NORWICH City Council

Committee Name: Cabinet
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Report Title: Q4 2021/22 Corporate Assurance Report

Portfolio:	Councillor Waters, Leader of the council and Councillor Kendrick, Portfolio Holder for Resources
Report from:	Executive director of community services and Executive director for Corporate and Commercial Services
Wards:	All Wards

OPEN PUBLIC ITEM

Purpose
To report progress against the delivery of the corporate plan priorities and key performance indicators, including the Council's provisional financial outturn performance, and to provide an update on corporate risks for quarter 4 of 2021/22.

Recommendation:
1. Review progress on the key performance indicators for quarter 4 and the position for the 2021/22 year alongside the corporate risk register;
2. Note the provisional financial outturn for the 2021/22 general fund, Housing Revenue Account (HRA) and the council's overall capital programme;
3. In relation to the General Fund underspend of £2.364m:
    a. Note the increase to the General Fund balance by £0.426m in accordance with the decisions made at Cabinet on 9 February 2022;
    b. Approve an increase of £1.100m to the risk reserve in relation to the emerging risks associated with the updated MTFS position (separate report "Medium Term Financial Strategy – update" refers); and
    c. Approve the addition of any remaining underspend (currently estimated at £0.838m based on the provisional outturn) to the business change reserve.
4. Note in relation to the HRA underspend of £7.619m, the consequent increase to the HRA General Reserve balance;
5. Note the General Fund capital programme underspend of £10.230m;
6. Note the HRA capital programme underspend of £23.200m;
7. Delegate to the Executive Director of Corporate and Commercial Services, in consultation with the portfolio holder for resources, authority to approve any capital carry forward requests for unspent capital resources from 2021/22 and add them to the 2022/23 capital programme. Such approvals also to be reported to Cabinet at the next available meeting.
8. Suggest future actions and / or reports to address any areas of concern.

Policy Framework
The Council has five corporate priorities, which are:

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

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

Report Details

Key Performance Indicators

1. This report sets out progress against the key performance indicators (KPIs) that track delivery of the corporate plan priorities. This is the twelfth quarterly performance report for the corporate plan 2019-2022.
2. The performance framework aims to measure progress against corporate aims through KPIs which monitor delivery of activities and services which contribute to these objectives. However, as for the financial environment the performance in 2021/22 was delivered during a period of uncertainty and the impact of the pandemic on service delivery is an important contextual issue to note.
3. Performance reporting for indicators in this report is based around a traffic light concept where green is on target, amber provides an early warning for possible intervention and red suggests intervention is necessary. The Q4 position highlights 3 red rated indicators and 7 amber rated indicators. The remaining indictors are all showing green.

Provisional Financial Outturn Performance and Corporate Risk Register

4. This report also sets out the 2021/22 provisional outturn position for the council, as well as the corporate risk register. A separate report on the agenda considers the Council's longer term financial position and updates its Medium Term Financial Strategy (MTFS) for emerging factors and in particular the impact that rising inflation is estimate to have on the council's finances. The impact on service delivery demands arising from a cost of living crisis will also need to be considered as the council delivers its priority services to residents and businesses.
5. The financial outturn figures in this report remain provisional until the audit examination for 2021/22 has completed. The council's draft statement of accounts will be published on or before the end of July with the external audit examination by EY LLP timetabled to commence in December 2022.
6. The setting of the council's 2021/22 budget in February 2021 was undertaken in a time of significant financial uncertainty; the worldwide pandemic was impacting significantly across the country with lockdowns in place and significant reprioritisation of council services to support the most vulnerable.
7. Financially the impact, particularly on the council's income and levels of outstanding unpaid debt, our need to support the most vulnerable in the city and continuing uncertainty over the actual level of additional government COVID support to councils meant that prudent assumptions had to be made when approving the budget and setting the level of council tax. Given the unprecedented nature of the pandemic, reliable bases for estimating some of the variables facing the council were not available.
8. The provisional outtum position achieved therefore needs to be seen in that context with income levels providing better than expected results as the worst impacts of the pandemic receded over the middle and latter part of 2021/22. Some of the council's core income streams such as housing rental levels, commercial rent and car parking income performed better than expected. Assumptions about the level of bad debt provision required to offset unrecoverable debt also indicated a better than expected position.
9. Business rate receipts were supported through grants administered successfully by the council although the impact on the collection fund will be finalised over subsequent years.

10. Finally, the contingency held for unforeseen events was not fully utilised and therefore this contributed to the overall underspend position for 2021/22.

11. The pandemic also impacted in a number of other key areas and in particular the delivery of capital schemes where procurement processes started later than expected and resulted in a knock-on impact on the ability to start on site as expected. Restrictions on the ability of the council's contractors to access residential properties also meant that only high priority or emergency works could be progressed in much of the year.

12. There is a separate recommendation to delegate approval to the council's Chief Financial Officer (S151) in consultation with the portfolio holder for resources, to consider and approve requests for carry forward of capital resources. Those schemes currently being put forward have been annotated in the relevant appendices. A need for additional governance over the monitoring of capital delivery and associated financial performance has emerged through the deep dive undertaken of the 2021/22 outturn. The size of the capital programme and the need to fund elements of it through borrowing means that the impact of changes to capital expenditure assumptions, on treasury management performance, is significant.

13. Taking these issues together collectively, it is perhaps unsurprising that a level of underspending across all budget areas, and across both revenue and capital, was the broad outcome in 2021/22. Given the continuing financial uncertainty facing local authorities a thorough deep dive review of the provisional outturn position has already been undertaken and this has resulted in a number of positive actions being identified to inform both the updated medium term financial strategy report, but also actions to improve the quality of financial management in the council in 2022/23 and subsequent years.

14. These actions include the need for further training on scenario planning, modelling and forecasting, ensuring that the base budget is fully understood and supported by underpinning metrics that will improve the ability to understand forecast movements and the work to ensure that the newly procured Enterprise Resource Planning system supports effective budget management processes.

15. The current Corporate Risk Register illustrates a reduced movement on one corporate risk. There are six risks which are showing as red and have not improved since the last quarter; suggesting that further actions are required to reduce the Council's exposure to those risks. However the risks associated with delivering successful elections has now been de-escalated following the conclusion of the May elections, although for the period under review (Q4) this risk remained current.

16. A number of risks are showing a wide variation between the residual and target risk; these will continue to be reviewed to establish additional mitigating actions to close the gap and a small number of risks are showing residual and target scores at the same level suggesting that the level of current risk is acceptable. Consideration can be given to moving these into the relevant directorate risk register. CLT have also considered whether any additional risks need to be highlighted and evaluated either corporately or for directorates. Training is also being included within the package identified to ensure that the impact on the council's risks, from changes to financial or performance delivery is also understood and reflected through the council's risk management processes.

17. The report appendices give further information across corporate performance, finance and risk at the directorate level. Relevant annexes have been provided and are referred to throughout the report.

Consultation

18. No consultation was required in creating this report.

Implications

Financial and Resources

19. Any decision to reduce or increase resources or alternatively increase income must be made within the context of the council's stated priorities, as set out in its Corporate Plan and Budget.

20. The impact of the 2021/22 provisional outturn has been reflected in the associated Medium Term Financial Strategy report elsewhere on the same agenda.

Legal

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

Statutory Considerations

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

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

Risk Management

Risk	Consequence	Controls Required
The council's corporate risk register is included in this report for consideration and has been updated as at the end of quarter 4 2021/22	Risks are understood and being managed effectively both corporately and in directorates.	Where there is a variance between the residual current risk and the target risk additional mitigations will need to be identified to close and, if possible, eliminate the gap.

Other Options Considered

22. This paper sets out performance, risk and other relevant information for cabinet to have an overview of these key metrics which underpin delivery of the corporate plan priorities as such no alternative options have been considered

Reasons for the decision/recommendation

23. The performance and risk recommendations are for review and noting and to give the cabinet an opportunity to understand and challenge the council's approach to delivering their priorities and managing any key risks.
24. The financial recommendations, which are based on the provisional outturn position and are therefore subject to external audit examination, propose actions in response to the underspend position on both the general fund and housing revenue account, to support the exercise of sound financial management.
25. The recommendations around approval of capital carry forwards supports the effective delivery of on-going capital schemes in 2022/23 and later years.

Background papers: the report refers to additional documents throughout, supplying these as annexes within the relevant sections.

Appendices: Combined Assurance Report, Q4 2021/22

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Combined Assurance Quarterly Report

Q4 2021/22

Cabinet Version

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1. Executive summary

1.1. Performance

- At a corporate level, this quarter shows an increase in red and amber indicators and a reduction in green indicators overall, however this is due to the higher number of annual indicators reporting in Q4. Since this reporting year brought in a new set of indicators, it will be more accurate at a corporate level to compare Q4 2021/22 with Q4 2022/23 next year rather than between quarters this year.
    - We also see three indicators (KPI 17, 25 and 26) this quarter being monitored to set a baseline before applying a target in 2022/23.
- Notable trends at the directorate level include:
    - **Community Services** saw improvements in gas safety compliance and a reduction in days to re-let properties, though the latter indicator remains below target. A significant improvement was seen in response rate to FOI requests over the year.
    - **Corporate and Commercial Services** saw notable improvement in the efficiency of processing new Housing Benefit claims throughout fiscal year 2021/22. Council tax collection has also been moving in a positive direction, though it is still shy of its ambitious target.
    - **Development and City Services** has outperformed in a number of areas including leveraging external funding to support council developments and food premises hygiene compliance. The directorate has faced delays in the affordable home delivery and making private rented homes safe.
- Response to FOI requests has improved throughout the year and is on track to report green from Q1 when the target goes into effect. This is not the case with the corporate complaint indicator which has fluctuated across the year but never reported above 66%. Full commentary on both of these indicators are available within the dashboard.
    - FOI responses in time in Q4:
        - Community services 89.7%
        - Corporate & commercial 93.5%
        - Development & city services 86.5%
    - Corporate complaints (with volume) responded to in time in Q4:
        - Community services 127/216 58.8%,
        - Development & city services 54/118 45.76%,
        - Corporate & commercial 20/23 86.96%.
- With the publication of the Corporate Plan for 2022-26, the current KPIs will be reported next year across 5 corporate priorities. Details can be found in the Technical Appendix of the Corporate Plan.
- Throughout 2022/23, the strategy team will be working with services to review the current corporate KPIs and ensure they are representative and fit for purpose in delivering a robust reporting framework for assurance and enabling decision making.

Figure 1: Q4 KPI performance by directorate

Directorate	Red	Amber	Green	Monitoring data	Not completed	No data this quarter	Total
Community Services	1	4	5	2	0	1	13
Corporate and Commercial Services	0	1	4	0	0	0	4
Development & City Services	2	2	4	1	0	1	10
Total	**3**	**7**	**13**	**3**	**0**	**2**	**27**

Figure 1.1: KPI annual performance by directorate

Directorate	Red	Amber	Green	Monitoring data	Not completed	Total
Community Services	1	3	7	2	0	13
Corporate and Commercial Services	0	2	2	0	0	4
Development & City Services	3	3	3	1	0	10
Total	**4**	**8**	**12**	**3**	**0**	**27**

Figure 1.2: Q4 KPI performance by corporate priority

Corporate Priority	Red	Amber	Green	Monitoring data	Not completed	No data this quarter	Total
People living well	0	1	5	0	0	0	6
Healthy organisation	0	2	4	2	1	0	9
Inclusive economy	0	0	1	1	0	2	2
Great neighbourhoods	3	4	1	0	0	2	10
Total	**3**	**7**	**10**	**1**	**0**	**4**	**27**

1.2. Finance

General Fund Revenue

The first table below summarises the provisional outturn position for the council's General Fund in 2021/22. The final position is subject to audit examination which is unlikely to commence before December 2022 and so

any final adjustments required will only be known much later. However, a full breakdown of the individual service area figures is included in the relevant directorate sections and associated appendices.

Figure 2.1 – general fund summary

	Budget (£000)	Provisional outturn (£000)	Provisional variance (£000)	Change in variance since Q3
Chief Executive	267	290	23	21
Chief Executive	**267**	**290**	**23**	**21**
Corporate Financing**	(21,983)	(20,234)	1,749	1,971
Remove reserves movements	2,000	229	(1,771)	
Corporate Financing	**(19,983)**	**(20,005)**	**(22)**	**1,971**
Corporate & Commercial Services	491	490	(1)	2
Revenues & Benefits	2,659	2,742	83	224
Finance, Audit & Risk	814	760	(54)	(65)
HR & Organisational Development	692	600	(92)	(70)
Legal & Procurement	1,779	1,527	(252)	(321)
Remove reserves movements	(432)	(296)	136	
Corporate & Commercial Services	**6,003**	**5,823**	**(180)**	**(230)**
Community Services	507	557	50	(94)
Customers, IT & Digital	3,955	3,728	(227)	(283)
Strategy, Engagement & Culture	3,816	2,893	(923)	(791)
Housing & Community Safety	1,217	510	(707)	(765)
Remove reserves movements	(994)	(87)	907	
Community Services	**8,501**	**7,601**	**(900)**	**(1,933)**
Development & City Services	517	469	(48)	2
Environment Services	4,390	3,964	(426)	(197)
Planning & Regulatory Services	2,136	1,932	(204)	(422)
Property & Economic Development	(1,255)	(2,591)	(1,336)	(1,150)
Remove reserves movements	(576)	153	729	
Development & City Services	**5,212**	**3,927**	**(1,285)**	**(1,766)**
	0	**(2,364)**	**(2,364)**	**(1,937)**

The general fund provisional outturn position shows an increased underspend of £1.937m compared to the Q3 forecasts; the key areas of movement are shown in the table below. Several additional grants have been received in 2021/22 as detailed in Annex 2.

**£2.368m of the movement relates to transfer to/from reserves where a few services have not fully utilised grant income in-year. Where this income can be used in future years, the balance has been transferred to an earmarked reserve. The movements across the general fund net to zero, so have no impact on the final outturn position. For ease of reference, these additional movements have been removed from the variance within individual directorates, so only variances impacting on the outturn are discussed. The balance is the unused corporate contingency (£0.298m) and other minor variations (£0.099m)

Figure 2.2 – Movement in forecast from Q3.

Area	(£000)	Comments
IT contract charge	(379)	A one-off adjustment was made for license costs etc. where the service is provided across financial years.
Integrated waste management	(369)	Recycling credits received were greater than initially anticipated because of higher recycling levels.
Multi-story car parks	(325)	Grant support was received to compensate the council for lost income during COVID and this has been applied to the revenue account.
Contingency fund	(298)	The contingency held for unforeseen events has not been fully utilised in the year
Investment properties	(260)	The variation principally relates to back-dated rent from reviews carried out relating to previous years, resulting in an uplift and increasing income.
Legal Services	(107)	During the year, the legal services budget had been reflecting an overspend due to increased service use. As This overspend was correctly recharged to the relevant service areas. The net overspend to the Council was then mitigated by additional income received from the legal service under the terms of the contract.
Policy & Performance	(91)	An adjustment applied by in the final quarter for externally seconded staff.
St Andrews Hall	(88)	An improved income collection was achieved and grant to compensate for lost income during COVID was applied
Other	(20)	Other net minor variations
Total movement	(1,937)	

Collection Fund

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

Council Tax: The provisional outturn shows a net surplus of £0.362m of which the Norwich City Council share is £0.048m. This surplus will be distributed in subsequent years to the Council and the other precepting bodies.

Business Rates: The draft outturn shows a deficit on the Collection fund of £26.617m. The Norwich City Council share of this is £9.447m, but additional section 31 grants totalling £10.268m were awarded by Government to compensate the cost of reliefs. As the underlying performance is better than expected, there will be a levy payable by the council to government of £0.293m and some other reliefs were lower than expected leading to a reduction of £0.550m in other section 31 grant income.

Although there was an improvement in the last quarter of the year which resulted in a lower contribution to the bad debt provision than forecast, Covid-19 is still impacting on the level of business rates collected as companies struggle with cash flow or cease trading. However, the required top up to the appeals provision is lower than originally forecast.

The deficit on business rates will be recovered in subsequent years and the additional S31 grant received will be placed in a reserve to offset the impact in future years.

HRA revenue: The provisional revenue outturn for the Housing Revenue Account is a £7.619m underspend.

The HRA underspend has largely been generated from a reduction in the revenue contribution to the cost of capital expenditure because of the re-profiling of capital new build expenditure into future years. Additionally, depreciation charges are lower than budgeted as these are impacted from year to year by numerous factors including stock changes, variations in property values and average cost of component upgrades. Further underspends have occurred because of lower servicing and repair costs for boilers and fewer reactive repairs being required for drainage, landlord lighting, and structural repairs.

The bad debt provision requirement has reduced due to a lower level of arrears than anticipated following tenants continuing to pay during payment free weeks and staffing costs have been lower because of vacancies in the income team.

Recharges from the general fund in respect of centrally provided services were lower than anticipated mainly due to underspending on corporate cost centres, a lower depreciation charge and a higher level of rechargeable repairs were raised than predicted.

In November 2021, Council approved the virement of some of the underspend to cover the additional cost of compliance works. Although this work is underway, the underspent element has formed an earmarked reserve to be carried forward to fund ongoing work in 2022/23.

The winding up of the joint venture company owned by the Council and Norfolk Property Services, that delivered building maintenance and repairs services requires outstanding contractual issues to be finalised. The anticipated costs arising from this have been accounted for and included within this outturn, but any variations to this may impact HRA balances in the future.

Figure 2.3 – HRA summary

Housing Revenue Account	Budget (£000)	Provisional Outturn (£000)	Provisional Variance (£000)	Movement in Forecast Variance since Q3 (£000)
General Management	15,660	14,247	(1,413)	(1,349)
Special Services	4,962	4,247	(715)	(496)
Repairs & Maintenance	13,598	12,121	(1,477)	(691)
Rents, Rates, & Other Property Costs	5,687	5,591	(96)	123
Provision for Bad Debts	721	411	(310)	324
Depreciation & Impairment	23,264	19,392	(3,872)	(3,839)
Adjustments & Financing items	4,390	3,635	(755)	(756)
Garage & Other Property Rents	(2,148)	(2,122)	26	34
Dwelling Rents	(57,985)	(57,413)	572	421
Service Charges - General	(7,813)	(7,461)	352	199
Interest Received	0	(68)	(68)	(68)
Miscellaneous Income	(82)	11	93	11
Amenities shared by whole community	(254)	(210)	44	44
Housing Revenue Account	**(0)**	**(7,619)**	**(7,619)**	**(6,043)**

A further breakdown of these figures is included in the relevant appendices below

Figure 2.4 – Movement in HRA forecast from Q3

Area	(£000)	Comments
Contribution to capital	(4,981)	Reduced Revenue Contribution to Capital (RCCO) as a result of delayed expenditure in HRA capital programme for new housing provision.
Depreciation	(661)	Calculation for HRA element of depreciation lower due to valuation changes.
Head of Neighbourhood Housing	(481)	Agency costs less than originally estimated. Lower income from internal recharges.
HRA Repairs	(417)	Level of repairs impacted by COVID and backlog
HRA Repairs Tenant Contributions	(315)	Additional chargeable works raised resulting in increased income received from tenants.
Sheltered Housing Tenancy Management	(311)	Milder than normal winter led to lower gas costs and lower snow clearing & gritting costs.
Estates Management	(103)	Electricity & window cleaning costs lower than expected along with aerial maintenance and rubbish clearance partly due to COVID impacts.
Rents - Estate Properties	441	End of year adjustment figure applied in Q4 not known at Q3 and not included in forecast.
Provision for Bad Debts	324	Review of required contribution based upon final arrears position.
General HRA Premises	123	Catch up exercise for charges relating to empty council houses carried out in Q4 resulting in additional costs.
Service Charges - Tenants	122	Lower than anticipated income for Q4 water service charges
Home Ownership Team	121	Property services outturn higher than expected in Q3
Other	95	Other minor net variances
Total movement	**(6,043)**	

Reserves

General Fund

The prudent minimum level of General Fund reserve has been assessed as £5.100m. The impact of the provisional outturn on the 31 March 2021 balance brought forward is shown in the Table below and shows the General Fund balance is expected to continue to exceed the prudent minimum balance.

Figure 2.5– General Fund Balance

Item	£000s
Balance as at 1 April 2021	(9,464)
Provisional outturn as at 31 March 2022	(2,857)
Transfer to earmarked reserves	2,431
Forecast balance as at 31 March 2022	**(9,890)**

Figure 2.5 assumes, in line with the approved 2022/23 budget report, that the Q3 forecast underspend of £0.426m will be returned into general reserves to provide resilience for future financial challenges. The 2022/23 budget report also proposed that any additional underspend above that level should be transferred into the council's business change reserve to support the delivery of the council's change programme. However, given the severity of the inflationary impacts now being seen and exemplified in the updated Medium Term Financial Strategy report, it is now proposed to hold £1.100m of the underspend within the risk reserve with the remaining £0.838m only being added to the business change reserve.

Housing Revenue Account

The prudent minimum level of the HRA reserve has been assessed as £5.848m. The budgeted and provisional outturn impact on the HRA balance is shown in the Table below. The Housing Revenue Account balance continues to exceed the prudent minimum balance.

Figure 2.6 – HRA General Balance

Item	**£000s**
Balance as at 1 April 2021	(43,368)
Budgeted utilisation of balances in 2021/22	10,640
Adjustment to forecast utilisation of balances in 2021/22	(10,640)
Provisional outturn as at 31 March 2022	(7,619)
Provisional balance as at 31 March 2022	**(50,987)**

The approved 2021/22 budget assumed £10.640m of reserves would be utilised to fund a revenue contribution towards the cost of new housing. Due to slippage in the new build programme, the reserve contribution was not required.

General Fund Earmarked Reserves

Figure 2.7 sets out the provisional movements in the general fund earmarked reserves. Key movements include:

- In 2020/21 the **Section 31 grant** reserve was increased by £17.473m, this is the extra grant received in that year to compensate the council for additional business rates reliefs awarded as well as the tax loss grant. £7.673m of this has been returned to the general fund in 2021/22 to offset the deficit on the collection fund. This reflects a timing difference only.
- The **General fund repairs reserve** has reduced by £0.231m. £0.200m of this is the budgeted contribution in 2021/22 to fund repairs works in year. An additional £0.031m has been utilised in year to cover additional works on general fund properties.
- The **Norwich Regeneration Ltd reserve** has been reduced by £0.650m to fund the second of five years' Minimum Revenue Provision charges to fund the expected impairment on the council's loan to its wholly owned company.
- The **Commercial property reserve** has been increased by £0.025m; the budgeted £0.217m has been added to the reserve, with £0.192m being utilised in-year to fund additional costs associated with council owned properties.
- The **Invest-to-save reserve** has been reduced in order to fund the approved change projects. The majority of the spend is the general fund's contribution to the project costs associated with the

insourcing of the environmental service, property management and repairs service into the council.

- £1.595m of **unapplied revenue grants** have been set aside for future use in line with the terms of the grants. £0.624m of existing grants have been utilised in-year.
- £0.243m has been utilised from the **Business Change Reserve** for approved 2021/22 projects. £0.070m has been added to the reserve in order to ensure specific project delivery in 2022/23.
- The remainder of the general fund underspend (£0.838m) will be transferred to the business change reserve as proposed in the Cabinet report considered on 9th February 2022.
- £0.591m has been transferred to the **Budget risk reserve** from treasury management underspends, as agreed by cabinet in November 2021. Utilisation of this £0.591m has been built into the 2022/23 budget to assist with savings challenges.
- A sum of £1.100m has been added to the **Budget risk reserve** to provide cover against emerging risks in the council's MTFS report.
- As agreed in line with the approved 2022/23 budget report, the Q3 forecast underspend of £0.426m will be returned into **general reserves**.

Figure 2.7 – Provisional movement on General Fund earmarked reserves

	Balance 01/04/2021	Transfers In	Transfers out	Balance 31/03/2022
	£000s	£000s	£000s	£000s
Insurance Reserve	1,082	91	(142)	1,031
Other Reserves	29	8	0	37
Rev Grants Unexpended Res	3,491	1,595	(623)	4,463
S31 Earmarked reserve	19,317	0	(7,673)	11,644
Commercial property	2,464	218	(192)	2,490
Norwich Regeneration	3,350	0	(650)	2,700
Elections Earmarked	113	0	0	113
Repairs Reserve	831		(231)	600
GF Invest to Save Reserve	2,513		(503)	2,010
Budget Risk Reserve	700	1,691		2,391
Business Change Reserve	913	908	(243)	1,578
General Fund Earmarked Reserves	**34,803**	**4,511**	**(10,257)**	**29,057**

Housing Revenue Account Earmarked Reserves

Figure 2.8 sets out the provisional movements in the housing revenue account earmarked reserves. Key movements include:

- The **HRA Invest-to-save reserve** has been reduced to fund the approved change projects. The majority of the spend is the HRA contribution to the project costs associated with the insourcing of the environmental service, property management and repairs service into the council.
- The **Tenancy & Estate Management System Project reserve** has been reduced by £0.408m to cover the cost of replacing the IT system for housing rents

Figure 2.8 – Estimate movement in the HRA earmarked reserves

	Balance 01/04/2021	Transfers In	Transfers out	Balance 31/03/2022
HRA Invest to Save Reserve	1,772	0	(931)	841
Tenancy & Estate Management System	415	0	(408)	7
HRA Earmarked Reserves	**2,187**	**0**	**(1,339)**	**848**

Capital Programme:

The provisional outturn results in an underspend of £10.230m on the general fund capital programme and an underspend of £23.200m on the HRA capital programme.

General Fund Capital Programme

The main area of underspend on the general fund capital programme relates to Towns' Fund projects (£4.433m) and the budget for a loan to Norwich Regeneration Ltd (£2.000m) which was not required as expected. Further detail is set out below:

Towns' Fund projects with significant variances include the Advanced Construction and Engineering Centre (ACE) as construction commencement was delayed and will not now complete until later in 2022/23 due to staff illness at City College Norwich (£3.082m). The Carrow House project where the construction of New Carrow House was delayed due to UK wide construction industry constraints; this meant Old Carrow House was removed from the awarded contract with a separate contract to be awarded for Old Carrow House works in 2022/23 (£0.766m).

The Digital Hub at Townshend House where delays have arisen due to the need to remove a sub-tenant with a protected lease for which a settlement was concluded in February 2022. Hay Hill and St Giles public realm projects where the programme was delayed allowing longer lead in for design, advance procurement and to avoid the highway Christmas embargo, when non-emergency works are not allowed within the city highway area, responding to business stakeholders requests to reduce disruption (£0.191m).

The budget for a loan from the council to Norwich Regeneration Ltd (£2.000m) is to support development costs at Three Score Phase 3, but due to the delays in progress on site, the delivery unit business plan has re-profiled the loan requirement and the budget will be requested to be carried forward to 2022/23.

Housing Revenue Account Capital Programme

The key areas of underspend on the HRA capital programme relates to new housing projects where the programme has slipped (£10.264m) and the housing upgrade programme (£12.926m). Further detail is set out below.

New housing projects:

The initial expectation for the King's Arms site was that construction would commence in Q1 of 2021/22, however pre-construction procurement has taken longer than anticipated, resulting in a start on site towards the end of Q2 and lower expenditure in 2021/22 (£0.375m). The project is due for completion in October 2022.

At the start of the financial year, it was anticipated that land remediation and first foundations would be complete at the Mile Cross site by the end of the year, however the requirement of the Environment Agency

for a ground remediation strategy had delayed progress and reduced anticipated expenditure by £1.002m in 2021/22.

For the Three Score Phase 3 project, it was anticipated that materials would be purchased up-front to control rising supply chain costs, however this was not necessary as the contractors agreed to hold this risk, which has resulted in an underspend of £3.000m in 2021/22.

At Argyle Street the original budget allowed for some of the ground remediation to take place in the financial year, however additional investigation has been required, delaying progress and generating a £0.509m underspend in 2021/22.

The council's interest in the Ailwyn Hall site has stimulated the owner to submit a new planning application to develop the site. CPO action has therefore paused pending the outcome of the new planning application and activity or otherwise on the site will be closely monitored. The 2021/22 budget is therefore £0.825m underspent.

The new build opportunities budget was created to allow for swift acquisition of land or property as opportunities arose. It was anticipated that all the budget would be used to acquire some identified land but this has been delayed whilst discussions are on-going on the extent of the land and for legal contracts to be finalised. An element of the £3.368m 2021/22 underspend will therefore be requested to be carried forward to 2022/23.

Housing upgrade programme:

A significant backlog of works by the previous contractor have been identified on the whole home improvement programme creating a significant underspend (£1.303m). Additional provision for this has been included within the 2022/23 budget.

The communal boilers budget included a budget of £1.400m carried forward from 2020/21 which had also been included within the 2021/22 approved budget. Works at Mile Cross, Normandie Tower, Barnards Yard, Alnwick Court and Millers Lane have been postponed and will now be delivered in 2022/23 (£3.420m).

The communal window installations in tower blocks have been postponed pending the outcome of surveys on all tower blocks (£2.114m).

Capital funded compliance upgrades will result from major works being identified from surveys and investigations that are currently underway; the underspend will be requested to be carried forward to 2022/23 (£1.000m).

For all capital programme schemes where slippage or delays have occurred, any requests for resources to be carried forward will need to be carefully considered in the light of the Council's priorities and capacity to deliver the programme. It is proposed that request are considered on a case by case basis by the Executive Director for Corporate and Commercial services. A delegation to the S151 officer is requested to allow these schemes to be added to the 2022/23 capital programme and it is proposed that such decisions are taken to the next available Cabinet meeting.

Figure 2.9 General Fund Capital Programme summary

Capital Programme	Original Budget (£000)	Revised Budget (£000)	Provisional outturn (£000)	Provisional variance (£000)	Movement in Forecast Variance since Q3 (£000)
GF - Community Services	4,040	3,526	2,252	(1,274)	(499)
GF - Corporate and Commercial Services	0	58	(0)	(58)	(26)
GF - Development & City Services	17,327	17,461	8,563	(8,898)	(2,071)
Total GF Capital Programme	**21,367**	**21,045**	**10,815**	**(10,230)**	**(2,596)**

Figure 2.10 Housing Capital Programme summary

Capital Programme	Original Budget (£000)	Revised Budget (£000)	Provisional outturn (£000)	Provisional variance (£000)	Movement in Forecast Variance since Q3 (£000)
HRA - Community Services	29,561	32,180	19,244	(12,937)	(1,896)
HRA - Development & City Services	19,428	13,782	3,518	(10,264)	(6,812)
Total HRA Capital Programme	**48,989**	**45,962**	**22,762**	**(23,200)**	**(8,708)**

1.3. Risk

Following the adoption of the revised risk management strategy, a risk management briefing has been held to provide additional guidance and support enhancement of information in the risk registers.

A number of risks have been amended to take account of those changes although there is scope for further assessment, as set out below.

The current Corporate Risk Register summary is shown below. This illustrates movement on only one corporate risk – contract management governance Risk 12, which has reduced. ***However, there are a number of other issues to consider:***

- There are six risks which are showing as red and have not improved since the last quarter. There will be ongoing review of the associated actions related to these risks to evaluate whether further action is required to mitigate them; these are risks 7,10,11,14,15,17.
- The risk associated with the elections continues to appear in the Q4 corporate risk register but following the successful delivery of the May elections will be moved back to the CCS Directorate risk register for Q1 of 2022/23. However, it is expected that this will be replaced with a risk relating to the impact of the Elections Act on the corporate risk register
- A number of risks are showing a wide variation between the residual and target risk; again these are subject to ongoing review to assess if additional mitigation actions are required to close the gap or whether this relates to a timing issue and existing measures will, over a reasonable period of time, close these gaps – this relates primarily to risk 13 - Waste and recycling
- A number of risks are showing residual and target scores at the same level suggesting that the level of current risk is acceptable.

Figure 3.1 Corporate Risk Summary

	Q3 2021/22		Q4 2021/22		⇔ ↑ ↓
	Current residual	**Target**	**Current residual**	**Target**	**Movement from Q3**
R1: Council Funding Medium-Long Term	**15**	**10**	**15**	**10**	⇔
R2: Commercialisation	**8**	**8**	**8**	**8**	⇔
R3: Health & safety in the workplace	**12**	**8**	**12**	**8**	⇔
R4: Further Waves of Covid-19	**12**	**12**	**12**	**9**	⇔
R5: Impact of Brexit	**12**	**8**	**12**	**8**	⇔
R6: Business Continuity/Emergency Event	**12**	**6**	**12**	**6**	⇔
R7: Cyber Security	**20**	**15**	**20**	**15**	⇔
R8: Data Protection Compliance	**12**	**8**	**12**	**8**	⇔
R9: Failure to fulfil statutory or legislative responsibilities – safeguarding	**15**	**12**	**15**	**12**	⇔
R11: Antisocial behaviour	**16**	**6**	**16**	**6**	⇔
R12: Contract Management – Governance	**12**	**9**	**9**	**9**	↓
R13: Waste & Recycling	**12**	**4**	**12**	**4**	⇔
R14: Health, Safety and Compliance in council homes and buildings	**20**	**8**	**20**	**8**	⇔
R15: Anglia Square	**16**	**8**	**16**	**8**	⇔
R16: Elections	**9**	**6**	**9**	**6**	⇔
R17: Failure to deliver acceptable levels of performance in regulatory services	**16**	**8**	**16**	**8**	⇔

Annex 1: Grants

Grant	Type	Value (£000)	Details
Rough sleeper initiative	Revenue	1,470	Additional grant award over original budget, based on revised allocations from DLUHC. This amount includes £162k for Protect and Vaccinate and £145k Accommodation for Ex-offenders Grants
Contain Outbreak Management Fund	Revenue	245	Additional funding in 21/22 to assist with COVID-19
New Burdens funding for the business support grants	Revenue	229	Funding to support the administration of Business Support Grants
New Burdens Post Payment Assurance Reconciliation and Debt Recovery	Revenue	22	
New Burdens Restart and the Additional Restrictions COVID-19 Grant Scheme	Revenue	100	
Homelessness Prevention grant	Revenue	125	Funding to support vulnerable renters
Test & Trace Admin Costs	Revenue	75	Funding to support the administration of Track & Trace Payments
Elections	Revenue	44	Additional funding allocations to support Returning Officers in delivering the May 2021 local elections in a COVID-secure way.
Household support funding – DWP	Revenue	301	To be used to support households in the most need with food, energy and water bills
Community Renewal Fund – The Day Challenge – Norfolk County Council	Revenue	76	To support pilot programmes and test new approaches to support local economic growth
LGA Housing Advisers Programme – Improvement and Development Agency for Local Government	Revenue	25	Sector Improvement Programme
Temporary Pavement Licensing New Burden Payment - DLUHC	Revenue	15	To support delivery of temporary pavement licence provisions
Land release fund – DLUHC	Capital	150	Land Release Fund to bring forward housing development at Argyle Street

Grant	Type	Value (£000)	Details
Housing Infrastructure	Capital	63	To support workstreams related to the revised planning application for the HIF MVF Anglia Square scheme
Council Tax Family Discount Annex Grant	Revenue	11	To support council tax discounts for family in annexes.
Restart grant – BEIS	Revenue	11,766	Specifically for businesses that have been affected by national restrictions and need support to reopen and start trading safely as the restrictions ease
Omicron Hospitality and Leisure Grant - BEIS	Revenue	2,124	To support businesses that have been most impacted by the Omicron variant.
Additional Restrictions Grant	Revenue	256	Top up
Test & Trace Support Payments	Revenue	102	Test and Trace Discretionary Support payments
Total		**17,199**	

Annex 2: Virements

The following general fund revenue virements were approved and processed in Q4:

Discretionary housing payments exceeded the discretionary housing payment grant income; use of contingency was approved as detailed below.

GF Revenue Budget		Current Budget £000	Approved Virement £000	Revised Budget £000
511000 2756	General Fund Contingency	363	(65)	298
516010 3250	HB Private Sector Rent Allowances	22,600	65	22,665
Total		**22,963**	**0**	**22,963**

A virement was approved relating to the Towns' Fund projects to enable capital and revenue budgets to be aligned and expenditure to be accounted for appropriately. Corresponding capital transactions are shown in the capital virement section.

GF Revenue Budget		Current Budget £000	Approved Virement £000	Revised Budget £000
610010 2382	Economic Development – Projects	114	(70)	44
516010 3250	Towns' Fund – Projects	93	70	163
Total		**207**	**0**	**207**

The following housing revenue account revenue virements were approved and processed in Q4:

Entry phone maintenance costs are incurred intermittently throughout the year based upon demand for responsive repairs. Costs were assessed as being higher than initially anticipated and a request was made for additional budget provision to be funded from the underspent landlord's lighting repairs budget.

HRA Revenue Budget		Current Budget £000	Approved Virement £000	Revised Budget £000
730020 2122	HRA – Landlord's Lighting Repairs	450	(15)	435
516010 3250	HRA – Entry Phone Maintenance	75	15	90
Total		**525**	**0**	**525**

The following general fund capital virements were approved and processed in Q4:

Existing budgets for works at community centres (£0.060) and a residual budget from the customer centre redesign (£0.025m) were identified as no longer being required. EPC surveys at the community centres revealed no upgrade work was required and the cleaning of the stonework in the main City Hall foyer will be considered as part of wider City Hall review.

The cost of the urgent and essential installation of suicide prevention measures St Giles & St Andrews car parks has been higher than initially anticipated (£0.01m) as more fencing than originally planned was required and top deck is now completely fenced in.

Additional project fees and enhanced site security to prevent vandalism have increased Norwich parks tennis expansion project costs (£0.035m).

Following the identification of asbestos on site and structural issues with window opening, costs to refurbish a shop at 38 Exchange Street have increased (£0.011m) and works to replace the River Wensum pontoon are forecast to cost more than initially anticipated (£0.001m).

It is proposed that the remaining surplus underspend not currently required is transferred to the GF capital contingency to be utilised for other purposes.

GF Capital Project		Current Budget £000	Approved Virement £000	Revised Budget £000
AA1000	Customer Centre Redesign	25	(25)	0
AA1184	Community Centres - Upgrades	60	(60)	0
AA1058	Norwich Parks Tennis Expansion	392	35	427
AF1856 / AB1857	St Giles & St Andrews Suicide Prevention Measures	20	10	30
AA1437	38 Exchange Street Shop Refurbishment	61	11	72
AA1210	River Wensum Pontoon Replacement	12	1	13
AH0000	GF Capital Contingency	1	29	30
Total		**571**	**0**	**571**

A virement was approved relating to the Towns' Fund projects to enable capital and revenue budgets to be aligned and expenditure to be accounted for appropriately. Corresponding revenue transactions are shown in the revenue virement section.

GF Capital Project		Current Budget £000	Approved Virement £000	Revised Budget £000
BH0000	TF Programme - branding - BH0000	118	(70)	48
AA2015	Old Carrow House	4,005	70	4,075
Total		**4,123**	**0**	**4,123**

A scheme to upgrade a lift at Lawrence House has been completed with costs £0.073m lower than anticipated, therefore £0.02m of the underspend along with £0.03m of GF capital contingency has provided additional funding to support further costs arising on the Norwich parks tennis expansion project.

GF Capital Project		Current Budget £000	Approved Virement £000	Revised Budget £000
AB2010	AFI Lawrence House Lift Refurb	190	(20)	170
AH0000	GF Capital Contingency	30	(30)	0
AA1058	Norwich Parks tennis expansion	427	50	477
Total		**647**	**0**	**647**

Appendix A. Community Services

A.1. Performance

A.1.1. Summary of performance

Community Services has thirteen KPIs, twelve of which report quarterly and one annually. For this quarter, the directorate reports one red, four amber, five green and two white (monitoring data—no target set). The white indicators are response times to FOI requests and corporate complaints. Though these two white KPIs are owned by Customers, IT and Digital, the commentary notes that the performance against these indicators is ultimately spread across the council. The data is then given per directorate for each indicator. Target and intervention levels for these indicators have been drafted, to come into effect for 2022/23.

The red indicator this quarter was 'Average re-let time in days (standard re-lets only)'. This indicator has been persistently red throughout the year, however the commentary explains that two additional contractors have been appointed to undertake the backlog of voids work and that once properties are ready to let, this number should fall quickly. This is expected from Q2 of next year.

The below gives a view of Community Service's performance against their KPIs through the year, showing outperformance in a number of key area such as homelessness prevention, IT systems availability and CCT customer satisfaction.

Indicator	Q1 2021	Q2 2021	Q3 2021	Q4 2021
Total number of private sector insulation measures completed	83.00	50.00	70.00	70.00
Number of households living in temporary accommodation	37.00	39.00	43.00	41.00
IT System availability expressed as a percent of time available during core hours	99.95	99.94	99.96	99.86
Average re-let time in days (standard re-lets only)	26.00	52.00	63.00	55.00
% reduction of CO2 emissions from Local Authority operations		9.00		
% people feeling safe	62.00	62.00	58.00	59.00
% of rent collected (excluding arrears brought forward)	98.06	97.91	99.39	99.35
% of properties with a current valid gas safety certificate	99.84	99.84	99.66	99.82
% of households who asked for help who were prevented from homelessness	66.00	64.00	81.00	80.00
% of FOI requests responded to within statutory timescales	64.61	84.16	81.32	91.19
% of customer's responding as satisfied with customer contact team service	81.20	79.19	78.74	78.35
% of customer contact that takes place through digital channels	41.03	43.29	42.88	42.75
% of corporate complaints responded to within stated timescales	65.88	57.65	62.02	56.30

A.1.2. Successes and challenges

Successes:

- Transfer of property services: On 1st April the reactive repairs function transferred for NNBL to NCSL a wholly owned NCC company
    - NCC Property Services Team primarily focuses on the maintenance and management of tenanted and leasehold property. The council's property services will continue to manage all aspects of the relationship with tenants and commission and manage budgets and works required from NCSL, relating to maintenance of the councils' housing stock and will be funded by the Housing Revenue Account budget.
    - NCC property service provide a client function, manage and monitor NCSL's performance by way of monthly and quarterly meetings, along with jointly agreed KPIs, both service delivery and adherence to budgets. Monthly and quarterly

meetings have been set up and we will be looking for a representative from the Housing Team
    - NCSL's building maintenance function will be responsible for the provision of a reactive maintenance service for the councils housing stock.
- Home for Ukraine scheme.

Challenges:

- Channel shift (moving contact from phone to online)
- Corporate complaints performance

A.1.3. Case Study

NEC Housing

The council's new housing system, NEC Housing is now live – this is a key part of our digital transformation programme.

Since the January go live date, NEC Housing has started to transform existing ways of working and as development continues, users will be able to manage all housing enquiries in a single system – from applications and sign ups to repairs and rent accounts.

From 1 April, NEC Housing has been in place to support the work undertaken by council officers and partners at Norwich Community Services Limited to manage our repairs, maintenance, asset management and compliance services.

Residents will also benefit from the new system, with the ability to bid for properties, report repairs and manage rent accounts currently available. Future development will empower residents to self-serve extensively and access more services online.

A mobile app is currently being rolled out among staff members in housing services, this will enable staff to work in a flexible and agile way, accessing NEC Housing via a mobile device during tenancy visits and estate inspections.

This first phase of the NEC Housing implementation programme lays down the foundation for a system that will coordinate our data and streamline our processes - improving efficiency and increasing our knowledge of our customers, enabling us focus on our most vulnerable customers, tailoring support to those that need it most.

An incredible amount of work by the project team, colleagues across the council and partners has been invested into the design of the new system. More than 200 processes have been reviewed and more than ten million data records have been migrated to the new system. This is a key achievement for the council and one which we hope will bring benefits to staff and customers in the long term.

A.2. Finance

A.2.1. Community Services revenue budget

The provisional outturn for the directorate shows a £1.807m underspend. £0.907m of this relates to transfer to/from reserves. Once these are taken into account, the directorate shows a £0.900m underspend.

A.2.2. Key variances

Community Services	Budget (£000)	Provisional Outturn (£000)	Provisional Variance (£000)
Community Services	507	557	50
Customers, IT & Digital	3,955	3,728	(227)
Strategy, Engagement & Culture	3,816	2,893	(924)
Housing & Community Safety	1,217	510	(707)
Community Services	**9,495**	**7,687**	**(1,808)**
Earmarked reserves movements	(994)	(87)	907
Totals after earmarked reserves movements excluded	**8,501**	**7,600**	**(900)**
Key variances:			
Savings/increased income			
IT services - underspend on IT contract charge; accounts adjusted to ensure costs are shown in the correct financial year. One-off adjustment for license costs etc. where service is provided across financial years.			(255)
St Andrews Hall – the income budget for hiring of space was reduced to £0.052m in 2021/22 (reduction of £0.150m) due to anticipated impact of Covid-19. Actual income from hire was £0.155m (£0.103m above budget). Also £0.014m of government grant income was received through the sales, fees and charges scheme to account for lost income compared to pre-Covid-19 levels.			(117)
Riverside Leisure centre - The budget assumed full Business Rates would be payable, but the centre is now eligible for 80% rate relief. The government also gave 100% rate relief for the first 3 months of 2021/22 and 66% rate relief for the remainder of the year.			(96)
Unbudgeted grant income in respect of Norwich Good Economy Commission			(91)
One-off grant from the land registry for digitalising land charges			(90)
Culture and Events – net underspend mainly due to additional letting of spaces for events and lower than budgeted costs relating to temporary employees			(58))
Other variances			(193)
Total variance			**(900)**

The directorate's provisional outturn position shows an increased (£1.933m) underspend compared to Q3 forecasts. The key areas of movement are shown in the table below:

Figure 2.3 – movement in forecast from Q3 community services

Area	(£000)	Comments
Earmarked reserves adjustments	(1,202)	Movement in the variance relating to grants - transferred to earmarked reserves including homelessness and housing partnerships (£0.828m), tourist information (£0.118m) and Covid-19 grants (£0.113m)
IT contract charge	(379)	One-off adjustment for license costs etc. where service is provided across financial years
Policy & Performance	(91)	Unbudgeted grant income in respect of Norwich Good Economy Commission
St Andrews Hall	(88)	
Other	(173)	
Total movement	(1,933)	

A.2.3. Housing Revenue Account revenue budget

The provisional outturn for the HRA shows a £7.619m underspend. The key variances are shown in the table below:

Figure 2.4

Housing Revenue Account	Budget (£000)	Provisional Outturn (£000)	Provisional Variance (£000)
General Management	15,660	14,247	(1,413)
Special Services	4,962	4,247	(715)
Repairs & Maintenance	13,598	12,121	(1,477)
Rents, Rates, & Other Property Costs	5,687	5,591	(96)
Provision for Bad Debts	721	411	(310)
Depreciation & Impairment	23,264	19,392	(3,872)
Adjustments & Financing items	4,390	3,635	(755)
Garage & Other Property Rents	(2,148)	(2,122)	26
Dwelling Rents	(57,985)	(57,413)	572
Service Charges - General	(7,813)	(7,461)	352
Interest Received	0	(68)	(68)
Miscellaneous Income	(82)	11	93
Amenities shared by whole community	(254)	(210)	44
Housing Revenue Account	**(0)**	**(7,619)**	**(7,619)**

Key variances:	
Savings/increased income	
Financing - Net difference between budgeted utilisation of reserves and RCCO requirement. Initial budget anticipated £10.640m use of reserves along with £5.04m in-year surplus to provide £15.679m revenue contribution towards new build costs. New build programme expenditure has now been re-profiled and revenue contribution requirement reduced to £1.106m meaning use of reserves no longer required and use of surplus reduced by £3.933m.	(3,933)
Actual depreciation charge is impacted from year to year by numerous factors including stock changes, variations in property values and average cost of component upgrades. Final calculation for 2021/22 results in overall charge £891K lower than budgeted but variance represents less than 6% of the £15.86m budget.	(891)
Compliance Works - Work continuing and additional contracts being procured which will continue in the new financial year. Exact budget requirement for 2021/22 unknown prior to surveys therefore cabinet approved carry-forward of underspent budgets via an approved earmarked reserve in November 2021	(840)
Reduced recharges from the general fund in respect of centrally provided services mainly due to underspend on the general fund budgets of these services and a lower depreciation charge.	(822)
General Repairs & Maintenance - Underspend generated from gas servicing contract costs reducing and level of repairs falling due to installation of new boilers (£0.205); lower level of responsive demand for drainage (£0.168m), landlord lighting (£0.198) and structural repairs (£0.167m).	(770)
Income Collection Team - A number of staff vacancies throughout the year and significantly reduced counter payments costs.	(330)
Bad debt provision - initial provision anticipated significant rise due to impact of Covid, but due to work of income team and tenants' continuing to pay over payment free weeks, arrears have not increased to anticipated levels.	(314)
Higher than anticipated level of rechargeable repairs raised in year.	(303)
Sheltered Housing - Lower than anticipated utility charges, snow-clearing, furniture and laundry costs will be offset by lower future service charges.	(301)
Communal Television Aerial - Underspend against budget generated by lower than budgeted responsive repairs (£0.051m) plus unbudgeted lease accounting adjustment (£0.161m)	(213)
Water Charges Pay-over - Void rate higher than anticipated and increased level of RTB sales - offset by lower level of income from tenants.	(160)
Other minor variances	(153)

Budget pressures – overspends/loss of income	
Dwelling Rent - Void rate higher than anticipated and increased level of RTB sales.	628
Water Charges Income - Void rate higher than anticipated and increased level of RTB sales - offset by lower level of pay-over to water provider.	243
Neighbourhood Services - higher level of compensation/decant payments to tenants as a result of electricity supply issues.	157
Increased cost of council tax on void dwellings.	141
Contribution towards the cost of major capital works to leasehold dwellings higher than budgeted as contribution based upon cost of actual works and leaseholder service charge income.	124
Increased landlord lighting electricity costs following an increase in overall tariff in October 2021.	118
Total forecast variance	**(7,619)**

The HRA provisional outturn position shows an increased underspend (£6.043m) compared to Q3 forecasts. The key areas of movement are shown in the table below:

Figure 2.5 – movement in HRA forecast from Q3

Area	**(£000)**	**Comments**
Movement in reserves	(4,981)	Reduced Revenue Contribution to Capital (RCCO) as a result of delayed expenditure in HRA capital programme for new housing provision.
Depreciation	(661)	Year end calculation for HRA element of depreciation lower. Home options recharges actuals outturn lower.
Neighbourhood Housing	(481)	£0.290m relates to underspending on temporary staff costs
HRA Repairs	(417)	Level of repairs impacted by COVID and backlog
HRA Repairs Contribution	(315)	Underspend relate to reduce level of debt write off
Sheltered Housing Tenancy Management	(311)	Due to a less severe winter heating budget has a saving of £0.171m and gritting of £0.070m. There were further underspends to telephone charges and laundry facilities
Estates Management	(103)	Following year end adjustment electricity & window cleaning lower than expected along with aerial maintenance and rubbish clearance.
Rents - Estate Properties	441	End of year adjustment figure applied in Q4 not known at Q3 and not included in forecast.
Provision for Bad Debts	324	Recalculation takes place at end of year based upon arrears position.
General HRA Premises	123	Catch up exercise for charges relating to empty council houses carried out in Q4 resulting in additional costs.
Service Charges	122	Less income for Q4 water service charges
Home Ownership	121	This overspend is related to increased activity in sales resulting a £0.045m increase in legal costs
Other	95	
Total movement	(6,043)	

A.2.4. General Fund Community Services capital budget

The forecast capital provisional outturn for the directorate shows a £1.274m underspend.

Figure 2.6 – Community services capital budget summary

Capital Programme	Original Budget (£000)	Revised Budget (£000)	Provisional outturn (£000)	Provisional variance (£000)
GF - Community Services	4,040	3,526	2,252	(1,274)

The underspend is largely due to contract delays with works related to the BEIS Green Homes Grant, but the contract has now mobilised and the project will extend into 2022/23 (£0.549m).

There has also been an underspend of the Better Care Fund Grant through Disabled Facilities Grants and Housing Assistance Grants (£0.488m), but following agreement with the County Council, the underspent budgets will be carried forward to fund new capital grant to residents as approved by Cabinet in April 2022.

Additionally, there has been an underspend on the budget for the capital costs associated with the establishment of Norwich City Services Ltd (£0.153m); this will be requested to be carried forward to cover ongoing costs in 2022/23.

A full breakdown by project is attached in **Annex A3**

A.2.5. HRA Community Services capital budget

The provisional capital outturn for the directorate shows a £12.937m underspend.

Figure 2.7: - Community service HRA capital Programme summary

Capital Programme	Original Budget (£000)	Revised Budget (£000)	Provisional outturn (£000)	Provisional variance (£000)
HRA - Community Services	29,561	32,180	19,244	(12,937)

The underspend is due to lower than anticipated expenditure on the housing upgrade programme. A significant backlog of works by the previous contractor have been identified on the whole home improvement programme creating a significant underspend (£1.303m). Additional provision for this has been included within the 2022/23 budget.

The communal boilers budget included a budget of £1.400m carried forward from 2020/21 which had also been included within the 2021/22 approved budget. Works at Mile Cross, Normandie Tower, Barnards Yard, Alnwick Court and Millers Lane have been postponed and will now be delivered in 2022/23 (£3.420m).

The communal window installations in tower blocks have been postponed pending the outcome of surveys on all tower blocks (£2.114m).

Capital funded compliance upgrades will result from major works being identified from surveys and investigations that are currently underway; the underspend will be requested to be carried forward to 2022/23 (£1.000m).

A full breakdown by project is set out in **Annex 4**

A.3. Risk

The summary position for the directorate risks is set out below:

	Q3 2021/22		Q4 2021/22		
	Current residual	**Target**	**Current residual**	**Target**	**Movement from Q3**
CS1 Tower block or flat serious fire	**10**	**5**	**10**	**5**	⇔
CS2 Impact of welfare reforms and/or increased unemployment	**12**	**8**	**6**	**8**	⇓
CS3 Mismanagement of Grants	**6**	**2**	**6**	**2**	⇔
CS4 Housing Regulation	**9**	**9**	**9**	**9**	⇔
CS5 Maintenance of Council Owned Assets	**8**	**3**	**8**	**3**	⇔
CS6 Impacts of COVID-19 on Arts, Culture & Heritage	**16**	**12**	**12**	**9**	⇓
CS7 Viability of Council Leisure Facilities	**15**	**12**	**12**	**12**	⇓
CS8 IT Service Risks	**15**	**12**	**15**	**12**	⇔
CS9 Information Governance	**12**	**8**	**12**	**8**	⇔
CS10 Sustained increase in homelessness and temporary accommodation	**9**	**9**	**9**	**9**	⇔
CS11 Impact of cost of living crisis		**New risk**	**12**	**TBD**	n/a

The relevant points to note are that Three risks have an improved position with the remainder static.

Annex A1: Community Services revenue budget

CC	CC Description	Budget (£000)	Provisional outturn (£000)	Provisional variance (£000)
Community Services				
310030	Head of Comms & Culture	0	24	24
314035	Community Services	507	508	1
420020	Director of Neighbourhoods	0	25	25
		507	**557**	**50**
Customers, IT & Digital				
321020	IT Services	1,094	838	(256)
321025	IT Infrastructure	552	567	15
321026	IT Applications	561	549	(13)
321027	Norwich City Services Ltd IT	0	19	19
321030	Systems Support	286	311	25
321040	Service Improvement	264	240	(23)
520040	Land Searches	(129)	(124)	5
550010	Customer Contact Team	1,189	1,156	(33)
550040	Mail Handling Team	139	172	33
		3,955	**3,728**	**(227)**
Housing & Community Safety				
170000	Community Centres	176	160	(16)
410030	Homelessness	782	213	(569)
410031	Rough Sleepers	0	(50)	(50)
410040	Private Sector Leasing Scheme	(39)	56	95
410045	Syrian Refugee Programme	(19)	(27)	(8)
410060	Housing Options	(64)	164	228
410130	Housing Improvement Agency Tm	(29)	4	33
410140	Housing partnerships	111	(250)	(361)
411020	Contributions to HRA	254	210	(44)
412020	Non-HRA Housing Properties	(19)	(30)	(11)
644060	Closed Circuit TV	64	60	(4)
		1,217	**510**	**(707)**

CC	CC Description	Budget (£000)	Forecast outturn (£000)	Forecast variance (£000)
Strategy, Engagement & Culture				
170101	Norman Centre, Bignold Road	214	198	(16)
190710	St Andrews & Blackfriars Halls	309	200	(109)
310020	Communications Team	355	374	20
310060	Social Policy/Arts Grants	301	313	12
312020	Sport & Leisure Development	181	176	(5)
312040	Riverside Swimming Centre	267	66	(201)
313010	Tourist Information	42	(20)	(62)
314010	Pool Car Recharged Costs	0	0	0
314030	Culture & Events	191	133	(58)
320100	Head of Transformation	147	148	2
321050	Policy & Performance	222	107	(115)
321070	Fit for the Future	145	5	(140)
420060	Commissioning	39	41	2
420070	Financial Inclusion	184	178	(6)
420140	Community Enabling	287	298	11
420141	Active Hours	0	0	0
420160	Early Interventn & Comm Safety	78	37	(41)
510035	Project Place	461	347	(114)
522080	Covid recovery team	301	184	(117)
630010	Environmental Strategy	93	107	14
		3,816	**2,892**	**(924)**
	Directorate Totals	**9,495**	**7,686**	**(1,809)**

Annex A2: HRA revenue budget

CC	CC Description	Budget (£000)	Provisional outturn (£000)	Provisional variance (£000)
710020	Head of Neighbourhood Housing	2,792	2,384	(408)
710030	Tenancy Services Manager	153	124	(30)
710050	Tenancy Support	89	97	8
710110	Unallocated Costs	4,454	3,940	(514)
710120	Neighbourhood Services	2,565	2,652	87
710125	Domestic Abuse Co-ordination	67	33	(33)
710130	ASB Team	1,023	885	(138)
710145	Specialist Support Team	462	371	(91)
710150	Innovation & Improvement Team	674	644	(30)
710170	Collection Team	2,326	1,969	(357)
710180	Home Ownership Team	796	880	84
710210	Area Housing Offices	38	25	(14)
710220	HRA Properties Disposal	14	13	(0)
710230	Void Dwelling Management	116	110	(6)
710250	Housing Delivery	90	120	30
721020	Estates Management	2,610	2,311	(300)
721040	District Heating	560	503	(58)
722020	Sheltered Housing	344	323	(21)
722025	Sheltered Hsg Tenancy Mgmnt	830	529	(301)
723100	Caretakers – Mobile	111	97	(14)
723200	Caretakers – Static	328	322	(6)
723300	Caretakers – Supervisors	95	93	(2)
723400	Caretakers – Apprentices	84	70	(14)
730020	HRA Repairs	11,504	10,245	(1,259)
730025	HRA Repairs Sheltered Housing	50	23	(27)
730040	HRA Repairs Tenant Contribution	(534)	(836)	(303)
730080	HRA Repairs - Void Properties	2,577	2,689	112
740010	General HRA Premises	5,687	5,591	(96)
740020	Provision for Bad Debts	721	411	(311)
740030	Central Expenses	23,264	19,392	(3,872)
740040	MIRS (SMHRAB) Reversing Items	(10,343)	3,400	13,744
740045	MIRS (SMHRAB) Non-Reversing	14,734	234	(14,499)
740080	Rents - Shops & Shop Flats	(799)	(810)	(11)
740090	Rents - Other land & buildings	(78)	(111)	(34)
740100	Rents – Adjustments	194	138	(57)
740110	Rents - Estate Properties	(58,179)	(57,551)	629
740120	Rents – Garages	(1,271)	(1,200)	71
740140	Service Charges – Tenants	(6,806)	(6,531)	275
740141	Service Charges – Leaseholders	(1,008)	(930)	78
740160	Interest Received	0	(68)	(68)
740170	Miscellaneous Income	(82)	11	92
740190	General Fund Contribution	(254)	(210)	44
		0	**(7,619)**	**(7,619)**

Annex A3: Community Services GF capital budget

Service	Capital Expenditure Programme	Original Budget (£000)	Current Budget (£000)	Provisional Outturn (£000)	Provisional Variance (£000)	Comments	C/Fwd?
CID	IT Investment Fund - AA5206	75	88	65	(23)	Corporate decision to provide keyboards and laptop stands.	Yes
CID	IT Trans Digital platform Dev - AF5206	0	0	0	0	Project complete.	
HCS	DFG Residents Contribution - AQ0000	0	0	0	0		
HCS	CCTV replacement - AA5205	0	0	(4)	(4)	Project complete.	
HCS	Disabled Facilities Grant - AA5207	1,140	1,140	799	(341)	County Council have committed to allowing unspent BCF grant to be carried forward to fund new capital grant to residents, approved by Cabinet in April 22.	Yes
HCS	HIA - Housing Assistance - AB5207	300	300	153	(147)	County Council have committed to allowing unspent BCF grant to be carried forward to fund new capital grant to residents, approved by Cabinet in April 22.	Yes
HCS	Empty Homes Grant - AK0000	0	0	0	0	Project reprofiled into 2022/23.	
HCS	DFG Residents Contribution - AQ0000	0	0	19	19	Unbudgeted expenditure arisen from services provided to residents not eligible for DFGs, offset by corresponding unbudgeted income.	
SEC	Customer centre redesign - AA1000	0	0	0	0	Final element of project (stonework) paused and to be considered as part of wider City Hall review. Remaining budget vired to contingency.	
SEC	Chapelfield Gardens Improve TF - AA1063	0	68	68	0		
SEC	Norman Centre replace boilers - AA1182	165	0	0	0	Repairs to boilers have extended life utilising revenue funding; Replacement reprofiled to 2023/24.	
SEC	Community Centres - Upgrades - AA1184	60	0	0	0	All EPC satisfactory therefore budget no longer required.	

Service	Capital Expenditure Programme	Original Budget (£000)	Current Budget (£000)	Provisional Outturn (£000)	Provisional Variance (£000)	Comments	C/Fwd
SEC	Cadge Road re-roofing works - AA1197	39	39	31	(8)	Project complete.	
SEC	Rside Leisure repl plant/equip - AA1912	0	0	0	0	Project and budget reprofiled into 2022/23.	
SEC	St Andrew's Hall refurbishment - AA1959	0	267	261	(6)	Project almost complete with final works delayed until 2022/23. .	Yes
SEC	TF make space at the halls - AB1959	1,000	98	42	(56)	Project delayed into 2022/23.	Yes
SEC	St Andrews replace elect dist - AC1959	17	0	0	0	Project and budget reprofiled into 2022/23 as part of wider Towns' Fund project.	
SEC	St G's Kitch Elec upgrade - AD1959	6	0	0	0	Project and budget reprofiled into 2022/23 as part of wider Towns' Fund project.	
SEC	CILN Community Enabling - AD5200	0	4	0	(4)	Plans to develop neighbourhood level equipment store in progress but project will extend into 2022/23.	Yes
SEC	CIL Crowdfunding match funding - AL5200	0	15	15	0		
SEC	CIL Neighbourhood West Earlham - AQ5200	0	0	0	0		
SEC	BEIS Green Homes Grant - BA0000	566	566	17	(549)	Delay with contract being signed but now mobilising. Project will extend into 2022/23.	Yes
SEC	CIL NeighbourhoodProjects18/19 - ZZ8039	0	42	41	(1)		
SEC	CILN Community Skills Mile X Grant - AT5200	0	10	9	(1)		
SEC	CILN The Feed Grant - AS5200	0	48	48	0		
CID	NCS Ltd establishment costs - AA2013	674	841	688	(153)	Unspent budget required to cover future costs in 2022/23.	Yes
Total GF Community Services Capital Programme		**4,040**	**3,526**	**2,252**	**(1,274)**		

Annex A4: Community Services HRA Capital Budget

Service	HRA Capital Expenditure Programme	Original Budget (£000)	Current Budget (£000)	Provisional Outturn (£000)	Provisional Variance (£000)	Comments	C/Fwd?
HCS	Replacement Tenancy & Est Man - AG5206	0	220	209	(11)	Budget required to cover future costs in 2022/23.	Yes
HCS	CCTV replacement - AA5205	0	0	32	32		
HCS	Electrical – 5110	3,602	3,602	3,068	(534)	Ave. costs per property lower than budgeted.	
HCS	Whole House Improvements - 5120	1,332	1,332	29	(1,303)	Work delayed due to contractor issues. Some additional budget provision included in 2022/23 to cover backlog.	
HCS	Kitchens – 5121	1,558	1,558	1,564	6	Minors overspend offset by underspend on bathrooms.	
HCS	Bathrooms – 5122	2,254	2,254	2,231	(23)	Full programme delivered. Some saving achieved.	
HCS	Heating/Boilers Communal - 5130	3,664	5,064	1,644	(3,420)	The £1.4 carry forward is not required as this was included in the 2021/22 approved budget. Works at Mile Cross, Normandie Tower, Barnards Yard, Alnwick Court and Millers Lane will be delivered in 2022/23.	
HCS	Heating/Boilers Domestic - 5131	3,177	3,177	2,429	(748)	Performance issues led to work being transferred to alternative contractor and delays to programme.	
HCS	Thermal Comfort - 5140	26	26	0	(26)	No works in 2021/22. EWI works – Structural challenge on properties that required action prior to commencement.	

Service	HRA Capital Expenditure Programme	Original Budget (£000)	Current Budget (£000)	Provisional Outturn (£000)	Provisional Variance (£000)	Comments	C/Fwd?
HCS	Solar Therml/Photovoltaic - 5141	714	714	521	(193)	Delays due to legal and procurement issues followed by supply chain issues have led to works slipping into 2022/23.	Yes
HCS	Windows – 5150	2,900	2,900	786	(2,114)	Communal windows installations postponed pending outcome of surveys on all tower blocks.	
HCS	Doors – 5151	881	881	467	(414)	Lower than anticipated volume of installations achieved in financial year. Programme paused whilst further surveys carried out on fire doors.	
HCS	Door Access Controls - 5160	482	482	354	(128)	Some delays to programme as leaseholder consultation required prior to works commencing.	
HCS	Estate Aesthetics - 5161	769	769	690	(79)	Performance challenge with contractor at end of contract.	
HCS	HRA Shops – 5163	205	205	162	(43)	All planned shop upgrades completed in year.	
HCS	Sheltered Hsg Comm Facs - 5171	135	135	108	(27)	Works at Waddington Court extended into 2022/23.	
HCS	Re-Roofing – 5180	963	963	623	(340)	Some delays to programme as leaseholder consultation required prior to works commencing and works delayed due to inclement weather.	
HCS	Structural - 5181	3,791	3,791	2,059	(1,732)	Sample fabric testing results identified some reinforced concrete slabs are in reasonable condition and works re-programmed to 2023/24. Some projects also completed for lower cost that initially anticipated.	

Service	HRA Capital Expenditure Programme	Original Budget (£000)	Current Budget (£000)	Provisional Outturn (£000)	Provisional Variance (£000)	Comments	C/Fwd?
HCS	Tower Block Regeneration - 5182	1,537	1,537	519	(1,018)	Riser and lateral works at Normandie Tower postponed until 2022/23.	
HCS	Lift Upgrades - 5183	154	154	0	(154)	Lift upgrade contract being retendered.	
HCS	Disabled Adaptations - 5190	1,127	1,127	1,441	314	Underspend offset by overspend on Stairlifts budget.	
HCS	Stairlifts - 5191	51	51	179	128	Overspend offset by underspend on Disabled Adaptation budget.	
HCS	Community Alarm - 5192	205	205	121	(84)	Contract costs lower than anticipated for two completed schemes.	
HCS	Compliance Upgrades - 5210	0	1,000	0	(1,000)	Budget to be requested to be carried forward into 2022/23.	
SEC	Catton Grove CC replace EDB - AA1186	9	9	6	(2)		
SEC	Comm centre assets HRA impact - BB0000	25	25	0	(25)	No works required in 2021/22	
Total HRA Community Services Capital Programme		**29,561**	**32,180**	**19,244**	**(12,937)**		

Appendix B: Corporate and Commercial Services

B.1 Performance

B.1.1 Summary of performance

Corporate & Commercial Services has four KPIs, all of which report quarterly. For Q4, the directorate reported two green and one amber indicator, with one indicator awaiting data at the time of reporting.

A positive movement was observed across all the indicators within this directorate, either moving from red to amber, amber to green, or maintaining a green rating throughout the year.

In Q4, CCS performed well in FOI and corporate complaints responded to within timescales, but it is important to note the volumes are lower than other Directorates when comparing performance.

The below provides a look at the directorate's performance across the year.

Indicator	Q1 2021	Q2 2021	Q3 2021	Q4 2021
Council Tax Collection – the amount of in year council tax plus arrears from old years collected (target set according to budget requirement)	98.07	99.28	99.03	99.60
Council on track to remain within General Fund budget (£)	73,786.00	-277,642.00	-425,957.00	-2,364,000.00
Business Rates Collection – the amount of in year business rates plus arrears from old years collected (target set according to budget requirement)	113.53	102.77	100.34	101.48
Average number of days taken to process new Housing Benefit claims from point of receipt to notification of entitlement	34.00	24.00	18.00	14.00

B.1.2. Successes and challenges

Successes:

- New housing benefit claims, reduced the average to 14 days
- Just short of the ambitious target for Council Tax Collection
- £16.5m paid out in business grants
- Self-isolation payments totalling £556,000 paid out during 2021/22
- The 2022/23 budget and Medium-Term Financial Strategy was approved by Full Council.
- Permanent appointments have been made to the finance structure meaning it is now fully staffed and cover to support the implementation of the Enabling Services ERP System is also in place
- The Internal Audit function transferred successfully to TIAA and is now delivering IA services through South Norfolk Council and alongside other Norfolk LA's
- Civic and Democratic: In March, the Council successfully organised the awarding of Freedom to the Very Reverend Jane Hedges and the Ukrainian people of the Cities of Lviv and Odesa
- Procurement: The team have been undertaking a service review, which concluded in March. The outcome will assist in ensuring the team are best placed to support delivery of the Procurement Strategy
- Elections: The implementation of the new elections system was concluded (please see case study below)
- Legal: The nplaw service saw an improved financial out-turn, delivering increased income to the Council
- Procurement and HR: The successful transfer of services from Norwich Norse Building and NPS Norwich to Norwich City Services and the Council respectively was

significantly assisted by the work in the procurement and HR services, including setting up new contracts to enable NCS to deliver and the TUPE transfer of staff

Challenges:

- Revenue and benefits: processing self-isolation payments and business supports grants while maintaining usual level of service
- Responding to 2021 audit queries, preparing for 2021/22 closure
- Planning for 2022 elections amid Covid uncertainty
- Council tax energy rebate timescale
- General increase in requirements for recruitments, as shown in HR metrics
- Insurance: The Council's annual insurance renewal for 2022/23 demonstrated the challenges in the insurance market at present, with increases in premiums. Work is now being undertaken to understand the potential impact for the 2023/24 renewal process.

B.1.3 Case Study

Legal and procurement

The election system is at the very heart of ensuring the fundamental right of citizens of Norwich to vote. It contains the details of some 100,000 registered electors, including nearly 30,000 registered postal voters and is crucial to operating the elections effectively. As a result, significant changes to the system have to be managed to ensure the data is maintained securely, and the election can be run effectively. There are also only two short time periods in the year that major system change can take place – between the May election and July canvass, or between the end of canvass in December and planning for the new election in February. Implementation is also made more complex by the fact that some aspects of the system, most notably connections to the government's electoral registration system, can only be tested following the new system going-live.

With the current system contract due to expire, a procurement exercise was undertaken which concluded the Council should procure a new system, Democracy Counts. A team was brought together including the GIS officer, IT system leads, elections and the service improvement officer to oversee the implementation programme. With testing complete, a go-live decision was made in mid-February for the new system and final implementation was fully complete in mid-March.

The new system brings a number of potential benefits such as:

a) The previous system did not have a full election management system; instead, officers had to set up a number of spreadsheets and other documents which required multiple data entry points, increasing the risk of error between them. The new system enables the elections team to manage all aspects of the election within it.
b) The new system allows staff working on the election to set up accounts and then confirm availability and acceptance of election work within the system. Previously, all communications with 300+ staff had to be via e-mail, increasing the risk of input errors.
c) The new system should improve the automatic matching of received postal votes against the elector's postal vote application, reducing the number of postal votes that have to be manually checked to ensure they match against details held on the system (in the 2021 election, approximately 12,000 votes had to be manually checked)

The system was successfully deployed for the May 2022 election. We were able to produce reports confirming the exact total of postal votes accepted, meaning that there could be absolute confidence in the verification process.

Some of the critical success factors for the implementation programme included:

a) Effective relationships with the incoming supplier – the staff member from the supplier leading on implementation was fully integrated into the programme team and worked tirelessly to assist in ensuring a successful implementation.
b) The working approach of the implementation team; the team took a positive can-do approach throughout, meeting on a daily basis to ensure there was a clear understanding of any emerging issues and how these would be resolved.
c) Strong contingency arrangements – the elections team maintained a positive relationship with the previous supplier to agree contingency arrangements in the event that implementation of the new system was unsuccessful

B.2 Finance

B.2.1 Corporate & Commercial Services revenue budget

The provisional outturn for the directorate shows a £0.316m underspend. £0.136m of this relates to transfer to/from reserves. Once these are taken into account, the directorate shows a £0.180m underspend.

B.2.2 Key variances

Corporate & Commercial Services	**Budget (£000)**	**Provisional Outturn (£000)**	**Provisional Variance (£000)**
Corporate & Commercial Services	491	490	(1)
Revenues & Benefits	2,659	2,742	83
Finance, Audit & Risk	814	760	(54)
HR & Organisational Development	692	600	(92)
Legal & Procurement	1,779	1,527	(252)
Corporate & Commercial Services	**6,435**	**6,119**	**(316)**
Earmarked reserves movements	**(432)**	**(296)**	**136**
Totals after earmarked reserves movements excl.	**6,003**	**5,823**	**(180)**
Key variances:			
Budget pressures – overspends/loss of income			
Savings/increased income			
Council tax - additional legal expenses recovered			(134)
Salary underspend in HR, mainly due to unfilled vacancies			(78)
As set out below, the net impact on the corporate and commercial services legal budget is a positive variance because of additional income received from nplaw.			(43)
Other minor variances			75
Total forecast variance			**(180)**

The directorate provisional outturn position shows an increased underspend (£0.723m) compared to Q3 forecasts. The key areas of movement are shown in the table below:

Figure 3.1 – Corporate and commercial services movement in forecast from Q3

Area	(£000)	Comments
Housing benefit	(164)	Net reduction in housing benefit position; reduction in bad debt provide for, including write-offs; £0.103m, net movement in subsidy recovered; £0.092m, partially offset by movement in overpayments recovered; £0.031m
Insurance	(149)	As part of year end procedures, the Council receives confirmation on its insurance settlement balances. These were significantly reduced during the year in comparison to prior years accounting for £137k of this forecast.
Legal Services	(107)	During the year, the nplaw budget had been reflecting an overspend due to increased service use. As part of the year end recharges, this overspend was correctly recharged to service areas. The net overspend to the Council was then mitigated by additional income received from the legal service.
Revs and Bens	(105)	Net movement - salaries and grants
HR & Organisational Dev	(70)	Net movement on salaries
Other variances	(129)	
Total movement	(723)	

B.2.3 Corporate Financing revenue budget

The provisional outturn for the corporate financing element of the budget shows a £1.749m variance. £1.771m of this relates to transfer to/from reserves; a number of services have not fully utilised grant income in-year. Where this income can be used in future years, the balance has been transferred to an earmarked reserve. The movements across the general fund net to zero, so have no impact on the final outturn position. For ease of reference, these additional movements have been removed from the variance within individual directorates, so only variances impacting on the outturn are discussed. Once these movements are removed, the directorate shows a £0.022m underspend.

Figure 3.2 Summary position Corporate financing

Corporate Financing	Budget (£000)	Provisional Outturn (£000)	Provisional Variance (£000)
Corporate Financing	**(21,983)**	**(20,234)**	**1,749**
Earmarked reserves movements	**2,000**	**229**	**(1,771)**
Totals after earmarked reserves movements excluded	**(19,983)**	**(20,005)**	**(22)**
Key variances:			
Budget pressures – overspends/loss of income			
Element of income from Sales, fees and charges grant allocated to service areas.			254
Lower than budgeted recharges to the HRA for corporate costs.			158
Net overspend against budget in relation to HRA element of borrowing charges and interest received based on 2021/22 balances			121
Other minor variances			49
Savings/increased income			
No revenue contribution to capital required in due to delays in the capital delivery			(306)
Unutilised contingency fund			(298)
Total forecast variance			**(22)**

The directorate provisional outturn position shows a reduction in underspend (£1.971m) compared to Q3 forecasts. The key areas of movement are shown in the table below:

Figure 3.3 – Corporate financing movement in forecast from Q3

Area	Movement in forecast from Q3 (£000)	Comments
Earmarked reserves movements	2,368	As described above year end transfers to and from earmarked reserves
Contingency	(298)	The contingency for unforeseen events was not fully utilised
Other	(99)	
Total movement	1,971	

B.2.4 Corporate & Commercial Services capital budget

The forecast capital provisional outturn for the directorate shows a £0.058m underspend.

Figure 3.4 – Corporate and commercial services capital programme

	Budget (£000)	Provisional outturn (£000)	Provisional variance (£000)
GF - Corporate and Commercial Services	58	(0)	(58)

The underspend arises from budgets relating to the implementation of new IT systems, which will be requested to be carried forward for costs arising in 2022/23.

A full breakdown by project is attached in **Annex B3**

B.3 Risk

The summary position for the directorate risks is set out below:

	Q3 2021/22		Q4 2021/22		
	Current residual	Target	Current residual	Target	Movement from Q3
CCS1 Loss of income – revenues & benefits	12	8	12	8	⇔
CCS2 Directorate skills & capacity	9	6	9	6	⇔
CCS3 Fraud	12	6	12	9	↓
CCS4 Elections					
CCS5 Democratic Processes – post covid-19 recovery	6	3	6	3	⇔
CCS7 Compliance with legislative requirements	8	4	8	4	⇔
CCS8 Business Continuity/Service disruption	10	5	10	5	⇔
CCS9 Lack of staff reliance in key areas & effective succession planning	9	6	9	6	⇔
CCS10 Inadequate training or support for budget holders means they do not have capability to effectively manage council finances	9	6	9	6	⇔
CCS11 Inadequate support service input or involvement in key projects	12	8	12	8	⇔
CCS12 Team do not maximise the benefits of the e5 and CP financial systems	9	6	9	6	⇔
CCS13 Risks associated with balancing MTFS			16	9	
CCS14 Deteriorating mental wellbeing of employees.	12	6	12	6	⇔

The relevant point to note is that most risks remain static with the target risk being raised on risk 3. Given this it is proposed that specific review work is undertaken to identify whether further mitigating actions are possible and necessary to reduce the divergence between target and residual risk.

Annex B1: Corporate and Commercial Services revenue budget

CC	CC Description	Budget (£000)	Provisional outturn (£000)	Provisional variance (£000)
Corporate & Commercial Services				
512020	Corporate & Commercial Services	491	490	(2)
		491	**490**	**(2)**
Finance, Audit & Risk				
510050	Professional Finance	541	542	1
511070	Business Grants Covid 19	0	0	0
514010	Internal Audit	71	64	(7)
514015	External Audit	81	35	(46)
515030	Operational Finance	121	119	(3)
		814	**760**	**(54)**
HR & Organisational Development				
530010	Personnel Corporate Costs	126	135	9
530020	Personnel Services	497	373	(124)
530050	Learning & Development	70	92	23
		692	**600**	**(93)**
Legal & Procurement				
315010	Civic Expenses	140	87	(53)
510040	BRM Team	0	0	(0)
512010	Insurance	261	101	(160)
512015	NCS Ltd Insurance	0	0	0
520010	Members Expenses	476	471	(5)
520015	Electoral Registration	93	88	(5)
520020	Committee Secretariat	266	289	23
520030	Council Elections	215	185	(30)
521010	Legal Services	0	(43)	(43)
540010	Procurement Team	180	193	13
550080	Corporate Business Services	149	156	7
		1,779	**1,527**	**(252)**
Revenues & Benefits				
515010	NNDR Admin	(147)	(574)	(427)
515020	Council Tax Admin	1,266	883	(382)
516010	HB Private Sector Rent Allwncs	19	1,107	1,088
516020	HB Public Sector Rent Rebates	901	222	(679)
516040	Benefits Admin (HB + CTB)	621	1,103	483
		2,659	**2,742**	**83**

Annex B2: Corporate Financing General Fund revenue budget

CC	CC Description	Budget (£000)	Provisional outturn (£000)	Provisional variance (£000)
Corporate Financing				
510030	Corporate Management	(1,506)	(1,431)	75
511010	Debt Management Expenses	0	(1)	(1)
511020	Financial Arrangements	(1,139)	(1,484)	(345)
511030	MIRS (SMGFB) Reversing Items	73	8,060	7,987
511060	MIRS (SMGFB) Non-Reversing	(17,552)	(5,112)	12,440
511080	CT + NNDR Pool Income **	154	(17,447)	(17,601)
511090	Corporate Financing	(2,316)	(2,818)	(502)
511100	General Fund Contingency	298	0	(298)
	Corporate Financing Total	**(21,987)**	**(20,232)**	**1,755**

**Additional S31 grant received from government in compensation for business rates reliefs has been drawn down from reserves to offset in-year reduction in income collected.

Annex B3: Corporate and Commercial Services General Fund capital budget

GF Capital Expenditure Programme	Original Budget (£000)	Current Budget (£000)	Provisional Outturn (£000)	Provisional Variance (£000)	Comments	C/fwd?
Finance System - AB5206	0	51	(0)	(51)		Yes
HR System - AC5206	0	7	0	(7)		Yes
Capital contingency - AH0000	(1)	0	0	0		
Total GF Capital Corporate & Commercial Services Programme	**(1)**	**58**	**(0)**	**(58)**		

Appendix C: Development and City Services

C.1. Performance

C.1.1. Summary of performance

Development and City Services is responsible for ten KPIs, six of which report quarterly and four of which are annual indicators. For Q4, the six quarterly indicators continued to show good performance, with all either being above target or very near target. The external funding and food hygiene indictors reported especially strong performance this year. We saw the first of the annual indicators report in Q2, with a red rating for the number of new homes completed, a measure which isn't fully within the council's control to influence. The other three annual indicators have reported this quarter, two of which are below the intervention level ('Number of private rented sector homes made safe' and 'Number of affordable homes built, purchased or enabled by the council'), and one being monitored to determine baseline ('Area of underused council land brought into productive use (m2)') but that would likely be red if a target was set.

The directorate's annual performance across the ten indicators shows three green indicators, three amber, three red, and one being monitored to before setting a target. The below table provides a summary of the performance across the year.

Indicator	Q1 2021	Q2 2021	Q3 2021	Q4 2021
Value of external funding leveraged to support council development and place-shaping priorities (£)				16,999,750.00
Total amount of income paid by tenants occupying the council's investment property portfolio expressed as % of target income (reporting on previous quarter)	93.40	94.20	95.00	95.00
Number of private rented sector homes made safe				5.00
Number of new homes completed		166.00		
Number of affordable homes built, purchased or enabled by the council				23.00
Number (of total) (%) of food premises rated 0,1 or 2 (non-broadly compliant), moving to a compliant rating of 3, 4 or 5 against the Food Hygiene Rating System following intervention by food safety officers	93.00	94.00	94.00	95.00
Area of underused council land brought into productive use (m2)				0.00
% of planning decisions upheld after appeal (where council has won)	88.00	85.00	78.00	80.00
% of planning applications determined in time	85.00	88.00	89.00	88.00
% household waste sent for reuse, recycling, composting (reporting on previous quarter)	38.80	39.60	40.20	39.10

The directorate's performance on FOI request responses has fluctuated across the year but has generally lagged behind the other directorates' performance.

Similarly, DCS's performance in responding to corporate complaints within timescales has remained under the likely target to be applied from Q1 of next year, however attention is being paid to this fact and a plan developed to address this challenge.

C.1.2. Successes and challenges

Successes:

- New registered provider partnership agreed with Orwell Housing
- Kings Arms housing development taking shape
- National television coverage on the work of our food safety team
- The unique heritage of East Norwich formally recognised in a review by Historic England
- Five public consultations completed - new neighbourhood Forum, footpath diversion, Hay Hill, Ber Street housing development and HMO licensing policy

- The Green Flag was officially raised at the newest recipient in the city, Waterloo Park. The flag is an internationally recognised award for well managed parks and green spaces, setting the international benchmark standard for the maintenance of recreational outdoor spaces around the world.
- Norwich Regeneration Company's business plan endorsed and agreed by cabinet
- NHS vaccination centre successfully opened and operational in City Hall
- Adoption of Green Infrastructure Recreation Avoidance Mitigation Strategy (GIRAMS)
- Adoption of the Strategic Asset Management Framework
- First Towns Fund project in the Country completed

Challenges:

- Private housing made safe indicator. The PSH team are addressing large backlogs of HMO inspections over the last 12 months and significant enforcement work has been undertaken in the last 3 months at St Peter's House which has diverted attention from other enforcement work. An independent Peer Review has been undertaken of the service and several improvements identified which will be implemented via the Future Shape Norwich programme. The proposed restructure will also seek to address lack of resources in the team and enable additional capacity to undertake further work to make homes safe over the next year.
- Affordable home – 23 properties were completed, with the remaining 27 commenced but delayed due to a combination of utilities and a lapsed planning permission that needed renewing. They will now all be completed in 2022/23
- Nutrient Neutrality – Natural England have asked 74 affected councils across the UK to adopt more rigorous approach to assess the effects of changes in water quality in order to achieve 'nutrient neutrality'. More information is available on the council website.

C.1.3. Case Study

Commercial rent income

KPI16 measures the level of income paid by tenants occupying investment property, this seeks a 95% target.

Rent from our commercial property assets is an essential income stream to help fund the council's front-line services, however, the council are acutely aware of the difficulties faced by commercial tenants over the past two years because of reduced income and increased costs.

The council have worked closely with tenants to assist them in making sure they were aware of covid grant funding available to them and taking the initiative to provide outdoor space to tenants to help the businesses during the pandemic. As a result of these measures the service is now meeting its 95% target despite the pandemic.

This is extremely high performing and competing with the best property investors in the UK and far exceeding some. Whilst there has been a higher turnover of tenants during the pandemic, we have managed to keep void rates low and quickly filled most units which is testament to the resilience of the Norwich economy.

The target has been achieved by working in close collaboration with property services colleagues over the last two years and who have since transferred in-house to the city council from 1 April 2022.

We have also recently adopted the Strategic Asset Management Framework which sets out how we will transform the management of our non-housing property over the next 12-18 months. This will provide a guide to review and challenge our reasons for retaining the property and assessing its performance.

The council recently undertook a substantial review of the Airport Industrial Estate which led to the decision to dispose of the site. Following a competitive bidding process, the council has secured a buyer and expect to complete the purchase in early August 2022. This capital receipt plays a key part in the council's medium-term financial strategy.

C.2. Finance

C.2.1. Development and City Services revenue budget

The provisional outturn for the directorate shows a £2.015m underspend. £0.729m of this relates to transfer to/from reserves. Once these are taken into account, the directorate shows a £1.285m underspend.

C.2.2. Key variances

Development & City Services	**Budget (£000)**	**Provisional Outturn (£000)**	**Provisional Variance (£000)**
Development & City Services	517	469	(48)
Environment Services	4,390	3,964	(426)
Planning & Regulatory Services	2,136	1,932	(204)
Property & Economic Development	(1,255)	(2,591)	(1,336)
Development & City Services	**5,788**	**3,774**	**(2,014)**
Earmarked reserves movements	**(576)**	**153**	**729**
Totals after earmarked reserves movements excluded	**5,212**	**3,927**	**(1,285)**
Key variances:			
Budget pressures – overspends/loss of income			
On street operations net overspend. Staffing costs.			168
Off street car parks - forecast reduction in income from season tickets, contract parking & fees compared to budget			92
Integrated waste management stretch target not expected to be achieved in 2021/22			68
Environmental services stretch target not expected to be achieved in 2021/22			53

Savings/increased income	
Multi- storey car parks - the income budget in relation to car park fees and season tickets was reduced to £3.104m in 2021/22 due to the anticipated impact of Covid-19. Actual income from was £03.561m. A further £0.297m of grant income was received to account for lost income compared to pre-Coivd-19 levels.	(754)
Net additional income in relation to investment properties. Mainly due to revised rental agreements, income from properties not budgeted and properties not disposed of as originally anticipated.	(507)
Income in relation to recycling credits higher than budgeted due to increase in recyclable materials being processed	(369)
Other minor variances	(36)
Total forecast variance	**(1,285)**

The directorate provisional outturn position shows an increased underspend (£1.766m) compared to Q3 forecasts. The key areas of movement are shown in the table below:

Figure 4.1 – Development and City services movement in forecast from Q3

Area	Movement in forecast from Q3 (£000)	Comments
Earmarked reserves adjustments	(913)	Movement in variance relating to grants - transferred to earmarked reserves including Towns' Fund (£0.944m), tourist information (£0.118m) and Covid-19 grants (£0.113m)
Integrated waste management	(369)	Recycling credits received greater than initially anticipated.
Multi-story car parks	(325)	Grant support was received to compensate the council for lost income during COVID and this has been applied to the revenue account.
Investment properties	(260)	The variation principally relates to back-dated rent from reviews carried out relating to previous years, resulting in an uplift and increasing income.
Other	101	
Total movement	**(1,766)**	

C.2.3. Development and City Services general fund capital budget

The forecast general fund capital provisional outturn for the directorate shows a £8.898m underspend.

Figure 4.2 Development and City Service Capital Programme summary

Capital Programme	Original Budget (£000)	Revised Budget (£000)	Provisional outturn (£000)	Provisional variance (£000)
GF - Development & City Services	17,327	17,461	8,563	(8,898)

The main area of underspend relates to Towns' Fund projects (£4.433m) with significant variances including the Advanced Construction and Engineering Centre (ACE) as construction commencement was delayed and will not now complete until later in 2022/23 due to staff illness at City College Norwich (£3.082m); the Carrow House project where the construction of New Carrow House was delayed due to UK wide construction industry constraints; this meant Old Carrow House was removed from the awarded contract with a separate contract to be awarded for Old Carrow House works in 2022/23 (£0.766m); the Digital Hub at Townshend House where delays have arisen due to the need to remove a sub-tenant with a protected lease for which a settlement was concluded in February 2022; Hay Hill and St Giles public realm projects where the programme was delayed to allow longer lead in for design, advance procurement and to avoid the highway Christmas embargo, when non-emergency works are not allowed within the city highway area, responding to business stakeholders requests to reduce disruption (£0.191m).

Additionally, a budget for a loan from the council to Norwich Regeneration Ltd (£2m) to support development costs at Three Score Phase 3 has been re-profiled due to the delays in progress on site. The budget will be requested to be carried forward to 2022/23.

A full breakdown by project is attached in **Annex C2**

C.2.6. Development and City Services HRA capital budget

The forecast HRA capital provisional outturn for the directorate shows a £10.264m underspend.

Figure 4.3: Development and City services HRA summary capital programme

Capital Programme	Original Budget (£000)	Revised Budget (£000)	Provisional outturn (£000)	Provisional variance (£000)
HRA - Development & City Services	19,428	13,782	3,518	(10,264)

The key areas of underspend relate to new housing projects where the programme has slipped (£10.264m):

The initial expectation for the King's Arms site was that construction would commence in Q1 of 2021/22, however pre-construction procurement has taken longer than anticipated, resulting in a start on site towards the end of Q2 and lower expenditure in 2021/22 (£0.375m). The project is due for completion in October 2022.

At the start of the financial year, it was anticipated that land remediation and first foundations would be complete at the Mile Cross site by the end of the year, however the requirement of the Environment Agency for a ground remediation strategy had delayed progress and reduced anticipated expenditure by £1.002m in 2021/22.

For the Three Score Phase 3 project, it was anticipated that materials would be purchased up-front to control rising supply chain costs, however this was not necessary as the contractors agreed to hold this risk, which has resulted in an underspend of £3.000m in 2021/22.

At Argyle Street the original budget allowed for some of the ground remediation to take place in the financial year, however additional investigation has been required, delaying progress and generating a £0.509m underspend in 2021/22.

The council's interest in the Ailwyn Hall site has stimulated the owner to submit a new planning application to develop the site. CPO action has therefore paused pending the outcome of the new planning application and activity or otherwise on the site will be closely monitored. The 2021/22 budget is therefore £0.825m underspent.

The new build opportunities budget was created to allow for swift acquisition of land or property as opportunities arose. It was anticipated that all the budget would be used to acquire some identified land but this has been delayed whilst discussions are on-going on the extent of the land and for legal contracts to be finalised. An element of the £3.368m 2021/22 underspend will therefore be requested to be carried forward to 2022/23.

A full breakdown by project is attached in **Annex C3.**

C.3. Risk

The summary position for the directorate risks is set out below:

	Q3 2021/22		Q4 2021/22		⇔ ↑ ↓
	Current residual	Target	Current residual	Target	Movement from Q3
Risk: D1 Failure to maximise opportunities to secure external income to address regeneration or deliver other Council objectives	9	4	9	4	⇔
Risk: D2 Increased pressures on Directorate due to restructures and transformation work	16	8	16	8	⇔
Risk: D3 Failure to work with partners effectively to enable the Council to benefit from collective purchasing power in waste contracts	6	3	9	3	↑
Risk: D4 Failure to keep statutory policy framework up to date	12	6	12	6	⇔
Risk: D5 planning white paper undermining ability to delivery current planning policy	8	4	8	4	⇔
Risk: D6 Failure of NCSL to deliver contractual requirements	12	4	12	4	⇔
Risk: D7 Failure to effectively manage commercial property portfolio	15	4	12	4	↓
Risk: D8 Failure to manage the Towns Deal Programme	12	8	12	8	⇔
Risk: D9 Failure to take appropriate measures to restrict suicide attempt at City Council car parks	15	5	15	5	⇔
Risk: D10 Failure to manage delivery of housing pipeline	12	9	12	9	⇔
Risk: D12 Loss of agency agreement with County Council for on street car parking enforcement	16	9	16	9	⇔
Risk: D13: Increased instances of surface water flooding as a result of climate change	6	6	6	6	⇔
Risk D16: Increase harm to human health from land contaminants	New risk		6	4	

The relevant points to note is that One risk has improved and One risk has deteriorated. In addition a new risk has been added (D16)

Annex C1: Development and City Services revenue budget

CC	CC Description	Budget (£000)	Provisional outturn (£000)	Provisional variance (£000)
Development & City Services				
600040	Director of Regen & Development	0	3	3
610015	Development & City Services	517	466	(51)
		517	**469**	**(48)**
Environment Services				
100000	Markets	(431)	(390)	41
130000	Cemeteries	(41)	(11)	30
150000	Allotments	8	8	1
160000	Open Spaces	2,334	2,429	95
420150	Neighbourhood Operations	12	0	(12)
421010	Arboricultural services	175	153	(22)
421020	Mousehold Heath Conservators	205	197	(8)
421030	Highways Ground & Tree Maintenance	84	39	(44)
421040	Fringe Project	25	24	(1)
431020	Street Cleansing	1,592	1,574	(17)
431050	Environmental Services	(52)	85	138
431071	Environmental Services Team	729	713	(15)
431080	Integrated Waste Management	2,712	2,509	(203)
630070	Highways/Landscp Imp. & Maintenance	(91)	(70)	20
643020	Off Street Car Parks	(679)	(586)	92
643040	Multi-Storey Car Parks	(1,341)	(2,078)	(737)
643050	Multi-Storey Car Parks Staff	202	212	10
644010	On & Off Street Enforcement	(978)	(989)	(11)
644015	Bus Lane Enforcement	0	(0)	(0)
644020	Notice Processing	(51)	(5)	46
644030	Dispensations	0	0	0
644050	On Street Operations	(20)	149	168
644080	Permit Parking	0	(0)	(0)
644100	Housing Contract	0	0	0
644120	Earlham Park	(4)	0	4
		4,390	**3,964**	**(426)**

CC	CC Description	Budget (£000)	Provisional outturn (£000)	Provisional variance (£000)
Property & Economic Development				
110000	Livestock Markets - Group	8	5	(3)
120000	Conveniences	83	74	(9)
140000	Depots	5	14	9
180000	Buildings & Land	62	113	50
190000	Property Stewardship	260	255	(5)
210000	Economic Development	(50)	(60)	(10)
220000	Investment Properties	(3,296)	(3,802)	(507)
230000	Land Held for Future use	(0)	(0)	0
240000	Other Land	0	0	0
250000	Assets Used by Others	(28)	(32)	(4)
260000	Airport Industrial Estate	(23)	(17)	6
270000	Externally Granted Rights	18	18	0
280000	River Assets	14	9	(4)
290000	City Hall	1,048	960	(88)
290001	Pool Cars - City Hall	0	(0)	(0)
290003	Swanton Road	0	0	0
410070	Strategy & Development	4	9	6
510010	Residual Airport Joint	0	0	0
510020	Airport Appropriation a/c	(257)	(283)	(27)
600070	Head of City Development	191	197	6
610010	Economic Development Unit	266	215	(52)
620045	East Norwich Masterplan	0	176	176
620046	East Norwich Programme Mngmnt	0	54	54
620070	Towns Fund	163	(807)	(970)
620080	City Growth & Development	13	12	(0)
630060	Concessionary Bus Scheme	34	33	(1)
640210	NPS Joint Venture	23	(0)	(23)
640215	Maintenance Recharges NP&Rs	0	1	1
640220	Norwich NORSE Joint Venture	(40)	0	40
641150	Strategic Property	5	7	1
641160	Valuation & Property Mgmnt	0	(6)	(6)
645030	Public Area Lighting	241	263	22
		(1,255)	**(2,591)**	**(1,336)**

CC	CC Description	Budget (£000)	Provisional outturn (£000)	Provisional variance (£000)
Planning & Regulatory Services				
410010	Private Sector Housing	(27)	(61)	(34)
520070	Licensing	(42)	(102)	(60)
522040	Food, Health & Safety	666	624	(43)
522050	Environmental Protection	536	534	(3)
522060	Public Safety & Emergency Plan	39	52	13
522070	Emergency Events	0	0	0
600030	Greater Norwich Growth Board	44	45	1
620010	Planning Management Account	68	17	(51)
620015	Norfolk Strategic Framework	(8)	2	11
620030	Building Regulations NonCharge	91	62	(29)
620040	Planning Policy	446	442	(4)
620050	Conservation Dsgn & Landscape	194	227	33
620060	Development Management	129	89	(40)
		2,136	**1,932**	**(204)**
	Directorate Totals	**5,789**	**3,773**	**(2,016)**

Annex C2: Development and City Services general fund capital budget

Service	GF Capital Expenditure Programme	Original Budget (£000)	Current Budget (£000)	Provisional Outturn (£000)	Provisional Variance (£000)	Comments	C/Fwd?
ENV	Eaton Park path replacement - AA1009	45	52	51	(1)		
ENV	Wensum Park Stone Wall - AA1079	20	20	0	(20)	Work delayed by resource availability.	
ENV	Ketts Heights repairs/habitat - AA1112	109	109	10	(99)	Site reports have been received and are being reviewed ahead of detailed design work commencing. Work to extend into 2022/23.	Yes
ENV	Earlham Cemetery railings replacement - AB1037	142	105	77	(28)	Works extended into 2022/23.	Yes
ENV	Waterloo Pk works to relet - AB1654	36	36	11	(25)	Cost of works lower than anticipated.	
ENV	CILN 20 Acre Wood - AB5200	6	3	0	(3)		
ENV	GNGB Football Pitch Imps - AB5202	40	0	0	0	Expenditure and budget re-profiled into 2022/23 as works can only be undertaken in closed season.	
ENV	Park toilet refurb Wen Hei Eat - BC0000	200	0	0	0	Project delivery and budget re-profiled into 2022/23.	
PRS	Hay Hill Public Realm TF - AA1019	700	150	39	(111)	Project commenced but completion extended into 2022/23.	Yes
PRS	Air Quality Monitoring Equip - AA2017	0	50	0	(50)	Delivery of equipment postponed until 2022/23.	Yes
PRS	CIL Contribution Strategic - AE5200	1,393	1,393	781	(612)	Some issues and retractions of large developments have severely decreased expected CIL income for 2021/22. Some if this income will now fall into 2022/23 - forecast pending, This has in-turn reduced the value we can contribute to the GNGB strategic pool.	

Service	GF Capital Expenditure Programme	Original Budget (£000)	Current Budget (£000)	Provisional Outturn (£000)	Provisional Variance (£000)	Comments	
PRS	GNGB Marrt'sWy/HellsdnStnGrn - AN5202	111	145	1	(144)	Majority of project spend to extend into 2022/23.	Yes
PRS	Transforming Cities Fund Contr - AW0000	368	530	200	(330)	Payment of £200K made to County for schemes being built in 2021/22.	Yes
PRS	St Giles Public Realm TF - AZ0000	300	100	24	(76)	Work progressing with County to develop detailed design. Project to extend into 2022/23.	Yes
PED	Memorial Gardens Undercroft TF - AA1012	0	75	4	(71)	Works commenced in March and will extend into 2022/23.	Yes
PED	Norwich Parks tennis expansion - AA1058	0	477	362	(115)	Unspent budget to cover costs of Harford tennis costs.	Yes
PED	Earlham Park toilet replacement - AA1064	0	96	108	12		
PED	Sloughbottom Park Toilets TF - AA1076	0	52	1	(51)	Project delayed by contractors and will extended into 2022/23.	Yes
PED	CILN Bowers Avenue Play Area - AA1133	0	25	25	(0)		
PED	River Wensum Pontoon replace - AA1210	12	13	13	0	Project ongoing and will extended into 2022/23.	Yes
PED	2a Old Meeting Hse elec/boiler - AA1224	12	12	0	(12)	Project ongoing and will extended into 2022/23.	Yes
PED	St John Maddrmkt retaining wall - AA1255	0	70	21	(49)	Project ongoing and will extended into 2022/23.	Yes
PED	Guildhall (N&N Festival) TF - AA1287	0	161	161	0	Being delivered by Norfolk and Norwich Festival who are on site.	Yes
PED	Ber Street 85-91 re-roofing - AA1364	41	41	0	(41)	Project ongoing and will extended into 2022/23. Unspent budget to be requested to be C/fwd.	

Service	GF Capital Expenditure Programme	Original Budget (£000)	Current Budget (£000)	Provisional Outturn (£000)	Provisional Variance (£000)	Comments	C/fwd?
PED	Townshnd House Digital Hub TF - AA1391	0	72	71	(1)	Project extended into 2022/23.	Yes
PED	Exchange St 38 shop refurb - AA1437	61	72	55	(16)	Project extended into 2022/23.	Yes
PED	4a Guildhall Hill remedy dilap - AA1465	86	86	0	(86)	Project extended into 2022/23.	Yes
PED	Swanton Road Anti-Waste - AA1546	0	0	0	0		
PED	Rvrside Rd Yacht Stat rep Quay - AA1694	8	8	3	(5)	Project complete.	
PED	Hurricane Way 22 Solar PV - AA1730	28	101	59	(41)	Project extended into 2022/23.	Yes
PED	OldMeetingHse rpl fire det sys - AA1791	0	11	0	(11)	Design has been prepared but project extended into 2022/23.	Yes
PED	Riverbank stabilisation - AA1911	0	0	1	1		
PED	Heigham Park Tennis Pavilion - AA2014	0	175	5	(170)	Project to commence on site May 2022.	Yes
PED	Old carrow house - AA2015	4,090	4,075	3,309	(766)	Project extended into 2022/23.	Yes
PED	West End Street PlayAR MUGA TF - AA2016	0	80	80	(0)	Project complete.	
PED	GNGB Castle Gardens - AA5202	0	50	0	(50)	Project extended into 2022/23.	Yes
PED	Eaton Pk Changing Rm shwr repl - AB1009	0	0	0	0		
PED	Motor Cycle Park - AB1021	0	0	0	0		
PED	TF- Digital hub - AB1391	235	235	0	(235)	Project extended into 2022/23.	Yes
PED	20 Hurricane Way demolition - AB1728	176	0	0	0		
PED	St Andrews suicide prevention - AB1857	0	20	25	5	Immediate urgent work complete. Overspend offset by underspend - St Giles suicide prevention project.	
PED	AFI Lawrence House Lift Refurb - AB2010	0	170	117	(53)	Works complete. Contract costs lower than anticipated.	
PED	Park Depots demolition - AD0000	0	0	(7)	(7)		
PED	GNGB Riverside Wk Access Imps - AD5202	0	60	2	(58)	Project extended into 2022/23.	Yes
PED	St Giles MSCP lighting upgrade - AE1856	0	14	1	(14)	Project extended into 2022/23.	Yes
PED	CCAG2 Fifers/Ives/Heyford Rdbt - AE5204	0	0	0	0		
PED	Riverside Fpath DLighting upgr - AF0000	0	0	1	1		

Service	GF Capital Expenditure Programme	Original Budget (£000)	Current Budget (£000)	Provisional Outturn (£000)	Provisional Variance (£000)	Comments	C/fwd
PED	St Giles Suicide prev measures - AF1856	0	10	0	(10)	Immediate urgent work complete. Underspend offset by overspend on St Andrew's Suicide pre measures budget.	
PED	GNGB UEA Eaton boardwalk ext - AG5202	0	28	2	(26)	Start on site April 2022 and progress subject to ground and weather conditions. Project extended into 2022/23. Unspent budget to be requested to be carried forward.	
PED	City Hall heating system - AH1000	360	461	478	17	O/S due to issues encountered during boiler works.	
PED	GNGB Earlham Millenium Green - AI5202	0	10	5	(5)		
PED	City Hall Kitchens & Toilets - AJ1000	0	1	11	9	Overspend currently being investigated.	
PED	CILN Netherwood Green - AK5200	0	17	17	0		
PED	Capital Grants Housing Asscns - AM0000	0	0	0	0		
PED	GNGB Comm Accss Imp-20 Acre Wd - AM5202	0	63	2	(60)	Preliminary works commenced but project to extend into 2022/23.	Yes
PED	CIL Yare-Wensum Green Infrastr - AO5200	0	3	5	2		
PED	Strong & Well Project - AR0000	0	0	0	0		
PED	Digitech Factory CCN TF - AX0000	500	1,500	1,500	0		
PED	ACE Centre CCN TF - AY0000	3,100	3,100	18	(3,082)	Project extended into 2022/23.	Yes
PED	Min Energy Effic Standard MEES - BD0000	40	40	0	(40)	Project extended into 2022/23.	Yes
PED	City Walls repair programme - BE0000	40	40	43	3		
PED	Closed Churchyards repair prog - BF0000	10	10	3	(7)		
PED	TF Compul Purch order rev fund - BG0000	4,924	0	77	77	Original budget re-profiled into 2022/23, but initial costs incurred in 2021/22. 2022/23 available budget to be adjusted accordingly.	

Service	GF Capital Expenditure Programme	Original Budget (£000)	Current Budget (£000)	Provisional Outturn (£000)	Provisional Variance (£000)	Comments	C/fwd?
PED	TF Programme - branding - BH0000	118	48	0	(48)	Branding costs reclassified to revenue	
PED	TF - Programme management - BI0000	47	47	37	(10)	Ongoing project.	Yes
PED	S106 Castle Green Play Project - EV5201	0	65	6	(59)	Project start delayed to March 2023.	Yes
PED	S106 Bowthorpe Southern Park - EX5201	0	5	6	1	Project complete.	
PED	S106 Play Sector 3 & 4 Imps - EY5201	0	6	0	(6)		
PED	S106 Bowthorpe Clover Hl Acs - FF5201	0	41	0	(41)	No work will commence on the scheme until 2022/23.	Yes
PED	St Stephens Twrs Public Realm - FG5201	0	4	0	(4)	Project extended into 2022/23 due to resource issues.	Yes
PED	S106 Bunkers Hill - Entrance - FL5201	0	30	22	(8)	Actuals for access and fees lower than budgeted.	
PED	Tourism Support package - ZZ5021	0	212	195	(17)	Project extended into 2022/23.	Yes
PED	CCAG2 20 mph areas (yellow) - AN5204	0	0	1	1		
PED	CH ASHP/Secondary Glazing/LED - AM1000	0	627	399	(228)	Project extended into 2022/23.	Yes
PED	CityHall chamber bench consvtn - AL1000	0	59	30	(30)	Project extended into 2022/23.	Yes
PED	20 Hurricane Way Fencing - AA1728	0	0	0	0		
PED	CILN Ketts Heights - AA5200	0	0	0	0		
PED	Churchman House - AB1369	0	94	94	(0)		
PED	Threescore phase 3 - AI5100	0	2,000	0	(2,000)	Project extended into 2022/23.	Yes
Total GF Development & City Services GF Capital Programme		**17,357**	**17,461**	**8,563**	**(8,998)**		

Annex C3: Development and City Services HRA capital budget

Service	GF Capital Expenditure Programme	Original Budget (£000)	Current Budget (£000)	Provisional Outturn (£000)	Provisional Variance (£000)	Comments	C/fwd?
HD	Demolition & Site Maintenance - AA5100	50	50	(0)	(50)	Budget not required in 2021/22.	
HD	Capital Grants Housing Asscns - AM0000	2,000	2,000	1,612	(388)	Grants based upon demand from RP.	
HD	HRA CP 20/21 Mile X Depot Site - AB1005	5,330	1,105	103	(1,002)	Spend profile slower than anticipated. .	Yes
HD	LANB-Goldsmith Street - AD5100	0	34	4	(30)	Final site costs will arise in 2022/23.	Yes
HD	Threescore phase 3 - AI5100	4,660	3,180	180	(3,000)	Spend profile slower than anticipated. .	Yes
HD	LANB - Northumberland Street - AJ5100	689	689	0	(689)	Land disposed of and project cancelled	
HD	LANB Argyle Street - AP5100	2,440	578	69	(509)	Spend profile slower than anticipated. .	Yes
HD	LANB Kings Arms - AQ5100	932	932	557	(375)	Spend profile slower than anticipated. .	Yes
HD	Ailwyn Hall redevelopment - AR5100	827	827	3	(825)	Project currently on hold pending CPO.	
HD	New Build Opportunities - AB5100	2,500	3,368	0	(3,368)	Hethersett land acquisition delayed.	Yes
HD	New Housing Acquisition	0	1,019	990	(29)	Unspent elements of budget to cove cost of post-acquisition upgrades.	Yes
Total HRA Development & City Svcs HRA Capital Prog		**19,428**	**13,782**	**3,518**	**(10,264)**		