>2,743</b>	<b>39</b>	<b>3,018</b>	<b>157</b>	<b>3,175</b>
<b>Total Capital Costs per annum (Inc. Contingency)</b>	<b>12</b>	<b>71</b>	<b>153</b>	<b>2,900</b>	<b>39</b>	<b>3,175</b>		
						Funding Available	<b>2,776</b>	
						Potential Virement from alternative TD project	<b>399</b>	
						Total Funding	<b>3,175</b>	
						Forecast Variance to funding	<b>0</b>	

## **APPENDIX B**

### **Town Deal Programme and Project Risk Logs**

## Project: Town Deal Fund Programme High Level Risks 31/01/2023

Current overall Programme risk			Owner:			Category:		Risk Direction:	
			Current Residual Risk			Target Risk			
Date Raised	Impact	Likelihood	Score	Risk Strategy	Impact	Likelihood	Score		
21/12/21	3	3	9		2	2	4		

Risk: Covid – 19			Owner:				Category:		Risk Direction:	
				Current Residual Risk				Target Risk		
Description/Triggers	Impact	Mitigation	Date Raised	Impact	Likelihood	Score	Risk Strategy	Impact	Likelihood	Score
The Government forces a country/local lock down. Covid and flu illness in project staff, including NCC staff, Consultants and Contractors.	Delay in progressing programme, resulting in funds being unspent within the DLUHC time frames.	All PMs have close contact with Programme Manager so their work can be covered in the event of illness.  External project PMs competent to take over if needed.  Internal PMs aware of all current progress if External PM off.	21/12/21	3	2	6		3	1	3
			Risk Control Action							
			Action		Owner		Target Date	Update		
			Communication between all team members		Programme Manager		ongoing	01/23 – The risk of a Covid lockdown is significantly reduced, however the increased occurrences of significant illness in staff have increased in the last 3 months.		

Risk: Construction Industry			Owner:				Category:		Risk Direction:	
				Current Residual Risk				Target Risk		
Description/Triggers	Impact	Mitigation	Date Raised	Impact	Likelihood	Score	Risk Strategy	Impact	Likelihood	Score
Impact of the pandemic and BREXIT on the construction industry.	Increasing costs and programme delays due to issues in the supply of materials, and staff shortages.	Credit checks done on companies prior to appointment. Continued monitoring of the situation for each project. Working with Project Procurement Officer	21/12/21	4	3	12		2	3	6
			Risk Control Action							
			Action		Owner		Target Date	Update		
			Continued Monitoring		Programme Manager Project Manager		Ongoing	10/22 – impact war in Ukraine and Brexit impacting on construction costs and supplies of materials and workforce  01/23 – above still applies and effecting costs and programme.		

Page 72 of 202



## Project: Town Deal Fund Programme High Level Risks (continued)

Risk: Staff			Owner:				Category:	Risk Direction:		
				Current Residual Risk				Target Risk		
Description/Triggers	Impact	Mitigation	Date Raised	Impact	Likelihood	Score	Risk Strategy	Impact	Likelihood	Score
Key project staff leaving the employment of the Council.	There is one person for each project and admin role. If a member of staff resigns, this will impact the progress of the projects and the well-being of the other staff due to excessive workload to cover.	Ensure recruitment advertising is managed quickly.  Ensure all staff have a 1:1 fortnightly and an annual review, so that managers are aware of their workload and well-being.	21/12/21	4	3	12		3	3	9
			Risk Control Action							
			Action		Owner		Target Date	Update		
Continued Monitoring		Programme Manager		Ongoing	10/22 – recruitment continues to be a significant issue 01/23 – recruitment continues to be a significant issue due to availability of the correct candidates and significant increase in daily rates impacting budget					

Risk: Consultant/Contractor			Owner:				Category:	Risk Direction:		
				Current Residual Risk				Target Risk		
Description/Triggers	Impact	Mitigation	Date Raised	Impact	Likelihood	Score	Risk Strategy	Impact	Likelihood	Score
Contractor or consultant abandoning works or going into insolvency.	Significant delays to programme and budget	Credit checks done on companies prior to appointment. Continued monitoring of the situation for each project. Working with Project Procurement Officer  Reprofile budgets where needed.  Constant cost monitoring across all TD projects to enable virements between project budgets where possible.	21/12/21	5	3	15		3	3	9
			Risk Control Action							
			Action		Owner		Target Date	Update		
			Continued Monitoring		Programme Manager Project Procurement Officer		Ongoing	10/22 – impact of war in Ukraine, UK Inflation rates and Brexit are the construction industry, making companies vulnerable at the current time. 01/23 – above still applies and significant inflation increasing the possible risk		

## Project: The Halls Make Space

Risk: Match Funding			Owner:				Category:	Risk Direction:		
				Current Residual Risk				Target Risk		
Description/Triggers	Impact	Mitigation	Date Raised	Impact	Likelihood	Score	Risk Strategy	Impact	Likelihood	Score
The Council fails to secure match funding Consolidated Charities	Reduced project budget.	Value Engineer works. Reallocate funds within TD Projects.  Apply for alternative funding, partners to identify areas of help.  Reprofile funding with DLUHC into future financial years.	21/12/21	4	2	8		2	2	4
			Risk Control Action							
			Action		Owner	Target Date	Update			
			Continued contact with, and responses to, Consolidated Charities.		Project Manager	30/11/22	04/02/22 – Meeting to discuss possible options with Consolidated Charities. 06/22 – continued communication with CC but no progress with obtaining funds. 08/22 – continued communication with CC. CC has proposed a meeting in October 08/22 – continued communication with CC. CC has proposed a meeting in November 11/22 – CH met with CC and the proposals were met with interest. CH invited back to present again to the Board to hopefully secure funding in February			

Risk: Unknown Building Condition Issues			Owner:				Category:		Risk Direction:	
				Current Residual Risk				Target Risk		
Description/Triggers	Impact	Mitigation	Date Raised	Impact	Likelihood	Score	Risk Strategy	Impact	Likelihood	Score
Unknown issues with current building. Due to the age of the building, issues may be uncovered during construction works.	Increase project budget, and reduce project scope.	Instruct condition surveys where possible, to reduce number of unknown issues  Apply for alternative funding, partners to identify areas of help.	02/08/22	4	3	12		4	2	8
			Risk Control Action							
			Action		Owner		Target Date	Update		
			Close monitoring with design team.		Project Manager		30/11/22			

## The Halls – Make Space (continued)

Risk: Funding for Condition Survey works			Owner:			Category:		Risk Direction:		
				Current Residual Risk				Target Risk		
Description/Triggers	Impact	Mitigation	Date Raised	Impact	Likelihood	Score	Risk Strategy	Impact	Likelihood	Score
Recent condition Survey highlighted significant issues in the building fabric which are not part of the Town Deal Funded works. Alternative funding needs to be sort from NCC Capital reserves but waiting until the February Cabinet meeting will delay the TD project programme. Not doing the works within the Town Deal construction project will mean that the Halls will suffer an extended time of closure and therefore loss of revenue, and the costs of the works will increase significantly.	A delay in deciding if these works will be funded, will delay the Town Deal Project	Additional surveys to be carried out to provide more detail on the urgent works and to inform what could be included in the PPM.  Funding decision made before the February Cabinet meeting to reduce programme delay Project team made aware of the condition issues and incorporating internal issues within the current design where needed	02/08/22	4	4	16		3	2	6
Risk Control Action										
			Action		Owner		Target Date	Update		
			Senior level decision required		HoS Property and Economic Services		30/11/22	01/23 – detailed survey completed, cost of works is estimated at £1.6m The budget paper to cabinet in Feb 23 is requesting £950k. Additional funding will be required now a more accurate estimate has been obtained.		

## Project: Carrow House

Risk: Unknown Elements in OCH			Owner:				Category:		Risk Direction:	
				Current Residual Risk				Target Risk		
Description/Triggers	Impact	Mitigation	Date Raised	Impact	Likelihood	Score	Risk Strategy	Impact	Likelihood	Score
Increased project budget due to unknown element of building works in Listed Building area.	Project will go over budget.	Value Engineer works Old Carrow House. Prioritise construction works in areas of unknow risk. Constant cost monitoring across all TD projects to enable virements between project budgets where possible.	02/08/22	2	1	2		1	1	1
			Risk Control Action							
			Action		Owner		Target Date	Update		
			Close monitoring of onsite construction works.		Project Manager		01/12/22	10/22 – Mitigation works continue and unknow costs are being reduced by surveys and continued work. 01/23 – 95% of works completed and risk significantly reduced		
			Regular meetings with external project manager.		Project Manager		01/03/23	02/23 – continue until expected handover w/c 06/02/23		

Risk: Unknown Drainage Condition Issue			Owner:				Category:		Risk Direction:	
				Current Residual Risk				Target Risk		
Description/Triggers	Impact	Mitigation	Date Raised	Impact	Likelihood	Score	Risk Strategy	Impact	Likelihood	Score
Programme delay and Increased project budget due to discovery of collapse Victorian combined drainage to the rear of NCH	Project will go over budget.	Drainage and engineering surveys carried out to establish extent and cost of works.  Depending on cost, it is possible that the contingency could be utilised to cover the overspend.	02/08/22	3	3	9		2	2	4
			Risk Control Action							
			Action		Owner		Target Date	Update		
			Close monitoring of costs		Project Manager		01/02/23	01/23 – detailed surveys being carried out w/c 23/01/23		
			Regular meetings with external project manager and contractor		Project Manager		01/02/23			

## New Carrow House (construction contract completed 27/06/22)

Risk: NCH Marketing			Owner:				Category:	Risk Direction:		
				Current Residual Risk				Target Risk		
Description/Triggers	Impact	Mitigation	Date Raised	Impact	Likelihood	Score	Risk Strategy	Impact	Likelihood	Score
Marketing of the office space.	If both New and Old Carrow are not occupied at the rate shown in the business case, income will be lower than expected.  Hold cost will increase and impact NCC budget.	Appoint a marketing agent by Jan/Feb 2022.  Ensure all external landscaping is well kept and inviting to potential tenants.  Look at alternative options	21/12/21	4	4	16		2	2	4
			Risk Control Action							
			Action		Owner		Target Date	Update		
			Option paper for alternative use. Monitoring of onsite construction works at OCH.		Project Manager		01/03/23	06/22 – Handover of New Carrow House 27/06/22 10/22 – OCH construction works ongoing. PM notifies contractor of any external visits to NCH. 01/23 – OCH will handover 03/02/23		
			Early appointment of agent.		Project Manager Programme Manager		28/01/22	06/22 – Roche have been appointed as letting agent and have begun marketing. 10/22 – dual marketing approach has been adopted to ensure maximum number of possible tenants can be reached.		

Risk: NCH EPC			Owner:				Category:		Risk Direction:	
				Current Residual Risk				Target Risk		
Description/Triggers	Impact	Mitigation	Date Raised	Impact	Likelihood	Score	Risk Strategy	Impact	Likelihood	Score
Since the original design for refurbishment was agreed, the way the EPC rating is calculated has been changed. The result is that instead of increasing to an EPC C rating, the building has gone down. The current EPC stands and is EPC E	If the EPC is not improved NCC will be unable to lease the offices	MEES assessments and reports are being carried out to establish methods and costs of improving the EPC rating of the building.  Option paper is being completed to establish the ways forward for the building.	21/12/21	4	4	16		3	3	9
			Risk Control Action							
			Action		Owner		Target Date	Update		
			Work with MEES surveyor to finalise costs.		Project Manager		01/03/23			
			Agree options with CLT		Project Manager		01/03/23			

## Project: Digital Hub, Townshend House

Risk: Budget			Owner:				Category:		Risk Direction:	
				Current Residual Risk				Target Risk		
Description/Triggers	Impact	Mitigation	Date Raised	Impact	Likelihood	Score	Risk Strategy	Impact	Likelihood	Score
Budget estimates have been produced for the design; however due to construction industry cost increases budget is expected	If costs escalate the viability of the scheme described in the business case will be negatively impacted and the programme will be delayed.	Value Engineer design.  Constant cost monitoring across all TD projects to enable virements between project budgets where possible.  Alternative tendering of works to include, design/build and manage in one tender.	21/12/21	4	3	12		3	2	6
			Risk Control Action							
			Action		Owner		Target Date	Update		
			Continued communication with design team		Programme Manager Project Manager		01/12/22	06/22 – progressing procurement and legal discussions regarding tender package. 10/22 – Combined tender package agreed by Boards, and team moving forward with this. 01/23 – Combined tender issued 24/01/22		
			Budget reprofile		Programme Manager		1/12/22	01/23 – virement request submitted to DLUHC w/c 30/01/23		

Risk: Tender			Owner:				Category:		Risk Direction:	
				Current Residual Risk				Target Risk		
Description/Triggers	Impact	Mitigation	Date Raised	Impact	Likelihood	Score	Risk Strategy	Impact	Likelihood	Score
Tender package to include construction, management and lease of building. We may not get tenders for the whole package	Programme delay, abortive costs. Cost increases	Communicate with all likely tenderers.  Work closely with legal advisors  Abort process and revert to traditional tender process in good time if problems encountered.	02/08/22	3	2	6		2	2	4
			Risk Control Action							
			Action		Owner		Target Date	Update		
			Continued communication with design team, legal and procurement		Programme Manager  Project Manager		01/10/22	06/22 – progressing procurement and legal discussions regarding tender package. 10/22 – Combined tender package agreed by Boards, and team moving forward with this. 01/23 – tender issued 24/01/23		

## Project: Public Realm

Risk: Budget			Owner:				Category:		Risk Direction:	
				Current Residual Risk				Target Risk		
Description/Triggers	Impact	Mitigation	Date Raised	Impact	Likelihood	Score	Risk Strategy	Impact	Likelihood	Score
Budget estimates have been produced for both St Giles Street and Hay Hill, however costs are expected to rise due to construction industry pressures	If costs escalate the viability of the scheme, described in the business case, will be negatively impacted.	Value Engineer works on both project areas.  Constant cost monitoring across all TD projects to enable virements between project budgets where possible.	21/12/21	1	1	1		1	1	1
			Risk Control Action							
			Action		Owner		Target Date	Update		
			Design and cost evaluation		Project Manager		01/03/22			
			Project/Programme budget monitoring		Programme Manager		01/03/22	06/22 – Costs for St Giles project significantly increased. Looking for alternative funding or reallocation of funding to Hay Hill. Hay Hill awaiting cost analysis but expected to increase significantly. 10/12 – request submitted to DLUHC Aug 22, awaiting response. Further cost plan sort for Hay Hill. 01/23 – DLUHC approved the descopeing and removal of St Giles.		

## Project: Public Realm cont'd

Risk: Sculptures			Owner:				Category:		Risk Direction:	
				Current Residual Risk				Target Risk		
Description/Triggers	Impact	Mitigation	Date Raised	Impact	Likelihood	Score	Risk Strategy	Impact	Likelihood	Score
Removal and relocation of sculptures in Hay Hill. The sculptures are difficult to relocate due to the subject.	The sculptures must be moved to allow for the new scheme and intended use. A suitable alternative location is difficult to find, and this could result in a reputational risk for NCC.	Discuss possible options with NCC stakeholders, the Norwich Society, and the Thomas Browne Society.  During the stakeholder and public consultation, suggestions can be sought for its location.		4	3	12		1	2	2
			Risk Control Action							
			Action		Owner	Target Date	Update			
			Communication with stakeholders  Supporting statement to Planning  Relocate sculptures to alternative location.		Programme Manager		06/22 – NUA and UEA interested in relocating sculptures, meetings with both have been arranged.  10/22 – Alternative location identified and communicated with Artists and Thomas Brown Society. 01/23 – planning app submitted for relocation of sculptures to Elm Hill. This has received objections and will go to committee Feb 23.			
			Public consultation		Project Manager		06/22 – public consultation complete with an excellent response from the public and stakeholders. Generally supportive of the scheme.			

Risk: Statue			Owner:				Category:		Risk Direction:	
				Current Residual Risk				Target Risk		
Description/Triggers	Impact	Mitigation	Date Raised	Impact	Likelihood	Score	Risk Strategy	Impact	Likelihood	Score
Relocation of the Thomas Browne statue within Hay Hill may be resisted by Historic England.	The statue is currently located in a position that inhibits our ability to design a widely useable community space.	Early discussions with Historic England to ensure they are aware of the reasons for the relocation within Hay Hill.		2	2	4		2	1	2
			Risk Control Action							
			Action		Owner	Target Date	Update			
			Communication with HE		Project Manager		06/22 – continued communication with HE, who appear supportive of relocating within Hay Hill.  10/22 Continued communication with HE is positive about the relocation of the statue within Hay Hill  01/23 – HE have not currently objected.			
Page 80 of 202										



## Project: The Revolving Fund

Risk: CPO Associated Costs			Owner:				Category:		Risk Direction:	
				Current Residual Risk				Target Risk		
Description/Triggers	Impact	Mitigation	Date Raised	Impact	Likelihood	Score	Risk Strategy	Impact	Likelihood	Score
Cost escalation due to CPO purchase route for sites would reduce the number of sites we could purchase.	This is a reputational risk as the approved DLUHC business case identifies a rotation of sites to enhance the local community's environment and well-being	Work closely with the property consultant to ensure the most viable sites are purchased.  Monitor budget spend, and number of CPO sites selected.	21/12/21	4	3	12		2	2	4
			Risk Control Action							
			Action		Owner	Target Date	Update			
			Continued contact with property consultant		Project Manager Sarah Collins	01/03/22 for 1 <sup>st</sup> stage	06/22 – Phase 1 property advice report completed. 10/22 – continue to monitor the most appropriate option to purchase sites. 01/23 – ongoing			
			Budget monitoring		Programme Manager	ongoing	06/22 – Property advisers are recommending initial negotiation offers for 3-4 sites in phase 1. 10/22 – this is ongoing. 01/23 – on going			

Risk: Budget Underspend			Owner:				Category:		Risk Direction:	
				Current Residual Risk				Target Risk		
Description/Triggers	Impact	Mitigation	Date Raised	Impact	Likelihood	Score	Risk Strategy	Impact	Likelihood	Score
Significant underspend of budget.	We have an agreed programme spend with DLUHC which, if the programme is not monitored, may result in the money being withdrawn	Close monitoring of budget spend and landowner communications.  Work closely with property consultant to ensure the correct sites are selected to ensure acquisitions can be made and further sites are selected for evaluation and acquisition.  Reprofile funding with DLUHC into future financial years.  Establish alternative sites	21/12/21	4	3	12		2	2	4
			Risk Control Action							
			Action		Owner		Target Date	Update		
			Monitoring of spend and communication		Project Manager		ongoing			
Reprofiling		Programme Manager		01/12/22	06/22 – Property advisers are recommending initial negotiation offers for 3-4 sites in phase 1. If these offers are accepted then reprofiling will not be required, however we will not know the outcome of this until October/November 22 10/22 – negotiated offers are being made and cabinet paper to be presented in November to request CPO powers. 01/23 – ongoing					

## Project: Advanced Construction and Engineering (ACE) Centre

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

## Project: East Norwich Masterplan

08/06/22 – Stage 2 of the ENMP approved at cabinet. The Town Deal Funding funded these stages and therefore is now completed.

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

## Project: Branding

23/10//22 – Branding (Work in Norwich) was launched 06/10/22. The Town Deal funded Branding project is therefore now completed.

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

## Project: DigiTech Factory

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





**Committee name:** Cabinet

**Committee date:** 08/03/2023

**Report title:** Culture Action Plan

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

**Report from:** Head of strategy, engagement and culture

**Wards:** All wards

**OPEN PUBLIC ITEM**

### **Purpose**

The report seeks Cabinet's approval of the Action Plan for Culture, appended to this report.

### **Recommendation:**

It is recommended that Cabinet approves the Action plan for Culture.

### **Policy framework**

The council has five corporate priorities, which are:

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

This report meets the *People live independently and well in a diverse and safe city* corporate priority

This report addresses the priority in the Corporate plan to Celebrate culture, heritage and diversity, inspiring and connecting communities.

### **Report details**

#### **Context**

1. Norwich is a city which sees culture as central to its identity. England's first world UNESCO city of literature and home to the fourth largest arts festival in the country, five theatres, two universities, two cathedrals, the Sainsbury Centre of Visual Arts, an award-winning Arts Centre, and an increasingly young, creative and tech savvy population.
2. For many years Norwich City Council has played a critical role in creating and developing the cultural sector as a collaborator, civic leader, enabler and deliverer. We have a portfolio of heritage assets, many of which are used for cultural purposes. e.g., The Guildhall, Dragon Hall and the Halls and a range of historic churches as well as being the leaseholder of the Theatre Royal. The council worked closely with the sector to support safe re-opening following the Covid-19 pandemic.
3. The council has provided sustained cultural investment in our key organisations enabling them to effectively plan, develop partnerships and support early career and emerging artists and organisations, and provide valuable match funding for significant Arts Council England investment into the city.
4. Norwich City Council's event team designs and delivers a programme of high profile, mass participation, free events, including the Lord Mayor's Weekend and Christmas Switch On. The team works collaboratively with partners to engage local and national groups, artists and organisations. We provide support and advice to partners such as the Love Light Festival, Norfolk & Norwich Festival, Run Norwich, Norwich Pride, as well as organisers of hire events to ensure a safe and diverse programme of festivals and activities takes place across the city and in our parks each year.

### **Norwich Creative City Compact**

5. The Norwich Creative City Compact (Cultural Compact) was established in late 2019. Cultural Compacts are an Arts Council England initiative and a recommendation of the Key Cities Enquiry. The role of Cultural Compacts is to:
  - a) Embed culture within vision and strategy for place, having developed a clear ambition for what the sector can locally contribute (culturally, socially, economically);
  - b) Strengthen the place of culture within local networks, partnerships and formal leadership and decision making frameworks;
  - c) Effectively align the local cultural sector with key government priorities
  - d) Better include the perspectives and insights of all stakeholders in the cultural sector of the place, placing particular importance on those who would otherwise be at risk of exclusion from the compact, from the cultural sector, or from cultural opportunity more broadly (including communities, individuals and those working freelance or voluntarily in the cultural sector).

6. The Norwich Creative City Compact membership includes senior representative from The Forum Trust (chair), Norfolk & Norwich Festival, Norfolk Museums Service, Young Norfolk Arts Trust & LCEP, Norwich University of the Arts, University of East Anglia, Norwich Arts Centre, National Centre for Writing, Norwich Theatre, Norwich City Council and the Norwich Business Improvement District
7. The aim of the Compact is to ensure culture, arts and creativity remain a key contributor to the life of the city. Across the network of Compacts, those that are most effective are able to build capacity and resilience and leverage funding through place-based partnerships.

### **The Action Plan for Culture**

8. The Action Plan for Culture (Appendix 1) has been developed with input from key stakeholders as part of the Norwich Creative City Compact. The document has both short-term and long-term aims and articulates the key areas where partners can mobilise to contribute to culture and creativity in Norwich in 2023 and 2024. It provides the building blocks for Norwich City Council and its partners to co-produce a Cultural Strategy for Norwich from 2025.
9. The Action Plan for Culture has been developed to:
  - a) Set a clear vision and ambition for culture in the city
  - b) Articulate the actions and commitments Norwich City Council are making to culture
  - c) Inform the Creative City Compact's work programme and support the identification of shared pieces of work that can be taken forward
  - d) Act as a tool to support future funding bids for Compact partners and the Compact itself
  - e) Set the platform for the development of a more detailed Cultural Needs Analysis, and a longer-term Cultural Strategy for the city for 2025 onwards – our aim is that this will act as a statement of the Compact's ambition and delivery plans, and to ensure continued partnership working longer term.

### **Consultation**

10. Sector wide consultation was carried out by Tom Fleming Creative Consultancy between mid-2021 to early 2022. The research and consultation aimed to bring together views, ideas and challenges from a wide range of cultural voices through discussions groups, interviews and conversations.
11. Consultation on the contents of the Action Plan for Culture was carried out with Creative City Compact members at events in September 2022, and January and February 2023
12. A key deliverable within the Action Plan for Culture is regular, inclusive stakeholder consultation and engagement events. This will inform development

and implementation of the Cultural Strategy and support better partnerships and exchange across the cultural ecosystem of Norwich.

## **Implications**

### **Financial and resources**

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

### **Legal**

15. There are no specific statutory duties on local authorities for the provision of support to the arts and cultural sector. Specific actions within the plan and events held will require consideration at an operational delivery level with regards statutory responsibilities for equality and diversity, crime and disorder reduction, safeguarding and health and safety.

### **Statutory considerations**

<b>Consideration</b>	<b>Details of any implications and proposed measures to address:</b>
Equality and diversity	A key aim of the Creative City Compact, and of this Action Plan, is to enhance equality and diversity
Health, social and economic impact	A key aim of the Creative City Compact, and of this Action Plan, is to enhance health, social and economic impact
Crime and disorder	N/A
Children and adults safeguarding	N/A
Environmental impact	A key aim of the Creative City Compact, and of this Action Plan, is to reduce the environmental impact of cultural venues and activities.



## Risk management

Risk	Consequence	Controls required
Lack of Action Plan for Culture or Cultural Strategy could lead to failure to harness contribution of culture and creativity to the city resulting in reduced health and wellbeing, economic and place-making impact	Reduces our ability to meet our corporate priorities	The Action Plan for Culture will support a collaborative approach to culture to maximise the positive benefits across our corporate priorities.

## Other options considered

16. No other options have been considered. To deliver our corporate priorities around culture it is necessary to set out clearly what the Council's ambitions are, what actions we will take to deliver them, and to work in close partnership with the sector across the city to maximise our impact an action plan of this nature is therefore required as a next step.

## Reasons for the decision/recommendation

17. To clearly articulate Norwich City Council's commitment to culture and in turn ensure the continued success of the cultural sector and its contribution to health and wellbeing, economy and place-making in the city

## Background papers:


**Appendices:** Action Plan for Culture

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	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.
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## **Appendix 1 – Action Plan for Culture**

### **1. Foreword from Council Leader**

Norwich has a history of being a focus of regional cultural activity and with much to be proud of. The city has six theatres, a UK top four international arts festival, an award-winning arts centre, nationally significant museum collections and an ever-growing number of diverse independent galleries. It also has 1,500 listed buildings, a castle and two cathedrals.

The Norfolk and Norwich Millennium Library, housed in the magnificent Forum in the heart of Norwich, is one of the most-visited public libraries in the UK and lends more items than any other in the country. Norwich draws immense benefit from the creative output of being home to the University of East Anglia, the Norwich University of the Arts and Norwich City College.

In 2012, Norwich consolidated its position as England's foremost literary city by becoming the country's first UNESCO City of Literature, joining an elite international network that now includes Edinburgh, Melbourne, Iowa City, Dublin, Reykjavik, Kraków, Nottingham, Dunedin, Granada, Manchester and Prague.

Today, people in Norwich spend more per capita on culture than anywhere else in the UK and the city remains a destination for poets, novelists, biographers, playwrights, translators, editors, literary critics, social critics, historians, environmentalists and philosophers.

Investment and active involvement in the arts and cultural sector is a political priority of the city council. Despite local government funding pressures, we have managed to maintain funding and support for the sector. The council is also an active participant through its own programme of free cultural events, as well as acting as a convenor of partners using its civic leadership role.

Through our strong relationship with Arts Council England (ACE) and membership of the 27 strong Key Cities Group, Norwich has played an influential role in shaping cultural policy at the national level. We were represented on the Cultural Cities Enquiry (2019) which first recommended Cultural Compacts. Norwich was one of the first pilots. The recently published 'Culture and Place in Britain' (February 2023): a collaboration between Key Cities and Arts Council England, confidently asserts the proposition of the vital role arts and culture can play "to create healthier and more prosperous places for everyone". A view which is gaining traction with national politicians and across a growing number of Whitehall departments.

Arts and culture are critical to realising the five underpinning themes of the Norwich 2040 Vision. A city which is 'creative', 'liveable', 'dynamic', 'fair' and 'connected'; the arts and culture strands permeates and blends into each theme, in turn shaping the city council's Corporate Plan.

The ambition and purpose of the Action Plan for Culture confidently asserts that cultural expression has a wider societal purpose and goes to the core of what it is to be human. 'The Inner Level' (2018) by Richard Wilkinson and Kate Pickett demonstrates how more equal societies improve everyone's well-being. In such societies the arts have been shown to flourish, participation increase and creativity

spreading its roots. Fostering that positive direction is the purpose of this report.

Linked to tackling deepening inequality, is the climate crisis. In November 2022, 'A climate mural for our times' was installed in City Hall's council chamber. The mural is a collaboration between the artist Gennadiy Ivanov; The Climatic Research Unit at UEA; and Norwich City Council which captures visually, in the most impactful way, the challenges that we face. It is a call to action to avoid disaster. It is the power of art to reset our priorities and, by doing so, help us to work towards building a sustainable society with equality at its core.

## **2. Introduction**

This action plan has been developed by Norwich City Council with input from key stakeholders as part of the Norwich Creative City Compact. This action plan commits the city council to a series of deliverables and actions that will support the development of a Cultural Strategy for Norwich in 2025, aligned to the Norwich 2040 Vision. This document articulates the key areas of focus around which other stakeholders can mobilise to contribute to the vibrant ecosystem of arts, culture and creativity in Norwich between 2023 and 2024, and through which a longer-term strategy and collaborative action can emerge.

This document has both a short-term and long-term aim. In the short-term it will enable the city council and its partners to consolidate relationships and initiate collaborative action after a period of disruption due to Covid, organisational change and changes in funding. In the longer-term it will enable the city council and its partners in the Creative City Compact to build on the existing strong foundations of our vibrant creative city to co-produce a Cultural Strategy for Norwich from 2025. It is intended therefore to be both a firm commitment to action and collaboration in the short to medium-term as well as providing key building blocks for that future strategy. It is also intended as a platform for wider engagement with a range of diverse stakeholders, and as an invitation to action and dialogue within the arts and culture ecosystem of the city. It will also support the strengthening of relationships between Norwich and key national funders and investors, such as Arts Council England.

The Creative City Compact has been supported by Arts Council England and Norwich City Council with a mission to champion the role of culture, attract investment, and facilitate impactful collaboration and exchange across the cultural ecosystem of Norwich. The current membership consists of National Centre for Writing, Norwich Business Improvement District, Norfolk Museums Service, Norfolk & Norwich Festival, Norwich Arts Centre, Norwich City Council, Norwich Theatre, Norwich University of the Arts, The Forum, Young Norfolk Arts Trust and University of East Anglia. The action plan has been developed by the partners through commissioning background research from Tom Fleming Consultancy, identifying individual and collective opportunities and assets, and co-creating a vision to which they can align strategically.

There is a complex and changing policy landscape in which this action plan is situated. Locally, the Norwich 2040 Vision articulates a shared overarching strategic vision for Norwich. The city council's own Corporate Plan articulates the city council's role in achieving this vision. Regional cultural strategy and ambition is captured by

the Norfolk and Suffolk Culture Board's 'Culture Drives Impact' whilst the accompanying data pack shows the significance of arts and culture to the region, and the criticality of Norwich within that. At a national level, Arts Council England's 10 Year Strategy 'Let's Create' lays out the national vision and outcomes that shape their investment. Individual cultural stakeholders, including the Creative City Compact Partners, also produce their own organisational strategies. This action plan has been developed with reference to this complex landscape, but is primarily focused on the key assets, activities and resources that the city council has at its disposal.

Norwich City Council has a key role within the arts and culture sector in Norwich. For many years the council has been and continues to be, a driving force for culture in the city. Despite years of austerity from central government and when many other local authorities have stepped back from a role in culture, Norwich City Council has continued to invest just over £1million per year in the sector. The Council supports arts and culture organisations, both financially and through 'in-kind' provision of assets and resources and helps others to access funding streams. It maintains its own programme of free cultural events, such as the annual Lord Mayor's Weekend and supports a vibrant programme of festivals and events in our city and parks. Its assets, including the Halls, Dragon Hall, the Guildhall, historic churches, parks and open spaces, and many more, provide key cultural infrastructure for the city. However, arguably, its greatest role is as a civic leader and convener of partners. All these roles are reflected in the following pages

### **3. The importance of arts, culture and creativity**

Norwich is one of the UK's leading cities of culture. Culture is central to its economy, its communities, its sense of place and its wider reputation. Culture is the very essence of a city – one that has brought diverse communities together for centuries, to thrive through proximity, connection and exchange.

Norwich is a UNESCO City of Literature and a City of Refuge, proud of its deep long-standing international connections. The city has a depth and breadth of historical assets, renowned organisations and institutions and a thriving ecosystem of artists, producers and performers. Economically and intellectually boosted by two world-class universities, the city has a thriving knowledge-based economy, with creativity at its heart delivering research, innovation and productivity.

Norwich has a vibrant visitor economy, driven by culture, heritage, nightlife, independent retail, food and drink. Culture plays an important role in the city's social provision, helping to tackle the challenges faced by the most vulnerable and marginal groups and bringing communities together.

Key metrics of the importance of the sector to the vibrancy and economy of the city and the region include:

- Norwich is the leading local authority GVA from culture in the New Anglia LEP area (c. £50m in 2018 – the latest available data)
- At least 4.6% of the Norwich workforce is employed in businesses defined as in cultural and creative sectors (not including many self-employed/freelancers and those employed in businesses who are not VAT registered) compared with 2.6% for the wider LEP area (2021 data).

- Arts Council England invest nearly £4m per year into our National Portfolio Organisations
- Developing evidence of the impact of arts and culture on health, wellbeing and community is an ambition as part of this action plan but case studies throughout this document show that the impact is wider than simply the economic. The city council and its partners are committed to building on these strong foundations through the achievement of its co-created vision.

#### 4. **Vision**

Our vision is that culture, arts and creativity enhance their contribution to the life of the city and to the achievement of the Norwich 2040 Vision, through the realisation of the five themes of that co-produced vision:

##### Creative City

“Norwich is a place where culture and creativity play an important part in how the city feels about itself and others perceive it. In 2040, Norwich will be world- renowned for its creativity – a leader in innovation, culture, education and invention.”

We are seeking to create a city where talent is developed at all stages of life and career, including children, young people in their early careers or post tertiary education, freelancers and people in mid-career who are looking to pivot or refocus their careers into arts and culture.

##### Liveable City

“The city takes pride in being a place with a great local environment that people value. We are committed to shifting to clean energy by 2040 (carbon-neutral by 2045). We will support and promote sustainable living – where today’s citizens meet the needs of the present without compromising future generations.”

We are seeking to enhance the contribution of cultural activity and the creative sector to both debate and action around the environmental and climate crisis. We will do this through what we do (e.g. events, platforms and creative activity) as well as how we do it (e.g. sharing resources and reducing environmental impact).

##### Dynamic City

“Norwich has two successful universities and thriving life sciences, creative, tech, leisure and retail sectors. In 2040, Norwich will be a place where entrepreneurs, social enterprises, national and global companies choose to provide good jobs, prosperity and success.”

Arts and culture already bring significant investment and represent regionally important economic activity. We are seeking to consolidate and build on this by building the evidence base for further capital investment and creating the conditions and infrastructure for creative entrepreneurs and businesses to thrive.

##### A Fair City

“Norwich is a place where many already enjoy a great quality of life. By 2040, the health, wellbeing and life chances of all our citizens will be improved. We will remove barriers to achievement and a high standard of living will be enjoyed by everyone.” We are seeking to enhance the contribution of arts and culture to the health and wellbeing of residents, whilst increasing the inclusivity and diversity of cultural activity, with a particular focus on those who are identified as marginalised.

### A Connected City

“At the heart of any good city is how well it connects with both its citizens and the world at large. In 2040, Norwich will have a modern transport system, be at the forefront of digital connectivity and create opportunities for all residents to link with each other.”

Arts and culture will play a key role in connecting communities to each other and act as a platform for connection to the wider world, through attracting visitors, creative people and attention to the city, including to national funding and policy programmes.

### Norwich City Council Deliverables

Over the period of this action plan (2023-24) Norwich City Council are committing to a series of deliverables and actions laid out in the following tables. These are grouped by themes for ease of navigation.

#### Infrastructure

The council and other stakeholders own and maintain a range of buildings, spaces and other assets that enable creative activity and businesses to thrive. We will take action to maintain and enhance these so that they contribute to the realisation of our shared vision, whilst ensuring they are 'fit for purpose' for the foreseeable future.

City Council Deliverables	Actions	Target Date
A shared cultural needs analysis for the city	Undertake a cultural needs analysis for the city, including requirements for investment, and opportunities for enhanced use of assets (such as meanwhile use or community asset transfer) and environmental impact	April 2024
Redevelopment of The Halls, including improvement in environmental sustainability of The Halls	Deliver Halls Plan redevelopment project to create a fit for purpose multi-purpose venue with improved infrastructure, accessibility and ensuring the long-term sustainability of the Halls.	Summer 2024
Continued support for events, festivals, and activities in public spaces	Practical advice and support for organisers using our parks and the city centre to ensure safe and successful delivery e.g. liaison with Safety Advisory Group	Ongoing
Investment in Hay Hill and public spaces	Support delivery of outdoor events and cultural activities to take place on the redeveloped Hay Hill. Put culture and events at the core of our placemaking activities	February 2024  Ongoing
Use of Assets	Use the Strategic Asset Management Framework to assess and protect the city's heritage and cultural assets and work with partners to identify opportunities for further investment in assets to improve the heritage offer	Ongoing

## People and collaboration

People and the relationships between them, whether it be audiences, residents, creative professionals or system leaders are at the heart of arts and culture. We will enhance the opportunities for inclusive engagement and participation in arts and culture in the city, including for freelance creatives, whilst strengthening key partnerships.

City Council Deliverables	Actions	Target Date
Strengthen relationship with key funders	Re-establish senior management level relationship with ACE  Share Cultural Strategy with key funders  Represent the city's cultural and creative objectives at key meetings e.g. at Norfolk and Suffolk Culture Board, Norwich 2040 Board, Arts Council England, Key Cities	Summer 2023  November 2024  Ongoing
Strengthen relationships within sector	Hold annual inclusive stakeholder engagement event(s) to inform development and implementation of strategy (including freelancers and key funders)  Review city's cultural partnerships to align with countywide arrangements	Ongoing  January 2024
Co-ordination of the development of Cultural Strategy	Agree a work programme for Creative City Compact partners  Continue to support and act as secretariat for Creative City Compact meetings  Develop and publish Cultural Strategy, in collaboration with compact partners	July 2023  Ongoing  October 2024
Connecting young people with decision-makers around culture and creativity	Facilitate dialogue via 'Get Talking Norwich' with Young People's City Vision Hub and connect with Creative City	On going



	Compact. Develop and share Action Plan for Culture and Cultural Strategy with LCEP partners	March 2023
Ongoing programme of free events, including opportunities for creatives	Build freelance opportunities into Lord Mayor's Weekend event and other free events.  Improve accessibility and inclusivity of free events and funded cultural activity (factoring in Equality Act protected characteristics and socio-economic status).  Gather data on engagement and participation to establish targets and ongoing improvement.	Annually  Ongoing  Annually
Advocacy, advice and support	Regulatory services and asset functions utilised as a key lever for culture  NCC continues to act as an anchor organisation in the city	Ongoing  Ongoing
Enabling everyone to have access to culture and creativity	Work with culture and leisure partners to increase access to reduced ticket prices via Go 4 Less scheme Monitor development of ACE Access Card	Spring 2023  Ongoing

## Investment

Investment and funding enable creative activity to take place. The city council invested just over £1million last year and continues to invest in a range of activities. We will make best use of existing investment whilst seeking to attract more funding and investment into the local creative sector.

City Council Deliverables	Actions	Target Date
Review of council arts & culture funding	Review council arts and culture grants programme and reporting requirements to ensure strategic alignment and enhanced inclusivity, as well as transparency and clarity of funding opportunities.	March 2023 (stage 1) March 2024 (stage 2)

Co-ordination of central government investment bids considering cultural priorities	Continue to lead on central government investment bids, including through partnership working within the Towns Deal Board, and any future opportunities e.g. power in Chapelfield Gardens reducing the need for generators at events  Provide regular updates to Creative City Compact partners about current status of funding opportunities	Ongoing  Ongoing
Enabling organisations to utilise our heritage buildings to support cultural activity	Maintain partnership arrangement e.g. Dragon Hall, Guildhall  Identify opportunities for heritage buildings within Asset Management Framework and Cultural Needs Analysis	Ongoing  April 2024

### Impact

Understanding and articulating the impact of investment and activity in arts and culture will support our longer-term ambition. We will collaborate to share and improve the data and analysis that we have, so that we can demonstrate the difference we are making.

City Council Deliverables	Actions	Target Date
Exploration of how existing data (such as shared anonymised and aggregated audience data) could evidence impact of arts & culture	Discuss pilot of Norfolk arts & culture dashboard (with district aspects) with NSCP & NODA  Include data in Cultural Needs Analysis	December 2023  April 2024
Work with partners to inform people of the city's offer	Working with Norwich BID, Visit Norwich, Visit Norfolk	Ongoing
Support the recommendations of, and work in partnership with, Key Cities and national network of Cultural Compacts	Support the presence of a Cultural Compact as a quality mark for public and private sector place-based investment.  Share best practice models of community engagement that can better connect diverse communities, encourage	Ongoing  Ongoing

	<p>meaningful civic participation and build community cohesion.</p> <p>Work with the Key Cities Innovation Network to develop new models for monitoring, evaluation and longitudinal research into the contribution of culture to place-based development, including models for optimal data collection to suit both hyperlocal and generalised needs.</p>	Ongoing
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The progress towards the longer-term strategy will be overseen by the Creative City Compact partners. Collating and improving understanding of data is a key part of this work and will enable the city council and partners to better understand and evaluate the impact of arts and culture in the city. Decisions about council resource allocation and priorities will remain within the council's governance, informed by the views of the partners.

#### **Creative City Compact Commitment**

In addition to the city council's own deliverables and actions, the Creative City Compact partners have also committed to continuing to collaborate and to explore the governance of the group in the light of examples of compacts in other parts of the UK. They may for example explore models such as becoming a Community Interest Company or developing a collaborative funding model. It will also explore how this group can link more effectively or formally with the Local Cultural Educational Partnership (LCEP). Alongside this, the partnership will review its membership to ensure that it reflects an appropriate breadth of stakeholder expertise and perspective, including from outside the formal arts and cultural sector. The group will then establish a work programme to agree collaborative action and support the development of the co-created Cultural Strategy from 2025.

## **Case Studies**

### **Inclusive Arts**

Arts and culture in Norwich reaches diverse audiences in myriad ways. In 2022, 35% of all bookings made for Norwich Theatre performances and activities were made by those living within the 3 most deprived lower super output area deciles on the index of multiple deprivation. 20% off all tickets at Norwich Theatre's venues are made available at either £10 or with targeted concessionary discounts to break down barriers to attendance.

Young people are engaged through the work of many organisations, including Young Norfolk Arts, whose 2022 festival (the first full one since 2019) involved the participation of 1877 young people, whilst 6583 Young people took part in the Local Cultural Education Partnership's (LCEP) Figurine it out and Postcard Poems projects in 2021 and 2022.

### **Greening the Norfolk & Norwich Festival**

The Norfolk & Norwich Festival believe that the arts have an important role to play in exploring, communicating and taking practical action against issues around climate change and the environment.

The festival recognises that operations and activity have an impact on the environment, and are committed to measuring, understanding and reducing the festival's environmental impact. They seek to encourage dialogue and inspire change through the artistic and learning programmes, and in work with artists, partners, networks and audiences. In 2022 this includes:

- In collaboration with Norwich City Council, installing renewable mains electric into Chapelfield (Festival) Gardens
- Registered with Culture Declares Emergency and joined Vision: 2025, aiming to reduce Festival greenhouse emissions by 50% by 2025
- Courtesy of Motus Mercedes, the Festival production van was electric, facilitated by a partnership with Inchcape Norwich BMW
- Provided compostable toilets in the Festival Gardens
- Using programming to educate and advocate. Manifesto and Flood were just two of these projects in the 2022 programme
- In the Festival Gardens, applying 'Green Trading Standards' which include ensuring all serve ware is compostable, all drinkware reusable and food offerings are meat and fish-free.

### **Connecting communities through literature**

The National Centre for Writing's creative engagement programmes makes spaces for people of all ages to be creative with words and imagination. This includes Multilingual Creators, which is a school's programme connecting the centre's learning, participation and translation work.

This trained four Norfolk-based emerging literary translators to deliver workshops in secondary schools for 180 young people who are Additional Language Speakers or have an interest in languages. This work was part of a network with sister regional literature development organisations in the North and Midlands, with 15 translators in total delivering similar sessions in their areas.

### **Art and Culture means Health and Wellbeing**

Norwich University of the Arts has an ongoing partnership with Hospital Rooms, a national organisation co-creating art with users of mental health in-patient services that transforms the healthcare environment. Their work at Northside House in Norwich has involved artists including Associate Professor Carl Rowe, France-Lise McGurn, Norwich University of the Arts' graduate Jade Montserrat, and Turner prize-nominated artist Dexter Dalwood. The projects were funded by the University, Norfolk and Suffolk NHS Foundation Trust, and Arts Council England.

They evidence the power of creative arts to build a fair and creative city, where wellbeing leads to inclusion, changing lives for the better.

Further evidence of the impact of culture can be seen in a survey of those attending performances at Norwich Theatre venues across 2022, which saw 80% of respondents reporting feeling happier as a result of their experience at the theatre.

#### **Norwich Theatre's Creative Community Recovery Programme**

In March 2020 Norwich Theatre closed its venues due to Covid-19 Government restrictions. As it was unable to welcome people to see shows or to take part in workshops and classes in person, Norwich Theatre adapted and re-invented its Take Part programme specifically to meet the needs of the local community in the wake of the pandemic. Through the Creative Community Recovery Programme, it was able to continue to connect with those most in need. Norwich Theatre was awarded the Best Age Friendly Outreach Award at the national Fantastic for Families Awards for the project.





**Committee name:** Cabinet

**Committee date:** 08/03/2023

**Report title:** The tenant engagement, housing management and safer Norwich strategies.

**Portfolio:** Councillor Harris, Deputy leader and cabinet member for social housing

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

**Report from:** Executive director of community services

**Wards:** All wards

**OPEN PUBLIC ITEM**

**KEY DECISION**

### **Purpose**

The purpose of this report is to seek approval for the adoption of the tenant engagement strategy, housing management strategy and safer Norwich strategy 2023-26.

### **Recommendation:**

It is recommended that cabinet approve the tenant engagement, housing management and safer Norwich strategies.

### **Policy framework**

The council has five corporate priorities, which are:

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

This report helps meet all the above corporate priorities.

This report addresses specifically the priorities in the Corporate Plan:

- Provide the right support to residents at the right time, with a focus on early help and prevention.
- Take action against domestic abuse, hate crime and anti-social behaviour, and regulate activity so our communities are places where residents feel safe.
- Listen to communities and use their views in decision-making.
- Provide and encourage others to provide new homes, open spaces, and infrastructure for residents.
- Make the best use of our Housing Revenue Account assets and resources, maximizing our income and spending wisely to provide easy access, high quality services and support for our tenants and leaseholders.
- Improve the way residents can access services by embracing new technology, investing in customer services, and making it easier for things to be done online, whilst providing alternatives for those unable to do so.
- Be open and transparent, with accessible data and decisions which are subject to public scrutiny.



## Report details

### Tenant engagement, housing management and Safer Norwich strategies

1. In 2020, the Council agreed a new Housing Strategy, 'Fit for the Future', which has four key goals:
  - Improving the use and management of our existing stock
  - Improving our neighbourhoods
  - Meeting housing need - delivering new homes
  - Maintaining and improving condition of existing housing
2. Since the adoption of this strategy, the government has continued to evolve its thinking relating to the future of social housing building on the regulatory standards, and for community safety, extending further duties on local government. This has included action to require landlords to involve residents more in the way their homes are managed and maintained, as set out in the Building Safety Act 2022 and Domestic Abuse Act 2021, and a number of amendments to the Social Housing (Regulation) Bill which is expected to become law later this year.
3. Given these government developments, alongside approval of the revised Norwich City Council Corporate Plan in 2022, it is now timely to bring forward three strategies to support how the Council manages its properties, engages with tenants, and works to develop safe communities in the future.
4. Following the Grenfell House fire there has been significant evidence that residents of the building were aware of risks in the building which had there been effective measures in place both to engage the residents as well as to learn from complaints then the tragedy may have been avoided. The Tenant Involvement and Empowerment Standard will be significantly strengthened once all the above legislation is in place, and the Council will need to demonstrate it has appropriate mechanisms for tenant feedback to shape services, and the Tenant Engagement Strategy sets out our approach to fulfil this obligation.
5. As well as listening to customers the combined legislation will inform the Neighbourhood and Community Standard, which sets out the requirements for providing an environment which is well maintained and safe. The Housing Management Strategy focuses on creating a well maintained and managed neighbourhood and the Safer Norwich Strategy sets out the approach to managing anti-social behaviour on our estates.
6. The three strategies are cross-cutting in that each strategy provides a background and context for each other to help deliver the council's corporate priorities, statutory responsibilities as a landlord and our duty to consider the impact of all our functions and decisions on crime and disorder in our local area.
7. Deliberately we have taken the approach to adopt a clear accessible style and format so that everyone can easily access the three strategies.

8. In conjunction with our stakeholders, we will develop action plans with clear expected outcome measures and performance and progress will be monitored.

### **Tenant engagement strategy**

9. As a landlord of social housing, we are regulated by the Regulator of Social Housing (RSH), who provide a set of standards which landlords must meet.
10. We want to ensure our tenants have their voice and views listened to, and to provide a wide range of opportunities for tenants to influence the priorities and delivery of their Housing services.
11. The tenant engagement strategy is Norwich City Council's commitment to tenant engagement and empowerment, listening, understanding, and working in partnership with our tenants to ensure the continuous improvement of housing services.

### **Housing management strategy**

12. Following significant changes to regulation, and reviewing practices across Norwich, the management of our social housing stock should be observed, delivered and reviewed regularly. This is best articulated within a housing management strategy.
13. There are 18,000 units for which we are the landlord. Of these 14,500 are for social housing tenants who pay into the housing revenue account through rent and service charges. This money is used to carry out repairs, improve condition, manage tenancies, collect rents, maintain grounds in a safe and healthy condition. Later this year, a separate asset management strategy will be produced covering the planned maintenance, reactive repairs, stock condition, repair, and renewal of components.

### **Safer Norwich strategy**

14. As contained within the council's Corporate Plan there is a priority to develop and adopt a new community safety strategy, in line with the recently adopted Norfolk Community Safety Strategy. This strategy will help the council meet its overall priority in the Corporate Plan to "Take action against domestic abuse, hate crime and anti-social behaviour and regulate activity so our communities are places where residents feel safe."
15. The overriding purpose of the strategy is to create the first Norwich Community Safety Partnership that will help contribute to maintain and improve our city as a safe place to live in, work and visit. The partnership will consist of the council, Police, Probation and Offender services, NHS, social housing organisations, and voluntary and community organisations to tackle the causes and prevent crime and disorder holistically in Norwich. The aim of the strategy and the partnership will be to deliver at a local level for our city and neighbourhoods whilst continuing to take an active role in the Norfolk County Community Safety Partnership, so that we have a cohesive approach to all elements of community safety from a regional, local and neighbourhood level perspective.

### **Key aims of the tenant engagement strategy**

16. The key aim and underpinning principles of the tenant engagement strategy are as follows:

- Give tenants the opportunity to scrutinise, influence and shape housing services.
- Ensure tenant engagement opportunities are easy, accessible, and inclusive.
- Make tenant engagement meaningful, collaborative, effective and empowering tenants to hold us to account
- Create a culture that values tenant and leaseholder engagement and places the tenant voice at the centre of the Housing Service's strategic direction and priorities.

### **Priorities of the tenant engagement strategy**

17. The priorities of the strategy are as follows:

- Strengthen engagement, participation, and empowerment.
- Improve communication and interaction.
- Enable scrutiny.

### **Key aims and priorities of the housing management strategy**

18. The key aims and priorities of the housing management strategy are as follows:

- Balance the Councils role of sustaining tenancies, alongside the need to manage the homes and estates effectively.
- Provide a framework from which activity can move forward; a framework that also allows for partners to be included and integrated into our work
- Provide the opportunity to empower tenants, other stakeholders, and staff to transform the way we work and really target support where it is most needed
- Balance the twin priorities of excellence in customer service whilst seeking efficiency in delivering value for money, at the heart of everything we do
- Enable on-line and digital interactions in a simple way and build insight in how people are living, to develop the right support for those in need.

### **Key aims and priorities of the Safer Norwich strategy**

19. The key aims and priorities of the Safer Norwich strategy are as follows:

- Establish a new Safer Norwich Partnership Board to implement and develop an action plan and strategy delivery group.

- Reduce neighbourhood crime and ASB and increase residents' feelings of safety.
- Reduce the incidence and impact of domestic abuse and sexual violence.
- Reduce harm, vulnerability and violence related to substance and alcohol misuse.

## **Consultation**

20. Council leaders and relevant portfolio holders have been consulted and have had an opportunity to comment on all three strategies before the completion of this report, including our Tenant Involvement Panel.
21. In developing the tenant engagement strategy, the housing service has received feedback from 1,640 tenants on their engagement priorities and ways of engaging with them.
22. In developing the Safer Norwich strategy, the community safety team has consulted stakeholders on our early drafts of the strategy based on research of what the evidence base tells us.
23. In developing the housing management strategy, the housing service was informed by customer views, experiences, and satisfaction of our services as well operational performance drivers. The model set out in the strategy will provide the framework for managing customer aspirations.
24. Consultation of all three strategies was launched on the council's website with a closing date of 1 March 2023. 11,793 tenants (all tenants where we have a contact number) received text messages inviting them to respond to the consultation.
25. As of 23 February 2023, feedback so far has been:
  - Tenant engagement (40 responses): 80% agreed, 17% neither agreed nor disagreed and 3% disagreed with the underpinning principles and priorities.
  - Housing management (48 responses): The most common responses were on housing maintenance and repair of their homes. Additional priorities suggested by two respondents were to create social opportunities for tenants, closer contact with Housing officers, as well as emphasising completing repairs on empty properties and building new homes to reduce the waiting list. 96% agreed that we should provide advice and support to anyone at risk of losing their home. 88% agreed that the upkeep of surrounding estates and gardens is important for well-being. 87% agreed that we should encourage regular contact with tenants to ensure people are safe, live in good conditions and are able to live independently. 46% agreed digital services make it easier, quicker and more cost effective to engage. Effective communication, safety in the home and communal areas, and garden services for anyone unable to manage their garden were mentioned most frequently as key success measures.
  - Safer Norwich (102 responses): 92% agreed, 3% neither agreed nor disagreed and 5% disagreed with the priorities. 74% agreed, 18%

neither agreed nor disagreed and 8% disagreed that by achieving our key success measures people would feel safer in Norwich.

26. Based on the consultation so far, we are confident that the priorities contained in all three strategies are aligned with those of our tenants and residents. Following the end of the consultation period, a supplementary paper will be provided to Cabinet setting out any additional themes from the consultation and any required amendments to the strategies. We will ensure that all feedback from the consultation will be used in helping shape the resulting action plans. We will then monitor outcomes of these regularly in partnership with our tenants and residents throughout the lifetime of the strategies making them easily accessible for all.

## **Implications**

### **Financial and resources**

27. Any decision to reduce or increase resources or alternatively increase income must be made within the context of the council's stated priorities, as set out in its Corporate Plan 2022-26 and budget.
28. There are no proposals in this report that would reduce or increase resources. Actions arising from these 3 strategies are to be facilitated within existing resources.

## **Legal**

29. Nplaw who provide the council with legal guidance have approved the publication of the strategies in preparation of this report to Cabinet.

### **Statutory considerations**

<b>Consideration</b>	<b>Details of any implications and proposed measures to address:</b>
Equality and diversity	All three strategies will have no specific implications as contained in the Public Sector Equality Duty under the Equality Act (2010). The Tenant engagement strategy facilitates feedback from residents. Equality impact assessments will be conducted on all three action plans.
Health, social and economic impact	All three strategies will enable better tracking on positive outcomes for wellbeing.
Crime and disorder	The Safer Norwich Strategy will strengthen our response to our duties contained within the Crime and Disorder Act 1998.
Children and adults safeguarding	The housing management and safer Norwich strategies highlight the need to focus resources on gathering data to help manage vulnerable or at-risk households better.

<b>Consideration</b>	<b>Details of any implications and proposed measures to address:</b>
Environmental impact	All three strategies will have no specific environmental implications.

### **Risk management**

<b>Risk</b>	<b>Consequence</b>	<b>Controls required</b>
Failure to implement the actions necessary to deliver the outcomes envisaged through the strategies.	The Council does not achieve the aims of the strategies.	<p>Oversight for delivery will lie with the Portfolio Holders and the Executive director.</p> <p>The council's corporate leadership team and elected Members will be appraised of progress regularly.</p>

### **Other options considered**

30. No other options have been considered.

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

31. It is recommended that cabinet approve the three new strategies for:

- Involving our tenants in shaping their housing services.
- Managing our council homes and neighbourhoods effectively.
- Making our city a safe place to live in, work and visit.

### **Appendices:**

**Tenant engagement strategy**

**Housing management strategy**


**Safer Norwich strategy**

**Contact officer: Chris Hancock, Sarah Loades and Neehara Wijeyesekera**

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	<p>If you would like this agenda in an alternative format, such as a larger or smaller font, audio, or Braille, or in a different language, please contact the committee officer above.</p>
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# Tenant Engagement Strategy 2023-26

# Introduction

We are pleased to introduce our tenant engagement strategy, which aims to give all our tenants the opportunity to scrutinise, influence and shape our services for the next three years. Your feedback is vital, and we are committed to putting you at the heart of everything we do to make sure all our communities thrive.

Your responses to our satisfaction survey responses, your comments, complaints, and compliments, as well as your community conversations, influence and shape the way we think about and deliver our services. We see first-hand the benefits achieved through our tenant groups, partnerships, and community connectors.

We hope you will share our aims and ambitions for engaging with and involving you, and as the action plan is implemented, we will all be able to see the positive impact and outcomes from engaging together. There are already many ways that the Housing service communicates, interacts, and engages with you. From responding to your enquiries, to visiting your homes to provide support and assistance, as well as getting out and about in our neighbourhoods to identify any improvements that need to be made.

It is essential we listen to, understand and act upon what you are saying about your housing services. Your views are key to developing excellent services and we will make sure you can have your say on the issues that affect you as tenants, and in a way that suits you.

There are many good examples of what can be achieved when we listen and work together beyond the terms of our tenancy agreement. We will ensure this strategy has the resources and momentum needed to keep it on track and delivering outcomes that will benefit the Council, our communities and most importantly you.

Delivering this strategy will increase resident satisfaction and quality of life by improving services and making better use of council resources.

Cllr Gail Harris  
Deputy leader and cabinet member for social housing

Louise Rawsthorne  
Executive Director for Community Services



# Committed to talking and listening to you



1919

First council house in Norwich was built on Angel Road



2019

Our new build development at Goldsmith Street won the prestigious RIBA Stirling prize for the UK's best new building

## **We have a proud history of providing council housing in Norwich for over 100 years**

This tenant engagement strategy is for you, our tenants. We recognise you are the experts on living in council homes and we must listen, understand, empower, and work in partnership with you to make sure housing services are continually improving and offer a warm, safe, and secure home - now and in the future.

We need a tenant engagement strategy to help us plan and set priorities to meet your expectations in terms of the opportunities for you to have your voice heard and be listened to.

We will understand your needs, aspirations and experiences to improve services, and to empower and support you to hold us to account, scrutinise our performance and help make decisions.

We want you to be well informed, involved in and actively influencing the services we provide and how we provide them to you.

This strategy is a great opportunity to modernize and tailor our approach to engaging with you and making sure we can reach out further to tenants who may not have been engaged before.

Successful tenant engagement should provide benefits for everyone involved, including tenants, Councillor's and officers, and should aim to create a respectful partnership, resulting in fewer complaints and higher satisfaction levels.

# National & local context

## Regulatory standards

Public body that sets standards that social housing providers must comply with

## Grenfell and building safety

Dame Judith Hackitt's review of building regulations

## Social Housing White Paper

Charter of seven commitments that social housing tenants should be able to expect from their landlord.

## Social Housing (Regulation) Bill

Bill to enact legislative changes to reform the way tenants influence social housing services.

## Housing Ombudsman

Resolve disputes involving the tenants of social housing providers.

## Corporate plan vision

The council's corporate plan (2022-26) sets out the vision for the council and the city over the next four years.

In delivering its vision, the council is focused on enabling tenants & communities to thrive and make the changes they want, and the council gives a commitment to prioritising listening to tenants to inform council decision making.

## Tenant population

27% of tenants over 65 years of age

28% of tenants have a disability

15% of tenants are from ethnic minorities

68% of tenants in receipt of financial support

40% of homes occupied by a single occupant

70% of homes do not have any children

25% of tenancies held for more than 20 years

Source: Housing Management database 2022

## You said...

### **Most important factors:**

- ☒ Repairs and maintenance
- ☒ Building safety
- ☒ Anti social behaviour

### **Interest in activities:**

- ☒ Completing an occasional / one off survey
- ☒ Community based event

### **Preferences for taking part:**

- ☒ Monthly    Weekday    daytime

### **Barriers to taking part:**

- ☒ Health
- ☒ Work / studies
- ☒ Family commitments

### **Encouragement to get involved:**

- ☒ Knowing views will make a difference
- ☒ Activities that don't take too long
- ☒ Able to take part without long term commitment

Source: Tenant Engagement survey 2022

# Key Aims

**Giving tenants the opportunity to scrutinise, influence and shape housing services.  
The underpinning principles for all the priorities:**

Easy, accessible & inclusive	Meaningful, collaborative & effective	Valued & tenant voice at the heart
<b>PRIORITY ONE: To strengthen engagement, participation and empowerment</b>	<ul style="list-style-type: none"> <li>• We will embed co-designing and improving services to meaningfully involve and empower tenants and their communities.</li> <li>• We will systematically collect and use our everyday interactions with tenants to shape service delivery.</li> <li>• We will encourage a growing sense of community empowerment, with tenants becoming far more active as they experience a genuine sense of involvement and influence</li> </ul>	
<b>PRIORITY TWO: To improve communication and interaction</b>	<ul style="list-style-type: none"> <li>• We will find out what matters the most to tenants and the best ways to engage on these things.</li> <li>• We will identify the barriers that prevent tenants from participating in existing engagement activity and create new opportunities that encourage and empower tenants to engage.</li> <li>• We will achieve more diversity in tenant engagement to better reflect the household make-up in our homes and neighbourhoods.</li> <li>• We will review the ways we communicate and use more effective channels with a greater reach to share information between the Housing service and tenants.</li> <li>• We will strengthen digital solutions to improve access to information and to increase engagement through technology</li> <li>• We will link to the Council's wider Citizens Participation Strategy, sharing learning to maximise involvement and participation and working in parallel where appropriate.</li> </ul>	
<b>PRIORITY THREE: To enable scrutiny</b>	<ul style="list-style-type: none"> <li>• We will prepare to report against new national tenant satisfaction measures to make our performance as a landlord more visible to our tenants.</li> <li>• We will review the accessibility and availability of information for tenants to scrutinise our performance and hold us to account.</li> <li>• We will develop and support a tenant-led scrutiny process to challenge our Housing service and make recommendations for improvement.</li> <li>• We will offer support and training to those who want to engage in this way, helping to build knowledge and skills.</li> </ul>	

# Key success measures



Your views will be heard, with feedback taken forward and implemented without you needing to participate in traditional consultative forms of engagement



You will have greater opportunities for your voice to be heard on the things that matter the most, through a channel that best suits you.



We will listen to any challenges that may be preventing you from more active participation, and we will act to remove or reduce those challenges.



You will have greater insight into our service delivery and operations and have more opportunities to shape and steer the direction of the housing service



You will have easier access to housing services digitally and will be able to interact through digital devices if that is your preference



You will receive improved communication and be able to take part in opportunities that are inclusive and shape service improvements for all.



You will be meaningfully involved in the way housing services are provided, ensuring that local priorities are properly understood and acted upon.



You will be better informed about the performance of the housing service and you will be supported and empowered to hold us to account.

# Governance

## Oversight

- Oversight for the delivery of the Strategy will lie with the portfolio holder and the Executive Director and ensure that it fulfils the requirements of the [Tenant Involvement and Empowerment Standard](#).
- Annually we will update tenants on our progress in delivering this strategy.

## Engagement

- We will engage tenants, leaseholders, future tenants and partners in the formulation and development of actions where relevant and gather their feedback post implementation.

## Action Plan

- In conjunction with our stakeholders, we will develop an Action Plan to deliver this strategy.
- Each action will identify a clear expected outcome.
- We will monitor satisfaction, performance and progress within the action plan.

## Monitoring

- The Councillors and the Leadership team will be appraised of progress regularly.
- The Housing Leadership Team will monitor the delivery of the Strategy and its associated Action Plan.

## Review

- We will review the Strategy every 3 years to ensure it remains fit for purpose.

# Relevant policies & legislation

Regulator of Social Housing

<https://www.gov.uk/government/organisations/regulator-of-social-housing>

Dame Judith Hackitt's report

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/707785/Building\\_a\\_Safer\\_Future\\_-\\_web.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/707785/Building_a_Safer_Future_-_web.pdf)

Social Housing White paper

<https://www.gov.uk/government/publications/the-charter-for-social-housing-tenants-social-housing-white-paper>

Social housing (Regulation) Bill

<https://bills.parliament.uk/bills/3177>

Housing Ombudsman

<https://www.housing-ombudsman.org.uk>



# Housing Management Strategy 2023-26

# Introduction

Norwich City Council is a local authority housing provider with more than 18,000 homes across the city. Of these, 14,700 properties are available for letting, while over 3,300 are leasehold. This strategy covers areas of service delivery related to housing management and traditional landlord functions and how we shape, develop and manage services for tenants.

This strategy will :

- Balance the Council's role of sustaining tenancies, alongside the need to manage the homes and estates effectively.
- Provide a framework from which activity can move forward; a framework that also allows for partners to be included and integrated into our work
- Provide the opportunity to empower tenants, other stakeholders and staff to transform the way we work and really target support where it is most needed
- Balance the twin priorities of excellence in customer service whilst seeking efficiency in delivering value for money, at the heart of everything we do
- Enable on-line and digital interactions in a simple way and build insight in how people are living, to develop the right support for those in need.

Delivering this strategy will increase resident satisfaction and quality of life by improving services and making better use of council resources.

Cllr Gail Harris  
Deputy leader and cabinet member for social housing

Louise Rawsthorne  
Executive Director for Community Services



# National & local context

## Social Housing Regulation

Each landlord is required to comply with standards and display performance against measures which are monitored through a regulator

## Building Safety Act 2021

New legislation to ensure all tenants are safe in their homes and landlords have responsibility to advise and report on compliance

## Ombudsman

Advice and guidance issued to social housing complaints

## Housing and Planning Act 2016

Whether to offer lifetime secure or introductory tenancies landlords

## Domestic Abuse Act 2021

Advice so that tenants may not be disadvantaged and receive support

## Care Act 2014

Ensuring that housing has a role to play in safeguarding adults

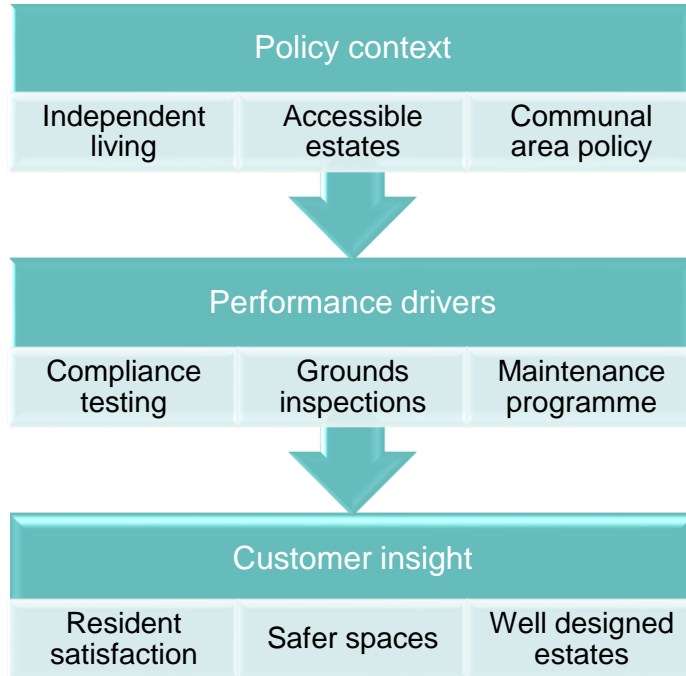
## Welfare reform

Universal credit, housing benefit, support grants

## Housing Revenue Account

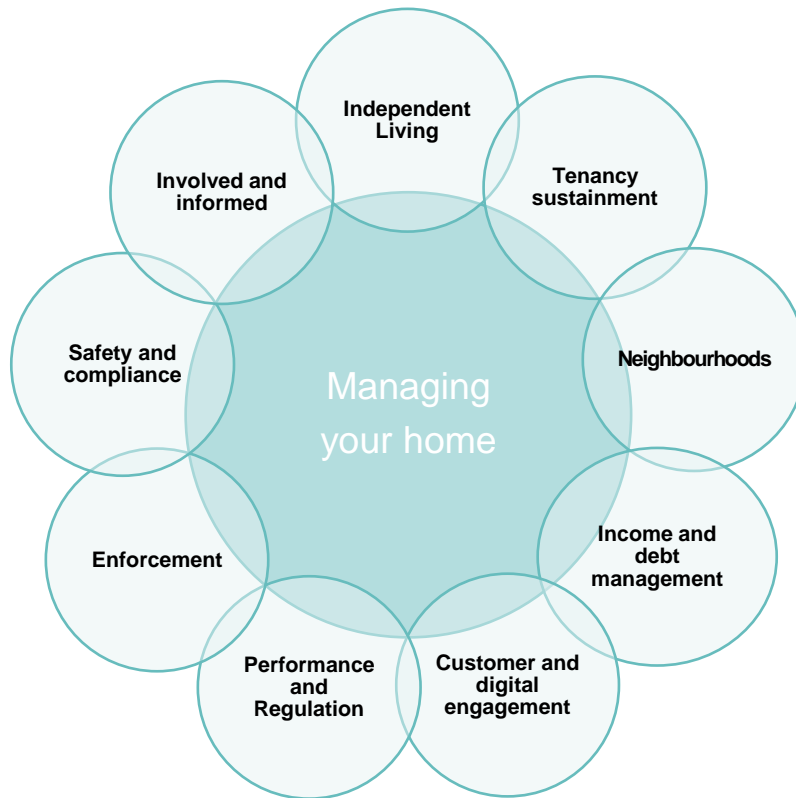
Requirement that all money received from tenants and leaseholders for rent and service charges is accounted for to pay for housing management services, reactive repairs, planned maintenance, estates and asset management

# How policy matters for customers



- This flow diagram uses the estate caretaking service as an example of how our policy drives service delivery –
- We manage and maintain sites and inspect them
- Improvements are designed into estates to make them more accessible
- Appropriate contractors provide services and we monitor their effectiveness
- The outcome should be that our communal landings, walkways, staircases and lobbies are safe, well lit, and free from obstruction
- Our tenants provide feedback about their lived experience of these services
- You can [view the charts here](#) for:
  - Allocation and Lettings
  - Income
  - Tenancy Management
  - Sheltered Housing
  - Independent Living

# Cross cutting activities



- **Independent living:** we will enable tenants to live independently by providing support services to adapt homes to help households manage; to support those experiencing complex needs; and to have dedicated sheltered housing
- **Tenancy sustainment:** we will focus on enabling tenants to get advice to help them manage their tenancy from us and a range of partners.
- **Neighbourhoods:** we will create neighbourhoods pleasant, welcoming and enjoyable to live, from grass cutting to redesign of estates
- **Income and Debt Management:** we will provide support and advice on how to best manage when paying rent becomes a challenge
- **Customer and digital engagement:** we will enable tenants to access services through online, mobile and digital channels so they can self-serve and be better informed
- **Performance and regulation:** we will monitor and display performance, setting out how effectively services are delivered, whether this meets standards, and planned improvement
- **Enforcement:** we will take enforcement action where lifestyles and behaviours impact on others, where necessary we enforce tenancy conditions which can mean serving notices or seeking possession
- **Safety and compliance:** we will keep our tenants safe, through programmed safety checks, visits, record and intervene on corrective action
- **Involved and informed:** we will seek tenants views on service design and feedback in relation to services, inform wide cross section of tenants alongside

# Key success measures



Estates are well maintained



Easy to access services



Digitally enabled services



Monitored and tracked improvements



Better use of rent and service charges



Tenants feel safe and secure



tenants shape their service



tenants have support for their needs



Safeguard and advise tenants in their homes



Homes are adapted to suit need



Options made available to tenants



Health and well being is promoted

# Governance

## Oversight

- Oversight for the delivery of the Strategy will lie with the portfolio holder and the executive director and ensure that it fulfils the requirements of the [tenancy standard](#).
- Annually we will update tenants on our progress in delivering this strategy.

## Engagement

- We will engage tenants, leaseholders, future tenants and partners in the formulation and development of actions where relevant and gather their feedback post implementation.

## Action Plan

- In conjunction with our stakeholders, we will develop an Action Plan to deliver this strategy.
- Each action will identify a clear expected outcome.
- We will monitor satisfaction, performance and progress within the action plan.

## Monitoring

- The Councillors and the Leadership team will be appraised of progress regularly.
- The housing leadership team will monitor the delivery of the Strategy and its associated Action Plan.

## Review

- We will review the Strategy every 3 years to ensure it remains fit for purpose.

# Relevant policies & legislation

Regulator of Social Housing

<https://www.gov.uk/government/organisations/regulator-of-social-housing>

Building Safety Act 2021

[The Building Safety Act - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/legislation/building-safety-act-2021)

Ombudsman – specific advice and guidance issued to social housing complaints

[Home - Housing Ombudsman \(housing-ombudsman.org.uk\)](https://www.housing-ombudsman.org.uk/)

Housing and Planning Act 2016

[Housing and Planning Act 2016 - Parliamentary Bills - UK Parliament](https://www.parliament.uk/bills/2016/housing-and-planning-act-2016)

Domestic Abuse Act 2021

[Domestic Abuse Act 2021 \(legislation.gov.uk\)](https://www.legislation.gov.uk/ukpga/2021/12)

Care Act 2014

[Care Act 2014 \(legislation.gov.uk\)](https://www.legislation.gov.uk/ukpga/2014/16)



# Safer Norwich Strategy 2023-26

# Introduction

Our new Safer Norwich Strategy 2023 – 26 provides a framework through which we will work with our residents and our partners to identify and deal with issues of concern - making our city a safe place to live in, work and visit.

The strategy sets out our priorities for the next three years:

- Establish a new Safer Norwich Partnership Board to implement and develop an action plan and strategy delivery group.
- Reduce neighbourhood crime and ASB and increase residents' feelings of safety.
- Reduce the incidence and impact of Domestic Abuse and Sexual Violence.
- Reduce harm, vulnerability and violence related to substance and alcohol misuse.

The Norwich Community Safety Partnership will include the Council, Police, Probation and Offender Services, the NHS, social housing organisations, and voluntary and community organisations, who will work together to tackle the causes and prevent crime and disorder holistically in Norwich.

The aim of the strategy and the partnership will be to deliver at a local level for our city and neighbourhoods. We will continue to take an active role in the Norfolk County Community Safety Partnership, so that we have a cohesive approach to all elements of community safety from a regional, local, and neighbourhood level perspective.

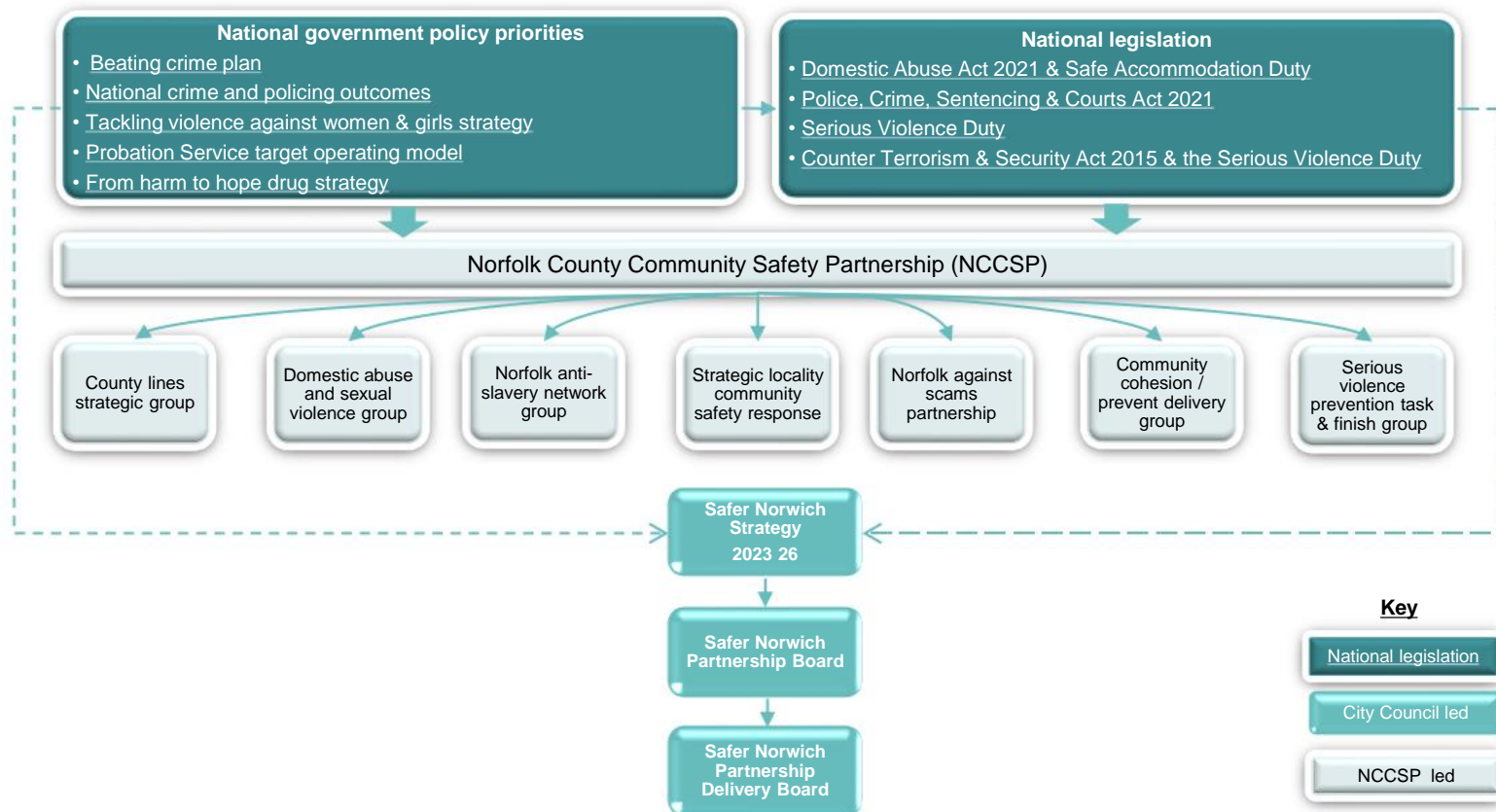
Delivering this strategy will increase resident satisfaction and quality of life by improving services and making better use of council resources.

Cllr Beth Jones  
Portfolio Holder for Safeguarding

Louise Rawsthorne  
Executive Director for Community Services



# National & local context



# Cross cutting themes of strategy



**Prevention and early intervention to reduce harm:** taking public health approach to understand the broader societal factors that drive ASB and crime including lived experience of victims and perpetrators.

**Reducing the likelihood of young people engaging in ASB or being victims of crime:** Identifying children and young people at risk of victimisation and progressing along the path to adolescent and adult offending.

**Supporting victims and communities – creating resilience and developing shared objectives:** we will ensure reporting processes are clear and accessible. Victims must be confident that they will be taken seriously. Timely communication with victims will improve case management and build trust.

**Strong and effective partnership working – public sector, residents, third sector and business:** we will take a whole-council approach to community safety. Cohesive and coordinated response across services including community safety, ASB response and enforcement, licensing, public protection, citywide services and housing.

**Effective data gathering, sharing and use:** we want a comprehensive understanding of the community safety crime issues at a local and regional level data gathering and sharing information to support the delivery of more effective interventions in our communities and neighbourhoods.

**Fostering good relations between diverse identities and communities:** Supporting equality, diversity and inclusion is a cornerstone of our community safety agenda. We will encourage and support understanding across our communities, challenging extremism, responding effectively to hate incidents and crime.

**Timely and effective enforcement when required:** It will be necessary at times to take formal action against individuals to remedy ASB. All partners will be conversant in the full range of tools and powers and deploy them appropriately.

# Key success measures

## **A safer city where:**

- We embed a joint problem-solving approach to locational anti-social behaviour across key partners and services.
- We develop key datasets and sources to understand ASB and those who perpetrate it.
- We will identify and resource effective interventions to support young people away from anti-social behaviour and crime.
- We work with residents to identify issues and shared responses.
- We continue to invest in NCC housing neighbourhoods - maintenance, estate improvements and security measures.

## **A supportive city where:**

- We will develop key datasets and sources to understand issues around drug-and alcohol-related crime and inform development of effective interventions.
- Provide support and pathways for young people away from drug and alcohol-related crime and vulnerability
- Provide support for those experiencing substance and alcohol addiction
- There is effective action to dismantle County Lines operations
- Protecting individuals, households and communities from the impact of drug-dealing and cuckooing

## **A connected city where:**

- We will identify our key partners and ensure they are signed up to the Safer Norwich Partnership Board.
- The Safer Norwich Partnership Board informs and influences the Norfolk County Community Safety Partnership (NCCSP).
- We will ensure that data products from NCCSP meet Norwich's needs.
- We will produce an annual crime, ASB and community safety audit with agreed datasets and sources.

## **A progressive city where:**

- Victims of domestic abuse including young people and children are supported.
- We will map domestic abuse/sexual violence-related data and intelligence and ensure effective data sharing agreements are in place.
- We will reduce re-offending by perpetrators of domestic abuse.
- We work to prevent and address sexual violence in the night-time economy.
- We achieve DAHA accreditation for Norwich City Council.

# Governance

## **Oversight**

- We will create a Safer Norwich Partnership Board to provide oversight of Norwich City Council's Section 17 Duty of the Crime and Disorder Act 98.
- Annually we will update residents on our progress in delivering this strategy

## **Engagement**

- We will engage partners in the formulation and development of actions where relevant and gather their feedback post implementation.
- Co-ordinate our activities with the Norfolk County Community Safety Partnership.

## **Action Plan**

- Provide guidance and ownership for the development of the new Safer Norwich Action Plan.
- Each action will identify a clear outcome.
- The Board will monitor satisfaction, performance and progress within the action plan.

## **Monitoring**

- The Councillors and the Leadership team will be appraised of progress regularly.
- Monitor the delivery of the Safer Norwich Strategy and Action Plan.

## **Review**

- We will review the Strategy every 3 years to ensure it remains fit for purpose.

# Relevant policies & legislation

Beating Crime Plan

[Beating crime plan - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/policies/beating-crime)

National crime and policing statistics

[Crime outcomes in England and Wales 2020 to 2021 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/statistics/crime-outcomes-in-england-and-wales-2020-to-2021)

Tackling violence against women and girls

[Tackling violence against women and girls \(publishing.service.gov.uk\)](https://publishing.service.gov.uk/government/policies/tackling-violence-against-women-and-girls)

Probation Service target operating model

[HMPPS Executive Summary: Target Operating Model for the Future of Probation Services in England & Wales \(publishing.service.gov.uk\)](https://publishing.service.gov.uk/government/policies/hmp-ps-executive-summary-target-operating-model-for-the-future-of-probation-services-in-england-and-wales)

From Harm to Hope drug strategy

[From harm to hope: a 10-year drugs plan to cut crime and save lives \(publishing.service.gov.uk\)](https://publishing.service.gov.uk/government/policies/from-harm-to-hope-a-10-year-drugs-plan-to-cut-crime-and-save-lives)





**Committee name:** Cabinet

**Committee date:** 08/03/2023

**Report title:** Procurement Strategy Update

**Portfolio:** Councillor Kendrick, cabinet member for resources

**Report from:** Head of legal and procurement

**Wards:** All wards

**OPEN PUBLIC ITEM**

**KEY DECISION**

**Purpose**

The Council's procurement strategy requires that each year, the Cabinet receives an update on how the strategy is being implemented. This report seeks to provide this update.

**Recommendation:**

It is recommended that Cabinet notes the progress achieved in delivering the procurement strategy

**Policy framework**

The council has five corporate priorities, which are:

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

This report meets the corporate priorities for the city to have an inclusive economy in which residents have equal opportunity to flourish and Norwich City Council is in good shape to serve the city

## **Report details**

1. In April 2021, Cabinet agreed a new [procurement strategy](#) that established the Council's approach to commissioning goods and services. The strategy sought to deliver an ambitious range of changes to ensure that 5 key aims were met:
  - a. Provide an efficient and effective procurement service
  - b. Reduce commercial risk
  - c. Work locally, ethically and sustainably
  - d. Drive value for money
  - e. Making procurement mainstream
2. An implementation plan was set out in the strategy and has been benchmarked in Appendix 1 of this report.
3. Over the past year, the Council has made significant progress in delivering its strategy, as is set out below.

## **Provide an efficient and effective procurement service**

4. In April 2022, a new structure for the procurement team came into effect following a service review. Led by a Strategic Procurement Manager, the review introduced a business partner approach, that focuses on engagement with services regarding their future procurement needs, and procurement officers, who oversee the day-to-day purchasing activity. Officers work on category specialisms, providing opportunity to develop specific insight.
5. A skills development matrix was undertaken across the service to support development needs of individual team members to enable us to support individuals development in line with our ambitions for the procurement across the organisation.
6. Following the service review, and utilising data analysis (as reported in the 2021/22 strategy update), the team took forward work to transform the Council's procurement processes. This created an enabling approach for services, with much greater flexibility when undertaking low (less than £25k) and medium (less than £100k) purchases, with the procurement team then focusing on supporting services with high value purchases. The team used business process mapping techniques to challenge operational processes and focused on where guidance and support required development to support services commission. The team are using existing technology available in the Council, most notably sharepoint, to automate processes where possible.
7. Roll out of revised procedures was undertaken in two phases, with an evaluation process in-between to assess the effectiveness of new procedure implementation. The team have now moved to a consolidation phase, evaluating the control environment required to monitor compliance with rules, developing performance information and looking at how the service can be further developed, taking a continuous improvement approach.

## **Reduce Commercial Risk**



8. Contract management has been a key area of focus for the Council over the past year.
9. A comprehensive training programme was recognised as an early important step. All contract managers were offered in-person training sessions provided by leading consultants SPS consultancy which took place between May and June. The Council have deployed an accredited e-learning programme provided by the Government Commercial College on contract management foundations (this is a 1-3 day programme with a formal test). Several members of staff (both contract managers and from the procurement team) have been participating in the Government Commercial College's contract management practitioner course.
10. The Council has been invited to join the Department for Levelling Up, Housing and Communities Contract Management Pioneer Programme. The programme promotes best practice in contract management and encourages Councils to share experiences as well as support the development of national guidance for authorities in commissioning and contract management. This has led to further opportunities for the authority; firstly, as one of the most active participants in the scheme, the Council has been selected to partake in a review by Local Partnerships of its contract management arrangements, with support then provided to implementing further improvements. Secondly, the Council will be accessing training and support for implementing the forthcoming new procurement regulations (see below).
11. A contract management group has now been formed in the Council. This includes a Microsoft Teams group, enabling people to share ideas or ask questions to each other, as well as a schedule of monthly online sessions with presentations to support best practice.
12. The challenging economic situation has meant increasing prominence to the issue of the potential for supplier failure or challenges for suppliers to deliver to agreed contracts. This has been escalated to the corporate register, with a range of action taken including guidance and briefings for staff on managing this risk in their contract management and quarterly financial health checks on all key suppliers.

### **Work ethically, locally and sustainably**

13. In Autumn 2022, the Norwich Good Economy Commission (GEC) published their final report, highlighting the potential that procurement can have in supporting the local economy.
14. In their initial work on anchor institutions, the GEC had indicated that public sector organisations should look to simplify procurement threshold procedures to enable local providers to access the market. This has been achieved through the work set out above and a review of lower value spend (less than £25k) following implementation of the new procedures indicated that 70% of expenditure was with SME organisations.
15. The GEC also suggested authorities should look to analyse their expenditure and identify local spend. This aligns with work undertaken when the anchor institution approach was pioneered in Preston; in 2012, Preston was spending 12% of its annual budget in Preston, but by 2016 this had risen to 28%.

16. In January 2023, we undertook analysis of the active contracts on our contract register to understand our current impact. This identified that 65% of suppliers are based within the Norwich City Council boundary; with a further 5% of suppliers based in the Greater Norwich Growth area. This equates to £250m of the £376m of contracts in the contract register within the Norwich boundary.
17. We have analysed this expenditure on a category basis. Particular areas where we are consistently using local suppliers include waste and environment; building repairs and capital works and in consultancy / advisory services. There are some areas where there is no effective local market (such as utilities and specialist IT services) and some areas where we may be purchasing from local branches of national firms (temporary staff). Nonetheless, this work is useful in telling us where we may be able to usefully target efforts to increase local spend.
18. Taking this work forward into a formal anchor institution approach alongside partners has proved more challenging, but will be a key area of focus over the coming year. We are aware that FUSE Norwich are undertaking work to explore how the anchor institution approach could also be taken forward across the social enterprise sector.
19. A further area for development over the next year is seeking to re-develop our social value in procurement approach. Our current framework encourages services to seek to obtain social value through procurement exercises; whether through formal requirements (such as suppliers must be accredited or working towards living wage accreditation) or through evaluation questions as part of the assessment which form a % value when determining whether to award the contract.
20. Nonetheless, there is opportunity to more clearly articulate what we want to achieve through our procurement in social value terms. The greater the understanding we have of our future commissioning needs supports driving longer term identifiable outcomes from our procurement exercises, and through our contract management approach we can then more effectively measure delivery. For example, a contractor holding a 3 year contract is more likely to take on and train apprentices than a year-by-year contract.
21. Longer term planning is also critical for developing our social value approach aligned more directly to our corporate plan. Frameworks can provide an excellent mechanism for Councils to purchase, but social value criteria within these will usually be more generic; there are key opportunities to look at how the Council purchases to deliver the best combination of value in terms of financial, quality and social.
22. The final key area for development is seeking to support reducing our carbon impact through our approach to commissioning. During this year, Cabinet agreed a revised approach to the Biffa waste collection contract, enabling the Council to change its risk profile in order to support the introduction of an electrified fleet. Whilst this is an example, there are opportunities to look more systematically, the first part of which is the outcomes of work commissioned by the Council's environment strategy to examine carbon in our supply chains. The outcomes of this work will be used to inform our procurement strategy from 2024.

## **Drive Value for Money**

23. The economic situation has meant value for money in procurement has been particularly challenging over the past year. Across most categories, we have seen a reduction in the number of suppliers willing to submit bids or place significant caveats on price modelling. Framework suppliers have similarly experienced challenges with either suppliers removing themselves from frameworks or seeking to re-negotiate price and terms. The procurement team have been working with services to identify ways to promote contract opportunities such as the use of prior information notices to alert contractors in advance.
24. Our supplier financial analysis undertaken last year was used to identify the Council's largest areas of spend within contracts. Each was reviewed to assess whether action was undertaken to review the way the contract was operating and where not, were taken forward as part of the Future Shape Norwich change programme within the Council. Key examples of this work include Biffa, as mentioned above; nplaw, where we have worked with partners to restructure the financial modelling in the contract, and externally-commissioned work to review the NCS environmental services contract.
25. Following the agreement of the HRA business plan, the procurement team recognise the opportunity to work with the housing service and NRL to most effectively assess how we can most effectively procure the housing capital programme moving forwards, a further key area of focus over the next year.

## **Making Procurement Mainstream**

26. The work set out above is still in the early stages of embedding. We recognise there is work to do in terms of ensuring that effective management of the contract life cycle is consistent across the organisation and is providing assurance to the organisation. Nonetheless, there has been a consistently high level of engagement across the organisation in the work undertaken, giving confidence in the ability to ensure these changes will make a lasting difference.
27. We recognise that there is work to develop in terms of our desire to work ethically, locally and sustainably. The prevailing economic conditions do not assist, with a careful balance to be struck between affordability to the council (and in some areas, its tenants and leaseholders) and the longer term benefits of sustainable solutions.
28. Further, there is work we can do, as outlined above, to engage with partner bodies more effectively – whether to support the anchor institution concept, shape the market or where there are opportunities to jointly procure. The recent peer review of the Council has also highlighted the potential for the Council to more effectively engage its customers in designing services, with the potential to weave such an approach into the commissioning lifecycle.
29. Clearly, we have achieved significant results in terms of redesign of services over the past year, but the final aspect of our focus of delivery over the next year will be evaluating how we can more effectively measure our impact and outcomes from the procurement service and our commissioning approach.

## **Procurement Strategy moving forwards**

30. 2023/24 marks the final year of the current procurement strategy. As set out above, there are areas for further development that we will be seeking to work towards conclusion.
31. Our work to form an anchor institution approach and develop local and sustainable procurement is likely to take us beyond this period. As a result, it is likely that this will remain a key area of focus in the strategy moving forwards, and in particular looking at carbon reduction in our supply chains.
32. There is a degree of uncertainty at present regarding procurement processes. A new procurement bill is currently proceeding through parliament, and is likely to come into effect late in 2023. A member of the procurement team has been identified as a national superuser to be part of forums considering practical matters related to the implementation of the new regulations, and we understand that we will be given access to training provided by the Cabinet Office. Nonetheless, another key aim of the procurement strategy moving forwards will be to understand the impact of the new regulations, and particularly where there may be opportunities to work differently to commission services

## **Consultation**

33. No specific consultation has taken place regarding this report

## **Implications**

### **Financial and resources**

34. Any decision to reduce or increase resources or alternatively increase income must be made within the context of the council's stated priorities, as set out in its Corporate Plan 2022-26 and budget.
35. The budget for the procurement team is established within the Council's budget and this report does not make any specific resource requests.

## **Legal**

36. The Council is required to comply with a range of legislation in undertaking procurement exercises, including the Public Procurement Regulations 2015 and the Subsidy Act 2022.

## **Statutory considerations**

<b>Consideration</b>	<b>Details of any implications and proposed measures to address:</b>
Equality and diversity	None
Health, social and economic impact	None
Crime and disorder	None
Children and adults safeguarding	None

<b>Consideration</b>	<b>Details of any implications and proposed measures to address:</b>
Environmental impact	None

### **Risk management**

<b>Risk</b>	<b>Consequence</b>	<b>Controls required</b>
Failure to implement the actions necessary to deliver the benefits envisaged through the procurement strategy	The Council does not achieve the aims of the strategy such as value for money or more sustainable procurement	The procurement strategy actions are subject to ongoing monitoring by the procurement team in addition to this annual update. The Council's corporate leadership team also receives periodic updates on progress.

### **Other options considered**

37. None

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


38. The Procurement Strategy calls for an annual update to be provided to Cabinet on the progress achieved in delivering the Strategy. This allows Cabinet to provide oversight and, where necessary, take action if they are dissatisfied with the progress being achieved.

**Background papers: None**

**Appendices: Appendix 1: Procurement Strategy Action Plan, 2022-23**

**Contact officer: Leah Mickleborough, Head of Legal and Procurement**

**Email address: [leahmickleborough@norwich.gov.uk](mailto:leahmickleborough@norwich.gov.uk)**

	<p>If you would like this agenda in an alternative format, such as a larger or smaller font, audio or Braille, or in a different language, please contact the committee officer above.</p>
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PHASE 1 - BUILDING THE INFRASTRUCTURE	
A) The detailed analysis and classification of our third-party expenditure information	
Action taken	Next steps
<ul style="list-style-type: none"> <li>• Consultants were engaged to undertake a detailed procurement value financial analysis.</li> <li>• Workshops were held to understand the data further and analyse where contracts needed to be reviewed.</li> <li>• The highest value areas of spend were identified and compared to current activity and contract monitoring; potential areas of activity were then progressed through the Future Shape Norwich workstreams</li> <li>• The data from the workshops was used to identify how we could work in a more focused way based on higher value contracts</li> </ul>	This activity is now complete
B) The integration of policies, processes and systems underpinning the commercial life cycle	
Action taken	Next steps
<ul style="list-style-type: none"> <li>• Review of other local authorities Contract Procedures for best practice</li> <li>• Review of Contract Procedures and in particular thresholds values for procurement routes</li> <li>• Development of Contracts Register into a Procurement Plan</li> <li>• Drafted a contract management framework including contract management planning and assurance framework</li> <li>• A full review of procurement procedures on a risk-based basis with business process mapping and new procedures devised</li> <li>• Review of all procurement templates and documentation</li> <li>• New procedures fully compliant with transparency regulations</li> <li>• Launch of contract management framework and contract management plan</li> </ul>	This activity is now complete

<ul style="list-style-type: none"> <li>Establishment of contract management group and annual schedule of workshops</li> </ul>	
<b>C) The development of skills and knowledge programmes for those involved in any aspect of the commercial life cycle</b>	
<b>Action taken</b>	<b>Next steps</b>
<ul style="list-style-type: none"> <li>We have developed and rolled out a range of training including: <ul style="list-style-type: none"> <li>SPS consultancy have provided in-house and online dedicated contract management training sessions</li> <li>Several officers have taken part in the Government Commercial College's Contract Management Practitioner Programme</li> <li>The Government Commercial College's e-learning foundation course in contract management is now permanently available for staff on the Council's e-learning portal</li> </ul> </li> <li>Through participation in the DHLUC contract management pioneer programme we are provided access to a range of webinar's and knowledge sharing events which we have promoted in the organisation</li> <li>We have established a contract manager teams group in the Council and have developed a schedule of monthly knowledge sharing events</li> <li>Following the procurement service review concluding in April 2022, the team have developed a skills matrix identifying training needs across the service.</li> </ul>	<ul style="list-style-type: none"> <li>To continue to embed the learning and development approach, creating a continuous learning environment</li> <li>To evaluate development needs for Councillors</li> </ul>
<b>D) The reaching out to local businesses, including the voluntary, community and social enterprise sector to understand their priorities and what they want from us as a Council</b>	
<b>Action taken</b>	<b>Next steps</b>
<ul style="list-style-type: none"> <li>We have been working to develop an Anchor Institution approach following the Norwich Good Economy Commission. It has proved challenging to engage with other sector providers effectively.</li> <li>FUSE have been commissioned (outside the Council) to undertake a review of how the anchor institution approach can be adopted to support the social</li> </ul>	<ul style="list-style-type: none"> <li>Undertake focused work in those areas where local spend is proportionately lower to understand potential market development opportunities</li> <li>Continue to progress work to support establishment of an Anchor Institution approach in Norwich</li> </ul>

<p>enterprise sector locally. We are actively engaging with them on this work to see what lessons the Council can learn and adopt.</p> <ul style="list-style-type: none"> <li>• We have undertaken analysis of our own local spend which has highlighted our comparative effectiveness in spending locally, but also identified those areas where local spending is not as prominent</li> </ul>	
<b>E) The piloting of a category review, refining processes and documenting lessons learned</b>	
<b>Action taken</b>	<b>Next steps</b>
<ul style="list-style-type: none"> <li>• Categories included on the Contract Register</li> <li>• Financial analysis has identified categorisation of spend</li> <li>• Workshops held with each head of service to understand their short, medium term procurement needs</li> <li>• Proposed new team structure based on business partner model</li> <li>• Attendance at appropriate external led workshops for example Crown Commercial IT frameworks</li> </ul>	<ul style="list-style-type: none"> <li>• Identify further 'category management' knowledge bases</li> <li>• Skills development of team. See Phase 2 C)</li> </ul>
<b>F) The creation of an ambitious cultural change management programme, which will include an analysis of the likely impact on different parts of the business, to underpin all of the above.</b>	
<b>Action taken</b>	<b>Next steps</b>
<ul style="list-style-type: none"> <li>• Diagnostic survey undertaken to understand current knowledge and development areas (reported in the March 2022 procurement strategy update)</li> <li>• Development and agreement of the contract management framework</li> <li>• Development of the training and support programme for contract management</li> <li>• Modifications to the procurement procedures to more effectively enable services with regards lower contract spend and more engagement from procurement on higher priority spend</li> </ul>	<ul style="list-style-type: none"> <li>• Review the findings of the corporate culture review and both the national and council diagnostics where procurement culture doesn't align with strategy principles</li> </ul>
<b>PHASE 2 – EMBEDDING THE CHANGES</b>	



<b>A) Refinement of our new policies, processes and systems to ensure that they are working correctly and delivering the intended results and outcomes</b>	
<b>Action taken</b>	<b>Next steps</b>
<ul style="list-style-type: none"> <li>We have undertaken a comprehensive review of all procedures, including business process mapping. Re-engineered processes have been rolled out across the organisation.</li> </ul>	<ul style="list-style-type: none"> <li>Continue to develop the approach based on learning and identification of new technologies (such as full transfer of the contract register to sharepoint)</li> <li>Actively seek feedback from the organisation on the benefits being achieved from changed processes</li> </ul>
<b>B) Gaining internal stakeholder buy in to change</b>	
<b>Action taken</b>	<b>Next steps</b>
<ul style="list-style-type: none"> <li>We have introduced business partners within the procurement team to have clear leads and work more actively with services on forthcoming procurement needs</li> <li>Successful roll-out of new procurement procedures and models</li> </ul>	<ul style="list-style-type: none"> <li>Actively seek feedback from the organisation on the benefits being achieved from changed processes</li> </ul>
<b>C) Developing people skills and knowledge deployment to help individuals excel in their commissioning and contract &amp; relationship management activities</b>	
<b>Action taken</b>	<b>Next steps</b>
<ul style="list-style-type: none"> <li>See above regarding training and development programme being deployed</li> </ul>	<ul style="list-style-type: none"> <li>Action is considered complete</li> </ul>
<b>D) Introducing a marketing and communications plan to advance internal customer service capability and communicate effectively with our partners and suppliers</b>	
<b>Action taken</b>	<b>Next steps</b>
<ul style="list-style-type: none"> <li>We have enhanced the information available on the Council's website relating to procurement including active, regular publication of the contract register</li> <li>Use of twitter, LinkedIn and other social media to advertise opportunities</li> </ul>	<ul style="list-style-type: none"> <li>Development of a more formal marketing and communications approach to opportunities</li> </ul>
<b>E) Building internal capacity and expertise for the future</b>	
<b>Action taken</b>	<b>Next steps</b>
<ul style="list-style-type: none"> <li>We have concluded a review of the team structure and developed a skills matrix. This includes clearer pathways for team development</li> </ul>	<ul style="list-style-type: none"> <li>This is substantively complete</li> </ul>

<ul style="list-style-type: none"> <li>We have enhanced the training offer across the organisation</li> <li>We are currently rationalising action plans across the service area based on our continuous improvement approach, such as introducing e-signing and sealing of documents to improve efficiency</li> </ul>	
<b>F) Agreeing a rolling programme of category reviews</b>	
<b>Action taken</b>	<b>Next steps</b>
<ul style="list-style-type: none"> <li>Within the procurement team, specific category leads have been identified</li> </ul>	<ul style="list-style-type: none"> <li>This work now needs to be taken forward, potentially aligned with our local supplier and sustainability work</li> </ul>
<b>G) Ongoing engagement with our sustainability and social value work</b>	
<b>Action taken</b>	<b>Next steps</b>
<ul style="list-style-type: none"> <li>Existing procurement exercises have specific criteria related to social value, including environmental sustainability.</li> <li>As part of our review of procurement guidance, specific reference has been made to sustainability and social value</li> <li>We have clarified our view of local spend and analysed our local spend</li> <li>The energy strategy team has commissioned a review of carbon in our supply chains which will allow us to more clearly target specific contracts and areas of spend for carbon reduction</li> </ul>	<ul style="list-style-type: none"> <li>Re-develop sustainability framework and our mechanisms for measuring sustainability outcomes</li> <li>Analyse outcomes of carbon in supply chain review</li> </ul>

<b>PHASE 3 – DELIVERING THE OUTCOMES</b>	
<b>A) Continuing to manage the changes and communications processes developed</b>	
<b>Action taken</b>	<b>Next steps</b>
<ul style="list-style-type: none"> <li>We have moved into a consolidation phase in relation to our internal changes to process. This includes a review of the effectiveness of changes, and the necessary control steps to monitor service implementation.</li> <li>We have established the contract manager group internally to continue</li> </ul>	<ul style="list-style-type: none"> <li>Internal Audit review to assess assurance that can be given over changed processes (provisionally scheduled for Q1 2023/24)</li> </ul>

to communicate regularly with contract managers about procurement changes	
<b>B) Refining and developing our ability to meet changed priorities and targets</b>	
<b>Action taken</b>	<b>Next steps</b>
<ul style="list-style-type: none"> <li>• We have been actively participating in major internal change programmes, including the new ERP (HR &amp; Finance systems)</li> <li>• The Service Manager participates in the Design Authority, which was established as part of the Future Shape Norwich change programme. This enables early insight into developing proposals from a procurement perspective, allowing the team to align resources to support change programmes</li> <li>• Through the business partners, we are more actively working with services to identify forthcoming procurement needs</li> </ul>	<ul style="list-style-type: none"> <li>• Following the agreement of the HRA business plan (December 2022) and budget / MTFS (February 2023), the intention is to work in a more focused way with the housing team to look at how we can most effectively procure and manage housing contracts moving forwards</li> </ul>
<b>C) Establishing a new 'business as usual' model</b>	
<b>Action taken</b>	<b>Next steps</b>
<ul style="list-style-type: none"> <li>• As above, the team have overhauled the processes and procedures for procuring goods and services within the Council</li> <li>• It should be recognised that whilst this has been undertaken, developing a continuous improvement approach means that we will continue to evolve and develop rather than a static "business as usual" model</li> </ul>	<ul style="list-style-type: none"> <li>• To use the next steps outlined across all areas of activity above to continue to develop the service.</li> </ul>





**Committee name:** Cabinet

**Committee date:** 08/03/2023

**Report title:** Pay Policy Statement 2023/24

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

**Report from:** Head of HR and organisational development

**Wards:** All wards

**OPEN PUBLIC ITEM**

**Purpose**

To note and recommend to full Council the pay policy statement for 2023/24.

**Recommendation:**

It is recommended that the contents of the pay policy statement for 2023/24 are noted and agreed and that a recommendation is made to full Council to approve the Council's pay policy statement for 2023/24.

**Policy framework**

The council has five corporate priorities, which are:

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

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

This report helps to meet the modernising the council objective of the COVID-19 Recovery Plan.

## Report details

1. Section 38 (1) of the Localism Act 2011 requires the Council to consider, approve and publish a pay policy statement for each financial year. The pay policy statement must be approved by a resolution of the full Council by 31 March each year.
2. The pay policy statement must as a minimum set out the council's policies relating to:
  - a) the remuneration of its chief officers
  - b) the remuneration of its lowest paid employees
  - c) the definition of the lowest paid employees adopted by the council for the purposes of the pay policy statement and the reasons for adopting that definition
  - d) the relationship between the remuneration of its chief officers and employees who are not chief officers
  - e) the publication of and access to information relating to remuneration of chief officers

It must also comply with the statutory and supplemental guidance issued by the Department for Levelling Up, Housing and Communities.

3. The pay policy statement for 2023/24 is attached as Appendix A.
4. The pay policy statement for 2023/24 incorporates the following changes:
  - a. Updated salaries to reflect the Joint Negotiating Committee (JNC) for Chief Executive and Chief Officer pay award effective from 1 April 2022 to 31 March 2023, para 2.5 of the pay policy statement. This represents an increase of £1,925 per annum on all pay points.
  - b. Updated salaries to reflect the National Joint Council (NJC) for local government services pay award effective from 1 April 2022 to 31 March 2023, para 1.6 of the pay policy statement. This represents an increase of £1,925 on all pay points.
  - c. Amendment to paragraph 3 in relation to deputy chief officers
  - d. Additional clarification has been provided at 6.5 of the pay policy statement regarding reimbursement for use of cycles on official council business.
  - e. Pay multiples have been updated in para 5. The ratio between the highest paid employee and other employees based on the median earner has remained stable and is 1:4.68. The ratio of the highest and lowest pay points has improved from 1:7.45 to 1:6.86.
5. Pay claims have been submitted to the national employers by the trade unions for 2023/24. Agreements on pay increases for 2023/24 have not been reached. The pay rates detailed in the pay policy statement will be updated in line with any agreed pay increase for 2023/24.

6. The pay policy statement meets the statutory requirements of the Localism Act 2011.
7. The councils first pay policy was approved by full Council on 20 March 2012, and in each subsequent year.

## **Consultation**

8. The remuneration and terms of condition of employment contained in the pay policy statement have been subject to formal consultation with Unison, the council's recognised trade union. The pay policy statement for 2023/24 was presented to the Joint Consultative and Negotiating Committee on 6 March 2023.

## **Implications**

### **Financial and resources**

9. Any decision to reduce or increase resources or alternatively increase income must be made within the context of the council's stated priorities, as set out in its Corporate Plan 2022-26 and budget.
10. There are no proposals in this report that would reduce or increase resources. The pay policy statement sets out current remuneration arrangements and there are no additional or increased financial implications arising from the pay policy statement.
11. The salary scales are based on the 2022/23 financial year. The council adopts the nationally negotiated local government pay agreements. The national pay negotiations have not been concluded and increases for 2023/24 have not been agreed and therefore the financial implications are unknown at this time. An assumption of a 4% increase in staffing budgets covering inflation and incremental drift was included in the budget assumptions for 2023/24. The pay claim received by the trade unions for most employees is for RPI plus 2%. Should the nationally negotiated pay agreements exceed the budget assumptions the financial implications will need to be given further consideration.

## **Legal**

12. It is a legal requirement under the Localism Act 2011 for the council to have and publish an annual pay policy statement.

<b>Consideration</b>	<b>Details of any implications and proposed measures to address:</b>
Equality and diversity	The council applies the National Joint Council (NJC) job evaluation scheme. Decisions on pay are fair, equitable and transparent. An equality impact assessment was carried out when the current pay structure was introduced and equality impact assessments are carried out on policies impacting on employees and on an action specific basis, as appropriate

<b>Consideration</b>	<b>Details of any implications and proposed measures to address:</b>
Health, social and economic impact	The councils pay policy and adoption of living wage foundation living wage supports financial inclusion and is likely to have a health, social and economic impact.
Crime and disorder	None
Children and adults safeguarding	None
Environmental impact	None

### **Risk management**

<b>Risk</b>	<b>Consequence</b>	<b>Controls required</b>
The Council does not fulfil the requirements of the Localism Act 2011 in agreeing and publishing the pay policy statement.	The Localism Act is not complied with.	The pay policy statement will be considered at full Council before 31 March and published on the Councils website within 21 days of approval.

### **Other options considered**

13. None – the production and publication of a pay policy statement is a statutory requirement under the Localism Act.

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

14. To meet the requirements of the Localism Act 2011

### **Background papers:**

None

### **Appendices:**

Appendix 1 Pay Policy Statement 2023/24

### **Contact officer:**

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## **PAY POLICY STATEMENT 2023-24**

### **Introduction**

This pay policy statement is provided in accordance with Section 38 of the Localism Act 2011 and is effective from 1 April 2023. The pay policy statement was approved at a meeting of full Council on *(date to be added when agreed by Council)*.

### **Scope**

This document sets out the council's pay and reward arrangements for the whole workforce including senior pay arrangements. The pay policy statement excludes pay arrangements and terms and conditions of employment of employees who have transferred into the council and are protected under the Transfer of Undertakings (Protection of Employment) regulations.

### **1. Employee remuneration up to and including heads of service**

- 1.1 Employees up to and including head of service grades are subject to the National Joint Council (NJC) for local government services national agreement on pay and conditions of service. These are supplemented by locally agreed collective agreements reached with trade unions recognised by the council.
- 1.2 The council's pay structure commences at spinal column point (SCP) 4 up to SCP 59L. SCP's 4 to 43 reflect the NJC national pay points, SCP's 44L to 59L are locally agreed pay points.
- 1.3 There are 14 grades within the pay structure. Grade 1 is the lowest grade and grade 14 is the highest grade. Grades 13 and 14 apply to head of service posts.
- 1.4 Salaries in the pay grades 1 -14 are updated in line with pay awards notified from time to time by the NJC for local government services.
- 1.5 Posts are allocated to the pay grades through a process of formal job evaluation using the NJC job evaluation scheme.

## 1.6 Pay and grading structure – pay rates 1 April 2022 – 31 March 2023\*

Grade	JE score	SCP	Annual salary	Hourly rate
Grade 1	Up to 260	4	£21,189	£10.98
		5	£21,575	£11.18
Grade 2	261 - 291	6	£21,968	£11.39
		7	£22,369	£11.59
Grade 3	292 - 332	8	£22,777	£11.81
		9	£23,194	£12.02
		10	£23,620	£12.24
		11	£24,054	£12.47
		12	£24,496	£12.70
		13	£24,948	£12.93
Grade 4	333 - 373	14	£25,409	£13.17
		15	£25,878	£13.41
		16	£26,357	£13.66
		17	£26,845	£13.91
		18	£27,344	£14.17
		19	£27,852	£14.44
Grade 5	374 - 414	20	£28,371	£14.71
		21	£28,900	£14.98
		22	£29,439	£15.26
		23	£30,151	£15.63
		24	£31,099	£16.12
Grade 6	415 - 455	25	£32,020	£16.60
		26	£32,909	£17.06
		27	£33,820	£17.53
		28	£34,723	£18.00
Grade 7	456 - 501	29	£35,411	£18.35
		30	£36,298	£18.81
		31	£37,261	£19.31
		32	£38,296	£19.85
Grade 8	502 - 547	33	£39,493	£20.47
		34	£40,478	£20.98
		35	£41,496	£21.51
		36	£42,503	£22.03
Grade 9	548 - 593	37	£43,516	£22.56
		38	£44,539	£23.09
		39	£45,495	£23.58
		40	£46,549	£24.13
Grade 10	594 - 644	41	£47,573	£24.66
		42	£48,587	£25.18
		43	£49,590	£25.70
		44L	£51,153	£26.51

Pay and grading structure – pay rates 1 April 2022 – 31 March 2023\* (continued)

Grade	JE score	SCP	Annual salary (FT)	Hourly rate
<b>Grade 11</b>	<b>645 - 695</b>	45L	£52,149	£27.03
		46L	£53,480	£27.72
		47L	£54,845	£28.43
		48L	£56,249	£29.16
<b>Grade 12</b>	<b>696 - 751</b>	49L	£56,956	£29.52
		50L	£59,165	£30.67
		51L	£60,683	£31.45
		52L	£62,240	£32.26
<b>Grade 13</b>	<b>752 - 812</b>	53L	£63,119	£32.72
		54L	£65,479	£33.94
		55L	£67,164	£34.81
		56L	£69,257	£35.90
<b>Grade 14</b>	<b>813+</b>	57L	£70,477	£36.53
		58L	£72,487	£37.57
		59L	£74,357	£38.54

\*To be updated in line with national pay agreement for 2023/24 when agreed.

1.7 Employees on Grade 1 are defined as our lowest paid employees.

1.8 The council pays employees no less than the Living Wage Foundation living wage rate. The rate is reviewed and updated by the Living Wage Foundation annually, normally in November for implementation within six months. If the council's lowest pay grade falls below the living wage rate, a supplement will be paid to equate to the living wage rate from 1 April following any increase.

## **2. Chief executive and chief officer pay**

2.1 The council's chief executive is the head of paid service, and the executive directors are chief officers. The roles of director are deputy chief officers, however, the pay arrangements for chief officers have also been applied to director roles.

2.2 The current pay arrangements are locally determined and operated. Salaries in these pay grades are updated in line with pay awards notified from time to time by the Joint Negotiating Committee (JNC) for Chief Executives and Chief Officers.

2.3 The pay and grading structure for chief officers was agreed by full Council on 22 September 2020.

2.4 New appointments to be paid a salary package of £100,000 per annum or above are approved by full Council.

## 2.5 Chief executive and chief officer and director grading structure

Grade	SCP	1 April 2022 – 31 March 2023*	
		Annual Salary (FT) £	Hourly rate £
<b>Chief Executive</b>	150	£133,521	£69.21
	151	£136,511	£70.76
	152	£139,502	£72.31
	153	£142,493	£73.86
	154	£145,483	£75.41
<b>Executive Director</b>	110	£97,736	£50.66
	111	£101,423	£52.57
	112	£105,109	£54.48
<b>Director</b>	106	£79,313	£41.11
	107	£82,998	£43.02
	108	£86,683	£44.93
	109	£90,368	£46.84

\*To be updated in line with national pay award for 2023/24 when agreed

- 2.6 The terms and conditions of employment for the chief executive and chief officers are determined in accordance with collective agreements, negotiated from time to time, by the JNC for Chief Executives and the JNC for Chief Officers, as set out in the Scheme of Conditions of Service. These are supplemented by local agreements reached with trade unions recognised by the council and by the rules of the council.

### 3. Heads of service

- 3.1 In accordance with the Local Government and Housing Act 1989 a non-statutory chief officer for the purposes of this pay policy statement is defined as a person who reports directly to or is accountable directly to the head of paid service. A deputy chief officer is defined as a person who reports directly to or is directly accountable to a statutory or non-statutory chief officer. This definition excludes secretarial, clerical and support services.
- 3.3 These heads of service are not subject to the pay and conditions of service determined by the JNC for Chief Officers of local authorities but are employed under NJC terms and conditions and are paid in line with the pay structure detailed in 1.6.
- 3.4 The head of legal and procurement holds the statutory role of monitoring officer. This role is also subject NJC terms and conditions and the pay structure detailed in 1.6.

## **4. Other arrangements**

### **4.1 Election fees**

The Returning Officer has overall responsibility for the conduct of elections and is appointed under the Representation of the People Act 1983. The role of returning officer is carried out by an employee of the council but is carried out in a personal capacity and is distinct and separate from their duties as an employee. Election fees are paid for the additional duties and are paid separately to the normal salary arrangements.

The chief executive is the council's Returning Officer.

Fees for Parliamentary, Police Commissioner, Referendum and European elections are set by parliamentary statutory order.

Fees for undertaking County and District elections are calculated in accordance with a formula agreed annually by the Norfolk Chief Executives' Group, based on a recommendation by the County Electoral Officers' Group.

The setting of Returning Officer fees is considered by a meeting of the Chairpersons of the Norfolk authorities' member remuneration panels.

Other employees of the council, including senior officers within the scope of this policy may receive additional payment for specific election duties.

## **5.0 Lowest and highest paid employees**

- 5.1 The council's lowest paid employees are paid on Grade 1 of the pay structure. The minimum pay point paid to any employee is SCP 4 of the pay structure. This equates to a basic salary of £21,189 per annum. The salary range for Grade 1 is £21,189 to £21,575 per annum.

The council's highest paid employee is the chief executive. The chief executive salary scale ranges from £133,521 to £145,483 per annum.

### **5.2 Pay Multiples**

The ratio between the highest paid employee and other employees based on the median earner is 1:4.68

The ratio of the highest and lowest pay point, based on full time equivalent salaries at 31 March 2023 is 1:6.86

In calculating the pay ratios, full time equivalent salaries and basic pay have been used. Basic pay excludes overtime, additional hours and other additional salary related payments.

- 5.3 The council does not have a policy on maintaining or reaching a specific pay ratio between the highest and lowest paid employees.

## **6.0 General principles applying to remuneration of all employees**

### **6.1 Living wage**

The council is an accredited Living Wage Foundation living wage employer and has adopted a living wage policy for employees and agency workers and contractors engaged through the council's procurement processes.

### **6.2 Pay on appointment**

Starting salary on appointment is determined by assessment of relevant experience and competence to undertake the job role and taking account of current salary level. Salary on appointment will be within the salary range for the post.

### **6.3 Pay progression**

All employees are remunerated on a pay range. The pay policy recognises that movement through defined pay ranges should continue as employees increase their effectiveness and expertise through knowledge and experience and most employees will normally receive an annual increment on 1 April each year up to the maximum point of the pay grade

Employees appointed between 1 October and 31 March receive their first increment after 6 months in post and any subsequent increments on 1 April each year.

Accelerated increments can be awarded based on special merit or ability, subject to the maximum of the scale not being exceeded.

### **6.4 Relocation and disturbance**

Relocation expenses may be granted where new employees are required to move to the area to take up employment and their circumstances meet the criteria laid down in the relocation assistance scheme.

Existing employees required to move home for their employment or who incur additional costs because of a decision of the council in respect of their employment may be eligible for reimbursement of some expenses depending on the circumstances.

### **6.5 Expenses and Travel**

- **Travel for work**

Employees are not required to provide a car for work purposes and pool cars are available for official business travel.

Employees may choose to use their own transport for official business travel and are reimbursed at the following rates:

Mileage per mile first 8,500 miles	46.9 p
Mileage per mile after 8,500 miles	13.7 p

Employees who choose to use a cycle for official business purposes and have not obtained the cycle through the cycle to work scheme, will be reimbursed in line with the mileage rate applicable for motorised vehicles.

Employees required to have access to a vehicle, because of the nature of their duties are classified as operational users. Operational users have access to pool cars but may use their own vehicle and be reimbursed mileage.

- **Car Parking**

Operational users who work in or from city hall and use their own vehicle for work purposes are provided with a city centre car park pass.

Employees who are required to remain at work or return to work to attend an evening meeting will be provided with a city centre car park pass to enable them to attend the evening meeting.

Employees working at other council buildings may use the parking at the site, where this is available.

- **Subsistence**

Subsistence will be paid to employees who necessarily incur additional expense in the course of their work. Claims will generally be supported by a receipt. Actual expenditure is reimbursed, subject to locally agreed maximum amounts.

#### 6.6 **Bonus scheme**

The council does not operate a bonus scheme.

#### 6.7 **Performance related pay**

The council does not operate a performance related pay scheme.

#### 6.8 **Professional fees and subscriptions**

The council reimburses professional fees and subscriptions as follows:

- employees undertaking approved studies towards a professional qualification, which require professional membership. The subscription is paid for the period of the studies, subject to satisfactory progress being made.
- specified professions where there are proven recruitment difficulties as a recruitment and retention incentive.
- statutory chief officers where the professional membership is a requirement in accordance with their statutory function.

#### 6.9 **Overtime and enhancements**

Some posts within the council attract enhancements and/or overtime payments. Overtime and enhancements are applied in accordance with set criteria which are nationally and locally agreed.



### 6.10 Honoraria

If it is appropriate for an honorarium to be paid, this will be in accordance with agreed criteria for payment of honoraria.

### 6.11 Severance arrangements

On ceasing to be employed by the council, employees will only receive compensation where this is appropriate as outlined below:

- i. Employees who are dismissed on the grounds of redundancy and who have a minimum of two years' continuous service with the council will normally be entitled to be paid statutory redundancy pay, which is calculated according to the individual employee's age, length of service and gross weekly pay subject to a statutory maximum.

The Local Government (early termination of employment) (Discretionary Compensation) England and Wales Regulations 2006 enable local authorities to pay discretionary compensation in certain circumstances above the statutory entitlement. The council has exercised its discretion to increase the redundancy payment as follows:

- the statutory upper pay limit will be disregarded when calculating a week's pay for the purposes of the statutory redundancy payment and will calculate redundancy payments based on actual week's pay.
- the redundancy payment will be enhanced by a factor of 1.5.

Redundancy calculation is the same across the council irrespective of position and pay grade.

Employees aged 55 and over and who are redundant and are members of the local government pension scheme immediately become entitled to receive their pension benefits. Pension benefits are not increased or augmented in these circumstances.

- ii. In exceptional circumstances and where the business case supports it, the council may agree to a severance package in relation to termination of employment, to avoid or settle a legal claim.
- iii. Severance packages of £100,000 or more will be considered at full Council.

### 6.12 Pension

All employees who have a contract of employment for at least 3 months and are under age 75 are eligible to join the Local Government Pension Scheme. Employees who are eligible for membership automatically become members of the scheme unless they opt out.

The council contribute to the employee's pension, expressed as a percentage of the employee's pensionable pay. The contribution rate is assessed and set every three years following an actuarial valuation of the Norfolk Pension Fund.

The employee also contributes to their pension. The employee contribution rates vary from 5.5% to 12.5% of actual pensionable pay.

The council auto enrolls all eligible employees into the Local Government Pension Scheme in accordance with legislative requirements.

#### **6.13 Flexible retirement**

The council considers requests for flexible retirement from employees aged 55 and over who reduce their grade and/or hours of work. This enables the employee to have immediate access to their Local Government Pension Scheme benefits whilst retaining employment.

Requests are normally only granted when the overall financial impact is neutral or results in savings for the council.

The council does not waive any actuarial reductions resulting from early payment of pension benefits for flexible retirement.

#### **6.14 Market supplements**

The council will consider the payment of market pay supplements in exceptional circumstances and where there are significant external market pressures impacting on recruitment and retention. Market supplements are applied, reviewed and withdrawn in accordance with the council's market supplement policy.

#### **6.15 Re- engagement**

All posts are advertised in accordance with the council's recruitment policies. Appointments and any decision to re-employ a former employee, who left employment in receipt of a severance or redundancy payment, will be made on merit.

#### **6.16 Contracts for services**

The council will seek to appoint individuals to vacant posts using the recruitment procedures on the basis of contracts of employment and apply direct tax and national insurance deductions from pay through the operation of PAYE.

Interim appointments are made in accordance with the council's procurement policies and the provisions for contract for services.

Consultants and agency workers are not employees of the council and are not covered by this pay policy statement but may be appointed as an officer of the Council by the Chief Executive or an Executive Director for the purposes of delegating functions and decisions.

Where there is a need for consultant/interim support, the council will seek to avoid contractual arrangements which could be perceived as being primarily designed to significantly reduce the rate of tax paid by that person, such as paying the individual through a company, effectively controlled by him or her.

In line with the Agency Workers Directive, the council will aim to pay workers engaged through a contract for services at a rate consistent with the pay and reward of the councils directly employed workforce. In some instances, there may be a need to consider market factors in determining an appropriate pay level.

Where interim workers are employed by the Council, an assessment will be completed to establish whether they fall within the scope of IR35 legislation using the HMRC status tool. Workers that fall within scope will have income tax and national insurance contributions deducted.

**6.17 Salary sacrifice**

The council provides salary sacrifice arrangements for childcare vouchers and the cycle to work initiative.

**6.18 Gender pay gap**

The Government implemented mandatory gender pay gap reporting for employers with 250 or more employees in April 2017.

Gender pay gap information for the council can be viewed on the gender pay gap service.

<https://gender-pay-gap.service.gov.uk>

**7.0 Amendment and review of pay policy**

The council's pay policy statement will be reviewed and agreed by full council on an annual basis and before 31 March each year.

If it is necessary to amend the pay policy statement during the year that it applies, any amendment will be by resolution of the full Council.

The policy and any subsequent amended policy will be published on the council's website within 21 days of full council approval.





**Committee Name: Cabinet**

**Committee Date: 08/03/2023**

**Report Title: Adjustment to the general fund capital budget – The Halls**

**Portfolio:** Councillor Giles, Cabinet Member for Community and Wellbeing

**Report from:** Executive director of development and city services

**Wards:** Mancroft

## **OPEN PUBLIC ITEM**

### **Purpose**

To adjust the general fund capital programme to provide additional funds for major repairs and upgrades to The Halls.

### **Recommendation:**

1. To recommend to Council to increase the general fund capital programme by £1.848m (£0.450m in 2023/24 and £1.398m in 2024/25) to enable pressing major repair and upgrade works to The Halls.
2. To delegate authority to the Executive Director of Development and City Services, in consultation with the portfolio holder for Community and Wellbeing, to award the construction contract for The Halls Towns' Deal and condition survey project.

### **Policy Framework**

The Council has five corporate priorities, which are:

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

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

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

### **Report Details**

## Background

1. The Halls is a multi-use cultural venue owned and run by Norwich City Council; it is a Grade I Listed Ancient Monument. The building passed into public ownership during the Reformation in 1538 and is the most intact Medieval friary in England in secular use. For 600 years the Halls, St Andrews and Blackfriars have been used for trading, worship and cultural purposes. Today it is a successful receiving house and the largest concert venue in the city, consisting of:
  - **St Andrews** has an auditorium seating 800 people and a stage and choir stalls which can accommodate orchestras of 100 musicians and choirs of 250. It also has considerable flat floor space, which is used for civic functions, dinners, book fairs, flea markets, parties, conferences and weddings.
  - **Blackfriars** is smaller and can accommodate up to 200 diners for a formal banquet, wedding ceremony, reception, concert or meeting. It has a small stage area.
  - **Becket's Chapel** dates back to 1258. It is a beautiful semi-outdoor space, which retains many interesting Medieval architectural features. The size and dimensions of the space lend it perfectly to wedding ceremonies but it can also be used for many other types of event.
2. This building is the only venue of its kind in the city. It is flexible and has the largest flat floor space of any cultural venue in Norwich. As a vital part of the city's cultural, economic and community life it promotes a mix of professional, amateur and community use and its multi-purpose use is seen as a strength. The Halls are located in the heart of the city and have been a focal point of the Creative Quarter since the 14<sup>th</sup> century.
3. It has the potential to become a change vehicle for how the city's cultural partners operate together, encouraging more creative practice and joint working. For this reason, it became one of the 8 Towns Fund projects approved in July 2021, receiving a total of £3.7m including match funding.
4. The Towns Fund project will install the improvements that enable the transformation of the Halls as a multi-venue arts centre. The technical and building improvements, including modern raked and gallery seating (already completed), increased digital capacity, high-quality audio-visual equipment, improved sound transfer and café/bar provision, as well as major redesign to improve flow and accessibility will make The Halls a modern, fit-for-purpose arts centre with the opportunity for a wide variety of events to be held there greatly improving the users experience and the revenue generated which ensures the space can be maintained

## The Halls Building Condition

5. During the design preparations for the Towns Fund The Halls project, a high-level condition survey was undertaken in August 2022. This survey identified a range of works that were necessary to enable the Towns Fund investment to be delivered. These were estimated at £950k and provision for these have been built into the budget recently agreed.

6. The high-level condition survey recommended further intrusive surveys be carried out. These detailed surveys were completed, and received in January 2023, after the budget papers were written, and identified works required to the roof and windows. This information means that further works of £1.848m have now been identified.
7. The detailed condition surveys received in January 2023, not only developed the likely costs in more detail, but also identified an urgent Health and Safety risk in relation to some windows in St Andrews Hall. Areas around these windows, including a section of St George's Street, have been cordoned off and at the time of writing, protection is being installed directly in front of the windows to mitigate these risks until the works can be completed.
8. If these works are not completed within the next 12 to 24 months, it is possible that it will lead to a complete failure of external walls and roof, which in turn will lead to the closure of the buildings, and costs that are substantially higher than those previously identified. It also renders the Towns Fund project undeliverable.
9. The detailed condition survey highlighted the following works, as urgent (to be done or mitigated immediately):
  - Repair and upgrade of rainwater goods
  - Urgent Repair of stained-glass windows in St Andrews and Blackfriars (this cost is included in the £0.95m request in the February cabinet paper)
  - Repair of areas of masonry
  - Urgent repair of retaining boundary wall in Chapter House
10. It also highlighted the following works to be completed within 24 months (within the Towns Fund project programme):
  - Extensive replacement of roof flashing
  - Repair of timber decay in St Andrews and Blackfriars roof structure
  - Replacement and upgrade of copper roof to St Andrews Hall
  - Replacement and upgrade of secondary glazing in St Andrew's Hall to improve noise transfer and ensure ventilation
  - Repair to collapsed drainage
11. Subject to the budget provision being approved, the addition of the condition survey works significantly increases the scope and costs within The Halls project. These increases will put the project programme under pressure to deliver within the Town Deal Funding timeframes, therefore it is important that the contract award is able to happen quickly when needed. The contract may need to be awarded during the August period, and due to these pressures, a delegated authority to award the contract is sort to avoid any delays.
12. The procurement for these works will be included within the main Towns Fund The Halls project procurement. The consultant team already appointed for The Halls will also manage these works. Therefore, there will not be additional procurement required for these works.

## **Conclusion**

13. The City Council has an obligation to ensure continued preservation of the Listed Building and Scheduled Ancient Monument. Not doing these works puts the longevity of this building at risk, and will likely require the closure of the building, removing an important facility from the community and the revenue to the Council.
14. Undertaking these works will enable that the building to achieve the revenue forecast, following the Towns Fund project.

## **Implications**

### **Financial and Resources**

15. Any decision to reduce or increase resources or alternatively increase income must be made within the context of the council's stated priorities, as set out in its Corporate Plan 2019-22 and Budget.
16. Prior to the detailed condition survey works being completed, based on the high-level condition survey completed in August 2022, £0.950m was included within the 2023/24 general fund capital programme approved by Council on 21<sup>st</sup> February 2023.
17. The detailed building condition surveys and costs, received after the publication of the budget Cabinet report, have subsequently revealed that the cost of the works is significantly higher due to the deterioration of the building. The expected cost of works, including contractor costs, consultant costs, NCC staff costs and 25% contingency is now £2.798m.
18. Although the cost of these repairs are unexpected, we have an opportunity to combine these works with the Towns' Deal funded redevelopment of the Halls. The works will be overseen by The Halls Towns' Fund project team enabling the utilisation of existing internal project team members and professional consultants. It will also reduce the cost of these works if they are combined with refurbishment and tendered to one contractor, saving on prelims and overhead costs (this has been assumed in the cost calculations).
19. The Towns' Deal Funding must be spent and works completed by 31<sup>st</sup> March 2025. The structural works identified in this report, must be completed as part of the Towns' Fund The Halls project or there is a risk of significant delay or potential loss of the Towns' Deal funding for The Halls project.
20. Delivering these works as part of the Towns' Fund project is the most cost-effective approach.
21. A prudent contingency has been allowed due to the age and nature of the building and further survey work, especially around mechanical and engineering elements, which is currently underway.
22. In order to deliver all the necessary works, it is proposed that the general fund capital programme is increased by £1.848m (£0.450m 2023/24 and £1.398m



2024/25). Although it is proposed to fund the additional expenditure from existing general fund capital receipts, these are limited and not currently anticipated to increase beyond the level reflected in the budget report in the foreseeable future. It is likely that there will be a requirement to fund additional projects from this resource in the medium term, which may then necessitate the need to undertake additional borrowing if there are insufficient capital receipts available.

23. Consideration should also be given to funding some of the additional costs from the Towns Fund resource subject to the agreement of DLUH and there being funding headroom within that source.

24. The financial position is summarised in the table below.

<b><i>The Halls Capital Cost as at February 2023</i></b>	
<b>Description</b>	<b>Total £000's</b>
Construction Works	1,653
Contractor OHP and Preliminaries	330
Consultant Fee's	156
NCC Staff Costs	50
Surveys	50
<b>Total Costs</b>	<b>2,238</b>
Contingency 25% of above costs	560
<b>Total Costs (inc. Contingency)</b>	<b>2,798</b>
Funding already agreed	(950)
<b>Capital Funds being requested</b>	<b>1,848</b>

## Legal

25. Legal advice has been provided in the areas of health and safety, listed buildings, duty of care and procurement.
26. Legal will continue to be involved in any necessary advice.

## Statutory Considerations

<b>Consideration</b>	<b>Details of any implications and proposed measures to address:</b>
Equality and Diversity	There is not a direct impact on the equality and diversity, but these works enable the access improvements developed by Towns Fund project that will benefit a greater range of people.

<b>Consideration</b>	<b>Details of any implications and proposed measures to address:</b>
Health, Social and Economic Impact	The Towns Fund improvements to the Halls will improve the economic sustainability of the building by widening its use.
Crime and Disorder	No implications
Children and Adults Safeguarding	No implications
Environmental Impact	Improvements to the overall building including the Towns Fund project will improve the environmental efficiency of The Halls

### **Risk Management**

<b>Risk</b>	<b>Consequence</b>	<b>Controls Required</b>
Risk of delay to Towns Fund The Halls project.	The Consequence will be that Towns Fund investment cannot be made as they are directly affected by the structural works that need to be carried out beforehand.	The risk assessment should consider: Additional investment within the Towns Fund project programme
Risk of delay to revenue generated by The Halls.	The possibility of the building closure due to safety and/or structural issues, if the works are not done during the Towns Fund project works.	If the works are combined with the Towns Fund project, the building will only need to be closed for the planned period and therefore removing further the impact on revenue.

### **Other Options Considered**

27. Consideration was given to postponing all works until alternative funding is sort, however doing this causes a high Health and Safety risk and neglects the Council's responsibilities of the Listed Building and Scheduled Ancient Monument, this risk is increased an alternative funding source is not currently obvious. Delay also puts at risk the Towns Fund project, as the project works should not be carried out prior to the structural works.
28. Consideration was given to only carrying out the immediate works within the Towns Fund project, however this would mean that The Halls as a venue would then need to be closed down in 18-24 months (likely to be just after the completion of The Halls project). This would not only impact significantly on the revenue generated by the Halls but would also affect the community users and add cost to the build programme.

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

29. The reason for recommendation is to ensure The Halls are improved and maintained to safeguard their future, and to ensure that any identified Health and Safety risks are adequately resolved. The funding will also ensure that all of the Towns Fund project remains viable.

30. The reason for the recommendation to delegate authority to award the construction contract, is to ensure the projects momentum can be continued and a contractor award can be issued when required without any delay to the strict programme for the Towns Fund project or put at risk the DLUHC set deadlines.

**Background papers:**

None

**Appendices:**

The detailed condition survey referred to in this report, can be accessed [here](#).

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**Committee name:** Cabinet

**Committee date:** 08/03/2023

**Report title:**           **The award of contract for a decoration allowance scheme for new housing tenants**

**Portfolio:**           Councillor Harris, Deputy leader and cabinet member for social housing

**Report from:**       Tenancy Services Manager

**Wards:**               All wards

**OPEN PUBLIC ITEM**

**KEY DECISION**

### **Purpose**

To seek approval to award a contract for a decoration allowance scheme for new housing tenants.

### **Recommendation:**

To delegate approval to the Director of Community Services in consultation with the cabinet member for social housing to award the contract for a decoration allowance scheme for new housing tenants.

### **Policy framework**

The council has five corporate priorities, which are:

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

This report meets the corporate priorities for people live independently and well in a diverse and safe city and that Norwich City Council is in good shape to serve the city

## Report details

1. Many tenants, when moving into their council homes, want the choice to decorate their property to their own wishes. With that in mind, the Council provides decoration vouchers to tenants which enable them to purchase paint and equipment for decorating.
2. A budget of £132,500 is included each year to cover the costs of the scheme, and in the last full financial year a total cost of £106,821 was incurred. Across a 4 year period, the costs of the service exceed the public contract regulations threshold for services contracts, and therefore a compliant procurement route is required.
3. At present, the Council's contracts are with:
  - a) B&Q, who provide a plastic card or a digital E-gift card which is loaded with £25 per room to the amount allocated, for example, three rooms = £75.00. Tenants can purchase items such as paint brushes / rollers / filler
  - b) Crown Paints Ltd and PPG Johnstones who provide paint packs which are awarded from one room to a four-bedroom house and delivery is free
  - c) R E Thorns Ltd (which sits outside of the main contract). This operates on a similar voucher basis costing at £25.00 per room.
  - d) A BACS (cash) payment of £25.00 plus up to £50.00 per room (with a maximum of £80.00 per room) can be awarded to any disabled tenants who are unable to decorate or have family who are unable to undertake the decoration on their behalf.
4. The new contract presents us with the opportunity to increase the range of options for tenants. Further, recognising the cost of living crisis and rising costs of decoration of homes, it is intended to increase the value of vouchers to £30 (a 20% rise). As a result, under the new contract arrangements, tenants will have the following options:
  - a) B&Q who will continue to provide a plastic card or a digital E-gift card which is loaded with £30.00 per room
  - b) Wilko who provide a plastic card which is loaded with £30.00 per room – to the amount allocated. For example, three rooms = £90.00. Tenants can purchase items such as paint/brushes/rollers/ filler.
  - c) Crown Paints Ltd and PPG Johnstones who will continue to provide paint packs.

Appendix 1 shows an example of the paint packs that will be available for a two-bedroom flat from Crown.

5. The option of using RE Thorns Ltd or a BACS cash payment of £30 per room plus up to £50 per room for disabled tenants will continue under the new arrangements.

6. A housing officer-lettings will determine the number of rooms which require decoration by the current standard of decoration, which is based on the council's current lettings standards. This is undertaken via an inspection of the property by officers.
7. At the viewing of the property the applicant is advised of the amount and the choice of supplier available to them. They are also asked for the supplier they would like to receive their decoration supplies from.
8. The current contract was awarded via the EPL procurement framework open to local authorities to access. This framework is still considered the best way to obtain the requirements as the variety of options available will be useful as needs and locations within the city may preclude tenants from going to one source.
9. As above, the primary benefit of the scheme is that it offers tenants choice in how they decorate their property. Current feedback is generally good from tenant for the choices of goods and providers.
10. In addition, operating this way is generally more cost effective to the council than undertaking the work ourselves.

## **Consultation**

11. Consultation has been internally between the Lettings and Housing Support team, alongside Eastern Procurement Limited (EPL) for the procurement process. Feedback is requested from tenants as part of the lettings survey on the decoration allowance, and shows ongoing commitment to engagement with residents in line with requirements of the Social Housing Regulation Bill.

## **Implications**

### **Financial and resources**

12. Any decision to reduce or increase resources or alternatively increase income must be made within the context of the council's stated priorities, as set out in its Corporate Plan 2022-26 and budget.
13. The costs arising from this decision will be met from approved budgetary provision within the Housing Revenue Account to a value of approximately £132,500 in total for each financial year, depending on the need for vouchers or decoration packs, and the number of qualifying properties.
14. The contract usage will be based on the available budgets to provide the services. If the Councils approach changes in this area and there is no available budget, we would simply cease obtaining the vouchers or packs.
15. The value of the voucher award is a decision for the Council to make, and therefore if the cost of living rises continue, the Council can consider increasing the £30 per room award without requiring variation to the contract.

## Legal

16. We have worked with EPL to ensure we can access the relevant framework and have duly called off from it in accordance with its rules. As such this is a process compliant with the Public Contracts Regulations 2015.

## Statutory considerations

Consideration	Details of any implications and proposed measures to address:
Equality and diversity	None
Health, social and economic impact	None
Crime and disorder	None
Children and adults safeguarding	None
Environmental impact	None

## Risk management

Risk	Consequence	Controls required
Failure to enter a contract for a decoration allowance scheme would mean the Council either having to provide decorating itself or paying for individual tenant costs	Resident dissatisfaction through standardised decoration and increased costs to the Council	This report seeks Council consent to enter the contract

## Other options considered

17. Offer no decoration allowance and do no decorating during void. This may make properties harder to let as decoration requirement would vary between properties, and prospective tenants may be put off. This could impact satisfaction rates of new tenants with their home, and feelings of pride in their home which could impact tenancy sustainment.
18. Undertake decoration of properties through NCSL; this is likely to be at a higher cost than if tenants undertake the decoration of properties themselves; the scheme provides for the costs of materials only.
19. Look at alternative procurement routes such as our own framework; the EPL framework includes a range of suppliers who operate in Norwich and offers tenants choice. The alternative arrangement with Thorns can be extended to other local companies if required to offer additional choice.



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

20.. A decoration allowance scheme provides tenants the choice to decorate their new home according to their own preference.

**Background papers: None**

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## Appendix: 1

### Example of paint pack for 2-bedroom flat

HDP 2 - Two Bedroom Flat		Total Pack Price	£80.24			
PAINT						
Product Code	Product Description	Colour Choice	Can Size	Quantity	Price Each	Total
5024058	Crown Trade Vinyl Matt Emulsion	White	5 litre	1	£14.07	£14.07
5024057	Crown Trade Vinyl Matt Emulsion	White	2.5 litre	1	£9.22	£9.22
5029086	Crown Trade Vinyl Matt Emulsion	Colour	5 litre	1	£17.89	£17.89
5029085	Crown Trade Vinyl Matt Emulsion	Colour	2.5 litre	1	£11.32	£11.32
5026872	Crown Solo Satin	White	2.5 litre	1	£12.13	£12.13
			17.5 Litres		TOTAL	£64.63
SUNDRIES SKU CODE 10002521						
Product Code	Sundries Item	Quantity	Price Each	Total		
6060615	DS Ready mixed filler 1 kg	1	£1.35	£1.35		
6055589	DS 9" Roller kit	1	£4.43	£4.43		
6055199	1" Essential Paint brush	2	£0.88	£1.76		
6055201	2" Essential Paint brush	2	£1.83	£3.66		
6041124	Indasa masking tape 25mm	1	£1.01	£1.01		
6047951	DE Poly dust sheet 12x9	1	£1.47	£1.47		
6053561	Rhynowood Assorted sandpaper x5	1	£1.93	£1.93		
		9 Sundry Items	TOTAL	£15.61		



**Committee name:** Cabinet

**Committee date:** 08/03/2023

**Report title:** The award of four contracts for Asbestos Surveys, Asbestos Removals and Fire Risk Assessments (Compliance Improvement Programme)

**Portfolio:** Councillor Harris, Deputy leader and cabinet member for social housing

**Report from:** Executive director of community services

**Wards:** All wards

**OPEN PUBLIC ITEM**

**KEY DECISION**

### **Purpose**

To consider the award of four contracts for Asbestos Survey and analytical works, Asbestos Removal and Fire Risk Assessments as part of the council's Compliance Improvement Plan.

To consider that, where any future contract variations be required which would constitute a Key Decision, these be delegated to the Executive Director of community services, in consultation with the Portfolio Holder for Social Housing.

### **Recommendation:**

It is recommended that the award of four contracts as part of the Compliance Improvement Plan is made at a contact value of **£ 6,791,090** as follows:

- 1. Asbestos Surveying and analytical works** as two contracts to separate suppliers at a contract value of **£2,108,590** to be split as
  - **70%** to Pennington Choices Limited at a contract value of **£1,478,400**  
and
  - **30%** to Environtec Limited at a contract value of **£632,577** initially for a four-year term, subject to annual budget setting and satisfactory performance being met.
- 2. Asbestos Removals** to a single supplier, DuctClean UK Limited at a contract value of **£1,418,500** initially for a four-year term subject to annual budget setting and satisfactory performance being met.
- 3. Fire Risk Assessments** to a single supplier, Tersus Consultancy Limited at a contract value of **£3,264,000** initially for a four-year term, subject to

annual budget setting and satisfactory performance being met.

### **Policy framework**

The council has five corporate priorities, which are:

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

This report meets the “Norwich has the infrastructure and housing it needs to be a successful city” corporate priorities in the Corporate Plan.

This report helps to meet the Compliance Improvement Plan adopted policy of the Council.

This report helps to meet the “Housing regeneration and development” objective of the COVID-19 Recovery Plan

## Report details

### Background

1. The council is responsible for ensuring that all of its workplaces and the homes that it manages are safe.
2. The council's Compliance Improvement Plan, first approved in November 2021, sets out how it will ensure that all statutory requirements for health, safety, and compliance are met. This includes making sure that regular checks, inspections and risk assessments take place within required timescales and that any remedial works or other actions arising as a result of those inspections and risk assessments, are completed in a timescale consistent with the level of risk.
3. We are required to undertake asbestos surveying, asbestos removals and fire risk assessments (FRAs) in domestic and non-domestic properties owned, managed, or occupied by the council.
4. In Spring 2022, interim contracts were entered into to ensure that statutory inspections and surveys could be undertaken during the transfer of services back into the council from NPSN.
5. The contracts were procured via a direct award process to the top placed suppliers against three Lots under the Compliance Framework with Eastern Procurement Limited (EPL). None of these contracts constituted a Key Decision.
6. The contracts were procured via a direct award process to the top placed suppliers against three Lots under the Compliance Framework with Eastern Procurement Limited (EPL). None of these contracts constituted a Key Decision.
7. Asbestos surveys and remediation are now within a structured programme with greatly improving asbestos compliance figures, the initial Communal area survey programme being ahead of its targeted completion date.

### Purpose and requirements

8. The purpose of the Compliance Improvement Plan is to set-out the key activities that the council will undertake to ensure it consistently delivers high levels of compliance with statutory legislation relating to building safety.
9. The existing interim contracts now require longer-term contract arrangements. All three contracts consist of guaranteed (planned) and anticipated (ad hoc) workstreams.

Contract	Current end date	Requirement
Asbestos surveys	31 March 2023 (rolling extension)	Two suppliers required (split work 70/30 so two contracts).
Asbestos removals	31 March 2023 (rolling extension)	Single supplier required (must be different than survey suppliers)
Fire Risk Assessments (FRAs)	31 March 2023	Single supplier required.

10. The scope of the contracts is as follows:

<b>Asbestos surveys</b>	<ul style="list-style-type: none"> <li>• Planned annual re-inspection programme in both housing and non-housing properties.</li> <li>• Planned refurbishment and demolition surveys in void properties, council-owned garages and prior to any major works.</li> <li>• Air-monitoring and reassurance testing during and following asbestos removals and associated work.</li> <li>• Reactive surveying and bulk sample analysis.</li> </ul>
<b>Asbestos removals</b>	<ul style="list-style-type: none"> <li>• Business as usual removal and remediation work resulting from housing and commercial property surveys.</li> <li>• Removals for specific projects at Normandie Tower, City Hall and The Halls (projects listed above planned for year 1).</li> <li>• Progressing the planned removal of all Asbestos Insulating Board (AIB) and all damaged or unencapsulated asbestos.</li> <li>• Remedial works (e.g., encapsulation, environmental cleaning and emergency decontamination).</li> <li>• Making any asbestos issues and areas safe.</li> </ul>
<b>Fire Risk Assessments</b>	<ul style="list-style-type: none"> <li>• Planned FRA programme for housing and non-housing properties.</li> <li>• Targeted Type 4 FRAs and other specialist intrusive surveys as required.</li> <li>• Fire door assessments, inspections and laboratory testing.</li> <li>• Development, completion, and support to create Building Safety Cases as required by relevant legislation.</li> <li>• Surveying, sampling, analysis and assessments of construction materials (e.g., external wall systems), including associated access equipment and builders works.</li> <li>• Specialist fire engineering advice following FRAs (e.g., means of exit, capacity, active fire protection, Building Control)</li> </ul>

## Consultation

11. The council's approach to contracting these works (both with the initial and long-term arrangements) is set out in the Compliance Improvement Plan and associated delivery programmes which have been subject to consultation with Corporate Health and Safety Compliance Board, The Compliance Delivery Group and The Regulator for Social Housing.

## Procurement

12. As overall performance has so far been satisfactory, approval is sought to award the contracts utilising the Lots under the Compliance Framework with Eastern Procurement Limited (EPL). The framework commenced in December

2021 with successful suppliers being evaluated on 50% price and 50% quality.

13. The framework provides options to direct award to the most suitable supplier/s for the contract requirements and appointing a supplier/s directly using the scores already attained on the framework is a viable way to determine suitability to a particular contract.

#### **Lot 4a - Asbestos surveys**

14. Following the completion of the initial surveys completed under the current interim arrangements, the new contract will focus mainly on re-inspection surveys and intrusive surveys where works are planned, e.g., kitchen and bathroom replacements, whole home improvements, re-wires and voids.
15. A benchmarking exercise was undertaken by EPL against the Schedule of Rates for the six suppliers in Lot 4a to ensure the two incumbent suppliers continued to offer the best value for money for future work with the following outcome:
- Environtec Limited (incumbent) is ranked the highest scoring supplier at 33.41 (out of 50) for price and 33.75 (out of 50) for quality.
  - Pennington Choices Limited (other incumbent) is ranked the second placed supplier at 32.41 (out of 50) for price and 33.75 (out of 50) for quality.
16. The two incumbents remain as the suppliers presenting the most economically advantageous tenders and it is proposed the contract is split 70/30 between the two suppliers as follows:
- 30% to Environtec Limited at an estimated maximum total contract value of £633,600 excluding VAT over the four years from 01 April 2023 to 28 February 2027.
  - 70% to Pennington Choices Limited at an estimated maximum total contract value of £1,478,400 excluding VAT over the four years from 01 April 2023 to 28 February 2027.
17. Pennington Choices Limited have been allocated the higher percentage due to higher performance levels and their ability to provide greater resources when addressing backlog work. Environtec Limited encountered resourcing issues at the start of the initial contract so with the agreement of all parties, Pennington Choices Limited were allocated the additional work. Since then, Environtec Limited have been responsible for carrying out the smaller programme works.

#### **Lot 4b - Asbestos removals**

18. Ductclean (UK) Limited, the incumbent supplier, is the highest scoring supplier of the five suppliers in the Lot, at 47.12 (out of 50) for price and 33.75 (out of 50) for quality, remaining as the supplier presenting the most economically advantageous tender.
19. It is proposed to award the long-term Asbestos removals solely to Ductclean (UK) Ltd at an estimated maximum total contract value of £1,418,500 over the

four years from 01 April 2023 to 28 February 2027.

### **Lot 6 - Fire Risk Assessments (FRAs)**

20. Tersus Consultancy Limited, the incumbent supplier, is the highest scoring supplier of the two suppliers in Lot 6, at 50 (out of 50) for price and 33.75 (out of 50) for quality, remaining as the supplier presenting the most economically advantageous tender.
21. It is proposed to award the long-term FRA contract solely to Tersus Consultancy Limited at an estimated maximum total contract value of £3,264,000 over the four years from 01 April 2023 to 31 March 2027.

### **Procurement summary**

22. Due diligence has been carried out on all contracts by way of the benchmarking exercise for the asbestos surveys contracts and by close contract management with the four suppliers during the current interim contracts.
23. A financial check was carried out by EPL upon the framework award in December 2021. Additional checks were also carried out in January 2023 via the council's financial assessment tool which rates them as in a stable condition with the overall business risk is showing as follows:
  - Environtec Limited – Low
  - Pennington Choices Limited – Low
  - DuctClean (UK) Limited – Low to Moderate
  - Tersus Consultancy Limited – Low
24. All suppliers have confirmed they have capacity to continue the work programme for the longer-term requirements after the current interim contract ends.
25. The procurement exercises have been undertaken in accordance with the council's contract procedures. They have been conducted fairly, transparently, in an open and regularised way that conforms to relevant legal requirements.
26. On the basis of the tenders received, we anticipate, subject to cabinet approval, for EPL to issue the official award to the successful suppliers after the Scrutiny call-in period.
27. All suppliers will be advised that the contracts are pending annual budget approval and satisfactory supplier performance.

### **Implications**

#### **Financial and resources**

28. Any decision to reduce or increase resources or alternatively increase income must be made within the context of the council's stated priorities, as set out in its Corporate Plan 2019-22 and budget.
29. This forms part of the compliance work for the Authority as part of the HRA Capital Programme.



30. The estimated total value of the contracts for the full contract period of 01 April 2023 to 28 February 2027 for asbestos surveys and removals, and of 01 April 2023 to 31 March 2027 for fire risk assessments (FRAs) is £3,264,000 excluding VAT.

31. An annual breakdown of the guaranteed (planned) and anticipated (ad hoc) workstreams is below. These figures also include a contingency amount to cover any other unforeseen requirements. Any underspend will be rolled over to the following year.

	<b>Year 1 (2023-24)</b>	<b>Year 2 (2024-25)</b>	<b>Year 3 (2025-26)</b>	<b>Year 4 (2026-27)</b>	<b>OVERALL</b>
<b>Asbestos surveys</b>					
Guaranteed workstreams	£292,530	£292,530	£292,530	£292,530	<b>£1,170,120</b>
Anticipated workstreams	£310,570	£212,600	£207,650	£207,650	<b>£938,470</b>
<b>TOTALS</b>	<b>£603,100</b>	<b>£505,130</b>	<b>£500,180</b>	<b>£500,180</b>	<b>£2,108,590</b>
<b>Asbestos removals</b>					
Anticipated workstreams	<b>£568,000</b>	<b>£273,000</b>	<b>£284,000</b>	<b>£294,000</b>	<b>£1,418,500</b>
<b>TOTALS</b>					
<b>FRAs</b>					
Guaranteed workstreams	£322,000	£143,000	£154,000	£245,000	<b>£864,000</b>
Anticipated workstreams	£660,000	£580,000	£580,000	£580,000	<b>£2,440,000</b>
<b>TOTALS</b>	<b>£982,000</b>	<b>£723,000</b>	<b>£734,000</b>	<b>£825,000</b>	<b>£3,264,000</b>

32. It should be noted the Year 1 budget for asbestos removals is higher than subsequent years as it includes the removal of asbestos from the boiler room in City Hall and floor tiles from Normandie Tower.

## Legal

33. The Council's legal obligations for undertaking these works are established in primary legislation, specifically the Health and Safety at Work etc Act 1974, the Homes (fitness for habitation) Act 2018 and the Housing Act 2004, the

Regulatory Reform (fire safety order) 2005, the Fire Safety Act 2021 and the Building Safety Act 2022. The council's specific duty to manage asbestos is set out in the Control of Asbestos Regulations 2012 which are enabled under the Health and Safety at Work etc Act 1974

34. The contracts are subject to the JCT Measured Term Contract 2016 as issued by EPL for the main Compliance Framework which commenced 20 December 2021 and will be signed under deed.
35. The contract issued to each supplier on the framework allows for a 13-week "no fault" break clause. Clause 16 of the JCT states that the ***"period of notice for the Employer is 13 weeks"*** and the ***"period of notice for the Contractor is 26 weeks"***.
36. The council's Information Sharing Protocol will apply to all contracts.
37. As per Public Contract Regulations, the award is over the threshold for Services for all contracts so will be published in Contracts Finder and Find a Tender.

### Statutory considerations

Consideration	Details of any implications and proposed measures to address:
Equality and diversity	The planned programme of surveys and remedial works is not perceived to affect people because of their protected characteristics. The contract management and resident engagement processes will be used as a mechanism to learn and respond to any arising equality or diversity implications.
Health, social and economic impact	Preventing significant harm and long-term ill health associated with fire or exposure to asbestos fibres are critical to safeguarding council staff, residents, contractors, and visitors to our buildings.
Crime and disorder	The council has a statutory duty to undertake these survey and remedial works. The works are also critical in the planning of measures to prevent ASB (including the installation of door entry systems and other security measures) and the prevention of arson.
Children and adults safeguarding	All of the works will be undertaken by competent contractors. The contractors will take all reasonable steps to safeguard children and vulnerable adults and share relevant information and concerns with the council.

Consideration	Details of any implications and proposed measures to address:
Environmental impact	There are no environmental implications arising from this report

## Risk management

Risk	Consequence	Controls required
Non-compliance with statutory legislation.	Enforcement action resulting significant financial penalties and reputational harm.	Safe systems have been introduced to ensure that the required surveys are undertaken both on a periodic basis and in advance of planned works.
Failure to undertake required surveys before undertaking planned works.	Disturbance of asbestos containing materials and exposure to asbestos fibres. Delays to works programme and associated costs.	Remedial works are completed by competent people, recorded and risks reassessed where appropriate.
Long-term harm resulting from exposure to asbestos fibres.	Poor health, inability to work, increased care demands and significant financial compensation.	Staff, contractors, and elected members have undergone relevant training to ensure that these processes are understood, and that appropriate oversight exists.
Harm resulting from a preventable fire.	Death, significant injuries, long-term impact on mental health and wellbeing, significant financial penalties and risk of imprisonment.	Contractors undertaking these works have had their competence assessed and are subject to regular ongoing evaluation through the contract management process.  Staff and contractor performance data is presented monthly to the council's corporate health and safety compliance board, with quarterly oversight by the council's cabinet. Progress is also monitored on a monthly basis by the council's external compliance delivery group and the Regulator for Social Housing.

## Other options considered

**38. Do nothing:** Without undertaking these surveys and subsequent remedial works, the council would be in breach of its statutory duties under both Health and Safety, Fire Safety and Housing legislation. We would place our staff, residents, contractors, and visitors at risk of significant harm and long-term ill health. Subsequent enforcement action would expose the council and its senior officers to significant financial risk and long-term reputational harm.

39. **In house provision:** The council does not have any existing in-house resources to undertake these contracts.
40. **Joint venture/ Norwich City Services (NCSL) delivery:** At present there are no opportunities for NCSL to deliver these contracts for the council.
41. **Identify a single supplier to award to without competition:** This route would be contrary to Contract Procedures as the value is approximately £6.8m for all contracts and all individual contracts are over the Public Contract Regulations threshold for Services.
42. **Run and establish a competitively tendered contract with one supplier:** As the requirements for the contracts can be viewed as 'off the shelf' and with the existing EPL framework active and available, it would be a duplication of efforts to pursue a contract via open tender.

#### **Reasons for the decisions/recommendations**

43. To ensure the timely award of the contracts enabling the continuation of the asbestos surveying and removal programme, and the fire risk assessment programme, both of which are critical to providing and maintaining safe homes and ensuring that the council's statutory duties are fulfilled.

44. **Background papers:** None.

45. **Appendices:** None.

#### **Contact officer:**

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**Committee name: Cabinet**

**Committee date: 08/03/2023**

**Report title: Housing Revenue Account contracts 2023-24 for housing maintenance and upgrades**

**Portfolio: Councillor Harris, Deputy leader and cabinet member for social housing**

**Report from:** Executive director of community services

**Wards:** All Wards

**OPEN PUBLIC ITEM**

**KEY DECISION**

**Purpose**

To consider the award of the following Housing Revenue Account contracts 2023-24 for housing maintenance and upgrades:

- Window Upgrades
- Domestic Heating Upgrades
- Domestic Electrical Inspections, Upgrades and Rewires
- Communal Estate Improvements
- External decorations

**Recommendation:**

It is recommended that the award of the following Housing Revenue Account contracts 2023-24 for housing maintenance works are awarded at a total cost of **£6,150,000.00**, subject to satisfactory performance and quality being met for the period of one year from 01 April 2023 to 31 March 2024.

1. **Window Upgrades** to a single supplier, Anglian Building Products (T/A Anglia Windows Limited) at a contract value of £800,000.00
2. **Domestic Heating Upgrades** to a single supplier, Dodd Group PLC at a contract value of £1,000,000.00
3. **Domestic Electrical Inspections, Upgrades and Rewires** to two suppliers, to be split as follows:
  - Domestic Electrical Inspections to Gasway Services Limited, at a contract value of £450,000.00 and
  - Domestic Upgrades and Rewires to be split 50/50 between Gasway Services Limited and Foster Property Maintenance Limited at a

contract value of £2,450,000.00 (£1,225,000.00 per supplier)

4. **Communal Estate Improvements** to a single supplier, Breyer Group PLC at a contract value of £750,000.00
5. **External Decorations** to a single supplier, Mitie Property Services (UK) Limited at a contract value of £700,000.00

### **Policy framework**

The council has five corporate priorities, which are:

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

This report meets both the 'People live independently and well in a diverse and safe city and 'Norwich has the infrastructure and housing it needs to be a successful city' corporate priority in the Corporate Plan.

This report helps to meet the Housing Strategy adopted policy of the Council

This report helps to meet 'Housing regeneration and development objective of the COVID-19 Recovery Plan

## Report details

### Background and requirements

1. The award of these contracts is required to enable the council to deliver the ongoing service provisions for 2023/24.
2. All current contracts covering these provisions end on 31 March 2023 and it is not possible to extend them by way of a variation. Therefore, we are seeking approval to award new contracts for one year commencing 01 April 2023 to end 31 March 2024.
3. This is a recurring requirement. However, the new contracts will be interim arrangements for one year to enable the procurement of new “term” contracts that will be influenced by the ongoing stock condition survey and the impending restructure of the Property Service team. As recognised by the procurement strategy elsewhere on the agenda, this provides the opportunity for a full re-assessment of our approach to procuring to support the HRA capital programme in future years.
4. The scope of the contracts includes the provision for:
  - a. Reactive electrical works
  - b. Periodic electrical testing
  - c. Reactive mechanical works
  - d. Annual gas inspections
  - e. Window replacement programmes
  - f. Estate aesthetics
  - g. Cyclical painting programmes

### Procurement

5. As overall performance on all current contracts has so far been satisfactory, approval is sought to award the contracts utilising suitable existing frameworks with Eastern Procurement Limited (EPL).
6. The frameworks provide options to direct award to the most suitable supplier/s and appointing a supplier/s directly using the scores already attained on a framework is a viable way to determine suitability to a particular contract. A direct award option on each requirement is appropriate, as these existing contractors are already providing the works.
7. To be successful in being accepted onto a framework, contractors are evaluated on a price and quality scoring system and are ranked accordingly. Within framework guidelines, EPL members are permitted to select the most appropriate contractor that best meets the individual contract requirements.
8. With the exception of the Window Upgrades contract, the recommended suppliers are placed first or second within the frameworks. The full details are as below:

Contract name	EPL Framework information, recommended supplier/s and place on framework (All are incumbent suppliers on existing contracts expiring 31 March 2023)
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<b>Window Upgrades</b>	<p><b>Window Installations section of the Windows, Doors and Roofline Framework consisting of 5 suppliers (NEW framework for 2023).</b></p> <p><b>Anglian Building Products (a division of Anglian Windows Limited)</b> are the 3<sup>rd</sup> placed supplier. The following reasons have been considered by the Interim head of asset management as to why they remain as the recommended supplier for this contract:</p> <ul style="list-style-type: none"> <li>• Anglian Windows Limited scored highest marks for quality on the framework scoring 36 marks out of the maximum 50.</li> <li>• EPL have advised the 1<sup>st</sup> place framework supplier, Nationwide Windows Limited, are not currently accepting any Orders until the outcome of the indexation due on 01 April 2023 is known.</li> <li>• The 2<sup>nd</sup> place supplier, A&amp;B Glass Company Limited would not be able to meet the current timescales for award approval and mobilisation before the contract start date.</li> <li>• Anglian Building Products (incumbent) have performed satisfactorily over the period of the current contract and should they be successful in being awarded this new contract can continue with the programme uninterrupted.</li> <li>• The contract is an interim need for the period of one year only and the larger contract opportunity will be available to other suppliers either via open tender or framework further competition process once the route to market is agreed later this year.</li> <li>• On the basis that the contract is for one year only and we are working on the costs that we already know along with a contract that does not need mobilising, it is felt that this is a tolerable solution.</li> </ul>
<b>Domestic Heating Upgrades</b>	<p><b>Heating Servicing, Repairs, Maintenance and Installations Framework (consisting of 7 suppliers).</b></p> <p><b>Dodd Group PLC</b> are the 1st placed supplier.</p>
<b>Domestic Electrical Inspections, Upgrades and Rewires</b>	<p><b>Electrical Inspections/Testing AND Electrical Rewires sections of the Property Improvements Framework (consisting of 6 suppliers).</b></p> <p>The contract is to be split as follows: Domestic Electrical Inspections to Gasway Services Limited</p>



	<p>and Domestic Upgrades and Rewires to be split 50/50 between Gasway Services Limited and Foster Property Maintenance Limited.</p> <p>Gasway are the 1st placed supplier for the Electrical Inspections/Testing section of the framework and 2nd for Electrical Rewires.</p> <p>Foster are the 2nd placed supplier for the Electrical Inspections/Testing section of the framework and 1st for Electrical Rewires.</p>
<b>Communal Estate Improvements</b>	<p><b>Major Works section of the Property Improvements Framework (consisting of 6 suppliers).</b></p> <p><b>Breyer Group PLC</b> are the 1st placed supplier.</p>
<b>External Decoration</b>	<p><b>Decorating Framework (consisting of 3 suppliers).</b></p> <p><b>Mitie Property Services (UK) Limited</b> are the 1<sup>st</sup> placed supplier.</p>

9. Financial checks have been carried out by EPL upon award of each of the frameworks (as per the table above) as suppliers are required to meet a strict criterion in order to be accepted. Additional checks are also carried on an annual basis by EPL and quarterly by the procurement service at Norwich City Council.
10. All suppliers have confirmed they have capacity to continue the work programme for 2023/24 after the current contracts end.
11. The procurement exercises have been undertaken in accordance with the council's contract procedures. They have been conducted fairly, transparently, in a regularised way that conforms to relevant legal requirements.
12. We anticipate, subject to cabinet approval, for EPL to issue the official award to the successful suppliers after the Scrutiny call-in period.
13. All suppliers will be advised that the contracts are pending continuing satisfactory supplier performance.

### **Consultation**

14. Leasehold Consultations have already been carried out at the time the frameworks were set up by EPL.

### **Implications**

#### **Financial and resources**

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

16. The proposed programme of works forms both part of ongoing compliance work, reactive maintenance and upgrade works and will be funded from the HRA as part of the 2023/24 HRA revenue budget and 2023-28 HRA capital programme approved by Council on 21<sup>st</sup> February 2023.
17. The maximum value of the contracts awarded will be £6.150m over the next financial year, which is included within the HRA Business plan approved by Cabinet in December 2022.
18. The contracts will be subject to ongoing review to ensure satisfactory performance and delivery of the contract by the suppliers throughout the year.

## **Legal**

19. EPL have confirmed that all of the frameworks for each contract are deemed as Works.
20. Each contract will be subject to the JCT Measured Term Contract 2016 for each of the frameworks as listed above at Point 8, as issued by EPL and will be Executed under Deed.
21. The contract issued to each supplier on the framework allows for a 13-week "no fault" break clause. Clause 16 of the JCT states that the "period of notice for the Employer is 13 weeks" and the "period of notice for the Contractor is 26 weeks".
22. The council's Information Sharing Protocol will apply to this contract.
23. The award of each contract will be published in Contracts Finder.

## **Statutory considerations**

<b>Consideration</b>	<b>Details of any implications and proposed measures to address:</b>
Equality and diversity	There are no known direct equality and diversity implications arising from the project, albeit this will continue to be monitored throughout.
Health, social and economic impact	The contracts listed will help to enhance customer comfort and well-being providing safe, warm compliant properties and will improve conditions within communal areas for residents
Crime and disorder	The painting and the window contracts will enhance the appearance of homes and present a well-cared for environment, thus combatting the "Broken Windows" syndrome.
Children and adults safeguarding	The contracts listed will help to enhance customer comfort and well-being providing safe, warm compliant properties that allow peaceful enjoyment.

Consideration	Details of any implications and proposed measures to address:
Environmental impact	The contract shall ensure the built environment is maintained and improved to a high standard

### Risk management

Risk	Consequence	Controls required
The Council does not successfully enter the contracts to deliver the services	Without the award, the council will not maintain its properties to the required level and not be complaint to statutory regulations	If cabinet approve the award the contract, appropriate properties are targeted to ensure most effective use of the budgets  Once works commence this can be reported as a positive that the council take the health and wellbeing and safety of its residents seriously.
Current macroeconomic conditions continue including high inflation	Annual uplift on the supplier's Schedule of Rates in line with the local government annual indices.	As this is a contract for one year the increase in budget is within contractual parameters
Supplier fails to deliver the contract effectively	The works are not undertaken to a satisfactory standard	This is mitigated by the placement of robust contract management The appointed suppliers delivered the previous contract and have the knowledge to know what's expected.

### Other options considered

24. **Do nothing:** If the work is not carried out, the council would be non-complaint on both electrical and gas regulations, properties could fall into disrepair, and residents could feel unsafe in their own environment which goes against the council's Corporate Priority of "People live independently and well in a diverse and safe city". It could also have a detrimental effect on the reputation of the council as would result in possible negative press attention.

25. **In house provision:** The council does not currently have any existing in-house resources to undertake the installation programme.

26. **Joint venture/ Norwich City Services (NCSL) delivery:** At present there are no opportunities for NCSL to deliver this work programme for the council.

**27. Identify a single supplier to award to without competition:** It is not considered that this is likely to provide the best value for money for Council, especially with the option of procuring through a framework which has been tested for value for money

**28. Run and establish a competitively tendered contract with one supplier:** Although timescales allowed for this option, a suitable Framework with Eastern Procurement Limited (EPL) was found with existing established suppliers which covered the requirements of the contract via a further competition process.

**Reasons for the decision/recommendation**

29. To ensure the timely award of a contract enabling the delivery, of both compliant requirements and upgrades to windows and decoration.

**Background papers:** None

**Appendices:** None

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**Committee name:** Cabinet

**Committee date:** 08/03/2023

**Report title:** Write-off of irrecoverable debt

**Portfolio:** Councillor Kendrick, cabinet member for resources

**Report from:** Head of finance, audit and risk

**Wards:** All Wards

### **KEY DECISION**

#### **Purpose**

To request write offs for irrecoverable commercial customer debts in excess of £50,000 in accordance with the council's financial regulations, following completion of all available debt recovery options.

#### **Recommendation:**

It is recommended to:

1. Approve write offs totalling £162,009.80 of non-recoverable national non-domestic rate (NNDR) debt which is 100% covered within the NNDR bad debt provision; and
2. Approve a write off totalling £56,922.86 of non-recoverable sundry debt which is 100% covered within the sundry bad debt provision.

#### **Policy framework**

The council has five corporate priorities, which are:

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

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

This report supports the priority to put the council on a sustainable financial footing and deliver services effectively and efficiently within the Corporate Plan.

## **Overview**

1. During the pandemic, the council took a supportive approach to businesses and individuals that owed the council money. This report refers to businesses that owe the council money as commercial customers. For commercial customers, the council implemented measures to help support them during the pandemic including grants, deferring payments due and offering instalment plans where practical to do so before any debt recovery action was taken. This report includes two commercial customers where legal proceedings were concluded just prior to the pandemic or which were paused during the national lockdown and have now concluded.
2. In accordance with the council's financial regulations, any debt over £50,000 requires Cabinet approval to write off once all available debt options have been exhausted and the remaining debt is considered to be irrecoverable.
3. Each year, the council sets aside a bad debt provision after reviewing its aged debt profile to cover the event that some debt may become irrecoverable.

## **National Non-Domestic Rates (NNDR)**

4. National Non-Domestic Rates is collected by Norwich City Council for businesses within its authority area and shared between Central Government, Norwich City Council and Norfolk County Council. Any NNDR debt written off will also be shared proportionately within the Collection Fund between all parties.
5. There are three customer accounts with a total outstanding debt of £162,009.80 where the debt recovery procedure has been followed, exhausted, and therefore regarded to be irrecoverable. Two accounts are in the same name and these have been aggregated. All of this debt is fully provided for in the NNDR debt provision. Appendix 1 provides detail of each customer.

## **Sundry Debt**

6. Sundry debt refers to other debt that is not council tax, business rates, housing benefit overpayments or due from HRA tenants. There is one customer account with a total of £56,922.86 where the debt recovery procedure has been followed, exhausted, and therefore regarded to be irrecoverable. All of this debt is fully provided for in the sundry debt provision and can be met in full by this provision. Appendix 1 provides detail of the customer.

## **Consultation**

7. Consultation on debt write off is undertaken between the service area, legal team and finance team in accordance with the council's debt recovery policy and procedures. Debt will only be written off when all debt recovery including legal options have been exhausted.

## **Implications**

### **Financial and resources**

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

9. There are no proposals in this report that would reduce or increase resources.

## **Legal**

10. NPLaw have been engaged to provide legal advice and legal debt recovery action on each customer debt in accordance with relevant legal laws and regulations.

11. This report may be considered in the public domain as the information relates to company information that is already publicly available through Companies House.

## **Statutory considerations**

<b>Consideration</b>	<b>Details of any implications and proposed measures to address:</b>
Equality and diversity	None
Health, social and economic impact	None
Crime and disorder	None
Children and adults safeguarding	None
Environmental impact	None

## **Risk management**

<b>Risk</b>	<b>Consequence</b>	<b>Controls required</b>
The failure to collect monies owed from customers could lead to financial, operational and reputation risk for the council	Non-payment by customers, non-compliance with operational procedures and reputational risk	Adherence to financial regulations and debt management procedures  Supporting businesses with debt management advice including the use of third-party advisors

## **Other options considered**

12. None. The debt recovery process has been followed.

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

13. The council seeks to recover all aged debt following its debt recovery processes. Once all debt recovery options have been exhausted, the debt is regarded irrecoverable and requires to be written off. For all customer debt over £50,000, the decision to write off is approved by Cabinet.

**Background papers: None**

## Appendices: Appendix 1 – Schedule of Irrecoverable Debt

### Contact officer:

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## Appendix 1 - Schedule of Irrecoverable Debt

### Business Rates (NNDR)

Reference	Account name	Reason for write off request	Amount (£)	Type of Debt
9546322	Archant Community Media Ltd (00019300)	Company Voluntary Arrangement  Dividend distribution 5.1p/£ of £6,244.44 received	64,308.21	NNDR  01/07/2020 – 31/03/2021
9470588 Account 1	Faiths Lane Serviced Apartments Limited (08333320)	Company Dissolved 28/09/2021  No dividends	41,315.25	NNDR  23/09/2017 – 25/11/2018
9425236 Account 2	Faiths Lane Serviced Apartments Limited (08333320)	Company Dissolved 28/09/2021  No dividends	56,386.34	NNDR  07/08/2015 – 22/09/2017
<b>TOTAL</b>			<b>162,009.80</b>	

### Sundry Debt

Invoice Number(s)	Account name	Reason for write off request	Amount (£)	Type of Debt
550048509X 5500490511 5500491536 5500493418 5500495331 5500497936 5500499142 5500501845 3001076424 550050518X 3001110226 3001110231	Beluga Lease Limited (08361129)	Company Dissolved  26/02/2019  No dividends	56,922.86	Property commercial rent and debt recovery charges
<b>TOTAL</b>			<b>56,922.86</b>	

