

## **Cabinet**

**Date:** Wednesday, 09 September 2015

**Time:** 17:30

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

### **Committee members:**

#### **Councillors:**

Waters (chair)  
Harris (vice chair)  
Bremner  
Driver  
Kendrick  
Stonard  
Thomas (Va)

### **For further information please contact:**

**Committee officer:** Andy Futter  
**t:** (01603) 212029  
**e:** andyfutter@norwich.gov.uk

Democratic services  
City Hall  
Norwich  
NR2 1NH

[www.norwich.gov.uk](http://www.norwich.gov.uk)

## **Information for members of the public**

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

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

## AGENDA

### 1     **Apologies**

To receive apologies for absence

### 2     **Public questions/petitions**

To receive questions / petitions from the public (notice to be given to committee officer in advance of the meeting in accordance with appendix 1 of the council's constitution)

### 3     **Declarations of interest**

(Please note that it is the responsibility of individual members to declare an interest prior to the item if they arrive late for the meeting)

### 4     **Minutes of the meeting held on 8 July 2015**

5 - 8

To agree the accuracy of the minutes of the meeting held on 8 July 2015.

### **Minutes of the meeting held on 5 August 2015**

9 - 10

To agree the accuracy of the minutes of the meeting held on 5 August 2015.

### 5     **Quarter 1 2015 - 16 performance report**

11 - 24

**Purpose** - To report progress against the delivery of the corporate plan priorities and key performance measures for quarter 1 of 2015 - 16.

### 6     **Economic strategy action plan 2015-16 - KEY DECISION**

25 - 44

**Purpose** - To consider the council's Economic strategy action plan for the period 2015 to 2016 for publication.

### 7     **Norfolk non statutory strategic framework – update report**

45 - 66

**Purpose** - To consider the progress of the *Non-statutory strategic framework* considered by the Norfolk duty to cooperate member forum on 9 July 2015 and the sustainable development panel on 15 July 2015.

### 8     **Treasury management full year review report 2014-15**

67 - 82

**Purpose** - To review treasury management performance for the year to 31 March 2015.

<b>9</b>	<b>Revenue budget monitoring 2015-16 : Periods 3 and 4</b>	<b>83 - 118</b>
	<b>Purpose</b> - To update cabinet on the provisional financial position as at 30 June 2015 and 31 July 2015, the forecast outturn for the year 2015-16, and the consequent forecast of the general fund and housing revenue account balances.	
<b>10</b>	<b>Capital budget monitoring 2015-16 – Quarter 1</b>	<b>119 - 136</b>
	<b>Purpose</b> - To update cabinet on the financial position of the capital programmes as at 30 June 2015, the carry-forward of underspent 2014-15 budgets into 2015-16 and seek approval of capital budget virements and adjustment to the 2015-16 capital programme.	
<b>11</b>	<b>Write off of non- recoverable national non domestic rate debt</b>	<b>137 - 142</b>
	<b>Purpose</b> - To provide an update on the position as at 19 August 2015 with regard to the write off of non- recoverable national non domestic rate (NNDR) debt and request approval for the write off of debts of £537,336 which are deemed irrecoverable.	
<b>12</b>	<b>Installation of 100 thermodynamic panels to social housing properties - KEY DECISION</b>	<b>143 - 150</b>
	<b>Purpose</b> - To consider the procurement process and seek approval for the award of contract relating to the installation of 100 thermodynamic panels on council owned homes.	
<b>13</b>	<b>Procurement of works – Various key decisions for expenditure on housing repairs and upgrades contracts - KEY DECISION</b>	<b>151 - 160</b>
	<b>Purpose</b> - To consider the procurement process for various work programmes and schemes and to seek approval to place the orders.	
<b>14</b>	<b>Procurement of works for structural maintenance and improvement – structural repairs at Heathgate Phase 2 - KEY DECISION</b>	<b>161 - 168</b>
	<b>Purpose</b> - To consider the procurement process and to seek approval the award of a large structural repair contract.	
<b>15</b>	<b>Exclusion of the public</b>	
	<b>Purpose</b> - Consideration of exclusion of the public.	

## **EXEMPT ITEMS:**

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

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

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

### **\*16 Revenues and benefits shared service provision - KEY DECISION**

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

### **\*17 Managing Assets**

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

Date of publication: **Tuesday, 01 September 2015**

**CABINET****17:30 to 18:40****8 July 2015**

**Present:** Councillors Waters (chair), Harris (vice chair), Driver, Kendrick, Stonard and Thomas (Va)

**Also present:** Councillors Haynes and Lubbock

**1. APOLOGIES**

Apologies were received from Councillor Bremner

**2. PUBLIC QUESTIONS / PETITIONS**

There were no public questions or petitions.

**3. DECLARATIONS OF INTEREST**

There were no declarations of interest.

**4. MINUTES**

**RESOLVED** to agree the accuracy of the minutes of the meeting held on 10 June 2015.

**5. NORWICH AND HOMES AND COMMUNITIES AGENCY (HCA) STRATEGIC PARTNERSHIP BUSINESS PLAN 2015-16**

The leader of the council presented the report.

**RESOLVED** to approve the Business Plan for the Norwich and Homes and Communities Agency (HCA) Strategic Partnership 2015-16

**6. COMMUNITY INFRASTRUCTURE LEVY – NORWICH BUSINESS PLAN 2016-17**

The leader of the council presented the report.

The city growth and development manager explained plans to introduce an improved process of community engagement with regards to spending the 15% communities element of the CIL funds.

**RESOLVED to:-**

- a) recommend to council to approve the draft Norwich annual business plan for 2016-17;
- b) present the business plan for 2016-17 to the greater Norwich growth board (GNGB) to form the Norwich element of the greater Norwich annual growth programme; and,
- c) agree the proposed changes to the process for engaging communities about the neighbourhood element of CIL.

**7. REVIEW OF THE CORPORATE RISK REGISTER**

The cabinet member for resources and generation income presented the report.

**RESOLVED to:-**

- 1) note the updated corporate risks and the key controls in place and further actions planned to mitigate risks; and
- 2) approve the risk score of 20 for risk B1 public sector funding which exceeds the threshold for the council's appetite for risk.

**8. REVENUE BUDGET MONITORING 2014-15 – YEAR END 2014-15**

The cabinet member for resources and generation income presented the report.

**RESOLVED** to note the revenue outturn for the year 2014-15, and the consequent general fund and housing revenue account balances

**9. REVENUE BUDGET MONITORING 2015-16 – PERIOD 2**

The cabinet member for resources and generation income presented the report.

**RESOLVED** to note the financial position as at 31 May 2015 and the forecast outturn 2015-16

**10. CAPITAL BUDGET MONITORING 2014-15 – FINAL OUTTURN**

The cabinet member for resources and generation income presented the report.

**RESOLVED** to note the provisional outturns of the 2014-15 housing and non-housing capital programme budgets and estimated carry-forwards to 2015-16.

## **11. ESTABLISHMENT OF A LOCAL HOUSING DEVELOPMENT COMPANY**

The cabinet member for resources and generation income presented the report.

Following the announcement of the emergency budget, the chief executive officer explained that the central government decision to reduce social rents by 1% per annum for four years, before reverting back to the current level, would have a significant effect on the housing revenue account. She added that whilst she was unsure at this stage how the reduction would impact on plans for building new properties, it was government policy that the council would need to implement.

**RESOLVED** to:

- 1) approve the establishment of a local housing development company to build, sell and manage houses for sale and rent; and
- 2) delegate the detailed arrangements to allow the establishment of the company to the executive head of regeneration and development in consultation with the portfolio holders for resources and income generation and environment and sustainable development.

## **12. EXCLUSION OF THE PUBLIC**

**RESOLVED** to exclude the public from the meeting during consideration items \*12 to \*15 (below) on the grounds contained in the relevant paragraphs of Schedule 12A of the Local Government Act 1972 (as amended).

## **\*13. ESTABLISHMENT OF A LOCAL HOUSING DEVELOPMENT COMPANY APPENDICES (PARAGRAPH 3)**

The cabinet member for resources and generation income presented the report.

**RESOLVED** to note the appendices.

## **\*14. MANAGING ASSETS – KEY DECISION (PARAGRAPH 3)**

The cabinet member for resources and generation income presented the report.

**RESOLVED** to approve the disposal of the asset as described within this report.

**\*15. COMPULSORY PURCHASE ORDER (PARAGRAPH 3)**

The cabinet member for environment and sustainable development presented the report.

**RESOLVED** to authorise the executive head of regeneration and development to make a Compulsory Purchase Order under Section 226 (1) (a) of the Town and Country Planning Act 1990 (as amended by the Planning & Compulsory Purchase Act 2004) and the Acquisition of Land Act 1981 to secure the compulsory acquisition of the land shown in blue on the attached plan at Appendix 1 in accordance with the proposals set out in this report.

CHAIR



**CABINET****17:30 to 17:50****5 August 2015**

**Present:** Councillors Waters (chair), Harris (vice chair), Kendrick, Stonard and Thomas (Va)

**Also present:** Councillor Haynes

**1. APOLOGIES**

Apologies were received from Councillors Bremner and Driver

**2. PUBLIC QUESTIONS / PETITIONS**

There were no public questions or petitions.

**3. DECLARATIONS OF INTEREST**

There were no declarations of interest.

**4. NORWICH INTERNATIONAL AVIATION ACADEMY**

The cabinet member for resources presented the report, outlining the key aims of the proposal, as set out in paragraph six of the report.

In response to a member's question, he clarified that the matter did not need to be brought to full council as it would not alter the policy or budget framework.

**RESOLVED** to approve a grant in kind, by way of a peppercorn rent, on property jointly owned by the city council and Norfolk County Council.

**5. EXCLUSION OF THE PUBLIC**

**RESOLVED** to exclude the public from the meeting during consideration item \*16 (below) on the grounds contained in the relevant paragraphs of Schedule 12A of the Local Government Act 1972 (as amended).

**6\* NORWICH INTERNATIONAL AVIATION ACADEMY (PARAGRAPH 3)**

The cabinet member for resources presented the report and answered members' questions.

The leader of the council stressed the potential for the project as a whole to act as a catalyst for further development and investment in the area.

**RESOLVED** to agree revised lease arrangements as described in the report.

CHAIR

<b>Report to</b>	Cabinet	<b>Item</b>
	09 September 2015	
<b>Report of</b>	Executive head of strategy, people and neighbourhoods	<b>5</b>
<b>Subject</b>	Quarter 1 2015 - 16 performance report	

---

## **Purpose**

To report progress against the delivery of the corporate plan priorities and key performance measures for quarter 1 of 2015 - 16.

## **Recommendations**

To:

1. consider progress against the corporate plan priorities; and,
2. suggest future actions and / or reports to address any areas of concern.

## **Corporate and service priorities**

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

## **Financial implications**

The direct financial consequences of this report are none.

**Ward/s** All wards

**Cabinet member** Councillor Waters - Leader

## **Contact officers**

Russell O'Keefe, Executive head of strategy, people and neighbourhoods	01603 212908
--	--------------

Phil Shreeve, Policy and performance manager	01603 212356
--	--------------

## **Background documents**

None

## **Report**

### **Introduction**

1. This report sets out progress against the key performance measures that are designed to track delivery of the corporate plan priorities. This is the first quarterly performance report for the recently adopted corporate plan 2015-2020.
2. The corporate plan 2015-20 established five priorities. Progress with achieving these is tracked by forty five key performance measures. It is these performance measures which form the basis of this report. Most of the performance measures are available quarterly while some are reported six monthly or annually to show general outcomes for residents.
3. Performance status for each of the performance measures is then combined for each priority to show at a glance high level performance. This should enable members to see where performance is improving or falling.
4. Performance is based around a traffic light concept where green is on target, red is at a point where intervention may be necessary and amber a point in between these two.
5. A copy of the full performance report can be found at appendix A.

### **Headlines**

6. Overall performance this quarter shows a mixed picture with three of the council's overall priorities showing as amber. There are some areas where the council is performing very highly and exceeding its targets. In particular the majority of customer satisfaction measures are performing better than target. There are, however, a number of measures where performance has fallen below target and work continues to address these. For each of the performance measures where performance is below target, reasons for this are provided within the relevant section of the performance report at appendix A.
7. The following areas of performance are brought to your attention:
  - a) At the end of quarter 1, 93.1% of food businesses were achieving broad compliance with food hygiene law, an increase from 92% last quarter and above our target of 90%.
  - b) For the year to the end of March 2015, CO2 emissions from council operations were down by 4.2% compared with the previous year, better than our target of a 2.2% reduction. The latest figures for CO2 emissions for the local area as a whole (2013 data) also show a drop in emissions by 2.5% compared with the previous year.
  - c) Our new measure of resident satisfaction with their local environment showed 88% satisfaction against a target of 75%.
  - d) We anticipate that at least £842,000 of funding for regeneration activity will be secured this year. This is for the Push the pedalways project. Our overall target is £250,000.

- e) 72 private households were assisted with energy efficiency measures for their homes against the target of 30 for the quarter.
- f) Our new measure for our homelessness prevention work shows that 65% of people contacting the council as threatened with becoming homeless were actively prevented from becoming homeless through the council's actions. Our target was 50%.
- g) After being below target last year due to a staff vacancy, 28 private sector homes were made safe this quarter resulting from work undertaken by our Private Sector Housing team compared with our target of 25.
- h) Resident satisfaction with service received from the council was above target at 97.3%. This compares with our target of 93% and continues a run of excellent results for this measure.
- i) 98.2% of income owed to the Council has been collected this quarter compared with the target of 95%.
- j) 496 accident casualties on Norwich roads were recorded in the year to the end of June. This is higher than the anticipated level of 400. A range of work is underway with the County Council to try and address this.
- k) Our new measure in relation to timely processing of benefits shows a score of 65.1 compared with our target of 100. This results from each of new claims, change of circumstances processing, and Discretionary Housing Payments processing taking longer than our target times. Work continues to try and improve this performance.
- l) In quarter 1, the average number of days taken to re-let council homes was 21 days, missing our target of 16 days. The cause of this dip in performance has been identified and performance is now back on target.
- m) 22.2% of contact with the Council was classified as avoidable this quarter outside of our target of 15%.



### Report author to complete

<b>Committee:</b>	Cabinet
<b>Committee date:</b>	10 June 2015
<b>Head of service:</b>	Russell O'Keefe
<b>Report subject:</b>	Quarter 4 performance report 2014/15
<b>Date assessed:</b>	May 2015
<b>Description:</b>	This report sets out progress against the key performance measures that are designed to track delivery of the Corporate Plan priorities for quarter 4 of 2014/15.

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

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



Recommendations from impact assessment	
Positive	
Negative	
Neutral	
Issues	



Safe, clean and  
low carbon city

Prosperous and  
vibrant city

Fair city

Healthy city with  
good housing

Value for money  
services

## Comments

This is our first performance report for our new Corporate Plan for 2015-20. Overall performance shows a mixed picture with two priorities - Prosperous and vibrant city and Value for money services - Green i.e. on target and the other three priorities Amber.

There are many areas where the council is performing very highly and exceeding its targets. It is pleasing to see that the majority of customer satisfaction measures are Green. Satisfaction above target levels is shown for overall resident satisfaction (VFM1), tenant satisfaction (HCH8), satisfaction with parks and open spaces (SCL11), people satisfied with their local environment (SCL12) and customer satisfaction with opportunities to engage with the council (VFM8). Additionally there is good performance across a range of other areas including: numbers of private households helped to improve the energy efficiency of their homes, reducing CO2 emissions, a higher proportion of food businesses achieving compliance with food hygiene law, speed of processing of planning applications, homelessness prevention, private sector homes made safe, collecting income due to the Council and achieving our target savings for our 2015/16 budget.

However, there are a small number of measures where performance is further below target. Our measure relating to timely processing of benefits shows some aspects taking longer than our target times and work is underway to address this. Similarly the average number of days we were taking to relet council homes was outside of target in quarter 1, however this is already back on track in quarter 2. Also, we have changed our measure for avoidable contact as well as introducing an electronic form to improve data quality. However, avoidable contact remains outside of target, though again there is work underway to improve this.

We will continue to work towards achieving excellent performance across all our service areas and with our partners in order to achieve the priorities in our Corporate Plan and excellent services for the people of Norwich.

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

For more information please contact the Policy, Performance and Partnerships team on ext 2535 or email [performance@norwich.gov.uk](mailto:performance@norwich.gov.uk)

Key to tables (following pages) :

**RAG** - Red, Amber, Green; **DoT** - Direction of Travel: a green upward arrow signifies an improvement in performance compared with the previous reporting period, a red downward arrow shows a drop in performance and a blue horizontal arrow shows no change. Data shown is for the (financial) year to date



Measure	Actual	▲ Targ...	RAG Status	DoT	Actual YTD	Target YTD	RAG YTD
SCL8 % of adults living in the City Council's area who cycle at least once per week	16.3 %	23.0 %	▲	?	16.3 %	23.0 %	▲
Comments: The reported figure relates to the period mid Oct 2013 - mid Oct 14. It compares to 2012/13 = 16.6%, 2011/12 = 20.1%, 2010/11 = 17.7%. Over the four year period from 2010/11 to 13/14 it suggests that the level of cycling in Norwich has remained static or even declined slightly. The latest data was gathered before the completion of any Push the Pedalways projects. A Bicycle Account will be published in the autumn by the County and City Council that contains lots of locally gathered data that will provide a much richer set of data to combine with the national information.							
SCL02 % of people satisfied with waste collection	76 %	85 %	▲	■	76 %	85 %	▲
Comments: We are currently working to improve the response numbers for this survey. The response rate was very low this quarter which may have contributed to a lower satisfaction rating.							
SCL07 Number of accident casualties on Norwich roads	496	400	▲	■	496	400	▲
Comments: 496 accident casualties on Norwich roads were recorded in the year to the end of June. This is higher than the anticipated level of 400. This is mainly due to the increase in accidents involving powered two wheel vehicles (scooters and motorcycles) and pedal cycles. The road casualty reduction partnership led by the county council and Norfolk constabulary are targeting these groups in their current business plan.							

▲ Measure	Actual	Target	RAG Status	DoT	Actual YTD	Target YTD	RAG YTD
SCL04 Residual household waste per household (Kg)	110	105	●	■	110	105	●
Comments: The residual waste levels are in line with what is being recorded countrywide. With the economic recovery there is an increase in consumables and non-recyclable commodities being disposed of. We are continuing to encourage waste minimisation through a range of activities.							
SCL06 % of residential homes on a 20mph street	22.8 %	24.0 %	●	?	22.8 %	24.0 %	●
Comments: No new 20 mph zones were introduced in Q1, however We are just about to implement an extensive 20mph zone in the west of the city so the figure to end of September will show a significant increase.							

Measure	Actual	Target	RAG Status	DoT	Actual YTD	Target YTD	RAG YTD
SCL03 % of people feeling safe	76 %	76 %	★	🔴	76 %	76 %	★
Comments: Performance remains above target and it suggests that the work undertaken by the council, police and other agencies is making a positive difference to how safe communities feel.							
SCL05 % of food businesses achieving safety compliance	93.1 %	90.0 %	★	🟡	93.1 %	90.0 %	★
Comments: There is an improvement in business compliance with hygiene law this quarter. The figure includes the 19 (1.3%) premises that demonstrated improvements to compliance when they were re-rated.							
SCL09 CO2 emissions for the local area	2.5 %	2.4 %	★	?	2.5 %	2.4 %	★
Comments: 2013 saw carbon dioxide emissions drop across all three sectors - Industry (-3.3%), Domestic (-2.4%) and Transport (-0.62%), whereas in 2012 there had been an increase in both the Industry and Domestic sectors. The population of the city increased in 2013 to 135,900 residents from 134,300 in 2012. However, over the same period the per capita emissions decreased from 5.4 tonnes per capita to 5.2 tonnes per capita. Since recording began in 2005 emissions have dropped overall from 7 tonnes per capita.							
SCL10 CO2 emissions from local authority operations	4.2 %	2.2 %	★	🟡	4.2 %	2.2 %	★
Comments: Over the period 1 April 2014 to 31 March 2015 the council reduced its carbon dioxide emissions by 4.2%, or 342 tonnes of CO2e (342,841 kg). This brings the total reduction, against a 2007 baseline, to 30.8% and brings us closer to achieving the ambitious 40% carbon emissions reduction target set in the council's recent environmental strategy.							
SCL11 % of people satisfied with parks and open spaces	79 %	75 %	★	🟡	79 %	75 %	★
Comments: Satisfaction with our parks and open spaces is above our target. Improvements that we have made at a number of sites are likely to have contributed towards this.							
SCL12 Percentage of people satisfied with their local environment	88 %	75 %	★	?	88 %	75 %	★
Comments: This is a new indicator which indicates that residents are satisfied with their local environment and currently shows excellent levels of satisfaction.							

#### Performance measures not contributing to the performance score for the Objective this quarter

Measure
SCL01 % of streets found clean on inspection
Comments: Street inspections are carried out three times a year at 300 sites in each tranche. The first inspections for 2015/16 are carried out in quarter 2.



Measure	Actual	Target	RAG Status	DoT	Actual YTD	Target YTD	RAG YTD
PVC7 Delivery of the heritage investment strategy action plan	1	2	●	?	1	2	●
<p>Comments: The Heritage Investment Strategy contains a commitment to implement eighteen policies and ten projects. Fifteen of the eighteen policies were due for implementation before March 2015. The majority of these have been either completely or partly implemented. Successes include the introduction of a new protocol to secure council buildings that become vacant (e.g. Carrow Hill House); an acceptance that the council will look at broader criteria than just price when considering the future of listed buildings especially in relation to stewardship properties (e.g. Britons Arms); the provision of more thorough information about the heritage properties (e.g. 41 All Saints Green); and the inclusion of public realm improvements with traffic management schemes (e.g. Tombland and Westlegate). The Strategy committed the council to start working on ten projects by April 2015. A start has been made on all of them. Two have been completed (Chapelfield Gardens, Memorial Gardens undercroft) and funding has been allocated and preparatory work started on others (Magpie Printers site, Waterloo Park pavilion, Castle Gardens, Mile Cross Gardens). Considerable effort has been put into Ninham's Court but unfortunately the trust that might have implemented a refurbishment went into administration and other options are being explored.</p>							

Measure	Actual	Target	RAG Status	DoT	Actual YTD	Target YTD	RAG YTD
PVC3 Amount of funding secured by the council for regeneration activity (£ thousands)	842,000	250,000	★	■	842,000	250,000	★
<p>Comments: Our current projection for regeneration funding that will be received in 2015/16 is £842,000. This is funding from the DfT for the Push the Pedalways project/ Cycling ambition grant. Additionally it is expected that around £1 million of Local Growth Fund money will be secured for projects in the City. This is not included in the reported figure as some of this (LGF) funding goes to the County Council.</p>							
PVC6 Planning service quality measure	89 %	83 %	★	?	89 %	83 %	★
<p>Comments: The system to monitor planning service quality that has been developed by PAS (Planning Advisory Service) has been tested and is now available for use. We will promote this at a Developers' Forum in October and begin to use the new method thereafter. The result reported here is a proxy using the previously planning performance measures i.e. speed of processing of Major, Minor and Other applications.</p>							

## Performance measures not contributing to the performance score for the Objective this quarter

Measure
PVC1 Number of new jobs created/ supported by council funded activity
Comments: This measure is reported six monthly. The first data for 2015/16 will be reported in quarter 2.
PVC2 Delivery of the council's capital programme
Comments: This measure is reported six monthly. The first data for 2015/16 will be reported in quarter 2.
PVC4 Number of new business start ups
Comments: This measure is to be reported annually at the end of quarter 4.
PVC5 Provision of free wi-fi in City Centre
Comments: This measure is to be reported annually.
PVC8 % of people satisfied with leisure and cultural facilities
Comments: This measure is reported six monthly. The first data for 2015/16 will be reported in quarter 2.
PVC9 Number of visitors to the City
Comments: This measure is reported annually. Data will be available at the end of quarter 2.



Measure	Actual	Target	RAG Status	DoT	Actual YTD	Target YTD	RAG YTD
<b>FAC4 Timely processing of benefits</b>	65.1 %	100.0 %	▲	?	65.1 %	100.0 %	▲
<p>Comments: This new measure is now a composite of 4 key elements of the benefits process - new claims, change of circumstances, Discretionary Housing Payments and appeals. This quarter only Appeals average processing times (5.4 days) were within target (14 days), with new claims taking an average of 30.3 days (target 21 days); change of circumstances taking 18.8 days (target 13 days) and DHP claims taking on average 34 days (target 14 days). We are working with LGSS to ensure they improve performance and manage resource across all four areas.</p> <p>To improve performance on new benefit claims two new processes were introduced in May, one dealing with claims on the day of receipt and the other, an appointment service where a customer could have their claim assessed on that day if they brought with them all the evidence required.</p> <p>For dealing with claims on the day of receipt, there are 450 claims awaiting a determination, 141 are being worked on by the Council and the other 309 are awaiting information or evidence from the customer. A snapshot in August showed that all new claims received 18 days or more earlier had either been determined, or were awaiting information or evidence from the customer. The appointment process has been successful with 50% of claims being sorted on the day and another 10% sorted the following day. The delay in processing the remaining 40% was due to those customers not having the required evidence with them, and them having to supply it on another occasion. On the downside, 19% of customers do not turn up for their appointments.</p>							

Measure	Actual	Target	RAG Status	DoT	Actual YTD	Target YTD	RAG YTD
<b>FAC5 No of private sector homes where council activity improved energy efficiency</b>	72	30	★	■	72	30	★
<p>Comments: In quarter 1, 72 private households were helped with energy efficiency measures for their homes. This constituted of boiler replacements, solid wall insulation, cavity wall insulation, loft insulation and/or EPC assessments. In addition to this, we have helped residents with fuel debt, given energy advice and help residents switch to a cheaper utility supplier.</p>							

## Performance measures not contributing to the performance score for the Objective this quarter

Measure
FAC1 Delivery of the reducing inequalities action plan
Comments: This measure is reported six monthly. The first data for 2015/16 will be reported in quarter 2.
FAC2 % of people saying debt issues had become manageable following face to face advice
Comments: This measure is reported six monthly. The first data for 2015/16 will be reported in quarter 2.
FAC3 Delivery of the digital inclusion action plan
Comments: This measure is reported six monthly. The first data for 2015/16 will be reported in quarter 2.
FAC6 % increase in contractors, providers and partner organisations paying a living wage
Comments: This measure is to be reported annually at the end of quarter 4.



Measure	Actual	Target	▲ RAG Status	DoT	Actual YTD	Target YTD	RAG YTD
<b>HCH3 No of empty homes brought back into use</b>	0	5	▲	■	0	5	▲
Comments: Although quarterly targets are set this is essentially a year-long programme and we expect to achieve the target for the year. This year's programme has commenced and 80 empty homes have already been visited.							
<b>HCH4 Number of new affordable homes developed on council land or purchased from developers</b>	6	20	▲	■	6	20	▲
Comments: Targets are part of a 5 year programme. The programme has slipped with the larger sites being delivered in later years than anticipated.							
<b>HCH2 Relet times for council housing</b>	21	16	▲	■	21	16	▲
Comments: Average re-let time is over target due to poor contractual performance in the first quarter. However, our contractors have now increased resources to address the shortfall and there has been an improvement in prompt inspections and we are now seeing much better performance in quarter2. At the current rate we expect to achieve the target figure for the year as a whole.							
<b>HCH7 % of council properties meeting Norwich standard</b>	91.0 %	100.0 %	▲	■	91.0 %	100.0 %	▲
Comments: The proxy measure monitors the number of completions against projections for the following programmes: kitchens, bathrooms, heating, rewires, and composite doors. Contracts are output based, and contractors are responsible for delivering programmes by end of the financial year. The door programme has been impacted by a number of factors including bespoke solutions re fire doors and frames and bin stores. However, we are confident that the revised programme will be achieved by April 2016.							

▲ Measure	Actual	Target	RAG Status	DoT	Actual YTD	Target YTD	RAG YTD
<b>HCH6 % of people who feel that the work of the HIA has enabled them to maintain independent living</b>	22	25	●	?	22	25	●
Comments: Slightly below the profile figure for Q1 but these are demand-led and this figure is broadly as expected.							

▲ Measure	Actual	Target	RAG Status	DoT	Actual YTD	Target YTD	RAG YTD
<b>HCH5 Preventing homelessness</b>	65 %	50 %	★	?	65 %	50 %	★
Comments: Despite the continued high demand on services, our focus on early intervention, proactive measures and commitment to ensure accessibility to high quality specialist advice in order to prevent homelessness has resulted in another quarter of strong performance.							
<b>HCH8 % of tenants satisfied with the housing service</b>	80 %	77 %	★	■	80 %	77 %	★
Comments: Performance reported here is the result of the latest STAR survey undertaken earlier this year. The STAR survey is carried out every 2 years. In order to monitor tenant satisfaction between STAR surveys questions about this are now included in our quarterly Local Area survey. This was the first quarter that these questions were included and the number of responses are too small to produce reliable data at this time. The level of satisfaction shown in the first two quarters will be reported at the end of quarter 2.							
<b>HCH9 No of private sector homes made safe</b>	28	25	★	■	28	25	★
Comments: Performance is above target for the year so far.							

## Performance measures not contributing to the performance score for the Objective this quarter

■ Measure
<b>HCH1 Delivery of the Healthy Norwich action plan</b>
Comments: This measure is reported six monthly. The first data for 2015/16 will be reported in quarter 2.





Measure	Actual	Target	RAG Status	DoT	Actual YTD	Target YTD	RAG YTD
VFM4 Avoidable contact levels	22.2 %	15.0 %	▲	?	22.2 %	15.0 %	▲
Comments: Overall levels are above target. We are currently working hard to improve this including with our benefits provider LGSS.							

Measure	Actual	Target	RAG Status	DoT	Actual YTD	Target YTD	RAG YTD
VFM1 % of residents satisfied with the service they received from the council	97.3 %	93.0 %	★	★	97.3 %	93.0 %	★
Comments: Satisfaction remains very high following the ongoing improvements to service delivery. Access to streamlined services through an online option remain an area for development following customer feedback.							
VFM2 Council achieves savings targets (£ thousands)	2,300....	2,300....	★	■	2,300....	2,300....	★
Comments: We successfully delivered a package of general fund savings of £2.3 million for 2015/16 achieving the target.							
VFM5 Channel shift measure	12.8 %	1.0 %	★	?	12.8 %	1.0 %	★
Comments: This is the first quarter where we have measured channel shift performance. When setting the targets we were cautious until we understood the outturn and sustainability of those figures. Outturn will change as we go through the year, however based on this first result it looks like targets for future years should be reviewed and made more challenging.							
VFM6 % of income owed to the council collected	98.2 %	95.0 %	★	★	98.2 %	95.0 %	★
Comments: This is a combination of % council tax, NNDR, Housing Rent and Sundry Income collected. Overall collection currently is showing as 98.2% (£59.8m). This is made up of: Council Tax (£16.0m, 97.2% of "amount due"); NNDR (£24.7m, 101.7% of "amount due"); Housing Rent (£16.8m, 95.6% of the "amount due") and Sundry Income (£2.3m, 88.5% of the "amount due").							
VFM7 % of income generated by the council compared to expenditure	43.8 %	43.2 %	★	?	43.8 %	43.2 %	★
Comments: At the end of quarter 1 General Fund income for the 2015/16 financial year is forecast to equate to 43.8% of expenditure which is slightly ahead of the target for the year of 43.2%. Regular budget monitoring is undertaken and reported on a monthly basis to ensure forecasts reflect the latest position and actions can be taken should significant variances from budget arise.							
VFM8 % of customers satisfied with the opportunities to engage with the council	64 %	50 %	★	?	64 %	50 %	★
Comments: This is a new indicator which indicates that residents are generally satisfied with the opportunities to engage with the council. Currently performance is good.							

## Performance measures not contributing to the performance score for the Objective this quarter

Measure
VFM3 % of council partners satisfied with the opportunities to engage with the council
Comments: This measure is to be reported annually at the end of quarter 4.
VFM9 Delivery of local democracy engagement plan
Comments: This measure is to be reported annually at the end of quarter 2.



**Report to** Cabinet  
9 September 2015  
**Report of** Head of city development services  
**Subject** Economic strategy action plan 2015-16

**Item**

**6**

## **KEY DECISION**

---

### **Purpose**

To consider the council's *Economic strategy action plan* for the period 2015 to 2016 for publication

### **Recommendations**

To approve the *Economic strategy action plan* 2015-16

### **Corporate and service priorities**

The report helps to meet the corporate priority "A prosperous city" and the service plan priority to stimulate jobs and economic growth.

### **Financial implications**

The costs in implementing a new economic strategy for the city are covered within existing budgets.

**Ward/s:** All wards

**Cabinet member:** Councillor Waters - Leader

### **Contact officers**

Ellen Tilney                      01603 212501

### **Background documents**

None

## Background

1. Norwich's Economic Strategy 2013-2018 and 2014-15 Action Plan were approved by Cabinet in July 2014.
2. From 2014-15 onwards, service plans have specifically taken account of the economic strategy and relevant actions in service plans are incorporated into updated annual action plans. Such action planning also incorporates partnership activities such as those associated with the New Anglia Local Enterprise Partnership (LEP) and the Greater Norwich City Deal. Our strategy is aligned with the work of the LEP and will ensure that Norwich contributes to and benefits from the LEP's actions including the Strategic Economic Plan (SEP).
3. The four strategic objectives – Business & Enterprise, Skills & Employment, Infrastructure and Profile & Investment - each represent a coherent area of activity which in practice is populated by multiple partners and stakeholders; with many concurrent interventions and initiatives at different geographical scales. Some of the drivers of these areas of activity are well advanced with fairly sophisticated management and delivery mechanisms, while others are still in development. The council's specialised economic development resource is very small, therefore delivery of the strategy is heavily dependent upon other teams within the organisation and external partnership working. .
4. The action plan details ongoing and new activity taking place in the city to deliver jobs, homes, workspace, infrastructure and an overall improvement in local economic wellbeing and performance within a low carbon framework to ensure sustainable use of resources. As a living document, the action plan also evolves throughout the year to incorporate new areas of work in response to specific opportunities or challenges.
5. Action Plan achievements and outcomes are reviewed annually to measure progress against strategic objectives and to inform future delivery. The city's overall economic performance is monitored against a range of macro-economic indicators and also against economic performance in other UK cities.

## Economic Context

6. In the past 12 months claimant count unemployment has fallen strongly in Norwich and is now at the lowest rate since records began in 1992. The reduction has impacted across all age groups and durations of unemployment. Comparable data relating to employment is not available due to a time lag in its collection. However, given the large reductions in claimant count unemployment it is likely that corresponding increases in job numbers have taken place. It should also be noted that Jobcentre Plus has not reported any notified redundancies in Norwich for 6 consecutive months.
7. Local businesses are generally confident with businesses of all sizes, across a range of sectors reporting increasing sales, orders and recruitment. Over the

year, Norwich City Council and its partners supported the creation of 147 new businesses and council activity supported or created 375 new jobs.

8. In addition, during the first 6 months of operation to the end of March 2015 the Small Grants Programme of the New Anglia Growth Hub (developed as part of Norwich's City Deal) leveraged grant funding of £335,000 creating 91 full-time equivalent jobs in the city. The New Anglia Growing Business Fund leveraged a further £559,000 to businesses in the city and created 58 full-time equivalent jobs.
9. The local economy has picked up. The commercial property market saw an upturn in activity in the second half of the year; the office market recorded its highest level of activity since 2007 with availability falling due to high demand. House prices have risen by almost 7 per cent over the year, outpacing the increase seen nationally. However, business growth and confidence has not so far been translated into wage growth and Norwich residents' wage rates remain below the national average.
10. In addition, newly introduced changes to the benefit system are likely to have an adverse impact upon low paid residents and disadvantaged groups in our deprived neighbourhoods and needs to be carefully monitored. The impact of welfare reform changes and punitive sanctions are threatening to cut pay levels for low paid workers (removal of working tax credits) and may act as a barrier, particularly for young people, to labour market participation.
- 11.



## Integrated impact assessment

Report author to complete	
Committee:	Cabinet
Committee date:	9 September 2015
Head of service:	Andy Watt
Report subject:	Norwich Economic Strategy Action Plan 2015-16
Date assessed:	
Description:	To seek approval for the Norwich Economic Action Plan 2015-16

	Impact			
Economic (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Finance (value for money)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Other departments and services e.g. office facilities, customer contact	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
ICT services	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Economic development	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The action plan will take forward the City's strategic economic priorities in line with service plans and partnership activities with particular focus on growth in the number of jobs and businesses in the city; business survival rates and funding leveraged to support growth.
Financial inclusion	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The strategy has the potential to improve financial inclusion by helping to generate sustainable long-term employment.
Social (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Safeguarding children and adults	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<u>S17 crime and disorder act 1998</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Human Rights Act 1998	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Health and well being	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Equality and diversity (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Relations between groups (cohesion)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Eliminating discrimination & harassment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Advancing equality of opportunity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Environmental (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Transportation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The impact of this action plan on environmental impacts is difficult to quantify due to the scale of activity and number of potential variables. However, the council's overall economic strategy aims to achieve sustainable economic growth whilst the action plan includes measures with specific positive environmental outcomes. These include the development and promotion of environmental sustainability within day to day business practice, brownfield land development, investment in transport and new homes and development superfast broadband. A healthy economy will also help secure investment in transportation and the natural and built environment as well as other environmental improvements.
Natural and built environment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Waste minimisation & resource use	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Pollution	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Energy and climate change	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Sustainable procurement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
(Please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Risk management	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The action plan will deliver activities to help to manage economic risks to the city

Recommendations from impact assessment	
<b>Positive</b>	
	The Action Plan 2015-16 will support strongly the council's "homes and jobs" focus, ensuring that the City Council's assets and resources do as much as possible to promote local economic wellbeing.
<b>Negative</b>	
<b>Neutral</b>	
<b>Issues</b>	

**Economic Strategy  
Action Plan 2015-2016**

<b>Objective 1: Business and enterprise</b> <b>To strengthen the city's economy and ensure the right environment exists to maximise business and jobs growth</b>				
<b>Priority</b>	<b>Actions in 2015-16 to support the priorities</b>	<b>Service Area Responsibility (and key partners)</b>	<b>Outcome</b>	<b>Timescale</b>
<b>1. Generate and sustain jobs by supporting the growth of existing businesses and increasing the number of new businesses</b>	Support Norwich Enterprise Centre to deliver business start-up support services	City Development NWES	Norwich's economy grows sustainably through a focus on key sectors, growth companies, business start-ups and inward investment  Outputs generated include new jobs created, new businesses	Ongoing
	Sponsorship of Spark business bootcamp/Flourish Network for 100 female entrepreneurs at UEA enterprise centre	Prowess UEA Enterprise Centre		2015-16
	City Deal RGF/ERDF-funded Micro and Small Grants Schemes – businesses receiving grants of between £1k-£25k to expand and create employment	City Development New Anglia LEP		2015-16
	Provide information, signposting and support to pre-start, start-up and existing businesses to encourage growth, location and relocation in Norwich	City Development		Ongoing
	City Deal RGF funded Growth Hub and Growth Advisors support to new and existing businesses	City Development New Anglia LEP Chamber of Commerce Growth Hub Partners		2015-16



<b>Objective 1: Business and enterprise</b> <b>To strengthen the city's economy and ensure the right environment exists to maximise business and jobs growth</b>				
<b>Priority</b>	<b>Actions in 2015-16 to support the priorities</b>	<b>Service Area Responsibility (and key partners)</b>	<b>Outcome</b>	<b>Timescale</b>
	Development and promotion of environmental sustainability within day to day business practice through the Growth Advisors to enable businesses to identify and implement environmental improvements across their operational activities, reducing their environmental impact and resulting in real cost savings in terms of energy and waste.	City Development New Anglia LEP	<p>started etc as detailed in annual review above</p> <p>Norwich's economy grows sustainably through a focus on key sectors, growth companies, business start-ups and inward investment</p>	Ongoing

<b>Objective 1: Business and enterprise</b> <b>To strengthen the city's economy and ensure the right environment exists to maximise business and jobs growth</b>				
<b>Priority</b>	<b>Actions in 2015-16 to support the priorities</b>	<b>Service Area Responsibility (and key partners)</b>	<b>Outcome</b>	<b>Timescale</b>
<b>3. Promote the development of a diverse and resilient business base by ensuring that Norwich City Council policies support economic development and employment growth</b>	Input to Norwich City Council policies (Planning, Procurement, Strategic Housing, Property) which support economic development and employment growth	City Development	Council policies support economic well being	Ongoing 2013-18
	Monitor and explore sources of "green" government funding and opportunities available to the Norwich business community	Environmental strategy City Development New Anglia LEP Growth Hub/Growth Advisors		Ongoing
<b>4. Encourage business networks and local supply chain development</b>	Membership of and support for relevant local business networks and business events - Sponsorship of Hot source talkies - Sponsorship of Norfolk Network event	City Development Chamber of Commerce Norfolk Network Hot Source Federation of Small Business	Norwich's economy grows sustainably through a focus on key sectors, growth companies, business start-ups	2015-16
	Provision of procurement advice to small and medium sized enterprises (SMEs)	Procurement team Buy Local Norfolk Federation of Small		

<b>Objective 1: Business and enterprise</b> <b>To strengthen the city's economy and ensure the right environment exists to maximise business and jobs growth</b>				
<b>Priority</b>	<b>Actions in 2015-16 to support the priorities</b>	<b>Service Area Responsibility (and key partners)</b>	<b>Outcome</b>	<b>Timescale</b>
		Business Chamber of Commerce	and inward investment	

<b>Objective 2: Skills and employment</b> <b>To increase resident economic participation and raise productivity</b>				
<b>Priority</b>	<b>Actions in 2015-16 to support the priorities</b>	<b>Service Area and Partners Responsible</b>	<b>Outcome</b>	<b>Timescale</b>
<b>1. Work with partners to develop skills provision that matches the existing and future skills needs of local employers.</b>	Organise and promote Norwich Jobs and skills fair to ensure local residents, particularly those living in deprived communities, have appropriate skills to enable them to participate in the local economy	Local Neighbourhood Services Housing Jobcentre Plus	Norwich has effective pathways to employment which enable our people to progress into sustainable jobs	2015-16
	Activities to develop the Norwich Aviation Academy to meet the increasing demand for skilled workers in the aviation industry both locally, nationally and beyond	City Development UEA City College Norwich Norwich International Airport KLM Engineering Limited New Anglia LEP Norfolk County Council		2015-16
	Support Norfolk Apprenticeships Network to bring together training providers across Norfolk to promote apprenticeships as a valuable pathway into employment for young people, particularly those living in deprived communities	Norfolk County Council New Anglia LEP City Development		2015-16

<b>Objective 2: Skills and employment</b> <b>To increase resident economic participation and raise productivity</b>				
<b>Priority</b>	<b>Actions in 2015-16 to support the priorities</b>	<b>Service Area and Partners Responsible</b>	<b>Outcome</b>	<b>Timescale</b>
<b>2. Ensure wherever possible, Norwich City Council procurement is used to stimulate and sustain local job opportunities</b>	Continue to deliver the Building Futures in Norwich scheme and ensure that it is included as a contractual clause in all relevant construction contracts.	City Development Procurement Team NPS Norwich Ltd Building Futures in Norwich	Reduction in number of residents in poverty and reliant on in-work benefits	Ongoing
	Ensure that the Living Wage clause is written into all new council procurement contracts	City Development Procurement Team		2015-16
<b>3. Encourage a culture of entrepreneurship – particularly in education</b>	Activities to support enterprise and incubation facilities within local HE institutions – UEA and NUA enterprise centres	City Development UEA NUA New Anglia LEP	HE institutions drive growth through supporting knowledge intensive industries	Ongoing
	Continue to build relationships with local schools and colleges to promote entrepreneurship and raise awareness of the city's businesses/career opportunities	City Development City College Norwich Norwich Schools	Move more young people into positive destinations	2015-16

<b>Objective 2: Skills and employment</b> <b>To increase resident economic participation and raise productivity</b>				
<b>Priority</b>	<b>Actions in 2015-16 to support the priorities</b>	<b>Service Area and Partners Responsible</b>	<b>Outcome</b>	<b>Timescale</b>
<b>4. Promote transferable skills training and development initiatives enabling a more flexible workforce able to respond to new opportunities</b>	Ensure that Building Futures in Norwich provides apprenticeships and on-the-job training for young people, other unemployed residents and disadvantaged groups with the aim of providing sustainable employment for the future	City Development Procurement Team Building Futures in Norwich	Norwich has effective pathways to employment which enable our people to progress into sustainable jobs	Ongoing
	Ensure that residents employed through Building Futures in Norwich are trained in the green construction skills required for retrofitting and the low carbon building techniques required for PassivHaus	City Development Procurement Team Building Futures in Norwich	Reduce the proportion of residents without qualifications particularly in deprived communities	
<b>5. Work with partners to ensure that highly skilled people are retained in the local economy</b>	Continue to work with Norfolk Network members to nurture high growth tech companies that will attract locally based highly skilled workers.	City Development Norfolk Network UEA/NUA	HE institutions drive growth through supporting knowledge intensive industries  Increase number of	Ongoing

<b>Objective 2: Skills and employment</b> <b>To increase resident economic participation and raise productivity</b>				
Priority	Actions in 2015-16 to support the priorities	Service Area and Partners Responsible	Outcome	Timescale
			residents with high level qualifications	
6. Ensure that all Norwich residents are able to benefit from economic growth	Commission research to assess impact and levels of zero hour contracts, insecure employment and employment status among Norwich residents	Performance and Policy Neighbourhood Teams City Development	Reduction in poverty and increased equality of opportunity so that everyone can achieve their full potential	2015/16
	Promote the Community Challenge Fund to charities and social enterprise to help the most disadvantaged people into work,	New Anglia LEP Performance and Policy Neighbourhood Teams City Development		2015/17
	Support relevant actions in the Reducing Inequalities action plan	Performance and Policy Neighbourhood Teams City Development		2015/16

<b>Objective 3: Infrastructure for business</b> <b>To make sure that Norwich has the appropriate infrastructure to attract and retain businesses whilst maintaining quality of environment</b>				
<b>Priority</b>	<b>Actions in 2015-16 to support the priorities</b>	<b>Service Area and Partners Responsible</b>	<b>Outcome</b>	<b>Timescale</b>
<b>1. Pursue improvements in next-generation digital and communications infrastructure for businesses</b>	Delivery of free Wi-Fi network in the city centre	City Development Norwich BID Company City centre businesses	Improved access to markets and increased productivity	2015-16
	Promote and deliver the Superfast Britain Broadband Connection Vouchers to SMEs in Norwich.	City Development		2015-16
<b>2. Contribute towards the development of an improved and effective sustainable transport infrastructure to support planned growth</b>	<ul style="list-style-type: none"> <li>• Pedestrianism of Westlegate</li> <li>• Reduction of traffic on St Stephens Street to improve pedestrian experience</li> </ul>	City Development	Reduction in congestion, less traffic entering city centre, improved public transport, better movement of goods and people	2015-16
<b>3. Provide timely and proportionate advice on planning to encourage businesses to locate and expand in</b>	Ensure information on website is up-to-date and that officers make time to give advice where appropriate	Planning	Norwich's economy grows sustainably through a focus on key	2015-16



<b>Objective 3: Infrastructure for business</b> <b>To make sure that Norwich has the appropriate infrastructure to attract and retain businesses whilst maintaining quality of environment</b>				
<b>Priority</b>	<b>Actions in 2015-16 to support the priorities</b>	<b>Service Area and Partners Responsible</b>	<b>Outcome</b>	<b>Timescale</b>
<b>Norwich</b>			sectors, growth companies, business start-ups and inward investment	
<b>4. Maintain and improve the supply of employment land and business premises, particularly in Norwich city centre</b>	<ul style="list-style-type: none"> <li>• Master planning activities to redevelop redundant and under-utilised employment land and premises - the airport industrial estate.</li> <li>• The new car park at Rose Lane is on track for completion in January 2016. This will release the original surface car park for further regeneration in the city.</li> </ul>	NPS Norwich Ltd City Development Private sector partners		2015/16

<b>Objective 3: Infrastructure for business</b> <b>To make sure that Norwich has the appropriate infrastructure to attract and retain businesses whilst maintaining quality of environment</b>				
<b>Priority</b>	<b>Actions in 2015-16 to support the priorities</b>	<b>Service Area and Partners Responsible</b>	<b>Outcome</b>	<b>Timescale</b>
<b>5. Ensure an adequate supply of affordable housing and that the overall housing mix is appropriate to the needs of the local population</b>	<ul style="list-style-type: none"> <li>• Work with partners to meet the housing policy requirements as set out in the Joint Core Strategy/Local Plan to ensure a balanced mix of housing types, sizes and tenures across the city.</li> <li>• Identify land for disposal to Registered Providers for the delivery of affordable housing</li> <li>• Start on site for Phase 2 at Three Score 172 dwellings built to “Passivhaus” standard of which 57 are affordable, Goldsmith Street (105 dwellings all of which are affordable), and Hansard Close (10 dwellings all affordable).</li> <li>• Delivery of 43 affordable dwellings</li> <li>• Of the 43 completions, 33 are to be built on council land or purchased by the council from developers.</li> <li>• Facilitation of the new housing with care unit which includes a new state of the RT dementia unit</li> <li>• Installation of the main spine road of the larger Bowthorpe development site. Meaning that the entire 1000 home site will be serviced.</li> </ul>	City Development Planning NPS Norwich Homes and Communities Agency	Norwich is a place where people want to live because of the range, quality and affordability of the housing available,	2015-16

<b>Objective 4: Profile and investment</b> <b>To raise the profile of Norwich as a high quality place to do business and to work, live and visit</b>				
<b>Priority</b>	<b>Actions in 2015-16 service to support the priorities</b>	<b>Service Area and Partners Responsible</b>	<b>Outcome</b>	<b>Timescale</b>
<b>1. Promote a strong and coherent image of Norwich capitalising on its particular strengths as a business location including our intention to be a prominent centre for the digital creative industries</b>	Work with partners in both public and private sector across all sectors to promote Norwich, providing information and data to demonstrate particular strengths and support inward investment <ul style="list-style-type: none"> <li>- Norwich Local Economic Assessment</li> <li>- Norfolk Growth Prospectus</li> <li>- New Anglia SEP</li> <li>- City council web-based economic information</li> <li>-</li> </ul>	City Development New Anglia LEP (NALEP) Norwich Research Park Norwich University of the Arts Norwich Business Improvement District (BID) Private sector businesses	Raise Norwich's profile as a key business location, nationally and internationally	Ongoing
	<b>2. Work closely with partners to attract private and public sector investment that will drive sustainable growth</b>	Support and inform member representation on New Anglia LEP Board to ensure that Norwich's position as the LEP's key economic driver is understood and recognised		Ongoing
	Work with New Anglia LEP to raise awareness of Norwich and its particular sector specialisms with UK Trade and Investment	City Development New Anglia LEP (NALEP) UK Trade and Investment		

<b>Objective 4: Profile and investment</b> <b>To raise the profile of Norwich as a high quality place to do business and to work, live and visit</b>				
<b>Priority</b>	<b>Actions in 2015-16 service to support the priorities</b>	<b>Service Area and Partners Responsible</b>	<b>Outcome</b>	<b>Timescale</b>
<b>3. Work with city centre partners to maintain a vibrant city centre that is unique in its heritage and cultural tourism offer</b>	Representation on Norwich BID Board to jointly develop initiatives to increase city centre vitality	Communication, Customers and Culture Norwich Business Improvement District (BID)	The city centre is an attractive place to live, work, visit or invest	Ongoing
	Programme developed to provide free city centre events to promote participation and engagement and increase footfall/visitors	Communication, Customers and Culture Norwich Business Improvement District (BID) City Development		
<b>4. Use policy tools to enhance and retain mixed use of the city centre with a focus of high quality office, retail and leisure development and with housing and education development playing a complementary role</b>	Continue to work with developers to encourage mixed use redevelopment of city centre brownfield sites, particularly those allocated in the Local Plan, along with other sites throughout the city.	City Development Planning		Ongoing

<b>Report to</b>	Cabinet	<b>Item</b>
	9 September 2015	
<b>Report of</b>	Head of planning service	<b>7</b>
<b>Subject</b>	Norfolk non statutory strategic framework – update report	

## **Purpose**

To consider the progress of the *Non-statutory strategic framework* considered by the Norfolk duty to cooperate member forum on 9 July 2015 and the sustainable development panel on 15 July 2015.

## **Recommendation**

To note the update on the *Non-statutory strategic framework* and to agree continued city council participation in the production of the framework document.

## **Corporate and service priorities**

The report helps to meet the corporate priority to provide decent housing for all and develop a prosperous city and the service plan priority to implement the local plan for the city.

## **Financial implications**

Each Norfolk district has agreed to contribute up to £25,000 over an 18 month period to the project. In Norwich these costs will be met from within the existing relevant local plan budget in the current financial year (which is £40,000 in 15-16). The budget for 16-17 has yet to be agreed so the commitment to this project will have some draw on expenditure next year.

**Ward/s:** All wards

**Cabinet member:** Councillor Bremner – Environment and Transport

## **Contact officers**

Graham Nelson, Head of planning services	01603 212530
Mike Burrell, Planning team leader (policy)	01603 212529

## **Background documents**

None

## Report

1. On 11 March 2015 a duty to cooperate options paper, previously considered by the Norfolk Duty to Cooperate Member Forum in January 2015 and the sustainable development panel in February 2015, was reported to cabinet.
2. Cabinet resolved to agree to co-operate on strategic planning matters through a shared non-statutory strategic framework, subject to revised terms of reference for the member forum, budget provision and detailed arrangements for framework production being agreed.
3. On 16 March 2015 the Norfolk Duty to Cooperate Member Forum agreed to:
  - endorse the broad focus, structure and timetable of the *Strategic framework*;
  - recommend that each authority formally agrees to participate in the preparation of the framework and agree to contribute up to a maximum of £15,000 in 2015-16 and £10,000 in 16-17 to cover the anticipated costs;
  - write formally to the Local Enterprise Partnership (LEP) and the all Suffolk authorities to request confirmation of whether or not they wish to participate in preparation of the framework and whether they are prepared to share costs.
4. This paper is in appendix 1.
5. The Forum also met on July 9th 2015 and considered an update report on the Non Statutory Strategic Framework.
6. The report is in appendix 2. The forum agreed to:
  - a) Amend the title of the proposed document to *Norfolk strategic framework*;
  - b) Norwich City Council acting as host and employing authority. This would involve two members of staff being employed to assist in the production of the strategic framework for approximately 18 months.
  - c) Amend the scope of the framework document as outlined in Table 1 of appendix 1. These amendments were made to reflect previous comments made by the Norfolk district councils and the Broads Authority.
7. On 15 July 2015 sustainable development panel resolved to note the update on the framework and that it would be reported to cabinet at this meeting. The chair of the panel welcomed the report and continued cooperation on strategic planning. Discussions mainly focussed on the need for climate change to be adequately covered in the framework document and how information would be accessed and fed into the council to ensure that members are fully informed when they make decisions.
8. To ensure that work on the framework continues to progress to the agreed timetable, city council officers are in the process of recruiting the two staff, a part time project manager and a full time project assistant, it will host. It is anticipated that staff will be in post in October 2015.
9. The *Norfolk strategic framework* is scheduled to be complete in mid-2017.

**Norfolk Duty to Cooperate Member Forum – March 16<sup>th</sup> 2015****Non Statutory Strategic Framework – Content and Process****1. Purpose of report**

1.1 The purpose of this report is to take forward the recommendations agreed when the Forum met on 14<sup>th</sup> January to consider options for how to discharge the duty to co-operate on an on-going basis. The Forum agreed to:

1. Endorse the principle of option 3 - formal cooperation through preparation of a shared non-statutory strategic framework.
2. Recommend that each constituent authority agrees formally to take forward option 3 at its earliest convenience subject to later agreement of:
  - A) Amended terms of reference for the member Duty to Cooperate Forum;
  - B) Appropriate officer and member working arrangements; and
  - C) Budget and timetable to support preparation of the shared non-statutory framework.
3. Instruct officers to prepare detailed reports on matters 2 A-C for consideration at the next member Duty to Cooperate Forum meeting.

1.2 Individual endorsement by each authority of option 3 is still ongoing. By the time of the meeting on 16<sup>th</sup> March it is expected that most, but not all, Norfolk authorities will have formally endorsed this approach. At the time of writing no authority has refused to endorse what was agreed at the last meeting. A verbal update will be given to the meeting on progress. This report seeks to address recommendation 3 and in particular 2B and C.

1.3 The NPPF states (paragraph 181) that *“Local planning authorities will be expected to demonstrate evidence of having effectively cooperated to plan for issues with cross-boundary impacts when their Local Plans are submitted for examination. This could be by way of plans or policies prepared as part of a joint committee, a memorandum of understanding or a jointly prepared strategy which is presented as evidence of an agreed position”*. It also should be recognised that joint working on strategic planning issues can also lead to improved outcomes for Councils in terms of resource efficiency and delivery of sustainable growth.

1.4 In the light of the NPPF and the previous agreement this report seeks to identify a preferred approach on how best to prepare a non-statutory Strategic Framework. In order to consider the process for preparation of the framework it has been necessary to consider the possible content of the framework. To some extent this is an iterative exercise. If the Forum decides to address a more comprehensive range of issues thoroughly in the framework this will have implications for the working arrangements, budget and timetable. In practice

there are a multiplicity of options that could be taken but discussion amongst the officers has resulted in a single recommended preferred approach being proposed for discussion.

- 1.5 Revised Terms of Reference for the Forum have been prepared (separate report) in the expectation that agreement will be reached in relation to the preparation of a framework document. These may require further amendment after this meeting, following which they will be recommended to member authorities for approval.

## **2 Purpose, Scope, and Content of the Framework**

- 2.1 A Framework document is not a statutory development plan and it will not include development plan policies or be subject to independent examination. Unlike the formal plan making process a non-statutory framework document is not subject to any specific regulatory requirements and it need not be subject to public consultation or sustainability appraisal although there is nothing to preclude these being done. The content of the Framework and the process for its preparation are matters for the Councils to collectively decide. The Framework is intended to guide and inform the preparation of individual Local Plans and ensure that strategic land use issues of cross boundary significance are properly addressed.

- 2.2 The NPPF states (paragraphs 156 and 162) that Local Plans should include strategic policies, and LPAs should work with other authorities and providers to meet forecast demands and deliver:

- homes and jobs;
- retail, leisure and other commercial development;
- infrastructure for transport, telecommunications, waste management, water supply, wastewater, flood risk and coastal change management;
- minerals and energy (including heat);
- health, security, community and cultural infrastructure and other local facilities;
- climate change mitigation and adaptation, conservation and enhancement of the natural and historic environment, including landscape;
- nationally significant infrastructure.

- 2.3 As a guide this list is indicative of the type of subject areas where there is an expectation that a co-operative approach *may* be desirable. At an early stage a decision needs to be reached about which of these raise genuinely strategic issues and are likely to have cross boundary implications, which would necessitate, or be best addressed, via a co-operative approach. It is not necessary for *all* cross boundary issues to be addressed in a strategic framework document; for example, depending on the issue it might be equally appropriate for authorities to produce bi lateral agreements (memorandums of understanding or similar) or to separately evidence how a co-operative approach has been taken. Whilst the Framework is initially intended to be prepared on



behalf of the Norfolk planning authorities it will need to demonstrate how issues of cross boundary significance beyond Norfolk are being considered.

- 2.4 Table 1 below outlines those issues which: officers consider are most likely to raise strategically important cross boundary considerations and where a co-operative approach would therefore be helpful; and identifies the key evidence that will be required to understand and address the issue and suggests how this might be prepared. This should not be regarded as an exhaustive list and the final content of the document must be kept under review as evidence is prepared. The aim would be that the resulting Framework would provide a set of agreed *objectives* which would influence the subsequent spatial distribution of growth in the next round of Local Plans.

**Table 1. Potential Content of Framework Document**

Topic Area	Framework to address	Evidence needed to support	Preparation process
<b>Spatial Vision</b>	<p>What is the overall spatial vision for the area (to include Norfolk, Suffolk and the wider region as necessary) and to identify and describe the key drivers and constraints in relation to growth. To include a spatial portrait and overall direction of travel addressing:</p> <p>Quality of life; response to challenge of climate change; key headlines in terms of what is being aimed for in relation to role of settlements and key growth locations. Summary of impacts of broad population, economic,</p>	<p>Mainly drawn from review of local and national policy documents and further evidence sources referred to below plus census and ONS/CLG projections of population and households. Climate change and coastal changes. May be a need to commission some further work to fill any gaps or interpret evidence.</p>	<p>Initially prepared by existing Strategic Planning Officer Group to identify any information gaps and revised as Framework preparation progresses and additional evidence becomes available.</p>

	environmental, social trends and implications of known national and local policies. To have a longer term vision – will need to look beyond 2036.		
<b>Homes</b>	<p>What is the overall quantity of homes to be provided between 2016 and 2036?</p> <p>What is the proposed distribution of housing growth between District Council administrative Areas? If there are constraints to growth how could these be addressed?</p> <p>Information on types and tenures including possible shared approaches to meeting affordable needs?</p>	<p>SHMA – assessment of objectively assessed housing need and demand factors.</p> <p>Housing Growth Strategy. SHMAs and other evidence to be drawn together to derive an agreed Housing Growth Strategy.</p> <p>SHLAAs – Assessment of ‘unconstrained’ housing capacity.</p> <p>Constrained Capacity–Need to consider and address other capacity/constraint considerations not covered in SHLAAs.</p>	<p>Five District SHMA nearing completion. Possible reconciliation/consistency checking if others’ SHMAs are within area of Framework.</p> <p>SHLAAs to be completed to a consistent methodology and open to mutual scrutiny and challenge across the entire area covered by the Framework. Work to be undertaken by relevant LPA staff to an agreed timeframe (<i>with consultant support if necessary/appropriate?</i> ).</p>
<b>Jobs</b>	Demonstrate understanding of the strengths and weaknesses of the local economy, likely growth areas, patterns of distribution and inter-relationships. Reference to the SEP and	<p>Employment Growth Study.</p> <p>Further runs of EEFM.</p>	<p>Externally commission via consultancy to a brief produced involving County Council(s) and LEP.</p> <p>County Council to arrange EEFM runs (possibly to inform above study).</p>

	<p>investment/economic strategies.</p> <p>Identification of indicative job growth targets and land supply implications/spatial implications for planning policy.</p>		
<b>Infrastructure</b>	<p>Are there any key infrastructure constraints or opportunities (physical, social and/or environmental) which are likely to impede growth or influence its distribution <i>at a strategic scale</i>?</p> <p>To address transport infrastructure (road, rail and other sustainable modes), green infrastructure, water issues (both supply and disposal), and flooding.</p> <p>Potential to include high level statement in relation to other physical and social infrastructure approach – health, education, broadband etc if significant and cross boundary.</p>	<p>Analysis of current evidence base to identify possible constraints and opportunities, and whether further work is necessary to inform high level strategy.</p>	<p>To be produced by officers working with staff from key agencies such as EA and NE.</p>
<b>Delivery</b>	<p>Is the development market in the area</p>	<p>High level market forces/viability assessment</p>	<p>Externally commissioned</p>

	likely to be sufficiently strong to support delivery of the growth needs identified in a sustainable manner?  Is any further stimulus necessary to deliver?	focussing on issues associated with strategic scale growth proposals as opposed to more dispersed/smaller scale development.	
--	---	--	--

2.5 There are a wide range of other topic areas where cross boundary issues may arise as Plan preparation proceeds but at this stage it is considered that the Framework should focus on those issues which are likely to influence the broad spatial distribution of growth.

### 3 Preparing a Framework - Process

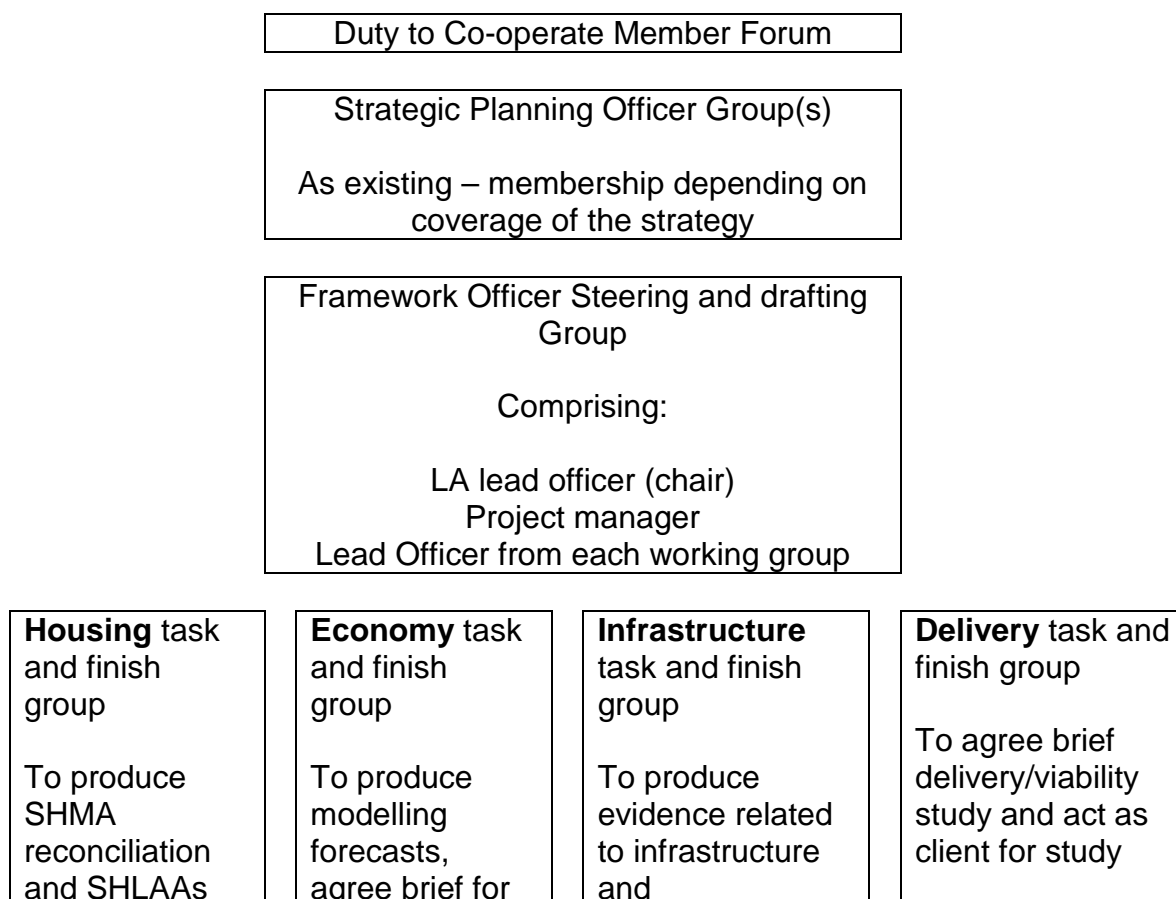
#### 4

- 4.1 Given the relatively focussed content of the framework listed above and the financial constraints on local authorities the option of seeking to recruit a new planning resource to lead the work is not favoured. The view was taken that existing local authority staff were likely to be best placed to draft the Framework itself from the evidence base available and a small number of commissioned studies. External work will only be commissioned where absolutely necessary and the initial expectation was that this may only be required in relation to employment and viability/delivery studies.
- 4.2 This would mean that the financial contribution needed for the work would be minimised but there would be a significant resource required in terms of officer time. There is currently little spare capacity within the policy teams of the partner authorities as a number are heavily engaged in finalising local plan documents although this situation has the prospect of easing over time as plans are adopted. Some of the work that will be required could be regarded as 'mainstream activities' such as the preparation of Strategic Land Availability Assessments and will just require re-phasing of existing local plan work programmes to deliver what is necessary in accordance with an agreed timetable.
- 4.3 Experience from working on Local Plans in the Greater Norwich area suggests that joint working of local authority staff can be highly efficient and effective but that in order to be successful it requires a level of dedicated project management and administrative support to ensure that appropriate responsibilities are assigned, meetings organised, progress reports prepared, external consultancy commissioned and remedial action taken where milestones are missed. This will be required to support a series of task and finish working groups to do the work

needed. A possible structure in relation to the member forum is illustrated in Table 2.

- 4.4 In order to put these structures in place a number of steps would need to be taken. Due to the time taken to recruit an early step will need to be recruitment to project manager and admin support post. The current expectation is the project manager post would only be part time (possibly 0.5fte) although having the scope to alter working hours throughout the period of employment would be an advantage. The administrative support is anticipated being full time. These staff would need to be hosted in one of the LPA offices (there would be advantages if the hosting authority was the one which provided the LPA lead officer). Another authority would need to agree to be the employing authority for the staff involved (this could be either another LPA or a County or the LEP). The employing authority would be responsible for drafting the job description, person specification and grading for the post, agreeing with the partner authorities and holding the shared budget for the production of the framework.
- 4.5 Establishing the membership of the officer groups should be more straightforward. The membership of the task and finish groups and the level of work involved will vary. All LPAs will not need to be involved in all of the task and finish groups. However, each task and finish group will need to report back regularly to the steering group and at key stages to the member forum. It is suggested that reports will be needed to the Member Forum prior to briefs being issued for external commission and on draft evidence reports before they are finalised and published.

**Table 2: Possible Structure**



<p>Comprising LPAs and County Council(s)</p> <p>LPA lead officer</p>	<p>employment study and act as client for study</p> <p>Comprising LPAs, County Council(s) and LEP (if involved)</p> <p>LEP lead officer (if involved)</p>	<p>environmental capacity</p> <p>Comprising LPAs, County Council(s), stat agencies (EA, NE if involved)</p> <p>County Council lead officer</p>	<p>Comprising LPAs, County Council(s) and LEP (if involved)</p> <p>LPA lead officer</p>
--	---	--	---

## Possible Budget implications

4.6 The budget remains uncertain at this stage. Key variables in determining this will be the coverage of the Framework (the greater the coverage the lower the cost to each authority involved), and the willingness of the partners such as the County Council(s), LEP and statutory agencies to assist with the process both in terms of the financial contribution and staff resources to assist with the work. However, the following costs have been estimated:

- Staff Project Manager £40,000pa (including on-costs, assuming 0.5fte)
- Admin support £30,000pa (including on-costs assuming 1fte)
- Economic Evidence - initial estimate c£40,000
- Strategic Infrastructure and viability/deliverability – initial estimate c£30,000

4.7 The above costs would mean under a conservative scenario of the work being financed solely by the District level LPAs across Norfolk the costs faced by each authority should be a maximum of c£15,000 each in the next financial year (2015/16) with no more £10,000 each in the following financial year, assuming there is no decision to commission further work.

## Timetable

4.8 Assuming the Forum is content to endorse the recommendations in this report it will take some time to gain a formal decision from each of the participating authorities about participation on the joint exercise. In practice it will be the early part of the summer before endorsement is gained (June/July 2015). This will inevitably delay the process of appointing the project manager, establishing working groups, and drafting briefs for external commissioned work. In practice it is considered that September 2015 will be the earliest post holders and lead officers will be in place and work is able to commence in earnest.

4.9 The primary research phase and production of the key evidence base is considered likely to take at least six months (complete by March 2016). Spring 2016 is likely to be a period of fairly intense work for the staff involved in the steering and drafting group to produce the first draft of the framework in the light of the Forum's reaction to the evidence base produced.

4.10 Notwithstanding the absence of any legal requirement for consultation it is suggested that the process will need to feature the ability for the public and interest groups who have not been directly involved in the process to have their say on the emerging framework. This will add at least 3 months to the preparation timetable.

4.11 Allowing for time to analyse and consider any comments received on the draft document and for engagement with each of the adopting authorities on the final content of the document the earliest possible date that the Forum may be in a position to recommend adoption of a framework to the adopting authorities is likely to be the first meeting in 2017. In order to minimise any impact of this timetable, Local Plans are likely to need to be developed in parallel (if preparation is not already underway).

### **Recommendation**

It is recommended that the forum agrees to:

- 1) Endorse that the Strategic Framework should in the first instance focus on those areas identified in Table 1 and be produced using a structure outlined in Table 2 and the timetable outline in paras 3.8-11;
- 2) Recommend that each authority formally agrees to participate in the preparation of the framework and agree to contribute up to a maximum of £15,000 in 2015/16 and £10,000 in 16/17 to cover the anticipated costs;
- 3) Write formally to the LEP and the all Suffolk authorities to request confirmation of whether or not they wish to participate in preparation of the framework and whether they are prepared to share costs.

Report prepared by Mark Ashwell (NNDC) and Graham Nelson (Norwich City)

**Norfolk Duty to Cooperate Member Forum July 9<sup>th</sup> 2015****Non Statutory Strategic Framework – Update****1. Purpose of report**

1.1 At the meeting on the 16<sup>th</sup> of March the Forum considered a detailed report on the recommended scope and content of the proposed Non Statutory Strategic Framework and the suggested practical arrangements for its preparation. There was discussion about the scope of the document and a limited number of amendments were suggested. The Forum resolved to:

- 4) Endorse that the Strategic Framework should in the first instance focus on those areas identified in Table 1(see below) and be produced using a structure outlined in Table 2 and the timetable outlined in paras 3.8-11;
- 5) Recommend that each authority formally agrees to participate in the preparation of the framework and agree to contribute up to a maximum of £15,000 in 2015/16 and £10,000 in 16/17 to cover the anticipated costs;
- 6) Write formally to the LEP and the all Suffolk authorities to request confirmation of whether or not they wish to participate in preparation of the framework and whether they are prepared to share costs.

1.2 This report provides an update on progress since the 16<sup>th</sup> of March.

1.3 Since the meeting in March, all of the Norfolk district councils, along with the Broads Authority and Norfolk County Council, have agreed the principle of progressing a non-statutory strategic framework, along with the funding to progress that work.

1.4 Broadland, Norwich and South Norfolk may need to take further reports to their councils to agree the detail of their in principle decisions, whilst the remaining councils are not expected to need to consider any further reports at this point.

1.5 In considering whether to endorse the preparation of a framework some Council's raised additional issues for further consideration:

- North Norfolk requested that a mechanism should be established to enable cross boundary shared settlement planning, particularly in relation to Hoveton and Wroxham;
- The Broads Authority requested that some changes be made to anticipated work on the evidence base for the framework to ensure that climate change, water quality, landscape, tourism and conservation issues are adequately covered;
- Great Yarmouth requested that Waveney should be included in strategic considerations.

1.6 In the interests of simplification, and in recognition of the very limited likelihood that neighbouring authorities outside Norfolk being directly involved in the production of the



framework, officers recommend that the non-statutory strategic framework should be known as the Norfolk Strategic Framework from now on.

1.7 Subject to final clarification from all partners, it is proposed that Norwich City Council will be the employing and hosting authority for the two employees to be appointed, the project manager (0.5 part time) and the project assistant (full time). Both will be employed on a fixed term basis for 18 months by the hosting authority.

1.8 Norwich is proposed by officers for this role firstly due to its highly accessible location both for the partner authorities and the employees and secondly because the City Council is not proposing to chair the group, thus sharing responsibilities. For the same reasons, whilst less accessible, Breckland's offices in Dereham are also considered to be a suitable alternative should members not favour Norwich as the host.

1.9 Acting as the employer and host authority will require the chosen Council to take on responsibilities for the employees such as line management, pay and pensions.

1.10 In order to progress matters as quickly as possible, draft person specifications and job descriptions are being drawn up using the city's templates to enable grading of the positions to be done and adverts to be produced. It would be possible to amend these specifications if necessary, with a slight delay to the employment process.

1.11 Discussions are on –going with both the LEP and the Suffolk Authorities. The Suffolk Authorities have welcomed the engagement to date and will continue to be involved as appropriate but do not currently anticipate joining the Forum.

## 2. Budget and timetable

2.1 Each district has agreed to contribute up to £25,000 over an 18 month period to the project. Costs should be a maximum of c£15,000 in the next financial year (2015/16) with no more than, £10,000 in the following financial year. It is anticipated that the framework will be complete during the 2016/17 financial year.

## 3. Revised Scope and Content

3.1 Table 1 below is an amended content description of the Framework incorporating those changes suggested at the March meeting and the subsequent further suggestions made by each Council. For ease of references suggested changes are highlighted in italics and under-lined. As previously stated the final content of the Framework is likely to evolve as it is prepared but initially the work will focus on the workstreams identified in the table. As previously agreed the work will be progressed by four task groups reporting via a steering group to the Forum.

**Table 1. Potential Content of Framework Document**

Topic Area	Framework to address	Evidence needed to support	Preparation process
<b>Spatial Vision</b>	<p>What is the overall spatial vision for Norfolk <i><u>taking account of cross boundary issues with Waveney and adjoining Counties (Suffolk, Cambs, Lincs) and the wider region as necessary</u></i> and to identify and describe the key drivers and constraints in relation to growth. To include a spatial portrait and overall direction of travel addressing:</p> <p>Quality of life; response to challenge of climate change; key headlines in terms of what is being aimed for in relation to role of settlements and key growth locations. Summary of impacts of broad population, economic, environmental, social trends and implications</p>	<p>Mainly drawn from review of local and national policy documents and further evidence sources referred to below plus census and ONS/CLG projections of population and households. Climate change and coastal changes. May be a need to commission some further work to fill any gaps or interpret evidence.</p>	<p>Initially prepared by existing Strategic Planning Officer Group to identify any information gaps and revised as Framework preparation progresses and additional evidence becomes available.</p>

	<p>of known national and local policies <i>to include water quality, landscape, tourism and conservation</i>. To have a longer term vision – will need to look beyond 2036, <u>and will need to ensure that full account is taken of economic, environmental and social aspects of sustainable development</u>.</p>		
<b>Homes</b>	<p>What is the overall quantity of homes to be provided between 2016 and 2036?</p> <p>What is the proposed distribution of housing growth between <u>LPA</u> administrative Areas? If there are constraints to growth how could these be addressed?</p> <p>Information on types and tenures including possible shared approaches to meeting affordable needs <i>and other forms of housing</i>. <u>The potential need for gypsy and traveller accommodation would be considered outside of the preparation of the framework in the first instance</u>.</p>	<p>SHMA – assessment of objectively assessed housing need and demand factors.</p> <p>Housing Growth Strategy. SHMAs and other evidence to be drawn together to derive an agreed Housing Growth Strategy.</p> <p>SHLAAs – Assessment of ‘unconstrained’ housing capacity.</p> <p>Constrained Capacity–Need to consider and address other capacity/constraint considerations not covered in SHLAAs.</p> <p>Review of GTAAs and existing planned provision.</p>	<p>Five District SHMA nearing completion. Possible reconciliation/consistency checking if others’ SHMAs are within area of Framework.</p> <p>SHLAAs to be completed to a consistent methodology and open to mutual scrutiny and challenge across the entire area covered by the Framework. Work to be undertaken by relevant LPA staff to an agreed timeframe (<i>with consultant support if necessary/appropriate?</i>).</p> <p>Consideration of whether further joint work to assess needs of Gypsies and Traveller is required to plan for appropriate provision</p>
<b><u>Jobs</u> <u>Economic</u> <u>Development</u> <u>and Growth</u></b>	<p>Demonstrate understanding of the strengths and weaknesses of the local economy, likely growth</p>	<p>Employment Growth Study.</p>	<p>Externally commission via consultancy to a brief produced involving County Council(s) and LEP.</p>

	<p>areas, patterns of distribution and inter-relationships. Reference to the SEP and investment/economic strategies.</p> <p>Identification of indicative <del>jobs</del> <i>employment</i> growth targets and land supply implications/spatial implications for planning policy.</p>	Further runs of EEFM.	County Council to arrange EEFM runs (possibly to inform above study).
<b>Infrastructure</b>	<p>Are there any key infrastructure constraints or opportunities (physical, social and/or environmental) which are likely to impede growth or influence its distribution <i>at a strategic scale</i>?</p> <p>To address transport infrastructure (road, rail and other sustainable modes), green infrastructure, water issues (both supply and disposal), and flooding.</p> <p>Potential to include high level statement in relation to other physical and social infrastructure approach – health, education, broadband etc if significant and cross boundary.</p>	Analysis of current evidence base to identify possible constraints and opportunities, and whether further work is necessary to inform high level strategy.	To be produced by officers working with staff from key agencies such as EA and NE.
<b>Delivery</b>	<p>Is the development market in the area likely to be sufficiently strong to support delivery of the growth needs identified in a sustainable manner?</p> <p>Is any further stimulus necessary to deliver?</p>	High level market forces/viability assessment focussing on issues associated with strategic scale growth proposals as opposed to more dispersed/smaller	Externally commissioned

		scale development.	
--	--	-----------------------	--

#### **4. Recommendation**

4.1 It is recommended that the forum agrees to:

1. Amend the title of the proposed document to Norfolk Strategic Framework
2. Agree that Norwich City Council acts as host and employing authority
3. Amend the scope of the framework document as outline in Table 1

Report prepared by Mark Ashwell (NNDC) and Mike Burrell (Norwich City)  
June 2015

## Integrated impact assessment



**NORWICH**  
City Council

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

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

### Report author to complete

<b>Committee:</b>	Cabinet
<b>Committee date:</b>	9 September 2015
<b>Head of service:</b>	Graham Nelson
<b>Report subject:</b>	Norfolk Non Statutory Strategic Framework – update report
<b>Date assessed:</b>	27 August 2015
<b>Description:</b>	Informs cabinet about progress on the Non Statutory Strategic Framework, a strategic planning document for the county.

	Impact			
Economic (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Finance (value for money)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Enables costs to be shared for evidence gathering county wide which would otherwise have to be paid for by the council.
Other departments and services e.g. office facilities, customer contact	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
ICT services	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Economic development	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Will assist in providing the long term strategy for economic development for the city and county.
Financial inclusion	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Social (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Safeguarding children and adults	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<u>S17 crime and disorder act 1998</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Human Rights Act 1998	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Health and well being	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Contributes to the long term planning strategy which will contribute to promoting sustainable development to enable healthy lifestyles.

	Impact			
Equality and diversity (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Relations between groups (cohesion)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Eliminating discrimination & harassment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Advancing equality of opportunity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Environmental (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Transportation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Contributes to the long term planning strategy which will contribute to enabling sustainable development.
Natural and built environment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	As above
Waste minimisation & resource use	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Pollution	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Sustainable procurement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Energy and climate change	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	As above
(Please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments



	<b>Impact</b>			
<b>Risk management</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

<b>Recommendations from impact assessment</b>				
<b>Positive</b>				
Contributes to the long term planning strategy which will contribute to enabling sustainable development.				
<b>Negative</b>				
<b>Neutral</b>				
<b>Issues</b>				



**Report to** Cabinet  
9 September 2015  
**Report of** Chief finance officer  
**Subject** Treasury management full year review report 2014-15

**Item**

**8**

---

**Purpose**

To review treasury management performance for the year to 31 March 2015

**Recommendation**

To recommend council note the report and the treasury activity for the year to 31 March 2015

**Financial implications**

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

**Ward/s:** All Wards

**Cabinet member:** Councillor Stonard– Resources and income generation

**Contact officers**

Justine Hartley 01603 212440

Philippa Dransfield 01603 212562

**Background documents:**

None

## Report

### 1. Background

The council operates a balanced budget, which broadly means cash raised during the year will meet its cash expenditure. Part of the treasury management operations ensure this cash flow is adequately planned, with surplus monies being invested in low risk counterparties, providing adequate liquidity initially before considering maximising investment return. Counterparty risk is the term for the potential risks taken by an investor that the bank, building society, local authority or investment counterparty will be unable to repay the money invested.

The second main function of the treasury management service is the funding of the council's capital plans. These capital plans provide a guide to the borrowing need of the council, essentially the longer term cash flow planning to ensure the council can meet its capital spending operations. This management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses, and on occasion any debt previously drawn may be restructured to meet council risk or cost objectives.

As a consequence, treasury management is defined as:

“The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”

### 2. Introduction

Norwich City Council is required by regulations issued under the Local Government Act 2003 to produce an annual treasury management review of activities and the actual prudential and treasury indicators for 2014-15. This report meets the requirements of both the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).

During 2014-15 the minimum reporting requirements were that the full council should receive the following reports:

- an annual treasury strategy in advance of the year (Council 18/02/2014)
- a mid year (minimum) treasury update report (Council 10/12/2014)
- an annual review following the end of the year describing the activity compared to the strategy (this report)

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

This council also confirms that it has complied with the requirement under the code to give prior scrutiny to all of the above treasury management reports by the cabinet before they were reported to the full council. Member training on treasury management issues was undertaken during November 2013 in order to support members' scrutiny role.

This report summarises the following:-

- Capital activity during the year (section 3)
- Impact of this activity on the council's underlying indebtedness (the capital financing requirement) (section 4)

- The actual prudential and treasury indicators (section 4)
- Overall treasury position identifying how the council has borrowed in relation to this indebtedness, and the impact on investment balances (section 5)
- Review of treasury strategy and economic factors (sections 6 & 7)
- Borrowing rates and detailed debt activity (sections 8 & 9)
- Investment rates and detailed investment activity (sections 10 & 11)

### 3. The council's capital expenditure and financing 2014-15

The Council undertakes capital expenditure on long-term assets. These activities may either be:

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

The actual capital expenditure forms one of the required prudential indicators. The table below shows the actual capital expenditure and how this was financed.

<b>£m general fund</b>	<b>2013-14 actual</b>	<b>2014-15 mid-year estimate</b>	<b>2014-15 actual</b>
Capital expenditure	3.5	13.4	7.2
Financed in year	3.5	7.9	7.2
(Over) / unfinanced capital expenditure	-	5.5	-

<b>£m HRA</b>	<b>2013-14 actual</b>	<b>2014-15 mid-year estimate</b>	<b>2014-15 actual</b>
Capital expenditure	27.2	44.4	30.5
Financed in year	28.6	44.4	32.0
(Over) / unfinanced capital expenditure	(1.4)	-	(1.5)

### 4. The council's overall borrowing need

The council's underlying need to borrow for capital expenditure is termed the capital financing requirement (CFR). This figure is a gauge of the council's debt position. The CFR results from the capital activity of the council and what resources have been used to pay for the capital spend. It represents the 2014-15 unfinanced capital expenditure (see above table), and prior years' net or unfinanced capital expenditure which has not yet been paid for by revenue or other resources.

Part of the council's treasury activities is to address the funding requirements for this borrowing need. Depending on the capital expenditure programme, the treasury service organises the council's cash position to ensure sufficient cash is available to meet the capital plans and cash

flow requirements. This may be sourced through borrowing from external bodies (such as the government, through the public works loan board (PWLb) or the money markets), or utilising temporary cash resources within the council.

**Reducing the CFR** – the council's (non HRA) underlying borrowing need (CFR) is not allowed to rise indefinitely. Statutory controls are in place to ensure that capital assets are broadly charged to revenue over the life of the asset. The council is required to make an annual revenue charge, called the minimum revenue provision – MRP, to reduce the CFR. This is effectively a repayment of the non-housing revenue account (HRA) borrowing need (there is no statutory requirement to reduce the HRA CFR). This differs from the treasury management arrangements which ensure that cash is available to meet capital commitments. External debt can also be borrowed or repaid at any time, but this does not change the CFR.

The total CFR can also be reduced by:

- the application of additional capital financing resources (such as unapplied capital receipts); or
- charging more than the statutory revenue charge (MRP) each year through a voluntary revenue provision (VRP).

The council's CFR for the year is shown below, and represents a key prudential indicator. It includes PFI and leasing schemes on the balance sheet, which increase the council's borrowing need. No borrowing is actually required against these schemes as a borrowing facility is included in the contract.

<b>£m general fund</b>	<b>2013-14 actual</b>	<b>2014-15 mid-year estimate</b>	<b>2014-15 actual</b>
Opening balance	26.8	25.7	25.7
Add: unfinanced capital expenditure (as above)	-	5.5	-
Less: MRP	(1.1)	(1.0)	(1.0)
Closing balance	25.7	30.2	24.7

<b>£m HRA</b>	<b>2013-14 actual</b>	<b>2014-15 mid-year estimate</b>	<b>2014-15 actual</b>
Opening balance	210.3	208.8	208.8
Add: unfinanced capital expenditure (as above)	(1.4)	-	(1.5)
Less: Finance lease repayments	(0.1)	(0.1)	(0.0)
Closing balance	208.8	208.7	207.3

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

**Gross borrowing and the CFR** - in order to ensure that borrowing levels are prudent over the medium term the council's external borrowing, must only be for a capital purpose. This essentially means that the council is not borrowing to support revenue expenditure. Gross borrowing should not therefore, except in the short term, have exceeded the CFR for 2014-15

plus the expected changes to the CFR over 2014-15 and 2015-16 from financing the capital programme. This indicator allows the council some flexibility to borrow in advance of its immediate capital needs in 2014-15. The table below highlights the council's gross borrowing position against the CFR. The council has complied with this prudential indicator.

It should be noted that this indicator changed from comparing net borrowing to the CFR with effect from 2014-15; this provides a more appropriate indicator.

£m	2013-14 actual	2014-15 mid-year estimate	2014-15 actual
Gross borrowing	224.2	224.2	224.2
CFR	234.5	238.9	232.0

**The authorised limit** - the authorised limit is the “affordable borrowing limit” required by s3 of the Local Government Act 2003. The Council does not have the power to borrow above this level. The table below demonstrates that during 2014/15 the Council has maintained gross borrowing within its authorised limit.

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

**Actual financing costs as a proportion of net revenue stream** - this indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream.

£m	2014-15
Authorised limit	266.0
Maximum gross borrowing position	224.8
Operational boundary	224.4
Average gross borrowing position	224.2
Financing costs as a proportion of net revenue stream	

## 5. Treasury position as at 31 March 2015

The council's debt and investment position is organised by the treasury management service in order to ensure adequate liquidity for revenue and capital activities, security for investments and to manage risks within all treasury management activities. Procedures and controls to achieve these objectives are well established both through member reporting detailed in the summary, and through officer activity detailed in the council's treasury management practices. At the beginning and the end of 2014-15 the council's treasury (excluding borrowing by PFI and finance leases) position was as follows:

	31- Mar-14	Rate / £m Return	Average Life years	31- Mar-15	Rate / £m Return	Average Life years
Fixed Rate Funding						
- PWLB	218.9	4.42%	11.3	218.9	4.42%	10.3
- Market	5.0	4.80%	40.04	5.0	4.80%	39.04
- Other	0.5	3.00%	Perpetually irredeemable	0.5	3.00%	Perpetually irredeemable
Total debt	224.4			224.4		
CFR	235.4			232.0		
Over /(under) borrowing	(11.0)			(7.6)		
Investments	64.0	1.09%	0.4	67.3	0.83%	0.5
Net Debt	160.4			157.1		

The maturity structure of the debt portfolio was as follows:

	31-Mar-2015	31-Mar-2014
Maturity structure of fixed rate borrowing	£m	£m
under 12 months	6.36	1.30
12 months and within 24 months	5.75	5.06
24 months and within 5 years	14.00	17.75
5 years and within 10 years	59.96	59.46
10 years and within 20 years	132.18	132.53
20 years and within 30 years	1.97	4.12
30 years and within 40 years	5.29	5.29
<b>Total</b>	<b>225.51</b>	<b>225.51</b>

The difference between the amounts in the table above and the total debt disclosed in the previous table is the current repayable debt of £1.3m which relates to accrued interest on the PWLB and Barclays loans.



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

Investments £'000	Actual 31 March 2014	Movement			Actual 31 March 2015
		Invested	Matured	Transferred to Short Term	
<b>Long Term</b>					
Banks	-	3,000	-	-	3,000
Local Authorities	3,000	-	-	(3,000)	-
<b>Short term</b>					
Banks	34,500	15,000	(34,500)	-	15,000
Building Societies	7,000	35,000	(12,000)	-	30,000
Local Authorities	-	2,000	-	3,000	5,000
<b>Cash Equivalents</b>					-
Banks	10,000	99,846	(99,846)	-	10,000
Building Societies	9,500	504,495	(509,745)	-	4,250
Local Authorities	-	6,000	(6,000)	-	-
<b>Total</b>	<b>64,000</b>	<b>665,341</b>	<b>(662,091)</b>	<b>-</b>	<b>67,250</b>

The maturity structure of the investment portfolio was as follows:

£'000	31-Mar-15	31-Mar-14
Longer than 1 year	3,000	3,000
Under 1 year	64,250	61,000
	<b>67,250</b>	<b>64,000</b>

## 6. The strategy for 2014-15

The expectation for interest rates within the strategy for 2014-15 anticipated low but rising bank rate (starting in quarter 1 of 2015), and gradual rises in medium and longer term fixed borrowing rates during 2014-15. Variable, or short-term rates, were expected to be the cheaper form of borrowing over the period. Continued uncertainty in the aftermath of the 2008 financial crisis promoted a cautious approach, whereby investments would continue to be dominated by low counterparty risk considerations, resulting in relatively low returns compared to borrowing rates.

In this scenario, the treasury strategy was to postpone borrowing to avoid the cost of holding higher levels of investments and to reduce counterparty risk.

The actual movement in gilt yields meant that PWLB rates saw little overall change during the first four months of the year but there was then a downward trend for the rest of the year with a partial reversal during February.

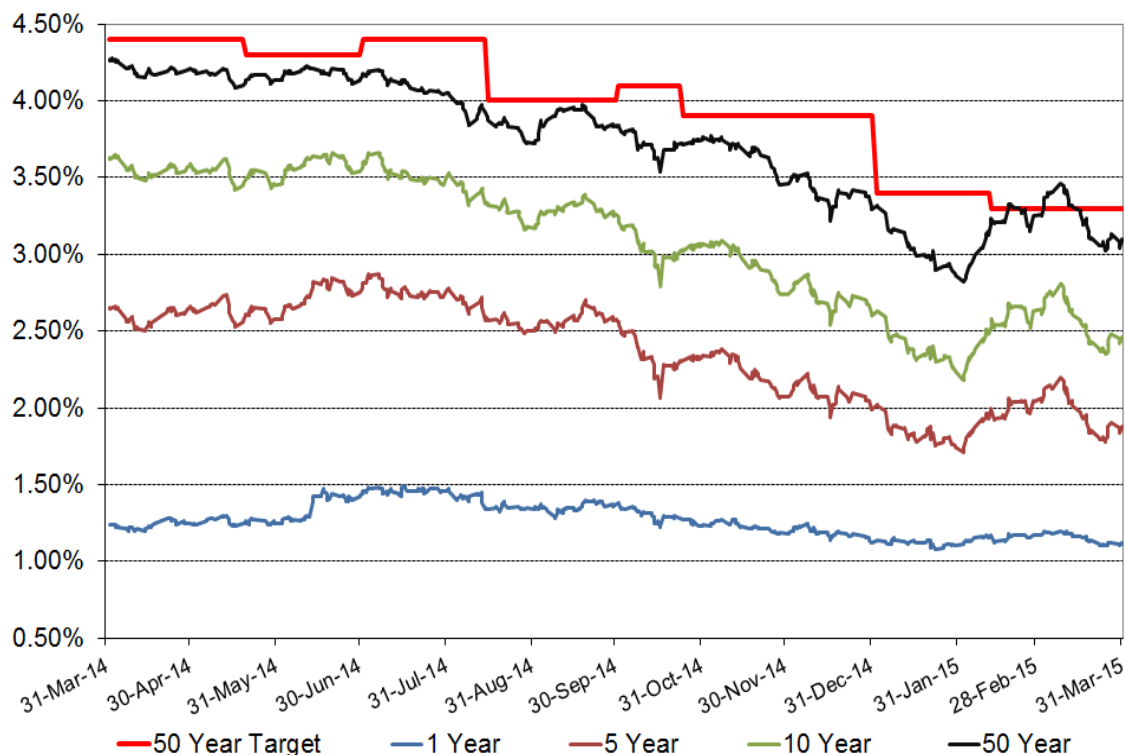
## 7. The economy and interest rates

The original market expectation at the beginning of 2014/15 was for the first increase in bank rate to occur in quarter 1 2015 as the unemployment rate had fallen much faster than expected through the Bank of England's initial forward guidance target of 7%. In May, however, the bank revised its forward guidance. A combination of very weak pay rises and inflation above the rate of pay rises meant that consumer disposable income was still being eroded and in August the bank halved its forecast for pay inflation in 2014 from 2.5% to 1.25%. Expectations for the first increase in bank rate therefore started to recede as growth was still heavily dependent on buoyant consumer demand. During the second half of 2014 financial markets were caught out by a halving of the oil price and the collapse of the peg between the Swiss franc and the euro. Fears also increased considerably that the ECB was going to do too little too late to ward off the threat of deflation and recession in the Eurozone. In mid-October, financial markets had a major panic for about a week. By the end of 2014, it was clear that inflation in the UK was going to head towards zero in 2015 and possibly even turn negative. In turn, this made it clear that the MPC would have great difficulty in starting to raise bank rate in 2015 while inflation was around zero and so market expectations for the first increase receded back to around quarter 3 of 2016.

Gilt yields were on a falling trend for much of the last eight months of 2014-15 but were then pulled in different directions by increasing fears after the anti-austerity parties won power in Greece in January; developments since then have increased fears that Greece could be heading for an exit from the euro. While the direct effects of this would be manageable by the EU and ECB, it is very hard to quantify quite what the potential knock on effects would be on other countries in the Eurozone(EZ) once the so called impossibility of a country leaving the EZ had been disproved. Another downward pressure on gilt yields was the announcement in January that the ECB would start a major programme of quantitative easing, purchasing EZ government and other debt in March. On the other hand, strong growth in the US caused an increase in confidence that the US was well on the way to making a full recovery from the financial crash and would be the first country to start increasing its central rate, probably by the end of 2015. The UK would be closely following it due to strong growth over both 2013 and 2014 and good prospects for a continuation into 2015 and beyond. However, there was also an increase in concerns around political risk from the general election due in May 2015.

## 8. Borrowing rates in 2014-15

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



## 9. Borrowing outturn for 2014-15

Due to investment concerns, both counterparty risk and low investment returns, no borrowing was undertaken during the year.

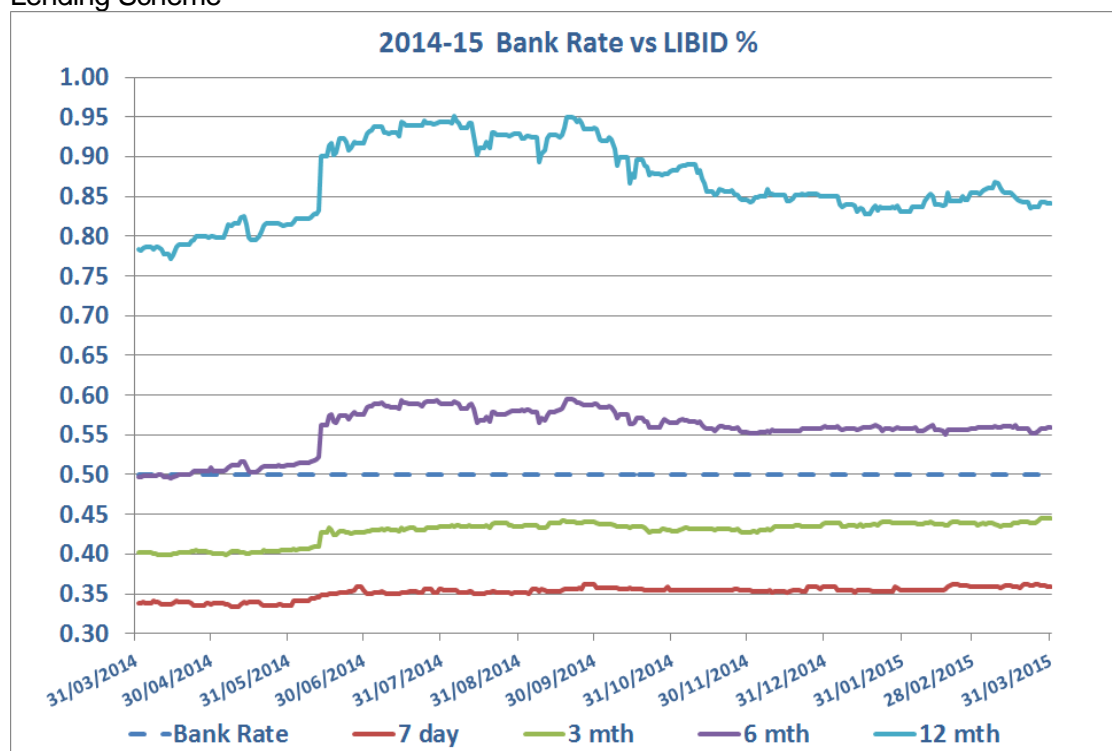
### Borrowings by the council

During 2014-15 the council paid £9,928,046 in interest cost, this compares to a budget assumption of £9,931,540

### Investment rates in 2014-15

Bank rate remained at its historic low of 0.5% throughout the year; it has now remained unchanged for six years. Market expectations as to the timing of the start of monetary tightening started the year at quarter 1 2015 but then moved back to around quarter 3 2016 by the end of the year. Deposit rates remained depressed during the whole of the year, primarily due to the effects of the Funding for

## Lending Scheme



### 10. Investment outturn for 2014-15

**Investment policy** – the council's investment policy is governed by CLG guidance, which was implemented in the annual investment strategy approved by the council on 18 February 2014. This policy sets out the approach for choosing investment counterparties, and is based on credit ratings provided by the three main credit rating agencies supplemented by additional market data (such as rating outlooks, credit default swaps [a financial swap agreement that the seller of the CDS will compensate the buyer in the event of a loan default or other credit event], bank share prices etc.).

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

**Resources** – the council's cash balances comprise revenue and capital resources and cash flow monies. The council's core cash resources comprised as follows:

£m Balance Sheet Resources	31-Mar-15	31-Mar-14
Balances	29.8	33.4
Earmarked Reserves	4.1	2.6
Useable Capital receipts	24.9	19.8
Capital grants Unapplied	5.1	3.9
<b>Total</b>	<b>63.9</b>	<b>59.8</b>

**Investments held by the council** - the council maintained an average balance of £67.6m of internally managed funds. The internally managed funds earned an average rate of return of 0.935%. The comparable performance indicator is the average 7-day LIBID rate, which was 0.352%. This compares with a budget assumption of £60m investment balances earning an average rate of 1.0%. The average of the population of 206 local authorities was 0.70% and that of 87 non-met authorities was 0.72%.

The council's investment return for 2014-15 is £1,027,445 which is £427,445 above the amount budgeted for the year of £600,000. The variance is due to having a higher average balance to invest.

The council is part of a benchmarking group across Norfolk, Suffolk and Cambridgeshire, the table below shows the performance of the council's investments compared to the other councils (who have been made anonymous). This shows that the rate of return that will be achieved by investments held at the yearend by the council as being the 3<sup>rd</sup> highest and with highest risk when compared to the rest of the benchmarking group.

Council	WARoR		WA Risk		WAM		WA Tot. time	
	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14
Norwich	0.83%	1.09%	4.7	4.8	173	147	329	425
A	0.90%	0.85%	2.9	3.4	216	139	419	208
B	0.51%	0.69%	2.6	3.9	51	145	80	185
C	0.75%	0.87%	3.5	3.9	27	46	218	260
D	0.78%	0.94%	3.9	3.9	114	103	217	236
E	0.68%	0.65%	3.5	4.4	136	142	204	180
F	0.75%	0.71%	4.0	4.5	92	102	172	127
G	0.79%	N/A	3.2	N/A	201	N/A	281	N/A
H	0.89%	N/A	4.3	N/A	54	N/A	216	N/A

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

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

- 1 Up to 5 years
- 2 Up to 2 years
- 3 Up to 1 year
- 4 Up to 6 months
- 5 Up to 3 months
- 6 0 months

A number of 4.7 means between 3 to 6 months

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

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

## Integrated impact assessment



**NORWICH**  
City Council

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

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

### Report author to complete

<b>Committee:</b>	Cabinet
<b>Committee date:</b>	9 September 2015
<b>Head of service:</b>	Justine Hartley
<b>Report subject:</b>	Full Year Treasury Management Report
<b>Date assessed:</b>	18 August 2015
<b>Description:</b>	

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

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



Recommendations from impact assessment
Positive
Negative
Neutral
Issues



<b>Report to</b>	Cabinet	<b>Item</b>
	9 September	
<b>Report of</b>	Chief finance officer	<b>9</b>
<b>Subject</b>	Revenue budget monitoring 2015-16 : Periods 3 and 4	

---

## **Part one: Revenue budget monitoring 2015-16 : Period 3**

### **Purpose**

To update cabinet on the provisional financial position as at 30 June 2015, the forecast outturn for the year 2015-16, and the consequent forecast of the general fund and housing revenue account balances.

### **Recommendation**

To note the financial position as at 30 June 2015 and the forecast outturn 2015/16.

### **Corporate and service priorities**

The report helps to meet the corporate priority value for money services and the service plan priority to provide accurate, relevant and timely financial information.

### **Financial implications**

The general fund budget is forecast to underspend by £0.534m. The housing revenue account budget is forecast to underspend by £0.481m.

**Ward/s:** All wards

**Cabinet member:** Councillor Stonard – Resources and income generation

### **Contact officers**

Justine Hartley, chief finance officer 01603 212440

Neil Wright, service accountant 01603 212498

### **Background documents**

None

## Report

1. Council approved budgets for the 2015-16 financial year on 17 February 2015.
2. The attached appendices show the forecast outturn and year-to-date positions for the general fund and the housing revenue account:
  - [Appendix 1](#) shows the general fund by corporate leadership team responsibilities, and by subjective group
  - [Appendix 2](#) shows the housing revenue account in (near) statutory format, and by subjective group
  - [Appendix 3](#) shows budget and expenditure for the year to date in graphical format

## General fund

3. Budgets reported include the resources financing the council's net budget requirement (which includes a contribution of £0.383m from reserve balances as allowed for in the *Medium term financial strategy*) so that the net budget totals zero:

<i>Item</i>	<i>Approved Budget £000s</i>
Net Budget Requirement	17,056
Non-Domestic Rates	(4,645)
Revenue Support Grant	(4,096)
Council Tax precept	(8,315)
<b>Total General Fund budget</b>	<b>0</b>

4. The general fund has been forecast to underspend by **£0.534m** at year end. Key forecast variances from budget are set out below:

<i>General Fund Service</i>	<i>Forecast Outturn P3 £000s</i>	<i>Commentary</i>
Business Relationship Management	(141)	LGSS fraud team transfer to DWP but reduced grant still received for one year (£132k); NNDR professional advice forecast lower than budget (£42k)
Customer Contact	(126)	Land search fee income refunds, additional grant funding and vacant posts.

5. For the year to date an underspend against budget of **£3.85m** is being reported. This underspend is made up of many debit and credit figures where various income and expenditure lines are ahead of or behind budget profile. Significant variances are explained below. These lines will be monitored closely as the year progresses to identify any potential impact on forecast outturn figures.

<i>General Fund Service</i>	<i>Variance To Date P3 £000s</i>	<i>Commentary</i>
Business Relationship Management	(262)	Corporate grants received higher than budget to date; timing issues re insurance premium allocations and LGSS invoices.
Finance	259	NNDR business rates tariff higher than budgeted.
Customer Contact	(836)	Transformation Challenge grant funding unbudgeted, vacant posts.
City Development:	(2,143)	The current underspend against profile relates to parking rates not being paid as yet for the full year, pension deficit charges and accruals income not yet invoiced.
Environmental Strategy	398	Large payment for Cosy city made ahead of profile. Gas bill paid, to be redistributed.
Planning:	(312)	Pension recharges to be processed and planning income higher than budgeted.
Property Services:	(406)	Rates bill not yet invoiced for the year ahead.
Citywide Services:	(325)	Income from garden waste ahead of profile £(165k), Income from recycling credits behind profile £92k & cleaning contract behind profile £(346k). Environmental services recharge journal due for £430k. Green spaces day to day repairs below expected by £(35k) & grounds maintenance charges currently behind forecast by £(25)k. Additionally pension deficit charges yet to be made.
Human Resources	479	Pension deficit £191k higher than budgeted. Contribution to airport pension costs ahead of profile £216k.

## Housing revenue account

The budgets reported include a £13.9m use of HRA balances, so that the net budget totals zero:

<i>Item</i>	<i>Approved Budget £000s</i>
Gross HRA Expenditure	87,630
Gross HRA Income	(73,697)
Contribution from HRA Balance	(13,933)
<b>Total net HRA budget</b>	<b>0</b>

6. The housing revenue account has been forecast to underspend by **£0.481m**.

<i>HRA Division of Service</i>	<i>Forecast Variance P3 £000s</i>	<i>Commentary</i>
Rents, Rates, & Other Property Costs	(384)	There is a forecast underspend on Anglian Water costs, partially offset by under-recovery through water service charges.
General Management	(504)	There is a forecast underspend on the contingency fund (£121k), unrequired audit fee budget (£101K) and various staffing underspends due to vacancies.
Provision for Bad Debts	(152)	Underspend forecast based on first quarter arrears figures, partially offset by unbudgeted write-off costs against 'Dwelling Rents'.
Dwelling Rents	305	Forecast shortfall of income as a result of long term voids at St James & Britannia - originally anticipated that sites would be re-occupied by September 2015, but now delayed until April 2016. Also unbudgeted write off costs, partially offset by underspend against bad debt provision.
Garage & Other Property Rents	(203)	Lower than anticipated garage void rate.
Service Charges - General	512	Income from Anglian Water service charges lower than anticipated, partially offset by reduced Anglian Water expenditure against 'Rents, Rates, & Other Property Costs'

7. For the year to date an underspend of **£3.988m** is being reported. This underspend is made up of many debit and credit figures, where various income and expenditure lines are ahead of or behind budget profile. Significant underspends and overspends to date are explained below. These lines will be monitored closely as the year progresses to identify any potential impact on forecast outturn figures.

<i>HRA Division of Service</i>	<i>Variance To Date P3 £000s</i>	<i>Commentary</i>
Repairs & Maintenance	(2,645)	These variances have arisen due to invoice delays at the start of the financial year, which is usual for work of this nature.
General Management	(809)	Mainly due to pension deficit recovery charges not yet being processed.
Special Services	(425)	Delays in processing of invoices, particularly district heating fuel.

## Risks

8. A risk-based review based on the size and volatility of budgets has identified a "Top 10" of key budgets where inadequacy of monitoring and control systems could pose a significant threat to the council's overall financial position. These are shown in the following table.

Key Risk Budgets	Budget £000s	Current Variance	Current Var %	Current RAG	Forecast Variance	Forecast Var %	Forecast RAG
Housing Benefit Payments - Council tenants	36,254	63	0%	GREEN	1,433	4%	AMBER
Housing Benefit Subsidy - Council tenants	-35,639	-735	2%	GREEN	-1,366	4%	AMBER
Housing Benefit Payments - Other tenants	32,280	499	2%	GREEN	-3,128	-10%	RED
Housing Benefit Subsidy - Other tenants	-33,048	1,191	-4%	AMBER	3,133	-9%	RED
HRA Repairs - Tenanted Properties	12,369	-2,361	-19%	RED	-2	0%	GREEN
HRA Repairs - Void Properties	2,639	-179	-7%	RED	-18	-1%	GREEN
Multi-Storey Car Parks	-3,203	29	-1%	GREEN	0	0%	GREEN
HRA Rents - Estate Properties	-60,144	105	0%	GREEN	305	-1%	GREEN
Corporate Management including Contingency	-3,929	-655	17%	RED	1	0%	GREEN
Private Sector Leasing Costs	2,570	-25	-1%	GREEN	-131	-5%	RED

9. The red/amber status of items in the forecast RAG column is explained below.

Key Risk Budgets	Comment
Housing Benefit Payments and Subsidy	Although these areas are currently showing a red RAG status, they largely offset one another. There is an overall net forecast overspend on Housing Benefits budgets of £71k.
Private Sector Leasing Costs	This budget is showing as red but is a forecast underspend so does not pose a risk to the delivery of the service within budget.

10. The 2015/16 budgets approved by council were drawn up in the expectation of reduced resources as announced by the previous government. There are risks to the current and medium term financial position from:
- Further reductions in government grant – recent government announcements indicate that further reductions in government funding are likely.
  - The localisation of business rates and of council tax reductions has increased the risks to the council's financial position arising from economic conditions. Significant levels of appeals against business rates also remain unresolved at the current time.
  - Changes in policy – if further empowerment of local authorities is not matched by devolved resources
  - Delivery of savings – the budget incorporates both savings measures already in place, and those planned for implementation during the year. If these savings are not achievable in full, overspends will result. With appropriate approvals these may be mitigated through provision made in the corporate contingency, up to the level of that contingency
  - Identification of further savings – work is continuing on developing proposals for additional savings to bridge the medium-term budget gap. If these proposals fall short, or are not implemented fully and in a timely manner, further budget shortfalls will result.
11. Forecast outturns are estimates based on management assessments, formulae, and extrapolation. They may not adequately take account of variables such as:
- Bad debts – budget reports show gross debt, i.e. invoices raised. While allowance has been made in the budget for non-collections, the current economic climate may have an adverse influence on our ability to collect money owed. This may be reflected in higher provisions for bad debt, as may the impact of welfare reforms such as the so-called "Bedroom Tax".
  - Seasonal factors – if adverse weather conditions or a worsening economic climate depress levels of trade and leisure activities in the city, there may be a negative impact on parking and other income.
  - Housing repairs and Improvements – the rate of spend on void properties, though closely managed, is heavily influenced by void turnaround, since transfers can create a chain of voids involving significant repair costs.

## **Financial planning**

12. Overall levels of overspend and underspend will have an ongoing impact on the budget for following years and the size and urgency of savings requirements.



13. Net overspends and underspends will be consolidated into the general fund and housing revenue account balances carried forward to 2016/17. These are reflected in periodic updates to the *Medium term financial strategy* and *Housing revenue account business plan*.

## Impact on balances

14. The prudent minimum level of general fund reserves has been assessed as £4.474m. The budgeted and forecast outturn's impact on the 2014/15 balance brought forward, is as follows:

<i>Item</i>	<i>£000s</i>
Balance at 1 April 2015	(8,070)
Budgeted use of balances 2015/16	383
Forecast outturn 2015/16	(534)
= Forecast balance at 31 March 2016	(8,221)

15. The general fund balance is therefore expected to continue to exceed the prudent minimum.
16. The prudent minimum level of HRA reserves has been assessed as £3.111m. The budgeted and forecast outturn's impact on the 2015/16 balance brought forward, is as follows:

<i>Item</i>	<i>£000s</i>
Balance at 1 April 2015	(20,181)
Budgeted use of balances 2015/16	13,933
Forecast outturn 2015/16	(481)
= Forecast balance at 31 March 2016	(6,729)

17. The housing revenue account balance is therefore expected to continue to exceed the prudent minimum.

## Collection fund

18. The collection fund is made up of three accounts – council tax, the business improvement district (BID) account, and national non-domestic rates (NNDR).
- Council tax is shared between the city, the county, and the police and crime commissioner based on an estimated tax base and the council tax rates agreed by each of the preceptors. Any surplus or deficit is shared in the following financial year.
  - The BID account is operated on behalf of the BID company, to collect their income from the BID levy. Any surplus or deficit is passed on to the BID company.

- NNDR income is shared between the city, the county, and central government. Since localisation, any surplus or deficit is also shared, rather than as formerly being borne wholly by the government.

19. There are particular risks attached to NNDR, which are:

- Appeals – the impact of any appeals will fall on the collection fund, and therefore in part on the city. The valuation office has cleared a large number of appeals which has adversely affected the council's business rates income levels. However, a backlog of appeals remains and the value of the appeals is not known, nor the likelihood of success, nor the timing of the appeal being determined.
- NNDR billable – changes in the NNDR billable, e.g. demolition or construction of new billable premises, will impact on the amount billable. Assumptions of growth may also be affected by changes in the larger economic environment.
- NNDR collectable – arrears and write-offs (e.g. where a business goes into administration) will also impact on the Collection Fund.

20. These risks are monitored and mitigated through normal revenues operations.

21. A summary of the collection fund is provided below:

<i>Approved Budget £000s</i>	<i>Current Budget £000s</i>	<b>Collection Fund Summary</b>	<i>Actual To Date £000s</i>	<i>Forecast Outturn £000s</i>	<i>Forecast Variance £000s</i>
		<b>Council tax</b>			
53,797	53,797	Expenditure	13,647	53,797	0
(53,797)	(53,797)	Income	(13,449)	(53,797)	0
		<b>Business Improvement District</b>			
656	656	Expenditure	164	654	(2)
(656)	(656)	Income	(164)	(656)	0
		<b>National Non-Domestic Rate</b>			
77,698	77,698	Expenditure	19,424	77,698	0
(77,698)	(77,698)	Income	(19,424)	(77,698)	0
<b>0</b>	<b>0</b>	<b>Total Collection Fund</b>	<b>198</b>	<b>(2)</b>	<b>(2)</b>

22. On council tax, the actual year-end surplus or deficit will be taken into account in considering distribution of balances between the preceptors (city, county, and police).

23. The council operates the BID account on behalf of the BID company, so no surplus or deficit will fall on the council's accounts.
24. Any deficit reported on the NNDR account will roll forward and be distributed in the 2016/17 budget cycle.
25. Additional (section 31) grant is received in the general fund to offset all or part of any shortfall in business rate income due to additional reliefs granted by government. All such grant monies received are transferred to an earmarked reserve and held to be offset against deficits in the years that they impact on the revenue accounts.

## Integrated impact assessment



**NORWICH**  
City Council

### Report author to complete

<b>Committee:</b>	Cabinet
<b>Committee date:</b>	
<b>Head of service:</b>	Chief Finance Officer
<b>Report subject:</b>	Revenue Budget Monitoring 2015/16
<b>Date assessed:</b>	23/07/15
<b>Description:</b>	This is the integrated impact assessment for the Revenue Budget Monitoring 2015/16 report to cabinet

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

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

Recommendations from impact assessment
<b>Positive</b>
None
<b>Negative</b>
None
<b>Neutral</b>
None
<b>Issues</b>
The council should continue to monitor its budget performance in the context of the financial risk environment within which it operates.

**GENERAL FUND SERVICE SUMMARY**

<i>Approved Budget</i>	<i>Current Budget</i>		<i>Budget To Date</i>	<i>Actual To Date</i>	<i>Variance To Date</i>	<i>Forecast Outturn</i>	<i>Forecast Variance</i>
<b>Business Relationship Mgt &amp; Democracy</b>							
1,537,574	1,537,574	Business Relationship Management	23,566	(238,835)	(262,401)	1,396,892	(140,682)
292,745	292,328	Democratic Services	253,530	494,310	240,780	324,630	32,302
(19,263,443)	(19,263,443)	Finance	(4,795,167)	(4,536,125)	259,042	(19,192,040)	71,403
0	(256)	Procurement & Service Improvement	906,438	759,736	(146,702)	(66,641)	(66,385)
<b>(17,433,124)</b>	<b>(17,433,797)</b>	<b>Total Business Relationship Management &amp; Democracy</b>	<b>(3,611,633)</b>	<b>(3,520,914)</b>	<b>90,719</b>	<b>(17,537,159)</b>	<b>(103,362)</b>
<b>Chief Executive</b>							
0	0	Chief Executive	73,881	52,206	(21,675)	(16,727)	(16,727)
<b>0</b>	<b>0</b>	<b>Total Chief Executive</b>	<b>73,881</b>	<b>52,206</b>	<b>(21,675)</b>	<b>(16,727)</b>	<b>(16,727)</b>
<b>Customers, Comms &amp; Culture</b>							
2,124,719	2,135,301	Communications & Culture	657,828	537,584	(120,244)	2,076,566	(58,735)
(105,756)	(106,136)	Customer Contact	731,843	(104,002)	(835,845)	(232,459)	(126,323)
<b>2,018,963</b>	<b>2,029,165</b>	<b>Total Customers, Comms &amp; Culture</b>	<b>1,389,671</b>	<b>433,582</b>	<b>(956,089)</b>	<b>1,844,107</b>	<b>(185,058)</b>
<b>Regeneration &amp; Growth</b>							
(1,101,624)	(1,106,537)	City Development	(23,572)	(2,166,733)	(2,143,161)	(1,054,058)	52,479
0	0	Environmental Strategy	46,397	444,330	397,933	27,258	27,258
0	0	Executive Head of Regeneration &	39,401	34,773	(4,628)	967	967
1,447,674	1,447,502	Planning	406,912	94,745	(312,167)	1,365,424	(82,078)
262,834	262,195	Property Services	613,238	207,449	(405,789)	217,155	(45,040)
<b>608,884</b>	<b>603,160</b>	<b>Total Regeneration &amp; Growth</b>	<b>1,082,376</b>	<b>(1,385,437)</b>	<b>(2,467,813)</b>	<b>556,745</b>	<b>(46,415)</b>
<b>Strategy, People &amp; Neighbourhoods</b>							
10,069,543	10,068,593	Citywide Services	2,186,838	1,862,220	(324,618)	10,043,502	(25,091)
0	(1,172)	Human Resources	2,113,507	2,592,997	479,490	(64,599)	(63,427)
2,315,862	2,315,389	Neighbourhood Housing	408,689	187,334	(221,355)	2,271,000	(44,389)
2,419,872	2,418,932	Neighbourhood Services	665,580	490,454	(175,126)	2,350,426	(68,506)
0	(271)	Strategy & Programme Management	141,301	153,237	11,936	18,392	18,663
<b>14,805,277</b>	<b>14,801,471</b>	<b>Total Strategy, People &amp; Neighbourhoods</b>	<b>5,515,915</b>	<b>5,286,243</b>	<b>(229,672)</b>	<b>14,618,721</b>	<b>(182,750)</b>
<b>0</b>	<b>(1)</b>	<b>Total General Fund</b>	<b>4,450,210</b>	<b>865,680</b>	<b>(3,584,530)</b>	<b>(534,313)</b>	<b>(534,312)</b>



**HOUSING REVENUE ACCOUNT STATUTORY SUMMARY**

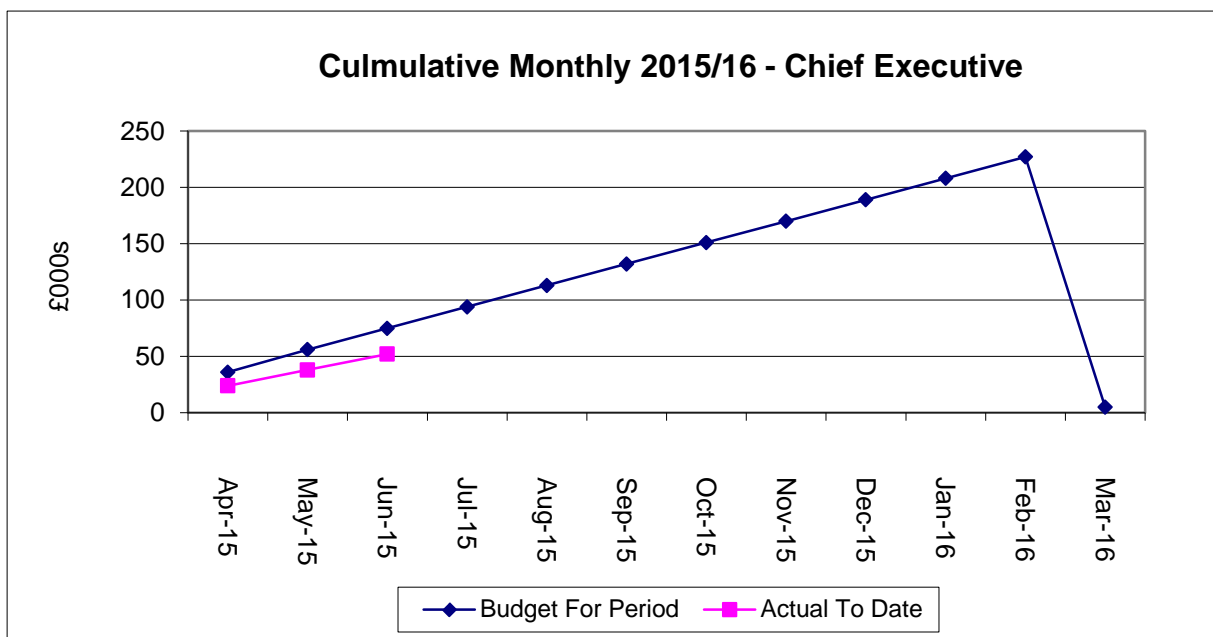
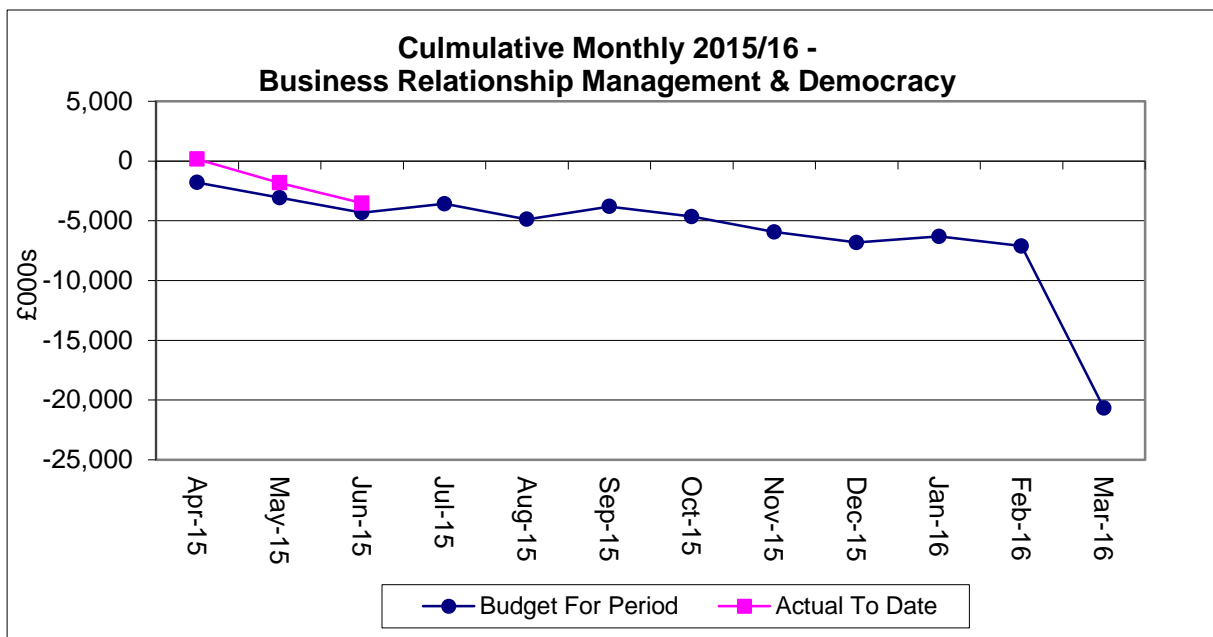
<i>Approved Budget</i>	<i>Current Budget</i>		<i>Budget To Date</i>	<i>Actual To Date</i>	<i>Variance To Date</i>	<i>Forecast Outturn</i>	<i>Forecast Variance</i>
16,069,344	16,069,344	Repairs & Maintenance	3,950,199	1,305,409	(2,644,790)	16,130,590	61,246
6,436,719	6,436,719	Rents, Rates, & Other Property Costs	5,872,118	5,666,223	(205,895)	6,052,933	(383,786)
11,016,261	11,016,261	General Management	1,777,365	968,302	(809,063)	10,512,304	(503,957)
5,086,385	5,086,393	Special Services	1,117,120	692,091	(425,029)	5,057,860	(28,533)
21,430,943	21,430,943	Depreciation & Impairment	0	0	0	21,430,943	0
584,000	584,000	Provision for Bad Debts	146,000	0	(146,000)	432,000	(152,000)
(60,143,678)	(60,143,678)	Dwelling Rents	(15,637,356)	(15,532,101)	105,255	(59,839,133)	304,545
(1,980,123)	(1,980,124)	Garage & Other Property Rents	(511,698)	(547,324)	(35,626)	(2,183,563)	(203,439)
(9,144,884)	(9,144,884)	Service Charges - General	(2,214,179)	(2,019,094)	195,085	(8,632,828)	512,056
0	0	Miscellaneous Income	0	(21,894)	(21,894)	(87,576)	(87,576)
11,355,513	11,355,513	Adjustments & Financing Items	(150)	0	150	11,356,113	600
(560,480)	(560,480)	Amenities shared by whole community	0	0	0	(560,480)	0
(150,000)	(150,000)	Interest Received	0	0	0	(150,000)	0
<b>0</b>	<b>7</b>	<b>Total Housing Revenue Account</b>	<b>(5,500,581)</b>	<b>(9,488,387)</b>	<b>(3,987,806)</b>	<b>(480,837)</b>	<b>(480,844)</b>

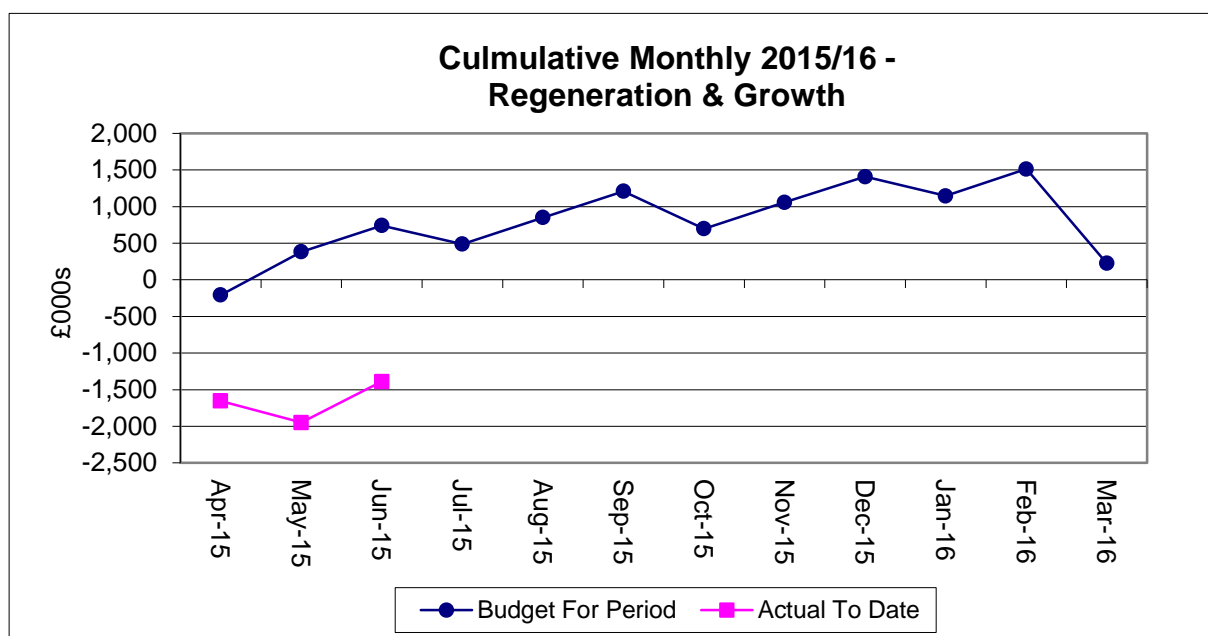
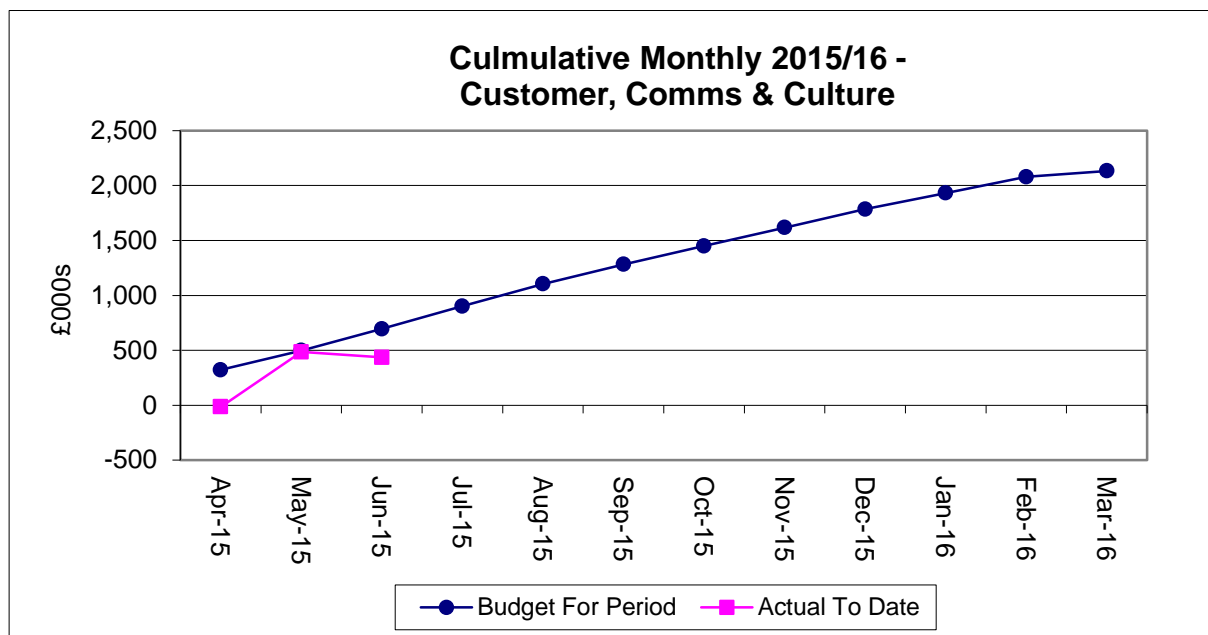
## Budget & Expenditure – Monthly by Service Graphs

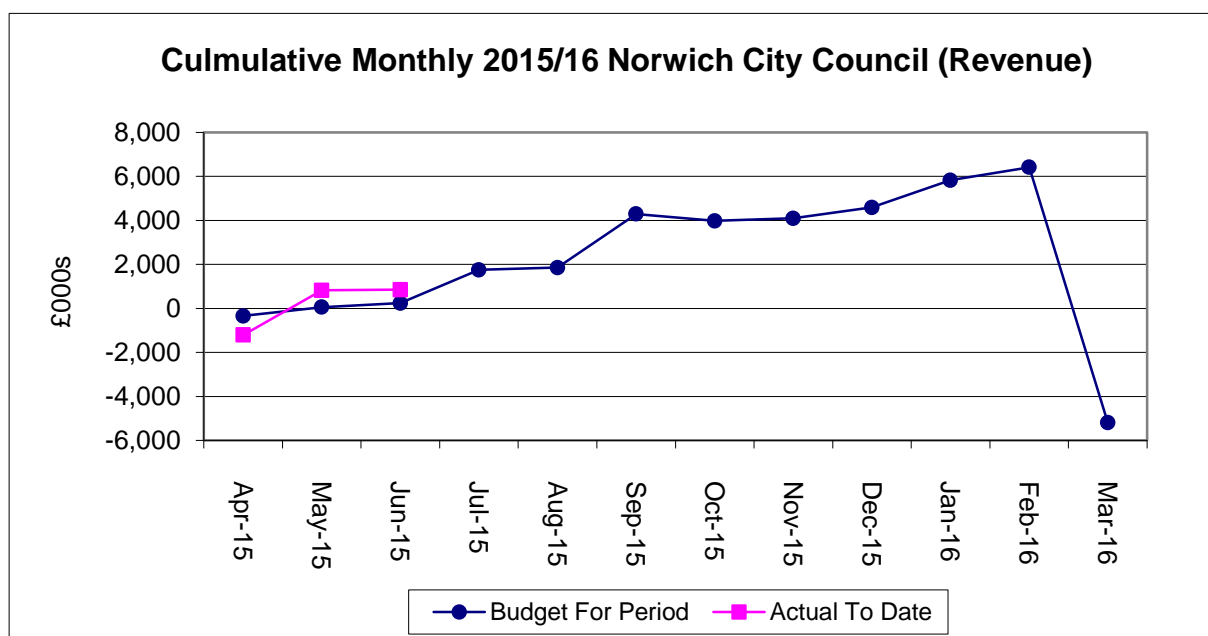
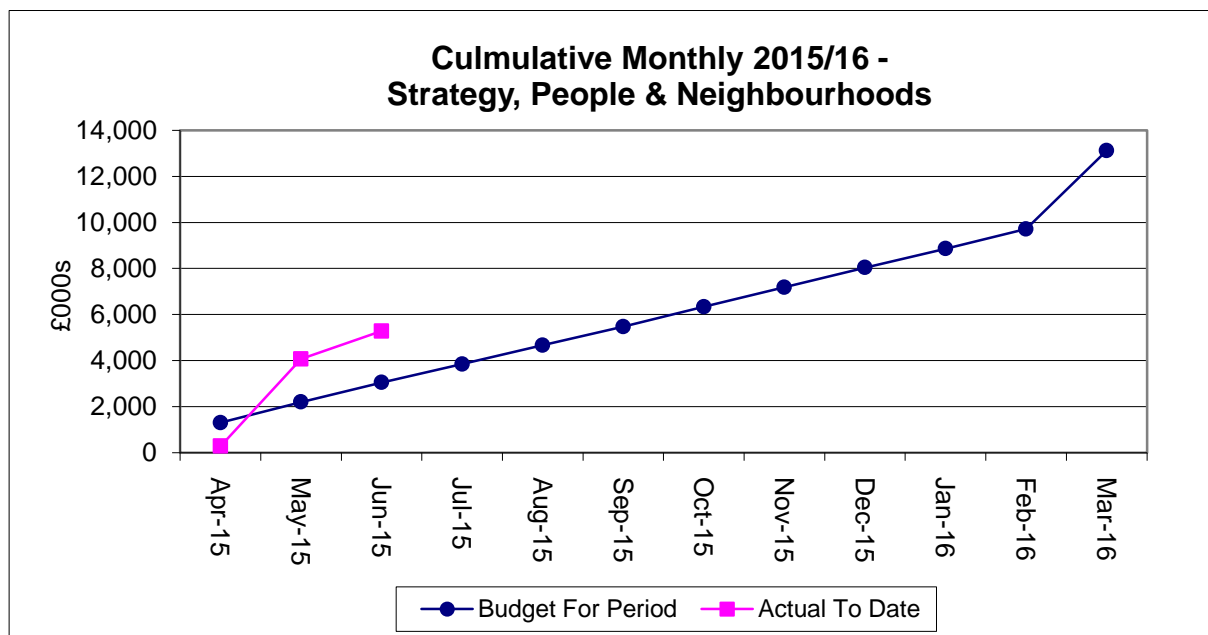
The following graphs show the monthly budget profile and income/expenditure to date for each service (both General Fund and Housing Revenue Account) for the financial year.

The actual income/expenditure reported is influenced by accrual provisions brought forward from the previous financial year, and by any delays in invoicing and/or payment.

Budgets are profiled to show the expected pattern of income & expenditure, and will be refined and improved during the course of the financial year.







## **Part two: Revenue budget monitoring 2015-16 – Period 4**

### **Purpose**

To update cabinet on the provisional financial position as at 31 July 2015, the forecast outturn for the year 2015-16, and the consequent forecast of the general fund and housing revenue account balances.

### **Recommendation**

To note the financial position as at 31 July 2015 and the forecast outturn 2015-16.

### **Corporate and service priorities**

The report helps to meet the corporate priority value for money services and the service plan priority to provide accurate, relevant and timely financial information.

### **Financial implications**

The general fund budget is forecast to underspend by £0.402m. The housing revenue account budget is forecast to underspend by £0.526m.

Monitoring of key budgets does not indicate any unusual cause for concern; however the position will need to be continually monitored in order to deliver to the forecast outturn

**Ward/s:** All wards

**Cabinet member:** Councillor Stonard – Resources and income generation

### **Contact officers**

Justine Hartley, chief finance officer  
Neil Wright, service accountant

01603 212440  
01603 212498

### **Background documents**

None

## Report

1. Council approved budgets for the 2015-16 financial year on 17 February 2015.
2. The attached appendices show the forecast outturn and year-to-date positions for the general fund and the housing revenue account:
  - [Appendix 1](#) shows the general fund by corporate leadership team responsibilities, and by subjective group
  - [Appendix 2](#) shows the housing revenue account in (near) statutory format, and by subjective group
  - [Appendix 3](#) shows budget and expenditure for the year to date in graphical format

## General fund

3. Budgets reported include the resources financing the council's net budget requirement (which includes a contribution of £0.383m from reserve balances as allowed for in the medium term financial strategy) so that the net budget totals zero:

<i>Item</i>	<i>Approved Budget £000s</i>
Net Budget Requirement	17,056
Non-Domestic Rates	(4,645)
Revenue Support Grant	(4,096)
Council Tax precept	(8,315)
<b>Total General Fund budget</b>	<b>0</b>

4. The general fund has been forecast to underspend by **£0.402m** at year end compared to a forecast underspend last month of £0.534m. Key forecast variances from budget are set out below:

<i>Forecast Outturn Variance P3 £000s</i>	<i>General Fund Service</i>	<i>Forecast Outturn Variance P4 £000s</i>	<i>Commentary</i>
(66)	Procurement & Service Improvement	(271)	Expected underspend on IT services development fund plus underspend from currently vacant posts in procurement.
(126)	Customer Contact	(139)	Land search fee income refunds, additional grant income and vacant posts.

5. For the year to date an underspend against budget of **£3.787m** is being reported. This underspend is made up of many debit and credit figures where various income and expenditure lines are ahead of or behind budget profile. Significant variances are explained below. These lines will be monitored

closely as the year progresses to identify any potential impact on forecast outturn figures.

<i>General Fund Service</i>	<i>Variance To Date P4 £000s</i>	<i>Commentary</i>
Business Relationship Management	(1,158)	Corporate grants received higher than budget to date; Shared services expenditure currently lower than profile however is expected to match budget by year end.
Democratic Services	342	Timing issue re elections costs.
Procurement & Service Improvement	(324)	Expected underspend on IT services development fund; Shared services expenditure currently lower than profile however is expected to match budget by year end.
Customer Contact	(653)	Transformation Challenge grant funding unbudgeted plus reflecting forecast underspends from land search fee income refunds, additional grant income and vacant posts.
City Development:	(1,700)	The current underspend against profile relates to parking rates not being paid as yet for the full year, pension deficit charges not being invoiced and works recharges not put through as yet.
Environmental Strategy	455	Large payment for Cosy city made. Gas bill paid to be redistributed.
Property Services:	(514)	Rates bill not yet invoiced for the year ahead.

## Housing revenue account

6. The budgets reported include a £13.9m use of HRA balances, so that the net budget totals zero:

<i>Item</i>	<i>Approved Budget £000s</i>
Gross HRA Expenditure	87,630
Gross HRA Income	(73,697)
Contribution from HRA Balance	(13,933)
<b>Total net HRA budget</b>	<b>0</b>

7. The housing revenue account has been forecast to underspend by **£0.526m** at year end. Key forecast variances from budget are set out below:.

<i>Forecast Outturn Variance P3 £000s</i>	<i>HRA Division of Service</i>	<i>Forecast Outturn Variance P4 £000s</i>	<i>Commentary</i>
(384)	Rents, Rates, & Other Property Costs	(338)	There is a forecast underspend on Anglian Water costs, partially offset by under-recovery through water service charges
(504)	General Management	(560)	There is a forecast underspend on the contingency fund (£121k), unrequired audit fee budget (£101k) and various staffing underspends due to vacancies
(152)	Provision for Bad Debts	(152)	Underspend forecast based on first quarter arrears figures, partially offset by unbudgeted write-off costs against 'Dwelling Rents'
305	Dwelling Rents	295	Forecast shortfall of income as a result of long term voids at St James & Britannia - originally anticipated that sites would be re-occupied by September 2015, but now delayed until April 2016. Also unbudgeted write off costs, partially offset by underspend against bad debt provision.
(203)	Garage & Other Property Rents	(170)	Lower than anticipated garage void rate
512	Service Charges - General	511	Income from Anglian Water service charges lower than anticipated, partially offset by reduced Anglian Water expenditure against 'Rents, Rates, & Other Property Costs'.

8. For the year to date an underspend of **£3.489m** is being reported. This underspend is made up of many debit and credit figures, where various income and expenditure lines are ahead of or behind budget profile. Significant underspends and overspends to date are explained below. These lines will be monitored closely as the year progresses to identify any potential impact on forecast outturn figures.

<i>HRA Division of Service</i>	<i>Variance To Date P4 £000s</i>	<i>Commentary</i>
Repairs & Maintenance	(2,941)	These variances have arisen due to invoice delays at the start of the financial year, which is usual for work of this nature.
General Management	(413)	Mainly due to staff vacancies and to area office business rates not yet being processed. Also, Families' Unit grant income has been received for the year, but profiled to be received in quarters.



<i>HRA Division of Service</i>	<i>Variance To Date P4 £000s</i>	<i>Commentary</i>
Special Services	(347)	Delays in processing of invoices, particularly district heating fuel.
Service Charges - General	248	Income from Anglian Water service charges lower than anticipated.

## Risks

9. A risk-based review based on the size and volatility of budgets has identified a top 10 of key budgets where inadequacy of monitoring and control systems could pose a significant threat to the council's overall financial position. These are shown in the following table.

Key Risk Budgets	Budget £000s	Current Variance	Current Var %	Current RAG	Forecast Variance	Forecast Var %	Forecast RAG
Housing Benefit Payments - Council tenants	36,254	-155	0%	GREEN	1,433	4%	AMBER
Housing Benefit Subsidy - Council tenants	-35,639	-806	2%	GREEN	-1,361	4%	AMBER
Housing Benefit Payments - Other tenants	32,280	182	1%	GREEN	-3,128	-10%	RED
Housing Benefit Subsidy - Other tenants	-33,048	1,523	-5%	AMBER	3,134	-9%	RED
HRA Repairs - Tenanted Properties	12,369	-2,507	-20%	RED	2	0%	GREEN
HRA Repairs - Void Properties	2,639	-294	-11%	RED	-23	-1%	GREEN
Multi-Storey Car Parks	-3,203	6	0%	GREEN	0	0%	GREEN
HRA Rents - Estate Properties	-60,144	133	0%	GREEN	305	-1%	GREEN
Corporate Management including Contingency	-3,929	-677	17%	RED	1	0%	GREEN
Private Sector Leasing Costs	2,570	3	0%	GREEN	-20	-1%	GREEN

10. The red/amber status of items in the forecast RAGr column is explained below.

Key Risk Budgets	Comment
Housing Benefit Payments and Subsidy	Although both of these areas are currently showing a red or amber RAG status, they largely offset one another. There is an overall net forecast overspend on Housing Benefits budgets of £78k.

11. The 2015-16 budgets approved by council were drawn up in the expectation of reduced resources as announced by the previous government. There are risks to the current and medium term financial position from:

- Further reductions in government grant – the localisation of business rates and of council tax reductions has increased the risks to the council's financial position arising from economic conditions and policy decisions. In addition, recent government announcements indicate that further reductions in government funding are likely.
- Changes in policy – if further empowerment of local authorities is not matched by devolved resources
- Delivery of savings – the budget incorporates both savings measures already in place, and those planned for implementation during the year. If these savings are not achievable in full, overspends will result. With appropriate approvals these may be mitigated through provision made in the corporate contingency, up to the level of that contingency

- Identification of further savings – work is continuing on developing proposals for additional savings to bridge the medium-term budget gap. If these proposals fall short, or are not implemented fully and in a timely manner, further budget shortfalls will result.
12. Forecast outturns are estimates based on management assessments, formulae, and extrapolation. They may not adequately take account of variables such as:
- Bad debts – budget reports show gross debt, i.e. invoices raised. While allowance has been made in the budget for non-collections, the current economic climate may have an adverse influence on our ability to collect money owed. This may be reflected in higher provisions for bad debt, as may the impact of welfare reforms such as the so-called bedroom tax.
  - Seasonal factors – if adverse weather conditions or a worsening economic climate depress levels of trade and leisure activities in the city, there may be a negative impact on parking and other income.
  - Housing repairs and improvements – the rate of spend on void properties, though closely managed, is heavily influenced by void turnaround, since transfers can create a chain of voids involving significant repair costs.

## Financial planning

13. Overall levels of overspend and underspend will have an ongoing impact on the budget for following years and the size and urgency of savings requirements.
14. Net overspends and underspends will be consolidated into the general fund and housing revenue account balances carried forward to 2016-17. These are reflected in periodic updates to the medium term financial strategy and housing revenue account business plan.

## Impact on balances

15. The prudent minimum level of general fund reserves has been assessed as £4.474m. The budgeted and forecast outturn's impact on the 2014-15 balance brought forward, is as follows:

16.

<i>Item</i>	<i>£000s</i>
Balance at 1 April 2015	(8,070)
Budgeted use of balances 2015-16	383
Forecast outturn 2015-16	(402)
= Forecast balance at 31 March 2016	(8,089)

17. The general fund balance is therefore expected to continue to exceed the prudent minimum.

18. The prudent minimum level of HRA reserves has been assessed as £3.111m. The budgeted and forecast outturn's impact on the 2015-16 balance brought forward, is as follows:

<i>Item</i>	<i>£000s</i>
Balance at 1 April 2015	(20,181)
Budgeted use of balances 2015-16	13,933
Forecast outturn 2015-16	(526)
= Forecast balance at 31 March 2016	(6,774)

19. The housing revenue account balance is therefore expected to continue to exceed the prudent minimum.

## Collection fund

20. The collection fund is made up of three accounts – council tax, the business improvement district (BID) account, and national non-domestic rates (NNDR).
- Council tax is shared between the city, the county, and the police and crime commissioner based on an estimated tax base and the council tax rates agreed by each of the preceptors. Any surplus or deficit is shared in the following financial year.
  - The BID account is operated on behalf of the BID company, to collect their income from the BID levy. Any surplus or deficit is passed on to the BID company.
  - NNDR income is shared between the city, the county, and central government. Since localisation, any surplus or deficit is also shared, rather than as formerly being borne wholly by the government.
21. There are particular risks attached to NNDR, which are:
- Appeals – the impact of any appeals will fall on the collection fund, and therefore in part on the city. The valuation office has cleared a large number of appeals which has adversely affected the council's business rates income levels. However, a backlog of appeals remains and the value of the appeals is not known, nor the likelihood of success, nor the timing of the appeal being determined.
  - NNDR billable – changes in the NNDR billable, e.g. demolition or construction of new billable premises, will impact on the amount billable. Assumptions of growth may also be affected by changes in the larger economic environment.
  - NNDR collectable – arrears and write-offs (e.g. where a business goes into administration) will also impact on the collection fund.
22. These risks are monitored and mitigated through normal revenues operations.

23. A summary of the collection fund is provided below:

<i>Approved Budget £000s</i>	<i>Current Budget £000s</i>	Collection Fund Summary	<i>Actual To Date £000s</i>	<i>Forecast Outturn £000s</i>	<i>Forecast Variance £000s</i>
		<b>Council tax</b>			
53,797	53,797	Expenditure	18,371	53,797	0
(53,797)	(53,797)	Income	(17,932)	(53,797)	0
		<b>Business Improvement District</b>			
656	656	Expenditure	219	654	(2)
(656)	(656)	Income	(219)	(656)	0
		<b>National Non-Domestic Rate</b>			
77,698	77,698	Expenditure	25,899	77,698	0
(77,698)	(77,698)	Income	(25,899)	(77,698)	0
<b>0</b>	<b>0</b>	<b>Total Collection Fund</b>	<b>439</b>	<b>(2)</b>	<b>(2)</b>

24. On council tax, actual income is not posted from the council tax system into the finance system until year-end. The actual year-end surplus or deficit will be taken into account in considering distribution of balances between the preceptors (city, county, and police).
25. The council operates the BID account on behalf of the BID company, so no surplus or deficit will fall on the council's accounts.
26. Any deficit reported on the NNDR account will roll forward and be distributed in the 2016-17 budget cycle.
27. Additional (section 31) grant is received in the general fund to offset all or part of any shortfall in business rate income due to additional reliefs granted by government. All such grant monies received are transferred to an earmarked reserve and held to be offset against deficits in the years that they impact on the revenue accounts.

## Integrated impact assessment



**NORWICH**  
City Council

### Report author to complete

<b>Committee:</b>	Cabinet
<b>Committee date:</b>	
<b>Head of service:</b>	Chief Finance Officer
<b>Report subject:</b>	Revenue Budget Monitoring 2015-16
<b>Date assessed:</b>	14/08/15
<b>Description:</b>	This is the integrated impact assessment for the Revenue Budget Monitoring 2015-16 report to cabinet

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

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

Recommendations from impact assessment	
<b>Positive</b>	
None	
<b>Negative</b>	
None	
<b>Neutral</b>	
None	
<b>Issues</b>	
The council should continue to monitor its budget performance in the context of the financial risk environment within which it operates.	



## Budget Monitoring Summary

Year: 2015-16

Period: 4 (July)

## GENERAL FUND SERVICE SUMMARY

<i>Approved Budget</i>	<i>Current Budget</i>		<i>Budget To Date</i>	<i>Actual To Date</i>	<i>Variance To Date</i>	<i>Forecast Outturn</i>	<i>Forecast Variance</i>
<b>Business Relationship Mgt &amp; Democracy</b>							
1,537,574	1,537,574	Business Relationship Management	25,037	(1,133,246)	(1,158,283)	1,450,548	(87,026)
292,745	292,328	Democratic Services	324,192	666,182	341,990	362,274	69,946
(19,263,443)	(19,263,443)	Finance	(4,431,856)	(4,675,768)	(243,912)	(19,185,862)	77,581
0	(256)	Procurement & Service Improvement	1,179,303	855,528	(323,775)	(271,314)	(271,058)
<b>(17,433,124)</b>	<b>(17,433,797)</b>	<b>Total Business Relationship Management &amp; Democracy</b>	<b>(2,903,324)</b>	<b>(4,287,304)</b>	<b>(1,383,980)</b>	<b>(17,644,355)</b>	<b>(210,558)</b>
<b>Chief Executive</b>							
0	0	Chief Executive	92,397	97,487	5,090	(11,224)	(11,224)
<b>0</b>	<b>0</b>	<b>Total Chief Executive</b>	<b>92,397</b>	<b>97,487</b>	<b>5,090</b>	<b>(11,224)</b>	<b>(11,224)</b>
<b>Customers, Comms &amp; Culture</b>							
2,124,719	2,135,301	Communications & Culture	857,312	834,439	(22,873)	2,132,257	(3,044)
(105,756)	(93,389)	Customer Contact	906,914	253,958	(652,956)	(232,695)	(139,306)
<b>2,018,963</b>	<b>2,041,912</b>	<b>Total Customers, Comms &amp; Culture</b>	<b>1,764,226</b>	<b>1,088,397</b>	<b>(675,829)</b>	<b>1,899,562</b>	<b>(142,350)</b>
<b>Regeneration &amp; Growth</b>							
(1,101,624)	(1,106,537)	City Development	(740,596)	(2,440,769)	(1,700,173)	(1,097,967)	8,570
0	0	Environmental Strategy	58,119	513,387	455,268	10,357	10,357
0	0	Executive Head of Regeneration &	48,893	56,823	7,930	4,829	4,829
1,447,674	1,447,502	Planning	501,243	264,902	(236,341)	1,357,118	(90,384)
262,834	262,195	Property Services	721,564	207,532	(514,032)	178,467	(83,728)
<b>608,884</b>	<b>603,160</b>	<b>Total Regeneration &amp; Growth</b>	<b>589,223</b>	<b>(1,398,125)</b>	<b>(1,987,348)</b>	<b>452,806</b>	<b>(150,354)</b>
<b>Strategy, People &amp; Neighbourhoods</b>							
10,069,543	10,055,846	Citywide Services	2,820,831	2,884,726	63,895	10,129,264	73,418
0	(1,172)	Human Resources	422,915	550,940	128,025	(28,415)	(27,243)
2,315,862	2,315,389	Neighbourhood Housing	464,325	524,626	60,301	2,410,927	95,538
2,419,872	2,418,932	Neighbourhood Services	817,222	763,256	(53,966)	2,367,690	(51,242)
0	(271)	Strategy & Programme Management	175,030	231,305	56,275	21,314	21,585
<b>14,805,277</b>	<b>14,788,724</b>	<b>Total Strategy, People &amp; Neighbourhoods</b>	<b>4,700,323</b>	<b>4,954,852</b>	<b>254,529</b>	<b>14,900,799</b>	<b>112,055</b>
<b>0</b>	<b>(1)</b>	<b>Total General Fund</b>	<b>4,242,845</b>	<b>455,308</b>	<b>(3,787,537)</b>	<b>(402,431)</b>	<b>(402,431)</b>

**HOUSING REVENUE ACCOUNT STATUTORY SUMMARY**

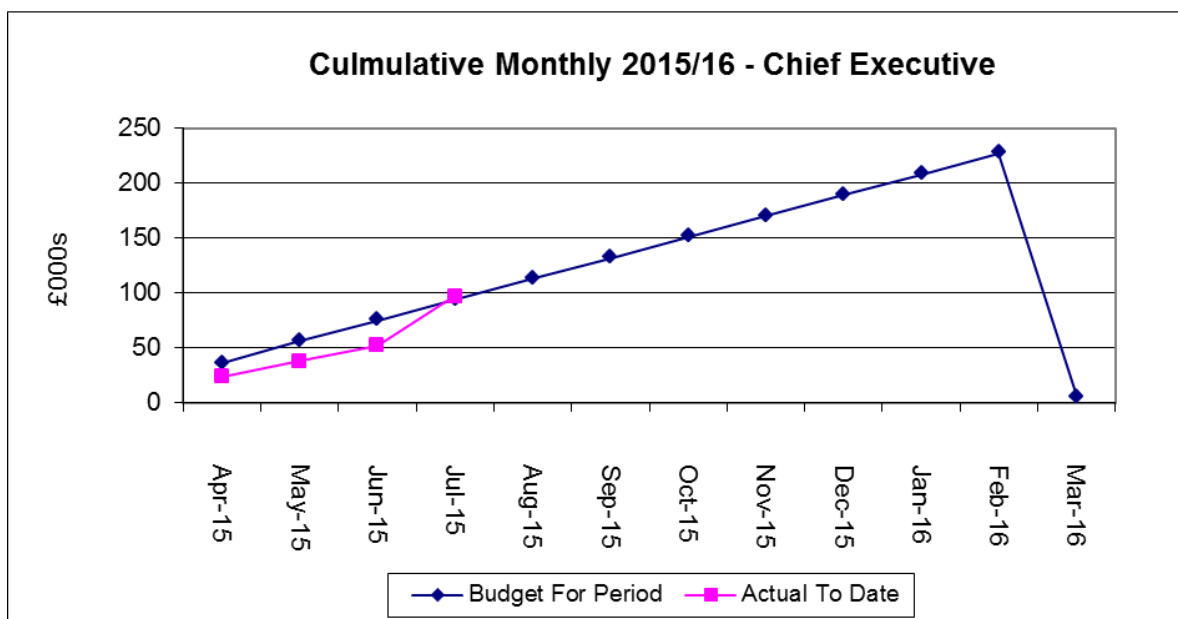
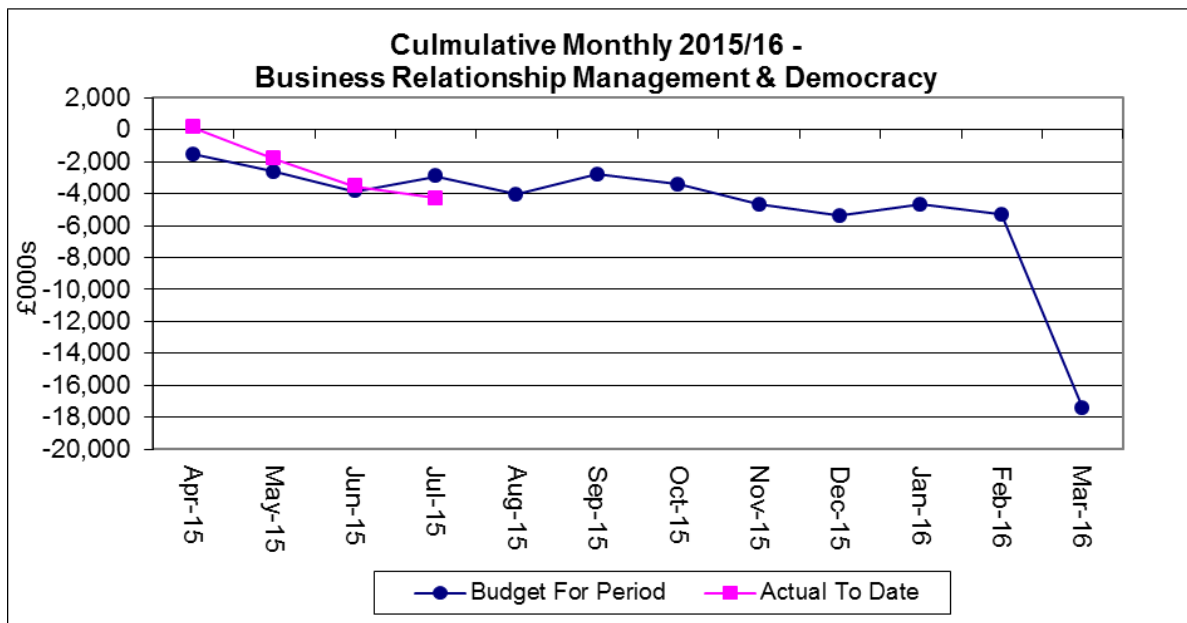
<i>Approved Budget</i>	<i>Current Budget</i>		<i>Budget To Date</i>	<i>Actual To Date</i>	<i>Variance To Date</i>	<i>Forecast Outturn</i>	<i>Forecast Variance</i>
16,069,344	16,069,344	Repairs & Maintenance	5,300,932	2,359,682	(2,941,250)	16,092,182	22,838
6,436,719	6,436,719	Rents, Rates, & Other Property Costs	5,934,853	5,957,004	22,151	6,098,653	(338,066)
11,016,261	11,016,261	General Management	2,340,275	1,927,238	(413,037)	10,456,273	(559,988)
5,086,385	5,086,393	Special Services	1,474,201	1,127,233	(346,968)	5,067,697	(18,696)
21,430,943	21,430,943	Depreciation & Impairment	0	0	0	21,430,943	0
584,000	584,000	Provision for Bad Debts	146,000	0	(146,000)	432,000	(152,000)
(60,143,678)	(60,143,678)	Dwelling Rents	(20,448,850)	(20,315,812)	133,038	(59,848,803)	294,875
(1,980,123)	(1,980,124)	Garage & Other Property Rents	(801,456)	(825,673)	(24,217)	(2,149,777)	(169,653)
(9,144,884)	(9,144,884)	Service Charges - General	(2,907,791)	(2,659,462)	248,329	(8,633,980)	510,904
0	0	Miscellaneous Income	0	(29,616)	(29,616)	(88,848)	(88,848)
11,355,513	11,355,513	Adjustments & Financing Items	(49,050)	(40,610)	8,440	11,327,884	(27,629)
(560,480)	(560,480)	Amenities shared by whole community	0	0	0	(560,480)	0
(150,000)	(150,000)	Interest Received	0	0	0	(150,000)	0
<b>0</b>	<b>7</b>	<b>Total Housing Revenue Account</b>	<b>(9,010,886)</b>	<b>(12,500,016)</b>	<b>(3,489,130)</b>	<b>(526,256)</b>	<b>(526,263)</b>

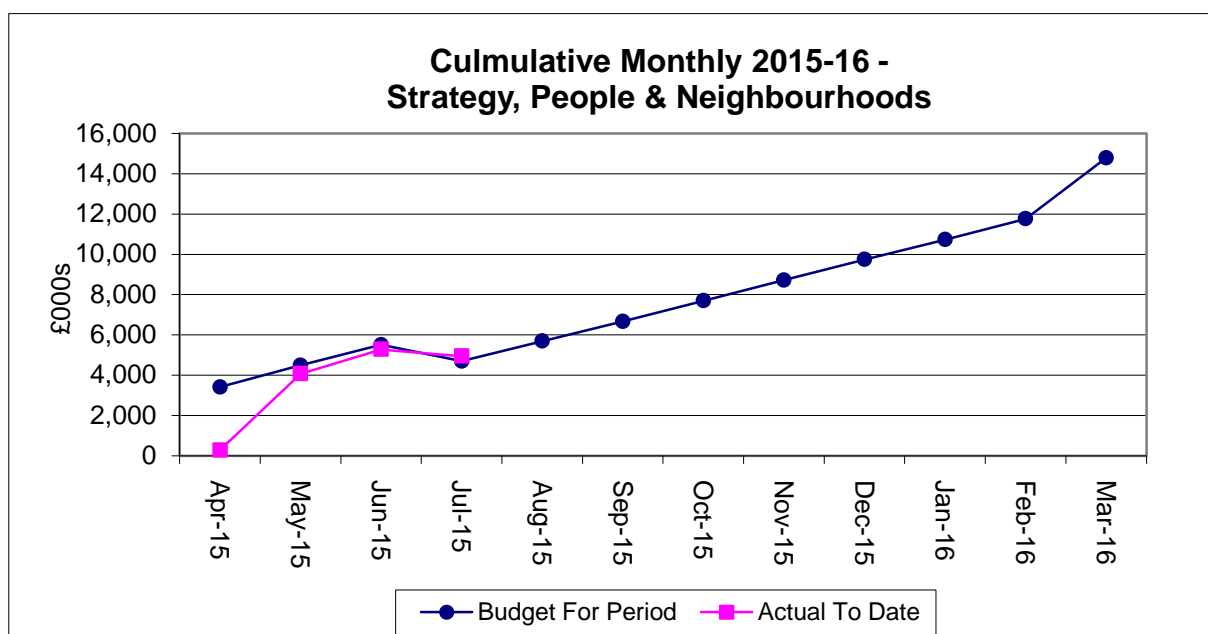
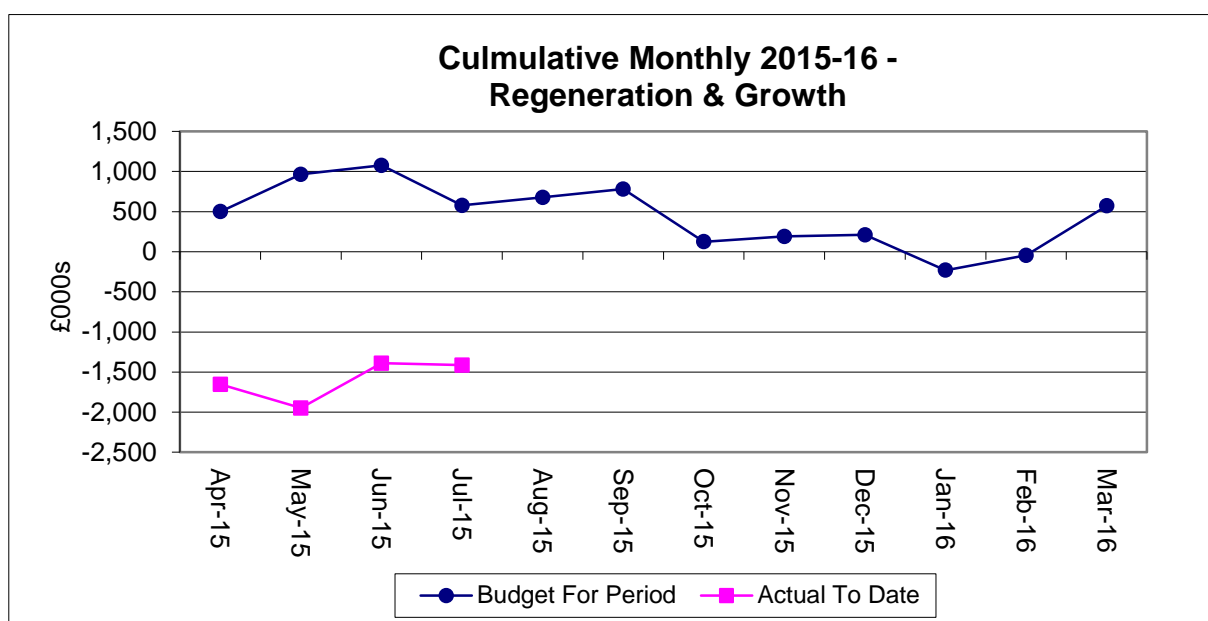
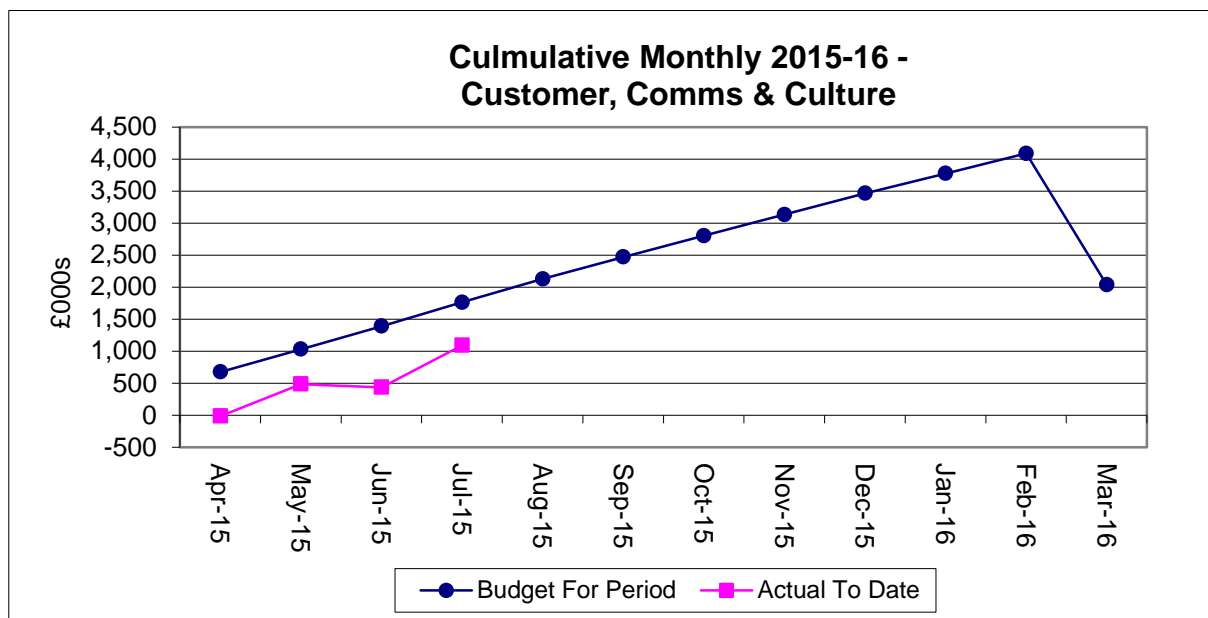
## Budget & Expenditure – Monthly by Service Graphs

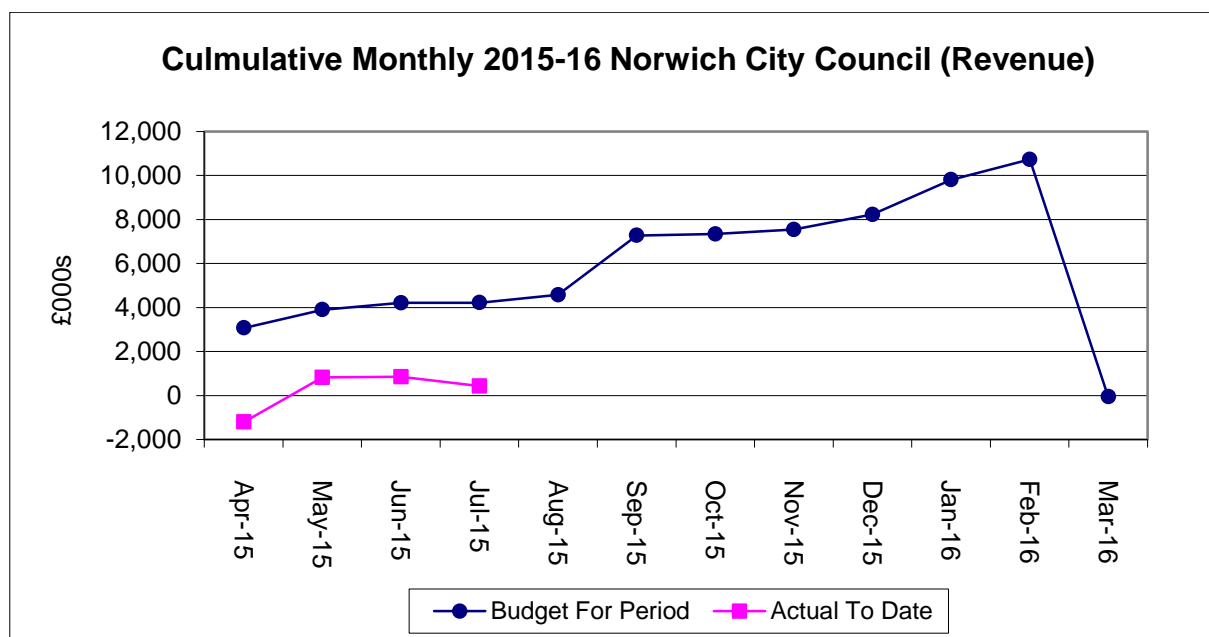
The following graphs show the monthly budget profile and income/expenditure to date for each service (both General Fund and Housing Revenue Account) for the financial year.

The actual income/expenditure reported is influenced by accrual provisions brought forward from the previous financial year, and by any delays in invoicing and/or payment.

Budgets are profiled to show the expected pattern of income & expenditure, and will be refined and improved during the course of the financial year.









**Report to** Cabinet  
9 September 2015  
**Report of** Chief finance officer  
**Subject** Capital budget monitoring 2015-16 – Quarter 1

**Item**

10

---

## **Purpose**

To update cabinet on the financial position of the capital programmes as at 30 June 2015, the carry-forward of underspent 2014-15 budgets into 2015-16 and seek approval of capital budget virements and adjustment to the 2015-16 capital programme.

## **Recommendations**

To:

- a) note the carry-forward of underspent 2014-15 budgets into 2015-16;
- b) note the position of the housing and non-housing capital programmes as at 30 June 2015;
- c) note the capital budget virements approved by CLT members, set out in paragraphs 10-12 and 23-24;
- d) approve the proposed capital budget virements set out in paragraphs 10 and 13;
- e) approve the addition to the capital programme of spend funded by external ring-fenced monies as set out in paragraph 14.

## **Corporate and service priorities**

The report helps to meet the corporate priorities to provide value for money services and to make Norwich a healthy city with good housing.

## **Financial implications**

The financial implications are set out in the body of the report.

**Ward/s:** All wards

**Cabinet member:** Councillor Stonard – Resources and income generation

## **Contact officers**

Justine Hartley, chief finance officer	01603 212440
Shaun Flaxman, group accountant	01603 212805

## **Background documents**

None

## Report

1. The housing and non-housing capital programmes for 2015-16 were approved by cabinet and council on 4 and 17 February 2015 respectively.
2. The carry-forward of unspent 2014-15 capital budgets to the 2015-16 capital programme was approved following delegation to the executive head of regeneration and development, executive head of strategy, people and neighbourhoods and chief finance officer, in consultation with the portfolio holder for resources and income generation, by cabinet on 10 June 2015.

## Non-housing capital programme

### Non-housing capital carry-forward

3. The executive head of regeneration and development, executive head of strategy, people and neighbourhoods and chief finance officer, in consultation with the portfolio holder for resources and income generation approved the carry forward of unspent 2014-15 non-housing capital budgets into 2015-16, totalling £14,535,636. These are shown in detail in Appendix 3 and are included in the proposed budgets shown below.

### 2015-16 Current position

4. The financial position of the non-housing capital programme is set out in detail in Appendix 1 and summarised with commentary in the following paragraphs.
5. The following table shows expenditure to date and the forecast outturn for expenditure against the approved capital budgets.

Programme Group	Original Budget £000's	Proposed Budget £000's	Actual to Date £000's	Forecast Outturn £000's	Forecast Variance £000's
Asset Improvement	30	357	55	357	0
Asset Investment	1,000	885	(3)	885	0
Asset Maintenance	1,233	2,465	43	2,444	(22)
Initiatives Funding	500	1,772	309	1,747	(25)
Regeneration	6,843	15,836	453	12,798	(3,038)
Community Infrastructure Levy	1,150	1,150	0	1,075	(75)
Greater Norwich Growth Partnership	346	365	12	370	4
Section 106	324	946	40	582	(364)
City Cycle Ambition (Group 1)	22	2,914	(494)	2,657	(256)
City Cycle Ambition (Group 2)	720	720	0	720	0
<b>Total Non-Housing</b>	<b>12,168</b>	<b>27,411</b>	<b>416</b>	<b>23,634</b>	<b>(3,777)</b>

6. As at 30 June 2015, the non-housing forecast outturn is £23.63m, which would result in an underspend of £3.78m. The significant variance is largely due to the expenditure profile of significant new build housing projects that are planned to extend into the next financial year (£3m) and the re-profiling of planned expenditure against specific schemes such as City Cycle Ambition Group 1 (£0.3m) and Section 106 schemes (£0.4m). It is anticipated that a request will be made to carry forward some of these budgets into 2016-17.



7. Due to the nature of the programmes and the basis of valuations there is a delay between works being completed and receipt of valuations from contractors which can result in significant variances between actual expenditure to date and forecast outturns for the year end.
8. The non-housing capital programme will continue to be monitored throughout the financial year to ensure that programmes deliver to budget within revised project timescales.

### Non-housing capital resources

9. The following table shows the approved sources and application of non-housing capital resources, and receipts.

Housing Capital Resources	Original Approved £000s	Brought Forward £000s	Approved Adjustments £000s	Total Resources £000s	Arisen to Date £000s	Forecast Outturn £000s
Section 106	(447)	(1,657)	0	(2,104)	(1,657)	(2,104)
Community Infrastructure Levy	(1,207)	(94)	0	(1,301)	(151)	(1,301)
CIL Neighbourhood	(150)	(83)	0	(233)	(94)	(233)
Borrowing	(12,101)	0	0	(12,101)	0	(12,101)
Capital Grants	(1,324)	(6,577)	0	(7,901)	(6,610)	(7,901)
Greater Norwich Growth Partnership	(346)	0	0	(346)	0	(346)
Capital Receipts and Balances	(1,250)	(402)	0	(1,652)	(402)	(1,652)
<b>Total Non-Housing Capital Resources</b>	<b>(16,825)</b>	<b>(8,813)</b>	<b>0</b>	<b>(25,638)</b>	<b>(8,914)</b>	<b>(25,638)</b>

### Non-housing capital virements

10. Cabinet is asked to note the capital virement relating to St Andrew's MSCP and approval is requested for the capital virements listed below relating to City Cycle Ambition (CCA):

Scheme	Original Budget	Virement	Revised Budget
Asset Investment for Income	1,000,000	-141,000	859,000
St Andrew's MSCP Repair	1,042,756	141,000	1,183,756
CCA Norfolk and Norwich Hospital hub	8,233	-8,233	0
CCA North Park Avenue - UEA zebra	2,464	-2,464	0
CCA The Avenues	695,276	-58,749	636,527
CCA Adelaide Street health centre link	9,687	-9,687	0
CCA Alexandra Road - Park Lane (via	0	135	135
CCA Park Lane - Vauxhall Street	114,720	34,000	148,720
CCA Magdalen Street and Cowgate	0	161,000	161,000
CCA St Andrew's Plain hub	11,499	-11,499	0
CCA Tombland & Palace Street	716,269	170,731	887,000
CCA Gilders Way - Cannell Green	19,580	-19,580	0
CCA Heathgate - Valley Drive	308,904	78,000	386,904
CCA Laundry Lane - St Williams Way	99,397	-99,397	0
CCA Munnings Road - Greenborough	0	577	577
CCA Salhouse Road (Hammond Way -	326,385	-129,385	197,000
CCA Directional signage and clutter	170,449	-138,449	32,000
CCA Cycle City Ambition Project	22,000	33,000	55,000

11. A budget of £1,042,756 has been approved to be carried forward from 2014-15 for St Andrew's multi-storey car park repairs and in addition CLT members approved a virement of £75,000 from the Asset Investment for Income budget in June 2015.

12. Following the withdrawal of the appointed contractor, the appointment of an alternative contractor has required the budget to be increased by a further £66,000. CLT members have therefore approved a further virement providing a total budget of £1,183,756, enabling the additional costs to be absorbed within the existing capital programme.
13. Work on the City Cycle Ambition project (group 1) has progressed, but a number of challenges have necessitated changes being made to the scope of some elements of the project to ensure that the overall programme remains affordable. The above virements will enable the programme to progress within existing available funds.

### **Requested adjustment to the non-housing capital programme**

14. The City Cycle Ambition project for Salhouse Road (Hammond Way-Racecourse Inn) was omitted from the non-housing capital programme approved by Cabinet and Council in February 2015. This is to be funded by £200,000 of external contributions from Norfolk County Council (Local Transport Plan), Broadland District Council and the DfT City Cycle Ambition grant. Approval is now sought to apply these earmarked resources to this project.

## **Housing capital programme**

### **Housing capital carry-forward**

15. The executive head of regeneration and development, executive head of strategy, people and neighbourhoods and chief finance officer, in consultation with the portfolio holder for resources and income generation approved the carry forward of unspent 2014-15 housing capital budgets into 2015-16, totalling £9,155,308. These are shown in detail in Appendix 4 and are included in the proposed budgets shown below.

### **2015-16 current position**

16. The financial position of the housing capital programme is set out in detail in Appendix 2 and summarised with commentary in the following paragraphs.
17. The following table shows expenditure to date and the forecast outturn for expenditure against the approved capital budgets.

<b>Programme Group</b>	<b>Original Budget £000's</b>	<b>Proposed Budget £000's</b>	<b>Actual to Date £000's</b>	<b>Forecast Outturn £000's</b>	<b>Forecast Variance £000's</b>
Housing Investment	9,455	15,848	1,138	10,536	(5,312)
Neighbourhood Housing	33,620	36,314	3,810	35,639	(675)
Strategic Housing	1,251	1,320	69	1,320	0
<b>Total Housing</b>	<b>44,326</b>	<b>53,481</b>	<b>5,016</b>	<b>47,494</b>	<b>(5,987)</b>

18. As at 30 June 2015, the forecast outturn is £47.49m which would result in an underspend of £5.99m. The variance is largely due to the expenditure profile of large new build social housing projects that are planned to extend into the next financial year (£5.3m) and projected delays in the completion of structural projects (£0.45m) and solar/PV installations (£0.1m). It is anticipated that a request will be made to carry forward some of these budgets into 2016-17.

19. Due to the nature of the programmes and the basis of valuations there is a delay between works being completed and receipt of valuations from contractors which can result in significant variances between actual expenditure to date and forecast outturns for the year end.
20. The housing capital programme will continue to be monitored throughout the financial year to ensure that programmes deliver to budget within revised project timescales.

### Housing capital resources

21. The following table shows the approved sources and application of housing capital resources, and receipts.

Housing Capital Resources	Original Approved £000s	Brought Forward £000s	Approved Adjustments £000s	Total Resources £000s	Arisen to Date £000s	Forecast Outturn £000s
Housing Capital Grants	(504)	(10)	0	(514)	(481)	(514)
HRA Major Repairs Reserve	(12,118)	0	0	(12,118)	0	(12,118)
HRA Borrowing from Headroom	(2,845)	0	0	(2,845)	0	(2,845)
HRA Revenue Contribution to Capital	(25,235)	0	0	(25,235)	0	(25,235)
HRA Leaseholder Contribution to Major Works	(200)	0	0	(200)	0	(200)
HRA Capital Receipts and Balances	(3,423)	(23,883)	0	(27,306)	(25,287)	(27,306)
<b>Total Housing Capital Resources</b>	<b>(44,325)</b>	<b>(23,893)</b>	<b>0</b>	<b>(68,218)</b>	<b>(25,768)</b>	<b>(68,218)</b>

22. The excess of balances brought forward, includes the approved carried forward budgets from 2014-15.

### Housing capital virements

23. Cabinet is asked to note the following capital virements approved by CLT members:

Scheme	Original Budget	Virement	Revised Budget
Neighbourhood Housing Fees	715,000	(42,900)	672,100
Housing Investment Fees (Sheltered Housing Regeneration)	0	42,900	42,900

The budget for fees relating to the sheltered housing redevelopment programme were initially included within Neighbourhood Housing scheme fees. The above virement correctly re-designates the budget as a Housing Investment fee.

## Capital programme risk management

24. The following table sets out a risk assessment of factors affecting the planned delivery of the 2015-16 capital programmes.

Risk	Likelihood	Impact	Rating	Mitigation
General Fund Capital Receipts not received or delayed	Possible (3)	Major (5)	(15)	Expenditure incurred only as receipts secured
Norwich HCA partnership strategic priority schemes delayed or frustrated	Possible (3)	Major (5)	(15)	Oversight by Norwich HCA partnership Strategic Board
Detailed schemes not brought forward to utilise agreed capital funding	Possible (3)	Moderate (3)	(9)	Active pursuit of investment opportunities; budget provisions unspent could be carried forward if necessary
Cost overruns	Possible (3)	Moderate (3)	(9)	Robust contract management and constraints
Business case for asset improvement programme not sustainable	Unlikely (2)	Moderate (3)	(6)	Advice taken from expert property specialists
Contractor failure or capacity shortfall(s) prevents/delays capital works being carried out	Unlikely (2)	Moderate (3)	(6)	Robust financial checks during procurement process and awareness of early signs of financial difficulties
Housing Capital Receipts not received from RTB sales	Very unlikely (1)	Major (5)	(5)	Relatively low levels of RTB receipts have been forecast; in-year monitoring
Housing Capital Receipts not received from sale of houses beyond economic repair	Possible (3)	Minor (1)	(3)	No plans to use funding until it has been received
Level of Housing contributions from leaseholders does not match forecast	Unlikely (2)	Minor (1)	(2)	Robust charging procedures within contract to ensure amounts due are recovered

## Integrated impact assessment



**NORWICH**  
City Council

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

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

### Report author to complete

<b>Committee:</b>	Cabinet
<b>Committee date:</b>	
<b>Head of service:</b>	Justine Hartley, Chief Finance Officer
<b>Report subject:</b>	Capital Programme Monitoring 2015-16 Q1
<b>Date assessed:</b>	
<b>Description:</b>	To report the current financial position, carry-forward capital budgets and capital budget virements.

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

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

	Impact			
<b>Risk management</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Report demonstrates awareness of risks to delivery of planned capital works and mitigating actions

Recommendations from impact assessment	
<b>Positive</b>	
None	
<b>Negative</b>	
None	
<b>Neutral</b>	
None	
<b>Issues</b>	
None	



## Non-Housing Capital Programme

Approved Budget	Current Budget		Actual To Date	Forecast Outturn	Forecast Variance
0	45,775	5294 Eaton Park Tennis Development	0	45,775	0
0	183,830	5324 City Hall 2nd Floor	0	183,830	0
0	97,289	5326 Earlham Park access imps	55,029	97,289	0
30,000	30,000	5332 City Hall external lighting	445	30,000	0
<b>30,000</b>	<b>356,894</b>	<b>Subtotal Asset Improvement</b>	<b>55,474</b>	<b>356,894</b>	<b>0</b>
0	0	5310 22 Hurricane way - asbestos	171	171	171
0	25,753	5312 Yacht Station Repairs	0	25,753	0
1,000,000	859,000	5315 Asset investment for income (other	0	859,000	0
0	0	5925 Replacement of P&D Payment	(3,000)	0	0
<b>1,000,000</b>	<b>884,753</b>	<b>Subtotal Asset Investment</b>	<b>(2,829)</b>	<b>884,924</b>	<b>171</b>
0	0	5245 Memorial Gardens temporary work	47	47	47
0	1,183,756	5308 St Andrews MSCP repair	1,042	1,183,756	0
30,000	30,000	5902 Castle Museum 18A roof	0	30,000	0
0	5,000	5909 Halls - floor works	0	5,000	0
0	15,000	5910 Halls - WC works	0	15,000	0
4,000	4,000	5912 St Edmunds churchyard works	0	4,000	0
0	96,667	5913 Swanton Rd - Astra TC works	48,656	75,000	(21,667)
50,000	50,000	5915 District Lighting upgrade	0	50,000	0
0	29,000	5917 Riverside Leisure Centre works	0	29,000	0
70,000	70,000	5918 St Andrews MSCP CCTV	0	70,000	0
15,000	15,000	5932 Bridewell Museum Re-roofing works	0	15,000	0
30,000	30,000	5933 Car Park - Westwick Street	627	30,000	0
80,000	80,000	5934 Castle Gate Houses Refurb	0	80,000	0
3,500	3,500	5935 Charing Cross Re-roofing works	0	3,500	0
10,000	10,000	5936 City Bridges	0	10,000	0
100,000	100,000	5937 City Hall finials	0	100,000	0
6,000	6,000	5938 Community Centre - Cadge Rd	0	6,000	0
15,000	15,000	5939 Community Centre - Cadge Rd	0	15,000	0
25,000	25,000	5940 Community Centre - Catton Grove	0	25,000	0
35,000	35,000	5941 Community Centre - Norman Car	749	35,000	0
35,000	35,000	5942 Community Centre - Norman	0	35,000	0
6,000	6,000	5943 Elm Hill 28 Helifixing	0	6,000	0
50,000	50,000	5944 Investment Portfolio - Refurbishmen	0	50,000	0
10,000	10,000	5945 Market - Livestock New Watermain	0	10,000	0
10,000	10,000	5946 Riverside - Pontoons and Ramps	0	10,000	0
3,000	3,000	5947 Riverside - Footpath	0	3,000	0
5,000	5,000	5948 St Andrews & Blackfriars Halls	0	5,000	0
20,000	20,000	5949 St Andrews & Blackfriars Hall WC	0	20,000	0
50,000	50,000	5950 Yacht Station Footpath upgrade	0	50,000	0
60,000	60,000	5951 Yacht Station Main Building upgrade	0	60,000	0
150,000	150,000	5952 Provision Market Toilets Upgrade	0	150,000	0
10,000	10,000	5955 Riverside - Footpath Pedestrian	0	10,000	0
3,500	3,500	5956 Riverside - Footpath drainage	0	3,500	0
0	0	5957 Cemetery Management system	(7,670)	0	0
30,000	30,000	5931 Eaton Park access improvements	0	30,000	0
10,000	10,000	5293 Millar Hall - Norman Centre	0	10,000	0
97,000	0	5953 Park depot redevelopment	0	0	0
210,000	210,000	5954 Waterloo Park pavillion works	0	210,000	0
<b>1,233,000</b>	<b>2,465,423</b>	<b>Subtotal Asset Maintenance</b>	<b>43,451</b>	<b>2,443,803</b>	<b>(21,620)</b>

Approved Budget	Current Budget		Actual To Date	Forecast Outturn	Forecast Variance
1,000,000	1,000,000	5580 CIL Contribution Strategic	0	1,000,000	0
10,000	10,000	5589 CIL neighbourhood - Community	0	10,000	0
20,000	20,000	5590 CIL neighbourhood - Britannia Rd	0	20,000	0
3,000	3,000	5591 CIL neighbourhood -	0	3,000	0
10,000	10,000	5592 CIL neighbourhood - Natural	90	10,000	0
7,000	7,000	5593 CIL neighbourhood - Lakenham Way	0	7,000	0
50,000	50,000	5594 CIL neighbourhood - City Trees	0	25,000	(25,000)
50,000	50,000	5595 CIL neighbourhood - Netherwood	0	0	(50,000)
<b>1,150,000</b>	<b>1,150,000</b>	<b>Community Infrastructure Levy</b>	<b>90</b>	<b>1,075,000</b>	<b>(75,000)</b>
0	0	5919 Danby Wood GNDP	525	525	525
66,000	77,840	5921 Earlham Millenium Green	0	77,841	1
30,000	30,000	5922 Riverside Walk GNDP	230	33,639	3,639
250,000	257,568	5923 Marriotts Way GNDP	10,809	257,568	0
<b>346,000</b>	<b>365,408</b>	<b>GNGP Strategic Pool Schemes</b>	<b>11,564</b>	<b>369,573</b>	<b>4,165</b>
50,000	191,781	5305 Eco-Investment Fund	0	191,781	0
400,000	1,094,452	5317 IT Investment Fund	0	1,069,000	(25,452)
0	20,202	5328 Citizen Gateway Permits	0	20,202	0
50,000	50,000	6049 Investment in UK Management	50,000	50,000	0
0	415,777	6054 DECC Green Deal Communities	258,867	415,777	0
<b>500,000</b>	<b>1,772,212</b>	<b>Subtotal Initiatives Funding</b>	<b>308,867</b>	<b>1,746,760</b>	<b>(25,452)</b>
0	0	5101 Norfolk and Norwich Hospital hub	0	0	0
0	0	5102 North Park Avenue - UEA zebra	693	0	0
0	636,527	5104 The Avenues	5,071	630,000	(6,527)
0	0	5106 Adelaide Street health centre link	0	0	0
0	135	5107 Alexandra Road - Park Lane (via	135	135	0
0	148,720	5108 Park Lane - Vauxhall Street	2,368	148,720	0
0	0	5109 Vauxhall Street - Bethel Street	(406,053)	0	0
0	14,274	5110 Market hub	0	14,274	0
0	161,000	5111 Magdalen Street and Cowgate	(173,214)	161,000	0
0	0	5112 St Andrew's Plain hub	0	0	0
0	887,000	5113 Tombland & Palace Street	38,553	887,000	0
0	0	5114 Gilders Way - Cannell Green	0	0	0
0	386,904	5115 Heathgate - Valley Drive	7,048	386,904	0
0	0	5116 Laundry Lane - St Williams Way	0	0	0
0	577	5117 Munnings Road - Greenborough	577	577	0
0	197,000	5118 Salhouse Road (Hammond Way -	6,930	197,000	0
0	370,915	5119 20 mph areas	19,575	121,000	(249,915)
0	32,000	5121 Directional signage and clutter	5,187	32,000	0
0	23,491	5122 Automatic cycle counters	201	23,491	0
22,000	55,000	5123 Cycle City Ambition Project	(1,354)	55,000	0
<b>22,000</b>	<b>2,913,543</b>	<b>Subtotal Cycle City Ambition</b>	<b>(494,283)</b>	<b>2,657,101</b>	<b>(256,442)</b>

Approved Budget	Current Budget		Actual To Date	Forecast Outturn	Forecast Variance
0	0	5300 Norwich Connect 2	(685)	0	0
0	231,255	5314 Ass Inv - Mile Cross Depot	43,018	151,000	(80,255)
0	0	5319 Riverside Path Work	(68)	0	0
0	6,499,814	5320 Rose Lane MSCP Construction	(106,723)	6,499,814	0
0	260,000	5322 Riverside Walk (adj NCFC)	0	260,000	0
587,000	587,000	5325 Mountergate Phase 2	0	587,000	0
0	265,000	5327 Park Depots demolition	0	265,000	0
39,000	39,000	5333 Magpie Road city wall landscape	80	39,000	0
0	1,670,406	5512 NaHCASP Threescore	432,265	1,670,406	0
4,333,000	4,399,539	8805 New Build - Threescore 2	49,105	3,289,145	(1,110,394)
1,884,000	1,884,000	8807 New Build - Airport	36,301	36,301	(1,847,699)
<b>6,843,000</b>	<b>15,836,014</b>	<b>Subtotal Regeneration</b>	<b>453,293</b>	<b>12,797,666</b>	<b>(3,038,348)</b>
32,000	35,639	5922 Riverside Walk GNDP	230	0	(35,639)
66,000	66,000	5740 Bowthorpe Southern park	0	66,000	0
0	6,019	5701 s106 Chapelfield Gardens Play	(298)	6,019	0
99,000	188,000	5705 s106 The Runnel Play Provision	1,112	25,000	(163,000)
0	0	5717 s106 Wensum Comm Centre Play	323	323	323
19,000	37,485	5723 Pointers Field Playbuilder Capital	(729)	37,485	0
0	7,000	5730 S106 Midland Street Open Space	0	7,000	0
0	9,853	5731 s106 Wooded Ridge project	0	9,853	0
17,000	30,000	5732 s106 Wensum View Play	0	30,000	0
0	42,838	5733 s106 Sarah Williman Close	0	42,838	0
9,000	90,000	5735 s106 Castle Green Play	0	25,000	(65,000)
0	40,367	5737 S106 Heartsease Play Area	1,426	39,439	(928)
0	50,000	5801 s106 Hurricane Way Bus Link	0	50,000	0
0	22,000	5806 Threescore, Bowthorpe - sustainable	0	22,000	0
0	29,929	5813 S106 Green Infrastructure Imps	0	29,929	0
44,000	163,000	5821 S106 Livestock Mkt Cycle/Walkway	0	63,000	(100,000)
0	87,000	5823 BRT & Cycle Route Measures	0	87,000	0
38,000	38,000	5825 Sustainable Transport Car Club	38,098	38,098	98
0	3,259	5826 Goals Soccer Centre Ped Refuse	0	3,259	0
<b>324,000</b>	<b>946,389</b>	<b>Subtotal Section 106</b>	<b>40,162</b>	<b>582,243</b>	<b>(364,146)</b>
306,000	306,000	5126 PtP - Yellow - Lakenham/Airport	0	306,000	0
304,000	304,000	5127 PtP - Blue - Cringleford/Sprowston	0	304,000	0
110,000	110,000	5128 PtP - Yellow & Blue - City Centre	0	110,000	0
<b>720,000</b>	<b>720,000</b>	<b>City Cycle Ambition Group 2</b>	<b>0</b>	<b>720,000</b>	<b>0</b>
<b>12,168,000</b>	<b>27,410,636</b>	<b>Total Non-Housing Capital Programme</b>	<b>415,789</b>	<b>23,633,964</b>	<b>(3,776,672)</b>

## Housing Capital Programme

Approved Budget	Current Budget		Actual To Date	Forecast Outturn	Forecast Variance
50,000	3,735,527	7460 Sheltered Housing Redevelopment	60,130	3,735,527	0
0	0	7461 Sheltered Hsg redevelopment - S	296,588	0	0
0	0	7462 Sheltered Hsg redevelopment -	3,237	0	0
500,000	500,000	7930 Capital Buybacks	0	500,000	0
355,000	390,000	8800 New Build - Riley Close	0	250,000	(140,000)
11,000	13,000	8801 New Build - Pointers Field	0	13,000	0
5,000,000	6,139,718	8802 New Build - Goldsmith Street	299,347	2,162,500	(3,977,218)
850,000	1,788,037	8803 New Build - Brazengate	373,887	1,788,037	0
925,000	1,272,630	8804 New Build - Hansard Close	8,600	442,237	(830,393)
1,763,787	1,763,787	8805 New Build - Threescore 2	78,330	1,644,572	(119,215)
0	245,010	8807 New Build - Airport	17,879	0	(245,010)
<b>9,454,787</b>	<b>15,847,709</b>	<b>Subtotal Housing Investment</b>	<b>1,137,998</b>	<b>10,535,873</b>	<b>(5,311,836)</b>
1,422,900	1,449,334	7010 Electrical - Internal	(319,273)	1,449,334	0
521,450	678,450	7040 Whole House Improvements	23,342	678,450	0
8,324,350	8,324,350	7070 Kitchen Upgrades	1,610,603	8,324,350	0
4,015,750	4,615,750	7080 Bathroom Upgrades	1,088,623	4,615,750	0
614,300	1,409,300	7100 Boilers - Communal	33,596	1,409,300	0
4,180,050	4,355,050	7110 Boilers - Domestic	407,974	4,355,050	0
957,150	1,027,150	7150 Insulation	307,860	1,027,150	0
507,150	507,150	7170 Solar Thermal & Photovoltaic	0	407,150	(100,000)
228,600	561,563	7200 Windows - Programme	(64,788)	561,563	0
1,624,300	1,624,300	7280 Composite Doors	66,288	1,624,300	0
64,300	64,300	7300 Comm Safe - DES	1,189	64,300	0
514,300	514,300	7310 Estate Aesthetics	0	514,300	0
42,900	0	7460 Sheltered Housing Redevelopment	0	0	0
289,300	309,300	7470 Sheltered Housing Comm Facilities	0	309,300	0
514,300	514,300	7480 Sheltered Housing Redevelopment	0	514,300	0
714,300	939,300	7520 Planned Maint - Roofing	14,936	939,300	0
0	65,000	7530 Boundary Walls & Access Gates	784	65,000	0
6,114,450	6,114,450	7540 Planned Maint - Structural	471,466	5,664,450	(450,000)
1,264,300	1,264,300	7570 Tower Block Regeneration	0	1,264,300	0
64,300	64,300	7580 Planned Maint - Lifts	(5,256)	64,300	0
907,250	907,250	7600 Dis Ad - Misc	152,177	907,250	0
207,150	207,150	7630 Dis Ad - Stairlifts	11,789	82,150	(125,000)
277,150	277,150	7700 HRA Shops	4,846	277,150	0
0	40,283	7950 Other - Communal Bin Stores	213	40,283	0
250,000	480,000	7960 Demolition & Site Maintenance	3,147	480,000	0
<b>33,620,000</b>	<b>36,313,780</b>	<b>Subtotal Neighbourhood Housing</b>	<b>3,809,516</b>	<b>35,638,780</b>	<b>(675,000)</b>
0	0	6011 Minor Works Grant	300	0	0
0	68,606	6012 Empty Homes Grant	0	68,606	0
800,000	800,000	6018 Disabled Facilities Grant	61,156	800,000	0
0	0	6019 Capital Grants to Housing	(3,668)	0	0
0	0	6029 Small Adaptation Grants	3,105	0	0
0	0	6030 Home Improvement Loans	2,805	0	0
0	0	6031 Survey Costs	(8)	0	0
50,000	50,000	6044 Works in Default	0	50,000	0
23,000	23,000	6047 DFG Residents Contribution	5,125	23,000	0
96,000	96,000	6050 Strong & Well Project	0	96,000	0
282,200	282,200	6052 HIA - Housing Assistance	0	282,200	0
<b>1,251,200</b>	<b>1,319,806</b>	<b>Subtotal Strategic Housing</b>	<b>68,815</b>	<b>1,319,806</b>	<b>0</b>
<b>44,325,987</b>	<b>53,481,295</b>	<b>Total Housing Capital Programme</b>	<b>5,016,329</b>	<b>47,494,459</b>	<b>(5,986,836)</b>

## Non-Housing Capital Carry Forward Budgets

Scheme	Carry Forward Budget £
5101 Norfolk and Norwich Hospital hub	8,233
5102 North Park Avenue - UEA zebra	2,464
5104 The Avenues	695,276
5106 Adelaide Street health centre link	9,687
5108 Park Lane - Vauxhall Street	114,720
5110 Market hub	14,274
5112 St Andrew's Plain hub	11,499
5113 Tombland & Palace Street	716,269
5114 Gilders Way - Cannell Green	19,580
5115 Heathgate - Valley Drive	308,904
5116 Laundry Lane - St Williams Way	99,397
5118 Salhouse Road (Hammond Way -	126,385
5119 20 mph areas	370,915
5121 Directional signage and clutter	170,449
5122 Automatic cycle counters	23,491
5294 Eaton Park Tennis Development	45,775
5305 Eco-Investment Fund	141,781
5308 St Andrews MSCP repair	1,042,756
5312 Yacht Station Repairs	25,753
5314 Ass Inv - Mile Cross Depot	231,255
5317 IT Investment Fund	187,452
5320 Rose Lane MSCP Construction	6,499,814
5322 Riverside Walk (adj NCFC)	260,000
5324 City Hall 2nd Floor	183,830
5326 Earlham Park access imps	97,289
5327 Park Depots demolition	168,000
5328 Citizen Gateway Permits	20,202
5512 NaHCASP Threescore	1,670,406
5701 s106 Chapelfield Gardens Play	6,019
5705 s106 The Runnel Play Provision	89,000
5723 Pointers Field Playbuilder Capital	18,485
5730 S106 Midland Street Open Space	7,000
5731 s106 Wooded Ridge project	9,853
5732 s106 Wensum View Play	13,000
5733 s106 Sarah Williman Close	42,838
5735 s106 Castle Green Play	81,000
5737 S106 Heartsease Play Area	40,367
5801 s106 Hurricane Way Bus Link	50,000
5806 Threescore, Bowthorpe - sustainable	22,000
5813 S106 Green Infrastructure Imps	29,929
5821 S106 Livestock Mkt Cycle/Walkway	119,000
5823 BRT & Cycle Route Measures	87,000
5826 Goals Soccer Centre Ped Refuse	3,259

<b>Scheme</b>	<b>Carry Forward Budget £</b>
5909 Halls - floor works	5,000
5910 Halls - WC works	15,000
5913 Swanton Rd - Astra TC works	96,667
5917 Riverside Leisure Centre works	29,000
5921 Earlham Millenium Green	11,840
5922 Riverside Walk GNDP	3,639
5923 Marriotts Way GNDP	7,568
6054 DECC Green Deal Communities	415,777
8805 New Build - Threescore 2	66,539
<b>Total</b>	<b>14,535,636</b>

## Housing Capital Carry Forward Budgets

Scheme	Carry Forward Budget £
6012 Empty Homes Grant	68,606
7010 Electrical - Internal	26,434
7040 Whole House Improvements	157,000
7080 Bathroom Upgrades	600,000
7100 Boilers - Communal	795,000
7110 Boilers - Domestic	175,000
7150 Insulation	70,000
7200 Windows - Programme	332,963
7460 Sheltered Housing Redevelopment	3,642,627
7470 Sheltered Housing Comm Facilities	20,000
7520 Planned Maint - Roofing	225,000
7530 Boundary Walls & Access Gates	65,000
7950 Other - Communal Bin Stores	40,283
7960 Demolition & Site Maintenance	230,000
8800 New Build - Riley Close	35,000
8801 New Build - Pointers Field	2,000
8802 New Build - Goldsmith Street	1,139,718
8803 New Build - Brazengate	938,037
8804 New Build - Hansard Close	347,630
8807 New Build - Airport	245,010
<b>Total</b>	<b>9,155,308</b>





**Report to** Cabinet  
09 September 2015  
**Report of** Chief finance officer  
**Subject** Write off of non- recoverable national non domestic rate  
debt

**Item**

11

---

### **Purpose**

To provide an update on the position as at 19 August 2015 with regard to the write off of non- recoverable national non domestic rate (NNDR) debt and request approval for the write off of debts of £537,336 which are deemed irrecoverable.

### **Recommendation**

To approve the proposed write off of £537k of NNDR debt which is now believed to be irrecoverable.

### **Corporate and service priorities**

The report helps to meet the corporate priority value for money services and the service plan priority to provide accurate, relevant and timely financial information.

### **Financial implications**

The cost to the collection fund of write offs is shared as follows: central government 50%, Norwich City Council 40% and Norfolk County Council 10%. The cost of write offs to Norwich City Council for the year to date plus those recommended in this report is £383k. However, provision against bad debts is made in the collection fund accounts for each year and these debts are written off against the provision.

**Ward/s:** All wards

**Cabinet member:** Councillor Stonard – Resources and income generation

### **Contact officers**

Justine Hartley, chief finance officer	01603 212440
Carole Jowett, revenues and benefits operations manager	01603 212684

### **Background documents**

None

## Report

### National non domestic rates

1. NNDR income for 2015/16 is forecast to total £76m. Significant work is undertaken by the revenues and benefits team to pursue all outstanding debt, sometimes over a number of years. However, there are debts where, despite these attempts, the debt is believed to be irrecoverable, often because the company owing the money is now insolvent. In the year to 19 August 2015 £421k of NNDR debt has been written off which is equivalent to 0.55% of NNDR annual income.
2. Four further amounts totalling £537,336 require cabinet approval for write-off because of their value. The debts relate to Garganey Ltd, Olive Sun Ltd, Optima Offices Ltd and Innovation Fashion Ltd who have all gone into liquidation. Proof of debt has been submitted in all cases but the latest progress reports from the administrators indicate that no distribution to unsecured creditors is likely.
3. The cost to the collection fund of write offs is shared as follows: central government 50%, Norwich City Council 40% and Norfolk County Council 10%. The cost to Norwich City Council of write offs to date and the ones proposed in this report is therefore £958k which is equivalent to 1.26% of NNDR annual income.
4. Each year an assessment of debt is undertaken to set a bad debt provision within the collection fund. This write-off will be charged against that provision.

## Integrated impact assessment



**NORWICH**  
City Council

### Report author to complete

<b>Committee:</b>	Cabinet
<b>Committee date:</b>	
<b>Head of service:</b>	Chief Finance Officer
<b>Report subject:</b>	Write off of non- recoverable National Non Domestic Rate debt
<b>Date assessed:</b>	24/02/15
<b>Description:</b>	This is the integrated impact assessment for the Write off of non-recoverable National Non Domestic Rate debt report to cabinet

	Impact			
Economic (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Finance (value for money)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The report shows that the council monitors its debt levels and pursues debt wherever there is a reasonable chance of recovery resulting in a low level of debt write off.
Other departments and services e.g. office facilities, customer contact	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
ICT services	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Economic development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Financial inclusion	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Social (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Safeguarding children and adults	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<u>S17 crime and disorder act 1998</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Human Rights Act 1998	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Health and well being	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

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

Recommendations from impact assessment
<b>Positive</b>
None
<b>Negative</b>
None
<b>Neutral</b>
None
<b>Issues</b>
The council should continue to monitor its levels of debt and take action to recover where possible and cost effective to do so.

**Report to** Cabinet  
09 September 2015

**Item**

**Report of** Executive head of strategy, people and neighbourhoods  
**Subject** Installation of 100 thermodynamic panels to social housing properties

12

## KEY DECISION

---

### **Purpose:**

To consider the procurement process and seek approval for the award of contract relating to the installation of 100 thermodynamic panels on council owned homes.

### **Recommendation:**

To award the contract for the installation of thermodynamic hot water systems to 100 council owned homes to Impact Renewable Energy Ltd.

### **Corporate and Service Priorities:**

The report helps to meet the corporate priority to deliver a healthy city with good housing and the service plan priorities to continue to deliver the programme of making all council homes decent, to maximise the use of our housing stock and to enable new homes.

### **Financial Implications:**

The value of the contract will be £385,500.00. The funding for this will be taken from the capital budget allocated to improve energy efficiency of council owned homes. The properties which have been highlighted for these systems have older boilers and hot water systems which are due for replacement in financial year 2016/17. Thermodynamic systems use a certain type of cylinder which will be installed prior to a boiler upgrade. This will reduce the cost of the heating upgrade in the next financial year.

### **Ward/s:**

The majority of work in the current programme will occur in Catton Grove, Crome, Lakenham, Mile Cross and Wensum wards.

**Cabinet member:** Councillor Harris – Housing

### **Contact Officers**

Russell O'Keefe	Executive head of strategy, people and neighbourhoods	01603 212908 01603 212691
Andy Watt	Head of City Development Services	01603 227902
Gary Atkins	Associate Director, NPS Norwich Ltd	

Jay Warnes – Property Investment Manager,

01603 227906

NPS Norwich Ltd

**Background Documents**

None



# Report

## Background

1. Thermodynamic hot water systems include a solar panel which sits on the roof of a property. They are similar in appearance to a photovoltaic (PV) panel however; they are dependent on air temperature rather than sunlight. The panels use the sun's thermal energy to provide some free hot water all through the year.
2. The work shall contribute to the council's aim of reducing fuel poverty across the city and in addition, reducing the risk of tenants falling into arrears due to rising energy costs. This could also release more money into the local economy that would have otherwise gone towards fuel bills.
3. The work will enable council tenants to benefit from free hot water, reducing their energy bills. This will also contribute to the city's carbon reduction target.
4. Impact Renewable Energy Ltd has already successfully installed a number of thermodynamic systems to the council's housing stock.
5. The panels and associated works would be maintained and repaired by Impact Renewable Energy Ltd.

## Procurement process

6. A contract notice was placed on the council's e-procurement website and on the contracts finder national portal to ensure an open competitive tendering process.
7. One supplier expressed an interest in the opportunity.
8. Evaluation of the tender revealed that Impact Renewable Energy Ltd. provided comprehensive evidence of being able to successfully deliver the required outcomes contained within the tender documentation and specification.
9. Price of installation was comparable to previous installation; costs are around £200 cheaper per property than our previous installations

## Use of NPS Norwich Ltd

10. NPS Norwich Ltd is a joint venture company jointly owned by NPS Group and Norwich City Council. The JV now provides the entire professional property function for Norwich City Council.
11. The advantages of this proposal would be that NPS Norwich Ltd would provide overall project management resources and would receive fees in addition to any survey fee work to cover the project. 50% of NPS Norwich profit is returned to Norwich City Council.
12. NPS Norwich Ltd will project manage the surveys, installations and resident liaison. NPS Norwich Ltd will ensure that the regular monthly meetings are held to ensure project and contract compliance.



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

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

## Report author to complete

<b>Committee:</b>	Cabinet
<b>Committee date:</b>	9th September 2015
<b>Head of service:</b>	Andy Watt
<b>Report subject:</b>	Managing Assets (Housing)
<b>Date assessed:</b>	01 August 2015
<b>Description:</b>	To seek approval to award a contract to Impact Renewables for the installation of thermodynamic panels to 100 council owned homes.

	Impact			
<b>Economic</b> (please add an 'x' as appropriate)	<b>Neutral</b>	<b>Positive</b>	<b>Negative</b>	<b>Comments</b>
<b>Finance (value for money)</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	This procurement process ensures the Council achieves the best value for money. The tender return is competitively priced and cheaper compared to previous installations.
<b>Other departments and services</b> e.g. office facilities, customer contact	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	The contract may generate enquiries with the customer contact team at the early stages of the project. Correspondence will be aimed at reducing the need for customer contact.
<b>ICT services</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	The recommended option will not impact on our ICT systems.
<b>Economic development</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The thermodynamic panels will reduces energy bills and fuel poverty for tenants. In lowering energy bills tenants have more money, some of which may be spent on the local economy. Through employment of local labour, the project assists in social economic benefits for the city and county.
<b>Financial inclusion</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	As above
<b>Social</b> (please add an 'x' as appropriate)	<b>Neutral</b>	<b>Positive</b>	<b>Negative</b>	<b>Comments</b>
<b>Safeguarding children and adults</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b><u>S17 crime and disorder act 1998</u></b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Human Rights Act 1998</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

	Impact			
Health and well being	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	More energy efficient homes for tenants, reduced energy bills and reduction in the council's carbon footprint.
Equality and diversity (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Relations between groups (cohesion)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Eliminating discrimination & harassment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Advancing equality of opportunity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Environmental (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Transportation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Natural and built environment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The project introduces new and proven technology to these homes thus enhancing the image of the housing stock. Property surveys are carried out ahead of the natural stock condition surveys increasing additional asset data.
Waste minimisation & resource use	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Pollution	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Reduction in Carbon Footprint of affected properties.
Sustainable procurement	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	E-procurement.

	Impact			
Energy and climate change	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The thermodynamic project will contribute to reducing the councils overall carbon emissions and footprint.
(Please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Risk management	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	

<b>Recommendations from impact assessment</b>	
<b>Positive</b>	
Reduced fuel bills therefore preventing fuel poverty, reduction in carbon emissions within the housing stock and for the city contributing to our overall reduction target.	
<b>Negative</b>	
<b>Neutral</b>	
<b>Issues</b>	



**Report to** Cabinet  
9 September 2015  
**Report of** Executive head of strategy people & neighbourhoods  
**Subject** Procurement of works – Various key decisions for  
expenditure on housing repairs and upgrades contracts

**Item**

13

## KEY DECISION

---

### Purpose

To consider the procurement process for various work programmes and schemes and to seek approval to place the orders

### Recommendation

To approve:

- 1) the variations to the Eastern Procurement Ltd framework contracts as described in appendix one; and,
- 2) the variations to the Norwich Norse Building Ltd contracts as described in appendix one.

### Corporate and service priorities

The report helps to meet the corporate priority of decent housing for all and the service plan priority to continue to deliver the programme of making all council homes decent.

### Financial implications

The financial consequences of this report is the award of orders for repairs and upgrades for a total quoted cost of £20,271,227, which is included within the Housing Revenue Account financial forecasts and budgets for this financial year (2015-16) and £200,000 which is included in the non-housing capital programme for 2015-16..

**Ward/s:** All

**Cabinet member:** Councillor Harris - Housing

### Contact officers

Russell O'Keefe, Executive head of strategy people & neighbourhoods 01603 212908

Gary Atkins, Associate Director Operations, NPS  
Norwich Ltd 01606 227903

Carol Marney, Head of Operational Property Services,  
NPS Norwich Ltd

01603 227904

**Background documents**

None



# Report

## Background

1. The council has a programme of housing repairs and upgrades which is implemented via a number of term contracts, framework contracts and ad-hoc tenders. The awards of these contracts have been the subject of various reports to cabinet.
2. The majority of the work within the programme is covered by the contract scopes and contract sums. Occasionally the need arises to vary the contract to add work, included within the programme, and of a similar nature to the original scope. Any variation that exceeds the value of £173,000 requires a key decision by cabinet. This report requests approval for a number of variations, retrospectively and for the remainder of 2015-16.
3. The contracts and subsequent variations are described below.

## Eastern procurement framework contracts

4. **Property improvements** – this framework contract was awarded by Eastern Procurement Ltd (EPL) to Foster Property Maintenance (FPM) in 2011. The scope of the contract covers:
  - Replacement kitchens and bathrooms
  - Electrical rewiring and upgrades
  - External wall insulation
  - Re-roofing
  - Re-pointing
  - Whole house improvements
  - External estate improvements
5. The 2015-16 HRA capital programme provides budgets for all of these work streams as detailed in Appendix 1. The current framework is coming to an end. A new framework for property improvements is being procured by EPL and will be the subject of a separate report in December.
6. Variations to the framework contract are required to acknowledge the inclusion of the 2015-16 capital programme

Description	Value
Replacement kitchens	8,260,000
Replacement bathrooms	3,980,000
Electrical rewiring	1,380,000
External wall Insulation	950,000
Re-Roofing programme	450,000
Repointing programme	450,000
Whole House Improvements	250,000
Estate improvements	300,000

7. In addition a variation is required for the refurbishment of Britannia Court. This sheltered housing block is being transformed into 32 general needs one bedroom flats at a cost of £1.2m. The work has been ordered on the EPL framework utilising the rates for the various elements contained within the scope of replacement kitchens, bathrooms, rewires, etc.
8. **Replacement doors and windows** – this framework contract was awarded by EPL in 2013. The 2015-16 HRA capital programme provides a budget for replacement front and rear doors. This work has been equally split between Anglian Building Products and Ashfords in the same manner as in 2014-15. This was the subject of a report to cabinet in October 2013.

### **Norwich Norse building term contracts**

9. **Housing repairs and maintenance** – this contract was awarded to Norse Contracting Services (NCS) in August 2012 and novated to Norwich Norse Building Ltd (NNBL) in April 2014. The scope of the contract covers:
  - Responsive repairs of general needs housing
  - Responsive repairs of sheltered housing
  - Disabled adaptations
  - Void property maintenance including whole house improvements
  - External estate improvements

Variations are required for

10. Sheltered housing whole home upgrades – this is an extension of the void property repairs. The 2015-16 budget provides for enhanced upgrades to void sheltered properties in order to make the homes more fit for purpose and hence more attractive to prospective tenants.
11. Whole house improvements – this is also an extension of the void property repairs. When a home requires significant repairs that render the property uninhabitable the repair is defined as a whole house improvement. The 2015-16 capital programme provides £500,000 for these works. Individual schemes are split between NNBL and FPM depending upon best price and delivery timetable.
12. Hobart Square environmental improvements - the works were offered to both FPM and NNBL for pricing in order to establish the best value option. On this occasion NNBL offered the lowest price of £201,226.75. The scope of the work at Hobart Square includes
  - a) Improvements to drying areas
  - b) New ramp and footpaths to improve access
  - c) Resurfacing
  - d) Wall repairs and new gates and railings
13. Additional environmental improvements will be ordered throughout the year up to £500,000 in order to complete the programme.

14. **Non-housing repairs and maintenance** – this contract was awarded to NCS in April 2010, extended in April 2013 and novated to NNBL in April 2014. The scope of the contract covers works to the operational, commercial and stewardship property portfolio:

- Responsive repairs
- Programmed maintenance
- Major repairs and upgrades (to a maximum value of £50,000)

15. A variation to the contract is required to place an order for maintenance of City Hall clock tower. This scheme has been granted an exemption from contract procedures due to the sensitive nature of the work and the need to manage security. The works will be carried out using the adjusted national schedule of rates which will help ensure that value for money is achieved.

## Integrated impact assessment



**NORWICH**  
City Council

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

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

### Report author to complete

<b>Committee:</b>	Cabinet
<b>Committee date:</b>	9 September 2015
<b>Head of service:</b>	Executive head of strategy people & neighbourhoods
<b>Report subject:</b>	Procurement of works - various key decisions for expenditure on housing and non-housing repairs and upgrades contracts
<b>Date assessed:</b>	14 July 2015
<b>Description:</b>	

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

	Impact			
Eliminating discrimination & harassment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Advancing equality of opportunity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Environmental (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Transportation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Natural and built environment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The works will ensure the built environment is maintained and improved to a high standard
Waste minimisation & resource use	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Pollution	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Sustainable procurement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Energy and climate change	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
(Please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Risk management	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1. There is a risk that the appointed supplier could fail during the duration of the contract. This is low risk due to the relatively short nature of the contract and the planned nature of the works. In addition to this the Council is not investing in the supplier and so the risk is one of service continuity rather than financial, which is further mitigated by the fact the work is planned not responsive in nature.

Recommendations from impact assessment
--

Positive
----------

Value for money & built environment.
--------------------------------------

Negative
----------

Neutral
---------

Issues
--------

## APPENDIX 1

Contract	Description	Value £
EPL Property Improvements	External wall Insulation	950,000
EPL Property Improvements	Electrical rewiring	1,380,000
EPL Property Improvements	Replacement kitchens	8,260,000
EPL Property Improvements	Replacement bathrooms	3,980,000
EPL Property Improvements	Britannia Court refurbishment	1,200,000
EPL Property Improvements	Re-Roofing programme	450,000
EPL Property Improvements	Repointing programme	450,000
EPL Property Improvements	Whole House Improvements	250,000
EPL Property Improvements	Environmental Improvements	300,000
EPL Replacement Doors and Windows (Ashfords)	2015-16 programme of composite door replacements	800,000
EPL Replacement Doors and Windows (Anglian Building Products)	2015-16 programme of composite door replacements	800,000
Housing Repairs and Upgrades	Hobart Square Environmental Improvements	201,227
Housing Repairs and Upgrades	Environmental Improvements	500,000
Housing Repairs and Upgrades	Sheltered Housing Whole Home Upgrades	500,000
Housing Repairs and Upgrades	Whole House Improvements	250,000
Non-housing Repairs and Upgrades	City Hall Clock tower repointing and repairs	200,000
		<b>20,471,227</b>



**Report to** Cabinet  
9 September 2015  
**Report of** Executive head of strategy people & neighbourhoods  
**Subject** Procurement of works for structural maintenance and improvement – structural repairs at Heathgate Phase 2

**Item**

14

## KEY DECISION

---

### Purpose

To consider the procurement process and to seek approval the award of a large structural repair contract.

### Recommendation

To approve the award of a structural repair and improvement contract to JB Specialist Repairs Ltd for works at Heathgate Phase 2.

### Corporate and service priorities

The report helps to meet the corporate priority “Decent housing for all” and the service plan priority to continue to deliver the programme of making all council homes decent.

### Financial implications

The financial consequences of this report is the award of the contract for structural repairs for a total tendered cost of £367,546.55, which is included within the Housing Revenue Account financial forecasts and budgets for this financial year (2015/16).

**Ward/s:** Thorpe Hamlet

**Cabinet member:** Councillor Harris - Housing

### Contact officers

Russell O’Keefe, Executive head of strategy people & neighbourhoods 01603 212908

Gary Atkins, Associate Director Operations, NPS Norwich Ltd 01606 227903

Carol Marney, Head of Operational Property Services, NPS Norwich Ltd 01603 227904

### Background documents

None

# Report

## Background

1. The council has a programme of structural repairs and improvements deemed necessary in order to ensure the housing stock remains in a good state of repair and tenants have quality homes to live in. The contract covered in this report forms a part of this programme of works.
2. The scope of the work at Heathgate Phase 2 includes concrete repairs, replacement railings and waterproofing on concrete decks to two blocks of flats.

## Tender process

3. The opportunity to tender was advertised on the council's e-tendering portal and Business Link/Contracts Finder.
4. Suppliers were asked to submit details of their organisation in terms of finance, contractual matters, insurances, quality assurance, environmental standards, health and safety, equality and diversity credentials, references and previous experience. These aspects were then evaluated to ensure that suppliers met the council's basic requirements.
5. At the same time suppliers submitted details in the form of method statements proposing how they would meet the requirement for the work package and the price that they would charge to carry out this work. These method statements were evaluated once it had been confirmed that the supplier had met the council's basic requirements.
6. The tender return date was 8 May 2015.

## Tender evaluation

7. The supplier selections process required suppliers to complete a questionnaire. The responses given were then evaluated against pre-determined criteria. It was a pass/fail evaluation and determined whether the tender submitted was compliant with the specification requirements.
8. Five suppliers returned quotations on time and the initial evaluation was conducted by NPS Norwich using the agreed evaluation criteria as set out in the documentation provided to the suppliers. Two suppliers passed the qualitative assessment with the tender from JB Specialist Repairs Ltd being the lowest compliant tender, i.e. the lowest price that fully meets all the requirements of the specification.

## Integrated impact assessment



**NORWICH**  
City Council

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

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

### Report author to complete

<b>Committee:</b>	Cabinet
<b>Committee date:</b>	9 September 2015
<b>Head of service:</b>	Executive head of strategy people & neighbourhoods
<b>Report subject:</b>	Procurement of works for structural maintenance and improvement – structural repairs at Heathgate Phase 2
<b>Date assessed:</b>	14 July 2015
<b>Description:</b>	

	Impact			
Economic (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Finance (value for money)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The tender process ensures that the Council achieves the best value for money at that particular time.
Other departments and services e.g. office facilities, customer contact	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
ICT services	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Economic development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Financial inclusion	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Social (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Safeguarding children and adults	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<u>S17 crime and disorder act 1998</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Human Rights Act 1998	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Health and well being	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Without these repairs the buildings would become unsafe, posing potential hazards to tenants.

Equality and diversity (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Relations between groups (cohesion)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Eliminating discrimination & harassment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Advancing equality of opportunity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Environmental (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Transportation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Natural and built environment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The contracts will ensure the built environment is maintained and improved to a high standard
Waste minimisation & resource use	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Pollution	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Sustainable procurement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Energy and climate change	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
(Please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments

<b>Risk management</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>1. There is a risk of challenge from an unsuccessful supplier. This risk is mitigated by the fact the value of contracts is below the thresholds in the Public Contracts Regulations. Also the tender has followed an open process with award criteria being based on the lowest compliant tender, but there is always a risk of challenge from unsuccessful suppliers.</p> <p>2. There is a risk that the appointed supplier could fail during the duration of the contracts. This is low risk due to the relatively short nature of the contracts and the planned nature of the works. In addition to this the Council is not investing in the supplier and so the risk is one of service continuity rather than financial, which is further mitigated by the fact the work is planned not responsive in nature.</p>
------------------------	-------------------------------------	--------------------------	--------------------------	---

## Recommendations from impact assessment

### Positive

Value for money & built environment.

### Negative

### Neutral

<b>Issues</b>

