



Council

Members of the council are hereby summoned to attend the meeting of the council to be held in the council chamber, City Hall, St Peters Street, Norwich, NR2 1NH
on

Tuesday, 28 November 2017

19:30

Agenda

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1 Lord Mayor's announcements

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 Questions from the public

Please note that all questions must be received by the committee officer detailed on the agenda by **10am Thursday 23 November 2017**.

For guidance on submitting questions please see appendix 1 on the council's constitution.

4 Petitions

Petitions must be received by the committee officer detailed on the front of the agenda by **10am on Monday 27 November 2017**.

For guidance on submitting petitions please see appendix 1 on the council's constitution.

5 Minutes

To approve the accuracy of the minutes of the meeting held

7 - 34

on 26 September 2017.

6 Questions to cabinet members / committee chairs

(A printed copy of the questions and replies will be available at the meeting)

- 7 Local Government Boundary Review 35 - 44**
Purpose - To consider arrangements for the electoral scheme for the council in respect to the periodic electoral review being undertaken by the Local Government Boundary Commission of England (LGBCE).

- 8 Municipal bonds agency borrowing framework 45 - 54**
Purpose - To approve the use of the Municipal Bonds Agency for future borrowing needs

- 9 Treasury management full year review 2016-17 55 - 70**
Purpose - To consider the Treasury Management performance for the financial year to 31 March 2017

- 10 Proposed adjustments to the 2017-18 non-housing capital programme 71 - 78**
Purpose - To consider an increase to the non-housing capital programme

- 11 Review of Corporate Code of Governance 79 - 112**
Purpose - To review and approve the council's Corporate Code of Governance in line with the 2016 update to CIPFA/SOLACE guidance and the Local Government Framework for Delivering Good Governance

12 Motion - Britvic manufacturing plant Norwich

Proposer: Councillor Waters

Seconder: Councillor Stonard

Britvic and Unilever employ hundreds of people from Norwich and across Norfolk. They are a crucial part of the city and county's manufacturing base and economy. Robinsons, one of Britvic's brands, has been based in Norwich for more than 90 years, while Unilever produces arguably Norwich and Norfolk's most iconic brand, Colman's Mustard, made in the city for more than 200 years.

Council resolves:

To ask the Cabinet to:

1. Support the campaign, including that led by the Evening News and Eastern Daily Press to save Britvic.
2. Work with the management of Britvic and Unilever, trade unions, LEP, Norfolk County Council, Members of Parliament in Norwich and the wider business community to seek the continuing operation of this much valued and important business.

13 Motion - Council Housing

Proposer: Councillor Harris

Seconder: Councillor Davis

The Government recently announced a policy which they claimed would deliver more council housing, the centrepiece proposal being £2 billion to build affordable homes.

This means the government has cut affordable housing building investment, from over £3.5 billion in the last year of the previous Labour government, to around £1.8 billion a year over the next five years. According to government figures, this extra money only delivers 5,000 homes a year which is nothing compared to the 1.8 million households on council waiting lists and the 100,000 who remain on lists for council and social housing for last five years.

Council resolves to ask the Leader to write to the Prime Minister to request:

1. Giving councils the fair funding to deliver not just a large-scale house building programme, but also the range of vital services communities rely on. Councils have seen their budgets cut by 40 per cent in just the first five years of this decade.
2. Ditching the ban on long-term council tenancies to give council tenants security in their home,
3. Drop legislation to force the sale of council homes through their high value levy.
4. Clarify the law to make sure that councils can offer homes to local people first without facing challenge in the courts.
5. Lift the Housing Revenue Account borrowing cap.

6. Suspend right-to-buy, allowing councils to reinstate it only if they can prove a plan to replace homes sold one-for-one and like-for-like.
7. Scrap the punitive bedroom tax, which indiscriminately punishes social tenants for not downsizing even when there are no smaller properties available to move to.
8. Recycle housing benefit savings from the affordable housing programme into helping tackle the causes of the housing crisis, rather than relying on higher housing benefit spending to deal with its effects.
9. Build new homes for 'living rent' over the Parliament, with rents capped at a third of local incomes to give private renters the breathing room to save for a deposit on a first home.
10. Build 100 000 new affordable homes to rent and buy a year by the end of the parliament including at least 100,000 FirstBuy Homes where mortgage costs do not exceed a third of average local incomes.
11. Restore funding for the Decent Homes programme to help bring more council and housing association homes up to a decent standard.

14 Motion - Prioritising public transport

Proposer: Councillor Carlo

Seconder: Councillor Grahame

Public transport has a vital role in enabling Norwich residents – especially the 33% of households without a car – to access employment and services.

The Joint Core Strategy Implementation Framework (2014) programmed delivery of Bus Rapid Transit for the Norwich area in three phases, as a key part of the sustainable transport plans to accompany the NDR. The first phase should now be complete, but the timetable has slipped and it is unclear how future phases will be funded.

Meanwhile, last month, county councillors voted to cut bus subsidies and spend £1m on investigating extending the NDR across the Wensum valley.

Council resolves:

1. To acknowledge that in order to achieve sustainable development for Norwich, it is essential to give the highest priority to delivering Bus Rapid Transit and Core Bus Routes.

2. To oppose the spending of any further public money on investigating an extension of the NDR across the Wensum river valley.
3. To actively seek, through its representation on the Greater Norwich Development Partnership, a policy commitment in the emerging Greater Norwich Local Plan that the Bus Rapid Transit and Core Bus Routes will be delivered before any further local spending on new roads.
4. To ask the Leader of the Council to write to the Greater Norwich Growth Board, Norfolk County Council and New Anglia LEP informing them of the above resolutions.

15 Motion – Fixed Odds Betting Terminals

Proposer: Councillor Ackroyd

Seconder: Councillor Lubbock

Following a recent decision of the Council's Licensing committee, concern has been raised about the proliferation of gambling premises on our high streets and the harm they pose to people vulnerable to problem gambling.

There is currently a government consultation underway entitled 'Consultation on proposals for changes to Gaming Machines and Social Responsibility Measures' for which this council should supply a response.

Council **RESOLVES** to:

1. Respond to the government's consultation, expressing a call for the current £100 maximum FOBT stake to be brought in line with maximum stakes for other gaming machines allowed elsewhere on high streets (£2) and in casinos (£5); calling for cumulative impact tests to be introduced to enable councils to reject applications for new betting shops where there are already existing clusters of shops and for licensing law to be updated to allow councils to take health issues associated with problem gambling and anti-social behaviour concerns into account when considering applications.
2. Ask the Leader and Chief Executive to write to our local MPs to reinforce our response and call for new powers so Norwich City Council can do more to help some of the most vulnerable people in our community.



Anton Bull
Director of business services

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Information for members of the public

Members of the public and the media have the right to attend meetings of full council, the cabinet and committees except where confidential information or exempt information is likely to be disclosed, and the meeting is therefore held in private.

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



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MINUTES

Council

19:40 to 21:00

26 September 2017

Present: Councillors Fullman (Lord Mayor), Ackroyd, Bogelein, Bremner, Brociek-Coulton, Button, Carlo, Coleshill, Davis, Grahame, Harris, Haynes, Herries, Jackson, Jones(B), Jones(T), Kendrick, Maguire, Malik, Manning, Maxwell, Packer, Peek, Price, Raby, Ryan, Sands (M), Sands (S), Schmierer, Stonard, Thomas(Va), Thomas (Vi), Waters, Woollard and Wright

Apologies: Mr David Walker (Sheriff); and Councillors Bradford, Driver, Henderson and Lubbock

1. Lord Mayor's Announcements

The Lord Mayor informed members of the sad death of Diana Beckley. She and her husband Peter had been very active in the Norfolk and Norwich Novi Sad Association for many years.

The Lord Mayor also asked members to remember Derek Pardey, a former councillor who had also recently passed away.

As a mark of respect, a minutes silence was held.

The Lord Mayor continued his announcements commenting on the fantastic Norwich Pride event which had taken place over the summer.

At the invitation of the chair, Councillor Brociek-Coulton updated council on Norwich in Bloom's recent success at the Anglia in Bloom awards, as follows:-

Best city: Norwich

Best business improvement district: Norwich BID

Best large park: Eaton Park

Best small park: Jenny Lind Park (silver gilt)

Best churchyard: Roman Catholic Cathedral (Gold)

Best woodland: Danby Woods

Best pub: Adam and Eve

Best Hotel: Georgian Town House, The Assembly House (silver gilt)

Best restaurant: The Assembly House (silver gilt)

Special award for public open spaces: Eaton Park

Special award: Jo and Reg Chiddick

2. Declarations of interest

Councillor Beth Jones declared a pecuniary interest in item 8 below as a mental health nurse employed by the NHS.

3. Questions from the public

There were no public questions.

4. Petitions

There were no petitions.

5. Minutes

RESOLVED, unanimously, to approve the minutes of the meeting held on 18 July 2017.

6. Questions to Cabinet Members and Committee Chairs

The Lord Mayor said that 14 questions had been received from members of the council to cabinet members for which notice had been given in accordance with the provisions of appendix 1 of the council's constitution.

- Question 1** Councillor Carlo asked the leader of the council about the New Anglia LEP's Green Economy Pathfinder Manifesto for 2012 - 2015 on council's proposals to reduce support to tenants of sheltered housing schemes.
- Question 2** Councillor Tim Jones asked the cabinet member for safer, stronger neighbourhoods about additional licensing for Houses of Multiple Occupancy.
- Question 3** Councillor Haynes asked the cabinet member for resources on progress on motions to council.
- Question 4** Councillor Schmierer asked the cabinet member for safe city environment about progress on phasing out single use plastics.
- Question 5** Councillor Price asked the cabinet member for social housing about the council's response to fire regulations call for evidence.
- Question 6** Councillor Button asked the cabinet member for social inclusion about food poverty and tackling inequalities.
- Question 7** Councillor Woollard asked the cabinet member for resources

about the new procurement policy.

- Question 8** Councillor Bremner asked the cabinet member for health and well-being about Norwich Market.
- Question 9** Councillor Maxwell asked the leader of the council about the work of UNISON
- Question 10** Councillor Peek asked the cabinet member for social inclusion about the Big Switch and Save.
- Question 11** Councillor Beth Jones asked the cabinet member for safe city environment about the Norwich and Norfolk Eco awards.
- Question 12** Councillor Vaughan Thomas asked the cabinet member for safer, stronger neighbourhoods about the initiatives of the 'Get Involved' project.
- Question 13** Councillor Brociek-Coulton asked the cabinet member for safer, stronger neighbourhoods about domestic violence.
- Question 14** Councillor Malik asked the cabinet member for sustainable and inclusive growth about the Cycle City Ambition project.

(Details of the questions and responses and the supplementary questions and their responses are attached as appendix A to these minutes.)

7. External audit appointment

Councillor Kendrick moved and Councillor Price seconded the recommendations in the report.

RESOLVED, unanimously, to endorse the proposal from the panel of the Public Sector Audit Appointments Ltd that Ernst & Young LLP continues to be the council's external auditor.

8. Motion: Mental health

(Councillor Beth Jones having declared a pecuniary interest in this item left the room during the debate and the vote.)

Councillor Davis moved and Councillor Malik seconded the following motion:

"The massive disparity in NHS funding for mental health has become a far more widely acknowledged fact in recent years, along with the stigma that is still attached to mental health. Unfortunately, the promised 'parity of esteem' has proved to be an empty phrase, it has not converted into increased funding despite vast growth in the need for mental health support.

The Tory government's austerity measures are exacerbating an already critical situation as mental health does not exist in a vacuum. Unfavourable social,

economic and environmental circumstances increase vulnerability to a range of mental health problems.”

This council **RESOLVES**, unanimously, to ask cabinet to:

- (1) Work alongside statutory services including Norwich CCG and Norfolk Public Health, to ensure consideration of mental health and wellbeing is built into relevant plans, including the Healthy Norwich Action Plan and continue to advocate for the highest standards of services for all our citizens and challenge inequalities of access.
- (2) Continue to work to mitigate the impact of the austerity measures of the Tory government which impact on the mental wellbeing of the citizens of Norwich and sign post them to other organisations that can offer further assistance.
- (3) Explore opportunities to work in partnership and promote engagement both with and between voluntary organisations that provide mental health and mental wellbeing support to Norwich residents.
- (4) Support the continued development of social prescribing in Norwich, addressing social needs which impact upon mental wellbeing.
- (5) Reaffirm the council's commitment to the Local Authorities' Mental Health Challenge, with an identified elected representative to champion mental health.
- (6) Ensure that consideration of mental wellbeing is included in any corporate strategy review.
- (7) To call on the government to translate 'parity of esteem' into parity of funding for mental health.

(Councillor Beth Jones was readmitted to the meeting at this point)

9. Motion: Affordable housing and viability assessments

Councillor Tim Jones moved and Councillor Jackson seconded the motion:

"Norwich is losing out on affordable housing due to developers producing viability assessments that allow them to avoid affordable housing obligations.

Details of 15 major housing developments approved between 2013-2016 show that of the 299 affordable homes developers should have supplied if all had complied with the 33% requirement set out in the Joint Core Strategy, only 39 were delivered. Based on a cost per unit of between £70,000 and £120,000, this approach has lost Norwich between £18.7 million and £32.6 million worth of affordable housing provision.

Council resolves to:

- (1) seek that the existing policy of requiring at least 33% affordable housing in developments of more than 10 houses is upheld or bettered within the Greater Norwich Local Plan.
- (2) note the planning application committee's recent refusal of planning permission for St Peter's Church on Park Lane, due to scrutiny of their viability assessment by an outside expert, as the precursor to a new, more rigorous approach to holding developers responsible for meeting the council's affordable housing targets.
- (3) ask cabinet to:
 - (a) Make viability assessments publicly accessible online and therefore open to public scrutiny throughout the planning consultation process, following the example of councils including Greenwich, Islington, Lambeth and Bristol.
 - (b) Introduce a policy of requiring external, independent scrutiny of all viability assessments by default, to replace the current procedure of subjecting a viability assessment to independent assessment only when the council 'considers it necessary' (as set out in the council's Affordable Housing Supplementary Planning Document 2015).
 - (c) Clarify in the forthcoming revised Affordable Housing Supplementary Planning Document what specifically is meant by 'reasonable profit' for a developer, by stipulating a maximum profit level (such as 15%) that recognises developers' financial constraints while also demonstrating the council's refusal to allow developers to profit at the expense of much-needed affordable housing.

Councillor Stonard moved and Councillor Davis seconded an amendment.

With 24 voting in favour, 9 against and 2 abstentions the amendment was carried and became part of the substantive motion.

RESOLVED, unanimously, that:

"Norwich is losing out on affordable housing due to developers producing viability assessments that allow them to avoid affordable housing obligations. Details of 15 major housing developments approved between 2013-2016 show that of the 299 affordable homes developers should have supplied if all had complied with the 33% requirement set out in the Joint Core Strategy, only 39 were delivered. Based on a cost per unit of between £70,000 and £120,000, this approach has lost Norwich between £18.7 million and £32.6 million worth of affordable housing provision."

Council resolves to:

- (1) Note the planning application committee's recent refusal of planning permission for St Peter's Church on Park Lane, using existing planning policy, due to scrutiny of

their viability assessment by an outside expert, as the precursor to a new, more rigorous approach to holding developers responsible for meeting the council's affordable housing targets.

(2) Call on the Government to change planning law to make it easier for the 33% to be delivered

(3) ask cabinet to:

- (a) Consider in light of evidence, that the existing policy of requiring at least 33% affordable housing in developments of more than 10 houses is upheld or bettered within the Greater Norwich Local Plan.
- (b) Consider, as part of the review of the Supplementary Planning Document 2015, making viability assessments publicly accessible online and therefore open to public scrutiny throughout the planning consultation process, following the example of councils including Greenwich, Islington, Lambeth and Bristol.
- (c) Introduce, if appropriate, a policy of requiring external, independent scrutiny of all viability assessments by default, to replace the current procedure of subjecting a viability assessment to independent assessment only when the council 'considers it necessary' (as set out in the council's Affordable Housing Supplementary Planning Document 2015).
- (d) Clarify, based on evidence, in the forthcoming revised Affordable Housing Supplementary Planning Document what specifically is meant by 'reasonable profit' for a developer, by stipulating a maximum profit level, if appropriate that recognises developers' financial constraints while also demonstrating the council's refusal to allow developers to profit at the expense of much-needed affordable housing.

LORD MAYOR

Questions to cabinet members / committee chairs

Question 1

Councillor Carlo to ask the leader of the council the following question:

“In response to a Parliamentary Question to the Secretary of State for Communities and Local Government on 3 July 2017 about his plans for making local economic partnerships more accountable to local people, the Minister replied that democratic accountability for LEP decisions is provided through local authority leader representation.

In view of this response, I would like to ask the leader of the council about New Anglia LEP’s Green Economy Pathfinder Manifesto for 2012-2015, in which it committed to “immediate action that will drive the reduction of carbon and greenhouse gas emissions ahead of national/European targets by proactively lobbying all relevant bodies in New Anglia to adopt Suffolk’s ‘Creating the Greenest County’ target of a 60% reduction in emissions by 2025 (against a 2004 baseline).” Can the City Council Leader comment on the progress achieved on this stated action by 2015 and specify the target adopted in any roll forward of New Anglia LEP’s Green Economy Pathfinder Manifesto beyond 2015?”

Councillor Waters, leader of the council’s reply:

“Thank you Councillor Carlo for your well-researched question.

The government positively received the Green Economy Pathfinder, completed by New Anglia LEP and other partners. In a review of its achievements completed in 2015 the overall feedback from stakeholders was very positive and that the manifesto had set a good framework for the green economy in Norfolk and Suffolk. New Anglia LEP and partners hope to build further on the manifesto’s framework; following the publication of the LEP’s Economic Strategy implementation plans will be developed and will include specific targets which are likely to include: use of European funds to support low carbon investment, further development of a Local Energy East Network, and funding bids with the universities to fully identify the economic value of natural capital.

Norwich City Council is an important local authority partner on the NALEP Board and as the largest urban area takes carbon reduction very seriously. So I think it is helpful to describe in some detail the Norwich Carbon reduction journey to provide a local context to Cllr Carlo’s question.

Run by the Carbon Trust, Norwich City Council baselined its carbon emissions in 2007, as part of the local authority carbon management

programme. Following this exercise the council's first 5-year carbon management programme was produced and a carbon emissions reduction target of a 30% reduction in city council emissions by 2013 was set. By the end of the five years the city council had achieved 29% emissions reduction against the 30% target.

In 2014 the second phase of the five-year carbon management programme was produced and a carbon emissions reduction target of 40% on the 2007 baseline was set, taking us through to 2019. This target reflected the fact that much of the 'low hanging fruit' had already been harvested during the first carbon management programme, and subsequently it would become increasingly challenging to implement new energy saving technologies across the council's assets as quick wins, such as Nightwatchman software which switches off pcs overnight, had already been implemented.

However, I'm pleased to report that the most recent carbon emissions reduction monitoring exercise, completed in July 2017, shows an impressive reduction of 54.1% against the 2007 baseline, far exceeding the 40% target set for 2019. In part this impressive reduction was achieved through a general 'greening of the grid' occurring at a national level, and therefore positively affecting carbon conversion factors nationwide. In addition, Norwich City Council also adopted an OFGEM accredited green tariff for electricity supplied across all council owned assets in October 2016, which has also had a positive impact on our carbon emissions this year. It is however recognised that this is a 'one-off' carbon saving and will not be repeated year on year. Therefore, we continue to work in partnership with NPS, the council's asset management partners, to look for new carbon reduction opportunities all the time. For example, most recently the poolside lights at Riverside Leisure Centre have been changed to LED lights, which will slash the carbon created by the lighting at this asset. In addition we continue to upgrade both insulation, boilers and pumps at Sheltered Housing schemes to simultaneously maintain comfortable temperatures for vulnerable residents and reduce carbon emissions.

In recognition of exceeding the carbon emissions reduction target set, the Environmental Strategy team are currently working to re-set the target and are looking to align it more closely with the national carbon saving budgets. Given we have achieved a 54.1% reduction to date we would certainly hope to exceed the 60% carbon emissions reduction target ahead of the 2025 ambition set within the LEP document. However, it should be reiterated that this is only for the Norwich city council area, not for the wider LEP area.

Looking more widely across the whole county of Norfolk, Department of Business, Energy and Industrial Strategy (DBEIS) data shows that over the period of 2005 to 2015 (this being the most recent dataset) per capita carbon emissions data reduced from 8.4 to 6.1 tonnes of CO₂ over the decade. The largest drops in emissions being seen across the Domestic and Industrial sectors, whilst in more recent years the Transport sector emissions have increased.

The per capita emissions for Norwich show a steeper drop over the same period of time, with CO2 emissions in 2005 at 7 tonnes per capita, reducing to 4.3 tonnes per capita in 2015. Again we see steeper drops over time from both the Domestic and Industrial sectors, with carbon emissions related to Transport remaining similar since 2011.

In response to a supplementary question from Councillor Carlo, the leader of the council said that he wanted to highlight Norwich's contribution to carbon reduction and would find the specific information asked for around targets and circulate to Councillor Carlo."

Question 2

Councillor Tim Jones to ask the cabinet member for safer, stronger neighbourhoods the following question:

"In addition to the mandatory licensing of large houses in multiple occupation (those with five or more occupants from multiple households, and three or more storeys), many councils around the country have introduced additional licensing for smaller HMOs: for example, Oxford City Council has adopted additional licensing based on a threshold of three people forming more than one household.

The government is proposing to extend mandatory licensing by scrapping the 'three-storey' rule. It is consulting on changes to the regulations before bringing the proposal into law, following an earlier technical consultation. The new criteria will retain the five-person threshold, which means most of the large number of small terraced HMOs in Norwich will still not be licensable. Under the Housing Act 2004 (Selective Licensing (Additional Conditions) Statutory Instrument 977, March 2015), Councils may adopt additional licencing in areas that contain a high proportion of properties in the private rented sector, where a significant proportion are "being managed sufficiently ineffectively", for example, if they are suffering from Category 1 or 2 Hazards. Norwich's Condition of the Private Rented Sector survey estimates that there are 3,000-plus HMOs in Norwich, approximately 25% of which are likely to have a Category 1 Hazard. In a recent sample survey of 80 HMO occupants in Nelson ward, a significant number commented on their cold living conditions.

Norwich City Council says that it is waiting to see what size of HMO will be affected by the new regulations. However, other councils including Brighton, Redbridge, Newham and Hammersmith & Fulham have proceeded with new licensing schemes since the government announcement, which suggests there is no absolute reason to wait. Does the cabinet member support the introduction of an additional licensing scheme for areas in Norwich where a high percentage of properties suffer from Category 1 and 2 Hazards such as excess cold?"

Councillor Herries, cabinet member for safer, stronger neighbourhood's response:

"There is certainly a case for extending HMO licensing beyond the current statutory scheme based on the numbers that are estimated to be below standard and poor conditions identified during actual inspections by the private sector housing team.

The Government announced in October 2016 that it intends to extend mandatory licensing to include HMOs with five or more occupants regardless of the number of storeys. This was to have taken place in 2017 but, to date, no announcement has been made and the department for communities and local government has indicated that its implementation has been delayed as a consequence of Brexit and the 2017 general election.

When the proposal is implemented it is not clear exactly how many HMOs it will apply to in the city since we do not have sufficiently detailed information. However, the Government estimates that each district would, on average, need to issue a further 533 licences. In Norwich, which has a higher than average proportion of younger adults who are more likely to need to live in a HMO, it is reasonable to conclude that the number of extra licences would be above average. It is anticipated, therefore, that the government proposals alone would increase the numbers of licenced HMOs to between 800 and 1,000 from the current 200.

In principle there is no reason why the council could not introduce an additional licensing scheme, following a statutory 12-week consultation, that either mirrors the government proposals or extends licensing to all HMOs in the city. Consideration would, however, need to be given to the additional staff resource required to implement a much larger scheme, notwithstanding the ability to recover such costs through a licence fee.

A further consideration is that, whilst many HMOs represent the highest risk accommodation, a significant proportion of the council's housing enforcement resource is focussed on tackling hazards in privately rented family homes. Care would need to be taken to ensure that any HMO licensing scheme did not detract from that work.

Officers have been awaiting the outcome of the current consultation on the government's proposals and the subsequent change to the law but are now considering other options, including additional licensing.

I will certainly support any proposal that brings about an improvement in living conditions within HMOs in Norwich provided that it can be delivered in a cost-effective way and without an adverse impact on the council's ability to tackle hazards across the board."

Question 3

Councillor Haynes to ask the cabinet member for resources the following question:

“Over the years, the council has voted to refer a large number of motions to the cabinet for its consideration. However, there is no formal process for following this up, and some motions remain yet to be discussed months or even years after the council voted to refer them to cabinet. To remedy this gap, the council has developed a motions tracker. However, it remains difficult for the public and indeed elected members to find out about progress. Will the cabinet member agree to bring a regular (for example quarterly) report to full meetings of the council about progress on approved motions?”

Councillor Kendrick, cabinet member for resources’ response:

“We are currently working on updating the motions tracker and will be making this available to members shortly. Due to staff levels in democratic services earlier in the year, we had fallen behind in keeping the tracker updated. As of August 2017 democratic services has a fully staffed team

The motions to council tracker is being reviewed by cabinet members and updated by the democratic services team. Where letters have been sent and responses received, these will be published retrospectively wherever possible. The week following council, the motions tracker and any updates will be reviewed. If cabinet are asked to do something, this may be captured in some commentary on the tracker rather than as a report.

We must remember that motions passed at council contain different elements. Some elements relate to business that the council meeting can decide on there and then. However, many motions to council request that the leader, group leaders or portfolio holders take some sort of action such as writing a letter to a minister. Once the motion is passed, it is still just a request and it is up to the leader, group leaders or portfolio holders whether or not they take the action requested. Other motions request that cabinet consider items and again, it is up to cabinet whether or not they consider the matter and what action or not they take on that matter.

As the tracker will be circulated to all members and will show progress on each of the motions there is no benefit in repeating this with a quarterly report to meetings of the council.”

In response to a supplementary question from Councillor Haynes, Councillor Kendrick said that the motions tracker would make progress on these clearer.

Question 4

Councillor Schmierer to ask the cabinet member for safe city environment the following question:

“In September 2016, the council approved a motion on the issue of phasing out single-use plastics in Norwich.

Interest in this issue continues to grow, with local businesses starting their own campaigns to get rid of plastic straws, and a Parliamentary select committee due to report on the possibility of a bottle deposit scheme. However, the council’s cabinet is yet to discuss the issue or agree any action, despite the council asking it to do so a year ago. Does the cabinet member agree that further delay would risk the council being left behind on this issue, as well as allowing the plastic pollution crisis to go on worsening in spite of widespread agreement that urgent action is necessary?”

Councillor Maguire, cabinet member for safe city environment’s response:

“Thank you for the question: it is good to review Council motions and demonstrate progress on their implementation. In reviewing action on this motion, it is important to remember that the motion passed was “to ask cabinet to...”. It is still within the remit of cabinet to decide what steps are taken. Having made that clear, I can say that our officers are gathering information so that an informed decision can be made. Such a decision will be based on sound financial reasoning which takes into account–available resources and the actions already in place.

A review of the council’s polices showed that SUPs are **not** encouraged at events on council land. This has been the council’s position for a number of years. Looking at the suggestions within the motion you will be pleased to know that our events team already ask traders to use biodegradable plates, cups and cutlery. In addition bars need to take a deposit to encourage re-use and return. This is something that we will be enforcing on open spaces and the events team will be building this into contracts for 2018.

The annual beer festival at the Halls each October, is a great example of glass reuse. At the comedy festival in Chapelfield park, biodegradable containers are used due to safety. The result has been the prevention of tonnes of SUPs items going to landfill directly from council events

In City Hall we only have one vending machine for staff which does contain SUPs. However, throughout the council we have drinking water fountains and plastic bottle recycling and since the motion we have found a suitable alternative for our committee room cups which will be introduced soon.

We also hope to encourage the city’s institutions, businesses and citizens to use less SUPs via a range of ongoing public engagement activities in the future. This will likely be part of the council’s next One Planet Norwich festival, working in partnership with both Anglian Water and Refill Norwich.

You will be pleased to know that a number of market stalls already use cutlery or packaging which has high environmental standards. Some stalls continue to re-use and wash traditional cutlery and mugs which is excellent to see. The council will continue to work with our traders to increase environmental standards and decrease waste to landfill. In the new strategy for the markets an objective “To provide a good and safe environment for visitors and increase opportunities for reducing waste and increasing recycling” will be achieved by “Actively working with traders to create a ‘green market’ where waste is minimal and recycling is the norm” Therefore, it may be possible to encourage tenants to phase out SUP – in the same way we might regarding residents – by say providing ‘promotional’ material alongside our correspondence with tenants.

So to conclude I disagree that we are being left behind on this issue. Our review has concluded that we are ahead of the game in regards to our events and we can quickly reduce SUP use within City Hall. In the wider community we will continue to build on the ongoing messages of reuse and recycling supporting any specific campaigns via our One Planet work.

Finally it would be likely that in the next edition of the Environmental Strategy the existing best practice and emerging policies identified will be reshaped to form a robust objective around the issue.”

In response to a further question from Councillor Schmierer, Councillor Maguire said that the council was already working with a range of partners to reduce the use of SUPs.

Question 5

Councillor Price to ask the deputy leader the following question:

“The independent review into building regulations and fire safety, launched in the wake of the Grenfell Tower disaster, has issued a call for evidence on a range of issues including clarity of responsibilities, adequacy of legal requirements and accountability. The call includes a question on what changes might be required to ensure tenants’/residents’ voices on fire safety can be heard in the future. Will the cabinet member comment on the council’s response to the call for evidence, and whether it will also seek to inform residents of tower blocks in Norwich so they can submit their own responses?”

Councillor Harris, deputy leader’s response:

“As Councillor Price will be aware, the council has been undertaking an inspection of every flat in each tower block owned by the city council which has been carried out in conjunction with the Norfolk Fire and Rescue Service. Good progress has been made and access has been gained to the majority of flats with follow up reminders to arrange access with the remaining tenants and leaseholders now in progress. As well as identifying any physical works required, this has also provided the opportunity to talk to all the residents to provide reassurance if required as well as to gather feedback on their flat and

tower block. The findings from the surveys will now be evaluated to identify what works or changes to our fire safety procedures may be required to ensure the our tenants and leaseholders remain safe.

With the thoroughness of the surveys such as this, it is anticipated and indeed expected that some works will be required to make sure that every flat is safe though it is important to add that the initial findings are no cause for concern. I anticipate that a full programme of works will be made available to members, tenants and leaseholders within the next month or so.

Notwithstanding the significant amount of work we are currently undertaking to speak to every tenant and leaseholder in our high rise blocks, the council is committed to making sure that tenants have the maximum opportunity to influence any changes that may be required to the council's fire safety policy and procedures as well as changes in the legislation that may result from the independent review following the Grenfell Tower disaster to make sure that high rising living is safe and secure.

Nationally the council will be submitting information to ARCH, the organisation for Councils with retained Council Housing, which the council is a member of and who will play an important role in coordinating a response on behalf of stockholding authorities to the review and any subsequent and parallel inquiries. I have also commissioned a special tenants' survey to capture issues and concerns and ideas whilst our tenants involvement panel will also debate and discuss the issues. A telephone survey will be undertaken of a representative sample of tower block residents who are currently members of our talkback panel. Of course, any resident individually or who is a member of a tenants group or the Norwich Leaseholders Association may make their voice heard on this critical matter and any questions or concerns can be discussed on a day to day basis with their caretakers in each block and officers will ensure these form a key part of the council's response to safety in tower blocks. This will be a comprehensive submission on all aspects of evidence required by the independent review.

As always if tenants have any questions they can contact their councillors or submit these directly to the council at any time and not just as part of this work."

In response to a supplementary question from Councillor Price, Councillor Harris said that she would investigate what information could be made available around tenant surveys to councillors and reminded members that they could approach her with any further questions.

Question 6

Councillor Button to ask the cabinet member for social inclusion the following question:

"With Universal Credit looming on the horizon and food bank use increasing across the city; could the cabinet member comment on the food poverty report

which came to cabinet on 13 September and what practical steps the council are taking to tackling inequalities?”

Councillor Davis, cabinet member for social inclusion’s response:

“As set out in the cabinet report to which Councillor Button refers, we are in the third year of our Reducing Inequalities action plan, which seeks to develop innovative approaches to tackling deprivation and reducing the pronounced social, economic and health inequalities that exist in Norwich.

We seek to do this by ensuring that council assets and services address the drivers of inequality, such as through our new social value framework. But we are also collaborating closely with partners in specific localities to address local needs, such as through the social prescribing pilot with health and voluntary sector colleagues in Lakenham.

The report highlighted that there are a large number of activities in progress which set out to tackle the underlying causes of food poverty. Given this, the approach the council should take is to support the joining up of projects and services both outside of and inside of the council, and to raise awareness about the existing support available to residents.

This is the approach which has been taken with the wider reducing inequalities strategy where there has been successes in facilitating the linking up of existing services, brokering and testing of new approaches and projects and engaging council services, partners and residents around the agenda.

There is a close relationship between the council’s wider reducing inequalities agenda and the proposals on food poverty both in terms of related issues and a likely shared approach.

Therefore it is recommended that the actions are integrated within the wider reducing inequalities action plan for 2017-18.

In addition to these actions, the council also provides additional support to maximise income to those most financial excluded. The council has maintained the Council Tax Reduction Scheme that ensures that the most vulnerable residents continue to receive 100% relief on their council tax, which alleviates some of the pressure on household budgets wrought by the welfare reform agenda.

Of course the most important thing we can do is help residents into good jobs, and we are continuing to advocate for a truly inclusive model of Norwich in its role as a key driver of regional growth, to provide leadership around the Real Living Wage campaign and continuing to deliver practical support for residents through our annual jobs fairs and through the development of digital hubs across the city.”

Question 7

Councillor Woollard to ask the cabinet member for resources the following question:

“Can the cabinet member for resources comment on how the new city council procurement policy for the awarding of contracts will help to increase the benefit to the local community?”

Councillor Kendrick, cabinet member for resource’s response:

“The new Social Value in Procurement Framework will seek to further increase the benefit to the local community. We have already built into contracts clauses such as paying the Living Wage Foundation’s living wage. Social value is about getting more value out of the money we spend. It allows us to maximise value for money by influencing contractors to tailor the way they deliver a contract to maximise their positive impact on wider corporate priorities, such as supporting the local economy or reducing inequality

The cabinet report on 18 September 2017 gave an example of what Norwich Norse Environmental are delivering.

Other local examples are:-

- Gasway Services Ltd attending local community functions such as Summer Fayres held in our parks.
- Norwich Norse Building Ltd providing work placements and work experience for local school children. Also working with long term unemployed to get back into work. Sponsoring local sports teams and rising stars.
- The tenant’s contents insurance contract providing social value by offering a financial product in a form which allows tenants on low income to gain access to contents insurance. This also promotes financial inclusion.
- Stannah Lift Services Ltd providing subject-matter-experts from within their organisation to provide guidance on the skills required for a variety of roles, such as engineering, logistics, marketing, and project management, and administration
- Nplaw undertakes work for the 3rd sector and this is to be further widened with potential to undertake work for Norfolk Community Law in the future

We shall be looking at how we actually contract for services and also what can be built into existing contracts.

An example of a difference we can make is by looking to see if it is appropriate to break our contracts down into small lots when we go out to tender. This should give a greater opportunity and encourage tenders from a

wider range of organisations, including small, local businesses and social enterprises, increasing competition.

This has recently been successful with the re-let of the private sector leasing maintenance and small repairs contract. The trades required were split down into four lots; previously these were let as one. Five suppliers returned a submission and the contract will now have three suppliers whereas the previous contract had just one.

This framework will enable the council to have an open 'social value' dialogue with our suppliers, encouraging them to work with us to identify what actions can be taken to benefit their employees and / or the local community. There is already a lot of good practice being undertaken by our contractors and the first steps will be to share this.

This is another proud achievement for a progressive council such as Norwich City Council in promoting the interests of our local community.”

Question 8

Councillor Bremner to ask the cabinet member for health and wellbeing the following question:

“Will the Cabinet member for health and wellbeing comment on the prizes achieved by Norwich Market in the Best Independent Food and Drink category at the Norfolk Food and Drink Awards 2017 earlier this month? Coupled to the Norwich City Council 10-year strategy to turn the market around and the much welcome revival of the market traders association, can he comment on whether this is this further evidence of the improvements achieved by this administration?”

Councillor Ryan, cabinet member for health and wellbeing’s response:

“The fantastic achievement of the award in the category of Best Independent Food and Drink Retailer is the result of the hard work of the council’s market management team working with the market traders association and others to modernise and drive the market forward. Our action has been influenced by gaining an understanding of the needs of the market, a wide ranging survey of the public indicating a desire for an increased range of foods to be provided and listening closely to the concerns of the traders. All of this led to the formulation of the 10 year strategy adopted by both the council and the traders. Initial action has led to the introduction of a formal balance of goods policy with a directive to provide an increased variety of world foods, whilst maintaining a balance across the market to protect the businesses from undue internal competition. The attraction of new and varied stalls has led to increased footfall in the market place benefitting new and longstanding stall holders alike. These improvements have enabled the occupancy rate of the market to be increased from approximately 75% to currently just over 90%. This in turn has increased the rental income revenue whilst driving down the costs to the council in supporting the unoccupied spaces.

The team have not just concentrated on attracting new stall holders but have also worked with the traders association undertaking many projects to increase the well-being and general feel of the market place including provision of better signage, a dedicated seating area and the pop-up stalls project enabling potential new businesses to 'try the market out' for a short period. This is just the start of the 10 year strategy and is an indicator of this administration's commitment to plan for the long term and take effective action making real changes to our city enabling business to thrive and enriching the city as a whole."

Question 9

Councillor Maxwell to ask the leader of the council the following question:

"As a UNISON member and lifelong trade unionist I want to congratulate Unison on their work undertaken in pursuing the employment tribunal fees case all the way to the Supreme Court in order to bring about an end to the injustice of employment tribunal fees as part of the general assault on employees' rights since 2010. Will the leader again offer his support to the Norwich City Council UNISON branch in supporting the annual Love your Union week and for all employees to join a trade union?"

Councillor Waters, leader of the council's response:

"Can I thank Councillor Maxwell for her timely question.

Norwich City Council has for many years enjoyed a positive and collaborative working relationship with UNISON and its officers and representatives. The opportunity for employees to become members of the union is promoted by the council in many ways including a presentation on behalf of the Norwich City Branch at the Corporate Induction course that is delivered by the branch secretary. As an employer we recognise and celebrate the right of any individual employee to join the trade union, hold office within the trade union and benefit from representation. I will of course be delighted to add my support to the annual Love your Union week and I encourage all other members of council to do the same. Councillor Maxwell, set an example in this regard at last year's Love your Union week during her year of office as Lord Mayor. It is my certain belief that one of the pillars in the creation of a more equal society is a strong trade union movement.

The example cited by Councillor Maxwell of UNISON's four-year campaign to overturn the coalition government's infamous imposition of employment tribunal fees is just one example of the value of union membership. It is worth reminding ourselves of the basis of the Supreme Court's decision.

The Supreme Court unanimously ruled the iniquity of employment tribunal fees unlawful and unconstitutional and the government have had to refund more than £27million to the thousands of people charged for taking claims to

tribunals since July 2013, when fees were introduced by then Lord Chancellor Chris Grayling.

The seven Supreme Court judges ridiculed the government's misunderstanding of "elementary economics, and plain common sense", when it claimed higher fees would mean increased demand.

The judges also said fees were set so high, it "has had a deterrent effect upon discrimination claims, among others", and also put off more genuine cases, than the so-called vexatious claims the government claimed fees were meant to deter.

The Court said UNISON's evidence showed the fall in claims when fees came in was "so sharp, so substantial and so sustained" that they could not reasonably be afforded by those on low to middle incomes."

Question 10

Councillor Peek to ask the cabinet member for social inclusion the following question:

"I was pleased to see the Big Switch and Save energy collective switching scheme rolled out once again. This path breaking initiative has saved constituents in my ward thousands of pounds on their energy bills. Can the cabinet member for social inclusion comment on the latest promotion of the scheme and the savings for residents in Norwich already achieved?"

Councillor Davis, cabinet member for social inclusion's response:

"Thank you for highlighting this practical and popular scheme that has helped thousands of Norwich citizens to save money. Through the power of collective purchasing we work to secure the lowest energy prices for our registrants each winter, therefore helping to reduce the cost of energy and offset rising energy prices.

The 15th edition of the Norwich Switch and Save will run until the 28 November. We hope to save on average £220 a year per household. Over the last 14 tranches 21,000 people have registered for the Switch and Save. If all homes took up the offered savings a total of at least £4.5 million would be saved on energy bills.

I would urge residents to take advantage of the council's energy savings service. They can register either online by visiting www.bigswitchandsave.co.uk or offline by calling the council's contact centre.

Norwich City Council endeavours to engage with fuel poor households regularly to ensure that they are aware of the Switch and Save and other available help. We will continue to work hard to help our residents out of the fuel poverty trap.

So while fuel poverty levels are increasing nationally, we have bucked the trend in Norwich for the fourth consecutive year. So we have 1,126 better off families not having to make the decision to heat or eat over the winter in Norwich”

Question 11

Councillor Beth Jones to ask the cabinet member for safe city environment the following question:

“It has been nearly 10 years since the Norwich and Norfolk Eco Awards have been in operation and during this time I have seen many fantastic entries, showing the innovation and skill at improving environmental sustainability in our city. Can the cabinet member for safe city environment comment on the steps the city council is taking to promote and support this excellent award scheme?”

Councillor Maguire, cabinet member for safe city environment’s response:

“Thank you for your timely question regarding the excellent Norwich and Norfolk Eco Awards. This year the awards are celebrating their 10th anniversary and are going from strength to strength.

Norwich City Council successfully ran the eco awards from 2008 to 2015 for entrants within Norwich only. In 2015 we were approached by county council colleagues to work together to widen the reach of the awards to the whole of the county of Norfolk. We also took the opportunity to add two new categories: Eco Home and Eco Food Producer. This is the third year of our collaboration with county council colleagues and the awards are going from strength to strength as we attract more diverse eco entries year on year from across Norfolk.

Since the inception of the awards we have received hundreds of entries from a plethora of schools, businesses, community groups, food producers and homeowners. To date we have been pleased to crown 9 Eco Heroes and we’re looking forward to crowning our tenth in March next year!

New for the decennial celebrations we are introducing an online ‘People’s Vote’ option for the Eco Hero category, so the public can really get behind their chosen Eco Hero and raise their profile and share their achievements as widely as possible.

The entries are judged by a panel of judges with specialist knowledge in a range of sustainability areas. Winners and highly commended entrants are then invited to attend an awards evening which is a celebration of all their achievements and a great opportunity to make more contacts with like-minded environmentalists.

This year officers are seeking to attract sponsors for the awards in order to make them self-sustaining and increase the reach of the awards. Vatenfall, the renewable energy specialists are confirmed as the overall event sponsor. In addition primary school category winners will win tablet devices for their school and officers are seeking to offer in-kind prizes for other categories where possible.

As you may have noticed in the recent edition of the Citizen magazine, the eco awards are currently open for applications until Friday 1 December. Entries are welcomed for the following categories: eco primary and secondary schools, eco small/medium businesses (under 50 employees), eco community groups, eco food producers and eco homeowners, as well as the coveted Eco Hero.

If my fellow councillors are able to promote the awards in their own wards that would be very helpful, or if you know of any deserving groups who deserve to have a light shone on their environmental achievements, please encourage them to enter. If you have any queries please contact either Richard Willson or Claire Tullett in the environmental strategy team. They can provide you with posters to put up in your local community space.

More information and an application form on the Eco Awards can be found at www.eco-awards.co.uk

Question 12

Councillor Vaughan Thomas to ask the cabinet member for safer, stronger neighbourhoods the following question:

“This council has an enviable record of working with residents to find new ways of empowering individuals and communities to realise their full potential. I was pleased to see a recent update in Citizen exploring the different initiatives taking place within the ‘Get Involved’ umbrella. Can the cabinet member for safer, stronger neighbourhoods comment on the range of activities and groups which have been helped to successfully set up in recent months through this scheme?”

Councillor Herries, cabinet member for safer, stronger neighbourhoods’ response:

“Councillor Thomas is quite correct that the council has a long history of supporting resident led activity and *Get involved* is the current programme of support for those living and working in Norwich to participate in community activity easily in a way that suits them.

Residents are being invited to identify things they’d like to do in their local neighbourhood and communities and *Get Involved* provides support and guidance to help make those activities happen.

Since the roll out of *Get involved*, enquiries from residents and local groups into local green and neglected spaces in neighbourhoods has shown an increasing willingness and interest from those residents to have a role in the improvement and management of these spaces.

The programme of support covers a number of different areas of work and includes:

The development of a Crowdfunder platform which allows an initial £50k pot of neighbourhood community infrastructure levy (CIL) funds to be distributed within a framework which identifies suitable and sustainable projects; gives community ownership to neighbourhood CIL funding; the opportunity for community to deliver their own projects plus the prospect to generate further funds from residents and businesses.

The platform went live during the summer and will be formally launched in November.

The development of an online digital sharing platform to allow groups to advertise their available space, equipment and skills for others to borrow with a mechanism to contact and arrange borrowing and upload community events, activities and services using these assets.

Search functionality will allow users to search for specific assets and participatory activities by theme and geography. It will also include a range of resources and tools to support people to use the assets to create successful, safe activities.

Over 70 groups have been involved in the design of the platform and external funds have been secured for its development which will be tested during October for launch after this.

Linked to this is the development of hubs around the city which will act as repositories for equipment and resources hosted by existing VCSE organisations and groups.

To maximise best use and the sharing of the skills in our communities, the council is encouraging the development of thematic support networks based on green spaces and community buildings.

The council is already seeing some exciting community led projects. The following are a few examples of how a change in the council's approach to one which is more enabling and collaborative is inspiring resident's passion for green spaces in the city.

Old Library Wood

The area of the city which includes Old Library Wood, has often been a focus for anti-social behaviour with the council and police regularly engaged.

The council has supported residents into how they might focus their interests on improvements in Old Library Wood, as a way to create a community project whilst also making visible changes which have been shown elsewhere to deter negative behaviour.

The Old Library Wood Collective have since become a formal group, who are working with officers to build their capacity; contribute to the development on a management plan for the site which the group and officers are very positive about. Looking longer term ideas include planning for activities and community projects and securing external funding to support the management of the woodland.

Tuckswood

Tuckswood had been allocated S106 funding for the green space in the centre, largely to reduce parking on the space and make it more useable.

Rather than taking a traditional approach of the council designing and implementing a scheme with bollards it was suggested that planters could be installed in key locations to promote food growing which would also link to the reducing inequalities action plan as well as resolving the anti-social behaviour issues locally.

Funding to build the raised beds was allocated to a local voluntary group, TCV, with the requirement that they engaged local residents in long term use of the planting. TCV, helped raise additional funds to explore use of the beds for food growing and then a cooking programmes to support residents use of the food.

This approach has demonstrated how community ownership and more innovative use of these funds and investment can deliver against multiple corporate priorities that will involve and benefit local residents.

Mile Cross Gardens

There was an opportunity to change the way the council engaged the community as part of S106/CIL funded projects to see the impact. A small budget allocated from S106 funding allocated to the gardens was used to commission a local group to run some local events to engage residents in how they wanted to use the park in order to influence the design. This was tendered and won by the Mile Cross Festival committee.

The committee worked with other local groups including youth groups to run a family fun day in the park to get views from residents to present initial ideas to the design team. A further Christmas market event was used to present the first draft of plans for residents to comment on. Some residents as part of the engagement days, expressed an interest in forming a Friends of Mile Cross gardens group which is being considered

The approach has been used to widen the approach for allocating the Crowdfunding monies so that it can be used to address training and kick-

starting of activities alongside traditional infrastructure which can then be designed with future use in mind

Sloughbottom Pavilion

During the Mile Cross Gardens project, a local youth group was interested in using the two small pavilions in the park. Although not found to be suitable, the group have been working on building a partnership with other interested organisations to take on a more ambitious project about how they use the building to increase use of the park itself, with sports activities and a community café.

The group have raised funds locally to allow the groups to access training and support from Community Action Norfolk to look at establishing a formal group to allow them to take on a lease as a partnership of groups.

Heartsease

The local church group approach the council to support them in looking at the existing assets in the area to identify gaps in provision which they could fill.

A workshop was run to bring local organisations together to look at existing activities and assets, and encourage partnership working. The event was very well received and was able to allow groups who hadn't previously met to see the breadth of available assets in the local area for them to share use of.

A further progress meeting is scheduled and the groups are aiming to replicate the session with local residents, to see what skills they have which they might want to use in the improvement of local spaces and buildings.

Developing small scale projects to improve open spaces

Residents in Tuckswood are litter picking regularly and approaching local businesses to sponsor additional bins in the areas most affected by rubbish.

A local resident is leading litter picks at Kett's Cave to improve the local park.

Residents in Barrack Street are using planters on their estate to teach young children to grow plants. Even those residents unable to participate in the planting have been donating equipment and supporting their neighbours in other ways.

Permission has been granted for Gardens for Wildlife to take a lease for some previously gated land on Trafford Road. The group have also received a Small Community Grant for their set up equipment and materials to enable them to start work in the space. They are being supported by existing group, LTC Green Spaces, to upskill and work under their insurance.

Newly established Friends of Jubilee Park were awarded a small community grant for their set up costs this summer. They worked alongside existing

community activities running the park to survey local users as to what they would like for the park before drawing up their aims and constitutions.”

Question 13

Councillor Brociek-Coulton to ask the cabinet member for safer, stronger neighbourhoods the following question:

“Earlier this year a question was asked concerning the ongoing support this council offers to people experiencing domestic abuse, following the shocking and brutal murder of one of my constituents, Kerri McAuley, in Sewell Ward. I noted the importance of the tapestry of strong services, from both the public and voluntary sector, working alongside people experiencing abuse, but also how these are being frankly shredded by this government since 2010. I was therefore surprised at the comments from Chloe Smith MP for Norwich North gave, earlier this month, regarding her backing of organisations tackling domestic violence when she has herself voted for all of the measures which have reduced these vital services. Will the cabinet member for safer, stronger neighbourhoods comment on my concern and illustrate once again how important well-resourced public services are to countering this growing problem within our city and the role this council can take?”

Councillor Herries, cabinet member for safer, stronger neighbourhoods’ response:

“As the response to the question on this topic earlier in the year made clear we were horrified to hear of Kerri McAuley’s murder and the details of the violence she and others had been subjected to by her violent partner and our hearts go out to her family and friends who are still suffering from the knowledge of what she went through. Any form of abuse is deplorable and we continuously work with voluntary and public services to give as much support as possible to anyone who is experiencing physical or mental abuse or is subject to coercive behaviour. However I too was surprised by Chloe Smith MPs’ comments when she has continually voted in support of all her governments’ cuts to funding and services that have impacted on the ability of many organisations to tackle these problems.

Since 2010 one in six refuges have closed nationally and there are now huge areas of the country with no access to refuges that offer a vital support to women fleeing violent relationships. Ms Smith may consider that such closures have nothing to do with her but they are as a direct result of the Tory government at Westminster cuts to local councils, done in the name of austerity.

According to the Office of National Statistics 7.7% of women experienced domestic violence in the last year and during their lifetimes 1 in 4 women will be affected. On average two women in England and Wales are killed by a violent partner every week and the number of prosecutions relating to violence against women and girls reached a record high in 2015/16 of 117,568.

Cuts to police and local government funding mean that anti-social behaviour teams and social services teams are over stretched, particularly when it comes to providing a rapid response in an emergency situation. Austerity

has resulted in women being less able to flee violent relationships and being put at much greater risk..

A lack of affordable housing also impacts on women trying to leave a dangerous situation and for those who do manage to flee legal representation is now much harder to access, the Court of Appeal heard earlier this year of the case of a woman, raped and beaten by her former husband who had been refused legal aid for a hearing at which he was applying for contact with their children. Ms Smith seems to make no link between this and the cut backs her government have made to Legal Aid.

The 'rape clause' for benefits which came into force in April is reflective of how low this government has sunk and is part of a string of policies that independent bodies warn will cost families thousands. The charity Gingerbread says Universal Credit changes alone will see working single parents, most of whom are women, lose an average of £800 a year by 2020.

Under the Tory government over a third of all local authority funding to domestic and sexual violence services was already cut by 2012, here in Norfolk the Tory led county council cut the budget that provides housing support to vulnerable tenants from £10 million to £4.5 million.

We deplore the government policies that have led directly to cuts in services that protect vulnerable women at risk from abuse and despite Ms Smith's reported words are not borne out by her actions. She and the government she supports have increased the vulnerability and decreased the support to women at risk. Instead of sympathetic words at the increased violence that has occurred as a result of these policies, if she really did have the welfare of vulnerable women at heart she would be campaigning to have those disastrous policies reversed.

As the cabinet member with this as part of my portfolio, I share the concern expressed in your question. I can reassure you that we are doing all in our power to attempt to ameliorate the effects of Government cuts on vulnerable women.

Norwich City Council was successful last year in a partnership bid with Leeway for funding to put in place a new Safe House refuge for Norwich, which also provides a dedicated space for domestic abuse victims that have no recourse to public funds. The two year project also enables Leeway to provide a support worker across all Norwich refuges, to work with domestic abuse victims that have mental ill health and / or substance misuse issues as a result of the abuse they have experienced.

Norwich is one of a consortium of local public sector partners that are match funding with SafeLives (the national domestic abuse research, training and campaigning organisation) a project that will bring to Norwich five new support services for domestic abuse victims and a new domestic abuse perpetrator programme. This project will launch next year and will run for a further four years.

Our own chief executive, Laura McGillivray, as chair of the county community safety partnership, led on a recent domestic abuse programme, which amongst other things brought the domestic abuse change coordinators to the county. These officers coordinate a network of intensively trained domestic abuse champions, which promotes the increased identification of domestic

abuse and confidence in officers to signpost and support people experiencing abuse to receive the help they need. We have around 20 trained domestic abuse champions here at Norwich City Council, across all service areas.

The Norwich Early Help Hub, based here in city hall, enables officers to gain access earlier to domestic abuse support services, to help reduce risk for people experiencing abuse.

Norwich City Council regularly leads the campaigning to raise awareness of domestic abuse and this year, one of our officers has engaged with the business community to raise awareness of the indicators of domestic abuse. The work it has done in this area supported the council's achievement of White Ribbon status in 2015. As a champion of equality issues and safeguarding vulnerable victims, the council plans to continue in its efforts in this area."

Question 14

Councillor Malik to ask the cabinet member for sustainable and inclusive growth the following question:

"Thanks to the active steps this Labour run council has taken since 2006, cycling in Norwich has increased dramatically and by 40% since 2013 alone. Can the cabinet member for sustainable and inclusive growth comment on the ongoing new improvements being delivered through the City Cycle Ambition changes? "

Councillor Stonard, cabinet member for sustainable and inclusive growth's response:

"In recent years we have been able to implement significant numbers of cycle improvement schemes across the city as a result of being only one of eight cities in the UK to be awarded city cycle ambition funding from the Department for Transport. I'm sure you are all familiar with the improvements that were made to the pink pedalway; and I am pleased to say that aside from the general 40% increase in cycling in Norwich at specific locations on the pink pedalway the increases are more dramatic. On The Avenues cycling has virtually doubled between 2013 and 2016, in Little Bethel Street it has gone up 70% and Avenue Road has seen an increase of 58%.

Currently we are working on implementing the blue pedalway that runs from Wymondham to North Walsham Road and the yellow pedalway way from the airport to the university technical college at the bottom of Hall Road. Several elements of these routes have already been implemented including:

- A widened shared use pedestrian and cycle facility and a new toucan crossing on the outer section of Newmarket Road
- Cycle and pedestrian improvements at the Catton Grove Road / Woodcock Road and the Fifers Lane / Heyford Road roundabouts
- A link from the Fiddlewood estate to Catton Grove Road including an improved crossing of the outer ring road

- A cycle route across Pointers Field and a traffic free link on Taylors Lane
- A toucan crossing of the outer ring road on Barrett Road and significant cycle improvements in the southern half of Hall Road.

In addition to this there are presently on-going works to provide a stepped cycle track on the inner section of Newmarket Road, new cycle facilities Magdalen Road and improvements to the existing facilities on Bluebell Road.

Yet to come are 3 schemes that will see significant improvements to pedestrian and cycle crossings of the ring roads; at St Crispin's Road, Queens Road and Chartwell Road. This is along with improvements in Eaton centre, a new link to the airport industrial estate from Heyford Road and the further rollout of 20mph speed restrictions in residential areas.

Too often we implement highway improvement schemes without being able to fully promote them or being able to encourage motorists to change their behaviour. This time it is different as Norfolk County Council has secured £1.5M of revenue funding over 3 years to actively promote walking and cycling. Officers working on the cycle ambition project are therefore liaising closely with the county to exploit the potential for yet more growth in cycling that the cycle ambition funding has offered.

Finally you may be interested to hear that consequent on the increased cycling in the city the number of cycle sale and repair shops has grown. It was particularly satisfying to note that within months of the Hall Road cycle scheme being implemented at the southern end of the yellow pedalway, a cycle shop opened up in what was once a car dealership. Evidence, I would suggest, that modal shift is working."

Report to Council
28 November 2017
Report of Director of business services
Subject Local Government Boundary Review

Item

7

Purpose

To consider arrangements for the electoral scheme for the council in respect to the periodic electoral review being undertaken by the Local Government Boundary Commission of England (LGBCE).

Recommendation

To approve the one the following proposals

- (1) To retain the current electoral arrangements for Norwich City Council with 39 city councillors representing 13 Wards and election by thirds

alternatively

- (2) To propose new electoral arrangements for Norwich City Council

Corporate and service priorities

The report helps to meet the corporate priority value for money services

Financial implications

None

Ward/s: All Wards

Cabinet member: Councillor Kendrick - Resources

Contact officers

Anton Bull Director of business services 01603 212326

Stuart Guthrie Democratic and elections manager 01603 212055

Background documents

None

Report

Introduction

1. This report sets out the council's response to the Local Government Boundary Commission of England (LGBCE) invitation on 30 June 2017 to consider electoral arrangements for the city council.
2. The review was triggered to address poor levels of electoral equality in the city of Norwich. As of 1 December 2016, one ward (University) had a variance - 31% from the average ward number. Thorpe Hamlet had a variance of +18%.
3. The council ward arrangements will be considered by the LGBCE when the warding patterns consultation period commences on 30 January 2018. Final recommendations will be published on 2 October 2018 for parliamentary approval.
4. The LGBCE has asked the council to confirm its draft proposal for the council size by 7 December 2017.
5. At this stage council has been asked to recommend the council size (number of councillors) , number of wards and the electoral cycle which best reflect the governance arrangements in Norwich.
6. The last periodic review of electoral arrangements in Norwich conducted in 2001 and completed in 2002 reduced the number of councillors from 48 to 39.

Current Governance Arrangements

7. There are currently 39 ward councillors in Norwich representing 13 wards.
8. The council operates under a Leader and Cabinet model with the following committees and number of councillors on each committee:
 - Council - 39
 - Cabinet – 8
 - Licensing – 13
 - Regulatory sub-committee – any 5 out of the 13 members of licensing
 - Licensing sub-committee – any 3 out of the 13 members of licensing
 - Planning applications – 12
 - Scrutiny – 13
 - Standards – 6
 - Mousehold Heath Conservators – 9
 - Norwich area museums – 6
 - Norwich Highways agency – 5
 - Twinning - 11
 - Sustainable Development panel – 8
 - Audit – 8

Overview of recommended council size submission

9. The council's submission needs to address points raised in the LGBCE guidance which stresses the importance of submitting "well-reasoned proposals that are based on the individual characteristics and needs of each local authority and communities.
10. The council's submission needs to satisfy the LGBCE 's aims of being able to:-
"recommend a council size that allows
 - the council to take decisions effectively;
 - manage the business and responsibilities of the council successfully;
 - provide effective community leadership and representation",

Summary of recommended council submission

11. It is recommended that at the full council meeting on 28 November 2017 the council agree to;
 - retain its current practice of elections by thirds
 - as a consequence of the above, each ward will remain represented by three councillors
 - as a result to keep the number of councillors at 39
12. As can be seen from the number of committees above, this will allow the council to continue to deliver effective arrangements for the management and delivery of its business and responsibilities.
13. The alternative would be to reduce the number of councillors to 26 to represent the 13 wards. However, with only 26 councillors it would become extremely difficult to provide councillors to cover all of the committees listed above.
14. The current number of councillors has worked for the council since the last review. The current Leader and Cabinet model with the committees that support this have ensured good governance for the council and residents.

Members Involvement

15. There was a LGBCE members briefing held on 16 October 2017. This followed meetings with officers and group leaders. This report will also allow members to discuss the submission at the full council meeting.

Conclusion

16. Once a recommendation has been agreed by council, a formal submission will be given to the LGBCE on the agreed report.

Integrated impact assessment



NORWICH
City Council

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

Report author to complete

Committee:	Council
Committee date:	28 November 2017
Director / Head of service	Anton Bull Director of business services
Report subject:	Local Government Boundary Review
Date assessed:	16 November 2017
Description:	Local Government Boundary Review

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

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

Recommendations from impact assessment
Positive
Negative
Neutral
Issues

Report to Council
28 November 2017
Report of Chief finance officer (Section 151 Officer)
Subject Municipal Bonds Agency borrowing framework agreement

Item

8

Purpose

To seek approval for the council to enter into the borrowing framework agreement prepared by the UK Municipal Bonds Agency.

Recommendation

To approve the council's entry into the UK Municipal Bonds Agency (UK MBA) framework agreement and its accompanying schedules including the joint and several guarantee.

Corporate and service priorities

The report helps to meet the corporate priority value for money services.

Financial implications

If the council takes borrowing via the UK MBA there will be savings in interest paid when compared with borrowing taken via the Public Works Loan Board (PWLB) and the money markets. These are anticipated to be 0.2 per cent when compared with the PWLB borrowing rates. This would equate to a saving of £20,000 per annum in borrowing costs on a £10m loan.

Ward/s: All wards

Cabinet member: Councillor Kendrick, resources

Contact officers

Karen Watling, chief finance officer 01603 212440

Tina Stankley, senior technical accountant (interim) 01603 212562

Background documents

None

Report

Background

Cabinet was presented with the report 'Potential investment in the UK Municipal bonds Agency' on 10 September 2014. This report outlined the set-up of the UK MBA by the Local Government Association (LGA), its rationale for setting up the UK MBA and its request for investment (in the form of share capital) by local authorities to cover the initial launch and operation of the UK MBA. Cabinet approved the investment of up to £100,000 to fund the mobilisation and implementation phases. The council has, to date, invested £50,000 with the UK MBA.

The council is now at the stage of needing to enter into a Framework Agreement if it wants to access funding from the UK MBA. The agreement includes an accession document confirming that the council has the necessary approvals to sign the agreement and a joint and several guarantee to those lending money to the UK MBA in respect of the borrowing of all other local authorities from the UK MBA.

The Framework Agreement details how the UK MBA expects to interact with the local authority borrowers, including detailing how the joint and several guarantee and contribution arrangement will work and documenting the loan standard terms and conditions.

Cabinet resolved to approve the council's entry into the UK Municipal Bonds Agency (UK MBA) framework agreement and its accompanying schedules including the joint and several guarantee at its meeting on 11 October 2017.

Framework agreement and the joint and several guarantee

The Framework Agreement in summary comprises:

- The Framework Agreement itself, which is primarily designed to prevent a call on the joint and several guarantee and lays out how the UK MBA will interact with local authorities.
- Schedule 1: Form of Authority Accession Deed, which local authorities sign to commit them to the Framework Agreement.
- Schedule 2: Form of Guarantee, which is the joint and several guarantee.
- Schedule 3: Loan Standard Terms, which is the loan agreement that covers any borrowing by an authority.
- Schedule 4: Form of Loan Confirmation, which supplements the Loan Standard Terms and confirms details of a loan such as principal, maturity, interest rate etc. It is signed by the UK MBA and a borrower.

By having a framework agreement in place with all authorities that want to borrow from the UK MBA it will be able to;

- issue bonds without having to prepare a full prospectus for each bond issue, thus reducing costs and complexity.
- list the financial instruments on the UK stock exchange
- reduce costs and attract potential investors by not having to have a separate credit rating and assessment of participating authorities for every tranche of financing.

The nature of the framework agreement means, that in practice, having it in place with all participating authorities that all borrowers are collectively and individually

guaranteeing the debt of each and every borrower jointly and severally. However the risk of default by a local authority is very low. This has never happened to date. However, with Councils receiving less funding and needing to take on more risks and become commercial, the risk may now increase.

There is a statutory and prudential framework in place, under which local authorities operate, which is extremely strong and designed to prevent such a thing.

Also local authorities have access to the PWLB as lender of last resort and therefore can refinance any borrowings from the UK MBA by the PWLB if it cannot repay its debt to the UK MBA by other means.

Historically, the government has intervened when a local authority has found itself in difficulty or the government has deemed a local authority to be incapable of managing itself effectively.

Legal advice and opinion

Legal advice and opinion has been sought by a small group of authorities. This was procured independently of the UK MBA. The group commissioned Allen & Overy, a law firm specialising in financial transactions, to advise on the Framework Agreement. Allen & Overy engaged Jonathan Swift QC to provide senior counsel's opinion.

His main conclusions were:

- local authorities do have the power, in principle, to enter into the arrangement envisaged by the Framework Agreement; and
- whilst it would, in principle, be lawful for a reasonably financially robust local authority to enter into the commitments entailed in the Framework Agreement, the final assessment of whether or not it would be reasonable use of the in principle power must be made taking into account the specific financial position of each local authority, whether it is financially robust and the balance of the advantages and disadvantages of doing so.

The council has the power to enter into the Framework Agreement under Section 1 of the Localism Act 2011 – the general power of competence. Borrowing under the Framework Agreement will be under Section 1 of the Local Government Act 2003 – the power to borrow.

Borrowing through the UK MBA

The UK MBA will only lend to UK local authorities who can give a joint and several guarantee.

The UK MBA would prefer all borrowers to become shareholders. This ensures a strong alignment of interest between borrowers and shareholders, and is viewed positively by ratings agencies and the capital markets. This authority is a shareholder and will accordingly benefit from being charged a lower interest rate than if it were not a shareholder.

There is a transparent pricing structure for borrowing via the UK MBA. It will charge local authorities the interest the agency pays to obtain the funds it on-lends, plus any transaction costs up to a maximum of 0.5 per cent of the amount borrowed, plus a margin to cover its costs. This margin is currently set at:

- 0.10 per cent for shareholders; and

- 0.15 per cent for non-shareholders.

Transactions costs include the agency's credit rating agency fees, bank syndicate fees and legal costs. The council has the option to amortise these over the life of the loan or to expense them.

The agency will act as an intermediary, borrowing the money and on-lending it to local authorities on a matched basis to deliver cheaper capital finance to local authorities through periodic bond issues, as an aggregator for loans from other bodies such as the European Investment Bank, and facilitating longer term inter-authority lending via the Agency. Once the first bond issue has taken place local authorities will be able to borrow from the agency in a similar way as it does from the PWLB, although it may take a slightly longer time to go through the whole process than it currently does with the PWLB.

If a local authority wishes to repay a loan early the agency will pass on the cost of early repayment by a local authority (usually referred to as prepayment in financial services) to that local authority. However, the Agency will not profit from the transaction and will assist any local authority seeking early repayment to find the cheapest solution.

Risks and Advantages

As entering into the Framework Agreement and borrowing via the UK MBA is different in nature to borrowing from the Public Works Loan Board there are different risks associated with this.

There are inherent risks associated with the proposed structure, not least the joint and several nature of the guarantee. These are:

- the council's guarantee may be called independently of any other guarantee and for the full amount owing by the UK MBA under the financing document that is covered by the guarantee (and, therefore, such participating local authority is potentially liable to pay out amounts to the MBA that exceed the amounts borrowed).
- even though the council can terminate its guarantee, it will continue to guarantee the "Guaranteed Liabilities" entered into by the UK MBA before the termination date. The effect of this is that the Council's liability under its Guarantee may potentially continue in existence for many years after termination.

However, the risks associated with the joint and several guarantee are mitigated by the contribution arrangements. The Framework Agreement is such that the council's exposure, from a practical perspective, is proportional to the amount borrowed by the Council as a proportion of all non-defaulting loans made by the UK MBA.

The risk of a default by a local authority is very it low. Therefore the likelihood of having to contribute to a default is also very low. However, in changing times and Councils receiving less money and being advised to become more commercial, as referred to above this may increase.

There is a risk that the UK MBA does not observe its obligations under the Framework Agreement, but the council is entitled to expect that the UK MBA will do so. The LGA and local authorities control the UK MBA via their shareholdings so could intervene if the UK MBA did not abide by the Framework Agreement.

The prime advantage is the prospect of lower borrowing costs and the possibility to obtain types of loans that are not available from the PWLB. This is important as it is

likely that the Council's need to borrow will increase in the immediate future. Borrowing will be required to both fund regeneration and housing schemes managed internally or to lend to council owned companies and Joint Ventures who will undertake the development. Borrowing will also be required to fund the commercial property acquisition programme – which is an important part of the Council's strategy to create new income streams to support the funding of core council services.

Therefore the potential advantage of achieving lower interest rates on Council borrowing more than offsets the low risk that a local authority defaults and the UK MBA is unable to recover the debts owed to it in order to repay the Council any contributions it is required to make.

The Framework Agreement only comes into effect if the council borrows from the UK MBA. If the council does not borrow, there is no risk to it arising from the contribution arrangements or joint and several guarantee. The council is not obligated to borrow via the UK MBA and even if it chooses to legally commit to borrowing via a bond issue, it will not be required to take a loan that is not cheaper than the PWLB, so the bond will not be issued. Therefore, the financial risk of the UK MBA either failing to deliver a saving or the council not borrowing having signed the Framework Agreement is eliminated.

Integrated impact assessment



NORWICH
City Council

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

Report author to complete

Committee:	Council
Committee date:	28 November 2017
Director / Head of service	Karen Watling
Report subject:	Approval to enter into the Municipal Bonds Agency Framework Agreement
Date assessed:	28 September 2017
Description:	The authority can take borrowing from the Municipal Bonds Agency at a lower interest rate level than offered by the PWLB. However in order to do this it must enter into a framework agreement which would mean that it would be jointly and severally liable to repay the debt of any defaulting authority. this report outlines this and the risks and advantages of doing so.

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

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

Recommendations from impact assessment

Positive

Negative

The use of the UK MBA to obtain external funding widens the options open to the authority and should result in savings in borrowing costs. In order to do this the council is required to enter into a framework agreement and a joint and several guarantee. However there are risks associated with this because of the joint and several arrangement. If an authority defaults on its debt repayments then all authorities who have borrowed from the MBA will be liable for debt and the liability will continue for as long as the loans remain outstanding even if the authority has already repaid all of its debt.

The risks are considered to be low and there are actions that can be taken to cover the debt by the defaulting authority before needing to call upon other authorities to cover the debt.

Neutral

Issues

Report to Council

Item

Report of Chief finance officer

9

Subject Treasury Management Full Year Review Report 2016-17

Purpose

This report sets out the Treasury Management performance for the year to 31 March 2017.

Recommendation

- 1) To approve the actual 2016/17 prudential and treasury indicators in this report;
and
- 2) To note the Annual Treasury report for the year 31 March 2017.

Financial implications

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

Ward/s: All wards

Cabinet member: Councillor Kendrick, resources

Contact officers

Karen Watling, chief finance officer 01603 212440

Tina Stankley, senior technical accountant interim 01603 212562

Background documents

None

Report

Background

1. The Council is required by regulations issued under the Local Government Act 2003 to produce an annual review of its treasury management activities and the actual prudential and treasury indicators for 2016-17. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).
2. This report details the results of the council's treasury management activities for the financial year 2016-17. It compares this activity to the Treasury Management Strategy for 2016-17, approved by Full Council on 23 February 2016. It will also detail any issues that have arisen in treasury management during this period.

Introduction

3. Treasury Management relates to the policies, strategies and processes associated with managing the cash and debt of the Council through appropriate borrowing and lending activity. It includes the effective control of the risks associated with the lending and borrowing activity and the pursuit of optimum performance consistent with the risks.
4. For the 2016/17 financial year the minimum reporting requirements were that full Council should receive the following reports:
 - an annual Treasury Management Strategy in advance of the year (Council 23 February 2016).
 - a mid-year Treasury Management Review report (Cabinet 14 December 2016).
 - an annual review following the end of the year describing the activity compared to the strategy (this report).
5. The regulatory environment places responsibility on members to review and scrutinise treasury management policy and activities. This report is therefore important in that respect, as it provides details of the outturn position for treasury activities and highlights compliance with the council's policies which have previously been approved by members. This report summarises the following:-
 - Capital activity during the year (section 3)
 - Impact of this activity on the Council's underlying indebtedness (the Capital Financing Requirement) (section 4)
 - The actual prudential and treasury indicators (section 4)
 - Overall treasury position identifying how the Council has borrowed in relation to this indebtedness, and the impact on investment balances (section 5)
 - Review of treasury strategy and economic factors (sections 6 & 7)
 - Borrowing rates and detailed debt activity (sections 8 & 9)
 - Investment rates and detailed investment activity (section 10)

The Council's Capital Expenditure and Financing 2016-17

6. The capital programme was revised during 2016-17 from that agreed by full council at its meeting on 23 February 2016. The revised capital programme was reported in the mid-year Treasury Management Review report which was presented to cabinet on 14 December 2016. Actual spending was under budget for the year by £25.345m. Consequently the actual level of revenue and borrowing needed to finance the expenditure was less than that estimated. The actual capital expenditure forms one of the required prudential indicators. The table below shows the estimates and then the actual capital expenditure for 2016-17 and how this was financed in the year:

	2016/17 Original Estimate	2016/17 Revised Estimate	2016/17 Actual	(Underspend) /Overspend
	£m	£m	£m	£m
Capital Expenditure				
Non-Housing Capital expenditure	35,164	23,574	6,600	(16,974)
HRA Capital expenditure	47,340	35,506	27,135	(8,371)
	82,504	59,080	33,735	(25,345)
Financed by				
Capital Receipts	11,682	11,709	3,692	(8,017)
Capital Grants	8,812	8,045	5,441	(2,604)
Capital Reserves	2,423	1,050	-	(1,050)
Revenue	26,104	26,104	11,049	(15,055)
HRA Non-dwelling Depreciation			13,553	13,553
	49,021	46,908	33,735	(13,173)
Borrowing need for the Year	33,483	12,172	-	(12,172)

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

Council's overall borrowing need

8. The council's underlying need to borrow for capital expenditure is termed the Capital Financing Requirement (CFR). The CFR arises as the Council incurs capital spending and then if it does not apply resources immediately to finance the capital spend, i.e. capital receipts, capital grants, capital reserves or revenue, a borrowing need arises. The 2016-17 CFR year-end balance is the cumulative total of the 2016-17 unfinanced capital expenditure (nil for 2016-17), and prior years' unfinanced capital.
9. Treasury Management includes addressing the funding requirements for this borrowing need; it also includes maintaining a cash position to ensure sufficient cash is available to meet the capital expenditure and cash flow requirements. This

may be sourced through borrowing from external bodies, e.g. the Government through the Public Works Loan Board (PWLB) or the money markets, or utilising temporary cash resources within the Council (known as internal borrowing).

10. Reducing the CFR – the council’s (non-HRA) underlying borrowing need (CFR) is not allowed to rise indefinitely. Statutory controls are in place to ensure that capital assets are broadly charged to revenue over the life of the asset. This requirement is met by making an annual revenue charge, called the Minimum Revenue Provision (MRP), to reduce the CFR. This is effectively a repayment of the non-HRA borrowing need (there is no statutory requirement to reduce the HRA CFR).
11. The total CFR can also be reduced by either:
 - the application of additional capital financing resources (such as unapplied capital receipts)
 - charging more than the statutory MRP each year through a Voluntary Revenue Provision (VRP).

	2016/17 Original Estimate	2016/17 Revised Estimate	2016/17 Actual
General Fund	£m	£m	£m
Opening balance	38.746	19.121	32.508
Add: Unfinanced capital expenditure (as above)	24.373	13.812	(0.064)
Less: MRP	(0.250)	(0.250)	(0.363)
Closing balance	62.869	32.683	32.081
	2016/17 Original Estimate	2016/17 Revised Estimate	2016/17 Actual
HRA	£m	£m	£m
Opening balance	207.286	207.333	206.480
Add: Unfinanced capital expenditure (as above)	9.110	(0.853)	(0.856)
Less: Finance lease repayments		-	-
Closing balance	216.396	206.480	205.624

12. This differs from the treasury management arrangements which ensure that cash is available to meet capital commitments. External borrowing can be taken or repaid at any time, but this does not change the CFR.
13. The Council’s CFR for the year is shown below, and is a key prudential indicator. It includes PFI and leasing schemes on the balance sheet, which increase the Council’s borrowing need. No borrowing is actually required against these schemes as a borrowing facility is included in the contract.

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

The actual prudential and treasury indicators

15. **Gross borrowing and the CFR** - in order to ensure that borrowing levels are prudent over the medium term and only for a capital purpose, the Council should ensure that its gross external borrowing does not, except in the short term, exceed the total of the capital financing requirement in the preceding year (2016/17) plus the estimates of any additional capital financing requirement for the current (2017/18) and next two financial years. This essentially means that the Council is not borrowing to support revenue expenditure. This indicator allows the Council some flexibility to borrow in advance of its immediate capital needs. The table below highlights the Council's gross borrowing position against the CFR. The Council has complied with this prudential indicator.

	2016/17 Original Estimate £m	2016/17 Revised Estimate £m	2016/17 Actual £m
Gross borrowing	254.779	227.701	209.897
CFR	279.265	239.162	237.705

16. **The authorised limit** - the authorised limit is the “affordable borrowing limit” required by s3 of the Local Government Act 2003. The Council does not have the power to borrow above this level. The table below demonstrates that during 2016/17 the Council has maintained gross borrowing within its authorised limit.

	2016/17 Original Estimate £m	2016/17 Revised Estimate £m	2016/17 Actual £m
Authorised Limit for external debt	£m	£m	£m
	293.10	263.91	263.91
Borrowing	7	7	7
Other long term liabilities	1.672	1.672	1.672
Total	294.77	265.58	265.58
	9	9	9
Operational boundary for external debt	£m	£m	£m
	253.10	224.08	224.08
Borrowing	7	3	3
Other long term liabilities	1.672	1.762	1.762
Total	254.77	225.84	225.84
	9	5	5
	£m	£m	£m
Actual external debt	254.77	225.84	209.89
	9	5	7

17. The operational boundary – the operational boundary is the expected borrowing position of the Council during the year. Periods where the actual position is either below or over the boundary is acceptable subject to the authorised limit not being breached.

Actual financing costs as a proportion of net revenue stream

18. This indicator identifies the shows what the cost of capital is (borrowing and other long term obligation costs net of investment income) as a percentage of the net revenue stream. For the general fund the net revenue stream is the amount that is funded by government grants and council tax payers. For the HRA the net revenue stream is the rental income paid by tenants.

Affordability of financing costs	2016/17 Estimate	2016/17 Actual
General fund - financing costs as a percentage of net revenue stream	7.67%	3.71%
HRA - financing costs as a percentage of rental income	10.65%	13.13%

Treasury Position as at 31 March 2017

19. The Council's debt and investment position is managed by the treasury management service. All activities are undertaken primarily to ensure security for investments, adequate liquidity for revenue and capital activities, and to manage risks within all treasury management activities. Procedures and controls to achieve these objectives are well established both through member reporting detailed in the summary, and through officer activity detailed in the Council's Treasury Management Practices.
20. The council's actual borrowing position at 31 March 2017 and activity during 2016-17 is detailed in the table below:

Borrowing activity 2016-17 (excluding PFI/finance leases)	PWLB loans £m	Market loans £m	Total £m	Average interest rate %
Opening balance 01.04.16	213.857	5.000	218.857	4.29%
New borrowing taken in 2016-17	-	-	-	
Borrowing matured/repaid in 2016-17	(10.750)	-	(10.750)	
Closing balance 31.03.17	203.107	5.000	208.107	4.45%
Authorised limit for external debt			293.107	

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

Maturity Structure of fixed rate borrowing	Upper Limit per Strategy	31-Mar-17	
		%	£m
		1.43	
Under 12 months	10%	%	2.993
		2.39	
Between 12 months and 2 years	10%	%	5.000
		0.96	
Between 2 years and 5 years	30%	%	2.000
		57.70	120.65
Between 5 years and 10 years	50%	%	9
		37.52	
Over 10 years	95%	%	78.448
Total borrowing			<u>209.10</u> 0

22. The difference between the closing balance of £208.107m in paragraph 6.2 above and the total of £209.987m debt disclosed in the table in paragraph 5.2 above is that the debt repayable within 12 months also includes accrued interest of £0.993m for the PWLB & Barclays loans and other liabilities of £0.796m which is largely relates to a perpetually irredeemable 3% loan stock valued at £0.5m.

23. The following table shows the movement in investments in the year.

Investments	Actual 31 March 2016	Net movements in year	Transferred between long term & short term	Actual 31 March 2017
	£m	£m	£m	£m
Long Term				
Banks	3.000	-	(3.000)	-
Short term				
Banks	10.000	18.000	-	28.000
Building Societies	25.000	0.100	2.300	27.400
Local Authorities	-			-
Cash				
Equivalents				
Banks	10.000	0.660		10.660
Building Societies	2.300		(2.300)	-
Local Authorities	8.000	(0.500)		7.500
Total	58.300	18.260	(3.000)	73.560

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

£'000	31-Mar-17	31-Mar-16
	£m	£m
Longer than 1 year		3.000
Under 1 year	73.560	55.300
	73.560	58.300

The Strategy for 2016-17

25. The expectation for interest rates within the treasury management strategy for 2016/17 anticipated low but rising Bank Rate, (with the first increase anticipated to be in June 2016), and gradual rises in medium and longer term fixed borrowing rates during 2016/17.
26. Investment returns were expected to remain relatively low during 2016/17 and beyond. Investments would continue to be dominated by low counterparty risk considerations, resulting in relatively low returns compared to borrowing rates.
27. Against this background and the risks within the economic forecast, a cautious approach will be adopted with the 2016/17 treasury operations. The Chief finance officer will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances. The treasury strategy would be as to postpone borrowing to avoid the cost of holding higher levels of investments and to reduce counterparty risk.

The Economy and Interest Rates

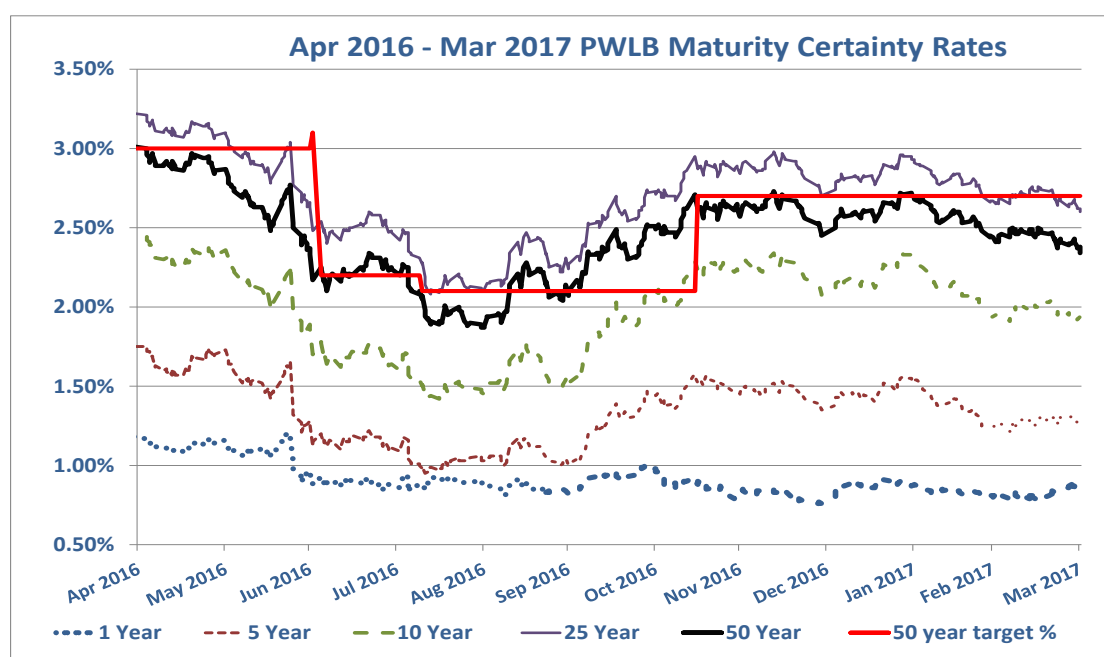
28. At the time of setting the Strategy in February 2016, the markets were forecasting short-term Bank Rate to increase to 0.75% from 0.50% by December 2016 for the first time since 2008, in response to the low inflation strong growth environment in the UK. However this first increase was pushed further into the future following the Bank of England Inflation Report in May 2016, which pegged back its growth forecast and factored in concerns over a Brexit vote to leave.
29. Long term rates were forecast to rise moderately over 2016/17 by around 0.30%, but remain extremely volatile and difficult to predict due to upside and downside external market influences. There were two major landmark events that had a significant influence on financial markets during the year. This was the UK EU referendum on 23 June 2016 and the election of President Trump in the USA on 9 November 2016
30. The UK voted to leave the European Union in the 23 June 2016 referendum. Shocks to the markets subsequent to this result and fears for Economic Growth led the Bank of England (BOE) to cut Base Rate on 4 August 2016 to 0.25% from 0.50%, for the first time since 2009, and increase Quantitative Easing (QE) by £60bn to £435bn. The graph shows the impact on interest rates due to these events. Short term rates dropped to 0.25% levels following the Base Cut and have remained flat since. Long term rates fell significantly after the Brexit vote but have

rallied since September 2016 as growth and consumer confidence confounded the pessimistic forecasts of the BOE.

31. Annual growth for 2016 was 1.8%, better than most G7 countries. Retail sales was 2.3% in April 2017, 4% higher than a year ago. Inflation rose sharply due to the effects of the sharp devaluation of sterling after the referendum. CPI was 2.7% in March and sterling was 17% down against the dollar. As a result of these figures the BOE did not alter rates during the rest of the financial year, seeing no reason for a further cut or increase. Inflation is not being seen as a problem to address as unemployment fell to its lowest in 42 years (4.6%), subduing any wage inflation inherent in the economy.
32. Market expectations for the first increase in Bank Rate moved forward to December 2018 by the end of March, in response to the increases in inflation, with the next increase in Base Rate not expected until June 2019.
33. The US voted for President Trump in their election on 9 November 2016. He has promised expansion of infrastructure expenditure in the US at the same time as promising to cut taxes. Stock markets in the US reached record highs since the election. The Fed raised interest rates by 0.25% in December 2016 to 0.75% in response to rising growth and inflation. Annual growth for the US was 1.6% in 2016.
34. The European Central Bank (ECB) announced its commitment to extend QE by another 9 months to December 2017 and cut rates to negative territory in an attempt to boost the European economy and get inflation up from near zero levels. This resulted in an overall growth figure of 1.7% in 2016 for the EU, with Germany achieving a rate of 1.9%, the fastest growing G7 country.

Borrowing Rates in 2016-17

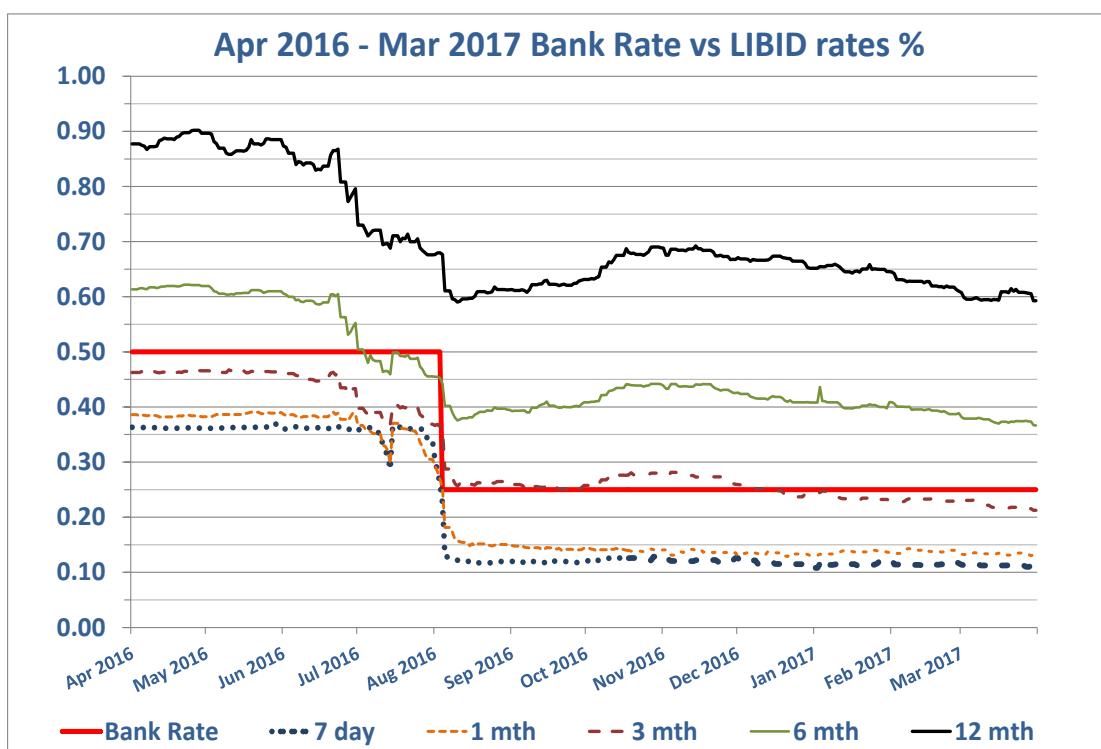
35. **PWLB borrowing rates** - the graphs and table for PWLB maturity rates below show for a selection of maturity periods, the high and low points in rates, the average rates, spreads and individual rates at the start and the end of the financial year.



	1 Year	5 Year	10 Year	25 Year	50 Year
1/4/16	1.13%	1.62%	2.31%	3.14%	2.95%
31/3/17	0.83%	1.24%	1.91%	2.60%	2.34%
Low	0.76%	0.95%	1.42%	2.08%	1.87%
Date	20/12/2016	10/08/2016	10/08/2016	12/08/2016	30/08/2016
High	1.20%	1.80%	2.51%	3.28%	3.08%
Date	27/04/2016	27/04/2016	27/04/2016	27/04/2016	27/04/2016
Average	0.93%	1.36%	2.01%	2.72%	2.49%

Borrowing Outturn for 2016-17

36. Due to investment concerns about counterparty risk and low investment returns, no borrowing was undertaken during the year. However during 2016-17 £10.750m of PWLB debt was repaid.
37. During 2016-17 the council paid £9.5m in interest costs, this compares to a budget of £9.4m.



Investment Rates in 2016-17

38. After the EU referendum, the bank base rate was cut from 0.5% to 0.25% in August and has remained at that level since. Market expectations as to the timing of the start of monetary tightening started the year at quarter 3 2018, but then moved back to around the end of 2019 in early August before finishing the year back at quarter 3 2018. The 2015-16 low levels of Deposit rates continued into 2016-17, then continued to fall. This resulted in MPC at its August meeting making a large tranche of cheap financing available to the banking sector by the Bank of

England. Rates made a weak recovery towards the end of 2016 but then fell to fresh lows in March 2017.

Investment Outturn for 2016-17

39. The Council's investment policy is governed by CLG guidance, which was implemented in the annual investment strategy approved by the Council on 23 February 2015. This policy sets out the approach for choosing investment counterparties, and is based on credit ratings provided by the three main credit rating agencies supplemented by additional market data (such as rating outlooks, credit default swaps [a financial swap agreement that the seller of the CDS will compensate the buyer in the event of a loan default or other credit event]., bank share prices etc.).
40. The investment activity during the year conformed to the approved strategy, and the Council had no liquidity difficulties.

Resources

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

Balance Sheet Resources	31-Mar-17	31-Mar-16
	£m	£m
Balances	44.727	38.347
Earmarked Reserves	3.699	3.935
Useable Capital receipts	26.554	17.313
Capital grants Unapplied	4.879	3.200
Total	79.859	62.795

Investments held by the Council

42. The Council's year-end balance was £73.560m of internally managed funds. The internally managed funds earned an average rate of return of 0.75%. The target performance indicator was the average 7-day LIBID rate for the year, which was 0.20%.
43. The Council is part of a benchmarking group (run by our treasury management advisors, Capita Asset Services) across Norfolk, Suffolk & Cambridgeshire. The table below shows the performance of the Council's investments when compared with this benchmark group, and also when compared with the non-metropolitan districts and all authorities that use Capita's benchmarking group facility.

Capita benchmarking - position at 31 March 17				
	Norwich	Benchmark group (11)	Non-met districts(87)	All authorities (218)
WARoR ¹	0.75%	0.69%	0.57%	0.55%
	5.1			
WA Risk ²	3	4.25	3.71	3.4
WAM ³	149	121	105	97
WATT ⁴	283	249	204	197

44. The council's average investments return (0.75%) is higher than that for the benchmark group (0.69%), and it was also higher than both the 87 non-met authorities at 0.57% and the population of 218 local authorities at 0.55%.

1 WARoR – Weighted average rate of return. This is the average annualised rate of return weighted by the principle amount in each rate

2 WA Risk – Weighted average risk number. Each institution is assigned a colour to a suggested duration using Sector's credit methodology. The institution is assigned a number based on its colour and an average, weighted using principal amount, of these numbers is calculated. A number of 5.13 means between 0 to 3 months

3 WAM Weighted average time to maturity. This is the average time, in days, until the portfolio matures, weighted by the principle amount

4 WATT – Weighted average total time. This is the average time, in days, that deposits are lent out for, weighted by the principle amount

Integrated impact assessment



NORWICH
City Council

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

Report author to complete

Committee:	Council
Committee date:	28 November 2017
Head of service:	Karen Watling
Report subject:	Full Year Treasury Management Report
Date assessed:	28 September 2017
Description:	This report is to inform members of the actual treasury activity for the year and compares that to the treasury management indicators set in the Treasury Management Strategy for 2016-17.

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

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

Recommendations from impact assessment	
Positive	
Negative	
Neutral	
Issues	

Report to Council
28 November 2017
Report of Chief finance officer
Subject Adjustment to the 2017/18 non-housing capital programme

Item

10

Purpose

To consider an increase to the non-housing capital programme.

Recommendation

To approve cabinet's recommendation of 8 November 2017 to increase the non-housing capital programme to £15m and, as a result of recent asset acquisition opportunities, to further increase this amount at the recommendation of officers and with the approval of the leader and portfolio holder to £25m.

Corporate and service priorities

The report helps to meet the corporate priority value for money services.

Financial implications

These are set out in the main body of the report.

Ward/s: All wards

Cabinet member: Councillor Kendrick – resources

Contact officers

Karen Watling, chief finance officer (LGSS) 01603 212440

Adam Drane, finance business partner (LGSS) 01603 212567

Background documents

None

Report

Background

1. At its meeting on 27 September 2016, council approved a four year financial sustainability plan. This was submitted and subsequently agreed by DCLG (Department for Communities and Local Government) which allowed the council to receive the current four-year Financial Settlement from government.
2. The sustainability plan linked the council's Transformation Plan to its MTFS (Medium Term Financial Strategy). The top two themes of the plan were:
 - Maximising income generation where possible whilst taking into account the ability to pay.
 - Maximising returns from assets, particularly the council's commercial portfolio and investing for further return.
3. The capital programme for 2017/18 was approved by council on 23 February 2017.
4. The carry-forward of unspent 2016/17 capital budgets into the 2017/18 capital programme was approved by cabinet on 21 June 2017. These are included in the budgets shown below.
5. Cabinet at its meeting on 8 November 2017 resolved to recommend to council a £15m addition to the non-housing capital programme, officers with the approval of the leader and portfolio holder are now recommending an increase to £25m.
6. Council is asked to approve the addition of the following amounts to the current approved 2017/18 non-housing capital programme: both capital schemes are part of the Council's strategy to generate income and maximise returns from assets as agreed in the four year financial sustainability plan.

Scheme	Current approved budget £000s	Requested increase to programme £000s	Revised budget £000s
Asset Investment for Income	15,000	25,000	40,000
New Build - Three Score Phase 2	11,122	1,647	12,769

Asset Investment for Income Generation

7. Holding and acquiring commercial property is not new for councils in general and Norwich in particular. The Council already owns 290 properties held for income purposes generating an annual rental income of some £2m. 41 of these properties (capital value of £17m) generate 74% of the overall rental income. The "top 41" assets primarily comprise retail/restaurant, offices, and warehouse/industrial/storage.
8. This rental income is of increasing importance in helping the Council to fund General Fund services to the public particularly given that central government financial support is rapidly decreasing.

9. In line with the approved four year financial sustainability plan, Cabinet agreed on 12 April 2017 to rationalise the council's existing investment portfolio to minimise cost and maximise income. The rationalisation means that existing property with low returns, or those requiring significant funding to refurbish or to maintain/manage will be sold. To compensate for this loss, and to also provide additional income growth, Cabinet agreed to acquire new income generating assets
10. The council recently bought its first acquisition under this rationalisation programme for the sum of £2.4m. It has successfully bid for two more, one at £7.2m and one at £4m (these are the total costs of acquiring the property including fees and Stamp Duty Land Tax). It is anticipated that these will complete before or soon after Christmas. As of writing this report, we are also reviewing further properties with a value of £19m plus. It has become apparent that the 2017/18 capital budget is unlikely to be sufficient to purchase all the opportunities the council may wish to pursue this financial year
11. Council is reminded that delegated authority was given to the director of regeneration and development, in consultation with the chief finance officer and the equivalent number of a quorum of cabinet members, including the cabinet member for resources, to invest in income generating assets up to the limit in value budgeted for in the council's capital programme. This approach ensures that the decisions can be made to meet commercial timescales (where the gap between initial marketing and bid submission may be as little as two weeks) but also enable democratic oversight.
12. The capital programme agreed by Council in February 2017 is for £15m of acquisitions in this financial year and £10m per annum for the next 4 financial years. It is recommended that council brings forward to this financial year some of the future years' capital budget to give more flexibility in purchasing suitable property investments. The splitting of the total budget the council wishes to spend on property acquisition into financial years is not particularly helpful in aiding the council pursue potential opportunities as they present themselves in the market place.
13. The council is in a competitive market and has already been unsuccessful in two of its bids. The capital budget therefore may not be totally spent by the year end, but unless the budget is increased then the sum approved by Council for this financial year seems likely, at this point in time, to stop further acquisitions until next financial year, which may mean the council does not receive potential new rental income that it could otherwise have gained.
14. Each potential property opportunity is reviewed by the council's retained property consultants, Carter Jonas. The costs and income flows are modelled financially by LGSS Finance to give a worst case and best case scenario:
 - i) Worst case is where the council has to fund the acquisition by loan and has to offset the gross rental income from the property with interest rate and MRP (Minimum Revenue Provision) charges.
 - ii) Best case is where the council self-funds the acquisition using its available cash and thereby charges the loss of interest income and MRP against the gross rental income.
 - iii) MRP is an annual cost to the revenue budget over the economic life of the asset which provides a sum of money over time to repay the loan principal (if

the property is funded by external loan) or to replace the amount of cash “borrowed” internally.

15. The potential property acquisition is physically visited by Carter Jonas who scores the property against a matrix of agreed criteria including macro and micro location, financial strength of the existing tenant, the nature of the lease, likelihood of future rental increases, and the physical condition of the property. NPS also give a professional view of the property.
16. Carter Jonas advises on the value of the property and hence the bid the council submits. Once a bid is made and accepted by the vendor, various condition surveys are undertaken and NPLaw undertakes the due diligence required to enable exchange of contracts and thence completion.
17. The commercial properties recently acquired or likely to be acquired by the Council are giving us a full year rate of return between 3.8% and 4.3% - this is net of costs. These purchases were/are to be financed by using available cash (in the bank or in other investment deposits) which earns an average rate of interest of 0.6%. The CFO has undertaken an analysis of the property the council has reviewed and bid for to-date and has assumed a 2% net return in the MTFs for new net rental income arising from the acquisition of commercial property. The target return takes into account that the council cannot fund all property acquisitions in the future by using its cash but will need to borrow at some point to do so. The extra £25m would therefore be expected to generate at least £500k extra income.
18. A formal proposal will be included in the Budget Report to be considered by Cabinet and Council in February 2018 to use the extra net income generated to both: (a) support the General Fund revenue budget and the provision of services to our citizens; and (b) to set aside a significant element of the new income generated to provide for future repairing and upgrading of the Council's commercial property portfolio so as to maintain its capital value and to help safeguard rental income returns in the future.

New build housing – Three Score Phase 2

19. This capital budget is used to fund the council's lending to Norwich Regeneration Ltd (NRL). The company then uses the loan to finance the house building at the Threescore site.
20. Now that construction has physically started on site, and a new, more robust, financial model for the company has been created, firmer projections can be given for the timing of the Phase 2 construction and the impact on the company's financial position. The company will need to borrow £1.65m more this year from the council than originally anticipated, not due to any increase in construction costs, but to re-phasing of the construction programme.
21. The council receives new income into its General Fund revenue budget by on-lending to the company at a commercial rate which is above the rate it can itself borrow from the Public Works Loans Board (PWLB). There is a net benefit to the Council of around £25,000 for each £1m borrowed by the company.

Integrated impact assessment



NORWICH
City Council

Report author to complete

Committee:	Council
Committee date:	28 November 2017
Director / Head of service	Chief finance officer
Report subject:	Adjustment to the 2017/18 non-housing capital programme
Date assessed:	8 November 2017
Description:	Increase the non-housing capital programme budget by £16.647m

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

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

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

Report to Council
28 November 2017
Report of Director of business services
Subject Review of the council's Code of Corporate Governance

Item

11

Purpose

To consider adopting the revised Code of Corporate Governance, as part of the council's constitution, in line with the 2016 update to the CIPFA/SOLACE guidance and the Local Government Framework for Delivering Good Governance.

Recommendation

To adopt the revised Code of Corporate Governance and amend the council's constitution accordingly.

Corporate and service priorities

The report helps to meet the corporate priority value for money services.

Financial implications

None

Ward/s: All Wards

Cabinet member: Councillor Kendrick - resources

Contact officers

Anton Bull, director of business services	01603 212326
Duncan Wilkinson, chief internal auditor	01908 252089
Neil Hunter, deputy head of internal audit	01223 715317
Jonathan Tully, principal audit manager	01603 212575

Background documents

None

Report

Background

1. The Audit and Account Regulations 2015 requires the council to produce an Annual Governance Statement (AGS) to accompany the Statement of Accounts.
2. The AGS summarizes the extent to which the council is complying with its Code of Corporate Governance and details, as appropriate, any significant actions needed to improve the governance arrangements in the year ahead.
3. Cabinet approved the revised Code of Corporate Governance at its meeting on 8 November as recommended by the audit committee and constitution working party, and corporate leadership team (CLT).

The Code of Corporate Governance

4. The council's governance arrangements are documented in its Code of Corporate Governance. This includes references to the relevant local codes, policies and procedures.
5. The council's current Code was adopted in October 2008 and is included in the constitution as appendix 19.
6. The Code is regularly reviewed and updated with the Annual Governance Statement. Significant changes, such as reflecting changes in legislation and codes of practice, are reviewed by cabinet on the recommendation of the constitution working party, and recommended to full council for approval. The most recent significant update was in 2014 to reflect governance arrangements required by the CIPFA Statement on the Role of the Chief Financial Officer in Local Government.

Current revision

7. CIPFA / SOLACE provide guidance which is intended to be used as best practice for developing and maintaining a locally adopted Code.
8. The guidance details the principles of good governance, to categorize examples within the Code.
9. The guidance was recently reviewed to reflect that councils may be operating differently due to austerity measures, and legislative changes such as the Localism Act 2011 and the Cities and Local Government Devolution Act 2016.
10. In addition the Accounts and Audit regulations were revised in 2015, which introduced some changes to the reporting requirements of the Statement of Accounts and the Annual Governance Statement.
11. Consequently the principles and terminology in the guidance have been updated to reflect these changes, and it is good practice to update the council's Code of Corporate Governance as well.

Process

12. The Code of Corporate Governance is Appendix 19 of the Constitution. The revised Code of Corporate Governance is appended to this report.
13. Article 17 of the Constitution (Audit Committee) states that the audit committee should “Review, consider and agree the AGS including the adequacy of the corporate governance framework and improvement action plan contained within it”. The Code of Corporate Governance is part of the corporate governance framework.
14. The revised was reviewed by the corporate leadership team, and also presented to the audit committee on 20 June 2017. The AGS was also reviewed by the external auditors for completeness of disclosures, compliance with relevant professional guidance, and there were no matters arising.
15. Article 15 of the Constitution (Review and Revision of the Constitution) states that “Changes to the appendices of this constitution will be made by the director of business services, to reflect decisions taken in accordance with the constitution of the council, the cabinet, a committee or the chief executive as the case may be”. The director of business services recommended that the Code of Corporate Governance was reviewed by the constitution working party, which continues good practice already established in the council.
16. The constitution working party reviewed and approved the revised Code of Corporate Governance on 12 October 2017.

Conclusions

17. The Code of Corporate Governance has been updated to reflect the latest professional guidance for consideration.
18. The Code of Corporate Governance has been reviewed and approved by cabinet and endorsed by the audit committee, the constitution working party and the corporate leadership team. It is therefore recommended that it is adopted to replace Appendix 19 of the council’s constitution.

Integrated impact assessment



NORWICH
City Council

Report author to complete

Committee:	Council
Committee date:	28/11/17
Director / Head of service	Anton Bull, Director of Business Services, Duncan Wilkinson, Chief Internal Auditor
Report subject:	Review of the council's Code of Corporate Governance
Date assessed:	27/10/17
Description:	To review of the council's Code of Corporate Governance and to recommend to Council.

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

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

Recommendations from impact assessment
Positive
An updated Code of Corporate Governance will help to improve the governance arrangements within the Council.
Negative
None
Neutral
None
Issues
None



NORWICH
City Council

Code of Corporate Governance

Proposed

INTRODUCTION

Good governance

Good governance is about how the Council ensures that it is doing the right things, in the right way, for the communities it serves, in a timely, inclusive, open, honest and accountable manner.

Our commitment

Norwich City Council is committed to upholding the highest possible standards of good corporate governance, believing that good governance leads to high standards of management, strong performance, effective use of resources, increased public involvement and trust in the Council and ultimately good outcomes.

Good governance flows from shared values, culture and behaviour and from systems and structures. This Code of Corporate Governance is a public statement that sets out the framework through which the Council meets its commitment to good corporate governance.

The Governance Framework comprises the systems and processes, and cultures and values, by which the Council is directed and controlled and through which it accounts to, engages with and, where appropriate, leads the community. It enables the Council to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate cost-effective services.

This local code of governance has been developed in accordance with and is consistent with the *Delivering Good Governance in Local Government* framework, which builds on the seven Principles for the Conduct of Individuals in Public Life (Appendix A).

Core principles of good governance

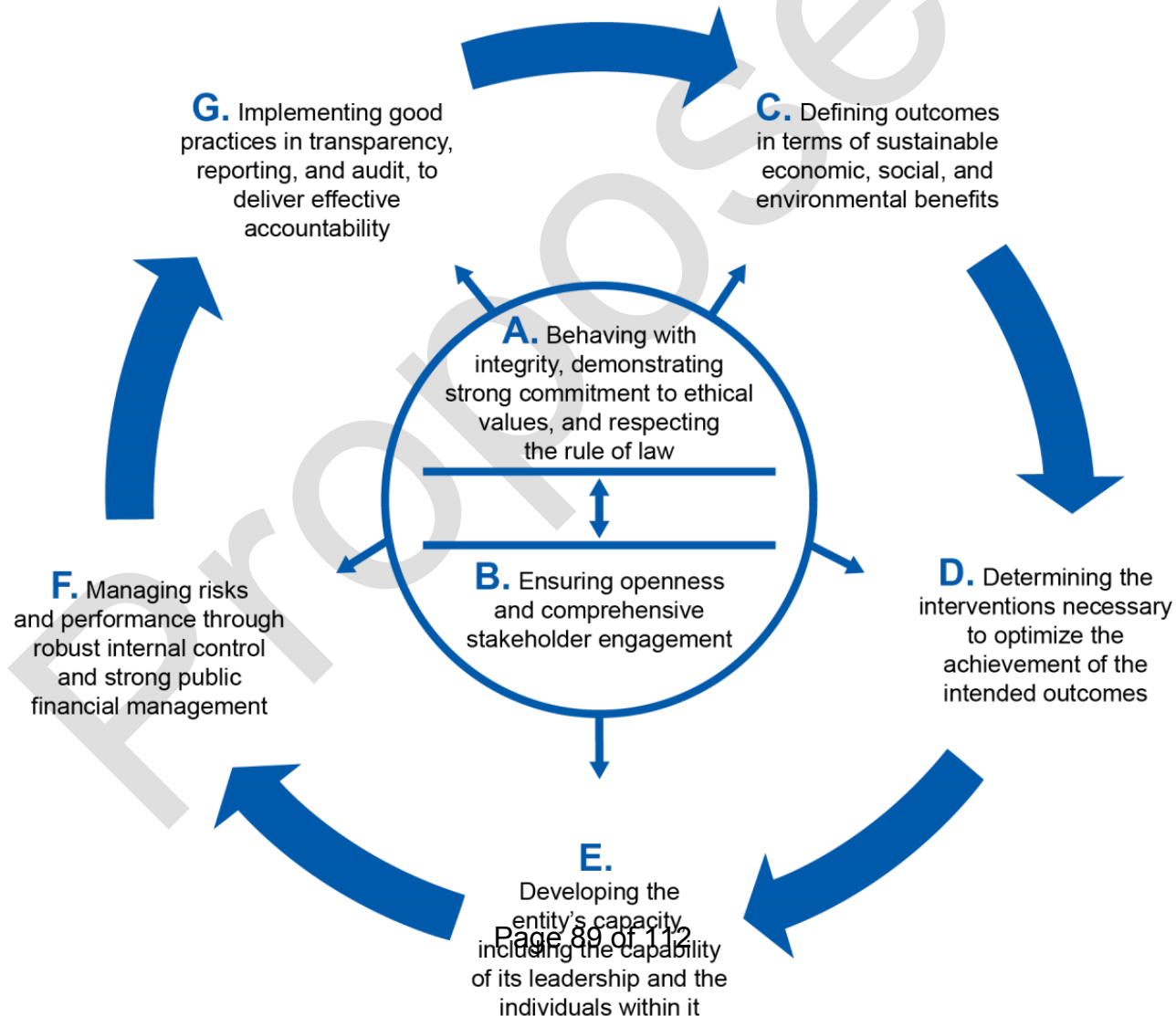
The core governance principles of the council are:-

- A. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.
- B. Ensuring openness and comprehensive stakeholder engagement.
- C. Defining outcomes in terms of sustainable economic, social, and environmental benefits.
- D. Determining the interventions necessary to optimize the achievement of the intended outcomes.
- E. Developing the entity's capacity, including the capability of its leadership and the individuals within it.
- F. Managing risks and performance through robust internal control and strong public financial management.
- G. Implementing good practices in transparency, reporting, and audit, to deliver effective accountability.

Applying the core principles of good governance

This document describes how the Council achieves the seven principles of good governance and describes how the Council's corporate governance arrangements will be monitored and reviewed.

Achieving the Intended Outcomes While Acting in the Public Interest at all Times



Principle A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.

Supporting Principles	To meet the requirements of this Principle, Norwich City Council:	This is evidenced by:
<p>Behaving with integrity.</p>	<ul style="list-style-type: none"> • The council's leadership sets a tone for the organisation by creating a climate of openness, support and respect through its Constitution, Corporate Plan and other key policies. • The council's constitution contains Codes of Conduct for officers (appendix 14) and members (appendix 13). This communicates the expectation that members and officers behave with integrity and lead a culture where acting in the public interest is visibly and consistently demonstrated, thereby protecting the reputation of the organisation. The underlying principles which underpin the Codes of Conduct build upon the Seven Principles of Public Life (the Nolan Principles). • The council has in place a competency framework, which ensures that the vision and organisational values are communicated to, and understood by, staff. This framework forms the basis of the staff appraisal process. • The council has in place arrangements to ensure that councillors and employees of the authority are not influenced by prejudice, bias or conflicts of interest in dealing with different stakeholders, and has in place appropriate processes to ensure that they continue to operate in practice. This includes maintaining the statutory Register of Members Interests, and requiring officers to make Declarations of Interests. • The council has in place arrangements to ensure that core corporate policies and processes are designed in conformity with ethical standards, and are reviewed on a regular basis to ensure they are operating effectively. 	<ul style="list-style-type: none"> • Corporate plan • The Council's Constitution • Members Code of Conduct • Employee Code of Conduct • Core values • Register of Members' Interests • Declaration of Interest Guidance • Rules relating to Gifts and Hospitality • Members Induction/Training • Financial Regulations • Contract Procedure Rules • Scheme of Delegation • Statutory roles • Grievance Policy and Procedure • Information Governance

Principle A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.		
Supporting Principles	To meet the requirements of this Principle, Norwich City Council:	This is evidenced by:
		Policies
Demonstrating strong commitment to ethical values.	<ul style="list-style-type: none"> • The council's Constitution establishes a clear ethical framework for the Council's operation, and core corporate policies and procedures place emphasis on agreed ethical values. • The council's Codes of Conduct and VALUES ensures that personal behaviour is underpinned with ethical values which permeate all aspects of the organisation's culture and operation. • The council maintains an effective constitution. • The council's Partnerships Governance Guidance sets out key considerations to ensure that partnerships act with integrity and in compliance with the ethical standards expected by the organisation. 	<ul style="list-style-type: none"> • The Council's Constitution • Constitution and Ethics Committee • Partnerships Governance Guidance • Members Code of Conduct • Officers Code of Conduct • Norwich VALUES
Respecting the rule of law.	<ul style="list-style-type: none"> • The council's policies and culture set the tone for members and employees to demonstrate a strong commitment to the rule of the law as well as adhering to relevant laws and regulations, and ensure that statutory officers, other key post holders, and members are able to fulfil their responsibilities in accordance with legislative and regulatory requirements. • The council maintains and implements a Whistleblowing Policy to enable employees to raise any concerns of wrongdoing in confidence and without fear of reprisal. External suppliers, members of the public and councillors may raise any concerns about suspected illegal or illegitimate practices via the council's formal complaints procedure. • The council recognises the limits of lawful action and observes both the specific requirements of legislation and the general responsibilities placed 	<ul style="list-style-type: none"> • Anti-Fraud and Corruption Policy • Anti-Money Laundering Policy • Whistleblowing Policy • Formal Complaints Procedure • Role of the Monitoring Officer as per the Constitution • Scheme of Delegation

Principle A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.

Supporting Principles	To meet the requirements of this Principle, Norwich City Council:	This is evidenced by:
	<p>on it by public law. The council observes all specific legislative requirements placed upon it, as well as the requirements of general law, and deals with breaches of legal and regulatory provisions effectively. The council strives to optimise the use of the full powers available for the benefit of citizens, communities and other stakeholders.</p> <ul style="list-style-type: none"> • The council ensures corruption and misuse of power are dealt with effectively through the Anti-Fraud and Corruption Policy. • The council's decision making framework is set out in the council's constitution including an effective scheme of delegation. The council's constitution is kept under continuous review in line with best practice, with a clear review plan, supported by a corporate governance group consisting of the executive head of business relationship management and democracy, monitoring officer, chief finance officer (section 151 officer), head of HR and learning and local LGSS audit manager. 	

Principle B: Ensuring openness and comprehensive stakeholder engagement

Supporting Principles	To meet the requirements of this Principle, Norwich City Council:	This is evidenced by:
<p>Openness.</p>	<ul style="list-style-type: none"> • The council’s constitution, Forward Plan and committee system ensures that decision-making is open and there is appropriate oversight and challenge, with an organizational commitment to openness. • The council makes decisions that are open about actions, plans, resource use, forecasts, outputs and outcomes. Committee meetings are held in public, and minutes and papers are available to the public on the council’s website, including regular financial and performance forecasts. If a decision needs to be kept confidential, then the justification for this is provided. • The council’s Corporate Plan, Statements of Accounts, and key strategies are available through the council website. • An effective Internal Audit function is resourced and maintained, with regular reporting to the audit committee. • The council is committed to being transparent, accountable and to increasing the amount of data it publishes for reuse by others. The Council maintains a Publication Scheme listing the information available to the public as a matter of course, and publishes responses to many Freedom of Information requests online. • The council uses formal and informal consultation and engagement to determine the most appropriate and effective interventions/courses of action. 	<ul style="list-style-type: none"> • Forward Plan • The Council’s Constitution • Committee System • Internal Audit • Audit and Accounts Committee • Publication Scheme • Freedom of Information • Council Website • Corporate Plan • Statement of Accounts • Committee agendas, reports and minutes • Register of Members’ Interests

Principle B: Ensuring openness and comprehensive stakeholder engagement

Supporting Principles	To meet the requirements of this Principle, Norwich City Council:	This is evidenced by:
<p>Engaging comprehensively with institutional stakeholders.</p>	<ul style="list-style-type: none"> • The council considers those institutional stakeholders to whom the authority is accountable, to ensure that the purpose, objectives and intended outcomes for each stakeholder relationship are clear so that outcomes are achieved successfully and sustainably. • The council aims to develop formal and informal partnerships to allow for resources to be used more efficiently and outcomes achieved more effectively. The council has a corporate governance framework for working in partnerships, with significant partnerships and joint ventures such as those with LGSS and NPS Norwich being covered by service level agreements. 	<ul style="list-style-type: none"> • Corporate Governance Framework for working in Partnerships • The Council's Constitution • Consultation with unions • Cabinet portfolio
<p>Engaging with individual citizens and service users effectively.</p>	<ul style="list-style-type: none"> • The council makes decisions that are open about actions, plans, resource use, forecasts, outputs and outcomes. Committee meetings are held in public, and minutes and papers are available to the public on the Council's website, including regular financial and performance forecasts. If a decision needs to be kept confidential, then the justification for this is provided. • The council consults on its Corporate Plan proposals and other key aspects of its vision, strategic plans and priorities, with the local community and other key stakeholders. The council takes account of the impact of decisions on future generations of tax payers and service users. • The council encourages, collects and evaluates the views and experiences of communities, citizens, service users and organisations of different backgrounds including reference to future needs. The council maintains a customer feedback and complaints procedure to enable stakeholders to submit their views on council performance and services. 	<ul style="list-style-type: none"> • Corporate Plan Consultation • Consultation Strategy • Public consultation, including the Norfolk Compact and Your Voice • Community Impact Assessments • Communications strategy and Communications handbook • Tenant involvement web-page

Principle B: Ensuring openness and comprehensive stakeholder engagement

Supporting Principles	To meet the requirements of this Principle, Norwich City Council:	This is evidenced by:
	<ul style="list-style-type: none">Any public consultations that are planned for the year are included in service plans. All consultations are co-ordinated by the council's business management group and reviewed on a quarterly basis. Information on current and closed consultations, including reports and minutes, is available on the council website.	

Principle C: Defining outcomes in terms of sustainable economic, social, and environmental benefits.

Supporting Principles	To meet the requirements of this Principle, Norwich City Council:	This is evidenced by:
<p>Defining outcomes.</p>	<ul style="list-style-type: none"> • The council’s Corporate Plan states the organisation’s purpose and intended outcomes, which provides the basis for the authority’s overall strategy, planning and other decisions. It sets out the council’s Vision and defines the key outcomes for the people of Norwich. Specific Council strategies and policies link to the outcomes defined in the Corporate Plan. • The council’s five priorities are to make Norwich a safe, clean and low carbon city; a prosperous and vibrant city; a fair city; a healthy city with good housing; and to provide value for money services. • The Corporate Plan sets out how the council will deliver defined outcomes on a sustainable basis, within the resources that will be available. It also specifies the intended impact on, or changes for, stakeholders including citizens and service users, for the next five years. • The Corporate Plan sets out Key Performance Indicators (KPIs) to be used to assess the achievement of the council’s outcomes. The council’s corporate KPIs are reported to cabinet as part of the regular Finance and Performance reporting. • The council operates a risk management system to identify and manage risks to the achievement of outcomes. The Corporate Risk Register is reported to and reviewed by the council’s Corporate Leadership Team, cabinet, and audit committee on a regular basis. 	<ul style="list-style-type: none"> • Corporate Plan 2015-2020 • Corporate Management Team • Risk Management Policy and Procedures • Corporate Risk Register • Statement of Accounts • Finance & Performance Reports • Capital Strategy

Principle C: Defining outcomes in terms of sustainable economic, social, and environmental benefits.

Supporting Principles	To meet the requirements of this Principle, Norwich City Council:	This is evidenced by:
<p>Sustainable economic, social and environmental benefits.</p>	<ul style="list-style-type: none"> • The council considers and balances the combined economic, social and environmental impact of policies and plans when taking decisions about service provision. The council seeks to take a longer-term view with regard to decision-making, which takes account of risks. • Community Impact Assessments are undertaken for the key proposals included in the council's Corporate Plan, which identify the impact of decisions on different groups within the communities affected by the proposals. The Corporate Plan also incorporates the results of consultation with the local community and businesses. • The council seeks to determine the wider public interest associated with balancing conflicting interests between achieving the various economic, social and environmental benefits, through consultation where possible, in order to ensure appropriate trade-offs. • The council identifies and monitors corporate performance indicators, which demonstrate performance against the council's planned outcomes and how benefits are being delivered. • The council maintains a prudential financial framework, balancing commitments with available resources and monitoring income and expenditure levels to ensure a sustainable balance is achieved. 	<ul style="list-style-type: none"> • Corporate Plan • Corporate Plan Consultation • Annual Statement of Accounts • External Auditors reports • Community Impact Assessments • Finance & Performance Reporting • Consultation Strategy

Principle D: Determining the interventions necessary to optimise the achievement of the intended outcomes.

Supporting Principles	To meet the requirements of this Principle, Norwich City Council:	This is evidenced by:
<p>Determining interventions.</p>	<ul style="list-style-type: none"> • The council’s Corporate Planning process incorporates business cases for proposed projects and savings, ensuring decision makers receive objective and rigorous analysis of a variety of options for achieving outcomes, indicating how intended outcomes would be achieved and associated risks. This ensures best value is achieved, however services are provided. • Feedback from citizens and service users is considered when making decisions about service improvements or where services are no longer required, in order to prioritise competing demands within limited resources available including people, skills, land and assets and bearing in mind future impacts 	<ul style="list-style-type: none"> • Corporate Plan • Business Cases • Corporate Plan Consultation • Community Impact Assessments • Consultation Strategy • Transformation programme

Principle D: Determining the interventions necessary to optimise the achievement of the intended outcomes.

Supporting Principles	To meet the requirements of this Principle, Norwich City Council:	This is evidenced by:
<p>Planning interventions.</p>	<ul style="list-style-type: none"> • The council has an established annual Corporate Planning process which sets a five-year strategic plan for the council that informs the development of strategic and operational plans, priorities and targets. The Corporate Plan is reviewed annually meaning that mechanisms for delivering outcomes are regularly reviewed and can be adapted to changing circumstances. • The Corporate Plan incorporates medium term resource planning, including estimates of revenue and capital expenditure. Budgets are prepared in accordance with the council’s objectives, strategies and the Corporate Plan. • The Corporate Plan establishes appropriate key performance indicators (KPIs) as part of the planning process in order to identify how the performance of services and projects is to be measured. The council ensures that capacity exists to generate the information required to review service quality regularly. • As part of the corporate planning process, the council engages with internal and external stakeholders in determining how services and other courses of action should be planned and delivered. 	<ul style="list-style-type: none"> • Corporate Planning process • Corporate Plan • Partnerships Governance Guidance • Corporate Plan Consultation • Community Impact Assessments • Consultation Strategy
<p>Optimising achievement of intended outcomes.</p>	<ul style="list-style-type: none"> • The council ensures the Corporate Plan integrates and balances service priorities, affordability and other resource constraints, and that the budgeting process is all-inclusive, taking into account the full cost of operations over the medium and longer term. • The council’s Corporate Plan sets the context for ongoing decisions on significant delivery issues or responses to changes in the external environment that may arise during the budgetary period, in order for 	<p>Corporate Plan Risk Management Policy Corporate Risk Register Finance and Performance Reports Transformation programme</p>

Principle D: Determining the interventions necessary to optimise the achievement of the intended outcomes.

Supporting Principles	To meet the requirements of this Principle, Norwich City Council:	This is evidenced by:
	<p>outcomes to be achieved while optimising resource usage.</p> <ul style="list-style-type: none"> • Achievement of Corporate Plan outcomes is monitored and reported to the council's Corporate Leadership Team through the Finance and Performance Reports, the Transformation Programme and other reporting. • The council maintains a robust system of risk management which identifies risks to the achievement of the council's intended outcomes and puts in place mitigating actions to support achievement. • The council maintains systems of business continuity and emergency planning to deal with failures in service delivery or emergencies which may threaten achievement of the council's intended outcomes. 	<p>Corporate Leadership Team Business Continuity Plans Emergency Planning</p>

Principle E: Developing the entity's capacity, including the capability of its leadership and the individuals within it

Supporting Principles	To meet the requirements of this Principle, Norwich City Council:	This is evidenced by:
<p>Developing the entity's capacity.</p>	<ul style="list-style-type: none"> • The council recognises the benefits of partnerships and collaborative working where added value can be achieved. • The council maintains robust recruitment and selection processes to ensure that the council is able to attract suitable candidates, ensuring a diverse workforce that will add value to the organisation. • The council seeks to understand the capacity of its workforce and any gaps, and workforce development strategies are in place to develop the organisation's capacity as required to enhance the strategic allocation of resources. • The council reviews its operations, performance and use of assets on a regular basis to ensure their continuing effectiveness, and seeks to improve resource use through appropriate application of techniques such as benchmarking and other options, in order to determine how resources are allocated so that defined outcomes are achieved effectively and efficiently. 	<ul style="list-style-type: none"> • Partnership Governance • Recruitment and Selection Policy and Toolkit • Workforce Development Strategies • Transformation Programme • Corporate Plan • Corporate Planning Process • Finance and Performance Reporting • Corporate Risk Register
<p>Developing the capability of the entity's leadership and other individuals.</p>	<ul style="list-style-type: none"> • The council's constitution and Scheme of Delegation set out a clear statement of the respective roles and responsibilities of the council's executive (cabinet), the full council and individual members. The Scheme of Delegation clarifies the type of decisions that are delegated and those reserved for collective decision making of the governing body. Committee Terms of References set out a clear statement of the respective roles and 	<ul style="list-style-type: none"> • The Council's Constitution • Scheme of Delegation • Committee Terms of Reference • Members Code of Conduct

Principle E: Developing the entity's capacity, including the capability of its leadership and the individuals within it

Supporting Principles	To meet the requirements of this Principle, Norwich City Council:	This is evidenced by:
	<p>responsibilities of the council's committees. This ensures that a shared understanding of roles and objectives is maintained</p> <ul style="list-style-type: none"> • The council maintains protocols to ensure effective communication between council members and officers in their respective roles. • The Chief Finance Officer is a member of the Corporate Leadership Team with direct access to the Chief Executive and other members of the leadership team. • The council develops the capabilities of members, senior management, and officers to achieve effective leadership and to enable the organisation to respond successfully to changing legal and policy demands as well as economic, political and environmental changes and risks, by: <ul style="list-style-type: none"> ○ Ensuring members and staff have access to appropriate induction tailored to their role, and that ongoing training and development matching individual and organisational requirements is available and encouraged; ○ Ensuring members and officers have the appropriate skills, knowledge, resources and support to fulfil their roles and responsibilities and ensuring that they are able to update their knowledge on a continuing basis; ○ Holding staff to account through regular performance reviews which take account of training or development needs; ○ Ensuring personal, organisational and system-wide development through shared learning, including lessons learnt from governance 	<ul style="list-style-type: none"> • Officers Code of Conduct • Protocol on Members/Officer Relations • Workforce Development Strategies • Corporate Induction • Members induction and development • Performance Appraisal • Improving Performance Policy • Supervision Policy • Role of Internal Audit • CFO member of CLT

Principle E: Developing the entity's capacity, including the capability of its leadership and the individuals within it

Supporting Principles	To meet the requirements of this Principle, Norwich City Council:	This is evidenced by:
	weaknesses both internal and external; Ensuring arrangements are in place to maintain the health and wellbeing of the workforce, and support individuals in maintaining their own physical and mental wellbeing.	

Proposed

Principle F: Managing risks and performance through robust internal control and strong public financial management

Supporting Principles	To meet the requirements of this Principle, Norwich City Council:	This is evidenced by:
Managing risk	<ul style="list-style-type: none"> • The council recognises that risk management is an integral part of all activities and must be considered in all aspects of decision making. Robust and integrated risk management arrangements are in place and regularly reviewed to ensure that they are working effectively. Risk management is embedded into the culture of the Council. • The council ensures that responsibilities for managing individual risks are clearly allocated, and the Corporate Risk register is reported to and reviewed by the council's Corporate Leadership Team, Audit Committee and Cabinet on a regular basis. 	<ul style="list-style-type: none"> • Risk Management Policy • Risk Management Strategy • Corporate Risk Register • Audit Committee • Risk Reports to Committees • Project Management guidance • Shared risk registers with Joint Ventures and Partners
Managing performance	<ul style="list-style-type: none"> • Members and senior management are provided with regular reports on performance and progress towards achievement of outcomes. • The council makes decisions based on relevant, clear objective analysis and advice pointing out the implications and risks inherent in the organisation's financial, social and environmental position and outlook • The council encourages effective and constructive challenge and debate on policies and objectives, to support balanced and effective decision making. 	<ul style="list-style-type: none"> • Finance and Performance Reporting • Committee agendas, reports and minutes • Transformation programme • Customer Feedback • Internal Audit Reports

Principle F: Managing risks and performance through robust internal control and strong public financial management

Supporting Principles	To meet the requirements of this Principle, Norwich City Council:	This is evidenced by:
Robust internal control	<ul style="list-style-type: none"> • The council ensures effective counter fraud, anti-corruption and anti-money laundering arrangements are in place. • Additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by Internal Audit. • The audit committee is independent of the executive and accountable to the governing body, and: <ul style="list-style-type: none"> ○ provides a further source of effective assurance regarding arrangements for managing risk and maintaining an effective control environment; ○ ensures that its recommendations are listened to and acted upon. 	<ul style="list-style-type: none"> • Anti-Fraud & Corruption Policy • Anti-Money Laundering Policy • Whistleblowing Policy • Internal Audit • Internal Audit Annual Report • Annual Governance Statement • Risk Management Policy • Risk Management Procedures • Corporate Risk Register • Audit Committee
Managing data	<ul style="list-style-type: none"> • The council's information governance policies and procedures ensure that effective arrangements are in place for the safe collection, storage, use and sharing of data, including processes to safeguard personal data. • The council's Senior Information Risk Owner (SIRO) has lead responsibility to ensure that organisational information risks are properly identified and managed. • The council ensures effective arrangements are in place and operating effectively when sharing data with other bodies. 	<ul style="list-style-type: none"> • Data Protection Policy • Freedom of Information/EIR Regulations • Information Security Incident Policy • Records Management • Senior Information Risk Owner

Principle F: Managing risks and performance through robust internal control and strong public financial management

Supporting Principles	To meet the requirements of this Principle, Norwich City Council:	This is evidenced by:
		<ul style="list-style-type: none"> • Partnership Governance
<p>Strong public financial management</p>	<ul style="list-style-type: none"> • The council ensures that its financial management supports both long term achievement of outcomes and short-term financial and operational performance. • Ensures well-developed financial management is integrated at all levels of planning and control, including management of financial risks and controls. • The council ensures that officers with a role in financial management are provided with the support and resources to ensure strong public financial management. 	<ul style="list-style-type: none"> • Financial Regulations • Finance and Performance Reporting • Corporate Plan • Corporate Planning Process

Principle G: Implementing good practices in transparency, reporting, and audit to deliver effective accountability

Supporting Principles	To meet the requirements of this Principle, Norwich City Council:	This is evidenced by:
Implementing good practice in transparency	<ul style="list-style-type: none"> • The council seeks to write and communicate reports and other information for the public and other stakeholders in a fair, balanced and understandable style appropriate to the intended audience and ensuring that they are easy to access and interrogate. • The council complies with the Local Government Transparency Code and publishes information required in a timely manner. • The council provides appropriate information to the public to ensure transparency, striking a balance between providing the right amount of information to satisfy transparency demands and enhance public scrutiny, while not being too onerous to provide and for users to understand. 	<ul style="list-style-type: none"> • Committee agendas, papers and minutes • County Council website • Publication Scheme • Forward Plan
Implementing good practice in reporting	<ul style="list-style-type: none"> • The council's Annual Governance Statement ensures robust arrangements for assessing the extent to which the principles contained in this Framework have been applied, and the results of this assessment are published. • The council ensures that the performance information that accompanies the financial statements is prepared on a consistent and timely basis and the statements allow for comparison with other, similar organisations. • The council maintains open and effective mechanisms for documenting evidence for decisions and recording the criteria, rationale and considerations on which decisions are based. 	<ul style="list-style-type: none"> • Statement of Accounts • Annual Governance Statement • Annual External Audit Report and Letter • Internal Audit Reports • Finance and Performance Reporting • Partnerships Governance Guidance

Principle G: Implementing good practices in transparency, reporting, and audit to deliver effective accountability

Supporting Principles	To meet the requirements of this Principle, Norwich City Council:	This is evidenced by:
		<ul style="list-style-type: none">• Committee agendas, reports and minutes

Proposed

Principle G: Implementing good practices in transparency, reporting, and audit to deliver effective accountability

Supporting Principles	To meet the requirements of this Principle, Norwich City Council:	This is evidenced by:
Assurance and effective accountability	<ul style="list-style-type: none"> • The council maintains an effective Accounts Committee and ensures that an effective internal audit function, with direct access to Members, is resourced and maintained. The Internal Audit service provides assurance with regard to governance arrangements, and verifies that recommendations are acted upon. • The council ensures that recommendations for corrective action made by external audit are acted upon. • Norwich City Council welcomes peer challenge, reviews and inspections from regulatory bodies, as a result of which action plans are identified to implement recommendations. • When working in partnership, the council ensures that arrangements for accountability are clear and the need for wider public accountability has been recognised and met. 	<ul style="list-style-type: none"> • Audit & Accounts Committee • Role of Internal Audit • Peer Reviews • Results of External Inspections • Partnership Governance • Risk Management Procedures • Council Meetings

MONITORING AND REPORTING

The council will undertake an annual review of its governance arrangements to ensure continuing compliance with best practice to provide assurance that corporate governance arrangements are adequate and operating effectively in practice. Where reviews of the corporate governance arrangements have revealed gaps, actions will be planned to enhance the governance arrangements accordingly.

The council will prepare an Annual Governance Statement which will be submitted to the audit committee for consideration and will form part of the council's annual Statement of Accounts.

The Governance Statement will include:

- an acknowledgement of responsibility for ensuring there is a sound system of governance (incorporating the system of internal control) and reference to the authority's code of governance;
- a reference to and assessment of the effectiveness of key elements of the governance framework and the role of those responsible for the development and maintenance of the governance environment;
- an opinion on the level of assurance that the governance arrangements can provide and that the arrangements continue to be regarded as fit for purpose in accordance with the governance framework;
- a reference to how issues raised in the previous year's annual governance statement have been resolved; and
- a conclusion including a commitment to monitoring implementation as part of the next annual review.

The Annual Governance Statement will be signed by the Leader of the Council and the Chief Executive on behalf of the council.

In reviewing and approving the Annual Governance Statement, members will be provided with detailed information regarding the effectiveness of the governance arrangements and system of internal control and how these address the key risks faced by the council. Those assurances will be available from a wide range of sources, including internal and external audit, a range of external inspectorates and managers from across the council.

The council will continually strive to operate an assurance framework, embedded into its business processes, that maps corporate objectives to risks, controls and assurances. This framework and regular reports on its application and effectiveness will provide members with assurances to support the Annual Governance Statement and will help members to identify whether corporate objectives and significant business risks are being properly managed.

APPENDIX A - Seven principles for the conduct of individuals in public life

The governance framework is supported by the seven **Principles of Public Life**, which set the standards of conduct and behaviour to which councillors and employees should aspire in their day-to-day dealings.

1. **Selflessness**

Holders of public office should act solely in terms of the public interest. They should not do so in order to gain financial or other benefits for themselves, their family or their friends.

2. **Integrity**

Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might seek to influence them in the performance of their official duties.

3. **Objectivity**

In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.

4. **Accountability**

Holders of public office are accountable to the public for their decisions and actions and must submit themselves to whatever scrutiny is appropriate to their office

5. **Openness**

Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.

6. **Honesty**

Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

7. **Leadership**

Holders of public office should promote and support these principles by leadership and example.

