

## Cabinet

**Date:** Wednesday, 05 February 2025

**Time:** 17:30

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

### Committee members:

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## Agenda

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| <b>1</b> | <b>Apologies</b><br><br>To receive apologies for absence  |          |
| <b>2</b> | <b>Declarations of interest</b><br><br>(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)   |          |
| <b>3</b> | <b>Public questions/petitions</b><br><br>To receive questions / petitions from the public which have been submitted in accordance with the council's constitution.  |          |
| <b>4</b> | <b>Questions to cabinet members</b><br><br>(A copy of the questions and replies will be available on the council's website prior to the meeting)  |          |
| <b>5</b> | <b>Minutes</b><br><br>To approve the accuracy of the minutes of the meeting held on 15 January 2025.  | 5 - 14   |
| <b>6</b> | <b>We are Norwich Business Plan</b><br><br><b>Purpose</b> - This report seeks Cabinet approval for the We are Norwich Business Plan covering the period quarter four 2024-2025 to quarter one 2026-2027, and the recommendations relating to this, made at Scrutiny Committee's meeting of 23 January 2025. | 15 - 52  |
| <b>7</b> | <b>Corporate Performance Report for Quarter 3, 2024-2025</b><br><br><b>Purpose</b> - To report progress against the delivery of corporate plan priorities and key performance indicators for quarter three of 2024-2025.  | 53 - 70  |
| <b>8</b> | <b>To delegate authority to award the operator contract for the Halls</b><br><br><b>Purpose</b> - To request delegated authority to agree the preferred operating model for the Halls and award the contract for an operator for The Halls following a successful procurement process.                      | 71 - 80  |
| <b>9</b> | <b>The council's 2025-2026 budget and medium-term financial strategy</b>  | 81 - 234 |

**Purpose** - To consider proposals for the council's 2025-2026 budget (general fund, HRA and capital programme) and updated medium-term financial position including the outcomes of the budget consultation and any recommendations from the Scrutiny Committee. Final budget proposals will be submitted to Full Council on 12 February 2025.

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| 10 | 2024-25 Quarter 3 – budget monitoring report | 235 - 242 |
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**Purpose** - This report sets out the council's overall financial position based on managers' outturn forecasts as at the end of December 2024 (quarter 3). The report covers the council's General Fund and Housing Revenue Account (HRA) resources and includes information in relation to both its revenue and capital position.

- 11 Corporate Risk Register 2024-25 – Quarter 3 243 - 248

**Purpose** - This report provides an update to the council's corporate risk register based on the position for quarter three (December 2024).

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| <b>12</b> | <b>Adoption of Statement of Community Involvement 2025 - Key Decision</b> | <b>249 - 298</b> |
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**Purpose** - To consider the responses received as part of the public consultation and the amended adoption version of the Statement of Community Involvement 2025.

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| 13 | <b>Greater Norwich Joint Five-Year Infrastructure Investment Plan<br/>2025-2030 - Key Decision</b> | 299 - 386 |
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**Purpose** - To consider the draft Greater Norwich Joint Five-Year Infrastructure Investment Plan 2025-2030.

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| <b>14</b> | <b>Interim transfer of health &amp; safety responsibilities</b> | <b>387 - 394</b> |
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**Purpose** - To consider the interim transfer of health and safety responsibilities from the vacant Executive Director of Development and City Services post to the Executive Director of Resources and Executive Director of Communities and Housing until such a time as the post is recruited to.

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| <b>15</b> | <b>HMO Licensing Policy</b> | <b>395 - 426</b> |
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**Purpose** - For members to consider the draft HMO Licensing Policy in respect of Houses of Multiple Occupation (HMOs) licensed under the Housing Act 2004 and to agree a public consultation.

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| <b>16</b> | <b>Town Deal Funding Update (Blackfriars Hall Roof and Mechanical &amp; Electrical Upgrade) - Key Decision</b> | <b>427 - 434</b> |
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**Purpose** - This report is to update Cabinet on the works required to Blackfriars Hall at The Halls and request approval of the contract modification permissible under the Public Contract Regulations 2015. The funding for these works is included in the budget proposals being presented to Cabinet on 5 February 2025 and Full Council on 12 February 2025.

## **17 Exclusion of the public**

Consideration of exclusion of the public.

### **EXEMPT ITEMS:**

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

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

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

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## **\*18 Corporate Risk Register 2024-25 – Quarter 3 – Exempt Appendix**

- 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, 28 January 2025**



**Cabinet****17:30 to 18:50****Wednesday, 15 January 2025**

**Present:** Councillors Hampton (Vice-Chair in the Chair, Jones, Kendrick and Kidman

**Apologies:** Councillors Stonard (Chair), Giles and Packer

**In attendance:** Councillor Calvert (Green Group representative)  
Councillor Wright (Leader of the Liberal Democrat Group)

**1. Declarations of Interest**

The Monitoring Officer confirmed that all Members had been issued a general dispensation for papers related to the budget.

**2. Public Questions and Petitions**

There had been no public questions or petitions received.

**3. Questions to Cabinet Members**

There had been no questions received.

**4. Minutes**

**RESOLVED** to approve the accuracy of the minutes of the meeting held on 11 December 2024.

**5. Update on Motion: Protecting Private Renters**

The Cabinet Member for Housing provided a verbal update on Motion: Protecting Private Renters. This was following the motion agreed at Full Council on 26 September 2023 and the motion from Councillor Catt, Motion: Private rented housing, agreed at Full Council on 28 November 2023. Since the motions had passed significant work had been completed. As part of the previous year's budget setting process a study on the prevalence of Housing in Multiple Occupancy (HMOs) in Norwich had been agreed. This study had now been completed and a further budget growth bid was being considered for the financial year 2025/26 to enable a stock condition survey of HMOS. This would enable the Council to understand what regulatory routes could be used in the future. The number of private renting had increased significantly year on year. She highlighted that a higher proportion of

private rented properties had Category 1 Hazards in comparison to owner-occupied and social housing properties. The evidence already gathered was able to inform policies on the spread of HMOs around the city. The stock condition survey would be able to provide more information to improve standards within the city. Having a strong evidence base would enable the Council to create policies that could stand up to challenge. The Council remained committed to the appropriate regulatory powers to raise standards. Residents should feel safe to escalate their concerns to the Council. Further updates would be brought to Cabinet.

**RESOLVED**, to note the update.

## **6. Draft Equality, Diversity and Inclusion (EDI) Action Plan 2024-27**

The Deputy Leader and Cabinet Member for A Climate Responsive Norwich presented the report. She highlighted that it had been subject to a lengthy discussion at Scrutiny Committee.

Councillor Wright, the Chair of the Scrutiny Committee, presented the Scrutiny Committee recommendations. He highlighted that there had been a significant discussion at the Scrutiny Committee meeting and thanked Cabinet for considering the recommendations.

Councillor Calvert asked the following question on behalf of the Green Group:

“Thank you for all the work on the action plan, and for the mostly positive response to scrutiny recommendations. Regarding the scrutiny recommendation to look into a four day working week, which is proven to increase staff satisfaction and productivity, following a question to cabinet in July 24, Cllr Kendrick said “we will consider all options for flexible working, (including a four-day working week) considering the needs of our residents and workforce. We will continue to monitor the Government’s legislative agenda” The government has dropped the previous Tory government’s concerns. Can you reassure us that due consideration is going to be given to this option?”

The Deputy Leader and Cabinet Member for A Climate Responsive Norwich gave the following response:

“The response to the Scrutiny recommendation made in relation to the Equality, Diversity and Inclusion Action Plan and specifically the 4 day working week is included in the Cabinet papers on page 77.

This is the current position, and I don’t have anything further to add on the matter at this point. Cabinet will of course be updated on any future developments.”

The Deputy Leader and Cabinet Member for A Climate Responsive Norwich moved, and the Cabinet Member for Housing seconded the recommendations as set out in the report.

**RESOLVED**, unanimously, to:

- 1) Consider the recommendations made by the Scrutiny Committee at their meeting on the 12 December 2024 as per Appendix 2 and confirm its agreement to accept or reject these for the reasons cited
- 2) Approve the draft Equality, Diversity and Inclusion (EDI) Action Plan – 2024-2027

## 7. Norwich City Council – Equality Information Report 2025

The Deputy Leader and Cabinet Member for A Climate Responsive Norwich presented the report. The layout of the report had been adapted to reflect the new objectives as per the Equality Diversity and Inclusion (EDI) Strategy 2024-27. There had been no significant changes since the Equality Information Report 2024. Some successes of the year included the first Employee Network being established, the Council's support of the establishment of the Inclusive Norwich Partnership and the Council was working with Age UK to achieve the aims of the city becoming an Age Friendly city.

The Cabinet Member for Housing commented that the report provided useful information on how the Council was responding to challenges faced by residents.

Councillor Calvert asked the following question on behalf of the Green Group: "Thank you for this important report and all the work that has gone into it. At scrutiny we asked for a more in depth evaluation of Go For Less cards, and we can see that over half are going to over 60s, 25% to low income households, around 15% to children but just 3% to post 16 students (just 25 in the city), who we know are often in need of the services supplied. Can you give tell us a bit more about what is being done to make sure the benefit is widened to include this important group?"

The Deputy Leader and Cabinet Member for A Climate Responsive Norwich provided the following response: "Officers are working to launch a fully digitised version of the Go4Less card which will ensure the card is accessible to more people. This will be accompanied by a communications plan which will identify target users and how best to raise awareness of the card.

Many post-16 students are able to access reduced rates and discounted memberships for sport and leisure activities across the city, including at the UEA Sportspark, Riverside Leisure Centre and at local budget gyms. Student discounts also apply to many cultural events and tickets.

It is therefore suggested that low uptake amongst this user group may, in part, be because of the plethora of discounted options available to them."

The Deputy Leader and Cabinet Member for A Climate Responsive Norwich moved, and the Cabinet Member for A Prosperous Norwich seconded the recommendations as set out in the report.

**RESOLVED**, unanimously, to:

- 1) Approve the recommendation made by the Scrutiny Committee at its meeting on 12 December 2024 and the actions proposed to meet it
- 2) Approve the Equality Information Report 2025 for publication.

## 8. Norwich Inclusive Economy Vision – Key Decision

The Cabinet Member for A Prosperous Norwich introduced the report. Norwich had a long industrial heritage, including being the place of manufacturing of mustard. The transition to a service-led economy had taken place early in Norwich. Several institutions were based in Norwich providing services, such as the two universities, financial services and the

research park to the west of the city. Norwich had been the first UNESCO City of Literature in the UK and hosted a wide range of cultural institutions and parks and open space. The Inclusive Economy Vision detailed how the economy would address the social, economic and environmental inequalities within the city and had an extensive evidence base. The vision had been subject to engagement with neighbouring authorities and the County Council. It detailed how sectors would need to work together to achieve the long term ambitions for the city. Following the adoption of the vision five-year strategies would be produced to provide the action plans how to address the long-term aims within the Inclusive Economy Vision. Through a strong message in the vision, it would enable the Council to ask the Government and private sector for funding for a variety of projects.

Councillor Calvert asked the following question on behalf of the Green Group: “The evidence base makes clear that Norwich is already trailing behind many of its statistical comparators including Cambridge, Ipswich and Peterborough across a number of key metrics including employment change, GVA growth, loss of office and industrial floor space. Interventions are urgently needed that prevent Norwich becoming a 'left behind city'. Many of the challenges facing the city have become engrained and have not changed over the last decade. Yet during this time the cabinet have always assured us that enough is being done to grow the city’s economy. How can we be fully assured that this time things will change and that the council will work proactively and allocate resource to work with partners like the Chambers of Commerce and BID to drive change and actually deliver the strategy?”

The Cabinet Member for A Prosperous Norwich asked the Interim Executive Director of Major Projects to respond to the question. He highlighted that the reason that the decline in the city centre was due in part due to factors outside the City Council’s control and boundaries as there were several large economic clusters outside the boundary. The evidence base provided a good foundation for developing strategies moving forward based on the ambitions within the Norwich Inclusive Economy Vision. Having a clear strategy and understanding of the challenges that the city faced would enable funding bids to help address the challenges.

In response to Councillor Calvert’s supplementary question the Cabinet Member for A Prosperous Norwich highlighted that work had been undertaken to address challenges that the city faces but the Inclusive Economy Vision articulated a reimagined vision for the future in line with the City Vision 2040. The Interim Executive Director of Major Projects assured members that the City Council had been successful in securing funding for the city which included the Towns Deal funding awarded by the previous Government.

The Cabinet Member for A Prosperous Norwich moved, and the Cabinet Member for An Open and Modern Council seconded the recommendations as set out in the report.

**RESOLVED**, unanimously, to approve and adopt the Norwich Inclusive Economy Vision.

## **9. The Council’s provisional 2025-26 budget and medium term financial strategy**

The Cabinet Member for An Open and Modern Council presented the report. The report detailed the budget proposals for 2025/26 which had been following a challenging but vigorous process which included the inherent challenges in local government finance. The Council had continued its prudent financial management which meant that the City Council was in a better position than other local authorities. The Government would be reviewing

the way in which local authorities were funded including the provision of multi-year settlements. Other changes would emerge through the Government's programme of devolution and local government reorganisation. The report covers a number of elements, including the General Fund, Housing Revenue Account (HRA), capital programmes and treasury management activities. The budget proposals protected service delivery, statutory duties and support the development of services. The General Fund remained challenging due to the pressures of inflation. The budget included an assumption that Council Tax would be increased by the maximum allowed without a referendum. The Council continued to maintain strong reserves, and any suggested drawdown of reserves was from earmarked funds. The report also detailed the HRA budget following the agreement of HRA Business Plan in December 2024. This included a proposed increase in social rent of Consumer Price Index (CPI) + 1%. The anticipated underspend within the HRA would be moved into reserves to fund the building of new social housing and improvements to existing stock, including additional funding to deal with damp and mould. The Treasury Management Strategy had been considered by the Treasury Management Committee in January. The Committee provided crucial information and governance of the Council's Treasury Management activities. The Council's borrowing was within appropriate levels and the minimum revenue provision. The strategy ensured that the return from investments could be used to fund service delivery. The report included the statutory statement by the Council's s151 officer on the risks of any detailed proposals and the Council must give regard to the statement.

The Cabinet Member for Housing commented on the proposed HRA budget and highlighted the impact of the previous imposed rent reduction had had on the HRA budget. In order to maintain the HRA rents would need to be increased. The proposed rent increase had been subject to consultation with the tenant involvement panel. Investment in the Council's stock was required as the quality of homes impacted on residents' lives and wellbeing. The budget would also enable the Council to respond to the results of the stock condition survey and to address the challenges of decarbonisation. Increased regulatory pressures were welcomed but did have additional costs associated with them. The social rents would continue to be below the Local Housing Allowance to ensure that residents could pay their rent.

Councillor Calvert asked the following question on behalf of the Green Group: "Transfer of 'Citizen' magazine to online only looks set to save £20,000 per year. Could you explain and share the background here - what work has been done as to justify this cut, if we explored how if for example advertising could have kept a guaranteed paper copy through every door: most of all have we checked the equalities impacts - how will we ensure meeting our communications objectives, when we know that those without digital access are most likely to be people aged over 65, or households with low income or financial vulnerability?"

The Cabinet Member for An Open and Modern Council gave the following response: "The budget for the communications team, as with different budgets throughout the council, has come under increasing pressure in recent years because of the pressing need to identify year-on-year savings to ensure the council can continue to set a balanced budget.

The money set aside for producing Citizen magazine was significantly impacted by the Covid pandemic and other global factors which resulted in steep rises in paper costs and distribution fees.

These costs have remained at the same elevated level compared to pre-pandemic costs. Consequently, after 2021, it was not possible to produce the same number of issues of the magazine (four per year) without increasing the spend on Citizen.

To keep within budget, the number of issues reduced from four to three in the 2022-23 financial year. Due to ongoing budget savings in 2023-24, the number of issues had to reduce further from three to two in both that financial year and this financial year (2024-25).

In order to make further budget savings in 2025-26, a £20,000 reduction in Citizen spend has been put forward. All options for future editions are being explored. The summary nature of this report means that detail about this saving is limited and online is one option that will be explored, but not the only option.”

In response to Councillor Calvert’s supplementary question the Executive Director of Communities and Housing confirmed that all options in relation to Citizen magazine would be considered, including the timing of publications.

The Cabinet Member for An Open and Modern Council moved, and the Cabinet Member for Housing seconded the recommendations as set out in the report.

**RESOLVED**, unanimously, to:

- 1) Note the latest financial information, the budget strategy incorporated into the report and the budget proposals, which enable the Council to set a balanced budget for 2025-2026 and the Medium-Term Financial Strategy for the period 2029-2030.
- 2) Note the Section 25 report of the chief finance officer on the robustness of the budget estimates, the adequacy of reserve and the key financial risks to the council.
- 3) Note that the Council Tax resolution for 2025/26, prepared in accordance with Sections 32-36 of the Local Government Finance Act 1992, amended by the Localism Act 2011, will be calculated and presented to Council for approval once Norfolk County Council and the Office of the Police and Crime Commissioner for Norfolk have agreed the precepts for the next financial year.

## **10. Norwich Provisions Market Strategic Outline Case – Key Decision**

The Cabinet Member for A Prosperous Norwich presented the report. Norwich Market was one of the oldest and largest outdoor markets in the country and was deeply intertwined with the history of the city. It was a vibrant hub and a key component of the city’s identity and economic hub. There was a strong case to address issues that prevented the Market from reaching its full potential such as environmental and operational challenges. The Council would invest in infrastructure, digital offering and marketing of Norwich Market. The Strategic Outline Case had been developed to assess and guide the next phase of the project, and a wide range of options had been considered. Stakeholder engagement would take place, including with Market Traders to build more detailed options for the Outline Business Case.

Councillor Calvert asked the following question on behalf of the Green Group: “The market is acknowledged as a jewel in the crown of Norwich, where small traders and businesses,

both long established and new, work hard year-round through winter cold and summer heat to enliven our city centre. A revamp which addresses longstanding problems for traders as well as enabling evening and weekend trade, carbon- and waste-friendly operations and a refresh is long overdue and exciting. The report recommends spending three quarters of a million pounds from reserves as a first step to provide a detailed report and some 'quick wins'. Rightly, traders have been consulted but users so far have not: how can we be assured of co-creation, customer input and value for council tax payers and that the management team be supported with resource going forward?"

The Cabinet Member for A Prosperous Norwich gave the following response: "The project has been informed by extensive evidence as well as trader and wider stakeholder engagement. A public survey was conducted in 2022 where 1400<sup>1</sup> members of the public were surveyed in person, and this included users and non-users of the market. This evidential data was fed into the project from the very beginning.

The next stage of the project focuses on engagement with the public and key target groups to further refine and validate the findings, with the aim of identifying a preferred option for the Provisions Market. That preferred option will be supported by a business case which will not only look at financial value for money for the City but also wider economic, social and environmental benefits. This will enable a robust decision to be made and resources to be put in place to support delivery. The investment of council funds will reap huge dividends for traders and the city's economy and will firmly seal the market's viable future as a vibrant and thriving place for visitors and tourists to experience from all over the country and beyond."

The Cabinet Member for A Prosperous Norwich moved, and the Cabinet Member for Housing seconded the recommendations as set out in the report.

**RESOLVED**, unanimously, to:

- 1) Endorse the Strategic Outline Case for the Provisions Market
- 2) Agree to progress the next stage of development of options outlined in the report and develop a robust Outline Business Case for the project to define and increase confidence in future project delivery.
- 3) Agree to the use of £480k funded from reserves to progress to the next stage of development, which will include the development of an Outline Business Case and design development and further engagement to provide a robust basis to progress
- 4) Delegate the award of a contract for a professional team to provide the capacity and capability needed to develop the project through the RIBA stages and Five Case Model process, recommended by the HM Treasury Green Book, to the Executive Director of Resources in consultation with the Cabinet Member for A Prosperous Norwich.

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<sup>1</sup> Following the meeting it was clarified that 1100 members of the public had been surveyed.

- 5) Agree to the use of £260K funded from reserves in order to fund design and construction costs to deliver the quick wins, outlined in this report.

## **11. Consideration of amendments to the Hackney Carriage and Private Hire Vehicle Policy**

The Deputy Leader and Cabinet Member for A Climate Responsive Norwich introduced the report.

Councillor Calvert asked the following question on behalf of the Green Group: "I note that there are potential proposals to require taxis to have CCTV. This has proved controversial in places like Peterborough which adopted such a policy but surrounding areas didn't. What work has been done to ensure that Norwich works closely with contiguous councils like south Norfolk and Broadland to ensure consistency in this regard?"

The Deputy Leader and Cabinet Member for A Climate Responsive Norwich gave the following response: "The Department for Transport recently updated the Statutory guidance for taxi and private hire vehicle standards

The department's view is that the use of CCTV can provide a safer environment for the benefit of taxi/private hire vehicle passengers and drivers by:

- deterring and preventing the occurrence of crime
- reducing the fear of crime
- assisting the police in investigating incidents of crime
- assisting insurance companies in investigating motor vehicle accidents

When considering whether or not to introduce mandatory CCTV in vehicles, licensing authorities should consult to identify if there are local circumstances which indicate that the installation of CCTV in vehicles would have either a positive or an adverse net effect on the safety of taxi and private hire vehicle users, including children or vulnerable adults, and taking into account potential privacy issues.

The Council is about to go out for consultation on a new driver standards policy which would cover this area. The consultation will run from 20th January, should cabinet approve it. The consultation will involve members of the trade, neighbouring authorities and the police as well as members of the public.

Officers have a close working relationship with other authorities and are cognisant of their adopted driver and vehicle standards in relation to CCTV in taxi and private hire vehicles. Whilst not mandatory, South Norfolk and Broadland allow drivers to install CCTV in their vehicles following written approval. Currently NCC does not have any requirement for CCTV in vehicles, the proposed changes to the conditions would allow discretion for drivers to install CCTV should they request it. This will mean that the NCC conditions will align with South Norfolk and Broadland Council ensuring consistency in this regard."

The Deputy Leader and Cabinet Member for A Climate Responsive Norwich moved and the Cabinet Member for An Open and Modern Council seconded the recommendations as set out in the report.



**RESOLVED**, unanimously, to:

- 1) Agree the proposed recommendations for consultation to the draft Hackney Carriage and Private Hire Vehicle Policy
- 2) Agree to commence a public consultation on the proposed draft policy for an 8-week period from 20 January 2025 to 17 March 2025 before returning for formal approval by Cabinet.

## **12. Residential Caravan Licensing Model Standards**

The Deputy Leader and Cabinet Member for A Climate Responsive Norwich introduced the report.

The Deputy Leader and Cabinet Member for A Climate Responsive Norwich moved and the Cabinet Member for Housing seconded the recommendations as set out in the report.

**RESOLVED**, unanimously, to agree to the consultation on the proposed standards, conditions and management arrangements for a period of not less than 6 weeks beginning on 20 January 2025 running until 24 February 2025.

## **13. Delegation Clarification – Riverside Leisure Centre Solar Photovoltaic (PV).**

The Deputy Leader and Cabinet Member for A Climate Responsive Norwich presented the report. The Cabinet had agreed delegated authority in March 2024 to the Executive Director in consultation with the Cabinet Member to sign off the grant documents and delivery contracts for the installation of solar panels on the roof of Riverside Leisure Centre. During the pre-construction phase it was noted that the roof was end-of-life and would not be able to support the solar panels. The project would replace the roof of the Riverside Leisure Centre to ensure that the weight of the array could be supported. The cost of the replacement could be met within the agreed budget for the project.

The Deputy Leader and Cabinet Member for A Climate Responsive Norwich moved and the Cabinet Member for Housing seconded the recommendations as set out in the report.

**RESOLVED**, unanimously, to agree to include the cost and activity of the re-roofing at Riverside Leisure Centre within the scope of the existing delegated authority, to the Executive Director of Communities and Housing and the Deputy Leader and Cabinet Member for A Climate Responsive Norwich as part of the project to install the solar PV system at the leisure centre.

## **14. Exclusion of the Press and Public**

**RESOLVED** to exclude the press and public from the meeting during consideration of items \*15 to \*16 (below) on the grounds that they contained exempt information as defined in the relevant paragraphs within Part 1 of Schedule 12A, as amended, of the Local Government Act 1972.

### **\*15. Disposal of Assets (Housing) (Para 3)**

The Cabinet Member for Housing presented the report. The Council reviewed its HRA properties on a regular basis to ensure that these were suitable properties to retain within

the HRA to ensure that value for money for the HRA was maintained. The receipts from the disposal of the asset would be used to reinvest in exiting properties or in more viable stock. In response to a question from Councillor Calvert the Cabinet Member for Housing confirmed that the properties within the HRA were separate to any other assets and the Council had a duty to protect the HRA, which was ringfenced specifically for council housing.

**RESOLVED**, unanimously, to approve the disposal of the land and property assets mentioned in the report.

**\*16. Norwich Provisions Market Strategic Outline Case – Exempt Appendix (Para 3)**

The Cabinet Member for A Prosperous Norwich provided a response to Councillor Calvert's question on behalf of the Green Group and assured members that extensive engagement would continue to take place with Market Traders as the project developed.

This item was noted under item 10 above.

CHAIR

**Committee name:** Cabinet

**Committee date:** 05/02/2025

**Report title:** **We are Norwich Business Plan**

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

**Report from:** Chief executive

**Wards:** 'All wards'

**OPEN PUBLIC ITEM**

**Purpose**

This report seeks Cabinet approval for the We are Norwich Business Plan covering the period quarter four 2024 - 2025 to quarter one 2026-2027, and the recommendations relating to this, made at Scrutiny Committee's meeting of 23 January 2025.

**Recommendation:**

Cabinet is recommended to:

1. Consider the recommendations made by the Scrutiny Committee at its meeting on the 23 January 2025 as they appear in Appendix 2, confirming Cabinet's agreement to accept these for the reasons cited.
2. Authorise the Chief Executive, in consultation with the Leader, to make changes to the plan in line with the recommendations from Scrutiny and other minor amendments.
3. Agree to periodic updates on progress and performance metrics as part of quarterly cabinet reporting.
4. Note the transition to an Outcomes-Based Accountability (OBA) approach and support its phased implementation across council services.
5. Approve the We are Norwich Business Plan covering the period quarter four 2024 - 2025 to quarter one 2026 – 2027, subject to approval of the Scrutiny Committee recommendation dated 23 January 2025.

**Policy framework**

The council has five corporate priorities, which are:

- A prosperous Norwich.
- A fairer Norwich.

- A climate responsive Norwich.
- A future-proof Norwich.
- An open and modern council.

This report supports all corporate priorities and aligns with the community-led plan, We Are Norwich (2024-29). It also integrates the council's guiding principles, ensuring a robust focus on ambition, sustainability, equality, and evidence-based governance.

## **Report details**

### **Introduction**

1. The We Are Norwich Business Plan, at Appendix 1, outlines the council's work programme for the period quarter four 2024-25 to quarter one 2026-27, to be delivered alongside business-as-usual activities. This document marks a pivotal step in transitioning to an outcome-focused governance model designed to enhance service delivery and public engagement.
2. The plan includes details of current performance indicators; new indicators are being developed and tested to assess progress on delivering outcomes. Through assurance monitoring, the council will ensure that budgets and the business plan can be reviewed iteratively in response to changing circumstances.
3. Scrutiny Committee considered the draft Business Plan at its meeting of 23 January 2025 and made a series of recommendations as set out at Appendix 2, for cabinet's consideration and approval.

### **The business plan**

4. The business plan provides a detailed framework for implementing key projects, improving performance monitoring, and fostering partnerships to achieve shared goals. It is designed to be a document that is adaptable to changes in circumstances. The council will ensure its relevance by:
  - a. using the OBA framework to track progress and assess the effectiveness of actions
  - b. aligning resource allocation with evolving priorities and financial constraints, supported by iterative budget reviews
  - c. incorporating contingency planning to address potential external changes, such as economic fluctuations or policy shifts
  - d. maintaining open channels of communication with members, partners, and residents to gather insights and adjust priorities accordingly.
5. The five priorities of the We are Norwich community-led plan provide a structure for the business plan, with actions and expected outcomes assigned to each priority to support delivery of the community-led plan. The plan summarises which partners we aim to work with, details of linked strategies and plans, along with a glossary of useful terms
6. Resource allocation and budget setting in support of the outcomes have been considered as part of the business planning process for 2025 - 2026, with details set out in the council's draft budget proposals.
7. Some actions in the plan relate to one or more commitment but are listed under the most relevant one. Ownership of the actions set out in the business plan and how they interlink, are captured through service/action plans that underpin the business plan. This ensures cross-cutting issues are effectively governed across multiple service areas.

8. Many actions in this year's plan are already underway, reflecting their alignment with our strategic outcomes. These have been identified as the right actions to deliver the required impacts. As the plan progresses in later years, more actions will be co-designed and developed in partnership with stakeholders to address evolving priorities and challenges.
9. Linked closely to the business plan are strategies and action plans focused on specific groups of people or functions, to drive the delivery of the council's priorities, for example, our Customer and Digital Strategy. Increasingly, many of our strategies are jointly developed and monitored with partners, for example, the Norwich Health and Wellbeing Strategy.
10. The We Are Norwich business plan represents the beginning of a transition to a new, outcome-focused way of working. This approach will take time to fully implement, as it requires adjustments in how the council plans, monitors, and delivers services. The council is committed to engaging with members, colleagues, and partners throughout this process to ensure shared ownership and collaborative development.

### **Outcome- Based Accountability (OBA)**

11. Outcome-Based Accountability represents a transformative approach for the council, focusing on linking actions to measurable outcomes. This model shifts the emphasis from activity-based reporting to result-driven governance, fostering accountability and transparency.
12. Between one-third and a half of local authorities across England currently use outcomes-based accountability methods to drive effective performance management of their strategic objectives. Furthermore, [The Devolution White Paper](#) sets out the government's intention to introduce 'Integrated Settlement single accountability frameworks' that very much align with the principles of OBA. The framework's overarching goal is to ensure clear, outcome-based targets that are transparent to both the government and the public, emphasising accountability and efficient use of devolved powers.
13. Key benefits of OBA include:
  - a. **Improved decision-making:** by using data and logic models, OBA ensures that resources are directed towards actions that deliver the greatest impact.
  - b. **Enhanced collaboration:** the OBA model encourages cross-departmental and cross-sector partnerships by aligning priorities and objectives with shared outcomes.
  - c. **Greater adaptability:** the phased development of new KPIs through OBA, allows for refinement of how progress is measured, and alignment with evolving priorities.
  - d. **Stronger community trust:** transparent reporting and alignment with resident priorities helps to build trust and engagement.
14. Testing of OBA is underway, with the process informing in part, the business

plan. Through OBA, new KPIs tied to strategic outcomes will be developed. Examples of early OBA applications include initiatives in environmental strategy, parks and green spaces, and customer and digital where measurable impacts are being tracked and tested for their effectiveness.

15. As with many local authorities, the council recognises that it may not have all the data required to report on new KPIs. As teams adopt the OBA model, they will identify ways to collect new and/or better data to inform new KPIs, which will be phased into the quarterly performance monitoring.
16. Collaboration lies at the heart of this transition. The council will actively involve partners, members, and staff to refine and enhance our strategies, ensuring that all voices are considered as we work to achieve our shared goals.

### Key challenges

17. The council anticipates several challenges in adopting the OBA model, as set out in the table below, along with details on how it aims to address them:

Challenges identified	These will be addressed by
<b>Data collection and quality:</b> limited availability of the required data to track and measure new outcomes - many current datasets may not align with the new framework.	Identifying gaps in data collection and develop new metrics and KPIs as part of the phased OBA rollout across the council.  Implementing improved data collection methods and identifying opportunities for automation to enhance accuracy and efficiency.
<b>Cultural shift:</b> shifting organisational culture from activity-focused to outcome-focused planning and performance management.	Embedding the OBA approach across the organisation through training, a toolkit for implementation, and clear guidance on the use of logic models to connect actions with measurable outcomes.
<b>Stakeholder engagement and collaboration:</b> ensuring that members, officers, and partners understand and commit to the OBA approach.	Promoting collaboration by co-designing strategies and engaging stakeholders throughout the implementation process.  Establishing regular communication and feedback loops to build shared ownership of the outcome-based framework.
<b>Performance monitoring:</b> developing robust, meaningful, and actionable performance indicators that align with long-term goals.	Introducing a phased rollout of new KPIs to ensure alignment with strategic objectives. Using the <i>We Are Norwich</i> guiding principles to refine performance measures over time.
<b>Resource constraints:</b> limited staff capacity and financial resources to support the transition while maintaining service delivery.	Taking a phased approach to integrating OBA into existing workstreams to reduce additional workload.  Allocating resources strategically by aligning them with the council's guiding principles and priority outcomes.

<b>Implementation period:</b> adopting OBA is a complex, phased process requiring time to refine systems and integrate the approach fully.	Treating the period of the interim business plan as a transitional phase to test, adapt, and iterate the OBA model.  Committing to iterative improvements informed by testing, a phased rollout and stakeholder feedback.
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18. By addressing these challenges, the council will ensure that the transition to OBA is both strategic and sustainable, ultimately delivering improved outcomes for Norwich's residents and communities.

### Performance monitoring

19. The council is committed to making performance monitoring transparent and accessible by:

- a. sharing key indicators and progress updates through the *State of Norwich* platform and other accessible formats, ensuring clarity and transparency
- b. simplifying performance reporting with user-friendly summaries and visuals to make data more understandable for all residents
- c. seeking public feedback on performance results and incorporating this into service improvements
- d. ensuring reports meet accessibility guidelines and are available in alternative formats or languages upon request
- e. providing quarterly updates on priority indicators and annual reviews to maintain public trust and accountability.

20. Existing performance measures will be reviewed as part of the outcomes-based accountability process.

21. The development of the performance framework, as set out in the business plan at Appendix 1, is being carried out with oversight from Audit colleagues, acting in an advisory capacity. Their input ensures alignment with best practices and strengthens the council's capacity to govern performance effectively.

### New KPIs

22. The council will adopt a structured and iterative approach to developing new KPIs under the OBA model so that they are both measurable and actionable, even in areas where data is currently lacking, as set out in the table below:

Key consideration	Action
Alignment with strategic objectives	KPIs will be explicitly derived from the council's published strategic objectives, ensuring they directly link to the desired outcomes outlined in the We Are Norwich community-led plan



Clear definitions	Each KPI will have well-defined formulas and data sources, ensuring consistency and transparency in measurement.
Addressing data gaps	<p>Specific service areas will identify gaps in data collection and identify/develop methods to address them.</p> <p>New data collection processes will be aligned with the outcomes framework, with an emphasis on automating collection where possible to reduce manual effort and improve accuracy.</p> <p>Collaboration with partners and stakeholders will enable data sharing and insights, particularly in areas requiring joint action.</p>
Design principles	<p>KPIs will be simple, easy to understand, and capable of providing timely feedback for decision-making.</p> <p>A focus on monitoring trends, rather than one-off snapshots, will provide a comprehensive view of performance over time.</p> <p>KPIs will measure the effectiveness of actions in achieving outcomes, rather than merely tracking activities or outputs.</p>
Building capacity	<p>Teams will receive training on OBA principles and KPI development to ensure a consistent approach across departments.</p> <p>An internal toolkit will provide guidance, best practices, and examples to help teams design effective KPIs while avoiding common pitfalls.</p>
Continuous review and refinement	<p>KPIs will be regularly reviewed as part of the council's performance framework, allowing for adjustments based on lessons learned and changing priorities.</p> <p>New KPIs will be introduced incrementally, enabling the council to test their validity and effectiveness before full implementation.</p> <p>Stakeholders, partners, and members will be engaged to provide feedback, ensuring KPIs remain relevant and actionable.</p>

23. The council's guiding principles - evidence-based decision-making, listening to the city, and promoting equality and inclusion - will underpin the development of KPIs that reflect the diverse needs of Norwich's residents and communities. This approach will ensure that KPIs are not only measurable and actionable but also meaningful in driving progress toward the outcomes envisioned in the We Are Norwich plan.

## Consultation

24. The business plan has been shaped by:

- a. Citywide engagement work underpinning the *We are Norwich* community-led plan
- b. Data on Reducing Inequalities Target Areas (RITAs)
- c. Collaboration with voluntary and community organisations

- d. Insights from over 25 consultations on the [Get Talking Norwich portal](#)
- e. Ongoing dialogue with staff, councillors, and partners.

25. Moving forward, the council will:

- a. work closely with partners and stakeholders to co-design future iterations of the plan, ensuring shared ownership of priorities and actions
- b. establish mechanisms for regular feedback from stakeholders, which will directly inform updates to the plan and ensure responsiveness to emerging needs
- c. collaborate with key groups, including businesses, community organisations, and statutory partners, to align resources for greater impact.

## **Implications**

### **Financial and resources**

- 26. Any decision to reduce or increase resources or alternatively increase income must be made within the context of the council's stated priorities, as set out in its community-led plan 2024-2029 and budget.
- 27. The business plan aligns with the proposed budget for 2025-2026 which sets out proposals that would reduce or increase resources.
- 28. A phased implementation strategy ensures efficient resource allocation, minimising disruptions to existing services while transitioning to OBA across the council's services.

### **Legal**

- 29. No legal implications have been identified in the development of the draft business plan.

## Statutory considerations

Consideration	Details of any implications and proposed measures to address:
Equality and diversity	<p>The business plan places equality and inclusion at its core, guided by the council's commitment to fairness and equity. Key actions include:</p> <ul style="list-style-type: none"> <li>• conducting <b>Equality Impact Assessments</b> to ensure that all actions and policies consider and address potential impacts on diverse groups</li> <li>• embedding the <b>Reducing Inequality Target Areas</b> framework to focus resources on communities facing the greatest disparities</li> <li>• expanding accessibility to services and decision-making processes through <b>inclusive engagement</b> and forums like the lived experience group</li> <li>• <b>promoting accessibility</b> in parks, cultural activities, and council-led events</li> <li>• <b>addressing housing inequality</b> through retrofitting, affordable housing, and tenant support programs</li> <li>• offering <b>tailored financial advice and support</b> to help residents manage debt and improve income stability.</li> </ul>
Health, social and economic impact	<p>The plan supports the Norwich Health and Wellbeing Partnership Strategy with actions under the "A Fairer Norwich" priority. This includes a commitment to work with our partners to close health inequities.</p>
Crime and disorder	<p>Similarly (to the above) crime and disorder are considered within the plan with actions under the "A Fairer Norwich" priority.</p>
Children and adults safeguarding	<p>While not specifically cited in the business plan, all relevant actions will align with the council's published Safeguarding Policy statement.</p>
Environmental impact	<p>Environmental impact is considered throughout the community-led plan, and the business plan. This includes a specific and dedicated priority and actions under "A Climate Responsive Norwich" and significant consideration of environmental themes under the other priorities.</p>

## Risk management

Risk	Consequence	Controls required
Operational	<p>The business plan has been developed through consultation with officers, and the evidence gathered through ongoing engagement and consultation. As such, it lists the work the council is already committed to through adopted strategies and work programmes, and other planned projects.</p> <p>Without the plan, no clear and up-to-date set of actions would exist on how the council plans to deliver against the corporate priorities set out in We are Norwich.</p> <p>This would result in the council providing services that may not be relevant or fit for purpose, and which would likely ignore the priorities that communities have identified through engagement and consultation activities.</p>	By adopting the draft business plan these risks are mitigated.
Reputational	If the council fails to adopt the business plan that sets out how it will deliver against the priorities in We are Norwich that the people of Norwich have identified, it is likely that negative perceptions of the council may be generated amongst the communities it serves, its partners and its staff (all of whom have contributed to We are Norwich).	
Legal	No legal risks have been identified.	

## Other options considered

30. No alternative options are deemed viable. The business plan is integral to delivering the We Are Norwich priorities and achieving the council's strategic vision.

## Reasons for the recommendations

31. Approval of the business plan and ensures:

- a. alignment with the We Are Norwich community-led plan 2024 – 2029
- b. delivery of actionable outcomes across all corporate priorities
- c. a foundation for sustainable, inclusive, and evidence-driven governance
- d. strengthened community trust through transparency and collaborative action.

## Background papers:

[We are Norwich community-led plan 2024-2029](#)

[Scrutiny Report to consider the We are Norwich Business Plan](#)

**Appendices:**

Appendix 1: We are Norwich Business Plan

Appendix 2: Scrutiny Committee recommendations 23 January 2025

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## Appendix 1 – We are Norwich Business Plan for the period Q4 2024/25 – Q1 2026/27

### Our journey

In April 2024, we adopted *We Are Norwich*, a new community-led plan, and have begun transitioning to outcome-based monitoring and performance reporting. This shift will help us better align our resources, people, and partnerships to achieve our priorities. While it's a significant task that will take time, we're committed to the journey.

Our new approach will set out:

- **Desired outcomes:** What success looks like.
- **Activities:** What we need to do to achieve these outcomes.
- **Resources:** The money and people required.
- **Partnerships:** Key collaborators and stakeholders.
- **Performance monitoring:** KPIs and reports to track progress effectively.

### Our plan

In addition to our business-as-usual activities, from January 2025 to April 2026, our plan focuses on achieving our priorities through major projects and existing work programmes. These activities are guided by our principles:

- Be unashamedly ambitious for Norwich.
- Do the basics well on the services we provide.
- Listen to the city.
- Work in partnership.
- Focus on the climate in all that we do.
- Put equality and inclusion at the heart of our thinking.
- Use evidence to inform services.

While many actions are underway, some are planned for later in the business plan's timeline. Major projects with long-term impacts include:

- Anglia Square development.
- East Norwich development.
- Norwich Market Strategy.
- Refurbishment of The Halls.
- Reimagining of City Hall.
- Relocation of Norwich Livestock Market.

- Parks and Green Spaces Strategy.
- Waste Strategy.

## Collaboration

We will achieve these outcomes through direct action where possible, while also leading, influencing, and working in partnership. Key collaborators include:

- Businesses and suppliers
- Climate experts and retrofit taskforce
- Community groups and volunteers
- Education and training providers
- Funding and investment partners, including green finance providers and central government
- Residents and people with lived experience
- Sports, leisure, tourism, creative, and cultural stakeholders
- Statutory partners and district councils
- VCSE sector and community partners
- Utility providers, like UK Power Networks

Our work reflects the ambitions of *We Are Norwich*, ensuring that we maximise outcomes for the city while adhering to our guiding principles.

## Performance

The corporate performance framework under development focuses on:

- **City measures** through [The State of Norwich](#): Annual indicators linked to the Norwich 2040 City Vision and the community led plan, assessing the themes people, place, economy and wellbeing. These measures mainly reflect collective responsibilities involving multiple partners.
- **Priority indicators**: Quarterly indicators tracking progress on corporate priorities, with direct council oversight.
- **Priority actions**: Quarterly updates on actions that provide a comprehensive view of performance, without specific quantitative performance indicators.

## Our priority: An open and modern council

What we are aiming for	This is how it could look
A collaborative council	Our council is regarded as open and transparent. We have high levels of involvement across our voluntary and community sectors, and we share our skills and knowledge across private and public sectors to achieve common goals. We take a partnership approach to city leadership, building a collaborative approach and an informed response to city challenges. We play a critical role in developing a strong sense of community in local neighbourhoods and city-wide.
A council delivering excellence	Listening to feedback has helped us to create user-friendly services which are linked up and targeted. We are open to finding different solutions and we encourage people to influence change in the way we deliver services. Delivering excellence contributes to the council being financially stable.
A council invested in its people	The council has a skilled and talented workforce that can tackle the complex challenges the city faces. People enjoy working for the city council because it offers good career opportunities, and our workforce reflects the diversity of the city. We retain and develop the talented people needed to achieve the aspirations set out in the community-led plan for the city and its residents.
A data and insight driven, and people focused council	More people access our digital services, while we continue to provide face-to-face contact to those who most need it. We see improved cost-effectiveness which leads to better targeted services and improved relationships with service users. We make good decisions based on data and insights - we are people focused and are always keen to learn and improve. This helps us to become a well-run council.

### Our current focus

- Improve how we engage with and listen to people.
- Clearly explain how and why we work with partners.
- Offer simple, user-friendly digital services as the default option for customers.
- Make sure our commercial activities provide good value by regularly reviewing fees, leases, debt collection, and other income sources.
- Invest in our staff to create a diverse and inclusive workplace.
- Redesign and rethink City Hall to better suit the needs of staff and residents.
- Use data more effectively to make smarter budget decisions based on outcomes.



Status	Actions		Outcomes
In progress	OM1	Develop our approach to the guiding principle <i>Listen to the city</i>	<ul style="list-style-type: none"> <li>- We consistently use community engagement effectively, enabling people to influence change in the way services are delivered by listening to them and acting on their feedback</li> <li>- Teams understand why consultation and engagement matter and take a consistent and inclusive approach to activities</li> <li>- We have high levels of involvement across our voluntary and community sectors</li> </ul>
In progress	OM2	Embed the use of Get Talking Norwich across the organisation	
In progress	OM3	Develop consultation and engagement guidance toolkit for officers	
Planned	OM4	Establish and promote a lived experience forum	
In progress	OM5	Develop our approach to the guiding principle <i>Work in partnership</i>	<ul style="list-style-type: none"> <li>- We consistently work with partners to deliver positive impacts for Norwich communities</li> <li>- Teams understand why strategic partnerships matter and how to build and maintain them</li> <li>- We have a single view of partnership working</li> <li>- Communications with partners are clear, appropriate and targeted</li> <li>- Partners feel valued by the council, fostering increased engagement</li> <li>- Commissioned partners and the council act with common purpose</li> <li>- The value of partnership working and how it enables continuous improvement</li> </ul>
In progress	OM6	Review our partnerships framework and align to the community-led plan	
In progress	OM7	Develop and publish an internal comprehensive directory of partners	
In progress	OM8	Delivery of our Customer and Digital Strategy 2024-2029 which also delivers against our priority a future-proof Norwich	<ul style="list-style-type: none"> <li>- Our digital services are easy to access</li> <li>- Our approach best serves our customers expecting a digital service by default</li> <li>- Our IT and digital solutions are reliable and secure</li> <li>- Our online content meets and/or exceeds web content accessibility guidelines</li> <li>- Customers are satisfied with the accessibility of our digital services</li> <li>- Customers are aware of the digital service options available</li> <li>- There is an increased number of residents using a variety of</li> </ul>
In progress	OM9	Continue to develop and implement the phased digitisation of our planning and regulatory services	
In progress	OM10	Design and implement a fully digitised Go 4 Less	

Status	Actions		Outcomes
		scheme to complement the existing card-based scheme	<ul style="list-style-type: none"> <li>online services</li> <li>- Our customers and workforce are satisfied with our digital services</li> <li>- An increase in the number of unique visitors to website</li> <li>- An increase in the percentage of service requests made online</li> <li>- An increase in the income generated through improvements in working practices</li> </ul>
In progress	OM11	Implementation of our strategic asset management action plan	<ul style="list-style-type: none"> <li>- We have good quality data on the portfolio of properties that we own</li> <li>- We are maximising the rental income from our commercial properties to help fund council services</li> <li>- Our portfolio of properties delivers a clear return for the council and/or the city</li> <li>- A clear picture of the role and options for our properties: why we keep and maintain/ upgrade or redevelop/ sell and reinvest</li> <li>- Our commercial activities are providing best value</li> </ul>
In progress	OM12	Development of a revised capital strategy to inform our investment in the city	
Planned	OM13	Development and delivery of our next business transformation plan	<ul style="list-style-type: none"> <li>- Rolling programme of continuous improvement to support delivery of the community-led plan</li> </ul>
Planned	OM14	Development of a people strategy for our workforce	<ul style="list-style-type: none"> <li>- An increase in the number of apprentices working at the council whilst maximising use of the apprenticeship levy funding</li> <li>- People enjoy working for the city council because it offers good career opportunities</li> <li>- The council retains and develops a talented workforce</li> <li>- An increase in the proportion of job applications from diverse groups, and our workforce reflects the diversity of the city</li> <li>- Members and officers have the skills and knowledge to consider equality in all their work</li> </ul>
In progress	OM15	Promote and celebrate diversity in the workplace and diversify recruitment	
In progress	OM16	Design equality, diversity and inclusion training and develop resources; promote to members and officers	
In progress	OM17	Design and deliver outcomes-based accountability	<ul style="list-style-type: none"> <li>- We take a consistent approach to using evidence and</li> </ul>

Status	Actions	Outcomes
	across the organisation	<ul style="list-style-type: none"> <li>outcomes data to monitor and drive performance effectively</li> <li>- Our data initiatives support strategic, data-driven decision-making, and our IT and digital solutions are reliable and secure</li> <li>- Our workforce can deliver services more effectively</li> </ul>
Planned	OM18 Implementation of a new committee system to enable paperless working	<ul style="list-style-type: none"> <li>- Significant decrease in paper consumption, supporting sustainability goals and reducing our carbon footprint</li> <li>- Less waste generated from discarded or outdated paper documents</li> <li>- Reduced expenses for printing, photocopying, and distributing physical documents</li> <li>- Demonstrates a commitment to transparency, modernisation and innovation in local governance</li> </ul>

Performance indicators		Service lead
KPI02	Council Tax Collection – the amount of in year council tax plus arrears from old years collected (target set according to budget requirement)	Revenues and benefits
KPI03	Business Rates Collection – the amount of in year business rates plus arrears from old years collected (target set according to budget requirement)	Revenues and benefits
KPI16	Council income from investment property portfolio expressed as % of target income	Property and economic development
KPI27	IT System availability expressed as a percent of time available during core hours	Customers, IT and digital
KPI28	Customer facing IT services availability expressed as a % of time (24/7 excluding scheduled downtime)	Customers, IT and digital
KPI23	% of customer's responding as satisfied with customer contact team service	Customers, IT and digital
KPI24	% of customer contact that takes place through digital channels	Customers, IT and digital
KPI25	% of FOI requests responded to within statutory timescales	Customers, IT and digital

Performance indicators		Service lead
KPI26	% of corporate complaints responded to within stated timescales	Customers, IT and digital
KPI16	Council income from investment property portfolio expressed as % of target income	Property and economic development

## Our priority: A climate responsive Norwich

What we are aiming for	This is how it could look
A net-zero council by 2030	Our council services have a reduced carbon footprint, and environmentally conscious suppliers are supported by increased council investment and spending. Our businesses drive a low emission agenda, our recycle rates are increased across the city and our air quality is improved. These help us to achieve our net zero target.
Aiming for net zero for Norwich by 2045	Norwich is known for being a leader in the green economy and enjoys being a low-carbon city with a growing green economy. We see an increase in the use of public transport and active travel, and we take pride in our partnership work to lower emissions across the city. A lower proportion of household income is being spent on energy.
Vibrant parks and open spaces	Our parks and green spaces have increased usage across all communities, with improved recreation, sport and leisure opportunities, evidenced by a higher take up in sport and physical activity, contributing to better mental and physical wellbeing. The biodiversity value of our open spaces is increased and supports thriving wildlife.
Growing our capacity to adapt to climate change	We take advantage of world class research based in Norwich to help us to adapt to climate change. There is increased awareness and understanding of climate change across all our communities, so that people can change behaviours and continue to thrive despite the challenges posed by climate change. We encourage and work to pursue ecological recovery, greater diversity and abundance across insects, plant life, animals and many other species which live in our city.

### Our current focus

- Take faster action to cut emissions and prepare for climate change in our council services and housing.
- Upgrade our council houses and buildings to make them more energy efficient.
- Help the city stay strong and successful as the climate changes.
- Make sure events we run, or support are environmentally friendly and sustainable.
- Protect and improve our parks and green spaces to:

- Support nature and wildlife,
- Promote health and well-being,
- Meet the city's environmental and social goals.
- Help nature recover by stopping species decline and increasing the variety and number of plants and animals.

Status	Actions	Outcomes
In progress	CR1 Implement climate awareness training for the council and our supply chain community	<ul style="list-style-type: none"> <li>- A reduction in emissions from our existing operational buildings and investment portfolio buildings with better energy efficiency</li> <li>- We understand how we may decarbonise our transport, including staff commuting emissions</li> <li>- We understand the cost of decarbonisation and how we will fund and deliver decarbonisation projects</li> <li>- Improvements in biodiversity and net zero emissions through carbon removal by nature-based solutions (e.g. tree planting)</li> </ul>
In progress	CR2 Develop a building retrofit plan for our General Fund buildings	
Planned	CR3 Estimate the phased cost of decarbonisation and identify investment solutions	
Planned	CR4 Develop a plan for procurement emissions	
In progress	CR5 Co-develop a carbon offsetting/ removal approach where needed, with Biodiversity Strategy work	
In progress	CR6 Develop a retrofit plan to create roadmap for decarbonising our existing council homes	<ul style="list-style-type: none"> <li>- Emissions and energy costs reduce across our general needs and sheltered housing.</li> <li>- An improvement in thermal comfort, air quality, and the health of our tenants</li> <li>- Low carbon/net zero standards are in place for our new council homes</li> <li>- An improvement in the heat/electrical infrastructure capacity serving our council homes</li> <li>- We understand how we may decarbonise our HRA transport</li> <li>- An increase in EV charging infrastructure to electrify our HRA fleet, benefitting all our residents and helping to reduce citywide emissions and our HRA Fleet emissions</li> <li>- A reduction in emissions from land around our HRA buildings through improved management techniques</li> <li>- Agreed capital funding is released to deliver our climate</li> </ul>
In progress	CR7 Develop low carbon/net zero standards for new council homes	
Planned	CR8 Develop an investment model for heat network replacement/development across our council homes	
Planned	CR9 Develop a transport plan to decarbonise our HRA transport and for EV charge points for residents	
In progress	CR10 Develop a carbon removal/offsetting approach where needed for our HRA operations	
In progress	CR11 Estimate the cost of our climate plans for inclusion in our HRA business plan quantifying need for	

Status	Actions	Outcomes
	third-party funding	<ul style="list-style-type: none"> <li>plans with solutions being found for third-party funding</li> <li>- Capital funding meets the cost of the climate plans and is effectively disbursed delivering measurable retrofit outcomes</li> </ul>
In progress	CR12 Engage, collaborate with and coordinate local and regional stakeholders to develop a climate action plan for the city	<ul style="list-style-type: none"> <li>- Citywide climate plans that provide road maps for decarbonising and adaptation across stakeholders in the city, prioritising a reduction in emissions by the housing and transport sectors, and a coordinated approach to adaptation</li> <li>- Improvement in air quality</li> <li>- Growth of the local green economy</li> </ul>
In progress	CR13 Continue to proactively support and develop the Green Events Code of Practice	<ul style="list-style-type: none"> <li>- An agreed action plan that meets the Green Events Code of Practice</li> </ul>
In progress	CR14 Work with local and regional partners, including the Norfolk and Suffolk Culture Board, to create a unified resource for all scales of activity	<ul style="list-style-type: none"> <li>- All council-led, hire and partner events follow sustainability measures</li> </ul>
In progress	CR15 Develop an investment strategy for our parks and green spaces informed by quality and value assessments	<ul style="list-style-type: none"> <li>- Investment plan in place to address the regular updating of our playgrounds</li> <li>- A sustainable approach to our green space management and maintenance</li> <li>- A policy framework is in place for the protection, enhancement, accessibility and use of our parks and green spaces</li> <li>- There is guidance for the effective planning and protection of open space, sport and recreational facilities across the city</li> <li>- Green space planning policies provide clarity for developers and landowners</li> <li>- Parks and green spaces are accessible and socially inclusive, catering for people of all ages and backgrounds</li> <li>- Robust procurement processes are in place for landscape contractors, play providers and landscape/green space consultants</li> </ul>
In progress	CR16 Make 'access for all' an integral part of all policy and planning for our parks and green spaces	
Planned	CR17 Conduct further accessibility audits of our playgrounds	
In progress	CR18 Continue to target S106 and other suitable external funding to improve the quality of our parks and green spaces where possible	
Planned	CR19 Identify new partnerships to assist with the delivery of parks management, maintenance, improvements and development	
In progress	CR20 Develop a Nature Recovery Network in the city to	<ul style="list-style-type: none"> <li>- Our Nature Recovery Network is significantly complete with</li> </ul>

Status	Actions	Outcomes
In progress	CR21 bring about a sustained recovery in biodiversity Influence new policies, strategies and plans as necessary to deliver the Nature Recovery Network and meet new statutory requirements	an increase in species diversity and abundance - Improvement in the quality of green and blue (waterways) habitats - Reduction in the use of emissions and pesticides in green space management
In progress	CR22 Establish partnerships with key external organisations concerned with the management of significant nature assets, strategic planning and funding	- Increase sustainable food production - Our Biodiversity Development Plan is in place and our activities that impact on biodiversity align with our Biodiversity Strategy - Key strategic partners and interested parties maintain a register of funding opportunities - Strategic partners work collaboratively to optimise delivery of the Biodiversity Strategy
In progress	CR23 Develop and implement future options for waste and recycling collections including expansion of the food waste service	- A better way to process all recyclable materials - Improved value for money from the service - Increased recycling rates across the city
In progress	CR24 Review the Norse Environmental Waste Serves joint venture for processing of all recyclable material	- More efficient use of resources, including time and money - Reduced environmental impacts from waste management - Stronger partnerships and collaboration on recycling goals - Clear plans for future improvements to the recycling process

Performance indicators		Service lead
KPI10	% of household waste sent for reuse, recycling, composting (reporting on previous quarter)	Environment services
KPI21	% reduction of CO2 emissions from Local Authority operations	Strategy, engagement and culture
KPI22	Total number of private sector insulation measures completed (council measure, dependent on external funding)	Strategy, engagement and culture



## Our priority: A fairer Norwich

What we are aiming for	This is how it could look
People have better health outcomes and longer life expectancy	Levels of poverty and inequality fall across the city and there is a reduced gap in life expectancy between communities with longer life expectancy for all. Services and partnership networks are better targeted and there is increased access to services that are based on need.
Our city and local neighbourhoods are safe, diverse and vibrant	We have diverse and vibrant neighbourhoods where our streets are clean and safe. Growing numbers of people enjoy creative and culture events. We have safe and welcoming public spaces that celebrate diversity and we're proud of throughout all our neighbourhoods.
Good quality homes for all	There are more affordable homes, and we encourage that new homes - across all tenures - are built to low or zero carbon standards. Our tenants benefit from high quality repairs and maintenance services, and we have a deliverable retrofitting programme. Homes across the city are warm are in good repair – supporting better health and specific needs. Partnership working, tackling underlying causes, continues to reduce and prevent homelessness and rough sleeping.
Tackle the root causes of disadvantage	People and organisations are working in a joined-up way across the city and in our local neighbourhoods, tackling long standing challenges and inequalities which lead to poverty and disadvantage. More people are digitally included, and people can access advice and support to deal with debt. There is more equality of opportunity.

### Our current focus

We will work together with others to:

- Focus on helping people stay healthy and feel good in their communities.
- Make sure everyone is treated equally and feels included in our work.
- Support people who need help with money, debt, or advice.
- Understand and remove challenges faced by disabled people, especially at events.
- Provide excellent repairs and maintenance services, especially to prevent damp and mould in homes.
- Keep our streets and neighbourhoods clean and safe.
- Improve housing quality in private rentals.
- Build more affordable homes for people who need them.
- Create more homes, jobs, and opportunities while protecting the environment.



Status	Actions	Outcomes
In progress	FN1 Work with partners through the Norwich Health and Wellbeing Partnership to influence investment, target resource and address health related inequalities	<ul style="list-style-type: none"> <li>- Services and partnership networks are better targeted and coordinated to address health related inequalities</li> <li>- There is an increase in access to services that are based on those in need</li> </ul>
Planned	FN2 Work with public health partners and governing bodies to investigate, assess, and promote new ways of using parks and green spaces, and biodiversity to improve health and wellbeing	<ul style="list-style-type: none"> <li>- Over time there is a reduction in the life expectancy gap between communities, with longer life expectancy for all</li> <li>- Our parks and green spaces, along with our improving biodiversity contribute to improved health and well-being of our residents and visitors</li> </ul>
In progress	FN3 Work in partnership with Active Norfolk and Greater Norwich Growth Board partners to deliver Year 3 objectives of the Greater Norwich Physical Activity and Sport Strategy Action Plan	<ul style="list-style-type: none"> <li>- Our RITA data supports strategic decision-making to determine where best in the city to target our and partner resources and make investments, to reduce health inequalities in the city</li> </ul>
In progress	FN4 Embed our Reducing Inequality Target Areas framework and shared data bank across the council and with stakeholders	<ul style="list-style-type: none"> <li>- People are encouraged to lead healthy and active lives, enhancing mental and physical wellbeing, reducing impact on the environment, tackling social isolation and supporting a sustainable sector</li> </ul>
In progress	FN5 Work to develop a preventative approach to damp and mould across our council homes, whilst delivering a responsive service to tenants	<ul style="list-style-type: none"> <li>- Our tenants live in warm, safe homes that are in a good state of repair</li> </ul>
In progress	FN6 Undertake a review of council sports and leisure facilities including the Norman Centre	<ul style="list-style-type: none"> <li>- Better understanding of the current and future needs of the local community</li> </ul>
Planned	FN7 Undertake and review additional disability audits of council sports and leisure facilities including council-owned parks	<ul style="list-style-type: none"> <li>- Improved efficiency at our leisure facilities to ensure value for money</li> </ul>
In progress	FN8 Deliver improvements to the changing facilities at Eaton Park	<ul style="list-style-type: none"> <li>- Support for more people to lead healthy and active lives</li> <li>- Balance between public benefit and financial viability</li> <li>- We have diverse and vibrant neighbourhoods with more accessible sports and leisure facilities</li> </ul>

Status	Actions	Outcomes
In progress	FN9 Implement our recently adopted cross council Equality, diversity and inclusion action plan which aims to deliver our Equality, diversity and inclusion strategy	<ul style="list-style-type: none"> <li>– Equality and inclusion are front and centre of all our thinking</li> <li>– Our people and organisations are working in a joined-up way to tackle long standing challenges and inequalities which lead to poverty and disadvantage</li> <li>– More inclusive decision-making, strategic planning, and service delivery, for example through the emerging Support NoW model</li> <li>– Our policies better reflect the needs of disadvantaged groups, ensuring their voices are included in consultations and engagement processes</li> <li>– Socio-economic disadvantage is a specific consideration in equality impact assessments, leading to more robust analysis and mitigation measures</li> <li>– Resources are allocated more effectively to areas and groups most in need, leading to greater efficiency in tackling socio-economic deprivation</li> </ul>
In progress	FN10 Adopt and embed the ‘socio-economic duty’ as defined in the Equality Act 2010	
In progress	FN11 Continuous improvement and recognised accreditation for accessibility at council-led events	<ul style="list-style-type: none"> <li>– We achieve the <a href="#">Attitude is Everything</a> bronze accreditation</li> <li>– We work with disabled people to improve access to all our council-led events</li> <li>– We think about accessibility across everything we do</li> <li>– Our creative and culture organisations see accessibility and inclusion as an exciting creative challenge and an opportunity to innovate and improve what you do.</li> <li>– Norwich is a ‘top tier’ place for culture and event accessibility</li> </ul>
In progress	FN12 Prioritise accessibility and inclusion across our culture activities	
In progress	FN13 Share learning and work in partnership to understand and break down the barriers that disabled people face when accessing events	
In progress	FN14 Work in partnership to develop options for the provision of social welfare and debt information, advice and advocacy services	<p>More people can access advice and support to deal with debt resulting in:</p> <ul style="list-style-type: none"> <li>– Increased avoidance of crisis with early intervention helping to prevent legal action, repossession, or eviction</li> <li>– Residents learn how to better manage their income and</li> </ul>

Status	Actions	Outcomes
		<p>expenditure</p> <ul style="list-style-type: none"> <li>– Increased awareness of financial products and services, such as affordable credit and savings plans with residents are steered away from loan sharks</li> <li>– Residents are more empowered to make informed financial decisions</li> <li>– Reduction in stress and anxiety:               <ul style="list-style-type: none"> <li>○ The burden of unmanageable debt often causes significant mental health challenges, which debt advice can alleviate</li> <li>○ Regaining control over finances can boost self-esteem and overall emotional well-being</li> </ul> </li> <li>– Housing stability:               <ul style="list-style-type: none"> <li>○ Debt advice can help residents negotiate with landlords or mortgage providers to avoid eviction or repossession</li> <li>○ Residents may receive guidance on negotiating payment plans with energy or utility providers, ensuring continued access to essential services</li> </ul> </li> <li>– Increased income and entitlement uptake:               <ul style="list-style-type: none"> <li>○ Advisors often help residents identify and claim benefits or entitlements they may have missed</li> <li>○ Residents can be signposted to grants, local welfare assistance, or charitable funds</li> </ul> </li> <li>– Improved family and social relationships:               <ul style="list-style-type: none"> <li>○ Addressing financial stress can reduce conflicts within households and improve family dynamics</li> <li>○ Financial stability can lead to a more stable and supportive home environment, benefiting children and dependents</li> </ul> </li> </ul>
In progress	FN15 Implement a new contract operating model for both Building Maintenance (HRA) and Environmental	<ul style="list-style-type: none"> <li>- Everyone knows their role and responsibilities in delivering building maintenance services.</li> </ul>

Status	Actions	Outcomes
In progress	FN16 Services Work with Norwich City Services Ltd (NCSL) to improve service delivery	<ul style="list-style-type: none"> <li>- Better results across key areas of work in the Norwich City Services Ltd (NCSL) contract, including quicker and improved work on empty council homes.</li> </ul>
In progress	FN17 The redevelopment of our site at the end of Argyle Street to provide 14 new council homes	<ul style="list-style-type: none"> <li>- An increase in the supply of good quality social and affordable homes with 14 new council homes – 6 x 1 bed apartments and 8 houses (3 x 4 beds and 5 x 2 beds) at Argyle Street, and 24x 1bed, 35 x 2 bed, 4x 4 bed, and 4x 5 bed at Mile Cross</li> </ul>
In progress	FN18 Phase one of the redevelopment of Mile-Cross Depot Site to provide 67 council homes	
In progress	FN19 Continue to develop the evidence base and options for a new approach to Houses in multiple occupation (HMO) licensing	<ul style="list-style-type: none"> <li>- A clear understanding of the condition and number of Houses in multiple occupation across the city and their role in the housing market</li> <li>- Houses in multiple occupation across the city are warm and in good repair</li> <li>- The city's privately rented accommodation better supports the health and specific needs of the people living in them</li> <li>- The working practices of our private sector housing function are compliant with statutory requirements</li> </ul>
In progress	FN20 Identify implications for council procedures and processes across our statutory private sector housing function as further details from central government become available through the Renters' Rights Bill	
In progress	FN21 Work in partnership with VCSE partners and our INTERACT team to better address the root causes of poverty	<ul style="list-style-type: none"> <li>- Greater awareness for the reasons of why people fall into debt</li> <li>- Better access to tailored advice, education, and support for people facing poverty</li> <li>- Addressing underlying issues like unemployment, lack of skills, or financial instability</li> <li>- More pathways for people to find jobs, training, and community resources</li> <li>- Building networks that help individuals and families feel supported and included</li> <li>- People are encouraged to take part in solutions that improve their lives and neighbourhoods</li> <li>- Reducing stress and improving mental and physical health</li> </ul>

Status	Actions	Outcomes
		for those impacted by poverty
Planned	FN22 Work in partnership to review and develop our suite of housing and homelessness strategies	<ul style="list-style-type: none"> <li>– Clear, updated strategies that address current and future housing needs</li> <li>– Increased access to affordable homes for people who need them most</li> <li>– Tailored housing options for people with specific needs, like older adults or those with disabilities</li> <li>– Collaboration with organisations, ensuring housing strategies are effective and inclusive</li> <li>– Better prevention and support systems to reduce homelessness across the city</li> </ul>
Planned	FN23 Work in partnership to develop options for the provision of support for rough sleepers	<ul style="list-style-type: none"> <li>– Rough sleepers and those at risk of rough sleeping have access to support and advice on a daily basis. Individuals can access the help they need to maintain their accommodation where this will prevent rough sleeping.</li> </ul>
Planned	FN24 Review capacity of the Home Improvement Team to ensure we can deliver tenure neutral disability adaptations which enable people to remain living independently in their home	<ul style="list-style-type: none"> <li>– Capacity alignment with increased demand</li> <li>– Equitable access across tenures</li> <li>– Effective and efficient use of the increased funding to meet the needs of the local population</li> <li>– Monitoring and evaluation of the impact of increased funding on service delivery and outcomes</li> </ul>
Planned	FN25 Development of a Good Neighbourhood Policy	<ul style="list-style-type: none"> <li>- Our residents feel safe and happy in their homes There are good relations between our residents</li> <li>- Our residents are educated on what incidences are deliberate and what is classed as anti-social behaviours</li> <li>- They have the tools to manage these incidences and are empowered to resolve them</li> <li>- Our residents are able to build good relationships with their neighbours and within the wider community</li> <li>- There is a reduction in tensions that may occur</li> </ul>

Performance indicators		Service lead
KPI05	% of council housing rent collected (excluding arrears brought forward)	Housing and community safety
KPI06	Average re-let time of council homes in calendar days (excluding major works)	Property (Housing)
KPI07	% of council homes with a valid gas safety certificate	Property (Housing)
KPI08	Number of homeless households living in temporary accommodation	Housing and community safety
KPI09	% of households owed a homelessness prevention duty (in accordance with the Homelessness Reduction Act) where the duty was ended due to suitable accommodation being secured for them	Housing and community safety
KPI11a	% of residents responding as feeling safe in their local area during the day	Housing and community safety
KPI11b	% of residents responding as feeling safe in their local area after dark	Housing and community safety
KPI12	Number (of total) (%) of food premises rated 0,1 or 2 (not broadly compliant), moving to a compliant rating of 3, 4 or 5 against the Food Rating Hygiene System following intervention by food safety officers	Planning and regulatory services
KPI13	Number of private rented sector homes made safe	Planning and regulatory services
KPI18	Number of affordable homes built, purchased, or enabled by the council	Property and economic development
KPI19	Number of new homes (council & private) completed (built)	Planning and regulatory services

## Our priority: A prosperous Norwich

What we are aiming for	This is how it could look
Norwich is a great place to live, work, learn and visit	The city has grown and developed in sustainable ways and is renowned as a culture and creative leader maximising its tourism offer. Opportunities for regeneration and development are grasped and they provide equitable opportunities to housing and jobs. The city's young people have a better and more equal chance of educational success.
Business in Norwich thrives in an inclusive, resilient economy	We have a modern, inclusive, successful economy, which supports local and independent business to thrive and grow, graduate entrepreneurs and business start-ups are encouraged. Our economy is more diverse, and our businesses and communities enjoy the benefits of great partnership working which supports people to develop skills they need, and we see skills better matched to work opportunities.

Everyone has access and opportunity to great jobs	There is a wider range of job opportunities and a broader range of thriving industries. Collaborative working across the city has encouraged a higher skilled and more diverse workforce, supported by more apprenticeship opportunities at the council and its trading companies. People feel they have the support they need when navigating the job market or accessing work.
Better incomes for people in Norwich	Incomes have risen and people have better standards of living. The Real Living Wage has become the norm not the exception, more people receive the benefits to which they are entitled and there is a greater number of high-quality unionised jobs. The economy is more inclusive and there is support for people into work, particularly in our most disadvantaged communities. We are moving towards a greener economy, and Norwich has become a city which sees increased spending and economic growth in green sectors.

### Our current focus

- Continue our major projects to bring benefits to the city, helping local businesses, young people, housing, and wages.
- Work together to solve problems faced by housing developers.
- Make Norwich a city where arts and culture thrive and showcase us to the world.
- Team up to tackle anti-social behaviour and make communities safer.
- Find ways to grow the city's economy and make the most of its opportunities.
- Use the city's buildings and resources in smart and cost-effective ways.
- Partner with others to help people earn more and maximise their income.

Status	Actions		Outcomes
In progress	PN1	Continue to work with partners to mitigate the challenges presented by Nutrient Neutrality	- An increase in the number of planning permissions granted for development within the city
In progress	PN2	Work with partners to identify and develop housing market interventions	- An increase in the number of sites brought forward for development
In progress	PN3	Carry out a feasibility study into the provision of visitor information across the city	- An understanding of the options of how best to provide tourist information to those who visit Norwich
In progress	PN4	Develop and publish a culture strategy for Norwich in partnership with the Creative City Compact	- A drive forward of the city's culture and creativity
In progress	PN5	Work with partners to improve our culture and creative data and evidence	- The protection and enhancement of the cultural ecosystem in Norwich
In progress	PN6	Use our grants and networks to support and	- Better understanding on how to deliver the culture strategy Greater ability to promote inward investment for culture



Status	Actions	Outcomes
In progress	PN7 nurture a varied and accessible cultural ecosystem and to promote this beyond the city	- Greater awareness of collaboration opportunities such as Carrow House, and UNESCO City of Literature
In progress	PN8 Use our assets and heritage buildings to support cultural activity and promote Norwich	- Increased acknowledgement that Norwich is a destination for the creative industry
	PN8 Use our cultural and creative partnerships and networks to exchange updates, ideas and funding opportunities	- Increased capacity/greater usage of our Norwich Digital Hub
		- Greater support, including financial for our culture and creative objectives
In progress	PN9 Work in partnership to better tackle anti-social behaviour, and increase community safety	- Delivery of a new contract for our CCTV operations
In progress	PN10 Work with our partners such as NCSL, the third sector and our communities to deliver the Love Norwich / Clean Streets programme	- An increase in the understanding of key community safety issues locally
		- An increase in awareness of key issues amongst professionals and the public
		- Greater focus on the prevention of community safety issues from happening where possible
		- Responding in the right way when they do
		- Our streets, public spaces, and neighbourhoods are safer and cleaner
		- Our residents are empowered to help us deliver local environmental improvements
In progress	PN11 Develop a long-term economic vision and a route map for responsible growth for Norwich, this contributes significantly to the priority <i>future-proof Norwich</i>	- A clear understanding of how:
		- the city can unlock directed economic growth and the scale of opportunity
In progress	PN12 Develop a five-year Norwich sustainable economic growth strategy and action plan for delivery, this contributes to the priority <i>future-proof Norwich</i>	- the public, private, and civil society sectors can work together to achieve shared ambitions which can unlock the potential of Norwich's economy
		- An Economic Growth Vision that is underpinned by a robust and wide-reaching evidence base
		- A framework for council delivery over the next five years
		- Income maximisation for more people through the work of the Norwich Living Wage Action group



Status	Actions	Outcomes
In progress	PN13 Work in partnership to drive up incomes for the people of Norwich	<ul style="list-style-type: none"> <li>- Provision of free, impartial debt and welfare advice at the point of need through our Financial Inclusion Consortium</li> <li>- Growing participation in and awareness of the Annual Living Wage Week each November</li> </ul>
In progress	PN14 Work in partnership with the Benjamin Foundation to upcycle furniture and white goods left in our empty properties when a tenancy comes to an end	<ul style="list-style-type: none"> <li>- Better use of items left behind in our properties.</li> <li>- Creation of a credit fund from donated items that are upcycled</li> <li>- New tenants have access to furniture and appliances to help them settle into their homes.</li> <li>- Protection of the environment by reusing furniture and appliances instead of throwing them away</li> </ul>

Performance indicators	Service lead
KPI01 Average number of days taken to process new Housing Benefit Claims from point of receipt to notification of entitlement	Revenues and benefits
KPI14 % of planning decisions upheld after appeal (where the council has won	Planning and regulatory services
KPI15 % of planning applications determined within statutory time limits	Planning and regulatory services
KPI17 Area of underused council land brought into productive use (m2)	Planning and regulatory services

## Our priority: A future-proof Norwich

What we are aiming for	This is how it could look
<b>Empowered communities</b>	Our communities are active and strong, they are empowered to act locally to achieve the best local solutions. We partner and work with the public sector, business, voluntary and community organisations to support communities and help lead change.
<b>A city ready for change</b>	Our streets are vibrant and busy and have the right facilities for our communities. We ensure that new homes are built in sustainable locations close to jobs and amenities and the city's long-term future is secure based on planned investment projects, which take advantage of funding opportunities when they

	arise.
<b>Being equipped for new ways of working</b>	We enjoy digital equality and embrace being data-driven to help make joined up decisions. We encourage economic development in our city, have a talent pool matched to need and have better connected communities and businesses.
<b>Being prepared for future challenges</b>	With partners we lead the development of a citywide resilience plan which prepares our city into the future. Our communities are all more resilient and are better prepared to navigate threats and change – strengthening the city's reputation for being a safe place to live and do business.

### Our current focus

- Invest in culture, grow creative talent, and enhance placemaking through arts and infrastructure.
- Adopt outcome-based accountability, refine governance, and prepare for local government reforms.
- Align policies with sustainability goals, build resilience, and raise climate awareness.
- Address population changes with strategic planning, community wellbeing, and data-driven decisions.
- Partner to improve services, boost community involvement, and drive sustainable growth.

Status	Actions		Outcomes
Planned	FP1	Identify opportunities for further investment in cultural assets and a project pipeline	<ul style="list-style-type: none"> <li>- We use our cultural assets to further placemaking</li> <li>- An increase in capital investment in cultural infrastructure for the city</li> <li>- An increase in creative and cultural talent across all life stages</li> <li>- An increase in emerging innovative creative businesses and practice</li> </ul>
Planned	FP2	Work with the Creative City Compact and wider sector partners develop creative and cultural talent and creative businesses and practice	
In progress	FP3	Full rollout of outcome-based accountability across the council, and key partnerships where appropriate	<ul style="list-style-type: none"> <li>- We take a long-term approach to financial and service development planning through strategic financial management, collaboration with other levels of government and exploring alternative funding sources</li> <li>- We take an agile and flexible approach to service delivery according to changing needs</li> <li>- We have the right infrastructure, skills and resourcing of teams across our organisation</li> <li>- Better public service delivery and decision making, more</li> </ul>
In progress	FP4	Revise and embed our approach to project governance and associated project management toolkit	

Status	Actions	Outcomes
In progress	FP5 Preparation around the Local Government Review and the English Devolution White Paper	<ul style="list-style-type: none"> <li>efficient use of resources</li> <li>- Enhanced communication and streamlining administrative processes</li> <li>- Waste and fraud are minimised</li> <li>- We promote innovation and opportunity taking</li> <li>- Efficiency savings from council reorganisation helping to meet the needs of local people</li> </ul>
In progress	FP6 Work with partners to ensure that common climate change and sustainability goals are aligned through cohesive policy development	<ul style="list-style-type: none"> <li>- Our communities are all more resilient and are better prepared to navigate threats and change</li> <li>- The city's reputation for being a safe place to live and do business is strengthened</li> <li>- Greater understanding of the impacts of climate change and how we can mitigate and adapt to these changes.</li> <li>- New ways to strategic planning and community engagement are developed</li> <li>- An increased importance on community power via community buy-in</li> </ul>
In progress	FP7 Proactive planning for demographic shifts	<ul style="list-style-type: none"> <li>- Better wellbeing and cohesion of communities</li> <li>- The impacts of demographic shifts are built into our business plans, and other local strategic plans</li> <li>- We harness quality data to support our approach</li> </ul>

Performance indicators	Service lead
KPI20 Value of external funding leveraged to support council development and place shaping priorities (£). Sum of £ leveraged	Property and economic development

## Supporting strategic documents

<a href="#">Draft Medium-Term Financial Strategy</a>	<a href="#">Customer and Digital Strategy</a>	<a href="#">Equality, Diversity and Inclusion Strategy</a>	<a href="#">Equality, Diversity, and Inclusion Action Plan</a>
<a href="#">City Hall Reimagined Cabinet report</a>	<a href="#">Climate Responsive Norwich Programme draft for consultation</a>	<a href="#">Parks and Green Spaces Strategy draft for consultation</a>	<a href="#">Biodiversity Strategy</a>
<a href="#">Norwich Health and Wellbeing Partnership Strategic Plan, 2023-25</a>	<a href="#">Norwich Reducing Inequality Target Areas</a>	<a href="#">Action Plan for Culture</a>	<a href="#">Greater Norwich Physical Activity and Sports Strategy</a>
<a href="#">Norwich Inclusive Economy - Vision</a>	<a href="#">Norwich Market Update</a>	<a href="#">Biodiversity Net Gain Planning Guidance Note</a>	<a href="#">Norwich Affordable Financial Services Strategy – Feasibility Study</a>

## Glossary

Term	What we mean
Accessibility	Ensuring services, facilities, and opportunities are usable by all people, including those with disabilities
Affordable Housing	Housing priced for affordability by low- or moderate-income households
Biodiversity	The variety of life forms in an environment, essential for ecological balance
Capital Strategy	A long-term plan for managing assets, investments, and infrastructure to support development
Carbon Offset	Actions or projects that reduce or capture carbon emissions to compensate for emissions produced elsewhere
Climate Adaptation	Adjusting systems and practices to minimize risks associated with climate change
Community Power	Local communities' ability to influence and shape decisions affecting their lives
Creative City Compact	A partnership fostering creative talent, supporting cultural growth, and enhancing Norwich's cultural ecosystem
Cultural Ecosystem	The network of organisations, individuals, and activities contributing to cultural vibrancy
Decarbonisation	The process of reducing carbon emissions, typically through cleaner energy sources or increased efficiency
Digital Inclusion	Ensuring everyone can access and use digital technology, particularly those from disadvantaged groups
Economic Resilience	The ability of an economy to recover, adapt, and grow despite challenges or disruptions
Green Finance	Financial support for environmentally sustainable projects or initiatives

Housing Revenue Account (HRA)	A council's budget for managing and maintaining its housing stock
Integrated Settlement	A unified framework for planning and delivering local government services and outcomes
KPI (Key Performance Indicator)	Metrics used to measure progress and success in achieving specific goals or outcomes
Living Wage	A wage meeting the basic cost of living, often higher than the statutory minimum wage
Net Zero	Balancing carbon emissions produced with those removed from the atmosphere
Nutrient Neutrality	Ensuring development does not increase nutrient pollution in water bodies
Outcome-Based Accountability (OBA)	A framework linking activities to measurable outcomes, focusing on improvement rather than arbitrary targets
Partnership Framework	A structure guiding collaboration between organizations to achieve common goals
Placemaking	A collaborative approach to designing public spaces that enhance community well-being and reflect local culture
Retrofit	Upgrading buildings or homes with energy-efficient technologies to reduce environmental impact
RITAs (Reducing Inequalities Target Areas)	Specific areas in Norwich targeted for focused efforts to reduce inequalities
S106 (Section 106)	Legal agreements requiring developers to contribute to community benefits, like affordable housing or green spaces
Social Value	The broader benefits projects or initiatives bring to communities, including economic, social, and environmental impacts
Stakeholders	Individuals, groups, or organizations with an interest in or affected by a project or decision
Strategic Asset Management	Planning and managing properties or resources to optimise their use and value
Sustainability Goals	Objectives aimed at balancing environmental, social, and economic needs for long-term well-being
VCSE (Voluntary, Community, and Social Enterprise)	Organisations operating for social benefit rather than profit, supporting community development

## We are Norwich Business Plan

### Scrutiny Recommendations to Cabinet and Proposed Responses

1. At its meeting on 23 January 2025, Scrutiny Committee considered the draft We are Norwich Business Plan. A number of recommendations were made by the Committee which will be considered by Cabinet at its meeting on 5 February 2025.
2. Suggested resolutions for Cabinet are given below following detailed consultation with relevant officers to understand the viability of realising the recommendations made by the Scrutiny Committee.
3. Where full compliance with a recommendation cannot be undertaken, alternative suggestions that meet recommendations partially or through alternative methodologies have been proposed.
4. The wording for recommendations is that provided by Democratic Services following the Scrutiny Committee meeting.

<b>We are Norwich Business Plan Scrutiny Committee recommendation</b>	<b>Cabinet response</b>
1. To endorse the approach that has been taken for the We are Norwich Business Plan.	Recommendation accepted.
2. To include wording within the narrative of the Business Plan that the Council is committed to a unitary authority for the Norwich urban area.	<b>Recommendation accepted.</b> The narrative will be updated to reflect this commitment.

We are Norwich Business Plan Scrutiny Committee recommendation	Cabinet response
3. To clarify what is meant by “review” and “develop” within the actions of the Business Plan.	<b>Recommendation accepted.</b> Clear definitions will be provided to ensure clarity of understanding.
4. That timescales and timelines for when reviews will be completed by are included in the plan.	<b>Recommendation accepted.</b> Timelines for each review will be incorporated into the Business Plan where they are known or anticipated.
5. To encourage partners and elected members to be involved in developing Outcome Based Accountability (OBAs) Key Performance Indicators (KPIs).	<b>Recommendation accepted.</b> Officers will engage partners and members during the development of OBA KPIs to ensure shared ownership and inclusivity.
6. To consider including an outcome on working with community groups to break down digital exclusion by upskilling residents or providing equipment.	<b>Recommendation accepted.</b> An additional outcome focusing on addressing digital exclusion will be integrated into the plan.
7. To ask officers to provide a template of developing OBAs for the work of the Making Norwich a Truly	<b>Recommendation accepted.</b> It is suggested that officers prepare and share the OBA development template to support the group’s work, once the task and finish group has compiled recommendations (expected after the concluding meeting on 31 January 2025) – to which a logic model can be applied.

We are Norwich Business Plan Scrutiny Committee recommendation	Cabinet response
Accessible City Task and Finish Group.	
8. That the monitoring framework is accessible to the public.	<b>Recommendation accepted.</b> The monitoring framework will be designed to ensure accessibility and transparency.
9. To ensure that any existing data sets are retained and where possible maintained.	<b>Recommendation accepted.</b> The council will safeguard critical data sets and maintain them where feasible to support decision-making and performance monitoring.
10. That the Scrutiny Committee considers the progress of aligning financial models with delivery of services as part of a future meeting	This is for the Scrutiny Committee to consider as part of setting its work programme.





**Committee name:** Cabinet

**Committee date:** 05/02/2025

**Report title:** Corporate Performance Report for Quarter 3, 2024-2025

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

**Report from:** Executive director of communities and housing

**Wards:** All wards

**OPEN PUBLIC ITEM**

**Purpose**

To report progress against the delivery of the corporate plan priorities and key performance indicators for quarter three of 2024-2025.

**Recommendation:**

It is recommended that cabinet review progress on the key performance indicators for this quarter.

**Policy framework**

The council has five corporate priorities, which are:

- A prosperous Norwich.
- A fairer Norwich.
- A climate responsive Norwich.
- A future-proof Norwich.
- An open and modern council.

This report meets the 'An open and modern council' corporate priority.

## Report details

### Introduction

1. For the reporting period 2024-2025, information across corporate performance, finance and risk elements will be presented to Cabinet as three quarterly reports, and an annual report for 2024-2025.
2. The KPIs in this report have been carried over from the previous Corporate Plan and are under review, as part of the new business planning process. For the purpose of this report, the existing KPIs have been mapped to the new priorities in the Community-led Plan 2024-2029 'We are Norwich':
  - An open and modern council
  - A prosperous Norwich
  - A fairer Norwich
  - A climate responsive Norwich
  - A future-proof Norwich
3. This report sets out progress for the period 01 October to 31 December 2024.
4. Performance reporting for indicators in this report is based around a traffic light system, for further information please see [here](#).

## Overview of Performance Measures for Quarter three 2024-2025

5. There are 22 quarterly KPIs and one annual KPI reported for this period, two of which are being reviewed before setting targets and intervention levels, and one quarterly KPI is awaiting verification and will be reported in quarter four. The table below compares the latest quarterly performance with a rolling 12-month average, broken down by status:

KPIs against targets		Rolling 12-month average		Q3 totals 2024-2025	
Green	Performance is on or above target	13	62%	13	65%
Amber	Early warning that performance is not on target and action may be required.	4	19%	4	20%
Red	Performance has reached a level where we will intervene and agree what action is required to bring it back on target.	4	19%	3	15%
<b>Totals</b>		<b>21</b>		<b>20</b>	

Please note that the rolling '12-month average' and 'Q3 totals for 2024-2025' KPI count slightly differ. This is because of the following reasons:

- The KPI '*Council on track to remain within General Fund Budget*' has been removed from the Q3 totals for 2024-25.
- The KPI '*% reduction of CO2 emissions from Local Authority operations*' has been included.
- The KPI '*% household waste sent for reuse, recycling, composting (reporting on previous quarter)*' is awaiting verification and will be reported in quarter four.

6. Overall, performance remains steady with positive movement across the majority of indicators. There are three KPIs that have reached a level where we are taking action to bring them back on target.
7. The information below provides an overview of the following:
- KPIs off target and have reached a level where we will intervene.
  - KPIs not on target and action may be required to improve performance
  - KPIs where there have been significant improvements during the quarter.

## KPIs to watch for Quarter three



## KPIs off target requiring intervention

Indicator	Target	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024
Average re-let time of council homes in calendar days (excluding major works)	21.00	58.00	79.00	79.00	67.00	51.00
Number of homeless households living in temporary accommodation	62.00	60.00	75.00	73.00	65.00	73.00
Total number of private sector insulation measures completed	50.00	83.00	43.00	0.00	0.00	0.00

- Average re-let time of council homes in calendar days (excluding major works):** Whilst the average re-let time of council homes has reduced by 16 days, it remains under target at 51 days albeit there continues to be a steady improvement. The extent of work required to each void remains a key factor in the length of re-let time.
- Number of homeless households living in temporary accommodation:** Demand for temporary accommodation remains high, and this is being experienced by all local authorities. We continue to intensively manage use of temporary accommodation to ensure that it is used as effectively as possible, and that people are supported into more suitable long-term accommodation. This quarter performance has moved from amber to red, but we have been awarded external funding and additional resources are in place to aid work to optimise suitable accommodation options.
- Total number of private sector insulation measures completed:** There have been no private sector insulation measures completed this quarter. Grant funding is required to support this KPI, and that funding requirement therefore produces 'variable' quarterly figures.

Notably the council has submitted a bid for the Warm Homes: Local Grant to deliver energy efficiency measures to up to 1,452 private sector homes. Some degree of funding is guaranteed, and this will commence in April 2025 for 3-5 years. We are also increasing our capacity around [Energy Company Obligation 4](#) and [Great British Insulation Scheme](#) 'Flex'\* which will improve delivery of measures for private sector homes.

*\*The aim of the Local Authority Flexibility scheme is to offer a more flexible pathway to install energy efficiency measures in properties that are currently energy inefficient which in turn reduces households' bills.*



## KPIs not on target and where action may be required

Indicator	Target	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024
% of FOI requests responded to within statutory timescales	95.00	97.00	95.40	98.20	96.30	93.91
% of planning applications determined within statutory time limits	90.00	91.00	87.00	88.00	88.00	85.00
% of planning decisions upheld after appeal (where council has won)	66.00	72.00	65.00	41.00	56.00	62.00
Business Rates Collection – the amount of in year business rates plus arrears from old years collected (target set according to budget requirement)	100.00	100.20	100.94	100.36	99.43	99.97

- **% of FOI requests responded to within statutory timescales:** There is a small decrease in performance this quarter. Due to two of the 230 FOI requests missing the required response timescales. It is notable that compared to the same quarter last year, we have seen a 13-percentage point increase in the number of requests received.
- **% of planning applications determined within statutory limits:** Performance remains under target, and this is due to nutrient neutrality. Managers will continue to monitor timescales for a decision and encourage a firmer approach to securing extensions or issuing timely refusals, where necessary.
- **% of planning decisions upheld after appeal (where council has won):** Performance has moved from red to amber this quarter and has increased by 6 percentage points. In the last 12 months, 13 appeals have been dismissed (i.e. where council's decision is upheld), and 8 decisions continue to be robustly defended.
- **Business Rates Collection – the amount of in year business rates plus arrears from previous years collected (target set according to budget requirement):** Business rates collection remains steady. It is notable that performance is being impacted by an increase of valuation changes which require more processing time and cause a delay in collection. We will continue to focus on reducing arrears.



## Improvements

Indicator	Target	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024
% of corporate complaints responded to within stated timescales	80.00	58.00	74.00	78.00	81.00	90.00
% of council housing rent collected (excluding arrears brought forward)	99.80	99.10	99.17	97.50	97.33	99.77
% of customer contact that takes place through digital channels	53.00	37.36	36.12	52.31	52.84	68.28
Council income from investment property portfolio expressed as % of target income	95.00	95.00	98.00	97.00	84.00	98.00

- **% of corporate complaints responded to within stated timescales:** Performance continues to improve and has increased by 9 percentage points compared to the last quarter. We continue to address issues, learn from them, and try to prevent future occurrence. It is notable that the volume of complaints received has reduced by 37.94% since quarter two.
- **% of council housing rent collected (excluding arrears brought forward):** Performance has increased this quarter, moving from red to green. The piloting of a new prioritisation system has been key in improving the collection rate. Working practices and processes continue to be reviewed to understand where we can improve communication to intervene earlier.
- **% of customer contact that takes place through digital channels:** There was a large increase in channel shift this quarter. A decrease in calls over the extended Christmas closed period and customers checking the website for services such as bin collection information contributed towards this.
- **Council income from investment property portfolio expressed as % of target income:** Performance has improved this quarter and is above target again. Last quarter we reported that one of the councils' largest tenants had gone into administration. Our tenant's company has now been purchased and bought out of administration and this has allowed us to recover some of the debt.

8. Please see [Appendix A](#) for all performance data for quarter three with commentary of progress.
9. For further information, please see Norwich City Council's [website](#) for a detailed list of each KPI, how it is calculated, how frequently it is reported and what the target and intervention levels are.

### **Financial and resources**

10. Any decision to reduce or increase resources or alternatively increase income must be made within the context of the council's stated priorities, as set out in its Corporate Plan 2024-2029, budget and medium-term financial strategy.
11. There are no proposals in this report that would reduce or increase resources.

### **Legal**

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

### **Statutory considerations**

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



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

## Risk management

Risk	Consequence	Controls required
Specific risk management activities and detailed consideration of the corporate risk register are reported separately through the quarterly Risk Management Report.	Failure to manage risks appropriately could have financial reputational or other consequences	Risk owners are required to implement controls to mitigate risks and update these regularly.

## Other options considered

13. There are no alternative options to consider.

## Reasons for the decision/recommendation

14. It is recommended that cabinet review progress on the key performance indicators for this quarter.


## Appendices:

- **Appendix A** provides performance data for quarter three with commentary of progress.

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# Appendix A

## Key Performance Indicators Data

### *Quarter three 2024-2025*

Indicator	Target	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024
% of corporate complaints responded to within stated timescales	80.00	58.00	74.00	78.00	81.00	90.00
% of customer contact that takes place through digital channels	53.00	37.36	36.12	52.31	52.84	68.28
% of customer's responding as satisfied with customer contact team service	77.00	79.80	80.80	81.02	81.72	84.97

There are **nine** quarterly KPIs for this priority.

- **% of corporate complaints responded to within stated timescales:** Performance continues to improve and has increased by 9 percentage points compared to the last quarter. We continue to address issues, learn from them, and try to prevent future occurrence. It is notable that the volume of complaints received has reduced by 37.94% since quarter two.
- **% of customer contact that takes place through digital channels:** There was a large increase in channel shift this quarter. A decrease in calls over the extended Christmas closed period and customers checking the website for services such as bin collection information contributed towards this.
- **% of customers responding as satisfied with customer contact team service:** Satisfaction with the customer contact team service continues to be above target.

Indicator	Target	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024
Council Tax Collection – the amount of in year council tax plus arrears from old years collected (target set according to budget requirement)	100.00	100.21	100.26	105.08	103.17	101.98
Customer facing IT services availability expressed as a % of time (24/7 excluding scheduled downtime)	99.00	99.18	99.97	100.00	99.98	99.92
IT System availability expressed as a percent of time available during core hours	99.00	99.77	99.92	99.97	99.86	99.92

- **Council Tax Collection – the amount of in year council tax plus arrears from old years collected (target set according to budget requirements):** Performance has slightly dropped this quarter but remains ahead of target. A service review is in progress, and when complete, the additional resources will focus on reducing the amount of council tax arrears.
- **Customer facing IT services availability expressed as a % of time (24/7 excluding scheduled downtime):** Customers were able to access online services for 99.92% of time in quarter three, and any issues were promptly rectified.
- **IT System availability expressed as a percent of time available during core hours:** Performance is consistent across this measure and remains steady. Any issues have been rectified by the IT support team, with minimal business impact.

Indicator	Target	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024
% of FOI requests responded to within statutory timescales	95.00	97.00	95.40	98.20	96.30	93.91
Business Rates Collection – the amount of in year business rates plus arrears from old years collected (target set according to budget requirement)	100.00	100.20	100.94	100.36	99.43	99.97
Council income from investment property portfolio expressed as % of target income	95.00	95.00	98.00	97.00	84.00	98.00

- **% of FOI requests responded to within statutory timescales:** There is a small decrease in performance this quarter. Due to two of the 230 FOI requests missing the required response timescales. It is notable that compared to the same quarter last year, we have seen a 13-percentage point increase in the number of requests received.
- **Business Rates Collection – the amount of in year business rates plus arrears from previous years collected (target set according to budget requirement):** Business rates collection remains steady. It is notable that performance is being impacted by an increase of valuation changes which require more processing time and cause a delay in collection. We will continue to focus on reducing arrears.
- **Council income from investment property portfolio expressed as % of target income:** Performance has improved this quarter and is above target again. Last quarter we reported that one of the councils' largest tenants had gone into administration. Our tenant's company has now been purchased and bought out of administration and this has allowed us to recover some of the debt.

Indicator	Target	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024
% of planning applications determined within statutory time limits	90.00	91.00	87.00	88.00	88.00	85.00
% of planning decisions upheld after appeal (where council has won)	66.00	72.00	65.00	41.00	56.00	62.00
Average number of days taken to process new Housing Benefit claims from point of receipt to notification of entitlement	19.50	18.00	17.00	20.00	15.00	18.00

There are **three** quarterly KPIs for this priority.

- **% of planning applications determined within statutory time limits:** Performance remains under target, and this is due to nutrient neutrality. Mangers will continue to monitor timescales for a decision and encourage a firmer approach to securing extensions or issuing timely refusals, where necessary.
- **% of planning decisions upheld after appeal (where council has won):** Performance has moved from red to amber this quarter and has increased by 6 percentage points. In the last 12 months, 13 appeals have been dismissed (i.e. where council's decision is upheld), and 8 decisions continue to be robustly defended.
- **Average number of days taken to process new Housing Benefit claims from point of receipt to notification of entitlement:** The average number of days to process new claims has slightly dropped since last quarter but overall performance remains consistent.

We usually see a slight drop in processing claims in quarter three due to the festive closure. Also, in quarter three we have seen the total Housing Benefit caseload fall by 6% due to the migration of claimants to Universal Credit.

Indicator	Target	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024
% of council homes with a valid gas safety certificate	100.00	99.99	100.00	99.99	100.00	100.00
% of council housing rent collected (excluding arrears brought forward)	99.80	99.10	99.17	97.50	97.33	99.77
% of households owed a homelessness prevention duty (in accordance with the Homelessness Reduction Act) where the duty was ended due to suitable accommodation being secured for them	66.00	69.00	71.00	67.00	75.00	80.00

There are **eight** KPIs for this priority this quarter.

- **% of council homes with a valid gas safety certificate:** The percentage of council homes with a valid gas safety certificate has returned to 100% and there has been good consistency across this measure.
- **% of council housing rent collected (excluding arrears brought forward):** Performance has increased this quarter, moving from red to green. The piloting of a new prioritisation system has been key in improving the collection rate. Working practices and processes continue to be reviewed to understand where we can improve communication to intervene earlier.
- **% of households owed a homelessness prevention duty (in accordance with the Homelessness Reduction Act) where the duty was ended due to suitable accommodation being secured for them:** The recruitment of externally funded specialist advisors for refugees, survivors of domestic abuse and ex-offender clients has aided work to optimise suitable accommodation options and contributed to high performance.

Indicator	Target	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024
% of residents responding as feeling safe in their local area after dark	0.00	47.00	42.00	43.00	44.00	44.00
% of residents responding as feeling safe in their local area during the day	0.00	67.00	68.00	68.00	69.00	69.00
Average re-let time of council homes in calendar days (excluding major works)	21.00	58.00	79.00	79.00	67.00	51.00

- **% of residents responding as feeling safe in their local area during the day, and also after dark:** These KPIs are being reviewed, and therefore showing as a white status. Performance remains steady across these measures.
- **Average re-let time of council homes in calendar days (excluding major works):** Whilst the average re-let time of council homes has reduced by 16 days, it remains under target at 51 days albeit there continues to be a steady improvement. The extent of work required to each void remains a key factor in the length of re-let time.



Indicator	Target	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024
Number (of total) (%) of food premises rated 0,1 or 2 (non-broadly compliant), moving to a compliant rating of 3, 4 or 5 against the Food Hygiene Rating System following intervention by food safety officers	80.00	92.00	86.00	88.00	86.00	86.00
Number of homeless households living in temporary accommodation	62.00	60.00	75.00	73.00	65.00	73.00

- **Number (of total) (%) of food premises rated 0,1 or 2 (non-broadly compliant), moving to a compliant rating of 3, 4 or 5 against the Food Hygiene Rating System following intervention by food safety officers:** Overall there has been consistency across this measure. Inspections continue to be carried out in line with the requirements of the Food Standards Agency and we continue to work closely with neighbouring authorities and Norfolk Trading Standards to ensure enforcement is consistent and fair.
- **Number of homeless households living in temporary accommodation:** Demand for temporary accommodation remains high, and this is being experienced by all local authorities. We continue to intensively manage use of temporary accommodation to ensure that it is used as effectively as possible, and that people are supported into more suitable long-term accommodation. This quarter performance has moved from amber to red, but we have been awarded external funding and additional resources are in place to aid work to optimise suitable accommodation options.



Indicator	Target	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024
% household waste sent for reuse, recycling, composting (reporting on previous quarter)	40.00	40.00	36.00	37.70	41.00	
% reduction of CO2 emissions from Local Authority operations	3.00					8.00
Total number of private sector insulation measures completed	50.00	83.00	43.00	0.00	0.00	0.00

There are **two** quarterly KPIs and **one** annual KPI for this priority this quarter.

- **% household waste sent for reuse, recycling, composting (reporting on previous quarter):** The data has been verified for quarter two 2024 and has increased, moving from amber to green.

Please note, performance data is not available for quarter three and shows as blue. This is due to delays in data which has impacted the Waste Data Flow validation process. The data will be verified and published in quarter four 2024- 2025.

- **% reduction of CO2 emissions from Local Authority operations:** The data for the councils next carbon footprint report has been verified and for the 2023/24 financial year, the council's carbon emissions reduced by 8.0% compared to the preceding 2022-23 financial year. This means we comfortably exceeded the 3% target.
- **Total number of private sector insulation measures completed:** There have been no private sector insulation measures completed this quarter. Grant funding is required to support this KPI, and that funding requirement therefore produces 'variable' quarterly figures.

Notably the council has submitted a bid for the Warm Homes: Local Grant to deliver energy efficiency measures to up to 1,452 private sector homes. Some degree of funding is guaranteed, and this will commence in April 2025 for 3-5 years. We are also increasing our capacity around [Energy Company Obligation 4](#) and [Great British Insulation Scheme](#) 'Flex'\* which will improve delivery of measures for private sector homes.

*\*The aim of the Local Authority Flexibility scheme is to offer a more flexible pathway to install energy efficiency measures in properties that are currently energy inefficient which in turn reduces*





**Committee name:** Cabinet

**Committee date:** 05/02/2025

**Report title:** To delegate authority to award the operator contract for the Halls

**Portfolio:** Councillor Kidman, Cabinet member for a prosperous Norwich

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

**Wards:** All wards

**OPEN PUBLIC ITEM**

**SIGNIFICANT DECISION**

### **Purpose**

To request delegated authority to 1) agree the preferred operating model for the Halls, and 2), award the contract for an operator for The Halls following a successful procurement process.

### **Recommendation:**

To delegate authority to the Executive Director of Communities and Housing, in consultation with the Portfolio Holder for prosperous Norwich, to agree the preferred operating model for The Halls and award a contract to the successful supplier following open procurement or retain operations of The Halls in-house.

### **Policy framework**

The council has five corporate priorities, which are:

- A prosperous Norwich.
- A fairer Norwich.
- A climate responsive Norwich.
- A future-proof Norwich.
- An open and modern council.

The report addresses

- The **prosperous Norwich** priority, and specifically the aim **to make Norwich a great place to live, work, learn and visit**. Through the renovation and repairs, and the new operating model which enables a high-quality collaborative partnership programme, The Halls can contribute to

this aim by adding to the city's reputation as a leader in culture and creativity, maximising tourism, contributing to a vibrant culture scene and ultimately benefitting the city as a whole.

- The **fairer Norwich** priority and specifically the aim that **our city and local neighbourhoods are safe, diverse and vibrant**, by enabling more people to enjoy creative and culture events by creating a safe and welcoming public space which celebrates diversity and improves accessibility.

## Report details

### Background

1. The Halls is the most complete surviving medieval friary in England and one of only 15 friaries to retain significant upstanding remains. It is a Grade 1 Listed, Scheduled Ancient Monument, purchased by the City during the Reformation. It continues to be owned by the City Council, and, until it was closed for refurbishment, it generated income through:
  - a) Operating as a dry-hire venue, booked on a first-come, first-served basis for a wide variety of professional, amateur, community and private events.
  - b) A concession bar, of which the council took 15% of turnover per year.
2. The income generated has been less than the cost to run The Halls and the City Council has faced a cost of between £100,000 and £150,000 per year as a result (£109,000 in 2022-2023 which was the last full year of operation).
3. Since 2006, several feasibility studies and options appraisals have been undertaken to determine the future use of The Halls. The ability of The Halls, in its current guise, to realise higher income, is hindered by the following, key challenges:
  - a) The dry-hire, 'first-come, first-served' basis for events, creates an inconsistent programme, with no clear vision or coherence,
  - b) The café/ bar, does not deliver to its potential due to its limited serving capacity, a small standing area and because it is hidden, with people attending events being unaware of it,
  - c) A lack of a marketing and clear brand identity.
  - d) Several under-used spaces (The Crypt, Becket's Chapel, and The Cloisters)
4. In 2020, The Halls secured £3.6 million of Town Deal capital funding to enable the following improvements:
  - a) Access improvements (including a new, wheelchair access lift)
  - b) Audio/Visual (A/V) improvements
  - c) Improved visitor movement and flow through the building
  - d) Increased food and drink capacity

5. The council secured a further £497,273 from Arts Council England and £35,000 from local trusts and foundations.
6. The objectives of the project are to:
  - a) Enhance cultural provision in Norwich and contribute to the council's priorities and the themes of the Norwich 2040 City Vision.
  - b) Ensure value for money for the council
  - c) Enable the council to act as a responsible steward of the building, a Grade One), Scheduled Ancient Monument and maintaining it as an asset for continued public use.
7. The Halls also required significant repairs and maintenance. The immediate and short-term repair works are being carried out in conjunction with the Towns Deal improvements. During the project further, urgent repairs required to Blackfriars Hall roof have been identified and these will be included within the project.
8. A tender for an operator for The Halls was undertaken in 2024 however following an internal review, it was decided not to proceed with this procurement as procedural inconsistencies were identified in the invitation to tender and the evaluation criteria.
9. The findings of the internal review will be reflected in the revised tender documentation.

### **Operating model options considered**

10. The renovations and repairs will improve facilities and accessibility for performers and audiences at The Halls but, without a revised operating model, it will not achieve the objectives 6a and 6b set out above.
11. At the outset of this project, no option was considered "off-the-table", but with the venue's history and place in Norwich's cultural landscape, some options were ruled out at an early stage because they could not meet the cultural objective of supporting the wider cultural provision in the city and/ or the city council to act as a responsible steward to the building.
12. Three operating models were identified which would be most likely to deliver the objectives above (6a-c). These were a council-led in-house option, council-led partnership option or a third party/ external operator.
13. The council explored a council-led partnership model with local sector partners and established a Collaborative Working Group to develop this model over a period of two years. Ultimately this option was not viable as it was not possible to establish an effective operating model. However, during these discussions, where the council had been open about the cost of running The Halls and the number and range of events held there, local cultural organisations expressed interest in taking operational responsibility for the venue on the council's behalf.
14. The council-led in-house option was developed and fully costed alongside discussions about a potential third party/ external operator. The council-led in-house option requires a new staffing structure to include expertise in

programming, AV, and front of house services plus box office management and additional marketing expertise. Prior to the refurbishment, the bar was managed externally via a concession contract. A second bar with a small food offer and an outdoor pop-up catering pitch is included within the refurbishment works. In a council –led in house model the council would need to either operate the bars and catering directly or invite operators to tender for the concession contract.

15. Continuing to operate the Halls in-house would require a significant on-going financial commitment from the council.
16. It is recognised that a third party/ external operator could bring industry expertise into running The Halls. In particular, an operator could promote The Halls commercially, bring sector experience in sourcing and programming events and artists, and knowledge of front of house and bar procedures.
17. It is therefore proposed that organisations from the open market are invited to submit tender proposals for the management of The Halls. Bidders will be asked to address the following criteria:
  - a) **Cost evaluation criteria (25%)** - Marks will be awarded based on the reduction of the required financial contribution from the council over the contract and the potential for any return to the council. The tender which represents the most improved net position for the council over the 5-year contract will receive 100% of the marks available. The other tenders submitted will be compared to the supplier's proposal with the most improved net and the difference between those costs will be expressed as a percentage.
  - b) **Financial modelling (25%)** - How the operator will increase income generation and or reduce costs at the Halls.
  - c) **Programme and place-making (25%)** - How the programme model will create a collaborative partnership programme supporting city-based cultural organisations alongside commercial and community events, and how the Halls will contribute to place-making in Norwich.
  - d) **Accessibility and reducing inequality (15%)** - How will the programme and operating models increase the number of diverse people from Norwich who can perform, participate, engage and enjoy, culture and creativity at the Halls.
  - e) **Social value (5%)** - Recognising the importance of supporting the local economy and/or reduce inequality.
  - f) **Carbon zero and waste management (5%)** - In line with our Government's Carbon Zero targets, it is also important to the council to appoint a supplier who has a proven system in place to reduce their carbon footprint and works sustainably alongside the council. The Halls and the council encourage and support sustainable touring.
18. Tender submissions will be evaluated by a panel including internal and external specialists.

19. The service contract will be awarded to the organisation whose tender submission achieves the highest marks, taking into account the weightings of both quality and price evaluation.
20. An improved in-house option has been developed and is based on existing data and industry knowledge and recommendations (including Tom Fleming Creative Consultant, Collaborative Working Group). If the procurement fails for any reason, the council will default to the in-house option.
21. On behalf of the council, the Executive Director for communities and housing, in consultation with the Portfolio Holder for a prosperous Norwich, has the right not to award the contract.

### **Timeline**

22. The timeline is outlined below and would be subject to change depending on the completion of the refurbishment works.
23. If delegation to award the contract is not given to the Executive Director for Communities and Housing, in consultation with the Portfolio Holder for Prosperous Norwich, the next opportunity for the contract award to go to Cabinet is June 2025. This will cause significant delays in awarding the contract and consequently reopening The Halls. The council will also incur further costs to secure the building if it is empty.
24. It is anticipated that the tender opportunity shall be advertised in February 2025, with an aim to enter a contract in April/ May 2025. Handover of the building and the operational start date will be in line with the completion of the construction programme.

### **Renovation and repair work**

25. The renovation and repair work at The Halls are progressing well however further repairs have been identified within the Blackfriars Hall roof structure. Urgent works will be carried out as part of the current project which will delay completion of the project to later in the year.
26. Once these works are undertaken, the embedded structural elements should last another 15-20 years before more extensive repair works are required to Blackfriars Hall roof.

### **Consultation**

27. Throughout the development of the project the council has engaged with cultural sector stakeholders and partners, Art Council England, and has liaised with the council cabinet member for A Prosperous Norwich. The council established a Collaborative Working Group of key stakeholders and is grateful for the advice and expertise provided regarding the future use, operating model and technical specification for The Halls.

## **Implications**

### **Financial and resources**

28. Any decision to reduce or increase resources or alternatively increase income must be made within the context of the council's stated priorities, as set out in its community-led plan 2024-2029 and budget.
29. Based on the costs of running the Halls in 2022/23 (last full year of operation) it is forecast the cost to the council over the first 5 years of the contract could be up to £578,858. Therefore, delegated authority is requested to award the contract to an external operator, via a competitive tender process, which could save the council up to £1m over 10 years, or to retain operations of The Hall in-house.
30. Award of the contract will offer the council a decrease in cost for The Halls over the five-years of the initial contract (plus an additional 5-year extension, by mutual agreement).
31. A lease Heads of Terms between the external/ third party operator and the council will set out the main terms for internal and external repairs and maintenance and a draft will be included in the Invitation to Tender.
32. The Council will take additional expert tax advice on the construct of the management contract and lease heads of terms to ensure the Council's VAT position is compliant with HMRC guidance.
33. The employment rights of staff will be protected by TUPE (Transfer of Undertakings (Protection of Employment) Regulations). The employees' contracts of employment will transfer automatically to the new employer where there is a service provision change, ensuring continuity of employment, and preserving the terms and conditions, such as pay and benefits including working hours and annual leave entitlement. The council will keep affected employees informed about the transfer plans. Following this there will be a consultation process, where Norwich City Council and the new employer talks and listens to affected employees about expected measures, what is changing and what may affect them, and genuinely considers their views. There's no fixed length of time for employers to inform and consult employees and their representatives in a TUPE transfer, but by law, an employer must allow enough time to fully consult before the transfer.
34. The Council is seeking advice and guidance from the Norfolk Pension Fund in respect of an Admission Agreement into the Local Government Pension Scheme for an external provider and to agree the mechanism to determine employer contribution rates and balance sheet risk.
35. A financial assurance check will be carried out.

### **Legal**

36. The services contract will be sourced in line with the Council's contract



procedures and any appropriate legislation and due process will be followed to ensure fairness and transparency.

### Statutory considerations

Consideration	Details of any implications and proposed measures to address:
Equality and diversity	<p>An Equalities Impact Assessment has been undertaken which has not identified any adverse impacts for the proposal.</p> <p>The renovation work at The Halls will significantly improve accessibility at the Halls for performers and audiences.</p> <p>Free and 'pay what you can' events</p>
Health, social and economic impact	This project has the benefit of delivering positive economic impact for the council and the city's cultural sector as described elsewhere in this report. It will deliver some positive health and social outputs as outlined elsewhere in this report.
Crime and disorder	No material impact anticipated
Children and adults safeguarding	No material impact anticipated
Environmental impact	<p>An environmental audit on the operation of the building will be carried out and will inform an environmental policy and action plan.</p> <p>Commitment to achieving gold accreditation with Norfolk Carbon Charter by Year 3.</p>

### Risk management

Risk	Consequence	Controls required
Macroeconomic factors such as an economic downturn impacts ticket sales and/ or event bookings	Financial forecast not achievable and greater subsidy is required from council	Regular contract monitoring meetings will be established to identify any emerging risks or downward trends enabling the operator to adjust processes accordingly to mitigate risk.

Risk	Consequence	Controls required
The contract is not awarded and/ or the procurement process is not seen as fair	Reputational damage to council and undermining of procurement process	Invitation to Tender included caveat that contract may not be awarded however early engagement with Communications team would be required to minimise negative messaging. Inclusion of external, independent panel members with specific expertise. The PCR 2015 principles are fairness, openness and transparency. Conflict assessments to be undertaken at each stage of the procurement cycle.
Procurement exercise fails	Increased financial subsidy from council required. Reputation risk to council	The Council has openly shared operating information to enable bidder to accurately forecast and plan operations. The in-house model provides a costed alternative if the procurement is unsuccessful.

### Reasons for the decision/recommendation

37. The Halls is a Grade I scheduled ancient monument. It is the only venue of its kind in the city and is a vital part of the city's cultural, economic and community life. The council has identified that a third party/ external operator is most likely to achieve the objectives set out at the beginning of the project (paragraph 6a-c). It is recommended that the council undertake a procurement process and that the Portfolio Holder for a Prosperous Norwich, and the Executive Director of Communities and Housing have delegated authority to conclude the negotiations of the procurement and award the contract. This will enable an operator to be appointed in line with the completion of the construction works.

38. If delegated authority is not granted this could cause significant delay to the appointment of an operator for The Halls, as described above (20), and consequently delay the reopening of the venue and incur additional costs to the council.

### Appendices:

Exempt Appendix 1 Equality Impact Assessment

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**Committee Name:** Cabinet

**Committee Date:** 05/02/2025

**Report Title:** The council's 2025-2026 budget and medium-term financial strategy

**Portfolio:** Councillor Kendrick, Cabinet member for an open and modern council

**Report from:** Interim chief finance officer (S151)

**Wards:** All Wards

**OPEN PUBLIC ITEM**

**Purpose**

To consider proposals for the council's 2025-2026 budget (general fund, HRA and capital programme) and updated medium-term financial position including the outcomes of the budget consultation and any recommendations from the Scrutiny Committee. Final budget proposals will be submitted to Full Council on 12 February 2025.

**Recommendation:**

Cabinet is asked to:

- a) Note the latest financial information, the budget strategy incorporated into the report and the budget proposals, which enable the Council to set a balanced budget for 2025 - 2026 and Medium-Term Financial Strategy for the period to 2029 – 2030.
- b) Note the Section 25 report of the chief finance officer on the robustness of the budget estimates, the adequacy of reserves, and the key financial risks to the council.
- c) Note that the Council Tax resolution for 2024/25, prepared in accordance with Sections 32-36 of the Local Government Finance Act 1992 as amended by the Localism Act 2011, will be calculated, and presented to Council for approval on 25 February 2025, once Norfolk County Council and the Office of the Police and Crime Commissioner for Norfolk have agreed the precepts for 2025 - 2026.

Recommend to Council to approve:

**General Fund**

- i. The council's net revenue budget requirement as £20.850 million for the financial year 2025 - 2026 including the budget allocations to services shown in and the growth proposals set out in Section 2.

- ii. An increase to Norwich City Council's element of the council tax of 2.99%, meaning that the Band D council tax will be set at £306.11 (Section 2, paragraph 2.11) with the impact of the increase for all bands shown in Section 2, Appendix 2 (D).
- iii. The prudent minimum level of reserves for the council as £5.5 million (Section 2, paragraph 2.22).
- iv. Delegation to the chief finance officer (S151 Officer) in consultation with the portfolio holder for an open and modern council inclusion of any minor changes consequent on the final local government settlement or additional grant allocations.
- v. Delegate to the chief finance officer (S151 Officer) the approval of technical virements for general fund, housing revenue account and capital budgets, to make budget transfers where there is no underlying change in the budget intention.

### **Housing Revenue Account**

- i. The proposed Housing Revenue Account gross expenditure budget of £80.252m and gross income budgets of £83.191m for 2025-2026 (Section 3, paragraph 12).
- ii. A 2.7% increase in dwelling rents for 2025-2026, in accordance with the government's Rent Standard. This will result in an average weekly rent increase of £2.62 for Norwich social housing tenants (Section 3, paragraphs 13 to 20).
- iii. That garage rents increase by 2.7%, based on CPI in September 2024 plus 1% (Section 3, paragraph 18).
- iv. That the setting of tenants' service charges is delegated to the Executive Director of Communities and Housing in consultation with the portfolio holder for Housing after engagement with tenant representatives (Section 3, paragraph 19)
- v. The prudent minimum level of Housing Revenue Account reserves as £5.848m (Section 3, paragraph 36 and table 3.4).

### **Capital and Commercial Strategy**

- xviii. The proposed general fund capital programme 2025-2026 to 2029-2030 (2025-2026: £29.933m; 5 years: £46.947m) and its method of funding as set out in Section 4, table 4.2, table 4.4 and Appendix 4 (B).
- xix. The proposed HRA capital programme 2025-2026 to 2029-2030 (2025-2026: £37.520m; 5 years: £231.044m) and its method of funding as set out in Section 4, table 4.2, table 4.5 and Appendix 4 (B).
- xx. The capital strategy, as required by CIPFA's Prudential Code.
- xxi. Delegating to Cabinet, approval to include in the capital programme, additional capital schemes funded wholly by grant where it meets the Council's aims.

### **Treasury Management Strategy**

- xxiii. The borrowing strategy 2024/25 through to 2028/29 (Section 5, paragraphs 5.25 to 5.33).
- xxiv. The capital and treasury prudential indicators and limits for 2024/25 through to 2028/29 contained within Section 5 including the Authorised Borrowing Limit for the council.
- xxv. The Minimum Revenue Provision (MRP) policy statement contained in Appendix 5 (Section 5)

- xxvi. The (financial) Investment Strategy 2024/25 including changes to counterparty limits.

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

- xxvii. Indicators for 2025-2026 through to 2029-2030 as contained in section 5.

### **Policy Framework**

The council has five corporate priorities, which are:

- An open and modern council
- A prosperous Norwich.
- A fairer Norwich.
- A climate responsive Norwich.
- A future-proof Norwich

## Report Details

### Background

1. Like all local authorities, Norwich City Council continues to face substantial financial challenges, including but not limited to the need for funding reform, increasing service demand, inflation continuing to run at relatively high levels and the uncertainty of broader economic factors arising from global events and the uncertainty created as a consequence.
2. The impact of these factors on local government are now very evident, with an unprecedented number of local authorities making S114 statements, in effect declaring that they are unable to balance their budgets, and an unprecedented number of local authorities also seeking conversations with the Government about their financial outlook and the possibility of seeking exceptional financial support.
3. The Autumn Budget announced by the Government in October 2024 provided welcome news that funding for local government is to increase in 2025-2026 and in particular that, from 2026-2027, multi-year financial settlements will be reintroduced, which will provide greater certainty and thus support better medium-term financial planning. However it was confirmed that there would be another single year financial settlement for 2025 – 2026, with the Provisional Local Government Financial Settlement, published on 18<sup>th</sup> December 2024, confirming that Norwich City Council's funding would remain broadly neutral. It is within this context and financial uncertainty that the council has developed its budget options for 2025 - 2026 and an approach to ensuring a sustainable medium term financial strategy.
4. The planned review of local government funding announced by the Government, alongside the re-introduction of multi-year financial settlements from 2026 – 2027 onwards provides some optimism that financial planning will be more stable in future, but until the details and specifically the impact upon Norwich City Council become available uncertainty remains. The 2025 – 2026 proposed budget and Medium-Term Financial Strategy (MTFS) reflect a balanced approach to continuing to take advantage of opportunities to improve services and opportunities for Norwich and the uncertainty about future funding and local government policy implemented nationally.

### Summary

5. This report sets out 2025 - 2026 budget proposals across the General Fund, the Housing Revenue Account, and the Capital Programme along with medium term expenditure and financing plans.
6. This report provides an update on the implications from the provisional local government financial settlement and any other related announcements for local authority finances.

### General Fund

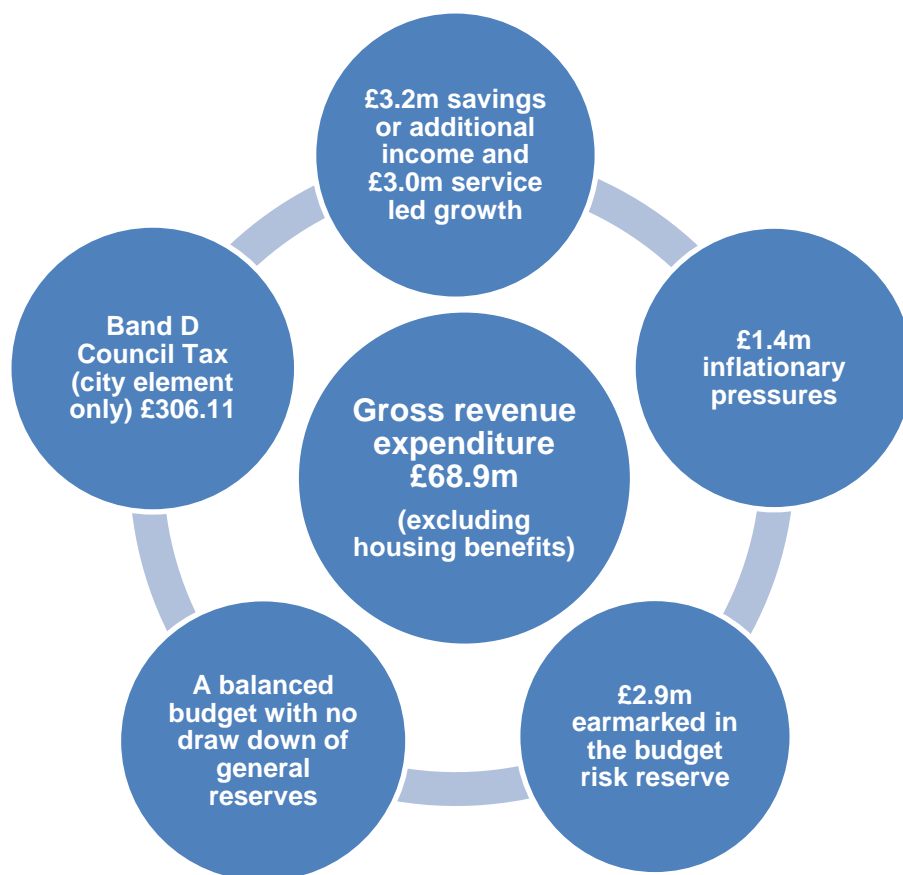
7. The [Autumn Budget](#), the [English Devolution White Paper](#), the [Local government finance policy statement 2025 to 2026](#) and the [Provisional local government finance settlement](#) that there is significant change on the horizon for local government and Norwich City Council, however in terms of 2025 – 2026 it confirmed that there would be a further one year settlement with the



major change being in relation to grant funding and the methodology of their distribution.

8. The changes to the grant funding were broadly neutral for Norwich City Council. The Funding Guarantee and the Services Grant were abolished and replaced by the Recovery Grant. In addition a further round of the New Homes Bonus was confirmed and the Revenue Support Grant was uplifted. The net change for Norwich City Council represents an increase of funding by approximately £27k. This represents a positive outcome for Norwich City Council, recognising that there were significant changes in the distribution of funding overall at a national level, whereby funding was prioritised away from rural areas and instead focused upon areas of deprivation, meaning that there were local authorities who saw significant changes in their funding levels, to which they had to respond at relatively short notice.
9. The Provisional Local Government Finance Settlement confirmed the previous assumption that the referendum level for Council tax increases will remain at 'up to 3%. Inflation remains a challenge, having increased in October 2024 following a reduction in September. Forecasts continue to anticipate a reduction over the medium term. Bank base rates are also anticipated to fall in the medium term, but recently have been maintained at 4.75%, which impacts upon both the rate of return on investments as well as the cost of borrowing.
10. The pressure of the current inflationary levels is continuing to have an impact on council budgets, recognising that the headline Consumer Price Index and Retail Price Index rates represent a basket of items, which don't always reflect the specific market pressures impacting the delivery of local authority services. The possibility that global events and broader economic factors could impact local costs remains a risk that needs to be kept under review.
11. To balance the provisional general fund budget for 2024-2025, £3.2 million of savings and additional income proposals have been identified, the full detail of which is provided in Section 2 of the report.
12. Due to the uncertainty about the impact of the changes proposed for local government finances from 2026 - 2027, the forecasts for 2026 - 2027 onwards within the MTFS should not be taken as robust figures, recognising that they are largely based on the status quo continuing, particularly concerning how much business rates and Council Tax income the city council is able to raise and retain. These forecasts will be monitored and adjusted at least annually, in line with any further Government announcements. However, with the announcement that multi-year settlements will return from 2026 - 2027 it should be possible to make more meaningful future financial plans as part of next year's budget setting.

**Chart 1 - Key figures in 2025/26 proposed general fund revenue budget**



### **Growth**

13. Growth has been focused upon pressures that support the delivery of statutory duties and contractual commitments whilst establishing a sustainable basis for service delivery and improvement. In total these represent an increase of £3 million, with an additional investment of £1.4 million addressing inflation driven budget pressures. This has been achieved without the need to draw down general reserves, maintaining a strong level of General Fund reserves whilst providing earmarked reserves to support the future review of opportunities for service development and/or offsetting strategic risks. Further details of the specific growth items are included within Section 2

### **Savings**

14. Savings or additional income totalling £3.2 million have been identified as a consequence of a rigorous review of existing budgets to identify cashable efficiency savings that don't impact upon service delivery and that both deliverable and sustainable. These proposals have been developed in conjunction with services to ensure that they are fully understood and deliverable, recognising the critical importance of maintaining effective financial control and working collaboratively to ensure that the budget remains the financial reflection of service delivery. Further details of the proposals can be found in Section 2.

### **Income – Fees and Charges**

15. The review of income arising from fees and charges has addressed the issues emerging within the budget management process, as previously

reported to Cabinet. These issues were primarily focused upon car park income resulting from incorrect assumptions about the volume of car parking and consequently the levels of fees being collected. The estimates underpinning these budgeted income streams have been reviewed and updated to reflect expected activity levels which allows for greater levels of modelling around the sensitivity of changes in variable factors. This adjustment has represented a budget pressure in the setting of the 2025 – 2026 budget, however it is also anticipated that other fees and charges income streams will be able to deliver additional funding to support the budget. Further details are available within Section 2.

### **Asset Management (incl. Commercial Rental Income)**

16. The Council has used its asset base to generate around £5m per annum in investment returns. Through carefully managing its existing estate it is anticipated to maintain similar income streams over the next five years.
17. The Council will continue to actively manage and review its asset portfolio to ensure that benefits are maximised and that appropriate and strategic decisions are made about future investments and/or disposals. Capital receipts support the Council to minimise its borrowing, since they provide a potential source of funding for capital programme schemes, which in turn reduces the potential level of debt financing required to be funded from the General Fund.

### **Corporate Items: Capital Financing**

18. The council continues to actively manage its Treasury arrangements. Due to higher cash balances in the near term and high interest rates, it has managed to achieve over £4.5m in investment returns. Now that it is increasingly clear that interest rates will stay high for an extended period, we have been able to reflect those benefits in the Medium-Term Financial Strategy. The medium-term economic forecasts from both the Bank of England and the Office for Budget Responsibility indicate that interest rates are likely to remain around their current level and then fall in the medium term, consequently the council has worked with its treasury advisors to reflect the anticipated impacts for the council across the MTFS timeframe. This position will be kept under regular review to ensure that any changes in circumstances are reflected within both performance monitoring and any updates to the MTFS.
19. The council reviewed its approach to the minimum revenue provision (MRP) during 2023 - 2024; MRP is used to secure resources to repay debt. The MRP is not only prudent, but an important part of the effective governance and risk management associated with the council's finances. After reviewing the MRP Policy again for 2025 - 2026, with advice from the council's treasury advisors (Link), the policy wording has been amended and this approach has been approved by the Treasury Management Committee and Cabinet (January 2025) in light of the recent changes to MRP regulations. The policy will continue to be reviewed in line with regulation and the council will also look to make additional voluntary revenue provision charges to ensure that the charge will always remain affordable and sustainable in budgetary terms.

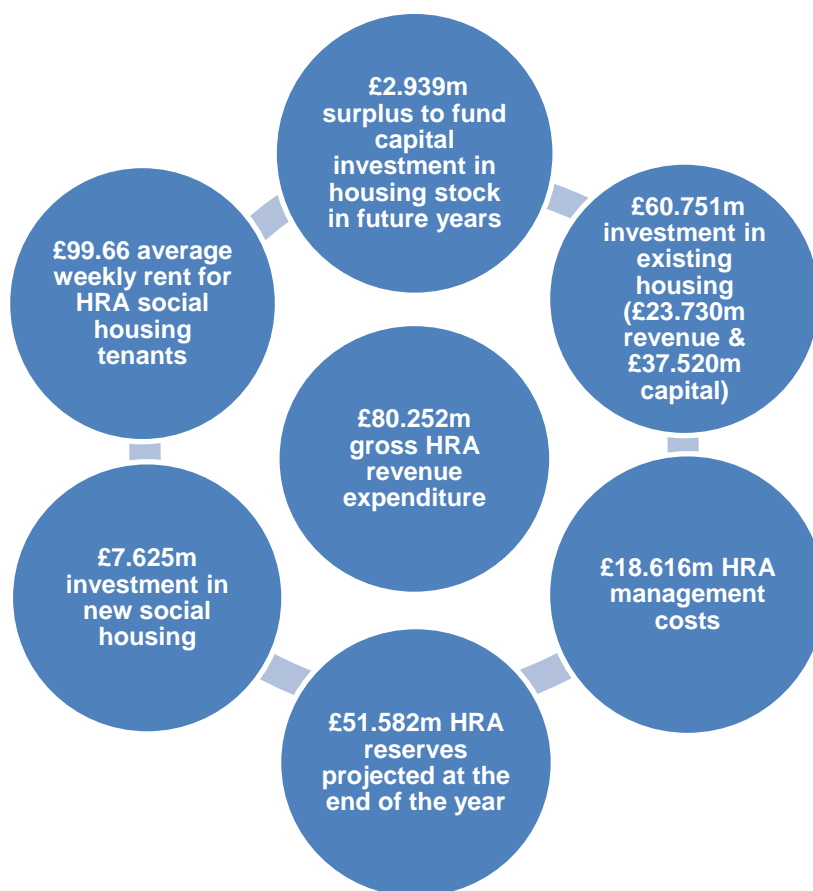
### **Overall approach to balancing the General Fund**

20. The council has undertaken a comprehensive review of existing budgets, reflective of service commitments, the requirement to reflect the impact of external factors, such as pay awards, inflation, statutory responsibilities and the need to maintain a sustainable service delivery and governance structure. To this end, there was a clear focus upon developing proposals that had been challenged internally, both to ensure that estimates for budgets are robust and support the Council's ambitions for both the next financial year and in the context of the changing outlook for local government finances.

### **Housing Revenue Account (HRA)**

21. The council's HRA comprises expenditure and income plans related to the ownership and management of the council's social housing stock.
22. Although the HRA is in a relatively stable position in the short-term, there are future pressures and competing priorities for the budget linked to the council's ambitions around continuing to develop high quality new council housing and maintaining and renewing existing homes. The HRA has also lost significant income from the government's enforced four-year rent reduction enacted in the Welfare Reform and Work Act 2016 and historic lower than average rent levels.
23. The HRA is forecast to make a surplus of income over expenditure of £2.939m in 2025-2026 and it is proposed to retain this within HRA reserves to support the provision of new homes in future years.
24. The government's Rent Standard enables authorities to increase rent annually by up to CPI (Consumer Price Index) as at the preceding September plus 1%. In September 2024, CPI increased by 1.7% which results in a proposed rent increase of 2.7%. An increase of 2.7% will result in the average HRA rent increasing by £2.62. The increase in rents is necessary to fund the council's future ambitions to continue to build new council homes in response to demand and the increasing need to invest in and decarbonise existing homes.

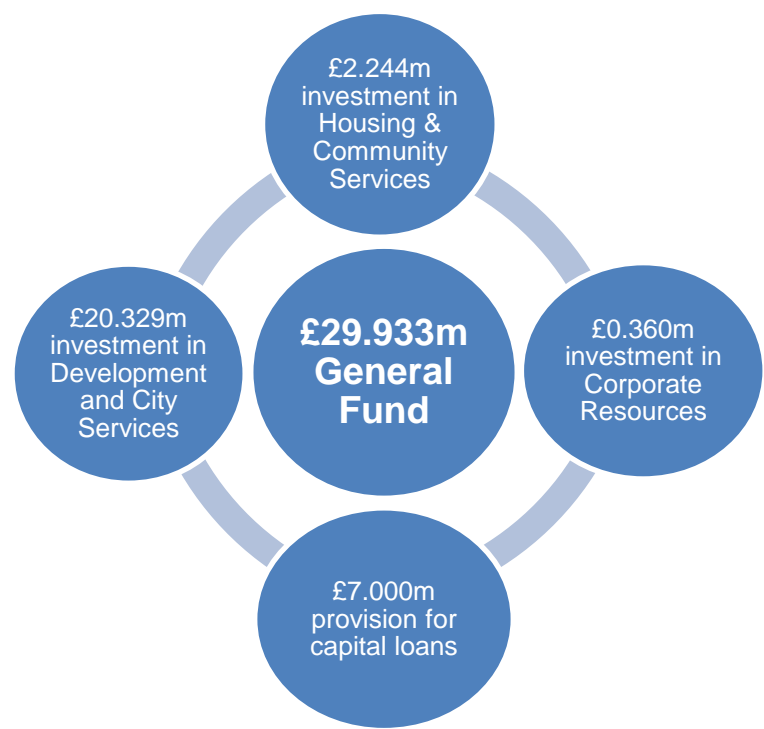
**Chart 2: Key figures in 2025-2026 proposed HRA budget**



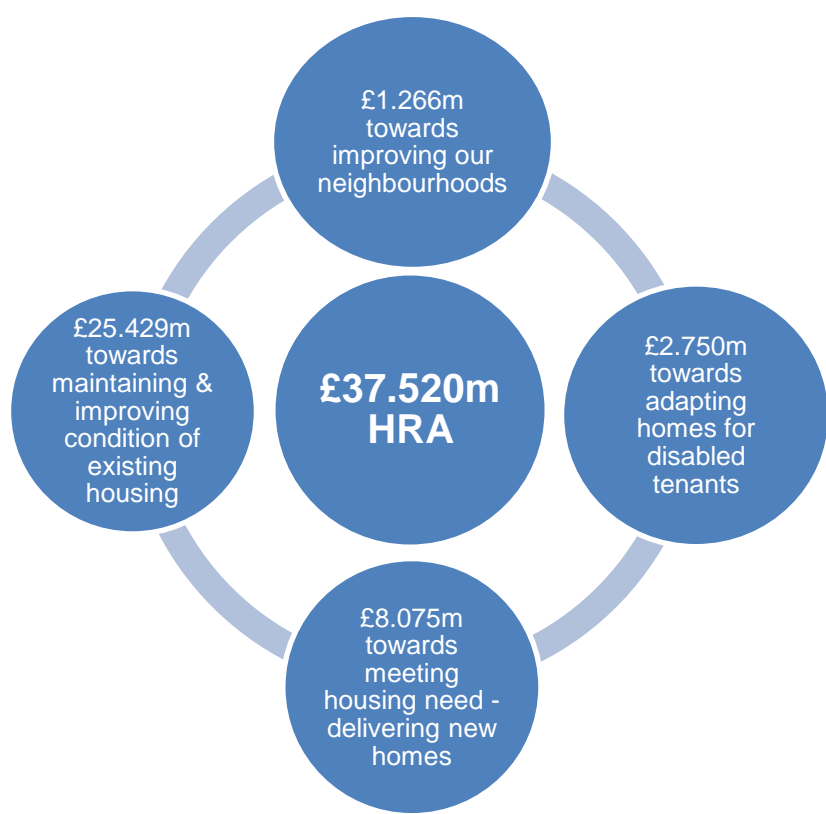
## Capital Programme

25. Across the General Fund and the HRA the council's proposed capital investment programme for 2025-2026 is £67.453m, with £277.990m to be invested over the five years of the programme. An illustration of some of the key projects and programmes can be found in Appendix 4 (B).
26. The proposed financing of the capital programme is also summarised in (Section 4) Tables 4.4 and 4.5 for the General Fund and HRA respectively.

**Chart 3: Illustration of proposals within the general fund capital programme**



**Chart 4: Illustration of proposals within the HRA capital programme**



**Equality Impact of budget proposals**

27. To discharge our public sector equality duty and ensure we have due regard to the need to eliminate discrimination, advance equality of opportunity, and foster good relations we will undertake an initial screening of all budget

proposals to ascertain where there is a possible impact. This will identify those proposals that require a full Equality Impact Assessment or further consultation.

28. An overall Equality Impact Assessment is contained in Section 8. Equality Impact Assessments for specific proposals will be developed as proposals are being finalised. This ensures that the impact is understood and mitigating actions that minimise disadvantage and tackle inequality are identified where possible. There may be some proposals that have implications for council employees for which details of consultation or Equalities Impact Assessments cannot be published owing to data protection or employment legislation.
29. Information on the residents of the city as well as council customers and employees can be found in the annual Equality Information Report published on the council's website.

### **The council's approach to financial planning**

30. The council's approach to financial planning and budgeting across all its activities is underpinned by the following key principles:
  - A prudent rather than optimistic assessment of future resources and unfunded cost pressures.
  - An approach which identifies and funds pressures in priority services alongside the identification of opportunities for savings and increased investment and makes resources available to invest in services which require it.
  - A prudent and planned use of general reserves to fund expenditure and an annual risk-based assessment of the minimum amount of reserves the council should hold (minimum prudent level).
  - The setting aside of some of the net income arising from commercial property investment into an earmarked reserve to mitigate against the risks inherent in holding these assets.
  - A prudent approach to the amount of reserves held from Collection Fund surpluses given the inherently volatile nature of business rate and council tax collection rates.
  - A prudent approach in estimating future income from business rates and council tax, and the growth in the tax bases, given that changes to the local government funding regime could impact on the former, and both taxes may be affected by uncertainties surrounding the country's macro-economic position and its potential impact on the local economy.
  - A maximisation of external funding that meets the council's priorities.
  - The holding of relevant contingency budgets at the corporate level to help ensure the council does not overspend in any one year.
  - The full integration of revenue, capital, and treasury management decision making processes to ensure,
    - a. the revenue implications of capital projects are accurately reflected in the MTFs and the annual budget, and
    - b. the authorised borrowing limit is sufficient to fund the council's capital plans whilst being prudent, affordable, and sustainable.
  - The inclusion of the costs of external borrowing to fund capital projects

(interest and Minimum Revenue Provision costs) into the revenue budget, even if in practice the expenditure is temporarily funded from internal borrowing (use of the council's cash holdings).

## **Contents of this budget report**

31. The council's budget and finances are becoming increasingly complex and to understand the full picture Members and key stakeholders need to appreciate the distinctions between revenue and capital expenditure, general fund and the Housing Revenue Account, and the different funding sources and constraints for each, whilst at the same time recognising that they all interconnect and impact on the council's balance sheet position, its cash flows and future borrowing requirements.
32. In addition, regulatory codes of practice require Members to form views on the council's proposed approach to commercial investments, its lending to third parties including its wholly owned subsidiary companies, and its equity investments whilst understanding financial indicators showing the risks, proportionality and affordability of the commercial activities being proposed.
33. This report comprises a series of interlinked and comprehensive papers setting out proposals for the 2025-2026 budget along with medium term expenditure and financing plans across the whole of the city council's activities. Members may wish to consider each section in turn. A brief explanation of the contents is shown below.

### **1: Local Government Finance Settlement**

This gives a summary of the provisional local government finance settlement.

### **2: General Fund 2025-2026 budget and MTFS**

This sets out the proposed general fund revenue budget and its financing for 2025-2026, including the proposed Council Tax for 2025-2026, along with a forecast of the medium-term position.

### **3: Housing Revenue Account 2025-2026 Budget**

Contains expenditure and income proposals that relate to the ownership and management of the council's social housing stock, including 2025-2026 rental charges for tenants.

### **4: Capital and Commercial Strategy (including capital programme)**

A requirement of CIPFA's Prudential Code, the Strategy sets out the council's budget and preliminary plan for capital expenditure over the next five years along with how it will be financed and delivered.

It also includes the council's non-financial investment strategy. This is a requirement of Department for Levelling Up, Housing & Communities Investment Code. The Strategy covers the council's approach to investments in commercial property, as well as its lending and equity investments in third party organisations.



## **5: Treasury Management Strategy**

The strategy sets out proposals and indicators required for the effective management of the City's borrowing, investments and cash flows, its banking, money market and capital market transactions; and the effective control of the risks associated with those activities. This section also provides various indices, required under the Prudential and Investment codes, that allow Members to come to a judgement on the proportionality, affordability, and the extent of its potential risk exposure through the budget proposals, those contained within the capital strategy and the non-financial investments strategy.

## **6: Chief Finance Officer's Statement**

This is a requirement of section 25 of the Local Government Act 2003. It covers the key financial risks facing the council and the chief finance officer's opinion on the robustness of the estimates and the adequacy of the council's reserves.

## **7: Financial glossary**

The budget papers by their very nature contain technical financial terms and concepts. The glossary seeks to provide a list of terms and definitions to explain these.

## **8: EQIA**

The initial cumulative impact of the budget proposals are considered in this section prior to individual consultations and impact assessments being undertaken where necessary and before implementation.

## **Public Consultation and next steps**

34. A public consultation took place between 12 December 2024 and 12 January 2025. The responses to the consultation are included at Appendix 2(F) of the report. The consultation reflects five pledges that the council has made in relation to the utilisation of the budget to date,

Pledge 1 – Spending money on the services you care about.

Pledge 2 – Making Norwich the best it can be.

Pledge 3 – Making a real difference to people's lives.

Pledge 4 – Caring for our environment and our people.

Pledge 5 – A modern council with services shaped by residents.

35. Tenant Involvement Panel representatives were consulted over the proposed 2.7% increase on 12th December 2024. The impact on both tenants and the long-term viability of the HRA was discussed, but it was recognised that increases are necessary to maintain the level of investment in existing and new homes and delivery of the decarbonisation programme, and the proposed rent increase of 2.7% in line with government guidance was noted.
36. In accordance with the constitution, levels of tenants' service charges are determined by officers under delegated powers, in consultation with the portfolio holder and after engagement with tenant representatives.

## Implications

### Financial and Resources

37. Any decision to reduce or increase resources or alternatively increase income must be made within the context of the council's stated priorities, as set out in its proposed Corporate Plan and Budget.
38. This report including the separate report sections, presents the council's proposed 2025-2026 budget across all its activities along with its medium-term financial strategy. The financial implications of these proposals are given throughout the report.

### Legal

39. There is a statutory duty to consult on the Council's budget with business ratepayers (S65 Local Government Finance Act 1992). It is also considered best practice to seek broader views through meaningful consultation with service users, residents, and partners. Further duties to consult on specific proposals impacting users, including staff and unions also exist prior to implementation.
40. The Council has a legal duty to set a balanced budget before the statutory deadline. The Council's Chief Financial Officer (S151) has a duty to report to Council on the adequacy of its reserves and the robustness of its budget estimates before the final decisions are taken on the budget and setting of the council tax.

### Statutory Considerations

41. The proposed budget covers a wide range of council activity and spend. As a result, it is not possible to provide a detailed assessment of, for example, the impact on residents and others with protected characteristics under The Equality Act at this level. Existing council processes for equality impact assessments will continue to be carried out at an appropriate time for the individual projects, activities and policies that constitute this budget.

Consideration	Details of any implications and proposed measures to address:
Equality and Diversity	Equality Impact Assessments are required for any specific budget proposals and the impact of the totality of all measures. The overarching assessment is included in Section 8.
Health, Social and Economic Impact	Budget savings and investment proposals including capital investments are likely to have economic impacts on the area.
Crime and Disorder	No specific crime and disorder impacts are considered to arise from the Council's budget setting processes.
Children and Adults Safeguarding	No specific safeguarding issues are considered to arise from the Council's budget setting processes.

Consideration	Details of any implications and proposed measures to address:
Environmental Impact	The proposed capital investment strategy will provide for improvements to the council's assets and the surrounding environment.

## Risk Management

42. The budget papers clearly outline several financial risks to the council, some of which have increased, considering changes to the wider economic environment.
43. Several measures have been put in place to mitigate the increased risks, including:
  - a) Maintaining earmarked reserves, established to help mitigate risk, including:
    - The budget risk reserve to manage the financial risks associated with the delivery of the 2024/25 budget savings.
    - The business change reserve to fund costs linked to the council's change programme.
    - The commercial property reserve to manage the risks and costs associated with holding commercial property.
    - The companies reserve to mitigate financial risks from lending to the council's wholly owned companies.
  - b) The maintenance of a Prudent Minimum Level of General Fund reserve to cover unforeseen events.
  - c) The requirement to produce robust business cases for large capital projects (many of which will generate returns or savings) before a project commences.

## Reasons for the decision/recommendation

44. The Council has a legal duty to consult on proposals and set a balanced budget before the statutory deadline.

## Background papers:

- [The Council's Provisional 2025-26 Budget & Medium Term Financial Strategy](#)
- [Housing Revenue Account \(HRA\) Business Plan and HRA Budget 2025-2026](#)

## Appendices:

- Section 1: Local Government Finance – Economic and Statutory Context
- Section 2: General Fund – MTFs and 2025-2026 Budget
- Section 3: HRA 2025-2026 Budget
- Section 4: Capital Programme and Capital and Commercial Strategy
- Section 5: Treasury Management Strategy & Key Financial Indicators
- Section 6: Chief Finance Officer's statement
- Section 7: Financial Glossary
- Section 8: Equality Impact Assessment

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# 1. Local Government Finance – Economic & Statutory Context

Item 9

## Autumn Statement & Wider Economy

- 1.1 The Autumn Budget set out the Government's financial plans for the country, including some indications of reform planned for local government funding and broader economic goals. The subsequent publishing of the Local Government Finance Policy Statement and the Provisional Local Government Finance Settlement prior to Christmas 2024, alongside broader policy announcements in relation to prioritising growth, house building, planning reform and devolution has set out a vision where local government will be at the heart of the Government's plans for improving the economic prospects of the UK.
- 1.2 However, in recognition that the General Election took place midway through 2024, the Provisional Local Government Finance Settlement confirmed that there would be a further one year settlement for 2025 – 2026, with more substantial reforms scheduled for the remainder of this parliament. Notwithstanding this, there was an attempt to review the distribution of local government grant funding, replacing the Funding Guarantee and Services Grant with the Recovery Grant and confirmation that there will be a further year of the New Homes Bonus.
- 1.3 On the horizon, the Government has announced more fundamental reform of local government financing with effect from 2026 – 2027, including multi-year financial settlements, which will aid longer term financial planning, as well as a review of fundamentals that will potentially equate to what has previously been referred to as the Fair Funding Review, details are yet to be confirmed but this could potentially include changes to Council Tax, Business Rates and local government grant funding.
- 1.4 Inflation has fallen from the peak reached in 2023 but has risen recently, but is still anticipated to fall back towards the Bank of England target rate of 2% during 2025. The Bank of England base interest rate is a significant route by which the Bank seeks to influence inflation and this is anticipated to fall over the coming financial year.

## Impacts for Local Government

- 1.5 **Council Tax.** The Local Government Finance Policy Statement published in December 2024 confirmed that the Council Tax increase referendum threshold for 2025 - 2026 would remain at 3%.
- 1.6 **Provisional Local Government Finance Settlement.** The provisional local government finance settlement was published by the Ministry for Housing, Communities and Local Government (MHCLG) on 18<sup>th</sup> December 2024. This set out the details of the funding available to support local government in 2025 - 2026 alongside some of the assumptions underpinning the settlement. The final settlement will be published in the near future following the completion of the public consultation period on 15<sup>th</sup> January 2025. There is currently nothing to indicate that there will be any material changes to the settlement as a consequence of the consultation.

- 1.7 **Core Spending Power.** This measures the maximum level of funding available to a local authority, assuming that the maximum increase to Council Tax is adopted by each individual local authority. As such, this is an indicator only, rather than a guarantee, of the resources available. The Government will often refer to the Core Spending Power (CSP) when talking about the resources made available, as distinct from the decisions made locally by individual local authorities in setting Council Tax levels.
- 1.8 CSP also reflects the proposed increases to core grants such as the Services Grant, Funding Guarantee and New Homes Bonus. On the basis of these assumptions, the Government assumed that Norwich City Council's CSP has increased by £1.226 million when compared to the baseline figures of 2015/16 (6.0%). When compared to the CSP for 2024 - 2025, it has increased by £0.584 million (2.8%). The increase is welcomed but it also makes apparent that the funding challenges remain significant relative to budget pressures and service demand.
- 1.9 **The Revenue Support Grant (RSG)** has been increased by 1.7% in line with inflation at September 2024.
- 1.10 **Other Local Government Grant Funding** The Funding Guarantee, introduced for the first time in 2023 – 2024, along with the Services Grant, has been replaced by the Recovery Grant.
- 1.11 **Business Rates** have not been adjusted significantly but are anticipated to be subject to the local government funding reforms in 2026 – 2027.
- 1.12 In the context of the national reforms planned for local government over the remainder of this parliament, the medium term outlook remains challenging, requiring on-going efficiencies and effective financial control and management. Norwich City Council remains in a relatively much healthier position than many local authorities around the country currently, whilst there are some reasons for greater optimism, such as the outlook for Anglia Square redevelopment alongside other opportunities to support economic growth and house building within the city.

## **2. GENERAL FUND 2024-25 BUDGET AND MTFS**

Item 9

### **Forecast 2024 - 2025 Outturn**

- 2.1 The latest estimated outturn position on the General Fund, shows a forecast overspend of around £0.65m. This is primarily as a consequence of inaccurate expectations around income streams relating to car parking, which are addressed as part of the proposed budget for 2025 – 2026 in order to maintain a sustainable position going forwards.
- 2.2 The outlook remains challenging as a consequence of the large number of variable factors over the lifetime of the Medium-Term Financial Strategy (MTFS), including the demand for services, the as yet unknown impact of the comprehensive spending review and reform of local government finance scheduled to take effect in 2026 – 2027 and the potentially significant impacts of the Devolution proposals, as well as the potential macro-economic impact of global events upon the UK's broader economy.
- 2.3 Continued tight financial management will be required in 2025 – 2026 and throughout the life of the MTFS to effectively contain these variable factors and their impact. The proposals within this report are a fundamental part of that financial control, providing a sustainable foundation for service delivery and improvement alongside appropriate provision to guard against future events and to maintain the intrinsic health of the Council's finances.

### **Proposed 2025 - 2026 Revenue Budget**

#### **Savings, growth and investment**

- 2.4 Permanent savings and additional income of £3.2 million have been identified in 2025 - 2026. However, in the later years of the plan there is a cumulative gap indicated; no work has been done to mitigate this gap as the financial planning assumptions for those years' are being made in the absence of details of both the next spending review and the reform of local government finance, consequently predictions about resources and pressures in future years are highly speculative.
- 2.5 The proposed 2025 - 2026 budget currently includes provision for £2.5 million of permanent budget growth (i.e. increases to the budget not arising from inflationary factors). The permanent growth proposed has been identified after an internal review of budgets pressures underpinned by an assessment of the relative priority, which included an assessment of statutory duties, contractual responsibilities and business critical factors alongside the benefits and implications arising as a consequence. Further details relating to these proposals can be seen at Appendix 2 (E) below.
- 2.6 There are also short-term growth proposals amounting to £0.4 million, which are related to business change projects and will be funded from the Business Change Reserve.

#### **Inflation**

- 2.7 There are £1.7m of inflationary pressures included within the 2025 – 2026 budget, which demonstrates the economic volatility that has been experienced across the last twelve months, with CPI having reduced from 6.4% in September 2023 to 1.7% in September 2024. Currently forecasts

around inflation indicate that the 2.0% Government target is likely to be reached in 2025, whilst recognising that there are a number of variable factors that could impact this position.

- 2.8 The council's pay structure is primarily based on national negotiating body pay spines and nationally negotiated settlements. The 2024 - 2025 settlement has been finalised, with staff receiving their backdated increases in November 2024, within the amounts budgeted for. An estimate of payroll inflation has been included within the provisional budget for 2025 - 2026. Given that pay costs form a significant proportion of the council's budget and the uncertainty over future pay awards.
- 2.9 Many of the council's contracts have inflationary increases incorporated within them and therefore any increase in the Consumer Price Index (CPI) and Retail Price Index (RPI) measures potentially creates a pressure on the budget position. Inflationary increases have been applied across the council's main contracts, although there remains a risk that further cost pressures emerge as contracts come up for re-tender.

### **Council Tax & Business Rates**

- 2.10 Any increase in the level of council tax is limited by referendum principles, which for a district council have been set at a maximum of up to 3% for 2025 - 2026.
- 2.11 A 2.99% increase to the Band D rate is proposed in the 2025 - 2026 budget figures (£0.4 million additional income including changes to the taxbase). The proposed 2025 - 2026 Band D rate is therefore £306.11 compared to the current year rate of £297.22 – an increase of £8.89.
- 2.12 This is for the Norwich City Council share of total council tax only and does not include the amounts required from preceptors - Norfolk County Council and the Office of the Police and Crime Commissioner for Norfolk. Appendix 2 (D) shows the proposed increases (for Norwich City Council only) by each Council Tax band.
- 2.13 The figures shown will be reduced, for qualifying council taxpayers, by the council's Council Tax Reduction Scheme (CTR). Currently the total cost of the CTR scheme is £9 million, of which the Norwich share is around £1.3m.
- 2.14 The current estimate of the Council Tax base is 39,166 which combined with the Band D rate gives an expected income of £11.989m in 2025 - 2026.
- 2.15 The forecasts for retained Business Rates income for 2024-25 assumes income in line with the council's baseline funding level as set by government but uprated for the September CPI level of 1.7%. This is consistent with the updated modelling of the impact of changes made to the Business Rates system in the provisional local government finance settlement.
- 2.16 The Council is in a pool that shares the benefits of growth across Norfolk. The MTFs currently assumes that there will be no further changes to the business rate retention scheme for future years, however this may need to be changed subject to the details of local government finance reform scheduled to be announced ahead of 2026 - 2027. Overall, the council is better off from being in a pool than not.



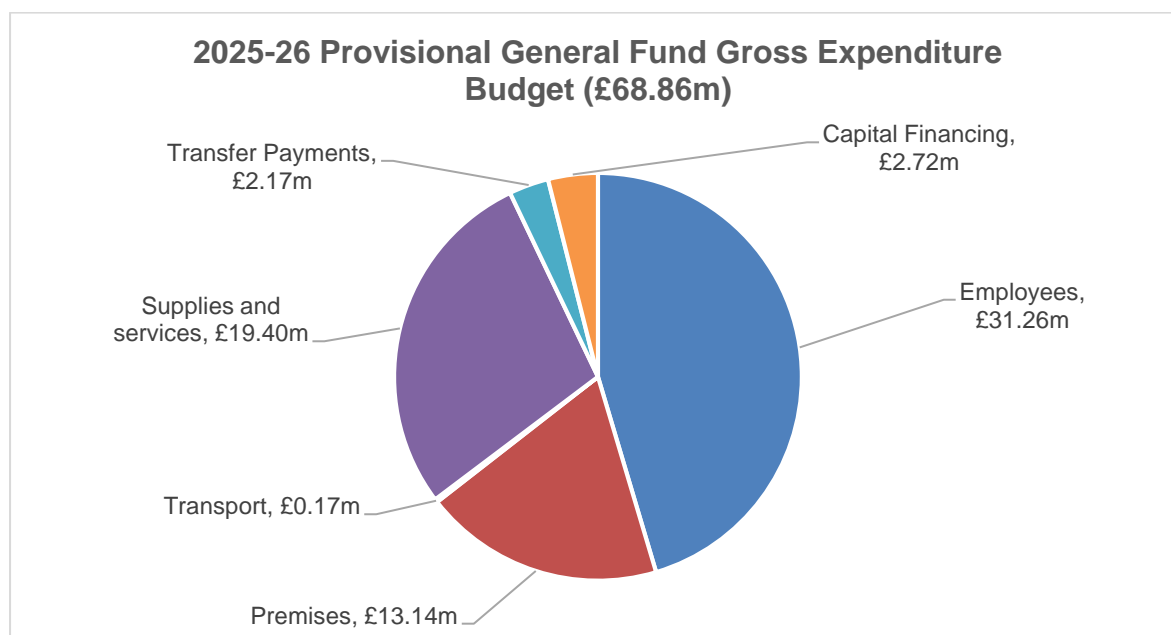
## Grants

- 2.17 The publication of the provisional Local Government Settlement introduced some changes to the way in which grants were allocated nationally. The Services Grant and the Funding Guarantee have been abolished, however the impact of this has been wholly mitigated by the introduction of the Recovery Grant, the confirmation of a further round of the New Homes Bonus and the inflationary increase to the Revenue Support Grant. The net impact of these grant funding changes has been a marginal increase in funding for Norwich City Council of £0.027 million.

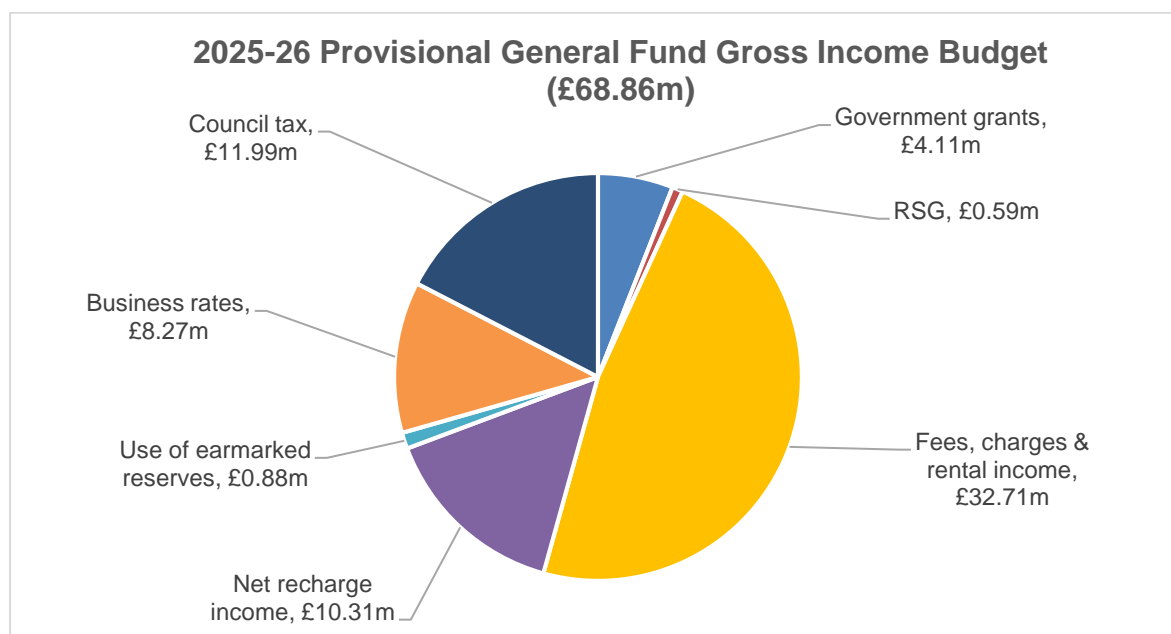
## Budget Risks

- 2.18 At this stage, the combination of uncertainty over the wider economic conditions means the level of risk associated with the provisional budget remains relatively high. Some of the key risks are outlined below which will continue to be closely monitored. The council holds a budget risk reserve (current balance £1.8m) to provide resilience against emerging pressures and delays in the delivery of savings and other unforeseen events.
- **Savings delivery & cost of change.** The budget includes £3.1 million of savings and income proposals for delivery in 2024-25. This is a significant undertaking and will require close monitoring of delivery.
  - **Inflation.** The volatility in inflation continues to pose a risk, which will need to be kept under review. Recent experience of impacts upon inflation driven by international events suggests that there may be a risk of some further volatility in the short-term.
  - **Housing Benefit.** In recent years the council has seen reducing level of Housing Benefit subsidy recovery against its housing benefit expenditure, attributable to continuing growth in rent levels against fixed subsidy caps. The projection is this will continue to worsen over the life of the MTFS. Whilst every council is seeing increased natural migration to Universal Credit, Department of Work & Pensions (DWP) rules mean cases that attract 100% subsidy return are lost to councils, whilst DWP's strategy is to continue to leave temporary, exempt and supported accommodation cases with councils and it is these cases that are subject to punitive subsidy rules. The pressure in relation to exempt accommodation is approximately £0.3 million per annum and is projected to grow further over the life of the MTFS. Along with increased demand and rental market pressures, councils are therefore seeing increased subsidy loss.
  - **Service Pressures.** The economic situation is continuing to put significant financial pressures on local businesses and residents, particularly the most vulnerable. It may also impact on all council income streams including fees and charges and the levels of council tax and business rates collected.

**Chart 2.1: 2025-26 Provisional General Fund Gross Expenditure Budget (excluding housing benefit)**



**Chart 2.2: Provisional General Fund Gross Income Budget (excluding housing benefit)**



## Medium Term Financial Strategy (MTFS)

- 2.19 The MTFS is a forecast of the estimated cost of delivering current services over the next four to five years, compared to the anticipated funding streams to support council services. This results in a projected budget gap

from which the future savings requirements are estimated. However this has proven to be increasingly difficult to undertake with any reasonable level of accuracy, whether because of the absence of multi-year local government financial settlements, the lack of reform of local government funding or the impact of broader economic events which have included the pandemic, the impact of Brexit, the war in Ukraine. There is greater optimism about the predictability of local government funding following the recent Government announcements about both the re-introduction of multi-year settlements and a review of local government funding, but neither of these will be concluded before 2026 – 2027, meaning that it remains almost impossible to forecast the likely funding position beyond the next twelve months. This is likely to be further impacted by developments in relation to the Devolution White Paper published in December 2024.

2.20 Financial planning in relation to both the potential short-term budgetary impacts ahead of 2026 – 2027 and the longer-term impacts of other events will commence early in the new financial year. This will further develop the process adopted for preparing the budget for 2025 – 2026 but also seek to further develop the learning and understanding arising from the annual financial cycle, including the budget management process throughout 2024 – 2025 and the production of the provisional outturn and the Statement of Accounts.

2.21 Notwithstanding the analysis above, the table below provides a broad estimate of how the medium-term position could develop, but at this stage all future projections beyond the next twelve months need to be treated with the utmost caution.

**Table 2.1: Updated Medium Term Financial Position – Figures are in £000s**

Medium Term Financial Strategy	2025-26 £000	2026-27 £000	2027-28 £000	2028-29 £000	2029-30 £000
Total Resources	20,850	20,933	21,602	22,297	23,019
Base Budget Requirement b/fwd	20,383	20,850	22,041	22,482	22,931
Potential growth	467	1,191	441	450	459
Revised base budget requirement	20,850	22,041	22,482	22,931	23,390
Required Efficiencies	0	(1,108)	(879)	(634)	(370)
Required Efficiencies (Cumulative)		(1,108)	(1,988)	(2,622)	(2,992)

## General Fund Reserves Position

### General Fund Unallocated Reserve

2.22 The prudent minimum level for the general fund reserve was set at £5.4 million by full Council in February 2024 as part of the budget approval. This has been reviewed as part of the budget setting process and has been increased to £5.5 million. The General Fund unallocated reserve, is

expected to remain at £8.249 million over the life of the Medium-Term Financial Strategy, which remains above the prudent minimum level.

### **General Fund Earmarked Reserves**

- 2.23 On the basis that provisional options have been identified to significantly close the budgetary shortfall in the years 2024-25 to 2028-29 no further drawn downs from general reserves are currently forecast to be required, although given the uncertainty over funding levels further work will be required to address this and any remaining funding shortfalls once financial planning totals become available.
- 2.24 There are some proposals to review some of the earmarked reserves, both to reflect changing circumstances and to provide appropriate levels of flexible funding to respond to future challenges.
- 2.25 To this end it is proposed that the Invest to Save Reserve and the Business Change Reserve are merged to form a single Business Change Reserve. This recognises that all business changes are developed in the context of improving service delivery and whilst they won't always produce cashable savings, they will deliver efficiencies in service delivery and working practices. The challenge to the development of business cases is well developed within the operating model of the council, epitomised by the Design Authority and the Assurance Board approach which is at the heart of project and change management.
- 2.26 It is also proposed that there is a transfer of £1.5 million from the Budget Risk reserve to the Lion Homes reserve, which supports and develops the original rationale and approach in establishing the Lion Homes earmarked reserve as set out below.
- 2.27 In recognition of the number of potential change and major projects that are on the horizon, whether in terms of exploring the feasibility of options for strategic developments, it is proposed that a further £0.5 million be transferred from the Budget Risk reserve into a new earmarked reserve for Feasibility Reviews. This would support specific pieces of work, research, feasibility or viability to support strategic decision making and the delivery of Best Value, thereby strengthening the longer-term financial management of the council. In the event that feasibility was demonstrated, it is anticipated that a full business case would be approved, which might entail either a capital investment and/or the a new Business Change project delivering specified benefits including potential increased income streams or savings.

### **Earmarked Reserves**

- 2.28 The General Fund currently holds several earmarked reserves which are held for specific purposes. The balances held in earmarked reserves are regularly reviewed to assess whether the funds are held at an appropriate level, in particular at the financial year end, as part of the preparation of the statements of accounts the balances reflected within the Balance Sheet will be reconciled including to the final General Fund outturn position. The key reserves and their current balances are summarised in Table 2.2, reflective of the proposed changes detailed above.

**Invest to Save Reserve:** To support the delivery of savings and efficiencies through the Future Shape Norwich Programme over the next 2-3 years.

**Budget Risk Reserve:** To manage the financial risks associated the delivery of the budget savings identified.

**Business Change Reserve:** To fund costs linked to the council's change programme which are not delivering specific savings, for example project management, benchmarking and potential redundancies. It will also support training and development of our workforce to ensure we have the skills required to deliver the ambitions of the Council.

**Commercial Property Reserve:** Established to reduce the risks associated with holding commercial property by providing funding for any future void and rent-free periods as well as repairs and upgrades to the investment portfolio.

**Insurance Reserve:** This is to cover the excesses carried in respect of claims under various insurance policies and is subject to annual review.

**Lion Homes Reserve:** Originally established to smooth any fluctuations in net income received by the Council from lending to Lion Homes. The reserve level was increased to mitigate against any potential future Minimum Revenue Provision charges required to cover for estimated non-recovery of the loan balance.

**Collection Fund Equalisation Reserve:** Unutilised balance of S31 grant monies received in prior years from Central Government to fund Business Rates reliefs.

This will be used to manage the volatility in Collection Fund movements due to timing issues of Section 31 Grants and weakening of the business rate base over the early period of the Medium-Term Financial Strategy.

**Revenue Grants Unapplied:** Holds grants and contributions received which have yet to be applied to meet expenditure. The use of the balance is restricted and can only be used to fund the specific service area awarded the grant income.

**General Fund Repairs Reserve:** To provide future funding for required maintenance on general fund properties.

**Business Rates Pool Reserve:** This reserve is to support future spend in line with the economic development objectives of the fund.

**Capital Financing Reserve:** A reserve to hold the resources necessary to manage any additional voluntary revenue provision requirements or to fund future capital expenditure.

**Table 2.2: General Fund Earmarked Reserve Balances**

General Fund Earmarked Reserves	Balance as at 31 March 2024 £000	Estimated Balance as at 1 April 2025 £000
Budget Risk	6,019	2,876
Revenue Grants Unexpended	3,875	3,875
Lion Homes	3,000	4,500
Business Change	2,923	2,628

GF Invest to Save	1,810	1,810
Commercial Property	1,716	819
S31 Earmarked Reserve	629	629
Neighbourhood CIL	613	485
Repairs	529	529
Insurance Reserve	311	311
Elections	113	113
Business Rates Pool	110	110
Mousehold Conservators Reserve	35	35
<b>Total (£000)</b>	<b>21,683</b>	<b>18,720</b>

## Appendix 2 (A): Movements from the approved 2024-25 base budget

	<b>£000</b>
<b>2024-25 Budget Resources</b>	<b>(20,383)</b>
<b>Budget movements:</b>	
Increase in council tax income	(400)
Movement in revenue support grant	(66)
<b>2025-26 Budget Resources</b>	<b>(20,850)</b>

<b>2024-25 Budget Requirement</b>	<b>20,383</b>
<b>Budget movements</b>	
Reversal of one-off items in the 24-25 budget and base adjustments	(57)
Additional use of ear-marked reserves	(648)
Inflation	1,379
Reduction in grant income	59
Other movements and recharges	(78)
Savings & additional income	(3,182)
Growth & reduction in income	2,992
<b>2025-26 Budget Requirement</b>	<b>20,850</b>

## Appendix 2 (B): 2025-26 provisional budget by subjective group

<b>Subjective group</b>	<b>Budget 2024-25 £000</b>	<b>Budget 2025-26 £000</b>	<b>Movement £000</b>
Employees	30,620	31,257	637
Premises	12,642	13,140	498
Transport	209	171	(37)
Supplies & services	19,329	19,402	72
Transfer Payments	40,530	40,530	0
Capital financing	3,233	2,716	(518)
<b>Gross expenditure</b>	<b>106,564</b>	<b>107,216</b>	<b>652</b>
Government grants	(42,227)	(42,205)	22
Fees, charges & rental income	(33,735)	(32,966)	769
Net recharge income	(9,982)	(10,312)	(330)
<b>Gross income</b>	<b>(85,945)</b>	<b>(85,483)</b>	<b>462</b>
Contribution from General Reserves	0	0	0
Contribution from Earmarked Reserves	(236)	(884)	(648)
<b>Total Budgetary Requirement</b>	<b>20,383</b>	<b>20,850</b>	<b>466</b>

## Appendix 2 (C): 2025-26 provisional General Fund budget by service

	Gross Expenditure £000	Gross Income £000	Net Expenditure £000
<b>Chief Executive</b>	<b>261</b>	<b>0</b>	<b>261</b>
<b>Corporate Financing</b>	<b>25</b>	<b>(6,397)</b>	<b>(6,372)</b>
Environment Services	19,083	(14,721)	4,362
Property & Economic Development	8,345	(7,519)	826
Planning & Regulatory Services	5,275	(2,367)	2,908
Development & City Services Management	702	0	702
<b>Development &amp; City Services Total</b>	<b>33,405</b>	<b>(24,607)</b>	<b>8,798</b>
Housing & Communities	8,111	(6,520)	1,591
Strategy, Engagement & Culture	4,672	(1,776)	2,896
<b>Housing &amp; Communities Total</b>	<b>12,783</b>	<b>(8,297)</b>	<b>4,486</b>
Resources Management	588	0	588
Legal & Procurement	2,673	(1,011)	1,663
Transformation	385	(132)	253
Customers, IT & Digital	8,370	(3,333)	5,037
Finance, Audit & Risk	3,552	(1,660)	1,892
Director of Finance	405	0	405
Revenues & Benefits	43,743	(39,740)	4,003
HR & Organisational Development	1,025	(306)	720
<b>Resources Total</b>	<b>60,742</b>	<b>(46,182)</b>	<b>14,560</b>

<b>Total General Fund</b>	<b>107,216</b>	<b>(85,482)</b>	<b>21,733</b>
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Contribution from Earmarked Reserves		(884)	(884)
<b>Budget Requirement</b>	<b>107,216</b>	<b>(86,366)</b>	<b>20,850</b>

Revenue Support Grant		(589)	(589)
Business Rates Retained Income		(8,271)	(8,271)
Council Tax Income		(11,989)	(11,989)
<b>Budget Resources</b>		<b>(20,850)</b>	<b>(20,850)</b>



## Appendix 2 (D): Council Tax

### Proposed Norwich City Council tax increases 2024-25 to 2025-26, Bands A to H

Band	A	B	C	D	E	F	G	H
<b>2024-25</b>	£198.15	£231.17	£264.20	£297.22	£363.27	£429.32	£495.37	£594.44
<b>Increase</b>	£5.92	£6.92	£7.90	£8.89	£10.86	£12.84	£14.81	£17.78
<b>2025-26</b>	£204.07	£238.09	£272.10	£306.11	£374.13	£442.16	£510.18	£612.22

## Appendix 2 (E): Growth, Savings and Changes in Income excluding inflationary increases

### Growth Items

Permanent growth	
Item	Amount £000
Interest	339
Insurance policies premium and cover	405
IT contracts	202
Finance restructure	173
Licensing post	63
Risk & Insurance	53
Hay Hill	45
TfN subscription	40
Committee management system	29
Leisure Centre Energy Benchmarking	25
Planning enforcement	24
Asset Valuations	24
Health & Safety	37
NODA subscription	10
DBS checks	5
Increased rent	3
	<b>1,476</b>

**Interest** £339,000 reflects the increased level of interest liabilities that the Council will need to fund in 2025 – 2026.

**Insurance Premiums** £405,000 reflects the increase in the cost of insurance premiums arising from changes in cover offered by policies.

**IT Contracts** £202,000 reflecting the increased costs associated with IT contracts renewed or re-tendered during 2024 – 2025.

**Finance Restructure** £173,000 following a review of the capacity, skills and knowledge required to deliver the making the necessary arrangements for local financial and management controls in line with Section 151 statutory responsibilities under the Local Government Act 1972.

**Licensing** £63,000 additional post to support delivery of statutory duties within Regulatory Services.

**Risk & Insurance** £53,000 to provide additional expertise and capacity in relation to the on-going management of risk and insurance activities, reflective of the rapidly changing levels of change in both risks and the market for insurance.

**Hay Hill Maintenance** £45,000 reflective of the costs to maintain Hay Hill following the completion of the recent improvements.

**Transport for Norwich** £40,000 reflecting the cost of subscription to the programme of works led by Norfolk County Council on behalf of all the Greater Norwich local authorities to improve accessibility by all forms of transport around the city.

**Committee Management System** £29,000 to support the modernisation and efficient operation of the Council's committee support service, in particular modernising the way in which committee agendas can be published and accessed.

**Leisure Centre Contract Management Fee** £25,000 reflective of contractual commitments to benchmark energy costs.

**Planning Enforcement** £24,000 ensuring that there is sufficient capacity to meet statutory responsibilities.

**Asset Valuations** £24,000 to meet statutory responsibilities in line with financial reporting standards underpinning the production of the annual Statement of Accounts.

**Health & Safety** £37,000 reflective of meeting statutory responsibilities relating to public events sponsored by the council.

**Norfolk Office of Data Analytics (NODA) Subscription** £10,000 a service led by Norfolk County Council which supports insight and strategic decision making across Norfolk public sector organisations via collaborative working.

**Disclosure & Barring Service Checks** £5,000 supporting appropriate arrangements for safer recruitment.

**Increased Rent** £3,000 reflective of a rent review for a building utilised by the council.

Reduction in income	
Item	Amount £000
Car park income	432
SLA income	297
Grant funding ended	63
Learning & Development Courses	10
	<b>802</b>

**Car Park Income** £425,000 budget adjustment to amend previously unachievable income target.

**SLA Income** £283,000 reduced level of service provided to partners offset by savings derived from vacancies arising from the transfer.

**Learning & Development Courses** £10,000 income target unachievable.

**Minimum Revenue Provision (MRP) & Capital Financing** £189,000 reflecting the increased costs arising from borrowing to support the capital programme investments and the consequent effects upon the statutory MRP required.

### Short-Term Growth

Short term growth	
Item	Amount £000
Stock condition survey.	250
East Norwich Masterplan	53
Planning and regulatory services digitisation	65
Property	13
	<b>382</b>

**Stock Condition Survey** £250,000 to commission an updated survey of private sector housing stock to support effective future planning and decision making.

**East Norwich Masterplan** £53,000 additional capacity to support the development and production of the East Norwich Masterplan.

**Planning & Regulatory Services Digitisation Project** £65,000 to support the implementation of this project, which will support the service to modernise working practices and improve service delivery.

**Property** £13,000 supporting the preservation of a listed property.

### Savings and Changes in Income

Item	Amount £000
Increased Government Funding	(412)
Restructuring Savings	(681)
Contract Savings	(903)
Budget Efficiencies	(229)
Contingency Fund	(200)
Pension Deficit Recovery	(150)
Vacancy Factor	(150)
Community Grants	(25)
Savings on Citizen magazine	(20)
	<b>(2,770)</b>

**Increased Government Funding** £412,000 Additional funding provided by the Government over and above the level anticipated to support the implementation of enhanced provider recycling.

**Restructuring Savings** £681,000 reflecting the aggregated savings arising from restructures undertaken across the Council during the course of 2024 – 2025 and recognised as budget savings within 2025 – 2026.

**Contract Savings** £903,000 reflecting the aggregated savings arising from contractual changes and efficiencies.

**Budget Efficiencies** £229,000 reflecting the aggregated savings arising from a review of existing expenditure patterns and sustainable reductions evidenced over time.

**Contingency Fund** £200,000 saving arising from the review of budget pressures and earmarked reserves.

**Pension Deficit Recovery** £150,000 recognising the reduction in the NCC Pension Deficit liabilities.

**Vacancy Factor** £150,000 increasing the vacancy factor to reflect the experience of recent years.

**Community Grants** £25,000 reflecting proposed reductions in funding to community organisations.

**Savings on Citizen magazine** £20,000 feasibility work underway to identify the best option going forward.

## Appendix 2 (F): Consultation responses on the proposed budget for 2025 - 2026



### Budget 2025-26: a citywide conversation

#### Overview

The 2025-26 survey, which ran from 12 December 2024 to 12 January 2025, was hosted on the council's consultation and engagement website 'Get Talking Norwich' (GTN).

To help inform people's views, key documents and other visuals were hosted on GTN including infographics setting out the council's five budget pledges and others illustrating its core services and what they deliver for residents.

Web visitors were also able to access the council's [provisional budget and medium-term financial strategy 2025-26](#) and its community-led plan 2024-29 '[We are Norwich](#)' to provide a more strategic overview.

This year's survey resulted in **2,176 responses** – comparing favourably to the average of 1,427 responses over the last seven years. This shows a positive level of engagement.

The survey focused on [five key budget pledges](#):

1. Spending money on the local services that residents and communities value most.
2. Making Norwich the very best it can be through investment in major projects.
3. Making a real difference to people's lives as part of our wider work to reduce inequalities.
4. Caring for our environment and our people.

5. Becoming a modern council with services shaped by residents.

### **Extensive promotion of the survey**

Direct engagement was encouraged from colleagues, elected members, residents, partners/key stakeholders and wider service users using various channels and engagement methods, both internally and externally.

### **External engagement activities**

- Text alerts sent to 120,000 residents/service users
- Direct emails to approximately 4,000 residents/service users
- Article in winter edition of Citizen magazine, distributed to 68,000 homes
- Social media campaign
- Email to partners/businesses/community groups
- Video from the leader of the council posted on the council's social media platforms
- News article published on council's website
- News release issued to local media
- Targeted promotion of the online survey also took place through partner networks, including financial inclusion partners, inclusion and accessibility advocacy groups, VCSE partners and community groups, the business community, the cultural and creative sector and public health.

### **Internal engagement activities**

- Direct email to all elected members following the launch of the survey
- Council-wide email to colleagues
- Intranet article on citynet
- Viva Engage posts – the council's colleague-wide networking platform

### **Key findings\***

- People love Norwich as a place to live – 67% reported being happy/very happy with Norwich as a place to live, work and visit.
- The majority of people (64%) are supportive/very supportive of our investment approach to services and major projects for the city.
- 50% of people were in favour of increasing the city council's share of council tax by 2.99% to safeguard services while 30% were against this

approach.

- People were equally happy/unhappy with the way the council delivers its services (33% and 32% respectively).
- People were marginally opposed (39%) to the council increasing some of its fees and charges to bring in extra income to fund services compared to being in support of this approach (36%).
- Overall, people were similarly happy (30%) versus unhappy (28%) with how the council keeps them informed about the services and benefits it provides.

(\* these relate to questions 2 to 7 in the survey – see further down in the report for detailed data)

## Detailed survey results

The following section of the report breaks down the survey responses by question. A short paragraph supplements some of the graphs and tables provided to highlight notable trends.

All percentages throughout this report are rounded to the nearest whole number (e.g. 8.5% is presented as 9% and 19.4% is presented as 19%). Where rounding low figures down to the nearest whole number would result in 0%, this is presented as '<1%' to clearly indicate that the percentage is small but not zero.

These rounding practices do not affect data quality but may result in the percentages for some questions not totalling 100.

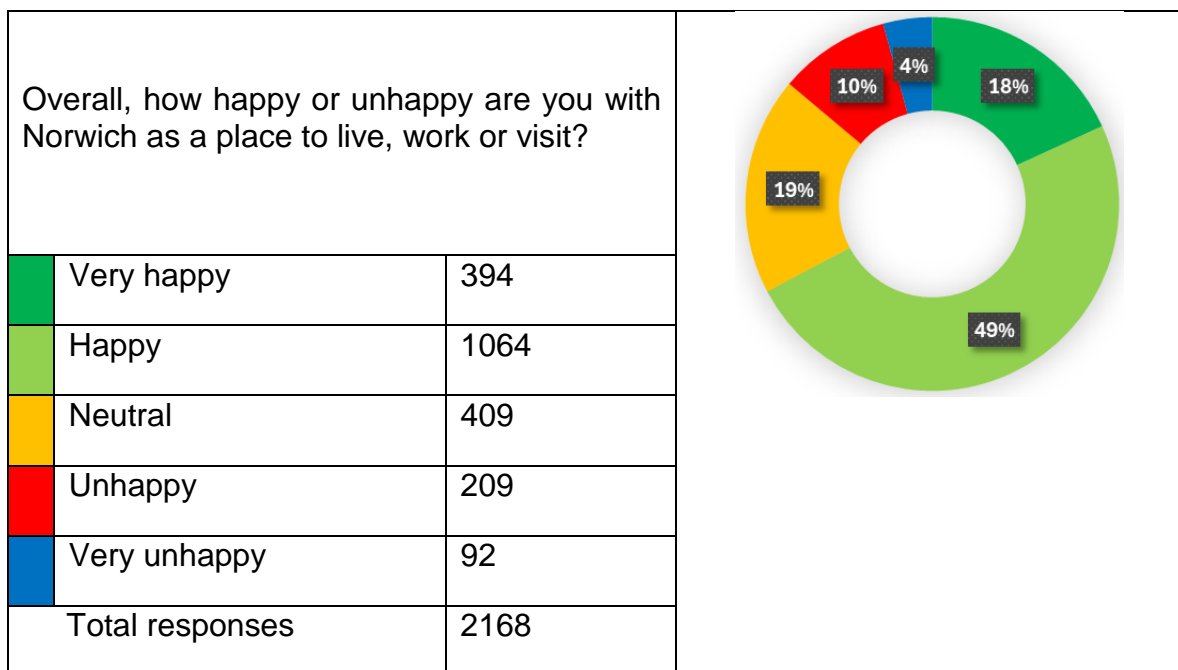
### Q1. Which of the following best describes you?

Category	Number of respondents	Percentage
I live in Norwich	1964	91%
I work in Norwich but live in another area	83	4%
I visit Norwich	42	2%



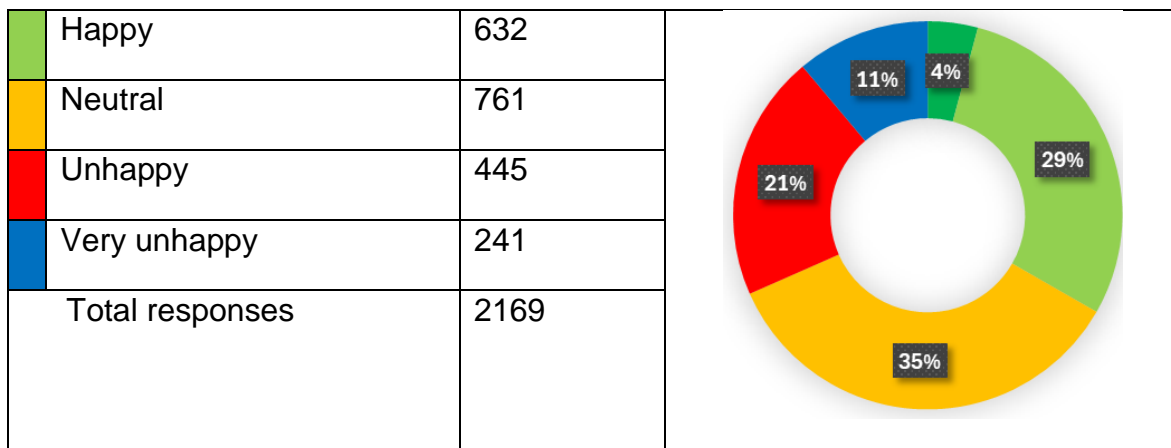
I represent a business in Norwich	38	2%
I represent a community organisation in Norwich	11	1%
Other (please specify)	31	1%
Total responses	2169	

**Q2. Overall, how happy or unhappy are you with Norwich as a place to live, work or visit?**

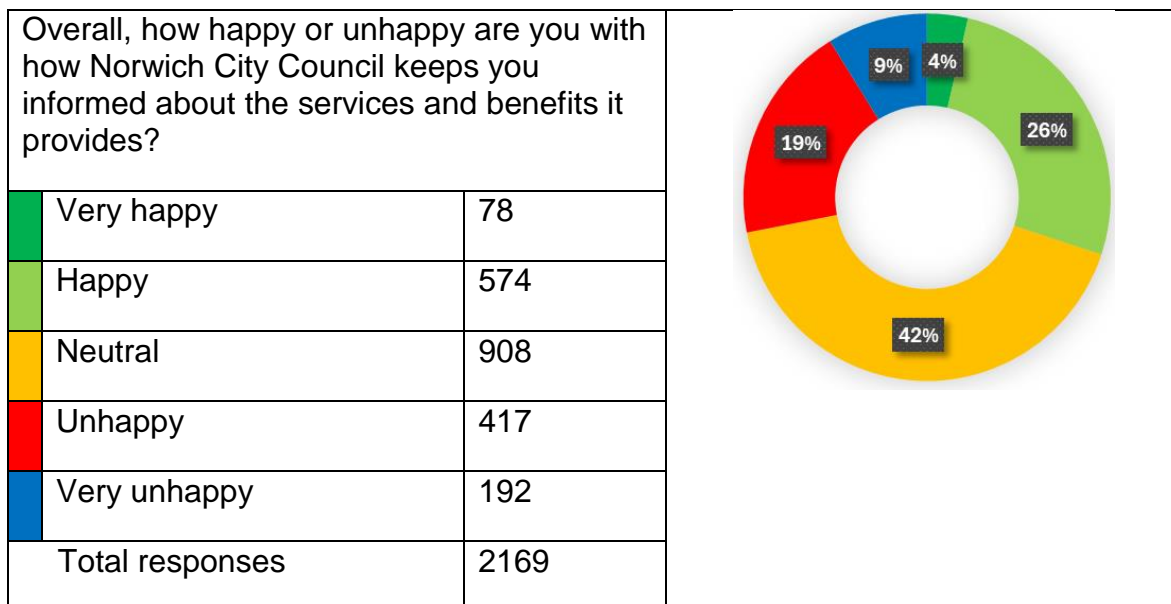


**Q3. Overall, how happy or unhappy are you with the way Norwich City Council delivers its services?**

Overall, how happy or unhappy are you with the way Norwich City Council delivers its services?		
	Very happy	90



**Q4. Overall, how happy or unhappy are you with how Norwich City Council keeps you informed about the services and benefits it provides?**



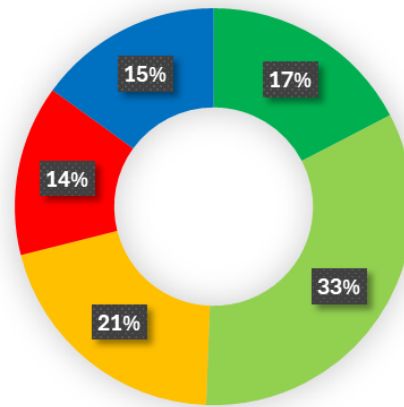
**Q5. What is your level of support for budget approach one?**

A majority of respondents supported the council's proposal to increase the city council's share of council tax by up to 2.99% per cent to generate an additional £400,000 and safeguard council services (50% support or strongly support this proposal, compared to 29% who oppose or strongly oppose the increase).

**Approach one:** Increase the city council's share of council tax by 2.99% to safeguard services. This will generate an additional

£400,000 to help pay for the services we provide and prevent cuts to vital services.

I strongly support	376
I support	719
Neutral	443
I oppose	301
I strongly oppose	325
Total responses	2164

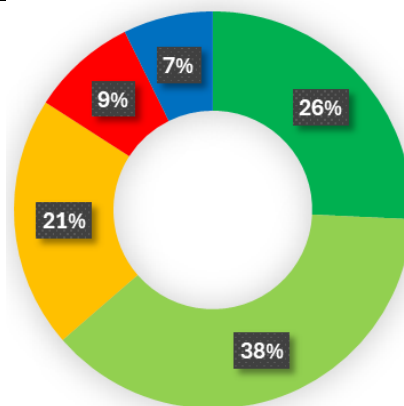


#### Q6. What is your level of support for budget approach two?

The majority of respondents (64%) support or strongly support an investment approach to services and major projects while 16% oppose or strongly oppose this.

**Approach two:** An investment approach to services and major projects for the city. For example, in 2024-25 we are investing £30m to upgrade properties and build new homes.

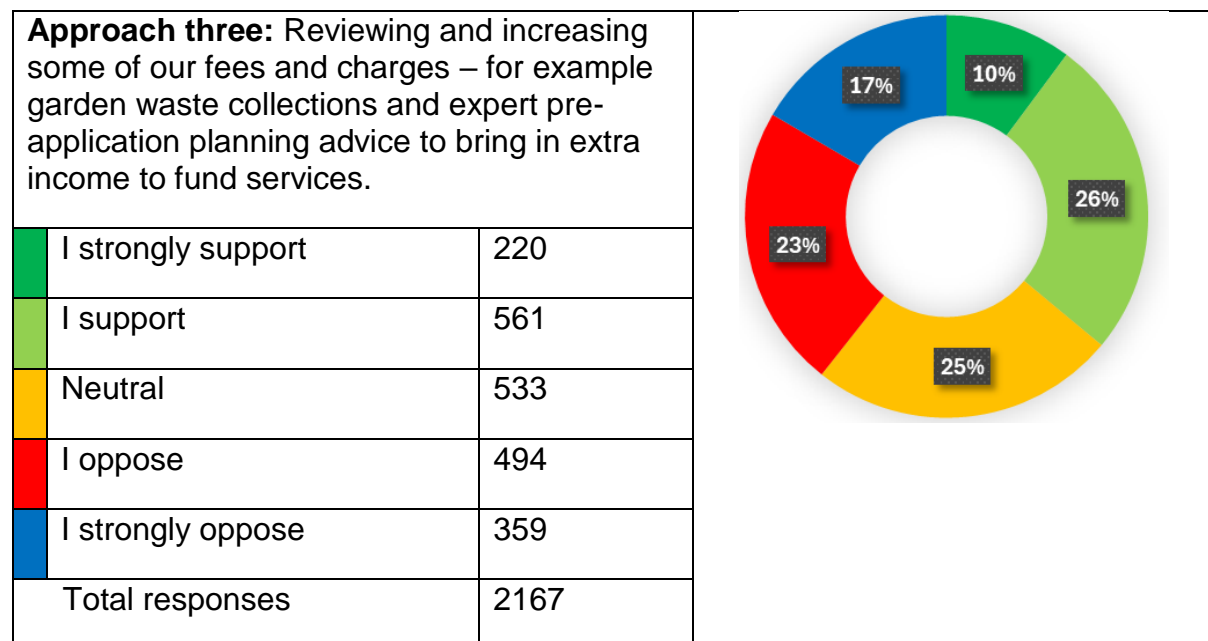
I strongly support	557
I support	820
Neutral	443
I oppose	186
I strongly oppose	158
Total responses	2164



#### Q7. What is your level of support for budget approach three?

There was some support (36%) for reviewing and increasing some council fees and charges to bring in additional income to fund services. 25% of respondents

neither supported nor opposed this approach and 39% of respondents oppose or strongly oppose this approach.



## Demographic data

The following section of the report outlines demographic data about the respondents who completed the survey.

### Q8. What is your gender?

The majority of respondents (52%) identified as male, while 44% identified as female. 3% of respondents preferred not to disclose this information and 1% identified as other.

Gender	Number of respondents	Percentage
Male	1127	52%
Female	944	44%
Prefer not to say	66	3%

Other (please specify)	15	1%
Total responses	2152	

### Q9. What is your age group?

The age banding with the highest response rate was the 55-64 age group, comprising 22% of the total 2,176 responses. This was closely followed by the 45-54 age group at 19% and the 35-44 age group at 18%. The 65-74 age group accounted for 16% while younger participants aged 25-34 represented 13%. Smaller proportions were seen in the 75 or older group (6%), the 18-24 group (3%), and those who preferred not to disclose their age (3%). One respondent was 18 or under.

Age group	Number of respondents	Percentage
18 and under	1	<1%
18-24	61	3%
25-34	271	13%
35-44	398	18%
45-54	410	19%
55-64	483	22%
65-74	346	16%
75 or older	135	6%
Prefer not to say	62	3%
Total responses	2167	

### Q10. Which of these best describes your ethnic group?

The majority of respondents (88%) identified as White, 6% preferred not to disclose this information and 2% identified as Mixed or multiple ethnic groups. 2% identified their ethnic group as Black, African, Caribbean or Black British, 2% identified as Asian or Asian British and 1% identified as Other.

<b>Ethnic group</b>	<b>Number</b>	<b>Percentage</b>
White	1899	88%
Mixed or multiple ethnic groups	49	2%
Asian or Asian British	33	2%
Black, African, Caribbean or Black British	34	2%
Prefer not to say	125	6%
Other (please specify)	24	1%
Total responses	2164	

#### **Q11. What is your religion?**

The majority of respondents (54%) identified as having no religion, while 33% identified as being Christian. 8% of respondents preferred not to disclose this information.

<b>Religion</b>	<b>Number</b>	<b>Percentage</b>
No religion	1167	54%
Christian (including Church of England, Catholic, Protestant and all other Christian denominations)	711	33%
Buddhist	16	1%
Hindu	9	<1%
Jewish	12	1%
Muslim	31	1%
Sikh	2	<1%

Prefer not to say	165	8%
Other (please specify)	38	2%
Total responses	2151	

**Q12. Do you consider yourself to have a long-term illness or disability?**

23% of respondents identified as having a long-term illness or disability, while 70% did not. 8% of respondents preferred not to disclose this information.

Category	Number	Percentage
Yes	487	23%
No	1510	70%
Prefer not to say	164	8%
Total responses	2161	

**Q13. If so, which of the following best describe your condition or disability?**

The category with the highest response rate was long-standing illness or health condition, accounting for 41% of responses. This was closely followed by physical or mobility impairments at 38%, mental health conditions at 36%, and neurodiversity at 19%. 5% of respondents preferred not to disclose this information.

Category	Number	Percentage
Physical or mobility impairment	185	38%
Learning disability	21	4%
Learning difficulty	20	4%
Neurodiversity	94	19%

Long standing illness or health condition (e.g. cancer, diabetes or chronic heart disease)	198	41%
Mental health condition	172	36%
Sensory impairment	21	4%
Other (please specify)	31	6%
Prefer not to say	25	5%
Total responses	485	



### 3. HOUSING REVENUE ACCOUNT 2025-2026 BUDGET

Item 5

#### The HRA Business Plan

1. Every year a review of the financial elements of the Housing Revenue Account Business Plan (HRA BP) is undertaken, and projections updated accordingly (The report detailing the latest review is due to be presented to Cabinet on 11<sup>th</sup> December 2024). The review aligns the investment priorities in the HRA BP with our Housing Strategy 'Fit for the Future' 2020-2026 which has four goals:
  - Meeting housing need - delivering new homes
  - Maintaining and improving condition of existing housing
  - Improving the use and management of our existing stock
  - Improving our neighbourhoods
2. The annual review of the HRA BP considers the following factors that can affect its viability:
  - National political and policy changes (regulatory requirements, welfare)
  - Expected rental income (rent settlements) and service charges
  - Housing stock condition
  - Wider economic pressures: inflation, utilities, building and maintenance costs

#### Background

3. The HRA is required to record expenditure and income on the operation of the Council's housing stock, including related services and/or facilities which are provided principally for the benefit of the Council's tenants.
4. The HRA budget covers both revenue and capital spending including all services to tenants and leaseholders.
5. The main aspects of the HRA are:
  - it is a landlord account, recording expenditure and income arising from the provision of housing accommodation by local housing authorities (under the powers and duties conferred on them in Part II of the Housing Act 1985 and certain provisions of earlier legislation)
  - it is not a separate fund but a ring-fenced account of certain defined transactions, relating to local authority housing, within the General Fund
  - the main items of expenditure included in the account are management and maintenance costs, major repairs, loan charges, and depreciation costs
  - the main sources of income are from tenants in the form of rents and service charges
  - the HRA should be based on accruals in accordance with proper accounting practices, rather than cash accounting

6. Legislative features are:
  - ring-fenced account within the General Fund
  - credits and debits are prescribed by statute
  - no general discretion to breach the ring-fence
  - cannot budget for a deficit
  - all borrowing within the HRA is in line with the CIPFA Prudential Code.
7. The Housing Revenue Account Business Plan (HRA BP) provides a long-term projection of the income, expenditure, investment and funding for the Council's housing service, based on current information and expectations. The HRA BP provides the evidence for:
  - financial viability of the HRA
  - maintaining tenant and leaseholder safety
  - informing stock decency and levels of investment (including new build)
  - service delivery and accountability

#### **Key points of the review**

8. The annual review found that to deliver the HRA BP and the goals of our housing strategy the Council must do the following:
  - Drive down overall costs
  - Maximise its income
  - Secure additional funding
9. But because of inflationary pressures this means that the Council needs to borrow more to deliver:
  - Decarbonisation
  - Stock investment
  - New council homes to meet housing needs.
10. To ensure we can meet the above objectives and a viable HRA BP in the short to long term we will also consider the following:
  - Increase social rent levels by CPI+1% for existing tenants on annual basis for the next five years, rent levels beyond five years subject to Government consultation.
  - Charge social formula (target) rent on new lettings of existing stock. As part of the 2002 Government's Rent Restructuring policy, a formula (target) rent was calculated for each dwelling based on a number of factors including the size and value of the property and local and national earnings. The policy intended to align council and registered social landlord rents by gradually moving actual rents towards formula rents over a ten-year period. However, due to subsequent changes to the policy and imposed rent caps and reductions, in most cases, actual rents have not converged with the formula rent.

- Charge an enhanced level of rent (at local housing allowance) for specific new homes that offer lower living costs as a result of enhanced energy efficiency standards.
- Explore additional alternative rent models for new homes and relet dwellings that offer lower living costs as a result of enhanced energy efficiency standards.

### **Risks identified in the HRA BP**

11. The following risks and controls were identified:

<b>Risk</b>	<b>Controls required</b>
<b>Long term future rent uncertainty</b>	We have seen the impact of the four-year rent freeze and a subsequent rent cap. Any future cap or reduction below inflation will have an impact on the Business Plan.
<b>Increase in cost of repairs and major works</b>	<p>The delivery of the repairs and maintenance service brings several inherent risks including fluctuations in the number of vacant properties, on-going stock deterioration rates, changes in government guidance and regulations and the transformation of the NCSL service. An improvement plan is being developed to tackle these impacts but the risk to the business plan remains.</p> <p>We have seen some significant increases in contractor and materials costs as part of capital and responsive repair programmes. We will continue to monitor the long-term direction of construction cost inflation, collaborating with colleagues across the Council. The business plan is a 'living document' and will be adjusted accordingly.</p>
<b>Meeting Decarbonisation targets</b>	<p>The investment included within the business plan is based on assumptions currently used by the social housing sector. As local stock condition, energy performance and cost data are developed in 2025-2026, we will update the assumptions.</p> <p>Additional grant funding (above the 40% assumed), could support delivery at a faster pace. We will investigate opportunities to work with other social housing sector partners to share opportunities for funding, skills, and supply chain.</p>
<b>Borrowing and interest rates</b>	The HRA's existing loan portfolio comprises loans of various but fixed rates, however future borrowing will be exposed to interest rate changes. Although this is a risk to the business plan, where possible, future borrowing will be timed to take advantage of lower interest levels as opportunities arise.

<b>Building and fire safety</b>	<p>The full cost impact assessment has not been possible yet because secondary legislation will be published over several years. However, budget provision has been made for the next 5 years which is based on the best information we have and should enable investment in all buildings over 18 metres (high-rise) and any high-rise residential buildings. In the future, some degree of re-prioritisation of the 30-year business plan may be needed.</p> <p>The Fire Safety Act 2021 and subsequent legislation means there are further fire safety measures that we need to implement. The costs of preparing for and managing these changes have been included in the business plan. There continues to be a risk around the market capacity/capability to respond to the scale of need nationally which could lead to the possible inflation of costs. This will have an impact on our repairs and capital budgets.</p>
<b>Inflation Rate Risk</b>	<p>The HRA Business Plan assumes a range of ongoing inflation rates which has been factored into the 30-year plan. The consumer price index inflation rate is assumed at 1.7% for 2025-2026, 2.25% for 2026-2027, 1.5% for 2027-2028 and 2% assumed thereafter for both revenue and capital. Building costs inflation is assumed at CPI plus 1% throughout the plan. If the assumed inflation rate was to change, this will have an impact upon the forecasted income into the HRA over the 30 years; if the assumed inflation rate was to be exceeded, then this may have a negative impact upon revenue expenditure and the capital programme costs.</p>
<b>Stock condition and performance data risk</b>	<p>A stock condition survey has been commissioned, the data from the survey and energy performance assessment information will be utilised to fully understand costs and enable better planning of capital and decarbonisation works.</p>

## Financial Background and Budget

12. The Housing Revenue Account (HRA) was established by the Local Government and Housing Act 1989 as a ring-fenced account separate to the general fund and contains income and expenditure related to the ownership and management of the council's social housing stock.
13. Prior to 2012-2013, the HRA was funded at a national level through the housing subsidy regime. Since then, it has been run on a self-financing basis i.e. all revenue and capital expenditure needs to be funded from the rents and service charges paid by tenants or funded by housing benefit.

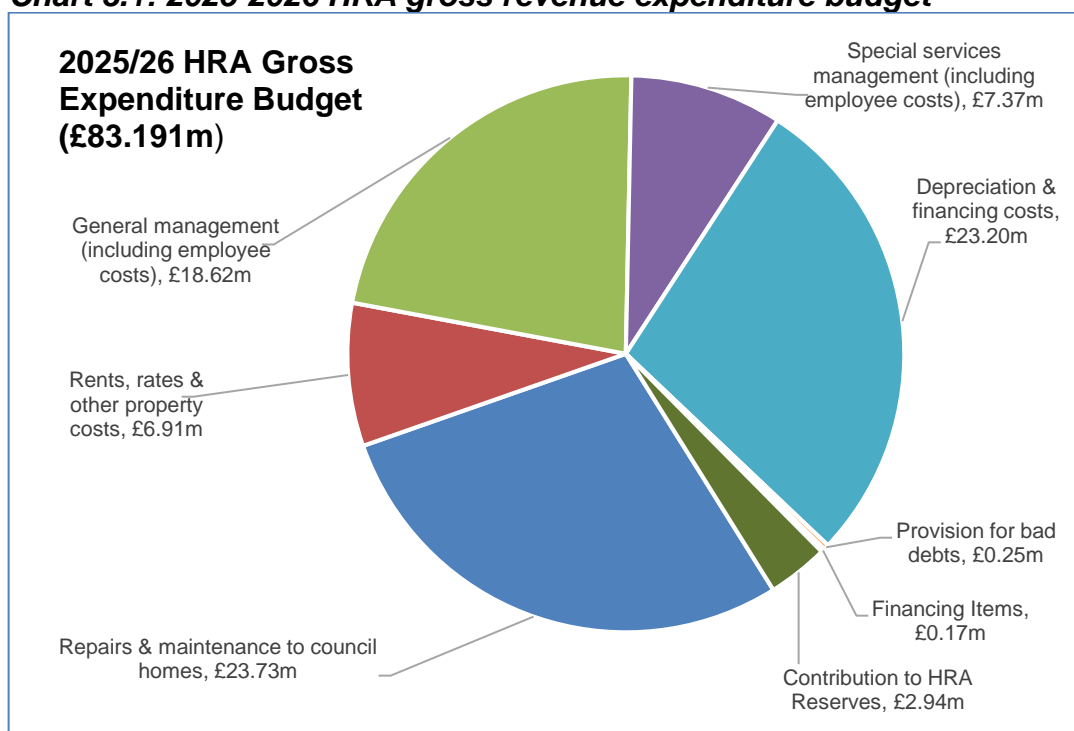
## Forecast 2024-2025 Outturn

14. The latest position on the Housing Revenue Account (HRA), as at period 6, shows a forecast underspend of £7.167 million, which is driven entirely by the removal of the planned revenue contribution to capital costs (RCCO) of £10.063 million, made possible as a result of the new flexibilities applied to the Right To Buy (RTB) retention agreement for a two-year period. The underlying position continues to reflect budget pressures with property maintenance costs, reflecting demand and supply pressures within the property sector both in terms of the volume of activity but also the associated costs, which have been offset, to a degree, by staff vacancies and income recovery.

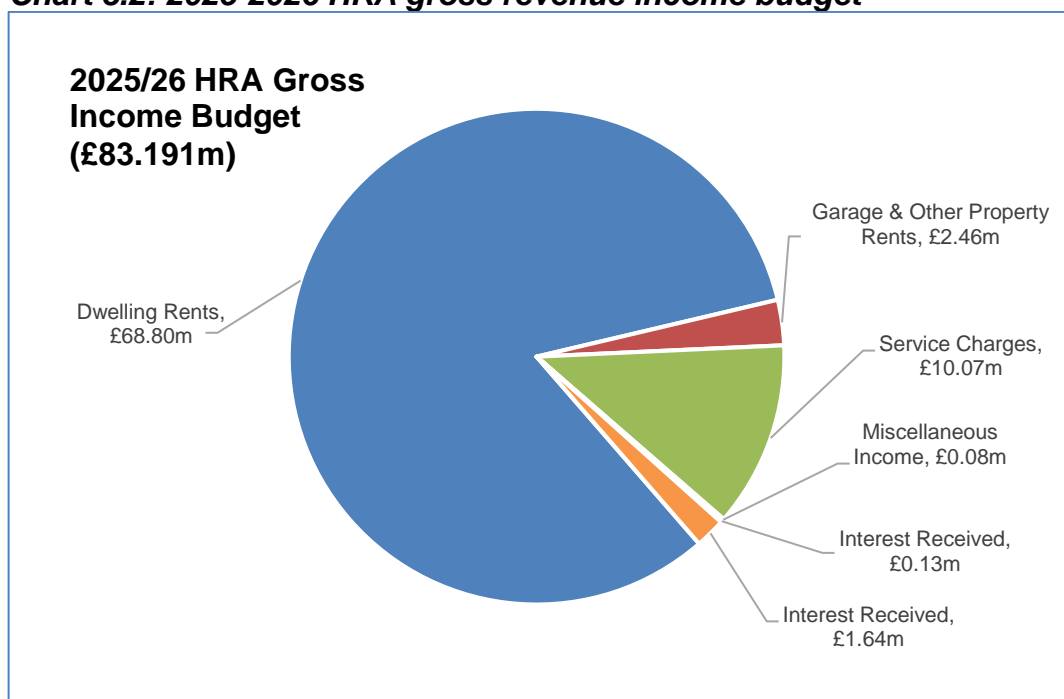
## Proposed 2025-2026 Revenue Budget

15. The budget proposes gross revenue expenditure of £80.252m and gross income of £83.191m, generating a surplus of £2.939m, as shown in appendix 3 (A). Due to the new flexibilities relating to the Right to Buy retention agreement described above, it will not be necessary to make a revenue contribution towards the funding of the capital programme in 2025-2026. It is therefore proposed that the surplus of £2.939m is transferred to HRA reserves in 2025-2026 and utilised to support the provision of new homes in future years.

**Chart 3.1: 2025-2026 HRA gross revenue expenditure budget**



**Chart 3.2: 2025-2026 HRA gross revenue income budget**



### Council housing rents, garage rents, and service charges

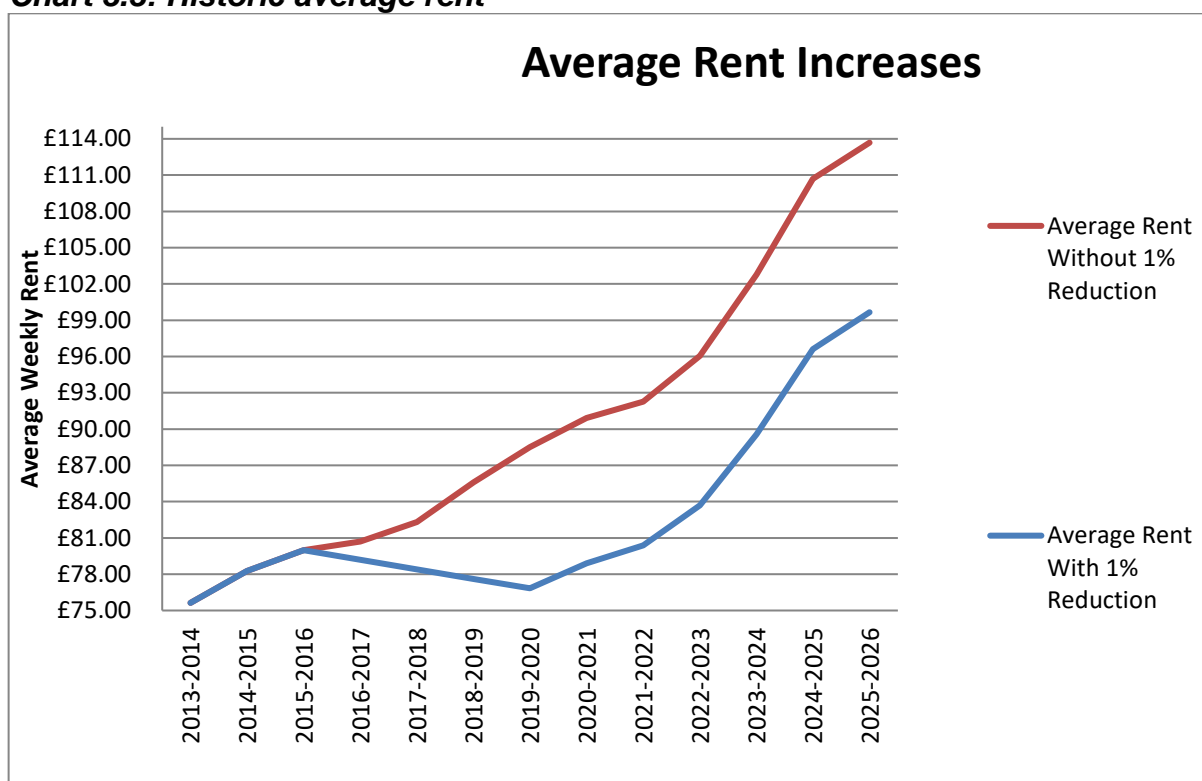
16. Historically, the level at which council housing rents were set was decided by the Council in line with guidance set out by the government and information provided by the HRA Business Plan. However, in 2016-2017 the rent policy was replaced by a government enforced minimum 1% reduction in rent for a four-year period until March 2020, as set out in the Welfare Reform and Work Act 2016. The impact of this over a 60-year period was a loss of over £200m in rental income.
17. From 2020-2021, the enforced 1% rent reduction ended and the Secretary of State issued the Direction on the Rent Standard which enabled authorities to increase rent annually by up to CPI (Consumer Price Index) as at the preceding September plus 1%. However, for 2023-2024, the government implemented a cap of 7% on all social housing rent increases.
18. For 2025-2026, rent increases will again follow the Rent Standard, which would increase rents by 2.7% and generate an average weekly rent increase of £2.62 for Norwich social housing tenants (excluding larger dwellings leased to care agencies). The table below shows the minimum and maximum rent increases at 2.7%.

**Table 3.1: Proposed dwelling rent increase 2025-2026**

Item	Average £	Maximum £	Minimum £
Rent 2024-2025	97.04	151.66	68.66
Proposed Increase (2.7%)	2.62	4.09	1.85
Proposed Rent 2025-2026	99.66	155.75	70.51

19. The impact of the four-year rent reduction is shown in the chart below, which plots the actual average rent against the calculated average rent had a rent reduction not been enforced.

**Chart 3.3: Historic average rent**



20. Tenant Involvement Panel representatives were consulted over the proposed 2.7% increase on 12th December 2024. The impact on both tenants and the long-term viability of the HRA was discussed, but it was recognised that increases are necessary to maintain the level of investment in existing and new homes and delivery of the decarbonisation programme, and the proposed rent increase of 2.7% in line with government guidance was noted.
21. For 2025-2026, it is also proposed to increase garage rents by CPI +1% which is 2.7%.
22. In accordance with the constitution, levels of tenants' service charges will be determined by officers under delegated powers, in consultation with the portfolio holder and after engagement with tenant representatives, to be applied to existing and for any new service provision.
23. The current budget provision is calculated using a void rate of 1.6% and equates to an estimated rental income loss for void periods of £1.119m for 2025-2026.

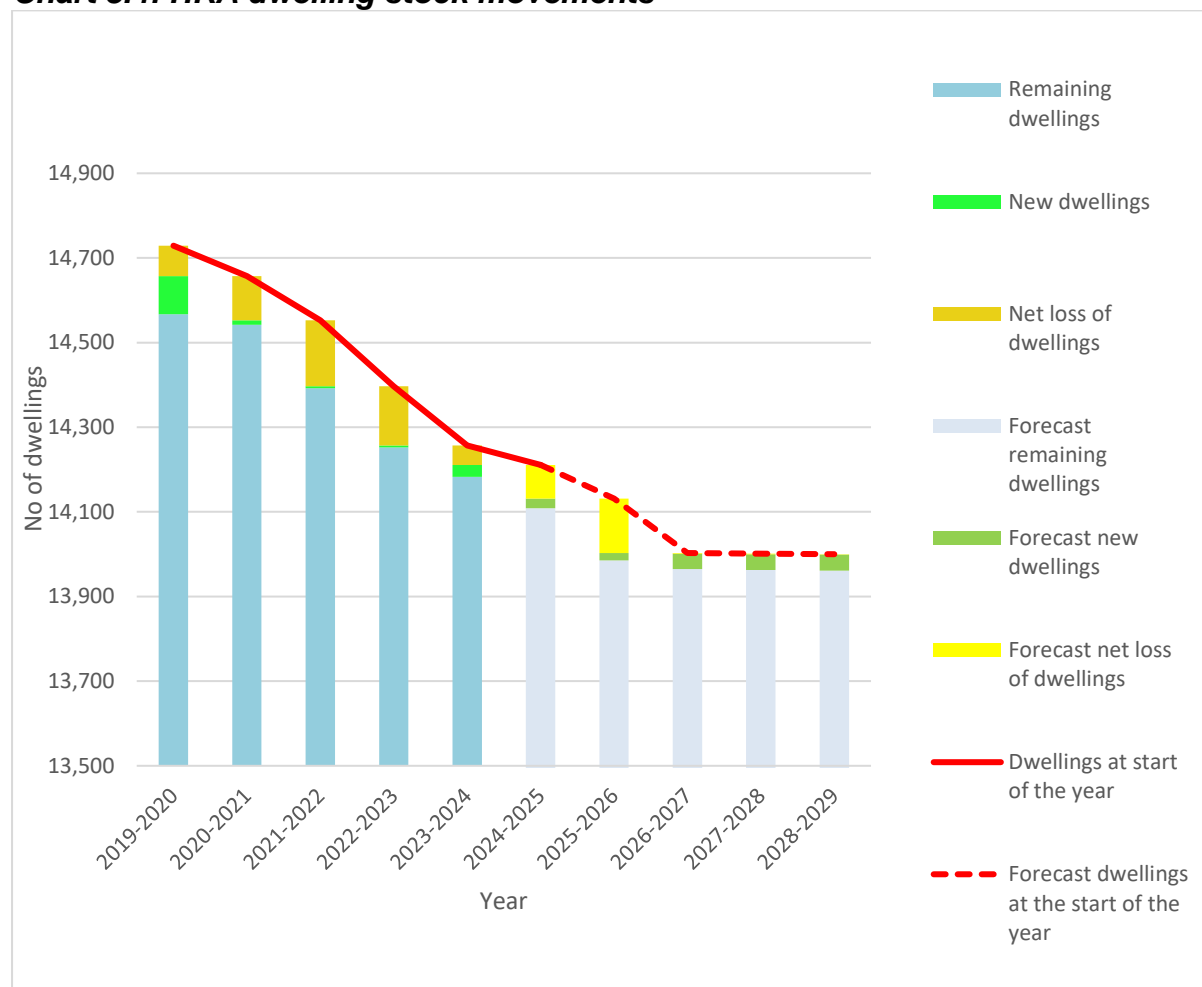
### Council dwelling stock levels

24. Following a significant increase in 2021-2022 and 2022-2023, the number of Right-to-Buy purchases of HRA dwellings reduced during 2023-2024 but is anticipated to increase again for 2024-2025 and further to approximately 140 for 2025-2026. In the future, the business plan anticipates that the impact of the reduction in Right to Buy maximum discounts and the consultation on wider reform to the scheme, announced in the Government's Autumn Budget

will significantly reduce the level of future sales to 32 dwellings, with only a slight increase thereafter.

25. Over the past five years, 641 homes have been lost from social rent. Whilst the council is ambitious in its plans to build new social housing to meet local need, these are also at risk of being subject to Right to Buy.
26. Chart 3.4 below sets out the movement in the level of council housing stock over the past five years along with a forward projection over the next five years. Further detail is provided in Appendix 3 (B).

**Chart 3.4: HRA dwelling stock movements**



### Capital expenditure plans

27. The HRA business plan includes expenditure arising from the proposed HRA capital budget as set out in section 4 of this report (capital strategy and 2025-2026 capital budget).
28. The proposed HRA capital programme is based upon Housing Strategy 'Fit for the Future' 2020-2026 which has four goals:
  - Meeting housing need - delivering new homes
  - Maintaining and improving condition of existing housing
  - Improving the use and management of our existing stock

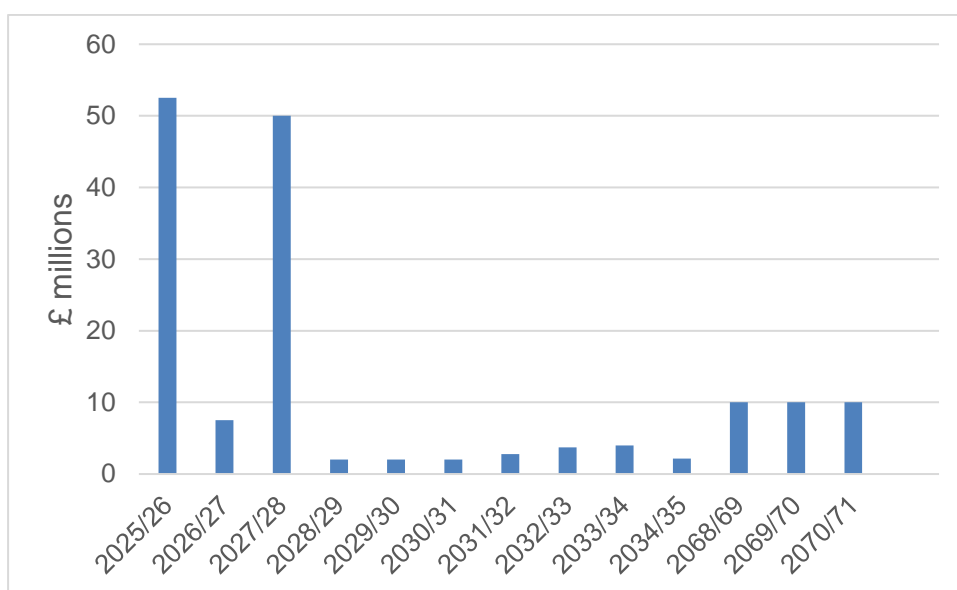


- Improving our neighbourhoods

### **Capital financing plans**

29. Following the government abolition of the HRA borrowing cap in 2018, the council can determine how much it will borrow to fund capital expenditure, if it can demonstrate that the borrowing is affordable, prudent and sustainable as required by CIPFA's Prudential Code. The council does this for general fund capital expenditure by agreeing and monitoring several prudential indicators. These indicators now include the HRA and will be included in the Treasury Management Strategy 2025-2026 which will be considered by Council in February 2025.
30. The decision to remove the borrowing cap gives the council more flexibility to invest in the existing housing stock and to increase its holdings. Future investment will be guided by the housing strategy
31. How an individual capital scheme is funded will depend on the prevailing financial circumstances and the nature of the scheme (e.g. new build or enhancement of an existing asset). In practice, there are seven key funding sources which the council uses in the following priority order (more information is given on capital financing strategy in Appendix 4 (C):
  1. Right-to-Buy Retained 'One for One' capital receipts.
  2. Capital Grants
  3. Major Repairs Reserve
  4. General HRA capital receipts
  5. General reserves
  6. Revenue budget contributions
  7. Borrowing
32. The current HRA Capital Financing Requirement (the need to borrow) is £208.532m. The most recent HRA external borrowing of £30m was taken in advance to support the refinancing in 2022-2023 of an existing loan of £49m which formed part of the £149m loan undertaken to fund the HRA self-financing settlement in 2012 when the HRA subsidy system was abolished. This meant that the council no longer had to make payments of approximately £9m per annum to the Government subsidy system and was able to retain all future rental income in return for taking on a calculated share of the national housing debt. The remaining borrowing consists of £31m of historic external borrowing, the most recent being taken over 25 years ago.
33. HRA assets are currently valued at £933.340m (31 March 2024), which against a borrowing requirement of £208.532m (31 March 2024), equates to a loan-to-value gearing of 22.343%. This is lower than the national average gearing for local authorities of 28% and the national average for registered providers which is more than 60%.
34. Chart 3.5 sets out the redemption dates and values of current HRA external borrowing. The most recent borrowing in 2021 and 2012 is represented by loans totalling approximately £130m from the Public Works Loans Board (PWLb), whilst all other loans shown constitute historic borrowing which will be repaid within 10 years.

35. **Chart 3.5: Existing HRA external borrowing**



36. The 2025-2026 HRA capital budget proposed in section 4 of this report does not require any new borrowing, although to deliver significant levels of new social housing and the retrofit programme, additional borrowing will be required in future years.

### HRA Reserves Position

37. The proposed budget will impact on the HRA balance as follows:

**Table 3.3: Estimated HRA reserves position**

Item	£000
Brought Forward from 2023/24	(41,419)
Budgeted utilisation of balances in 2024-2025	(57)
Forecast HRA underspend 2024-2025 (at period 6)	(7,167)
<b>Forecast to be carried forward to 2025-2026</b>	<b>(48,643)</b>
Provisional proposed contribution to balances in 2025-2026	(2,939)
<b>Forecast to be carried forward to 2026-2027</b>	<b>(51,582)</b>

38. The level of general reserves is forecast to increase in both 2024-2025 and 2025-2026, which is due to not being required to make a revenue contribution towards the cost of new homes as a result of the temporary increased flexibilities surrounding Right to Buy Receipts in these years. The estimated reserves to carry forward into 2026-2027 remain substantial (£52m) which not only provides a flexible funding resource for the HRA, but also ensures the financial resilience of the account, and provides the council with options for service delivery and the funding of future capital expenditure whilst managing overall debt.
39. It is proposed that the prudent minimum level set for the HRA reserve should remain unchanged for 2025-2026 as set out in Table 3.4. Provision has been made for the risk of additional costs and risk arising from the impact of welfare reforms, the economy and jobs in the city. Further provision is also made for other potential risks and unforeseen events.

**Table 3.4: Prudent minimum level of HRA reserves**

Item	£000
Calculated operational risk	1,348
Potential issues arising from welfare reform	500
Potential issues arising from economic issues	1,000
Potential interest costs relating to retained one for one receipts	1,000
Unforeseen events	2,000
Estimated required level of HRA reserves	5,848

### Appendix 3 (A): 2025-2026 proposed HRA budget by service

Division of Service	Original Budget 2024/25 £000	Proposed Budget 2025/26 £000	Change £000
Repairs & Maintenance	17,279	23,730	6,450
Rents, Rates, & Other Property Costs	6,087	6,910	823
General Management	18,181	18,616	435
Special Services (not provided to all tenants)	7,107	7,374	267
Depreciation & Impairment	22,160	23,203	1,043
Provision for Bad Debts	299	251	(48)
Adjustments & Financing Items	399	169	(229)
<b>Gross HRA Expenditure</b>	<b>71,511</b>	<b>80,252</b>	<b>8,742</b>
Dwelling Rents	(66,972)	(68,799)	(1,828)
Garage & Other Property Rents	(2,419)	(2,461)	(42)
Service Charges – General	(9,907)	(10,075)	(168)
Miscellaneous Income	(82)	(82)	0
Amenities shared by whole community	(130)	(130)	0
Interest Received	(2,104)	(1,645)	459
<b>Gross HRA Income</b>	<b>(81,613)</b>	<b>(83,191)</b>	<b>(1,578)</b>
<b>Total Housing Revenue Account</b>	<b>(10,102)</b>	<b>(2,939)</b>	<b>7,164</b>
Revenue contribution to capital	10,045	0	(10,045)
Contribution to/(from) HRA reserve	57	2,939	2,881
<b>Total</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>

#### Explanation of key variances:

- Repairs & maintenance costs have increased by £6.450m due to an increase in contract delivery costs along with additional provisions for work to prevent damp and mould, survey and remove asbestos and exterior painting.
- Rents, Rates, & Other Property Costs have increased by £0.823m as a result of increased utility and insurance costs along with increased staff recharges.
- General management costs have increased by £0.435m largely as a result of increased staffing related costs across the council.
- Dwelling rent income will increase by £1.828m as a result of the proposed 2.7% rent increase.
- Depreciation charges are expected to increase by £1.043m due to an increase in the value of property and the replacement of key components, however within the HRA, the full value of the depreciation charge is utilised to fund capital upgrade work.
- The revenue contribution to capital expenditure has reduced by £10.045m as expenditure on new homes will be fully funded from Retained One-for-One

Right to Buy Receipts in 2025-2026 due to the temporary increased flexibilities provided by the Government.

### Appendix 3 (B): HRA dwelling stock movements

<b>Council dwellings</b>	<b>2019-2020</b>	<b>2020-2021</b>	<b>2021-2022</b>	<b>2022-2023</b>	<b>2023-2024</b>	<b>2024-2025</b>	<b>2025-2026</b>	<b>2026-2027</b>	<b>2027-2028</b>	<b>2028-2029</b>
No of dwellings at start of year	<b>14,729</b>	<b>14,657</b>	<b>14,553</b>	<b>14,397</b>	<b>14,257</b>	<b>14,211</b>	<b>14,131</b>	<b>14,003</b>	<b>14,001</b>	<b>14,000</b>
RTB sales in year	(156)	(112)	(159)	(145)	(69)	(102)	(140)	(32)	(32)	(33)
Non-RTB sales/leased in year	(6)	(3)	(2)	0	(5)	0	(6)	(6)	(6)	(6)
Dwellings demolished	0	0	0	0	0	0	0	0	0	0
Dwelling conversions	2	0	0	0	0	0	0	0	0	0
New build dwellings	87	0	0	5	28	14	16	34	37	34
Dwelling acquisitions	1	11	5	0	0	8	2	2	0	4

Shaded cells in italics denote forecast movements

## 4. CAPITAL AND COMMERCIAL STRATEGY

Item 9

### **The wider context and capital investment objectives**

- 4.1. Norwich City Council's Capital and Commercial Strategy provides a valuable opportunity for engagement with full council to ensure that overall strategy, investment ambition, risk appetite and governance procedures are fully understood by all elected Members and other Council stakeholders.
- 4.2. It is also a requirement of the Investment Code and the Prudential Code that a commercial strategy exists to inform investments, which are not Treasury Management investments, but which include investing in assets, shares or loans to companies and third parties in support of its corporate priorities. The approach to commercial investments has changed significantly in recent times through changes to the prudential code and capital regulations.
- 4.3. The overall strategy sets out the council's programme and budget for capital investment over the next five years in support of all its capital expenditure items. It describes how the council will manage, finance, and allocate capital investment towards assets that will help to achieve the council's priorities, as well as its operational and statutory requirements.
- 4.4. It covers projects and programmes and investments financed through both the council's General Fund and Housing Revenue Account (HRA).
- 4.5. At the highest level the council's community-led plan sets out our vision for Norwich "A fair and thriving city, full of ambition" and our five priorities that the council wishes to deliver, either directly, or through leading, influencing and working in partnership with others, namely:
  - An open and modern council
  - A prosperous Norwich
  - A fairer Norwich
  - A climate responsive Norwich
  - A future-proof Norwich
- 4.6. There are however additional drivers or needs for capital expenditure. These comprise:
  - Using assets to support the improvement of council services, asset investment in services can be designed to generate both new sustainable income streams as well as improving efficiency of service delivery and the reduction of costs.
  - The need to maintain or improve the physical condition of existing assets as they deteriorate, are less "fit-for-purpose", or fail to comply with regulatory requirements. These considerations are part of the Council's asset management planning processes.
- 4.7. The council's investment objectives for capital expenditure are shown in table 4.1 Specific projects, either within the capital budget or future projects, will deliver these objectives.
- 4.8. The council holds increasingly comprehensive data regarding the condition of its HRA property, but continues to undertake condition surveys on both general fund and HRA assets.

- 4.9. This strategy continues to evolve as the council learns more about the condition of its assets. It continues to be reviewed on an annual basis and officers will also keep under review good practice amongst other local authorities.

### **Commercial property investment**

- 4.10. The council has held commercial property for decades and previously purchased new property investments in line with its former Commercial Property Investment Strategy and within the council's approved capital expenditure budget. Because of changes to the Treasury Management and Prudential Codes of practice, the Council no longer makes new investments in commercial property primarily for yield where this would be funded by borrowing and the capital programme has been amended accordingly.
- 4.11. For those authorities utilising Public Works Loans Board (PWLB) borrowing, the government now requires a high-level outline of their capital planning for the years ahead, categorising projects as service delivery, housing, regeneration, or the refinancing of existing debt, based on the S151 officer's assessment of which category is the best fit for the project. At the point of applying for a PWLB loan, applicants will be asked to confirm that this outline remains current, and that the authority does not intend to buy commercial assets primarily for yield.
- 4.12. However, the Code's statement that authorities 'must not borrow to invest for the primary purpose of financial return' is not intended to require the forced sale of existing commercial investments, whether commercial properties or financial investments. Selling these investments and using the proceeds to net down debt does, however, reduce treasury risks and is therefore an option which should be kept under review, especially if new long-term borrowing is being considered.
- 4.13. The Code requires that authorities which are net borrowers should review options for exiting their financial investments for commercial purposes in their annual treasury management or investment strategies. The options should include use of the sale proceeds to repay debt or reduce new borrowing requirements. Authorities should not take new borrowing if financial investments for commercial purposes can reasonably be realised, based on a financial appraisal which takes account of financial implications and risk reduction benefits.
- 4.14. This enables authorities to weigh the risk reduction benefits of sale against the loss of income and the current sale value of the investments; the code also makes it clear that where an authority has existing commercial properties, the requirement that an authority must not borrow to invest for the primary purpose of financial return, is not intended to prevent authorities from appropriate capital repair, renewal or updating of existing properties.

### **Commercial property earmarked reserve**

- 4.15. The council has agreed to the establishment of a commercial property earmarked reserve. The reserve is held to help mitigate the financial risks of holding commercial property and can be used to fund any future void periods, the granting of rent-free periods to new tenants, and any landlord repairs.



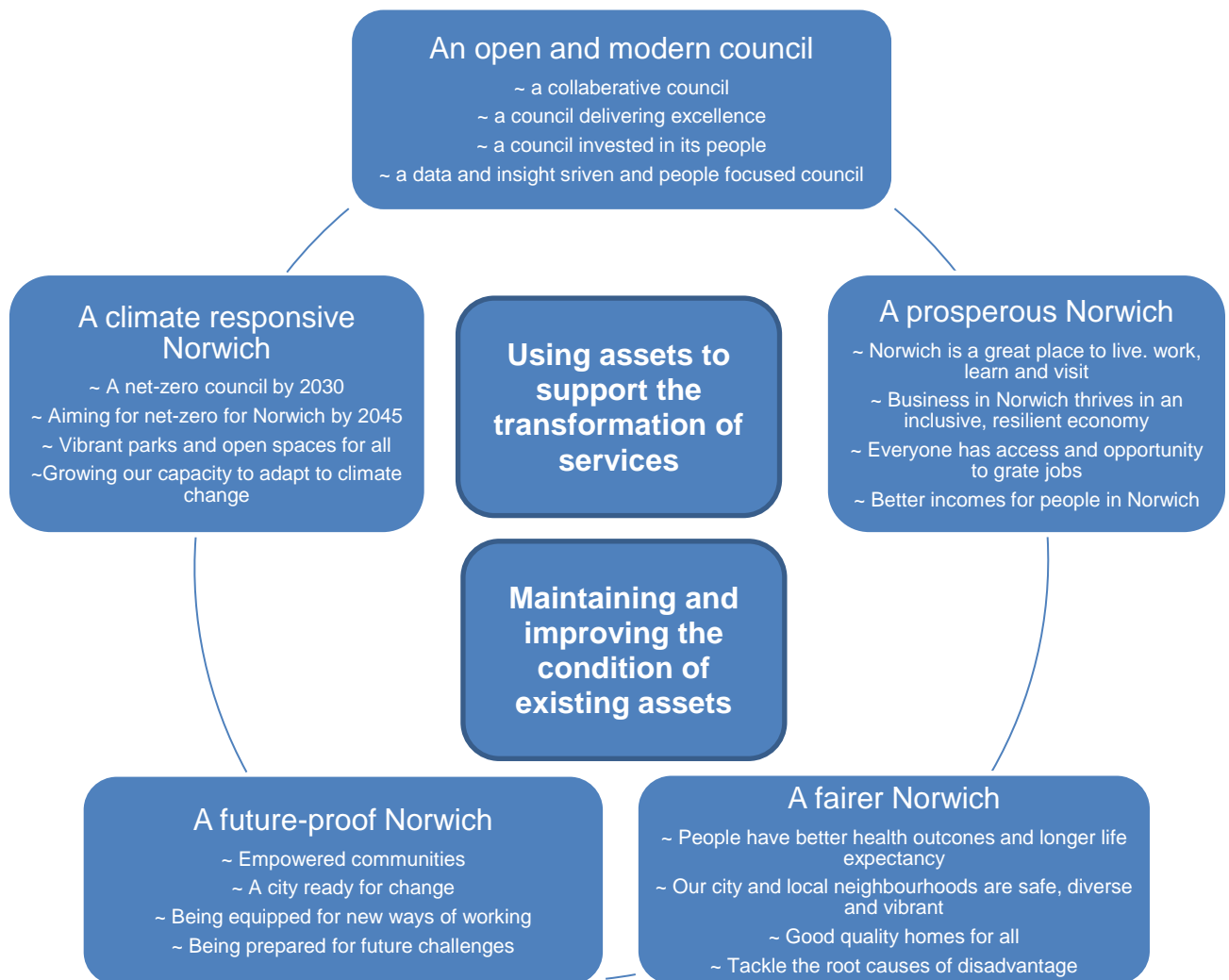
## **Capital Loans**

- 4.16. The Council can borrow funds at preferential rates to fund capital expenditure from the PWLB. Once borrowed, current capital rules allow these funds to be used to make capital loans (onward lending) to other organisations including those that do not have access to PWLB loans.
- 4.17. In being a provider of capital finance, the Council is subject to statutory controls that restrict the loans that can be offered to avoid subsidy control (previously State Aid) issues. Specifically, the Council:
- Must lend funds at a rate that is competitive with market rates for similar loan products.
  - Must not on-lend funds at a rate lower than its own average borrowing rate, even if such rates are subsequently competitive; and
  - Must not use the loan to provide subsidy in other ways, e.g. full or partial discounts on fees or charges incurred for: deferred instalment repayments; late payment of instalments; and full or partial premature loan redemption.
- 4.18. The council has a loan book of £8.397m with three borrowing organisations (as at 31 Dec 24): Lion Homes (Norwich) Ltd (formerly Norwich Regeneration Limited) (£6.150m), Norwich City Services Limited (£2.200m) and the Norwich Preservation Trust (£0.047m).
- 4.19. In making loans the council is exposing itself to the risk that the borrower defaults on repayments. The council must therefore ensure that the loan is prudent and that the risk implications have been fully considered, both regarding the individual loan and the cumulative total of the loan book. The application of a charge on assets is a way of mitigating risk on external loans.

## **Lion Homes Limited (formerly Norwich Regeneration Limited)**

- 4.20. An expected credit loss model calculation is undertaken annually to measure the credit risk of the loan book and reported in the council's Statement of Accounts. This is a requirement of International Financial Reporting Standards.
- 4.21. At the end of 2021-2022 there was an impairment on the council's loan to NRL. This was based on an assessment of how much of the current loan balance may not be recoverable from the company. The Council established an earmarked reserve to cover the assessed cost of the impairment, which can be drawn down if the future business plan is not able to fully recover the investment to date. It is proposed that, based upon an updated review of this assessment, the earmarked reserve is increased to £4.5 million via a transfer from the Budget Risk Reserve.

**Chart 4.1: The proposed key drivers for capital investment**



**Table 4.1: The council's priorities and proposed capital programme**

An open and modern council	A prosperous Norwich	A fairer Norwich	A climate responsive Norwich	A future-proof Norwich
<p>Capital expenditure plans can contribute to this corporate aim by:</p> <ul style="list-style-type: none"> <li>IT investment in hardware, software and mobile technology to enable the council to be data and insight driven and people focused.</li> <li>City Hall Ground Floor Accessibility Improvements will support inclusion by modernising facilities.</li> </ul>	<p>Capital expenditure plans can contribute to this corporate aim by:</p> <ul style="list-style-type: none"> <li>Investment in the Castle Gardens, Guildhall and St Andrews Hall, making Norwich a great place to live, work, learn and visit.</li> </ul>	<p>Capital expenditure plans can contribute to this corporate aim by:</p> <ul style="list-style-type: none"> <li>Investment in the Riverside Leisure Centre and providing Disabled Facilities Grants enabling people to have better health outcomes and longer life expectancy.</li> <li>City Hall Ground Floor Accessibility Improvements will support inclusion by modernising facilities.</li> <li>Significant investment to upgrade existing and provide new council housing providing good quality homes for all.</li> </ul>	<p>Capital expenditure plans can contribute to this corporate aim by:</p> <ul style="list-style-type: none"> <li>Implementing energy efficient measures at community centres and installing solar/photovoltaic technology, renewable heating systems and energy efficiency measures in existing and new council homes to support a net-zero council by 2030, a net zero Norwich by 2045 and growing our capacity to adapt to climate change.</li> <li>Investment in new play equipment in parks, access improvements at Riverside Walk and significant works at Sloughbottom Park to provide vibrant parks and open spaces for all</li> </ul>	<p>The Council aims to be financially self-sufficient, to ensure the long-term sustainability of service delivery to residents and businesses. Capital expenditure plans can contribute to this aim by:</p> <ul style="list-style-type: none"> <li>Implementation of digital systems to ensure the council is equipped for new ways of working</li> <li>Maintain or improve the physical condition of assets owned by the City through the Strategic Property Remediation Fund to ensure that the city is ready for change and our streets are vibrant and busy and have the right facilities for our communities.</li> <li>Stafford Park, Telford upgrade works will support the maximisation of income from commercial property to support Council funding for core services.</li> </ul>

## **Asset management planning**

- 4.22. The overriding objective of asset management planning is to ensure that the council's land and property is appropriate, fit-for-purpose, and affordable.
- 4.23. The council holds a significant and diverse asset portfolio in comparison to similar district councils within the CIPFA comparator group. The total value of the council's land and property assets as at the end of 2023-2024 was £1.2Bn.

## **General Fund asset management planning**

- 4.24. The council has adopted a Strategic Asset Management Framework and in March 2023 adopted a revised action plan to guide decisions over the next five years. This was adopted following external consultancy advice to help inform asset specific decisions and a full review of the investment portfolio has been undertaken. Work is progressing to gather improved condition and valuation data on assets which will help inform updates to the action plan and guide capital and revenue forecasts relating to assets
- 4.25. In the past focus has been largely on using the council's limited capital resources on responsive rather than planned improvements. As condition data is gathered on assets the Strategy Property Remediation Fund is being used to deliver any immediate and urgent capital expenditure needed in response to condition data. However, with good quality data decisions can be made on asset retention or disposal. Where assets are to be retained the aim will be to develop planned larger improvements and investments in assets to prolong their life and improve their performance.
- 4.26. Going forward the aim is for capital spend to be planned to follow the asset review work and informed decision making in relation to the assets' future.

## **Housing Revenue Account asset management planning**

- 4.27. Condition surveys exist for HRA assets, these were reviewed by way of an external stock condition survey that surveyed 50% of the current stock, 100% of communal areas and the structure of blocks. The surveys provided a greater understanding of future requirements, including an understanding of the investment needs of the existing stock of HRA dwellings which are typically built with a 60-80 year life span in mind. There is a requirement for ongoing stock condition surveys set out by the Consumer Standards overseen by the Regulator of Social Housing. These will continuously update our understanding of the condition of our stock and its investment requirements. The implementation of a cyclical stock condition survey is now under review where we will need to target a minimum of 20% of the stock every year
- 4.28. The proposed HRA capital programme seeks to contribute towards achieving these goals. Further detail is included within section 3 of this report – HRA business plan and 2025-2026 budget

## **Capital expenditure plans**

- 4.29. The expenditure plans consist of two kinds:

### Short to medium term plans (1 to 5 years):

- These are the projects and programmes that are being proposed to council as part of the 2025-2026 to 2029-2030 capital programme for delivery within that period.

#### Medium to long-term plans (5 to 10 years):

- There is typically a long lead in time from identifying investment need or opportunities to implementation. Additional future projects that may arise will require a full business case for cabinet and council approval before they can be incorporated into the capital programme and implemented.

#### **Forecast 2024-2025 outturn**

- 4.30. The latest forecast position as at period 6 shows the general fund capital programme is forecast to underspend by £0.050m and the Housing Revenue Account (HRA) capital programme is forecast to underspend by £0.832m. However, it is anticipated that an element of this will form a carry-forward request to enable some of the unspent budgets to be utilised in 2025-2026.

#### **2025-2026 to 2029-2030 capital programme**

- 4.31. The focus of the capital strategy is towards the delivery of schemes within an approved budget. Traditionally, the focus used to be on an annual investment plan for the next financial year, however, the council has now moved to a five-year rolling capital programme, which provides greater certainty for delivery as well as for financial and resource and procurement planning
- 4.32. Table 4.2 below summarises the proposed 2025-2026 overall capital budget along with indicative spending plans from 2026 to 2030, which has been categorised into the projects that have already been agreed as part of the five year programme in previous years, new projects that are proposed as part of the capital programme and may proceed upon approval of the budget and projects that are proposed to form part of the capital programme but require a business case to be approved before they may proceed and any expenditure be incurred. Details setting out the proposed projects and programmes within the general fund and HRA are found in Appendix 4 (B).

**Table 4.2 Capital Programme 2025 – 2030**

	<b>2025- 2026 £000</b>	<b>2026- 2027 £000</b>	<b>2027- 2028 £000</b>	<b>2028- 2029 £000</b>	<b>2029- 2030 £000</b>	<b>5 year Total £000</b>
<b>General Fund Summary programme (Approved)</b>						
Housing & Community Safety	1,982	1,622	1,673	1,700	0	<b>6,977</b>
Resources	360	315	275	275	0	<b>1,225</b>
Development and City Services	15,418	1,192	923	1,366	0	<b>18,899</b>
Capital Loans	7,000	1,000	0	0	0	<b>8,000</b>
<b>Total General Fund Summary programme (Approved)</b>	<b>24,760</b>	<b>4,129</b>	<b>2,870</b>	<b>3,341</b>	<b>0</b>	<b>35,100</b>
<b>General Fund Summary Programme (Proposed)</b>						
Housing & Community Safety	231	(65)	0	0	1,742	<b>1,908</b>
Resources	0	5	45	45	320	<b>415</b>
Development and City Services	(1,514)	312	615	(810)	3,065	<b>1,667</b>
<b>Total General Fund Summary Programme (Proposed)</b>	<b>(1,283)</b>	<b>252</b>	<b>660</b>	<b>(765)</b>	<b>5,127</b>	<b>3,991</b>
<b>General Fund Summary Programme (Business Case Required)</b>						
Housing & Community Safety	31	0	0	0	0	<b>31</b>
Resources	0	1,200	0	0	0	<b>1,200</b>
Development and City Services	6,425	50	50	50	50	<b>6,625</b>
<b>Total General Fund Summary Programme (Business Case Req'd)</b>	<b>6,456</b>	<b>1,250</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>7,856</b>
<b>Total General Fund Programme</b>	<b>29,933</b>	<b>5,630</b>	<b>3,581</b>	<b>2,626</b>	<b>5,177</b>	<b>46,947</b>
<b>Housing Revenue Account Summary Programme (Approved)</b>						
HRA - Development and City Services	15,729	14,281	12,641	8,130	0	<b>50,782</b>
HRA - Housing & Community Safety	30,209	27,791	25,845	25,845	0	<b>109,690</b>
<b>Housing Revenue Account Summary Programme (Proposed)</b>						
HRA - Development and City Services	(7,654)	249	(5,199)	(5,834)	6,712	<b>(11,726)</b>
HRA - Housing & Community Safety	(878)	13,106	13,313	15,791	40,853	<b>82,185</b>
<b>Housing Revenue Account Summary Programme (Business Case Required)</b>						
HRA - Housing & Community Safety	114	0	0	0	0	<b>114</b>
<b>Total Housing Revenue Account Programme</b>	<b>37,520</b>	<b>55,427</b>	<b>46,600</b>	<b>43,932</b>	<b>47,565</b>	<b>231,044</b>
<b>Total Proposed Capital programme</b>	<b>67,453</b>	<b>61,057</b>	<b>50,181</b>	<b>46,558</b>	<b>52,741</b>	<b>277,990</b>

- 4.33. In 2025-2026 the capital programme aims to deliver the following key outcomes:

General Fund:

- £8.37m of investment at Sloughbottom Park funded by Levelling Up grant.
- £1.61m to improve private homes for older or disabled residents to enable them to continue living in their own home.

Housing Revenue Account:

- Meeting housing need - delivering 151 council homes by 2029-2030.
- Upgrade of existing housing stock - £29.5m including 950 upgraded heating systems, 810 electrical upgrades, 395 new kitchens, 395 new bathrooms, 150 solar/photovoltaic installations, 100 air-source heat pumps and approximately 3,000 upgraded fire doors.
- Improving the use and management of the existing housing stock - £2.75m disabled adaptation programme.
- Improving neighbourhoods - including 30 door entry system upgrades and an estate aesthetics programme.

**Future capital programme**

- 4.34. As well as the proposed capital programme, the council is continuing with its ambitions to make sustainable improvements to the city and the lives of the residents. The Council continues to recognise that it is likely to need significant investment to advance the priorities and ambitions and continues to explore the possibility of working with both the private sector and other public sector bodies to identify new funding streams and delivery mechanisms that can deliver this.
- 4.35. These schemes will all need to follow the principles as set out in this Capital Strategy and full business cases will need to be submitted and approved before the schemes are recommended for inclusion in the capital budget.

**Funding the capital strategy**

- 4.36. The availability of funding plays a key part in the size and content of the capital programme. The impact of national cuts in grant funding has significantly reduced the level of government support for capital investment and the council must now rely more on its own funding and leveraging in other sources of external funding where this is possible.
- 4.37. The sources of funding available for capital investment by both the general fund and HRA and the proposed strategy for their use is found in Appendix 4 (C). It needs to be emphasised that many of these funding sources can only be used to fund capital expenditure and not the day-to-day costs of providing services.

**Proposed funding of the general fund capital programme**

- 4.38. There are two main influences on the overall size of the general fund capital programme, namely:
- The level of capital resources available, and
  - The extent to which the revenue consequences of the programme, in terms of cost of borrowing or direct revenue funding, can be accommodated within the revenue budget.

**Table 4.3: Projected General Fund Capital Receipts 2025 – 2030**

<b>Capital Receipts Analysis</b>	<b>2025-2026 £000</b>	<b>2026-2027 £000</b>	<b>2027-2028 £000</b>	<b>2028-2029 £000</b>	<b>2029-2030 £000</b>
Existing capital receipts reserve brought forward from previous year	(1,860)	(1,403)	0	0	0
Capital receipts required in year	0	(117)	(320)	(320)	(320)
<b>Total capital receipts</b>	<b>(1,860)</b>	<b>(1,520)</b>	<b>(320)</b>	<b>(320)</b>	<b>(320)</b>
Funding requirement based on capital programme	457	1,520	320	320	320
<b>Balance at end of year</b>	<b>(1,403)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

- 4.39. The level of capital receipts relies upon the completion of asset sales which cannot be guaranteed and therefore, no additional capital receipts have been assumed at this stage. Furthermore, additional potential capital liabilities such as costs arising from the future review of assets or other expenditure requirements that generate no income may arise, which would place a further demand on resources. To fund additional capital costs, further capital receipts will need to be raised from the disposal of existing assets or revenue budget contributions will need to be increased either to make direct revenue contributions or in support of additional borrowing.

**5. Table 4.4: Proposed funding of the General Fund capital programme**

<b>GF funding</b>	<b>2025-2026 £000</b>	<b>2026-2027 £000</b>	<b>2027-2028 £000</b>	<b>2028-2029 £000</b>	<b>2029-2030 £000</b>	<b>5 year Total</b>
Capital Receipts	457	1,520	320	320	320	<b>2,937</b>
Grants & Contributions	9,942	1,903	2,288	2,256	4,765	<b>21,154</b>
Borrowing	15,917	1,907	973	50	92	<b>18,939</b>
CIL/GNGB/S106	3,617	300	0	0	0	<b>3,917</b>
<b>Total</b>	<b>29,933</b>	<b>5,630</b>	<b>3,581</b>	<b>2,626</b>	<b>5,177</b>	<b>46,947</b>

### **Proposed funding of the HRA capital programme**

- 5.1. The funding of the HRA capital programme follows the funding strategy set out in Appendix 4 (C).
- 5.2. It is proposed to utilise a total of £1.153m of Section 106 contributions to fund the proposed HRA capital programme; £0.374m towards the Mile Cross Depot site development in 2025-2026 and £0.779m towards the Argyle Street development in 2026-2027.
- 5.3. The HRA general reserves (forecast at £48.643m at the end of 2025-2026) will be held to provide a versatile resource to support priorities identified within the HRA Strategy, including the regeneration of existing assets and provision of new social housing.



**Table 4.5: Proposed funding of the HRA capital programme HRA Funding**

HRA funding	2025-2026 £000	2026-2027 £000	2027-2028 £000	2028-2029 £000	2029-2030 £000	5 year Total
HRA Capital Receipts	4,440	26,075	9,736	1,050	1,050	<b>42,351</b>
Retained One for One Receipts	7,702	6,909	2,908	1,098	3,356	<b>21,973</b>
Major Repairs Reserve	24,754	14,572	16,880	17,428	18,154	<b>91,788</b>
HRA Grants & Contributions	624	1,029	250	350	250	<b>2,503</b>
HRA Revenue contribution	0	6,842	16,826	24,007	8,866	<b>56,540</b>
HRA Borrowing	0	0	0	0	15,889	<b>15,889</b>
<b>Total HRA Capital Programme Funding</b>	<b>37,520</b>	<b>55,427</b>	<b>46,600</b>	<b>43,932</b>	<b>47,565</b>	<b>231,044</b>

### Enabling our future vision

- 5.4. The capital programme captures the council's vision and desire for projects and investment at a point in time. However, as the vision continues to grow, new projects and investments will continue to be developed throughout the year, which will require business cases and financing plans to be formulated prior to approval by Cabinet and Council. If the project requires funding from external borrowing, we will need to consider the costs of the associated financing and minimum revenue provision or explore opportunities to fund outside the council's balance sheet through alternative delivery routes.

### Alternative delivery routes

- 5.5. The Council will review the best delivery routes for implementing new capital projects as part of the options appraisal undertaken in the business case. These delivery routes largely fall into the following categories:
- Self-develop: this involves the council undertaking the project independently and therefore provides the greatest level of potential return and control but also the greatest cost and exposure to risk.
  - Partnerships: these allow the council to use its assets (usually land and buildings) and possibly some finance, to attract long term investment from the private sector, in order to deliver socio-economic development and regeneration. They are designed to encourage parties to pool resources to deliver projects, with an acceptable balance of risk and return for all involved. A recent example of such an approach is the purchase of Anglia Square, which was funded via a grant from Homes England, with the further development of the site anticipated to be undertaken within an Investment Partnership.
  - Developer led: this usually involves selling the opportunity to a developer, perhaps with an outline planning consent and Development Agreement in place. As an example, the council takes a developer led approach with housing associations.
  - Community Involvement: changes in legislation brought in under the Localism Act introduced the concept of Community Asset Transfer, Community Right to Challenge and Community Right to Bid for services.

This has opened up a whole spectrum of opportunities of private sector investment in community-led capital projects, where deemed appropriate.

## **Delivering the capital strategy**

### **Governance**

- 5.6. The council undertakes democratic decision-making and scrutiny processes which provide overall political direction and accountability for the investment proposed in the capital strategy. These processes include:
- The Council which is ultimately responsible for approving investment in the Capital Strategy.
  - The Cabinet which is responsible for setting the corporate framework and political priorities to be reflected in the Capital Strategy.
  - Scrutiny Committee which is responsible for the annual scrutiny of the proposed budget including the Capital Strategy and which can make recommendations to the Cabinet.
  - Audit Committee which scrutinises the capital investment made in any financial year as reported in the annual Statement of Accounts and the risk of future capital investment proposals. The committee can also make recommendations to the Cabinet.
  - Treasury Management Committee providing review and advice on all investment activity to the Cabinet and Council.
  - Additionally, the Capital Programme Board and Capital Working Group supports the committee structure and Senior Leadership Team with governance and the delivery of projects.
- 5.7. The capital programme is approved by full Council as part of its annual budget report which sets out the funding of the capital programme, the schemes being proposed and how they contribute to the achievement of the Council's priorities, any consequential revenue budget implications, and information on the affordability, proportionality, and risk of the proposals.
- 5.8. Officers can seek approval from Cabinet to approve the inclusion of schemes where they are fully funded from additional grants, that can only be expended on the proposed scheme, and where it meets the Council's aims. This will permit such schemes to progress at pace where alternative application of the funding is not permitted, and where there is no need for additional Council resources to be used.
- 5.9. Some projects have been included in the proposed capital programme, as their strategic importance to one or more of the Council's objectives has been recognised. However, the detailed business case has not been sufficiently developed to identify the expected costs and benefits of these proposals now. These projects have been separately identified within the proposed capital programme, the broad financing has been included but these projects cannot commence until a full business case has been approved; any funding variances will also need to follow the council's financial regulations in relation to capital virements.
- 5.10. In addition, new projects not included within the existing or proposed capital programme, require a full business case to be submitted for approval as and when the information and analysis is available to make a robust decision.

- 5.11. All capital expenditure must be carried out in accordance with the Council's constitution, financial regulations, and contract procedures. Internal audit undertake regular audits of compliance. The monitoring of expenditure against the approved budget, and the forecasting of the year-end outturn, is coordinated by Finance and reported to Cabinet every quarter as part of the overall corporate budget monitoring process.

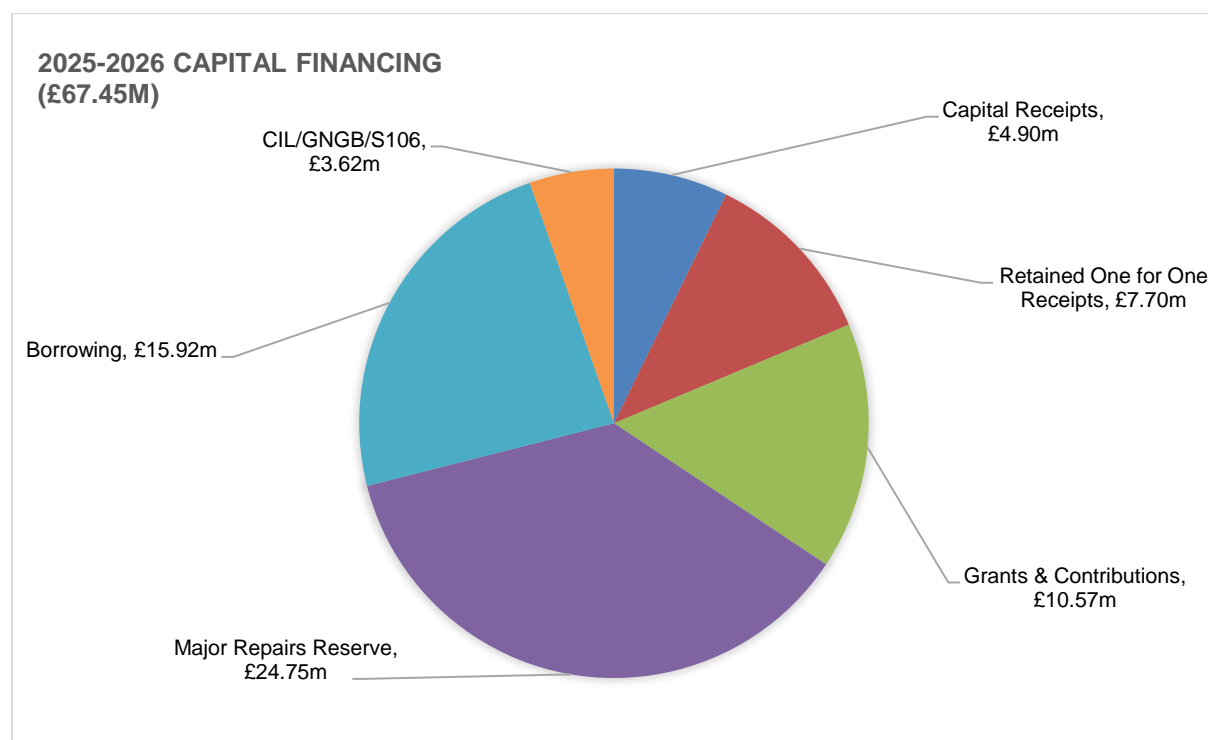
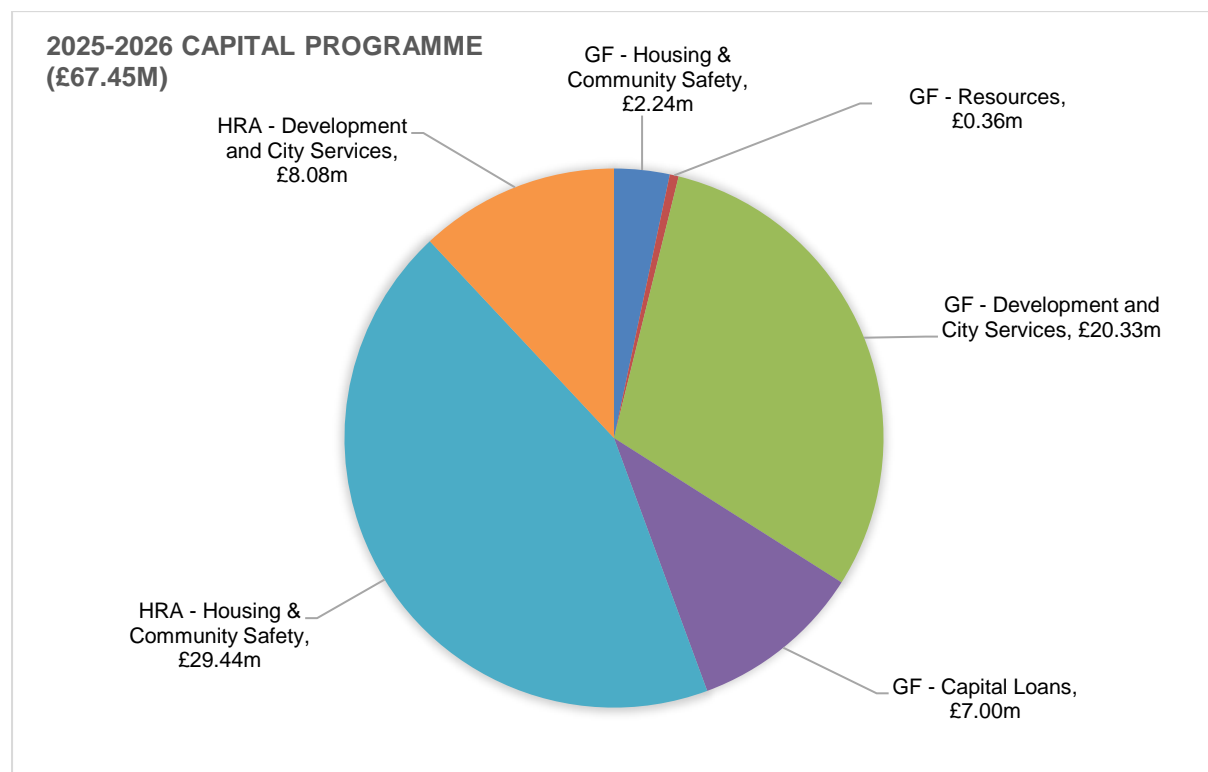
### **Corporate Planning Process**

- 5.12. Capital project proposals form part of the council's annual resource planning processes. Each year, capital project proposals for the following year(s) that align with the priorities identified in the council's community-led plan, are prepared for the corporate and political governance processes, which culminate in the annual budget setting meeting of the Council in February.

### **Knowledge and skills**

- 5.13. The council has professionally qualified staff, or access to such staff across a range of disciplines including finance, legal, planning and property that allow for capital investment decisions to be robustly considered. These individuals follow continuous professional development (CPD) and attend courses on an ongoing basis to keep abreast of new developments and skills.
- 5.14. External professional advice is taken as and when required and will always be sought in consideration of any major regeneration investment decision or joint venture development.
- 5.15. Internal and external training continues to be offered to members to ensure they have up-to-date knowledge and expertise to understand and challenge capital investment decisions.

## Appendix 4 (A): Proposed capital programme and financing 2025-2026



#### Appendix 4 (B): Proposed capital projects 2025-2026 to 2029-2030

Approved General Fund Programme	2025- 2026 £000	2026- 2027 £000	2027- 2028 £000	2028- 2029 £000	2029- 2030 £000	5 year Total £000
<b>Housing &amp; Community Safety</b>						
Riverside Leisure replace plant/equipment	142	7	73	0	0	222
Towns' Fund Make space at The Halls	0	65	0	0	0	65
Community Centre energy efficiency measures	340	0	0	0	0	340
Disabled Facilities Grant	1,500	1,550	1,600	1,700	0	6,350
<b>Approved Programme - Housing &amp; Community Safety</b>	<b>1,982</b>	<b>1,622</b>	<b>1,673</b>	<b>1,700</b>	<b>0</b>	<b>6,977</b>
<b>Resources</b>						
IT Investment Fund	75	75	75	75	0	300
Mobile Handsets Refresh	45	40	0	0	0	85
IT hardware upgrade rolling programme	200	200	200	200	0	800
Revenues & Benefits Programme Improvements	40	0	0	0	0	40
<b>Approved Programme - Resources</b>	<b>360</b>	<b>315</b>	<b>275</b>	<b>275</b>	<b>0</b>	<b>1,225</b>
<b>Development &amp; City Services</b>						
Park Play Equipment Refurbishment	300	300	0	0	0	600
NCS Ltd machinery costs	110	100	100	0	0	310
Eaton Park Pavilion	306	0	0	0	0	306
Parking in Parks (phase 2)	38	0	0	0	0	38
CIL Contribution Strategic	2,067	792	823	1,366	0	5,047
Castle Gardens	393	0	0	0	0	393
Lakenham Way highway and footway upgrades	175	0	0	0	0	175
Exacom planning obligations system	66	0	0	0	0	66
Riverside Walk access improvement	112	0	0	0	0	112

<b>Approved General Fund Programme</b>	<b>2025- 2026 £000</b>	<b>2026- 2027 £000</b>	<b>2027- 2028 £000</b>	<b>2028- 2029 £000</b>	<b>2029- 2030 £000</b>	<b>5 year Total £000</b>
GNGB Marriot's Way/Hellesdon Station	152	0	0	0	0	152
Transforming Cities Fund Contribution	12	0	0	0	0	12
Strategic Property Remediation Fund	919	0	0	0	0	919
Guildhall Long Term External Repairs	54	0	0	0	0	54
St Andrews MSCP Structural Repair works	93	0	0	0	0	93
St Andrews Hall	498	0	0	0	0	498
Kings Court	1,750	0	0	0	0	1,750
Sloughbottom Park works	8,373	0	0	0	0	8,373
<b>Approved Programme - Development and City Services</b>	<b>15,418</b>	<b>1,192</b>	<b>923</b>	<b>1,366</b>	<b>0</b>	<b>18,899</b>
<b>Capital Loans</b>						
Norwich Preservation Trust Loan	1,000	0	0	0	0	1,000
Lion Homes Loan Facility	6,000	1,000	0	0	0	7,000
<b>Approved Programme - Capital Loans</b>	<b>7,000</b>	<b>1,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8,000</b>
<b>Total General Fund Approved Programme</b>	<b>24,760</b>	<b>4,129</b>	<b>2,870</b>	<b>3,341</b>	<b>0</b>	<b>35,100</b>

<b>Proposed Adjustments to General Fund Capital Schemes for approval</b>	<b>2025-2026 £000</b>	<b>2026-2027 £000</b>	<b>2027-2028 £000</b>	<b>2028-2029 £000</b>	<b>2029-2030 £000</b>	<b>5 year Total £000</b>
Housing & Community Safety						
Riverside Leisure replace plant/equipment	(42)	0	0	0	42	0
TF make space at The Halls	72	(65)	0	0	0	7
UK Shared Prosperity Fund	96	0	0	0	0	96
Disabled Facilities Grant	105	0	0	0	1,700	1,805
<b>Proposed Adjustments to Programme - Housing &amp; Community Safety</b>	<b>231</b>	<b>(65)</b>	<b>0</b>	<b>0</b>	<b>1,742</b>	<b>1,908</b>
Resources						
IT Investment Fund	0	0	0	0	75	75
Mobile Handsets Refresh	0	5	45	45	45	140
IT hardware upgrade rolling programme	0	0	0	0	200	200
<b>Proposed Adjustments to Programme - Resources</b>	<b>0</b>	<b>5</b>	<b>45</b>	<b>45</b>	<b>320</b>	<b>415</b>
Development & City Services						
Eaton Park pavilion	674	0	0	0	0	674
CIL Contribution Strategic	(1,853)	(438)	(135)	(810)	3,065	(171)
Strategic Property Remediation Fund	(335)	750	750	0	0	1,165
<b>Proposed Adjustments to Programme - Development and City Services</b>	<b>(1,514)</b>	<b>312</b>	<b>615</b>	<b>(810)</b>	<b>3,065</b>	<b>1,667</b>
<b>Total Proposed Adjustments to General Fund Programme</b>	<b>(1,283)</b>	<b>252</b>	<b>660</b>	<b>(765)</b>	<b>5,127</b>	<b>3,991</b>

<b>Proposed General Fund Capital Schemes for approval - subject to Business Case</b>	<b>2025- 2026 £000</b>	<b>2026- 2027 £000</b>	<b>2027- 2028 £000</b>	<b>2028- 2029 £000</b>	<b>2029- 2030 £000</b>	<b>5 year Total £000</b>
Housing & Community Safety						
CCTV camera upgrades GF	31	0	0	0	0	31
<b>Proposed Programme - Housing &amp; Community Safety</b>	<b>31</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>31</b>
Resources						
IT infrastructure refresh	0	550	0	0	0	550
Network Equipment	0	500	0	0	0	500
IT Unix Server Refresh	0	150	0	0	0	150
<b>Proposed Programme - Resources</b>	<b>0</b>	<b>1,200</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,200</b>
<b>Proposed General Fund Capital Schemes for approval - subject to Business Case</b>	<b>2025- 2026 £000</b>	<b>2026- 2027 £000</b>	<b>2027- 2028 £000</b>	<b>2028- 2029 £000</b>	<b>2029- 2030 £000</b>	<b>5 year Total £000</b>
Development & City Services						
Lion Wood	507	0	0	0	0	507
UEA area transport project	65	0	0	0	0	65
Henderson Park contribution	38	0	0	0	0	38
Bluebell Road bus shelter	10	0	0	0	0	10
Marl Pit Play Spaces	17	0	0	0	0	17
Food waste collection vehicles	300	0	0	0	0	300
Sweet Briar Marshes	546	0	0	0	0	546
Earlham and Rosary cemetery signage	50	0	0	0	0	50
NCSL grounds maintenance machinery	500	0	0	0	0	500
Shrub bed reduction programme	50	50	50	50	50	250
Stafford Park Telford upgrade works	2,000	0	0	0	0	2,000
Strangers Hall roof upgrade	250	0	0	0	0	250



<b>Proposed General Fund Capital Schemes for approval - subject to Business Case</b>	<b>2025- 2026 £000</b>	<b>2026- 2027 £000</b>	<b>2027- 2028 £000</b>	<b>2028- 2029 £000</b>	<b>2029- 2030 £000</b>	<b>5 year Total £000</b>
St Benedicts/St Bartholomew towers	300	0	0	0	0	300
City Hall Ground Floor Accessibility Improvements	525	0	0	0	0	525
Market provision improvements	260	0	0	0	0	260
Lawrence House	88	0	0	0	0	88
Blackfriars Hall roof upgrade	920	0	0	0	0	920
<b>Proposed Programme - Development and City Services</b>	<b>6,425</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>6,625</b>
<b>Total General Fund Proposed Programme subject to business case</b>	<b>6,456</b>	<b>1,250</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>7,856</b>
<b>Total General Fund Programme</b>	<b>29,933</b>	<b>5,630</b>	<b>3,581</b>	<b>2,626</b>	<b>5,177</b>	<b>46,947</b>

<b>Approved Housing Revenue Account Programme</b>	<b>2025-2026 £000</b>	<b>2026-2027 £000</b>	<b>2027-2028 £000</b>	<b>2028-2029 £000</b>	<b>2029-2030 £000</b>	<b>5 year Total £000</b>
<b>Development &amp; City Services</b>						
HRA Mile Cross Depot Site	10,722	12,711	11,071	6,560	0	41,064
Argyle Street Development	3,437	0	0	0	0	3,437
Development pipeline projects	70	70	70	70	0	280
New Build Opportunities	500	500	500	500	0	2,000
Capital Grants Housing Associations	1,000	1,000	1,000	1,000	0	4,000
<b>Approved Programme - Development and City Services</b>	<b>15,729</b>	<b>14,281</b>	<b>12,641</b>	<b>8,130</b>	<b>0</b>	<b>50,782</b>
<b>Housing &amp; Community Safety</b>						
HRA upgrades - Electrical	2,000	2,000	2,000	2,000	0	8,000
HRA upgrades - Whole House Improvements	1,000	1,000	1,000	1,000	0	4,000
HRA upgrades - Kitchens	1,653	2,363	2,163	2,163	0	8,340
HRA upgrades - Bathrooms	1,503	1,403	1,553	1,553	0	6,010
HRA upgrades - Heating/Boilers Communal	1,350	1,000	1,000	1,000	0	4,350
HRA upgrades - Heating/Boilers Domestic	600	400	200	200	0	1,400
HRA upgrades - Thermal Comfort	200	200	200	200	0	800
HRA upgrades - Solar Thermal/Photovoltaic	500	500	500	500	0	2,000
HRA upgrades - Windows	2,000	2,000	2,000	2,000	0	8,000
HRA upgrades - Doors	5,500	4,000	4,000	4,000	0	17,500
HRA upgrades - Door Access Controls	703	623	727	727	0	2,778
HRA upgrades - Estate Aesthetics	200	200	200	200	0	800
HRA upgrades - HRA Shops	100	100	100	100	0	400
HRA upgrades - Sheltered Housing Communal Facilities	38	38	38	38	0	150
HRA upgrades - Re-Roofing	1,500	1,500	1,500	1,500	0	6,000

<b>Approved Housing Revenue Account Programme</b>	<b>2025-2026 £000</b>	<b>2026-2027 £000</b>	<b>2027-2028 £000</b>	<b>2028-2029 £000</b>	<b>2029-2030 £000</b>	<b>5 year Total £000</b>
HRA upgrades - Structural	500	500	500	500	0	2,000
HRA upgrades - Lift Upgrades	500	500	500	500	0	2,000
HRA upgrades - Water Hygiene Upgrades	50	50	50	50	0	200
HRA Upgrades - Tower Blocks	4,125	5,125	3,125	3,125	0	15,500
HRA upgrades - Community Alarm	0	0	0	0	0	0
HRA upgrades - Renewable Heating	1,000	1,200	1,400	1,400	0	5,000
HRA upgrades - Stock Condition Survey	100	100	100	100	0	400
HRA upgrades - Property Services fees	691	691	691	691	0	2,764
HRA upgrades - Compliance Upgrades	0	0	0	0	0	0
HRA upgrades - Disabled Adaptations	2,300	2,300	2,300	2,300	0	9,200
HRA upgrades - Energy efficiency measures	2,098	0	0	0	0	2,098
<b>Approved Programme - Housing &amp; Community Safety</b>	<b>30,209</b>	<b>27,791</b>	<b>25,845</b>	<b>25,845</b>	<b>0</b>	<b>109,690</b>
<b>Development &amp; City Services</b>						
HRA Mile Cross Depot Site	(7,244)	(597)	(5,199)	(5,935)	5,142	(13,833)
Argyle Street Development	(410)	846	0	100	0	537
Development pipeline projects	0	0	0	0	70	70
New Build Opportunities	0	0	0	0	500	500
Capital Grants Housing Associations	0	0	0	0	1,000	1,000
<b>Proposed Adjustment to Housing Revenue Account Programme - Development and City Services</b>	<b>(7,654)</b>	<b>249</b>	<b>(5,199)</b>	<b>(5,834)</b>	<b>6,712</b>	<b>(11,726)</b>
<b>Housing &amp; Community Safety</b>						
HRA upgrades - Electrical	(485)	438	188	0	1,118	1,258
HRA upgrades - Whole House Improvements	500	(200)	(300)	(300)	700	400
HRA upgrades - Kitchens	493	75	575	1,346	4,453	6,941

<b>Proposed Adjustment to Housing Revenue Account</b>	<b>2025-2026 £000</b>	<b>2026-2027 £000</b>	<b>2027-2028 £000</b>	<b>2028-2029 £000</b>	<b>2029-2030 £000</b>	<b>5 year Total £000</b>
HRA upgrades - Bathrooms	18	0	(150)	(184)	1,251	935
HRA upgrades - Heating/Boilers Communal	(400)	(1,000)	(1,000)	(1,000)	0	(3,400)
HRA upgrades - Heating/Boilers Domestic	2,500	965	1,110	528	393	5,496
HRA upgrades - Thermal Comfort	(200)	(200)	(200)	(200)	0	(800)
HRA upgrades - Solar Thermal/Photovoltaic	100	4,486	4,486	4,596	5,636	19,303
HRA upgrades - Windows	(650)	(804)	(813)	(752)	616	(2,403)
HRA upgrades - Doors	(1,295)	(2,745)	(2,675)	(2,825)	719	(8,821)
HRA upgrades - Door Access Controls	200	0	0	(27)	458	631
HRA upgrades - Estate Aesthetics	50	300	300	300	500	1,450
HRA upgrades - HRA Shops	(100)	0	0	0	100	0
HRA upgrades - Sheltered Housing Communal Facilities	143	13	13	13	50	230
HRA upgrades - Re-Roofing	500	2,666	2,305	3,449	5,446	14,365
HRA upgrades - Structural	0	194	240	1,612	1,986	4,033
HRA upgrades - Lift Upgrades	(300)	(425)	(425)	(425)	75	(1,500)
HRA upgrades - Water Hygiene Upgrades	0	200	200	200	275	875
HRA Upgrades - Tower Blocks	(3,125)	(125)	(125)	(125)	3,000	(500)
HRA upgrades - Community Alarm	180	150	150	150	150	780
HRA upgrades - Renewable Heating	95	8,219	8,786	8,786	10,186	36,072
HRA upgrades - Stock Condition Survey	200	200	200	200	300	1,100
HRA upgrades - Property Services fees	0	(0)	(0)	(0)	691	691
HRA upgrades - Compliance Upgrades	250	250	250	250	250	1,250
HRA upgrades - Disabled Adaptations	450	450	200	200	2,500	3,800
<b>Proposed Adjustment to Housing Revenue Account Programme - Housing &amp; Community Safety</b>	<b>(878)</b>	<b>13,106</b>	<b>13,313</b>	<b>15,791</b>	<b>40,853</b>	<b>82,185</b>

<b>Proposed Adjustment to Housing Revenue Account</b>	<b>2025- 2026 £000</b>	<b>2026- 2027 £000</b>	<b>2027- 2028 £000</b>	<b>2028- 2029 £000</b>	<b>2029- 2030 £000</b>	<b>5 year Total £000</b>
<b>Housing &amp; Community Safety</b>						
CCTV camera upgrades HRA	114	0	0	0	0	114
<b>Proposed Programme subject to business case - Housing &amp; Community Safety</b>	<b>114</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>114</b>
<b>Total HRA Programme</b>	<b>37,520</b>	<b>55,427</b>	<b>46,600</b>	<b>43,932</b>	<b>47,565</b>	<b>231,044</b>
<b>Total Overall Capital Programme</b>	<b>67,453</b>	<b>61,057</b>	<b>50,181</b>	<b>46,558</b>	<b>52,741</b>	<b>277,990</b>

**Appendix 4 (C): The council's capital funding sources & strategy for their use**

Funding source	Description and proposed strategy for its use
Revenue budget	<p><b>Description:</b> The use of the annual revenue budget to directly fund capital expenditure (also known as a Revenue Contribution to Capital Outlay (RCCO)).</p> <p><b>General Fund strategy:</b> The revenue budget can be used to fund capital projects where there is no financial return from the investment to cover the costs of borrowing.</p> <p><b>HRA strategy:</b> The HRA RCCO is the most versatile funding source and is therefore only utilised for capital expenditure after first taking into account resources available from grants, contributions, the Major Repairs Reserve (MRR), and retained one for one Right to Buy capital receipts.</p>
Capital receipts	<p><b>Description:</b> Income receipt arising from the sale of assets or repayment of capital loans. Can only be used to fund capital expenditure or repay capital debt.</p> <p><b>General Fund strategy:</b> Capital receipts are held centrally and used as a corporate resource. Capital receipts income (along with the revenue budget) is usually used to fund capital projects where the anticipated life of the asset is short (e.g. IT equipment and vehicles). Where proceeds from the disposal of commercial properties, which were originally funded by borrowing, are received, where appropriate those sums will be applied to reduce debt.</p> <p><b>HRA strategy:</b> Non-Right-to-Buy HRA capital receipts arise from the disposal of HRA property and land other than dwellings and may be utilised to fund any HRA capital expenditure, except for projects that are being part funded by Right to Buy Retained 'One for One' Receipts. Due to this restriction, this resource is utilised to fund the HRA capital upgrade programme after resources arising from grants, contributions and the MRR have been applied, but prior to the use of general reserves and borrowing.</p> <p><b>Use of capitalisation flexibilities:</b> Regulations around the flexible use of capital receipts allow the council to use new capital receipts to fund the revenue costs of council service reviews that will generate savings in future years. This is subject to the council approving a policy on the flexible use of capital receipts. The council currently has sufficient funds in its earmarked spend-to-save reserves and therefore has no proposal to make use of these flexibilities.</p>

Funding source	Description and proposed strategy for its use
Leasing	<p><b>Description:</b> A lease is a contractual arrangement between the lessee (user) to pay the lessor (owner) for use of an asset. Property, equipment and vehicles are common assets that are leased. Leasing offers a way of financing the use of assets over a period of time without actually having to buy them outright.</p> <p><b>Strategy for its use:</b> Some assets used by the Council are financed by a lease arrangement; for example, vehicles. There may be instances where leasing can offer value for money, and it will remain a consideration when options are being appraised. However, if the cost of borrowing through PWLB is low compared to the implicit interest rates within any leased asset arrangement, it is likely to be better value for money if the council funds the asset itself via borrowing. Leasing cannot be undertaken without the specific approval of the S151 Officer to ensure that new accounting arrangements have been considered fully.</p>

Funding source	Description and proposed strategy for its use
Right-to-buy capital receipts	<p><b>Description:</b> Income arising from Right-to-Buy sales of Council dwellings comprise three elements, the Treasury Share, which is passed to the government, the local authority share and the retained 'one for one' receipts. These funding sources are only available to the HRA.</p> <p><b>Local Authority Share:</b> An element of capital receipts arising from the sale of an HRA dwelling under Right-to-Buy that may be retained indefinitely by the council and utilised to fund any HRA capital expenditure.</p> <p><b>Strategy for its use:</b> As with other HRA capital receipts, these may be utilised to fund any HRA capital expenditure, except for projects that are being part funded by Right to Buy Retained 'One for One' Receipts. Due to this restriction, this resource is utilised to fund the HRA capital upgrade programme after resources arising from grants, contributions and the MRR have been applied, but prior to the use of general reserves and borrowing.</p> <p><b>Retained 'One for One' Receipts:</b> The use of this share is limited under statute and can only be used to fund up to 50% of the overall cost of new social housing and must be utilised within 5 years of the date of retention or be returned to central government along with a punitive interest charge. However, for 2024-2025 and 2025-2026, increased flexibilities enable 100% of the cost of new social housing to be funded from this resource.</p> <p><b>Strategy for its use:</b> The use of this resource is maximised, and monitoring is undertaken during the year to ensure the council is not at risk of having to pay the receipts plus interest to central government. Council has prioritised the funding of its own HRA capital programme in utilising these receipts, but when unable to do so the priorities are:</p> <ol style="list-style-type: none"> <li>1. Providing grant to Registered Providers to develop additional social rented housing, or when unable to do so.</li> <li>2. Providing grant to Registered Providers to develop additional affordable rented housing.</li> </ol>
General Reserves	<p><b>Description:</b> General (non-earmarked) reserves can be used to fund either revenue or capital expenditure.</p> <p><b>General Fund strategy:</b> The general fund reserve is planned to be used to help finance the revenue budget over the MTFS until the reserve reaches the prudent minimum level. There are no plans for it to be used to fund capital expenditure.</p> <p><b>HRA strategy:</b> The HRA general reserve is planned to be used as necessary to finance revenue and capital budgets in line with the HRA business plan, until the reserve reaches the prudent minimum balance.</p>
Major Repairs Reserve (MRR)	<p><b>Description:</b> The Major Repairs Reserve is created from an annual depreciation charge to HRA revenue budgets.</p> <p><b>Strategy for its use:</b> This is used as the first source of funding for the HRA capital upgrade programme.</p>



Funding source	Description and proposed strategy for its use
<b>Capital grants</b>	<p><b>Description:</b> Grants given to the council to fund, either in whole or in part, specific capital projects</p> <p><b>Strategy for their use:</b> the council will actively pursue grants and other contributions as well as other innovative solutions for the funding of capital investment schemes. This funding will be utilised in the first instance if the capital projects they fund meet the city's priorities and have no revenue budget or other onerous implications.</p>
<b>Section 106, GNGB and CIL</b>	<p><b>Description:</b> Contributions paid by developers to mitigate the impact of new development across the city.</p> <p><b>Section 106:</b> Contributions may be utilised to fund capital schemes but must be used in accordance with any obligations imposed by each legal agreement, such as time limits, area restrictions or service restrictions. These are now diminishing as S106s have instead largely been replaced by CIL contributions.</p> <p><b>CIL (Community Infrastructure Levy):</b> 80% of CIL contributions collected are paid to the Greater Norwich Growth Board (GNGB) to fund the Infrastructure Investment Fund in accordance with an existing memorandum of understanding. Where appropriate the council submits bids which may be utilised to fund capital schemes.</p> <p>15% of CIL contributions are retained for local neighbourhood sponsored schemes. Contributions may provide matched funding to secure grant funding from central government or the local enterprise partnership.</p>
<b>Borrowing</b>	<p><b>Description:</b> <b>Internal borrowing</b> is the <i>temporary</i> use of the council's cash holdings to fund capital expenditure. <b>External borrowing</b> is the process of taking debt finance from an external institution.</p> <p>Where capital expenditure is to be funded from borrowing, consideration will be given to the additional costs arising, such as interest charges and any Minimum Revenue Provision (MRP) costs. The council's borrowing will be proportionate to the size of the council's balance sheet and revenue budget.</p> <p>All executive decisions on borrowing, investment or financing, within the limits and principles agreed by Council in the annual Treasury Management Strategy, are delegated to the Section 151 officer (chief finance officer), under the council's constitution, who is required to act in accordance with CIPFA's Treasury Management Code of practice. The Section 151 officer will decide whether to use internal instead of external borrowing as a temporary source of financing if at the time:</p> <ul style="list-style-type: none"> <li>(a) The council's overall cash holdings are above the minimum amount of cash deemed necessary for working capital purposes– (see the Treasury Management Strategy in part 6).</li> <li>(b) The current interest rate environment remains volatile and as such opportunities to redeem debt or other capital financing decisions will be kept under review in conjunction with advice from the council's treasury advisers, Link Asset Services, if necessary.</li> </ul>



## 5. TREASURY MANAGEMENT STRATEGY

Item 9

### Background

- 5.1 The Council is required to operate a balanced budget. Part of the council's treasury management operation is to ensure that cash flow is planned, so that cash is available when it is needed. Surplus monies are invested in counterparties or instruments commensurate with the Council's low risk appetite, providing security and liquidity before considering investment return.
- 5.2 Another function of treasury management is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing needs of the Council, essentially the longer-term cash flow planning, to ensure that the Council can meet its capital spending obligations. This management of longer-term cash may involve arranging loans (external borrowing) or using cash flow surpluses (internal borrowing). Sometimes, when it is prudent and economic, loan debt may be restructured to support the Council's risk or cost objectives.
- 5.3 The contribution the treasury management function makes to the authority is critical, as the balance of debt and investment operations ensure liquidity or the ability to meet spending commitments as they fall due, either on day-to-day expenditure or for larger capital projects. The council's treasury operations will see a balance of the interest costs of debt and the investment income arising from cash deposits affecting the budget. Since cash balances generally result from reserves and balances, it is paramount to ensure adequate security of the sums invested, as a loss of principal will result in a loss of resources to the General Fund.
- 5.4 The Chartered Institute of Public Finance & Accountancy (CIPFA) defines treasury management as: "The management of the local authority's borrowing, 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."
- 5.5 Whilst any commercial initiatives or loans to third parties will impact on the treasury function, these activities are generally classed as non-treasury activities, (arising usually from capital expenditure), and are separate from the day-to-day treasury management activities.
- 5.6 This section of the budget report meets the council's legal obligation under the Local Government Act 2003 to have regard to relevant codes of practice and guidance issued by CIPFA (Chartered Institute of Public Finance & Accountancy) and the Ministry of Housing, Communities and Local Government (MHCLG).
- 5.7 This section of the budget report also fulfils the requirement for council to approve:

- A treasury management strategy before the start of each financial year (as required by CIPFA's Treasury Management Code) including treasury indicators.
  - Prudential indicators to ensure that the council's capital investment plans are affordable, prudent and sustainable (as required by CIPFA's Prudential Code).
  - An annual investment strategy before the start of each financial year (as required by MHCLG's Investment Code).
  - A Minimum Revenue Provision (MRP) policy (as required by MHCLG's MRP guidance).
- 5.8 The council's investment in commercial property, equity shares, and lending to third parties is considered in the capital strategy in Section 4.
- 5.9 However, for the purposes of clarity, the projections, indicators and limits given in this section of the budget report include:
- The general fund and HRA proposed capital programme and its funding as set out in Section 4, Tables 4.2, 4.4 and 4.5.
  - The implications for the council's capital financing requirement and borrowing position arising from the non-financial investments proposed in Section 4 of this report.

## **Reporting Requirements**

### **Capital Strategy**

- 5.10 The CIPFA 2021 Prudential and Treasury Management Codes require all local authorities to prepare a Capital Strategy report which will provide the following:
- a high-level long-term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services
  - an overview of how the associated risk is managed
  - the implications for future financial sustainability
- 5.11 The aim of the strategy is to ensure that all the Authority's elected members fully understand the overall long-term policy objectives and resulting Capital Strategy requirements, governance procedures and risk appetite.

### **Treasury management reporting requirements**

- 5.12 The Council's Treasury Management Committee meets quarterly to support the in-depth consideration of a range of matters relating to the governance of the Council's treasury management activity.

5.13 To support the Committee to meet its terms of reference and schedule forward meeting dates, a core annual workplan has been adopted as follows:

January	<b>Treasury Management Committee - January Meeting</b> • Consider the Annual Treasury Management Strategy Statement (TMS) prior to adoption by council
February	Full Council to receive Treasury Management Strategy
April	<b>Treasury Management Committee - April Meeting</b> • Review proposed treasury activity for forthcoming year • Initial update on end of year position
May	Statutory Accounts preparation
June	Treasury Management Outturn Report preparation
July	<b>Treasury Management Committee - July Meeting</b> • Consider outturn position report
August	Full Council to receive Treasury Management Outturn Report
October	Treasury Management Mid-Year Review Report preparation
November	<b>Treasury Management Committee - November Meeting</b> • Consider mid-year report • Consider initial Treasury Management Strategy changes for forthcoming year • Agree the Committee annual workplan
December	Full Council to receive Treasury Management Mid-Year Review Report

5.14 All Treasury Management quarterly reports will initially be presented to the Treasury Management Committee before onward reporting to Cabinet and Full Council.

5.15 The council is required to receive and approve as a minimum, three main reports each year, which incorporate a variety of, policies, estimates and actuals.

- Annual reporting requirements before the start of the year including - a review of the organisation's approved plans, treasury management policy statements, prudential and treasury indicators and treasury strategy (this report).
- A mid-year treasury management report – This will update members with the progress of activities undertaken, any material decisions, interim performance including an update on the capital position and amend any policies or prudential indicators as necessary.
- An annual treasury report after year-end – This provides details of compliance with prudential and treasury indicators, the impact of actual treasury operations compared to the estimates within the strategy.

5.16 As part of implementing the new requirements of the Treasury Management Code of Practice, in addition to the three major reports detailed above, quarterly reporting (to the end of June and to the end of December) is also required. These additional reports will also be presented to the Treasury

Management Committee. Full details of the scheme of delegation are shown at Appendix D.

### **Treasury management - role of the Section 151 Officer**

- 5.17 Under the Treasury Management Code of Practice, the council's S151 officer has specific responsibilities. A list of responsibilities is supplied at Appendix E.

### **Treasury management practices**

- 5.18 The new CIPFA Treasury Management Code provides details of what CIPFA recommends an organisation's treasury management practices (TMPs). Each TMP requires a detailed explanation of the practices undertaken by the Council's Treasury Management team. The council's TMP's will continue to be developed to respond to best practice and regulatory updates.

### **Treasury Management Strategy 2025-2026**

- 5.19 The strategy for 2025-2026 covers two main areas:

#### **Capital issues:**

- the capital expenditure plans and the associated prudential indicators
- the minimum revenue provision (MRP) policy

#### **Treasury management issues:**

- the current treasury position
- treasury indicators which limit the treasury risk and activities of the Authority
- prospects for interest rates
- the borrowing strategy
- policy on borrowing in advance of need
- debt rescheduling
- the investment strategy
- creditworthiness policy; and
- the policy on use of external service providers

- 5.20 These elements cover the requirements of the Local Government Act 2003, DHLUC (now MHCLG) Investment Guidance, DHLUC (now MHCLG) MRP Guidance, the CIPFA Prudential Code and the CIPFA Treasury Management Code.

### **Training**

- 5.21 The CIPFA Treasury Management Code requires the responsible officer to ensure that all staff and members with responsibility for treasury management receive adequate training in this area. The S151 officer is responsible for this function in this Council. Full details of the S151 officer's responsibilities are shown at Appendix E.

- 5.22 The Code also states that “all organisations to have a formal and comprehensive knowledge and skills or training policy for the effective acquisition and retention of treasury management knowledge and skills for those responsible for management, delivery, governance and decision making.
- 5.23 As a minimum, authorities should carry out the following to monitor and review knowledge and skills:
- Record attendance at training and ensure action is taken where poor attendance is identified.
  - Prepare tailored learning plans for treasury management officers and board/council members.
  - Require treasury management officers and council members to undertake self-assessment against the required competencies.
  - Have regular communication with officers and board/council members, encouraging them to highlight training needs on an ongoing basis.”
- 5.24 The training needs of treasury management officers are recorded and periodically reviewed as part of the formal annual employee performance review. Member training is delivered via the Treasury Management Committee. At its meeting on 16th July 2024 members of the Treasury Management Committee received training presentations from the Councils Treasury Advisors including an Economic Outlook and balance sheet review.

### **Treasury management advisers**

- 5.25 The council uses Link Asset Services as its external treasury management advisers.
- 5.26 Responsibility for treasury management decisions remains with the council at all times. Although the council will from time to time require the services of specialists, consultants and advisers in order to acquire access to specialist skills, undue reliance will not be placed upon the services and advice provided.

### **The Capital Prudential Indicators 2025-2026 to 2029-2030**

- 5.27 The council’s capital expenditure plans are a key driver of treasury management activity. A summary of the council’s capital budget plans and how these are being financed is shown in table 5.1. The prudential indicators, which are designed to assist members’ overview and confirm capital expenditure plans are prudent, affordable and sustainable.

### **Capital Expenditure and Financing**

- 5.28 This prudential indicator is a summary of the Authority’s capital expenditure plans, both those agreed previously, and those forming part of the new budget

cycle. The table below summarises the capital expenditure plans for the General Fund and HRA and how these plans are being financed by capital or revenue resources. Any shortfall of capital resources results in a need for borrowing. Further details are set out in the Capital and Commercial Strategy in Section 4.

**Table 5.1: The council's capital expenditure and financing plans**

	2024/25 Estimate £000	2025/26 Estimate £000	2026/27 Estimate £000	2027/28 Estimate £000	2028/29 Estimate £000	2029/30 Estimate £000
<b>Capital expenditure</b>						
General Fund	23,136	22,933	4,630	3,581	2,626	5,177
Capital Loans	0	7,000	1,000	0	0	0
<b>Total General Fund Expenditure</b>	<b>23,136</b>	<b>29,933</b>	<b>5,630</b>	<b>3,581</b>	<b>2,626</b>	<b>5,177</b>
Housing Revenue Account	30,151	37,520	55,427	46,600	43,932	47,565
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>53,287</b>	<b>67,453</b>	<b>61,057</b>	<b>50,181</b>	<b>46,558</b>	<b>52,741</b>
<b>Financing</b>						
Capital receipts	1,464	4,897	27,595	10,056	1,370	1,370
Capital receipts (ringfenced)	0	0	0	0	0	0
Retained "one for one" RTB receipts	5,459	8,075	6,909	2,908	1,098	3,356
Major repairs reserve	22,009	24,754	14,572	16,880	17,428	18,154
Contributions and grants	16,001	9,978	2,579	1,850	2,050	1,950
Revenue contribution	450	0	6,842	16,826	24,007	8,866
Revenue contribution from earmarked reserves	0	0	0	0	0	0
Greater Norwich growth partnership	62	2,929	0	0	0	0
Community infrastructure levy	747	214	353	688	556	3,065
S106	867	688	300	0	0	0
<b>Total</b>	<b>47,059</b>	<b>51,536</b>	<b>59,150</b>	<b>49,208</b>	<b>46,508</b>	<b>36,760</b>
<b>Borrowing need for the year</b>	<b>6,228</b>	<b>15,917</b>	<b>1,907</b>	<b>973</b>	<b>50</b>	<b>15,981</b>
<b>TOTAL FINANCING</b>	<b>53,287</b>	<b>67,453</b>	<b>61,057</b>	<b>50,181</b>	<b>46,558</b>	<b>52,741</b>

### **The Authority's Borrowing Need (the Capital Financing Requirement)**

5.29 The Capital Financing Requirement (CFR) calculation for 2025-2026 and future years of the capital programme is shown below in table 5.2(i). This is the total historic outstanding capital expenditure yet to be financed from revenue or capital resources and a future projection of CFR based on capital expenditure plans. It is a measure of the council's indebtedness, and therefore its underlying borrowing need. The CFR also includes other long-term liabilities such as finance leases.



- 5.30 The CFR incorporates interim figures in relation to the new reporting requirements detailed within IFRS16. The reporting standard requires the liabilities of certain leases currently accounted for through the revenue spend of the Council, to be shown on the balance sheet, for example, if the lease has more than a year to run or is above a de-minimis value. An example for Norwich is vehicles procured through an operating lease.
- 5.31 IFRS16 remains a requirement of closing the accounts for 2024-2025 and officers continue to undertake the required data gathering exercise and model calculations, which will clarify the full impact on the CFR for the Council. It is therefore important to note that there may be a requirement to refresh the authorised limit and operational boundary once the review is substantially complete as part of the 2024-2025 closure of accounts process.
- 5.32 The general fund CFR does not increase indefinitely, as a Minimum Revenue Provision (MRP) is made each year which is a statutory annual revenue charge which broadly reduces indebtedness in line with each asset's expected life
- 5.33 The repayment of loan debt made to external organisations also reduces the CFR where the loan has been financed by borrowing.

**Table 5.2(i): Capital Prudential Indicators**

	2024-2025 Estimate £000	2025-2026 Estimate £000	2026-2027 Estimate £000	2027-2028 Estimate £000	2028-2029 Estimate £000	2029-2030 Estimate £000
<b>Capital financing requirement at end of year</b>						
General Fund	98,795	113,849	113,983	114,140	113,318	112,480
Housing Revenue Account	208,532	208,532	208,532	208,532	208,532	224,421
<b>TOTAL</b>	<b>307,327</b>	<b>322,381</b>	<b>322,515</b>	<b>322,672</b>	<b>321,850</b>	<b>336,901</b>
<b>Movement in Capital financing requirement</b>						
General fund	7,497	15,055	134	158	(822)	(838)
Housing Revenue Account	0	0	0	0	0	15,889
<b>TOTAL</b>	<b>7,497</b>	<b>15,055</b>	<b>134</b>	<b>158</b>	<b>(822)</b>	<b>15,051</b>

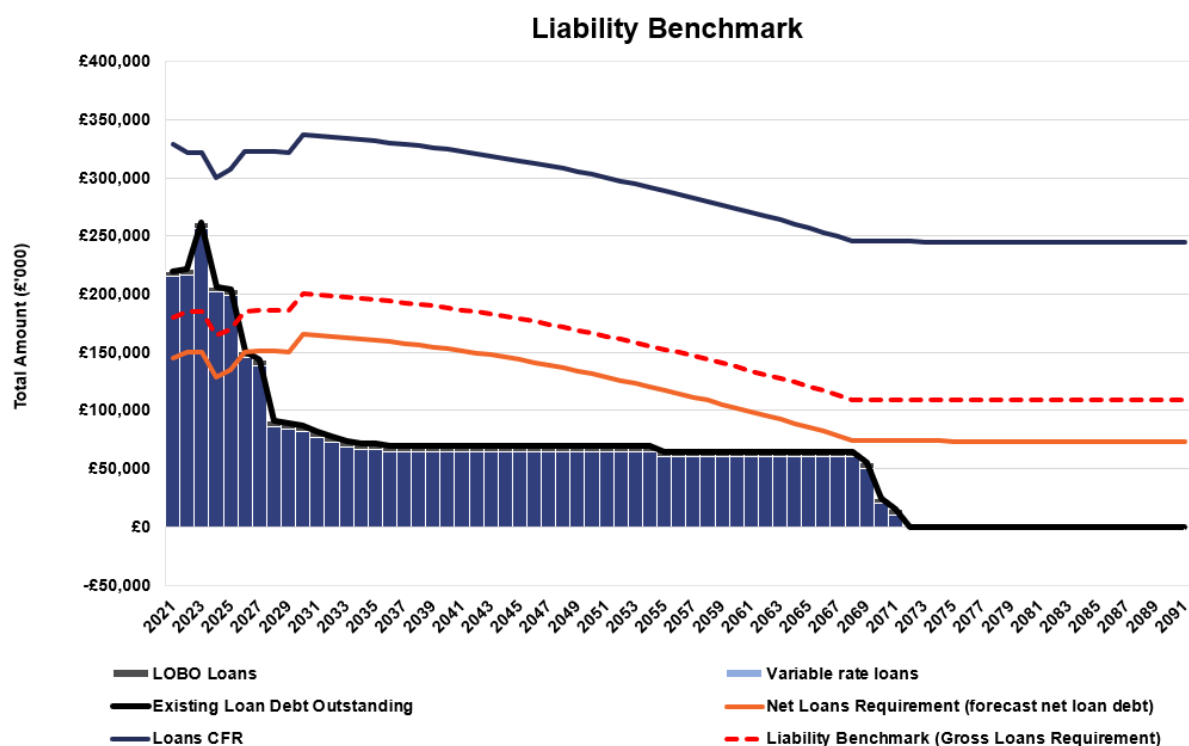
### Liability Benchmark

- 5.34 The Authority is required to estimate and measure the Liability Benchmark for the forthcoming financial year and the following two financial years, as a minimum. The Benchmark is included to determine the appropriate structure of the Councils external loans profile and is presented as a chart reflecting four balances as follows:
- Existing loan debt outstanding: the authority's existing loans which are still outstanding in future years.
  - Loans CFR: calculated in accordance with the loans CFR definition in the Prudential Code, and projected into the future based on approved prudential borrowing and planned MRP taking account of approved prudential borrowing.

- Net loans requirement: the authority's gross loan debt, less treasury management investments, at the last financial year end, projected into the future based on its approved prudential borrowing, planned MRP and any other forecast major cash flows and,
- Liability benchmark (or Gross Loans Requirement) = Net loans requirement + short term liquidity allowance.

5.35 Chart 5.1 shows the Council's existing outstanding loan debt in the blue and grey bars bordered by the black line. The dark blue line at the top of the chart shows the Council's Capital Financing Requirement (CFR). The orange line shows the net outstanding loan position after deducting treasury management investments. The red dotted line is the Liability Benchmark (Gross Loan requirement) which is net loans plus a liquidity allowance. The liability Benchmark is significantly below the CFR demonstrating the Councils is under borrowed externally and utilising internal borrowing instead.

**Chart 5.1 Liability Benchmark**



5.36 The application of resources (capital receipts, reserves etc.) to either finance capital expenditure or other budget decisions to support the revenue budget will have an ongoing impact on investments unless resources are supplemented each year from new sources (asset sales etc.). Detailed below are estimates of the year-end balances for each resource and anticipated day-to-day cash flow balances. Forward projections will be added in the final version of the Strategy appended to the budget papers.

**Table 5.2(ii)**

Estimated Resources	2024- 2025 Estimate £000	2025- 2026 Estimate £000	2026- 2027 Estimate £000	2027- 2028 Estimate £000	2028- 2029 Estimate £000	2029- 2030 Estimate £000
General Fund Reserve	8,249	8,249	8,249	8,249	8,249	8,249
GF Earmarked Reserves	18,621	14,000	14,000	14,000	14,000	14,000
HRA Reserve	48,643	50,888	46,546	32,721	11,714	5,848
HRA Earmarked Reserve	1,690	1,503	853	203	203	203
Capital Receipts Reserve	74,191	72,725	41,778	32,574	33,941	33,125
Major Repairs Reserve	8,729	0	0	0	0	0
Capital Grants Unapplied	1,534	978	978	978	978	978
<b>Total Core Funds</b>	<b>161,657</b>	<b>148,343</b>	<b>112,404</b>	<b>88,725</b>	<b>69,085</b>	<b>62,403</b>
<b>Working Capital*</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>
<b>Expected Investment Balances</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>90,000</b>	<b>70,000</b>	<b>60,000</b>

\*Working capital balances shown are estimated year-end; these may be higher or lower during the year depending on the day-to-day demands.

### **Minimum Revenue Provision (MRP) Policy Statement**

- 5.37 The proposed MRP Policy Statement is set out in Appendix A. During 2023/24 the Council engaged Link Asset Services, the Councils Treasury Management advisors to complete a review of its MRP policy. The review considered technical and regulatory guidance, and identified prudent policy changes the Council has adopted to meet its requirement to charge a Minimum Revenue Provision and reduce the financial impact on the medium-term financial plan.
- 5.38 Under Regulation 27 of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003, where the Authority has financed capital expenditure by borrowing it is required to make a provision each year through a revenue charge (MRP). The 2003 Regulations have been further amended with full effect from April 2025 to expressly provide that in determining a prudent provision local authorities cannot exclude any amount of CFR from its calculation, unless by an exception set out in statute.
- 5.39 The Council overpaid £6.982m of MRP in previous years. This amount is being gradually released to the general fund revenue budget on a straight-line basis over 40 years. From the 2025-2026 TM Strategy onwards, there is £5.585m over 32 years still to be released. The amount of voluntary revenue provision (VRP) made by the council to 31st March 2025 is £0.377m. A further £0.034m VRP will be made in 2025-2026.
- 5.40 In accordance with the new regulations and guidance the Councils policy in respect of charging minimum revenue provision (MRP) on loans to third parties has been updated and full details are shown in Appendix A (paragraphs 9-14).

- 5.41 Currently there is no requirement for the Housing Revenue Account to make MRP provisions, although a voluntary revenue provision can be considered. The benefit of such a provision would be to provide a mechanism for the prudential repayment of debt over the life of the business plan. In the absence of a repayment mechanism, the business plan demonstrates that debt could continue to be financed via the resources available without a specific provision being made. The current position is kept under review and will continue to adopt a prudent approach, in line with national guidance and best practice.

## Borrowing

- 5.42 The capital expenditure plans set out in table 5.1 above, provide details of the service activity of the council for both the General Fund and HRA. The treasury management function ensures that the council's cash is organised in accordance with the relevant professional codes, ensuring that sufficient cash is available to meet this service activity. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities. Further details of how the proposed capital programme is funded, are set out in the Capital and Commercial Strategy in Section 4.

**Table 5.3: The Council's current Treasury investment and external borrowing position**

	31/03/2024		31/12/2024	
	Actuals		Actuals	
	£000	%	£000	%
<b>Investments</b>				
Banks	31,446	35.4	39,686	38.6
Building Societies	0	0.0	0	0.0
Local Authority	51,000	57.5	30,000	29.2
UK Government	0	0.0	0	0.0
Money Market Funds	6,300	7.1	33,000	32.1
<b>TOTAL</b>	<b>88,746</b>	<b>100.0</b>	<b>102,686</b>	<b>100.0</b>
<b>Borrowing</b>				
PWLB	201,648	97.5	199,148	97.5
Banks	5,000	2.4	5,000	2.4
Others	222	0.1	170	0.1
<b>TOTAL</b>	<b>206,870</b>	<b>100.0</b>	<b>204,318</b>	<b>100.0</b>

- 5.43 On the 31<sup>st</sup> of December 2024, the council held £204.3m of external borrowing and £102.7m of treasury investments (including operational working cash balances).
- 5.44 During 2024-2025 the council has no plans to take on any new long-term borrowing.

- 5.45 Investment balances have increased since the start of 2024-2025. This is mainly due to the timing of cash inflows and outflows during the year.

### **Maturity Structure of Borrowing Strategy**

- 5.46 These lower and upper limits are set to reduce the Council's exposure to large, fixed rate sums falling due for refinancing.

**Table 5.4: Maturity structure of borrowing**

<b>Maturity structure of fixed interest rate borrowing</b>	<b>Lower Limit</b>	<b>Upper Limit</b>
Under 12 Months	0%	40%
12 months to 2 years	0%	60%
2 years to 5 years	0%	60%
5 years to 10 years	0%	60%
10 years to 15 years	0%	60%
15 years to 20 years	0%	60%
20 years and above	0%	80%

The table below summarises the council's forward projections for borrowing based on the assumptions given in table 5.1 above.

- 5.47 The Authority's forward projections for borrowing are summarised below. The table shows the actual external debt, against the underlying capital borrowing need, (the Capital Financing Requirement - CFR), highlighting any over or under borrowing.

**Table 5.5(i): Estimated forward projections for borrowing**

	<b>2024- 2025 Estimate £000</b>	<b>2025- 2026 Estimate £000</b>	<b>2026- 2027 Estimate £000</b>	<b>2027- 2028 Estimate £000</b>	<b>2028- 2029 Estimate £000</b>	<b>2029- 2030 Estimate £000</b>
<b>External Debt</b>						
Debt as at 1 April	207,297	204,444	151,086	193,586	193,586	193,586
Expected change in debt	(2,500)	(53,200)	42,500	0	0	0
Change in Other long-term liabilities	(353)	(158)	0	0	0	0
<b>Actual gross debt as at 31 March</b>	<b>204,444</b>	<b>151,086</b>	<b>193,586</b>	<b>193,586</b>	<b>193,586</b>	<b>193,586</b>
Capital Financing Requirement	307,327	322,381	322,515	322,672	321,850	336,901
<b>Under/(Over) borrowing</b>	<b>102,883</b>	<b>171,295</b>	<b>128,929</b>	<b>129,086</b>	<b>128,264</b>	<b>143,315</b>

N.B. Other long-term liabilities are any liabilities and other credit arrangements that are outstanding for periods in excess of 12 months e.g. finance leases.

- 5.48 Over the six-year period covered by this TM Strategy, the following loan maturities and maturities refinancing are expected to occur. Current PWLB rate forecasts show borrowing rates remaining relatively high (see table 5.8(i)), therefore any maturities refinancing and or new borrowing will be monitored and adjusted if rates start to fall.

**Table 5.5(ii): Estimated forward projections for borrowing (refinancing maturing loans)**

Amount of Each Loan Maturing	Financial Year	New Borrowing	Financial Year
2,500,000	2024-2025	0	2024-2025
2,500,000	2025-2026	0	2025-2026
700,000	2025-2026	0	2025-2026
50,000,000	2025-2026	50,000,000	2026-2027
2,500,000	2026-2027	0	2026-2027
5,000,000	2026-2027	0	2026-2027
50,000,000	2027-2028	50,000,000	2027-2028
2,500,000	2027-2028	2,500,000	2027-2028
2,000,000	2028-2029	0	2028-2029
2,000,000	2029-2030	0	2029-2030
<b>119,700,000</b>		<b>102,500,000</b>	

- 5.49 Within the range of prudential indicators there are several key indicators to ensure that the Authority operates its activities within defined limits. One of these is that the Authority needs to ensure that its gross debt does not, except in the short-term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2025-2026 and the following two financial years. This allows some flexibility for limited early borrowing for future years but ensures that borrowing is not undertaken for revenue or speculative purposes.
- 5.50 The Council's S.151 Officer reports that the Authority complied with this prudential indicator in the current year and does not envisage breaches in the future. This view takes account of current commitments, existing plans and the proposals in this budget report.
- 5.51 During 2024-2025 the council will not take any new long-term borrowing. The subsequent high interest rate environment is being closely monitored in the light of further significant tranches of debt falling due from the end of 2025-2026.
- 5.52 The council is currently maintaining an under-borrowed position. This means that the capital borrowing need (CFR) has not been fully funded with external loan debt, as cash supporting the council's reserves, balances and cash flow is used as a temporary measure. This strategy is prudent as external loan interest rates are currently high and set to be at high levels for some time.
- 5.53 The council has been well served by this policy over the last few years. The Section 151 Officer will continue to review and adopt a pragmatic approach to changing circumstances to avoid incurring higher borrowing costs as set out below:

- If it is felt that there is a significant risk of a sharp FALL in long- and short-term rates (e.g. due to a marked increase of risks around relapse into recession or of risks of deflation), then long term borrowings will be postponed and a potential rescheduling from fixed rate funding into short term borrowing will be considered.
- If it was felt that there was a significant risk of a much sharper RISE in long- and short-term rates than that currently forecast, perhaps arising from sudden increase in inflation risks, then the portfolio position will be re-appraised. Most likely, fixed rate funding will be drawn whilst interest rates are lower than they are projected to be in the next few years.

### **Investment Property Review**

- 5.54 The revised Treasury Management and Prudential codes require Councils to review assets held for investment purposes annually against ongoing borrowing requirements and consider disposal of those investments to finance borrowing where the sale of an investment is financially viable.
- 5.55 To inform its Investment Strategy and take into account the CIPFA code requirements, the Council commissioned a review of its investment portfolio in Winter 2024 in conjunction with Jones Lang LaSalle (JLL). This has resulted in a number of asset disposals over the past 12 months and a further round of asset disposals is due to take place in 2025-2026 in line with the new 5-year plan.

### **Treasury Indicators 2024-2025 to 2029-2030**

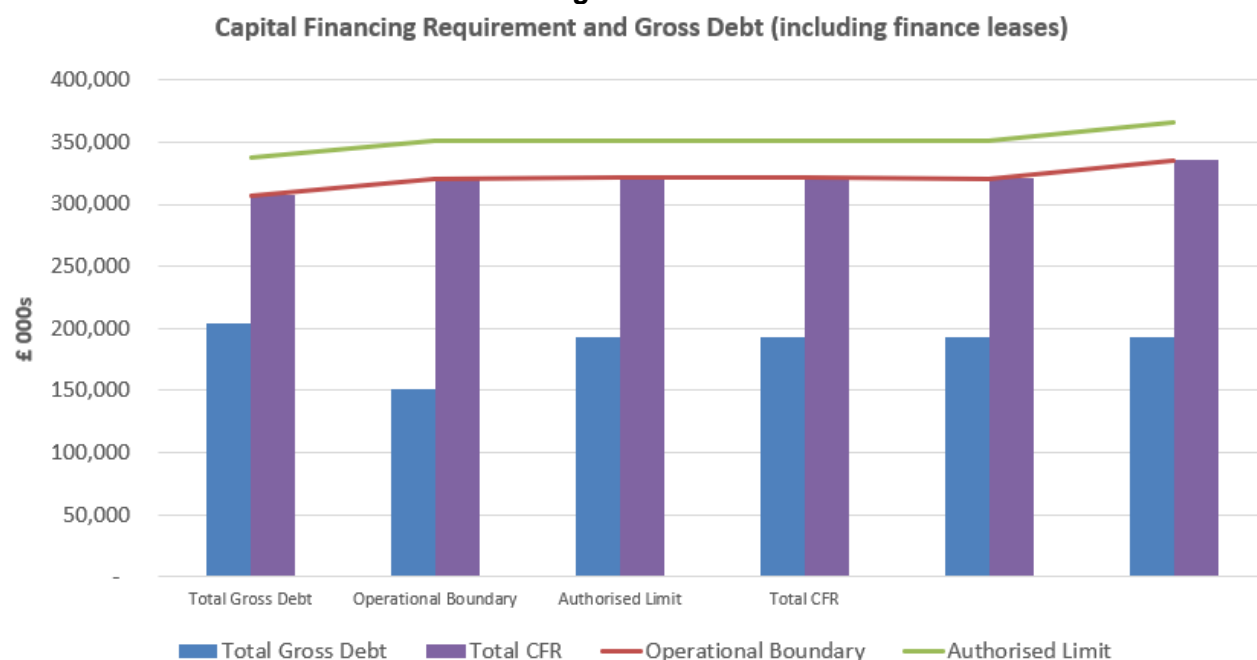
- 5.56 Table 5.6 below sets out the required affordable borrowing limit, namely:
- a. The operational boundary - the limit beyond which external debt is not normally expected to exceed.
  - b. The authorised limit for gross external debt - a statutory limit determined under section 3 (1) of the Local Government Act 2003. It represents the legal limit on the maximum level of borrowing beyond which external debt is prohibited, and this limit needs to be set or revised by the full Council. It is also the level of external debt which, while not desired, could be afforded in the short term, but is not sustainable in the longer term. The Authority is asked to approve the Authorised Limit shown below.

**Table 5.6: Treasury Indicators 2024-2025 to 2029-2030**

	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030
	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
	£000	£000	£000	£000	£000	£000
<b>Gross Debt</b>						
Borrowing	204,444	151,086	193,586	193,586	193,586	193,586
<b>Operational boundary for external debt</b>						
Operational boundary	307,327	322,381	322,515	322,672	321,850	336,901
<b>Authorised limit for external debt</b>						
Authorised limit	337,327	352,381	352,515	352,672	351,850	366,901
<b>Actual external debt</b>						
Borrowing	204,148	150,948	193,448	193,448	193,448	193,448
<b>Debt maturity profile - all borrowing %</b>						
Less than one year	1%	26%	5%	27%	1%	1%
Between one and two years	26%	4%	35%	1%	1%	1%
Between 2 and 5 years	30%	28%	4%	3%	5%	5%
Between 5 and 10 years	7%	7%	9%	6%	4%	4%
Between 10 and 15 years	2%	1%	1%	0%	0%	0%
Between 15 and 20 years	0%	0%	0%	26%	53%	53%
Over 20 years	34%	34%	46%	36%	36%	36%
Upper limit for fixed interest rates	100%	100%	100%	100%	100%	100%
Upper limit for variable interest rates	20%	20%	20%	20%	20%	20%
Upper limit for investments > 365 days	£30m	£30m	£30m	£30m	£30m	£30m
Current treasury investments as at 30/11/2024 in excess of 1 year maturing in each year	-	-	-	-	-	-



**Chart 5.2: Forecast of CFR and borrowing limits**



### Prospects for Interest Rates

5.57 The Council's treasury advisor's assist the Council to formulate a view on interest rates. Link Group have provided the following forecasts as at 11<sup>th</sup> November 2024. These are forecasts for certainty rates, which are gilt (government bond) yields plus 80 bps.

**Table 5.7 Interest Rate Forecasts**

Link Group Interest Rate View		11.11.24												
		Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27	Jun-27	Sep-27	Dec-27
BANK RATE		4.75	4.50	4.25	4.00	4.00	3.75	3.75	3.75	3.50	3.50	3.50	3.50	3.50
3 month ave earnings		4.70	4.50	4.30	4.00	4.00	4.00	3.80	3.80	3.80	3.50	3.50	3.50	3.50
6 month ave earnings		4.70	4.40	4.20	3.90	3.90	3.90	3.80	3.80	3.80	3.50	3.50	3.50	3.50
12 month ave earnings		4.70	4.40	4.20	3.90	3.90	3.90	3.80	3.80	3.80	3.50	3.50	3.50	3.50
5 yr PWLB		5.00	4.90	4.80	4.60	4.50	4.50	4.40	4.30	4.20	4.10	4.00	4.00	3.90
10 yr PWLB		5.30	5.10	5.00	4.80	4.80	4.70	4.50	4.50	4.40	4.30	4.20	4.20	4.10
25 yr PWLB		5.60	5.50	5.40	5.30	5.20	5.10	5.00	4.90	4.80	4.70	4.60	4.50	4.50
50 yr PWLB		5.40	5.30	5.20	5.10	5.00	4.90	4.80	4.70	4.60	4.50	4.40	4.30	4.30

Source: Link

5.58 Links' central forecast reflects the 30 October Budget, the outcome of the US Presidential election on 6 November, and the 25bps Bank Rate cut undertaken by the Monetary Policy Committee (MPC) on 7 November. As a result, Link have significantly revised their central forecasts for the first time since May. In summary, the Bank Rate forecast is now 50bps – 75bps higher than was previously the case, whilst PWLB forecasts have been materially lifted to not only reflect increased concerns around the future path of inflation, but also the increased level of Government borrowing over the term of the current Parliament.

5.59 An extract of the Link Group commentary on the prospect for interest rate is shown below:

- If we reflect on the 30 October Budget, our central case is that those policy announcements will be inflationary, at least in the near-term. The

Office for Budgetary Responsibility and the Bank of England concur with that view. The latter have the CPI measure of inflation hitting 2.5% y/y by the end of 2024 and staying sticky until at least 2026. The Bank forecasts CPI to be 2.7% y/y (Q4 2025) and 2.2% (Q4 2026) before dropping back in 2027 to 1.8% y/y.

- The anticipated major investment in the public sector, according to the Bank, is expected to lift UK real GDP to 1.7% in 2025 before growth moderates in 2026 and 2027. The debate around whether the Government's policies lead to a material uptick in growth primarily focus on the logistics of fast-tracking planning permissions, identifying sufficient skilled labour to undertake a resurgence in building, and an increase in the employee participation rate within the economy.
- There are inherent risks to all the above. The worst-case scenario would see systemic blockages of planning permissions and the inability to identify and resource the additional workforce required to deliver large-scale IT, housing and infrastructure projects. This would lead to upside risks to inflation, an increased prospect of further Government borrowing & tax rises, and a tepid GDP performance.
- Our central view is that monetary policy is sufficiently tight at present to cater for some further moderate loosening, the extent of which, however, will continue to be data dependent. We forecast the next reduction in Bank Rate to be made in February and for a pattern to evolve whereby rate cuts are made quarterly and in keeping with the release of the Bank's Quarterly Monetary Policy Reports (February, May, August and November).
- Any movement below a 4% Bank Rate will, nonetheless, be very much dependent on inflation data in the second half of 2025. The fact that the November MPC rate cut decision saw a split vote of 8-1 confirms that there are already some concerns around inflation's stickiness, and with recent public sector wage increases beginning to funnel their way into headline average earnings data, the market will be looking very closely at those releases.
- Regarding our PWLB forecast, the short to medium part of the curve is forecast to remain elevated over the course of the next year, and the degree to which rates moderate will be tied to the arguments for further Bank Rate loosening or otherwise. The longer part of the curve will also be impacted by inflation factors, but there is also the additional concern that with other major developed economies such as the US and France looking to run large budget deficits there could be a glut of government debt issuance that investors will only agree to digest if the interest rates paid provide sufficient reward for that scenario.
- So far, we have made little mention of the US Presidential election. Nonetheless, Donald Trump's victory paves the way for the introduction/extension of tariffs that could prove inflationary whilst the

same could be said of further tax cuts and an expansion of the current US budget deficit. Invariably the direction of US Treasury yields in reaction to his core policies will, in all probability, impact UK gilt yields. So, there are domestic and international factors that could impact PWLB rates whilst, as a general comment, geo-political risks abound in Europe, the Middle East and Asia.

5.60 A full economic outlook from the Councils Treasury Advisors (Link) is shown at Appendix C.

## PWLB Rates

5.61 PWLB interest rates on borrowing are expected to remain high before following the base rate movement down over time. Table 5.7 above shows the Link forecast PWLB rates over the coming years. HM Treasury introduced a new HRA rate for PWLB lending on 15 June 2023, solely for the use in the HRA and intended primarily for new housing delivery. The Autumn Budget 2024 confirmed that the availability of this rate has now been extended to March 2026. In producing the forecast Link have taken into account the trends set out below.

- The overall longer-run trend is for gilt yields and PWLB rates to fall back over the timeline of our forecasts, but the risks to our forecasts are to the upsides. Our target borrowing rates are set **two years forward** (as we expect rates to fall back) and the current PWLB (certainty) borrowing rates are set out below: -

**Table 5.8(i) Link Target Borrowing Rates**

PWLB debt	Current borrowing rate as at 11.11.24 p.m.	Target borrowing rate now (end of Q3 2026)	Target borrowing rate previous (end of Q3 2026)
5 years	5.02%	4.30%	3.90%
10 years	5.23%	4.50%	4.10%
25 years	5.66%	4.90%	4.40%
50 years	5.42%	4.70%	4.20%

## Borrowing advice

- Our long-term (beyond 10 years) forecast for Bank Rate has been increased to 3.25% (from 3%). As all PWLB certainty rates are currently significantly above this level, borrowing strategies will need to be reviewed in that context. Overall, better value can be obtained at the shorter end of the curve and short-dated fixed LA to LA monies should also be considered. Temporary borrowing rates will, generally, fall in line with Bank Rate cuts.
- Links suggested budgeted earnings rates for investments up to about three months' duration in each financial year are rounded to the nearest 10 basis points. Investment earnings have been revised somewhat higher for all years from 2025-2026 as Bank Rate remains higher for longer. As part of

our modelling for budgeting purposes the Council has adopted a prudent 25 basis points reduction on the average earnings outlined below.

**Table 5.8(ii) Link suggested earnings for investments**

Average earnings in each year	Now	Previously
2024-2025 (residual)	4.60%	4.25%
2025-2026	4.10%	3.35%
2026-2027	3.70%	3.10%
2027-2028	3.50%	3.25%
2028-2029	3.50%	3.25%
Years 6 to 10	3.50%	3.25%
Years 10+	3.50%	3.50%

- We will continue to monitor economic and market developments as they unfold. Typically, we formally review our forecasts following the quarterly release of the Bank of England's Monetary Policy Report but will consider our position on an ad hoc basis as required.
- Our interest rate forecast for Bank Rate is in steps of 25 bps, whereas PWLB forecasts have been rounded to the nearest 10 bps and are central forecasts within bands of + / - 25 bps. Naturally, we continue to monitor events and will update our forecasts as and when appropriate.

### **Borrowing Strategy**

- 5.62 The Council is currently maintaining an under-borrowed position. This means that the Capital Financing Requirement, has not been fully funded with loan debt, as cash supporting the Authority's reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as medium and longer dated borrowing rates are expected to fall from their current levels.
- 5.63 Against this background and the risks within the economic forecast, caution will be adopted with the 2025-2026 treasury operations. The Council's S151 officer and the treasury team will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances.
- 5.64 Any borrowing decisions made by the Council's S151 Officer will be reported to the appropriate decision-making body at the next available opportunity.

### **Policy on borrowing in advance of need**

- 5.65 CIPFA's Prudential Code allows borrowing in advance of need when changes in interest rates mean that it benefits the council to borrow before the planned expenditure is incurred. This will be considered carefully, and appropriate advice will be sought from the council's treasury management advisers.
- 5.66 Borrowing in advance of need from a treasury management perspective will be made within the following constraints:

- It will be limited to no more than 75% of the expected increase in borrowing need (CFR) over the three-year planning period; and
- The authority would not look to borrow more than 3 years in advance of need (current and next two financial years).

5.67 The risks associated with any advanced borrowing from a treasury management perspective will be subject to appraisal and will be reported via the mid-year or annual Treasury Management reports.

### **Debt rescheduling**

5.68 Where short-term borrowing rates are cheaper than longer term fixed interest rates, there may be potential opportunities to generate savings by switching from long-term debt to short-term debt. However, these savings will need to be considered in the light of the current treasury position and the size of the cost of debt repayment (premiums incurred).

5.69 Any rescheduling will take account of:

- The generation of cash savings and / or discounted cash flow savings;
- Helping to fulfil the treasury strategy;
- Enhancing the balance of the portfolio (amend the maturity profile and/or the balance of volatility).

5.70 If rescheduling is to be undertaken, it will be reported to the Treasury Management Committee, Cabinet and Council, at the earliest meeting following its action.

### **UK Municipal Bond Agency (MBA)**

5.71 It is possible that the MBA will be offering loans to local authorities in the future at rates expected to be lower than offered by the PWLB. The Council may make use of this new source of borrowing as and when appropriate.

### **Approved Sources of Long and Short-term Borrowing**

<b>On Balance Sheet</b>	<b>Fixed</b>	<b>Variable</b>
PWLB	●	●
UK Municipal Bond Agency	●	●
Local Authorities	●	●
Banks	●	●
Pension Funds	●	●
Market (long-term)	●	●
Market (temporary)	●	●
Market (LOBOs)	●	●
Stock Issues	●	●
Internal (capital receipts & revenue balances)	●	●
Finance Leases	●	●

# Annual Investment Strategy

## Treasury investment policy

- 5.72 The council's treasury management investment policy has regard to MHCLG's Guidance on Local Government Investments ("the Guidance") and CIPFA's Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes ("the CIPFA TM Code") as well as the CIPFA Treasury Management Guidance Notes 2021. The Council's treasury management investment priorities will be Security first, Liquidity second, and then Yield.
- 5.73 All funds invested by the in-house treasury management team as part of the normal treasury management processes are made with reference to the cash flow requirements of the council and the outlook for short-term interest rates (i.e. rates for investments up to 12 months). Careful consideration will be given before investing sums identified for longer term investments.
- 5.74 The Council has defined the list of types of investment instruments that the treasury management team are authorised to use below.
- **Specified investments** are those with a high level of credit quality and subject to a maturity limit of one year or have less than a year left to run to maturity, if originally they were classified as being non-specified investments solely due to the maturity period exceeding one year.  
  
In accordance with the Code, the Authority has set out additional criteria to limit the time and the amount of monies which will be invested in these bodies (see table 5.9).
- Non-specified investments** are those with less high credit quality, may be for periods in excess of one year, and/or are more complex instruments which require greater consideration by members and officers before being authorised for use. The Non-specified Investments are listed in table 5.9.
- 5.75 The Council has engaged external consultants (Link) to provide expert advice on how to optimise an appropriate balance of security, liquidity and yield, given the risk appetite of this Authority in the context of the expected level of cash balances and need for liquidity throughout the year.
- 5.76 Full details of lending limits for each counterparty, transaction and duration limits for each type of investment are set out in Table 5.9 below. All investments will be denominated in sterling.
- 5.77 As a result of the change in accounting standards for 2023-2024 under IFRS 9, this Authority will consider the implications of investment instruments which could result in an adverse movement in the value of the amount invested and resultant charges at the end of the year to the General Fund. (In November 2018, the MHCLG, concluded a consultation for a temporary override to allow English local authorities time to adjust their portfolio of all pooled investments by announcing a statutory override to delay implementation of IFRS 9 for five

years ending 31<sup>st</sup> March 2023. More recently, a further extension to the override to 31<sup>st</sup> March 2025 has been agreed by Government.

### **Risk Management and Creditworthiness Policy**

- 5.78 Management of risk is placed in high priority in accordance with the MHCLG (DLUHC) and CIPFA Guidance. In order to minimise the risk to treasury investments, the council applies minimum acceptable credit criteria to generate a list of highly creditworthy counterparties which it maintains. This also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the long-term ratings. Credit rating information is supplied by Link Group, our treasury advisors, on all active counterparties that comply with the criteria below in table 5.9.
- 5.79 Ratings will not be the sole determinant of the quality of an institution; the financial sector will be continuously monitored on both micro and macro basis and in relation to the economic and political environments in which these institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To achieve this, the council will engage with its advisors to watch the market pricing such as “credit default swaps” and overlay that information on top of the credit ratings.
- 5.80 Other information sources used will include the financial press, share price and other such information relating to the banking sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties. For local authority or related counterparties, the financial standing and other available information will be considered before placing investments.
- 5.81 Where applicable consideration will be given to the materiality of expected credit losses for treasury investments before they are used.
- 5.82 The counterparty list for treasury investments may be revised from time to time and will submitted to council for approval as necessary.
- 5.83 In its selection process, the council will apply its approved minimum criteria to the lowest available rating for any institution. Credit rating information is supplied by Link Asset Services; the Council’s treasury consultants. Any counterparty failing to meet the criteria would be omitted from the counterparty (dealing) list.
- 5.84 Any rating changes, rating watches (notification of a possible change), rating outlooks (notification of a possible longer-term change) are provided to officers almost immediately after they occur and this information is considered before dealing. On occasion ratings may be downgraded when an investment has already been made. The criteria used are such that a minor downgrading should not affect the full receipt of the principal and interest. Where a credit rating agency announces that a rating is on review for possible downgrade so that it may fall below the approved minimum rating criteria, then future

investments (other than existing investments) will not be made with that organisation until the outcome of the review is announced.

- 5.85 Building Societies will be subject to an additional criterion where the assets on their balance sheet are taken into account to assess credit worthiness. The counterparty list will therefore permit investment with building societies where their credit ratings are below the minimum for banks/UK building societies, but where the assets on the building societies balance sheet exceed £2.5bn.
- 5.86 The list of types of investment instruments that the treasury management team are authorised to use are categorised as specified and non- specified investments.
- **Specified investments** that the Council will use are high security and high liquidity investments in sterling and with a maturity of no more than a year.
  - **Non-specified investments** are high security, high credit quality, in some cases more complex instruments for periods in excess of one year.
- 5.87 The council will consider the use of new investment instruments after careful consideration by officers and approval by council.
- 5.88 While all investments will be denominated in sterling, investments will only be placed with counterparties from countries with a specified minimum sovereign rating in table 5.10. Lending and transaction limits for each counterparty will be set in the Treasury Management Principles (TMPs) through applying the matrix table 5.9 below.



**Table 5.9: specified and non-specified investment approved instruments and limits**

Counterparty/Financial instrument	Minimum Long-term Credit Criteria or Equivalent	Specified Investments		Non-specified Investments	
		Maximum duration	Counterparty Limit (£m)	Maximum duration	Counterparty Limit (£m)
DMAF - UK Government	n/a	3 months	£30m	n/a	n/a
UK Government gilts	UK Sovereign rating	12 months	£15m	3 years	£5m
UK Government Treasury bills	UK Sovereign rating	6 months	£10m	n/a	n/a
Money Market Funds - CNAV	AAA	Liquid	£10m per fund £50m overall limit	n/a	n/a
Money MARKET Funds - LVNAV	AAA			n/a	n/a
Money Market Funds - VNAV*	AAA			n/a	n/a
UK Local Authority term deposits (LA)**	n/a	12 months	£13m per LA	5 years	£5m per LA
Term Deposits with UK Building Societies	Assets worth at least £2.5bn but do not meet the minimum Bank/Building Society credit Criteria	12 months	£5m	n/a	n/a
Banks/UK Building Societies (Term deposits, CD, Call & Notice accounts)	AAA	12 months	£20m	2 years	£10m
Banks/UK Building Societies (Term deposits, CD, Call & Notice accounts)	AA+	12 months	£17m	12 months	£5m
	AA				
Banks/UK Building Societies (Term deposits, CD, Call & Notice accounts)	AA-	12 months	£10m	n/a	n/a
	A+				
	A				
Banks/UK Building Societies (Term deposits, CD, Call & Notice accounts)	A-	6 months	£5m	n/a	n/a
The Authority's own banker	A-	12 months	£15m (for day to day operational working capital requirements – not for investment purposes)	Non-specified investment if banker fails to meet the minimum credit criteria	balances will be minimised as far as is possible.
Property Funds	Credit loss analysis, financial and legal due diligence	n/a	n/a	n/a	£5m per fund
Loan Capital and other third party loans including parish councils	Subject to financial & legal due diligence	considered on individual basis	n/a	considered on individual basis	n/a

\* Specialist advice will be obtained before the use of VNAV money market funds

\*\* Investments with Local authorities will be reviewed and considered on a case by case basis

5.89 As part of the 2025-2026 TMS officers will increase the overall allocation limit for Money Market Funds (MMF's) to £50M (whilst maintaining the individual MMF maximum limit of £10M per MMF). This will result in the need for at least two further MMF's to be sourced during the year and will add additional investment security and cash liquidity options.

### Sovereign limits

5.90 Alongside changes in banking regulations which are focused on improving the banking sectors resilience to financial and economic stress, due care will be

taken to consider the country, group and sector exposure of the Council's investments.

5.91 The Council will only use approved counterparties from the UK and countries with a sovereign credit rating from the three main rating agencies equal to or above AA-. In addition:

- No more than 20% will be placed with any non-UK country at any time and would always be sterling investments
- Sector limits will be monitored regularly for appropriateness.

5.92 Due to the current economic outlook for the UK economy, the UK sovereign rating is currently on the lowest acceptable level suggested for approved countries of AA-. However, if credit rating agencies downgrade the UK below AA- (the minimum Sovereign rating for 2025-2026), the council will immediately seek advice from its treasury adviser and report to council at the earliest possible reporting date.

**Table 5.10: Sovereign rating for 2025-2026**

<b>AAA</b>	Sweden	<b>AA</b>
Australia	Switzerland	France
Denmark		
Germany	<b>AA+</b>	<b>AA-</b>
Luxembourg	Canada	Belgium
Netherlands	Finland	Hong Kong
Norway	USA	U.K.
Singapore		

### **Bank of England iteration UK bank stress tests**

5.93 In addition to the use of credit ratings provided by the three main rating agencies the other factors identified in paragraphs 5.79 and 5.80 will be taken into consideration when selecting UK banks.

### **Money Market Funds (MMFs)**

5.94 Money market funds are pooled investment vehicles consisting of instruments similar to those used by the council. They have the advantage of providing wide diversification of investment risks, coupled with the services of a professional fund manager and analyst team. Fees are deducted from the interest paid to the council.

### **Building societies**

5.95 Although the regulation of building societies is no longer any different to that of banks, the council may use building societies which meet the minimum credit rating for Banks and Building Societies or have a minimum asset size of

£2.5bn but will restrict these types of investments to fixed deposits subject to lower cash limit and shorter time limit.

### **Current account banking**

- 5.96 The council's current accounts are held with Barclays Bank UK Plc (Ring Fenced Bank RFB). In the event of the credit rating of Barclays Bank UK Plc (RFB) falling to a point lower than the council's minimum credit criteria of A-long term rating, the council will treat its bank as "high credit quality" for the purpose of making investments that can be withdrawn on the next working day.

### **UK banks – ring fencing**

- 5.97 The council will continue to assess any newly formed entities against existing criteria and those with sufficiently high ratings will be considered for investment purposes.

### **Investment risk benchmarking**

- 5.98 These benchmarks are simple guides to maximum risk, so they may be breached from time to time, depending on movements in interest rates and counterparty criteria. The purpose of the benchmark is that officers will monitor the current and trend position and amend the operational strategy to manage risk as conditions change. Any breach of the benchmarks will be reported, with supporting reasons in the mid-year or annual Treasury Management report.

### **Security benchmark**

- 5.99 Counterparty risk will increase as duration of investment increases. The council will continue its policy of investing the majority of its investments with duration of less than 12 months. The council's security risk benchmark for the current portfolio, when compared to the historic default tables is 0.04%. This benchmark is an average risk of default measure and will be monitored retrospectively and action taken to manage the security risk when considering future investments.

### **Liquidity**

- 5.100 The council seeks to maintain the following Liquidity:
- Bank overdraft – zero balance
  - Liquid short-term deposits of at least £1m available with a week's notice.
  - Weighted average life benchmark is expected to be 0.50 years, with a maximum of 1.00 year. However, this benchmark may change if the Council decides to invest longer than 12 months.

### **Yield**

5.101 Local measures of yield benchmarks are:

- Investments – internal returns above the 7-day SONIA (Sterling Overnight Index Average) rate.

### **Ethical investment**

5.102 The council will not knowingly invest directly in businesses whose activities and practices pose a risk of serious harm to individuals or groups, or whose activities are inconsistent with the council's mission and values.

5.103 This applies to direct treasury investment only. The council's normal money market activity would usually be with financial institutions which may have unknown indirect links with companies which the council will be unable to monitor. However, where known links are publicly available the council will not knowingly invest.

### **Environmental, Social and Corporate Governance Policy**

5.104 The updated Treasury Management Code published in December 2021 included a requirement under TMP1 that 'the organisation's credit and counterparty policies should set out its policy and practices relating to environmental, social and governance (ESG) investment considerations'. The Code acknowledges that this is a developing area, and it is not implied that the organisation's ESG policy will currently include ESG scoring or other real-time ESG criteria at the individual investment level. The council will continue to review and build on the emerging guidance in this area of treasury management as well as seek updates on good practice from its Treasury Management advisors.

5.105 The Council and its Members have a fiduciary duty to act in the best interests of local taxpayers in the management of the council's resources. The law is clear that the Members must primarily act in the best financial interests of local taxpayers. Broadly speaking, Members must take financially material considerations into account (i.e. those which may affect investment returns) but cannot take decisions based purely on non-financial factors. Additionally the S151 Officer has a duty to ensure the effective financial management of the local authority as a whole, meaning that there is a wider responsibility than simply applying a policy set by the Administration or the Full Council, i.e. to ensure that the financial interests of Council Tax Payers are protected effectively, such as balancing the budget but also then in determining the best way to balance the financial viability of investments with the political priorities of the Administration and/or the Full Council.

5.106 The Council recognises that environment, social and governance (ESG) factors can influence investment performance and the ability to achieve sustainable returns. The Council's Treasury Management (TM) Committee therefore considers the following two key areas of responsible investment:

- Corporate Governance – acting as responsible and active investors.

- Sustainable investment – considering the financial impact of environmental, social and governance (ESG) factors on its investments.
- 5.107 The TM Committee takes ESG matters very seriously and will regularly conduct reviews of its policies in this area with advice from its Treasury Advisors. The TM Committee has developed the following responsible investment beliefs.
- The TM Committee has an overriding duty to manage its investments in accordance with the Committees Terms of reference and the council's legal obligation under the Local Government Act 2003;
  - The Committee will adopt the relevant codes of practice and guidance issued by CIPFA (Chartered Institute of Public Finance & Accountancy) and the DLUHC (Department for Levelling Up, Housing and Communities) including CIPFA's Treasury Management Code of practice and the Prudential Code.
  - The TM Committee consider proactive management of our ESG approach and will therefore encourage the Council's TM Advisers to actively engage with officers and the financial markets to identify suitable counterparty's and investments.
- 5.108 As part of their Environmental, Social and Governance (ESG) considerations, our TM Advisors should review the market for approaches to environmental factors such as fossil fuels and climate change along with Social factors such as employee rights and Governance factors such as compliance with standard industry practice and Legislation.
- 5.109 The TM Committee expects its advisors to demonstrate a positive review of the market in response to:
- Matters of social responsibility.
  - Environmental policy on how their impact can be minimised.
  - Monitor risks and opportunities associated with climate change and fossil fuels.
  - Anticipate future legislative requirements.
- 5.110 As part of the Council's Counterparty list, the Council has access to a Sustainable triple A rated Money Market Fund. This allows the Council to place up to £10M of its surplus cash in an ESG focused fund which is low risk provides next day liquidity and market rate return.
- 5.111 Where the Council opens further Money Market Funds these will be European Union Sustainable Finance Disclosure Regulation (EUSFDR) Article 8 compliant (or equivalent), AAA rated Money Market Funds (MMF's).
- 5.112 The Council will continue to work with its Treasury advisors to identify suitable ESG or Ethical investment options in accordance with the credit rating criteria set out in table 5.9.

### **Policy on charging interest to the Housing Revenue Account (HRA)**

- 5.113 Following the reform of housing finance, the council can adopt its own policy on sharing interest costs and income between the General Fund (GF) and the Housing Revenue Account (HRA).
- 5.114 The CIPFA Code recommends that authorities state their policy on this matter each year in their treasury management strategy. The charge is required to be fair to the general fund and to the HRA. This council's policy is to charge the HRA with actual interest on external debt plus an element for any under-borrowing and pay interest income on surplus cash at the Council's pooled borrowing/investment rates.

### **Policy on use of financial derivatives**

- 5.115 The council will not use standalone derivatives except where they can be clearly demonstrated to reduce the overall level of financial risk that the council is exposed to.

### **List of Appendices**

Appendix A: Minimum Revenue Provision (MRP) policy statement  
Appendix B: Key Financial, Prudential and treasury indicators  
Appendix C: Economic background  
Appendix D: Treasury management scheme of delegation  
Appendix E: The treasury management role of the section 151 officer

## **APPENDIX A**

### **Minimum Revenue Provision (MRP) policy statement**

For capital expenditure incurred:

1. In 2023/24, the Authority's MRP policy was subject to a comprehensive review of MRP charges and methodology by the Council's Treasury Advisors. This policy reflects the new MRP calculation methods that have been implemented.
2. For supported capital expenditure incurred before 1st April 2008, the Authority will apply the Asset Life Method using an annuity calculation and will take account of the regulatory calculated Adjustment A, which was a means of maintaining broad neutrality between the old and new MRP systems that took effect prior to April 2008.
3. Unsupported borrowing will be subject to MRP under option 3 of the guidance (Asset Life Method). MRP will be based on the estimated life of the assets in accordance with the statutory guidance using the annuity method, calculated on a weighted average basis.
4. MRP in respect of unsupported borrowing taken to meet expenditure, which is treated as capital expenditure by virtue of either a capitalisation direction or regulations, will be determined in accordance with the asset lives as recommended by the statutory guidance.
5. The interest rate applied to the annuity calculations will reflect the market conditions at the time and will, for the current financial year, be based on PWLB annuity rates.
6. Where applicable, repayments included in annual PFI or finance leases are applied as MRP.
7. MRP Overpayments - The MRP Guidance allows that any charges made in excess of the statutory minimum revenue provision (MRP), i.e. voluntary revenue provision (VRP) or overpayments, can be reclaimed in later years if deemed necessary or prudent. In order for these sums to be reclaimed for use in the budget, this policy must disclose the cumulative overpayment made each year. The Council overpaid £6.982m of MRP in previous years. This amount is being gradually released to the general fund revenue budget on a straight-line basis over 40 years. From the 2025-2026 TM Strategy onwards, there is £5.585m over 32 years still to be released. The amount of VRP made by the council to 31st March 2025 is £0.377m. A further £0.034m VRP will be made in 2025-2026.
8. MRP will commence in the year following the year in which capital expenditure financed from borrowing is incurred, except for asset under construction where the MRP will be deferred until the year after the asset becomes operational.

9. For capital loans which are classed as non-commercial and have not been subject to a recognised credit loss in the current or any previous financial year the Council has chosen not to provide MRP.
10. For capital loans which are classed as commercial and have not been subject to a recognised credit loss in the current or any previous financial year then the Council will provide MRP over the useful life of the assets purchased by the third party.
11. Capital receipts received from the non-commercial and commercial loan repayments in the financial year will be used to reduce the debt liability i.e. the capital receipts will be used in lieu of MRP to reduce the CFR.
12. For capital loans to third parties granted before 7 May 2024 - Where those loans have been subject to an actual or expected credit loss in the current or any previous financial year then MRP will be provided in each financial year over the useful life of the assets purchased by the third party.
13. For capital loans to third parties granted on or after 7 May 2024 - Where those loans are subject to an expected or actual credit loss, then the MRP charge will be at least the amount of the recognised credit loss for the financial year, after adjusting for any previous MRP or capital receipts applied to the loan.
14. For supported capital expenditure incurred before 1st April 2008, the Authority will apply the Asset Life Method using an annuity calculation and will take account of the regulatory calculated Adjustment A, which was a means of maintaining broad neutrality between the old and new MRP systems that took effect prior to April 2008. This methodology writes down the debt liability over a much shorter period than the regulatory method and is therefore deemed prudent.



## Appendix B

### 1. Key Financial, Capital Prudential and Treasury Indicators 2024-2025 – 2029-2030

#### Background

- 1.1 Local government finance is subject to a high level of regulation. There are various codes of practice which the council, under legislation, has a duty to have regard to when taking its budget decisions.
- 1.2 This section of the report provides information to show the affordability, proportionality, and value of potential risk exposure with regard to the council's proposals for borrowing, lending to third parties, investment in equity shares in third parties, as well as its commercial income streams.
- 1.3 MHCLG has suggested various financial indices that could be used to fulfil this requirement and recommends that councils should "where appropriate" consider setting self-assessed limits or targets for these indices.

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/678866/Guidance\\_on\\_local\\_government\\_investments.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/678866/Guidance_on_local_government_investments.pdf)

- 1.4 For the majority of indicators, the council has not elected to set self-assessed limits. This will be kept under review as better benchmarking data becomes available from other authorities. The annual limit regarding borrowing along with a number of other prudential and Treasury Management indicators are set in the above Treasury Management Strategy.
- 1.5 The indices chosen as being the most appropriate for the council's circumstances at present take as their starting point figures from the 2023/24 draft statement of accounts and project these forward for this financial year and the five following years.
- 1.6 The MHCLG do not specify any indices for the HRA – they are given in the tables that follow where appropriate to do so using locally derived indicators.

#### Key Financial Indicators Balance Sheet position - strong

- 1.7 The balance sheet provides a "snapshot" of the council's financial position at a specific point in time showing what it owns and owes. The council currently has a strong balance sheet position. The balance sheet in the draft 2023/24 statement of accounts shows total long-term assets valued at just under £1.2bn, most of which are land and property assets including the council's HRA housing. The Council's usable Reserves totals £163M.
- 1.8 As at 31 March 2024, the council had external borrowing of £208m (£204m long-term, £4m short-term) which is 17% of the value of the council's assets. In addition, the council had borrowed £92m internally from its own cash holdings to temporarily fund capital expenditure and investments. The total long-term

indebtedness of the council at the end of last financial year was therefore £300m (this figure is known as the capital financing requirement (CFR)).

- 1.9 Long term investments (equity shares) as at the 31 March 2024 include a £3.4m shareholding in Lion Homes (Norwich) Ltd (LHL) and £0.370m shareholding in Norwich City Services Ltd (NCSL).
- 1.10 In the 2023/24 long term debtors, the amounts lent to third parties on commercial terms comprise a £6.150m loan to LHL, Two capital loans to NCSL totalling £1.220M, two £0.500m working capital loans to NCSL and a £0.104m loan to Norwich Preservation Trust. The council also makes “soft” loans (on non-commercial terms) to others, for example home improvement loans to residents. Only the lending undertaken on commercial terms needs to be considered as part of the requirements arising from the revised Investment Code.

### **Forecast Balance Sheet position**

- 1.11 The council's budget proposals contained within this budget report will result in a growing balance sheet both in terms of the long-term assets that will be held by the council (in particular social housing and long-term debtors) as well as its long-term liabilities (its capital financing requirement or underlying need to borrow).

### **Core Funds and Expected Investment Balances**

- 1.12 The application of resources (reserves, capital receipts etc.) to either finance capital expenditure or other budget decisions to support the revenue budget will have an ongoing impact on investments unless resources are supplemented each year from new sources (asset sales etc.). A table detailing estimated year-end balances for each resource and anticipated day-to-day cash flow balances are included in the main Treasury Management Strategy document.

## **2. Capital Prudential and Treasury Indicators**

- 2.1 Capital Expenditure - The Authority's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans. The Capital expenditure plans are shown in the Treasury Management Strategy document.
- 2.2 Affordability Prudential Indicators - The previous sections cover the overall capital and control of borrowing prudential indicators, but within this framework prudential indicators are required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the Authority's overall finances.
- 2.3 The Council's Capital expenditure plans should be considered alongside the cost of past borrowing, maintenance requirements and planned disposals. The authority's Minimum Revenue Provision (MRP) policy will also have a critical impact on the overall affordability of new borrowing. This indicator identifies the trend in the Capital Financing costs are shown as a % net revenue stream

(taxation and non-specific grant income excluding capital grants, contributions and donated assets).

	2023/24 Actual	2024- 2025 Estimate	2025- 2026 Estimate	2026- 2027 Estimate	2027- 2028 Estimate	2028- 2029 Estimate	2029- 2030 Estimate
	£000	£000	£000	£000	£000	£000	£000
<b>Capital Financing costs as a% of Net Revenue Stream</b>							
Non-HRA	4%	2%	3%	3%	3%	3%	3%
HRA	8%	8%	8%	9%	9%	9%	9%

- 2.4 This indicator shows the HRA debt per dwelling and shows a consistent estimated debt of £15K per dwelling, with a small increase in the forecast cost per dwelling to reflect additional borrowing requirements flagged in the HRA capital programme for 2029-2030.

	2023/24 Actual	2024-2025 Estimate	2025-2026 Estimate	2026-2027 Estimate	2027-2028 Estimate	2028-2029 Estimate	2029-2030 Estimate
	£000	£000	£000	£000	£000	£000	£000
<b>HRA Debt per Dwelling</b>							
HRA debt £m (CFR)	208,532	208,532	208,532	208,532	208,532	208,532	224,421
Number of HRA dwellings	14,257	14,211	14,131	14,003	14,001	14,000	13,994
Debt per dwelling £	14,627	14,674	14,757	14,892	14,894	14,895	16,037

### **Maturity Structure of Borrowing**

- 2.5 Maturity structure of borrowing. These gross limits are set to reduce the Authority's exposure to large, fixed rate sums falling due for refinancing, and are required for upper and lower limits. The maturity structure of borrowing are shown in Treasury Management Strategy.

### **Control of Interest Rate Exposure**

- 2.6 The measures to manage the Control of interest rate exposure (including Interest rate forecasts, Prospect for Interest Rates, Borrowing Strategy and Annual Investment Strategy) are shown in the main Treasury Management Strategy.

## **3. The Council's non-financial (commercial) investments to net Revenue Stream**

- 3.1 This ratio shows the general fund's dependence on commercial income to deliver core general fund services. The ratio is shown as a % against net revenue stream (taxation and non-specific grant income excluding capital grants, contributions and donated assets).

### ***Net commercial income to Net Revenue Stream***

	2023/24	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030
	Actual	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
	£000	£000	£000	£000	£000	£000	£000
Commercial Property Income	(6,703)	(6,041)	(6,275)	(6,275)	(6,275)	(6,275)	(6,275)
Commercial Property Expenditure	4,337	2,444	2,699	2,710	2,718	2,726	2,734
MRP	829	850	871	894	916	939	963
Airport Industrial Net Income	(44)	0	0	0	0	0	0
<b>Net Commercial Property Income</b>	<b>(1,581)</b>	<b>(2,747)</b>	<b>(2,705)</b>	<b>(2,671)</b>	<b>(2,641)</b>	<b>(2,610)</b>	<b>(2,578)</b>
Lending interest income	(372)	(376)	(376)	(376)	(376)	(376)	(376)
Assumed lending cost	169	119	129	129	129	129	129
<b>Net 3rd Party Lending Income</b>	<b>(203)</b>	<b>(257)</b>	<b>(247)</b>	<b>(247)</b>	<b>(247)</b>	<b>(247)</b>	<b>(247)</b>
<b>Net Commercial Income</b>	<b>(1,784)</b>	<b>(3,004)</b>	<b>(2,952)</b>	<b>(2,918)</b>	<b>(2,888)</b>	<b>(2,857)</b>	<b>(2,825)</b>
<b>Net Revenue Stream</b>	<b>(20,992)</b>	<b>(22,485)</b>	<b>(26,414)</b>	<b>(27,084)</b>	<b>(27,779)</b>	<b>(28,324)</b>	<b>(28,324)</b>
<b>Net Commercial Income as a % of Net Revenue Stream</b>	<b>8%</b>	<b>13%</b>	<b>11%</b>	<b>11%</b>	<b>11%</b>	<b>10%</b>	<b>10%</b>

3.2 For 2024-2025 onwards the net and gross income from Commercial property are based on the proposed budget assumptions. Income from the council's car parks is not included in this analysis as the primary reason for owning and managing them is not solely for-profit making purposes.

## Appendix C

### ECONOMIC BACKGROUND

- The third quarter of 2024 (July to September) saw:
  - GDP growth stagnating in July following downwardly revised Q2 figures (0.5% q/q);
  - A further easing in wage growth as the headline 3myy rate (including bonuses) fell from 4.6% in June to 4.0% in July;
  - CPI inflation hitting its target in June before edging above it to 2.2% in July and August;
  - Core CPI inflation increasing from 3.3% in July to 3.6% in August;
  - The Bank of England initiating its easing cycle by lowering interest rates from 5.25% to 5.0% in August and holding them steady in its September meeting;
  - 10-year gilt yields falling to 4.0% in September.
- The economy's stagnation in June and July points more to a mild slowdown in GDP growth than a sudden drop back into a recession. Moreover, the drop in September's composite activity Purchasing Managers Index, from 53.8 in August to 52.9, was still consistent with GDP growth of 0.3%-0.4% for the summer months. This is in line with the Bank of England's view, and it was encouraging that an improvement in manufacturing output growth could be detected, whilst the services PMI balance suggests non-retail services output grew by 0.5% q/q in Q3. Additionally, the services PMI future activity balance showed an uptick in September, although readings after the Chancellor's announcements at the Budget on 30th October will be more meaningful.
- The 1.0% m/m jump in retail sales in August was stronger than the consensus forecast for a 0.4% m/m increase. The rise was reasonably broad based, with six of the seven main sub sectors recording monthly increases, though the biggest gains came from clothing stores and supermarkets, which the ONS reported was driven by the warmer-than-usual weather and end of season sales. As a result, some of that strength is probably temporary.
- The Government's plans to raise public spending by around £16bn a year (0.6% GDP) could weaken GDP growth in the medium-term. However, if taxes are raised in line with spending (i.e., by £16bn) that would mean the overall stance of fiscal policy would be similar to the previous government's plan to reduce the budget deficit. Additionally, rises in public spending tend to boost GDP by more than increases in taxes reduce it. Our colleagues at Capital Economics suggest GDP growth will hit 1.2% in 2024 before reaching 1.5% for both 2025 and 2026.

- The further easing in wage growth will be welcomed by the Bank of England as a sign that labour market conditions are continuing to cool. The 3myy growth rate of average earnings fell from 4.6% in June to 4.0% in July. On a three-month annualised basis, average earnings growth eased from 3.0% to 1.8%, its lowest rate since December 2023. Excluding bonuses, the 3myy rate fell from 5.4% to 5.1%.
- Other labour market indicators also point to a further loosening in the labour market. The 59,000 fall in the alternative PAYE measure of the number of employees in August marked the fourth fall in the past five months. And the 77,000 decline in the three months to August was the biggest drop since November 2020. Moreover, the number of workforce jobs fell by 28,000 in Q2. The downward trend in job vacancies continued too. The number of job vacancies fell from 872,000 in the three months to July to 857,000 in the three months to August. That leaves it 34% below its peak in May 2022, and just 5% above its pre-pandemic level. Nonetheless, the Bank of England is still more concerned about the inflationary influence of the labour market rather than the risk of a major slowdown in labour market activity.
- CPI inflation stayed at 2.2% in August, but services inflation rose from a two-year low of 5.2% in July to 5.6%, significantly above its long-run average of 3.5%. Food and fuel price inflation exerted some downward pressure on CPI inflation, but these were offset by the upward effects from rising furniture/household equipment inflation, recreation/culture inflation and a surprisingly large rise in airfares inflation from -10.4% in July to +11.9% in August. As a result, core inflation crept back up from 3.3% to 3.6%. CPI inflation is also expected to rise in the coming months, potentially reaching 2.9% in November, before declining to around 2.0% by mid-2025.
- The Bank initiated its loosening cycle in August with a 25bps rate cut, lowering rates from 5.25% to 5.0%. In its September meeting, the Bank, resembling the ECB more than the Fed, opted to hold rates steady at 5.0%, signalling a preference for a more gradual approach to rate cuts. Notably, one Monetary Policy Committee (MPC) member (Swati Dhingra) voted for a consecutive 25bps cut, while four members swung back to voting to leave rates unchanged. That meant the slim 5-4 vote in favour of a cut in August shifted to a solid 8-1 vote in favour of no change.
- Looking ahead, CPI inflation will likely rise in the coming months before it falls back to its target of 2.0% in mid-2025. The increasing uncertainties of the Middle East may also exert an upward pressure on inflation, with oil prices rising in the aftermath of Iran's missile attack on Israel on 1 October. China's recent outpouring of new fiscal support measures in the latter stages of September has also added to the upshift in broader commodity prices, which, in turn, may impact on global inflation levels and thus monetary policy decisions. Despite these recent developments, our central forecast is still for rates to fall to 4.5% by the end of 2024 with further cuts likely throughout 2025. This is in line with market expectations, however, although a November rate cut still looks likely, December may be more problematic for the Bank if CPI inflation spikes towards 3%. In the second half of 2025, though, we think a more marked easing in inflation will prompt

the Bank to speed up, resulting in rates eventually reaching 3.0%, rather than the 3.25-3.50% currently priced in by financial markets.

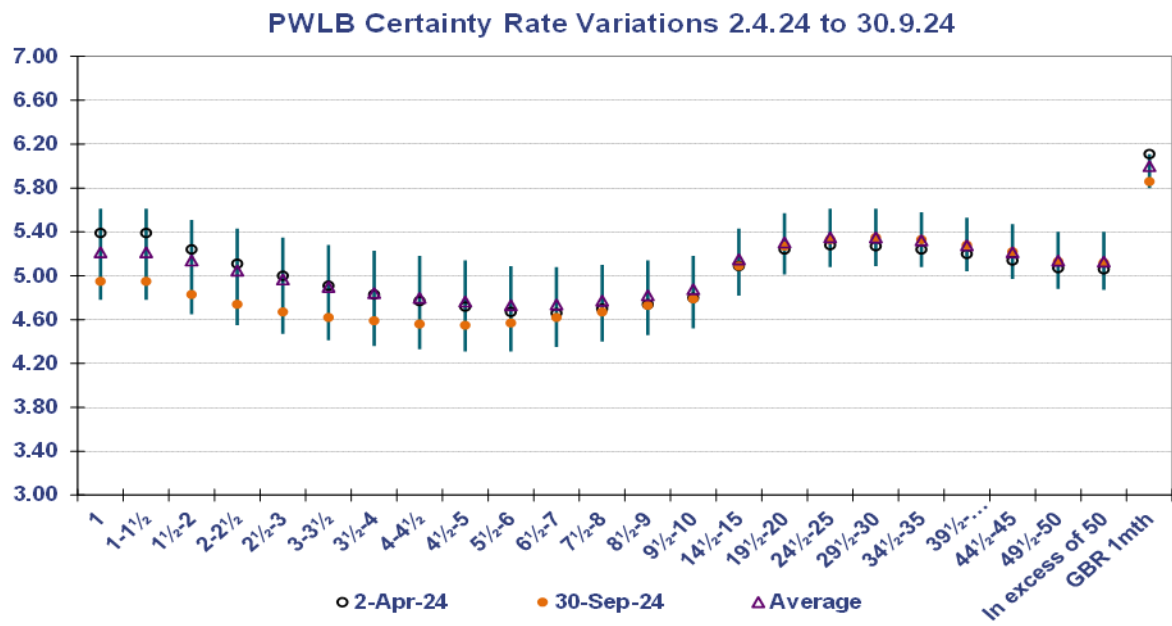
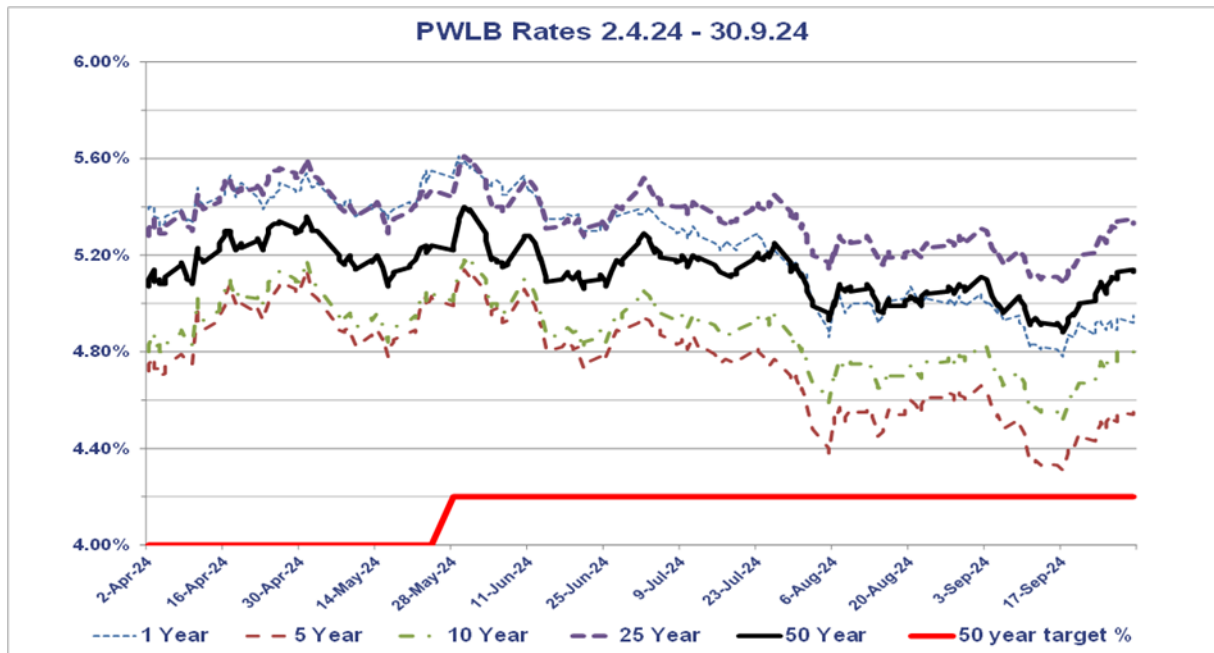
- Our forecast is next due to be updated around mid-November following the 30 October Budget, 5 November US presidential election and the 7 November MPC meeting and the release of the Bank of England Quarterly Monetary Policy Report.
- Looking at gilt movements in the first half of 2024-2025, and you will note the 10-year gilt yield declined from 4.32% in May to 4.02% in August as the Bank's August rate cut signalled the start of its loosening cycle. Following the decision to hold the Bank Rate at 5.0% in September, the market response was muted, with the 10-year yield rising by only 5bps after the announcement. This likely reflected the fact that money markets had priced in a 25% chance of a rate cut prior to the meeting. The yield had already increased by about 10bps in the days leading up to the meeting, driven in part by the Fed's "hawkish cut" on 18 September. There is a possibility that gilt yields will rise near-term as UK policymakers remain cautious due to persistent inflation concerns, before declining in the longer term as rates fall to 3.0%.
- The FTSE 100 reached a peak of 8,380 in the third quarter of 2024, but its performance is firmly in the shade of the US S&P500, which has breached the 5,700 threshold on several occasions recently. Its progress, however, may pause for the time being whilst investors wait to see who is elected the next US President, and how events in the Middle East (and Ukraine) unfold. The catalyst for any further rally (or not) is likely to be the degree of investors' faith in AI.

#### **MPC meetings: 9 May, 20 June, 1 August, 19 September 2024**

- On 9 May, the Bank of England's Monetary Policy Committee (MPC) voted 7-2 to keep Bank Rate at 5.25%. This outcome was repeated on 20<sup>th</sup> June.
- However, by the time of the August meeting, there was a 5-4 vote in place for rates to be cut by 25bps to 5%. However, subsequent speeches from MPC members have supported Governor Bailey's tone with its emphasis on "gradual" reductions over time.
- Markets thought there may be an outside chance of a further Bank Rate reduction in September, following the 50bps cut by the FOMC, but this came to nothing.
- November saw a rate cut to 4.75% but, thereafter, inflation and employment data releases, as well as geo-political events, are likely to be the determinant for what happens in the remainder of 2024-2025 and into 2025-2026.

In the chart below, despite a considerable gilt market rally in mid-September, rates started and finished the six-month period under review in broadly the same position.

## PWLB RATES 02.04.24 - 30.09.24





**HIGH/LOW/AVERAGE PWLB RATES FOR 02.04.24 – 30.09.24**

	1 Year	5 Year	10 Year	25 Year	50 Year
02/04/2024	5.39%	4.72%	4.80%	5.28%	5.07%
30/09/2024	4.95%	4.55%	4.79%	5.33%	5.13%
Low	4.78%	4.31%	4.52%	5.08%	4.88%
Low date	17/09/2024	17/09/2024	17/09/2024	17/09/2024	17/09/2024
High	5.61%	5.14%	5.18%	5.61%	5.40%
High date	29/05/2024	01/05/2024	01/05/2024	01/05/2024	01/05/2024
Average	5.21%	4.76%	4.88%	5.35%	5.14%
Spread	0.83%	0.83%	0.66%	0.53%	0.52%

## **Appendix D**

### **TREASURY MANAGEMENT SCHEME OF DELEGATION**

#### **(i) Cabinet and Full council – Responsible Body**

- receiving and reviewing reports on treasury management policies, practices and activities.
- approval of annual strategy.
- approval of/amendments to the organisation's adopted clauses, treasury management policy statement and treasury management practices.
- budget consideration and approval.
- approval of the division of responsibilities.
- receiving and reviewing regular monitoring reports and acting on recommendations.
- approving the selection of external service providers and agreeing terms of appointment.

#### **(ii) Treasury Management Committee - Body with responsibility for scrutiny**

- reviewing the treasury management policy and procedures and making recommendations to the responsible body.

## Appendix E

### **THE TREASURY MANAGEMENT ROLE OF THE SECTION 151 OFFICER** **The S151 (responsible) officer**

- recommending clauses, treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance;
- submitting regular treasury management policy reports;
- submitting budgets and budget variations;
- receiving and reviewing management information reports;
- reviewing the performance of the treasury management function;
- ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function;
- ensuring the adequacy of internal audit, and liaising with external audit;
- recommending the appointment of external service providers.

The above list of specific responsibilities of the S151 officer in the 2021 Treasury Management Code has not changed. However, implicit in the changes in both Codes, is a major extension of the functions of this role, especially in respect of non-financial investments, (which CIPFA has defined as being part of treasury management).

- preparation of a Capital Strategy to include capital expenditure, capital financing, non-financial investments and treasury management, with a long-term timeframe (ensuring that the Capital Strategy is prudent, sustainable, affordable and prudent in the long term and provides value for money)
- ensuring that due diligence has been carried out on all treasury and non-financial investments and is in accordance with the risk appetite of the authority
- ensure that the Authority has appropriate legal powers to undertake expenditure on non-financial assets and their financing
- ensuring the proportionality of all investments so that the Authority does not undertake a level of investing which exposes the Authority to an excessive level of risk compared to its financial resources
- ensuring that an adequate governance process is in place for the approval, monitoring and ongoing risk management of all non-financial investments and long-term liabilities
- provision to members of a schedule of all non-treasury investments including material investments in subsidiaries, joint ventures, loans and financial guarantees
- ensuring that members are adequately informed and understand the risk exposures taken on by the Authority
- ensuring that the Authority has adequate expertise, either in house or externally provided, to carry out the above
- creation of Treasury Management Practices which specifically deal with how non treasury investments will be carried out and managed, to include the following (TM Code p54): -
  - Risk management (TMP1 and schedules), including investment and risk management criteria for any material non-treasury investment portfolios;

- Performance measurement and management (TMP2 and schedules), including methodology and criteria for assessing the performance and success of non-treasury investments;
- Decision making, governance and organisation (TMP5 and schedules), including a statement of the governance requirements for decision making in relation to non-treasury investments; and arrangements to ensure that appropriate professional due diligence is carried out to support decision making;
- Reporting and management information (TMP6 and schedules), including where and how often monitoring reports are taken;
- Training and qualifications (TMP10 and schedules), including how the relevant knowledge and skills in relation to non-treasury investments will be arranged.

## 6. CHIEF FINANCE OFFICER'S STATEMENT

Item 9

### Statutory requirements

- 6.1 Section 25 of the Local Government Act 2003 places specific responsibilities on the Chief Finance Officer to report on the robustness of the budget and the adequacy of proposed financial reserves when the council is considering its budget requirement. The council is required to have regard to this statement when it sets the budget. This includes reporting and considering:
- The key assumptions in the proposed budget and to give a view on the robustness of those assumptions.
  - The key risk areas in the budget and to assess the adequacy of the Council's reserves when reviewing the potential financial impact of these risk areas on the finances of the Council. This should be accompanied by a Reserves Strategy.
- 6.2 CIPFA published a new Financial Management (FM) Code in October 2019. One of the 17 standards included in the new Code is 'the budget report includes a statement by the chief financial officer on the robustness of the estimates and a statement on the adequacy of the proposed financial reserves.' The statement is updated considering the prevailing circumstances and assessment of relevant risks each financial year.
- 6.3 This document concentrates on the General Fund budget, the Housing Revenue Account and Capital Investment Programme, but in addition it also considers key medium-term issues faced by the Council.

### Assurance Statement of the Council's Section 151 Officer

- 6.4 The following are the summary assurances and recommendations of the Council's Section 151 Officer. They must be read in conjunction with the supporting statements in this Section, which together make up the Section 151 Officer's statutory duty to report under Section 25 of the Local Government Act 2003.
- 6.5 In relation to the 2025 - 2026 General Fund Revenue budget, I have examined the budget proposals and I believe that, whilst the spending and service delivery proposals are challenging, they are nevertheless achievable given the political and management desire to implement the changes. Good management and the sound monitoring of performance and budgets, including the tracking of savings achieved, will be essential.
- 6.6 I am satisfied that sufficient management processes exist within the Council to deliver this budget, indeed the budget includes proposals for the development of the Finance function in support of the S151 responsibilities which "...requires local authorities to make arrangements for the proper administration of their financial affairs..." following a comprehensive review of the capacity, skills and knowledge base required to comply with this statutory duty. In addition the successful implementation of the Payroll system in 2024, as part of the broader implementation of the Unit4 Enterprise Resource Planning (ERP) system, provides a comprehensive management information tool to support and enhance financial management practice, insight and planning.

- 6.7 My recommendations are also conditional upon:
- a) The Council approving the updated Medium Term Financial Strategy for 2025 - 2026 to 2029 - 2030.
  - b) A recognition in the medium-term planning approach that the level of reserves and corporate risk assessment need to be regularly reviewed in the light of changing circumstances and that it may not be possible to match the two at any single point in time. The Council needs to show a commitment to maintain reserves at a level which provides adequate cover for most identified risks during the planning period. This approach is pragmatic and shows a clear commitment to prudent contingency planning.
  - c) It must be noted, however, that the recommended levels of reserves could still leave the Council exposed to the very exceptional risks identified in this review and, if all those risks crystallised at the same time, then the total level of reserves could be inadequate.
  - d) Cabinet Members, Chief Executive, Executive Directors, and managers not exceeding their cash limits.
  - e) Not considering further calls on reserves other than for those risks that have been identified, those that could not have been reasonably foreseen and that cannot be dealt with through management or policy actions. It is not prudent to finance ongoing spending from one-off reserves. Any excess reserves should be targeted towards business transformation (including redundancies and invest to save initiatives), Local Government funding changes and the impacts of significant changes in national policy.
  - f) That the Council has arrangements and resources in place to consider and assess value for money across the delivery of all its services and operations in preparation for future years' budgets.
- 6.8 In relation to the adequacy of reserves, I recommend the following Reserves Strategy based on an approach to evidence the requisite level of reserves by internal financial risk assessment. The Reserves Strategy will need to be reviewed annually and adjusted in the light of the prevailing circumstances.
- g) An absolute minimum level of unallocated General Fund reserves of £5.5 million is maintained throughout the period between 2025 - 2026 to 2029 - 2030.
  - h) An optimal level of unallocated General Fund reserves of £10.2 million over the period 2025 - 2026 to 2029 - 2030 to cover the absolute minimum level of reserves, in-year risks, cash flow needs and unforeseen circumstances.
  - i) A maximum recommended level of unallocated General Fund reserves of £12.2 million for the period 2025 - 2026 to 2029 - 2030 to provide additional resilience to implement the Medium-Term Financial Strategy.
  - j) A Reserves Strategy to remain within the recommended level of reserves over the relevant period of 2025 - 2026 to 2029 - 2030.
- 6.9 The estimated level of unallocated General Fund reserves at 31 March 2024, based on current projections is £8.249 million depending on the final outturn position. Therefore:

- k) The absolute minimum level of reserves of £5.5 million is currently being achieved. b) The optimal level of reserves of £10 million criteria is not being achieved for 2025 - 2026. It should be noted however that there are a number of potential significant changes that are anticipated to support growth over the medium-term that require investment initially in order to secure the growth, such as some of the anticipated major capital projects. The potential benefits include potential improved income streams which could be utilised to strengthen reserves further in the medium-term.
- l) The maximum level of reserves of £12 million is not being exceeded.
- m) Reserves should remain within the recommended range of reserves during 2024/25. This is subject to the cash limited budget for 2024/25 being met.

6.10 These recommendations are made based on:

- n) The risks identified by the Chief Executive and Executive Directors reviews of their budgets including the budget risks set out in section 2 of this report.
- o) My own enquiries during the development of the current budget proposals.
- p) The resilience and sustainability required to deliver the Medium-Term Financial Strategy.
- q) One-off unallocated reserves not being used to fund new on-going commitments.
- r) That the reserves are used only if risks materialise and cannot be contained by management or policy actions.
- s) That where reserve es are drawn down, the level of reserves is maintained in line with the latest Medium Term Financial Strategy.

6.11 There are also serious exceptional risks which, if they crystallise, could significantly impact the Council's reserves, and leave its financial standing in question. These include:

- t) The impact of inflationary pressures both directly on the council's expenditures but also secondary impacts on retained business rate levels, levels of bad debt and increases in service demands. It should be noted that whilst overall local government funding has increased there is a concern nationally that funding is not keeping up with specific inflationary factors affecting the sector.
- u) The risk surrounding the non-delivery of savings and exceeding investment proposals within the budget package for 2024/25.
- v) The financial uncertainty for the public sector arising from the prevailing and continuing national and local conditions.
- w) The risk of further significant reductions in income and Government grant funding, particularly in relation to:
  - Decline in the Council Tax base and Business Rates base.
  - Business Rates appeals from the previous revaluation exercises.
  - Further changes to the way in which Local Government is financed especially after the 2026 - 2027 settlement.

- Future Government changes in policy and funding for Local Government, particularly the impact and timing of the implementation of the Government's devolution policy.
  - The need to address the Country's ongoing Public Sector Borrowing Requirement (PSBR) and the structural financial deficit.
- x) Insurance Claims.
- 6.12 In relation to the Housing Revenue Account (HRA) in 2025 - 2026 and the medium to long term:
- y) Given the status of housing management provision the recommendation is that the HRA general reserve be maintained at the target figure of £5.8m.
  - z) Forward projections for the HRA have been undertaken with a revised 30-year business plan established in 2022, which is reviewed and updated annually. This is linked to the HRA's own Medium Term Financial Strategy for the period 2025 - 2026 to 2029 - 2030. The current position demonstrates that it is possible to:
    - Maintain a balanced HRA throughout that period.
    - Meet current level of capital investment, and
    - Repayment of required debt.
- 6.13 In relation to the General Fund and HRA Capital Investment Programme 2025 - 2026 to 2029 - 2030 (including commitments from previous years and new starts):
- aa) The HRA Capital Programme will need to be contained within the total programme cost.
  - bb) The General Fund Capital Budget is substantial and is based on the best information available in terms of project costs. What is less certain, based on historic performance, is the actual phasing of expenditure.
  - cc) The key strategic schemes identified in the capital investment programme will be closely monitored in-year.
  - dd) That the financing identified for the approved capital investment programme is delivered and is proportionate, prudent, affordable, and sustainable.
- 6.14 In relation to the medium to long term capital investment programme:
- ee) The delivery of the agreed Capital Strategy and Asset Management Plan is a critical priority to enable the matching of resources to needs and priorities.

- 6.15 Given all these factors, I, as the Council's Section 151 Officer, consider the estimates for 2025 - 2026 to be sufficiently robust and recommend for approval by the Council. I am also able to advise the Council that the level of General Fund Reserves is adequate and to recommend a Reserves Strategy which is achievable for 2025 - 2026 to 2029 - 2030.

### **Supporting Statements**

- 6.16 Budget estimates are exactly that – estimates of spending and income made at a point in time and which will change as circumstances change. This statement about the robustness of estimates cannot give a 100% guarantee



about the budget but gives Members reasonable assurance that the budget has been based on the best information and assumptions available at the time.

- 6.17 To meet the requirement on the robustness of estimates several key processes have been put in place, including:
- ff) The issuing of clear guidance to Services on preparing budgets including the requirement to provide information in support of the base budget review work.
  - gg) The development of a Council wide risk assessment.
  - hh) The use of extensive budget monitoring and its escalation process to identify risks.
  - ii) The Council's S151 Officer providing advice throughout the process of budget preparation and budget monitoring.
  - jj) The Chief Executive and Executive Directors review of their budgets and appropriate sensitivity analysis.
  - kk) A review of all budget proposals and implications by the Corporate Leadership Team (CLT).
  - ll) A review of budget proposals and implications by Cabinet Members.
  - mm) Enquiries made directly by the Section 151 Officer and Finance Officers.
- 6.18 Notwithstanding these arrangements, which are designed to rigorously test the budget throughout its various stages of development, considerable reliance is placed on the Chief Executive, Executive Directors and Directors having proper arrangements in place to identify issues, project costs, service demands, income levels, to consider value for money and efficiency, and to implement changes in their service plans.
- 6.19 A summary of the key budget assumptions considered by Services and financial staff in terms of assessing the robustness of their budgets are shown below:
- nn) The treatment of inflation and interest rates.
  - oo) The treatment of demand led pressures.
  - pp) The treatment of efficiency savings/productivity gains.
  - qq) The financial risks inherent in any significant new partnerships or major capital developments.
  - rr) The availability of other funds to deal with major contingencies.
  - ss) The service's track record in budget and financial management.
  - tt) The service's capacity to manage in-year budget pressures.
- 6.20 There are plans in place for the improvement and development of the council's core systems including both Financial and HR systems and the Housing system. This will strengthen the authority's capacity and ability to monitor more effectively the overall budget.
- 6.21 Continual improvement to these processes will also assist in the prevention or at least the earlier identification of issues to be dealt with in the budget and Medium-Term Financial Strategy and allow for any in-year rebalancing to be

undertaken as soon as possible if required. Nevertheless, in preparing a comprehensive budget for an organisation such as Norwich City Council, unforeseen issues will undoubtedly still arise throughout the year and in the future.

### **Robustness of Estimates - General Fund Revenue Budget**

- 6.22 The 2025 - 2026 budget and Medium-Term Financial Strategy, the commitment to target financial resources to deliver better outcomes and effectively manage risks remains. In addition to improving efficiency, there are clearly potential choices for the Council in this respect as future circumstances evolve:
- uu) To increase financial resources to meet demand and reduce risk, and/or
  - vv) To reduce (where possible) service levels and standards, frequency of service delivery, and eligibility for services.
- 6.23 As part of developing the budget, Members of the administration have considered these options and the outcome of these deliberations are reflected in the proposed overall budget package.
- 6.24 Most notably the Council has had to address major cost increases and pressures as well as corporate priorities including:
- ww) Employee costs.
  - xx) The cost of prudential borrowing within the capital programme.
  - yy) Shortfalls in income and grant income.
  - zz) Inflation whether in terms of contractual commitments or broader inflationary pressures.
- 6.25 The importance of understanding the learning available from the annual financial cycle of key events, i.e. the production of the outturn position and the Statement of Accounts, the developing understanding of financial issues reflected within the budget management and outturn forecasting and the appropriate reflection of these changing circumstances, sensitivity of assumptions and key policy and strategic decisions, continues to be paramount.

### **Financial Sustainability Strategy**

- 6.26 The Council will continue to develop the relationship between its corporate plan and the budget, which is designed to frame its financial future and intentions. This helps set the context for the Medium-Term Financial Strategy, guide the Council's approach to maximising resources, prioritising investment, and the effective targeting of resources to deliver the Council's ambitions and outcomes.
- 6.27 The Council's approach, ambition, and commitment to achieving financial sustainability, given the level of funding uncertainty, by embracing the area's economic potential, growing the local tax base, and increasing sustainable income capabilities that support the delivery of the Council's five corporate priorities.

### **Medium Term Financial Strategy**

- 6.28 The Council needs to deliver its Medium-Term Financial Strategy reflecting the continuing impact of the proposed budget and planned growth in relation to issues that support and underpin the delivery of statutory responsibilities and best value. Within the current uncertain financial climate, it is very likely that service improvement and reasonable Council Tax increases, without key service reductions, will only be achieved through improving efficiency, clear prioritisation and adopting a commercial approach to income generation.
- 6.29 There continues to be uncertainty over the medium term as a consequence of one year national funding settlements, however the Government has announced that it plans to return to multi-year funding settlements from 2026 – 2027 onwards, underpinned by a fundamental review of Local Government financing, which provides the prospect of greater certainty in financial planning, but doesn't alter the risk that funding for Norwich City Council will not meet the demand experienced locally.

### **Adequacy of Reserves – General Fund Revenue Budget**

- 6.30 Under the Local Government 2003 Act the Secretary of State has powers to set a minimum level of reserves. The most likely use of this power is where an authority is running down its reserves against the advice of their S151 Officer.
- 6.31 Determining the appropriate levels of reserves is not a precise science or a formula e.g. a simple percentage of the Council's budget. It is the Council's safety net for risks, unforeseen or other circumstances. The reserves must last the lifetime of the Council unless contributions are made from future years' revenue budgets. The minimum level of balances cannot be judged merely against the current risks facing the council as these can and will change over time.
- 6.32 Determining the appropriate levels of reserves is a professional judgement based on local circumstances including the overall budget size, risks, robustness of budget preparation, major initiatives being undertaken, budget assumptions, other earmarked reserves and provisions, and the Council's track record in budget management. It is also a professional judgement on the external factors that influence the Council's current and future funding position.
- 6.33 The consequences of not keeping a minimum prudent level of reserves can be serious. In the event of a major problem or a series of events, the Council would run the serious risk of a deficit or of being forced to cut spending during the year in a damaging and arbitrary way.
- 6.34 The recommendation on the prudent level of reserves has been based on the robustness of estimate information and the Corporate Risk Register. In addition, the other strategic operational and financial risks considered when recommending the minimum level of unallocated General Fund reserves include:
- aaa) There is always some degree of uncertainty over whether the full effects of any economising measures and/or service reductions will be achieved. The Executive Directors have been requested to be prudent in their assumptions and that those assumptions, particularly about demand led budgets, will hold true in changing circumstances.

- bbb) The Bellwin Scheme Emergency Financial Assistance to Local Authorities helps in the event of an emergency. The Local Authority can claim assistance with the cost of dealing with an emergency over and above a threshold set by the Government.
  - ccc) The risk of major litigation, both current and in the future.
  - ddd) The Local Council Tax Support Scheme with less Government funding and increases in caseload at the Council's own risk
  - eee) Issues arising from the final Housing Benefit Subsidy Claim.
  - fff) The localisation of Business Rates including the impact of businesses declining in the city boundaries and the mitigation of risks and rewards through pooling.
  - ggg) New and impending legislation.
  - hhh) The need to retain a general contingency within the budget estimates to provide for some measure of unforeseen circumstances which may arise.
  - iii) The need to retain reserves for general day-to-day cash flow needs. This is minimal given the level of cash the Council holds at any given time.
  - jjj) The potential impact nationally, regionally, and locally of new climate change initiatives and commitment to our environmental agenda; the impact that Nutrient Neutrality is having on planning permissions and the subsequent income streams associated with development.
  - kkk) The longer-term impact of global events, such as conflicts and international trade, on the finances and operational arrangements of the Council.
- 6.35 Further exceptional risks identified may have a potential and serious call on reserves. The Council is advised to be cautious about these risks and commit to maintaining an appropriate level of reserves in relation to the evolving risk profile and the assumptions reflected within the budget and the Medium-Term Financial Strategy.
- 6.36 In these circumstances, I will require the Council, Cabinet, Chief Executive, Executive Directors and Directors:
- lll) To remain within their service budget for 2025 - 2026 and within agreed medium term financial strategy parameters for future years with a strict adherence to recovering overspends within future years' financial plan targets.
  - mmm) Repayment to reserves in line with the Medium-Term Financial Strategy should these risks materialise.
  - nnn) Direct any windfall revenue savings/underspends to reserves should the General Fund Revenue Reserves Strategy require it.

### **Estimated Earmarked General Fund Revenue Reserves**

- 6.37 I have reviewed the Council's General Fund earmarked revenue reserves which are estimated to amount to circa. £18.7 million at 1st April 2025. The main components are: business change reserve £2.6 million, unapplied revenue grants £3.9m, budget risk reserve £2.9 million, commercial property

reserve £0.8m, invest to save reserve £1.8 million, S31 reserve £0.6 million and the Lion Homes reserve £4.5 million. Further details can be found in Section 2.

### **Estimated Earmarked Housing Revenue Account Reserves**

- 6.38 I have also reviewed the Council's Housing Revenue Account overall revenue reserves which are estimated to amount to £47 million as of 1st April 2024. Including the Major Repairs Reserve.

### **Capital Investment Programme – 2024/25 to 2028/29**

- 6.39 Projects, included in the capital investment programme, were prepared by Directors and managers in line with financial regulations and guidance. All projects were considered by the relevant member of CMT and Cabinet Member and are fully funded for their estimated cost.
- 6.40 Projects have been costed at outturn prices with many subject to tender after inclusion in the programme. This may lead to variance in the final costs.
- 6.41 Services are required to work within the given cash envelope so any under or over provision must be found within these limits.

### **Capital Investment Programme Risks**

- 6.42 The risk of the Council being unable to fund variations in the programme is minimal mainly due to phasing of projects. The Council can freeze parts of the programme throughout the year to ensure spend is within the agreed financial envelope, although this may have service implications.
- 6.43 A further key risk to the capital investment programme is the ability of the Council to fully deliver it within the agreed timescales.
- 6.44 In relation to the General Fund and HRA Capital Investment Programme specifically for 2025 - 2026 (including commitments from previous years and new starts):
- ooo) The HRA Capital Investment Programme will need to be contained within total programme cost by delaying or stopping specified schemes.
  - ppp) The General Fund Capital Budget is substantial but is based on the best information available in terms of project costs. What is less certain is the phasing of expenditure.
  - qqq) The strategic schemes identified in the Capital Investment Programme will be closely monitored in-year.
  - rrr) That the funding identified for the approved Capital Investment Programme is delivered and is proportionate, prudent, affordable, and sustainable.



## 7. GLOSSARY OF TERMS USED IN THE BUDGET REPORT

Item 9

<b>Assets – Tangible and Intangible</b>	<p><i>Tangible asset</i> – an asset that has a physical form such as machinery, vehicles, information and communications technology, equipment, buildings and land.</p> <p><i>Intangible asset</i> – an asset that is not physical in nature such as goodwill, brands, patents &amp; copyrights and shares.</p>
<b>Authorised Limit for External Borrowing</b>	A statutory limit that sets the maximum level of gross external borrowing for the council.
<b>Base Budget</b>	The budget from the previous year is taken forward to create the initial budget for the next year, this is the base budget. Inflation, savings, growth and other adjustments are then added.
<b>Baseline Funding Level</b>	Authorities' local share of business rates determined by an index-linked assessment of their needs undertaken in 2012–13.
<b>Benchmark</b>	A benchmark is used to measure performance against an externally calculated value; benchmarks can be used to measure service performance, or it can enable a comparison of an investments value against a relevant 'benchmark' index.
<b>Billing Authority</b>	A council such as Norwich City Council which is responsible for collecting the Council Tax and Business Rates in its administrative area. Authorities on whose behalf billing authorities collect money are called precepting authorities.
<b>Bond</b>	A financial instrument in which an investor lends money for a specific period of time at a fixed rate of interest. Examples are corporate (issued by companies), financials (issued by banks and building societies), Supranational (issued by Supranational such as the European Development Bank), and government bonds.
<b>Brexit</b>	"Brexit" is the phrase coined to describe the process of the UK withdrawing from the European Union (EU). The UK joined the EU in 1973 and left in 2020.

<b>Business Rates</b>	Business Rates is the usual term for the National Non-Domestic Rate, a property tax charged on all properties which are not used for residential purposes.
<b>Business Rates Baseline</b>	The amount of business rates income a local authority is predicted to raise.
<b>Business Rates Safety Net</b>	An authority which sees its annual business rates income drop below its baseline funding level can receive a safety net payment at the end of the financial year from central government. Different arrangements apply however, if an authority is part of a local rates pool (such as for NCC in 2022/23)
<b>Business Rates Levy</b>	Authorities which experience growth in business rates income pay a levy. As Norwich is a pooled authority any levy is subject to the pool arrangements and is payable to the Norfolk Business Rates Pool.
<b>Business Rate appeals</b>	<p>Since the introduction of the Business Rates Retention Scheme, Local Authorities are liable for successful appeals against business rates charged to businesses.</p> <p>The Valuation Office Agency operates a Check, Challenge and Appeal process for business rates appeals against the 2017 and later rating lists.</p>
<b>Business Rates Retention Scheme</b>	This was introduced in 2013 and is designed to give local authorities more control over the money raised locally, removing the ring-fencing of grants and promoting and rewarding local economic growth. Local pooling arrangements supersede the national scheme.
<b>Capital Expenditure</b>	<p>Expenditure on the creation or enhancement of assets, for example:</p> <ul style="list-style-type: none"> <li>• The acquisition, reclamation or enhancement of land</li> <li>• The acquisition, construction, preparation, enhancement or replacement of buildings and other structures</li> <li>• The acquisition, installation or replacement of moveable plant, machinery, and vehicles</li> <li>• The acquisition or preparation of computer programs if these will be used for longer than one year</li> </ul>
<b>Capital Financing Requirement</b>	A measure of the Council's underlying borrowing need i.e. it represents the total historical outstanding capital expenditure which has not been financed.



<b>Capital Receipt</b>	This is income received from the disposal of an interest in a capital asset. The income can only be used to finance capital expenditure or to reduce future debt liabilities.
<b>Capitalisation</b>	The proportion of a company's equity to debt finance. See "Thin capitalisation". Can also refer to the process of funding revenue expenditure from capital resources in accordance with regulations– e.g. the relevant element of staffing costs, which are normally revenue expenditure, can be capitalised against a capital project if they are an integral part of delivering the capital project.
<b>Capitalisation Direction</b>	A specific approval, only available from the government, to permit general revenue expenditure to be capitalised and funded from capital resources – used in extreme circumstances where borrowing is necessary to support day to day expenditure needs.
<b>Certainty rate</b>	The government reduces interest rates on loans from the Public Works Loan Board (PWLB) by 20 basis points (0.20%) to councils who provide specific information and guarantees on their plans for long-term borrowing and capital spending.
<b>Certificate of Deposit (CD)</b>	These are term deposits commonly sold in financial markets (e.g. banks and building societies).
<b>CIPFA</b>	The Chartered Institute of Public Finance and Accountancy (CIPFA) is the professional institute for accountants working in the public services and in other bodies where public money needs to be managed. It has a role in setting codes and standards that regulate the use of public money.
<b>Collection Fund</b>	The collection fund is a separate statutory fund, which shows the income received from business rates and council tax, and the distribution to preceptors and the city council. The resultant balance is either a surplus or deficit which is applied to future years' budgets.
<b>Constant Net Asset Value Money Market Funds (CNAV)</b>	This refers to money market funds that aim to maintain a net asset value or value of a share of the fund.
<b>Contingency Budget</b>	A sum put aside to cover unforeseen expenditure during the period of the budget.

<b>Community Infrastructure Levy (CIL)</b>	The Community Infrastructure Levy (CIL) is a planning charge based on legislation that came into force in April 2010. A CIL allows the Council to raise contributions from new developments to help pay for infrastructure that is needed to support planning growth. Where a CIL charging schedule is in place, it largely replaces Section 106 obligations in delivering strategic infrastructure.
<b>Comprehensive Spending Review</b>	A governmental process carried out by HM Treasury to set medium term expenditure limits for each central government department. Usually announced for 3 years.
<b>Council Tax</b>	A tax on domestic property set by local authorities and based on the value of the property within eight bands, A to H. The council tax value of each band is expressed as a proportion of band D (e.g. Band A = 6/9, Band H = 18/9).
<b>Council Tax Base</b>	The number of properties from which it is estimated council tax will be collected, expressed as band D equivalent properties.
<b>Council Tax Surplus or Deficit</b>	A surplus/deficit arising from either more or less council tax being collected than expected. This would be because of variations in collection rate or to the estimated increase in the number of properties. The variations arise within the Collection Fund and are applied to future years' budgets.
<b>Council Tax Precept</b>	The levy made by the precepting authorities (Norfolk County Council and Police & Crime Commissioner) on Norwich City Council as the billing authority requiring the latter to collect income from council tax payers on their behalf.
<b>Council Tax Reduction Scheme</b>	The Council Tax Reduction scheme (CTRS) helps people on low incomes and/or certain welfare benefits to pay their council tax bill. Locally determined CTRS replaced the national council tax benefit scheme with effect from 1 April 2013.
<b>Council Tax Requirement</b>	The amount of funding required to be raised from council tax to meet the general fund expenditure budget after considering all other funding available.
<b>Counterparties</b>	List of approved financial institutions with which the council can place investments with.

<b>Credit Rating</b>	A measure of the credit worthiness of a borrower. A credit rating can be assigned to an organisation or a specific debt issue/financial obligation. There are a number of credit ratings agencies but the main three are Standard & Poor's, Fitch and Moody's.
<b>Credit Risk</b>	Risk of a borrower defaulting on any type of debt by failing to make payments which it is obligated to do.
<b>Depreciation</b>	The measure of the wearing out, consumption, or other reduction in the useful economic life of a fixed asset, whether arising from use, passage of time or obsolescence. This is only budgeted as a cost in the Housing Revenue Account (HRA).
<b>DLUHC</b>	Department for Levelling Up, Housing and Communities (formerly MHCLG).
<b>Disabled Facility Grant (DFG)</b>	A central government grant that contributes towards the cost of providing adaptations and facilities to enable disabled people to continue living in their own homes.
<b>DMADF</b>	The Debt Management Agency Deposit Facility, which is offered by central government to local authorities to make fixed term deposits to supplement their investments.
<b>Earmarked Reserve</b>	Reserves earmarked for a specific type of future spend.
<b>Enhancement (of an asset)</b>	<p>Enhancing an asset is capital expenditure which is intended to substantially:</p> <ul style="list-style-type: none"> <li>• lengthen the useful life of the asset</li> <li>• increase the open market value of the asset</li> <li>• increase the extent to which the asset can or will be used in connection with the functions of the local authority</li> </ul> <p>Repairs &amp; maintenance is revenue expenditure.</p>
<b>External Borrowing</b>	External borrowing is the process of going to an external financial institution to obtain money. The council would generally borrow from the Public Works Loans Board (PWLb) due to its favourable rates for public sector bodies, but other institutions also offer loan finance to councils.
<b>Equity</b>	An ownership interest in a business.

<b>External Gross Debt</b>	Long-term liabilities including Private Finance Initiatives and Finance Leases
<b>Expected Credit Loss</b>	This is the loss on loans should the borrower default. Calculated by multiplying the probability of occurring with the net loss and with the exposure to the loss.
<b>Fair Funding Review</b>	A review proposed by central government to consider how to fairly allocate local authority funding to individual councils according to need and resources. Although the government has acknowledged that the data and methodology for distributing funding has not been reviewed for many years, this has been delayed several times because of BREXIT, COVID-19 and other concerns. Previously linked to the government's 'Levelling Up' agenda consultation, this will now not take place until after the next General Election, which is scheduled to be held no later than January 2025
<b>Finance Lease</b>	Where a lease is classified as a finance lease, then the substance of the transaction is the same as if the authority had purchased the asset and financed it through taking out a loan. The authority therefore recognises its interest in the asset together with a liability for the same amount. The lease payments are then treated in a similar way to loan repayments, being split between the repayment of the liability and a finance charge.
<b>Financial Conduct Authority (FCA)</b>	This is the body that regulates the financial services industry in the UK.
<b>Financial Instrument</b>	A contract that creates a financial asset for one party and a financial liability for the other.
<b>General Fund</b>	The account to which the cost of providing the services that are paid for from Council Tax and Government Grants are charged. The Housing Revenue Account is a ring-fenced element of the General Fund which must not subsidise or be subsidised by Council taxpayers.
<b>General Reserve</b>	This is a usable reserve which has not been earmarked for a specific future use. Similar to a contingency, to meet unforeseen events or expenditure, it can also be used to smooth variations in the level of savings required over a number of years.
<b>Gilt</b>	A UK Government bond issued by HM Treasury.

<b>Growth</b>	An increase in expenditure generally not due to inflation/price changes but arising from growth in service demand, a change in legislation impacting on the service or a decision to invest more in a service.
<b>Housing Revenue Account (HRA)</b>	The Housing Revenue Account is a statutory ring-fenced account maintained separately from General Fund services. It includes all expenditure and income relating to the provision, maintenance and administration of council housing and associated areas such as HRA shops and garages.
<b>IFRS</b>	International Financial Reporting Standards, a set of accounting rules used for the preparation of financial statements including those of local authorities.
<b>Internal Borrowing</b>	Internal borrowing is the <i>temporary</i> use of the council's cash holdings to fund capital expenditure. Whilst this must be repaid it does not represent a formal debt in the same way as external borrowing.
<b>Investment Code</b>	Sets out practices that local authorities are "obliged to have regard to" when making investment decisions. Published by the DLUHC.
<b>London Interbank Offered Rate (LIBOR)</b>	<i>The rate of interest that banks charge to lend money to each other. The rates are set on a daily basis and used as a reference price for floating rate securities. LIBOR and LIBID are being discontinued from December 2021 following recent banking scandals. They will be replaced by SONIA</i>
<b>Liquidity</b>	A measure of how quickly the deposit of investment can be returned.
<b>Local Government Finance Settlement</b>	The annual determination of local authority spending made by the government and debated by parliament. A provisional settlement is announced before Christmas with the final settlement announced in late January.
<b>London Interbank Bid Rate (LIBID)/London Interbank Offered Rate (LIBOR)</b>	This was bid rate that participating London banks were willing to pay for Eurocurrency deposits and other bank's unsecured funds in the London interbank market. LIBOR and LIBID were discontinued in December 2021 following recent banking scandals. They were replaced by SONIA

<b>Major Repairs Reserve (MRR)</b>	The Major Repairs Reserve is a source of funding for the HRA capital upgrades programme generated by an annual asset depreciation charge to the HRA revenue budget.
<b>MCHLG (now DLUHC)</b>	The Ministry of Housing, Communities and Local Government (MHCLG), renamed Department for Levelling Up, Housing and Communities (DLUHC) in 2021.
<b>Minimum Revenue Provision (MRP)</b>	A statutory charge to the general fund revenue budget for future debt repayments (external borrowing in the capital programme). The council must set out its MRP policy in the annual Treasury Management Strategy.
<b>Net Asset Value (NAV)</b>	Value of an entity's total assets minus the value of its total liabilities.
<b>New Homes Bonus</b>	A grant paid by central government to local councils to reflect and incentivise housing growth in their areas. It is based on the amount of extra Council Tax revenue raised for new-build homes, conversions and long-term empty homes brought back into use. Being phased out as part of the review of local authority funding reforms.
<b>Net Service Expenditure</b>	Net service expenditure comprises that part of the revenue budget that is funded from retained Business Rates, Council Tax, and any revenue support grant.
<b>Non-financial Investments</b>	Investments made primarily for a financial return comprising commercial property acquisitions, lending to third parties on commercial terms and equity investments (shareholdings) in third parties.
<b>Non-Specified Investments</b>	These are investments that do not meet the conditions laid down for specified investments and potentially carry additional risks e.g. lending for periods typically beyond 1 year
<b>Office for Budget Responsibility (OBR)</b>	The Office for Budget Responsibility was created in 2010 to provide independent and authoritative analysis of the UK's public finances.
<b>Office for National Statistics (ONS)</b>	The UK's largest independent producer of official statistics and the recognised national statistical institute of the UK. Main responsibilities are collecting, analysing and publishing statistics about the UK's economy, society and population.

<b>Operating Lease</b>	<p>An operating lease is a contract that allows for the use of an asset but does not convey rights of ownership of that asset.</p> <p>From 2024/25 onwards these will be treated in the same way as <b>finance leases</b> unless they are short term or low value.</p>
<b>Operational Boundary</b>	<p>This is an indicator is based on the same estimates as the Authorised Limit for External Borrowing but reflects the most likely prudent (but not worst case scenario), without the additional headroom for borrowing included in the Authorised Limit.</p>
<b>Prudential Code</b>	<p>The Prudential Code for Local Authority Investment was introduced by CIPFA and local government is obliged “to have regard” to the code as part of the Local Government Act 2003. The key objectives of the code are that capital investment plans are affordable, prudent and sustainable. The code details the indicators that must be set annually and monitored throughout the financial year. The council’s prudential indicators are found in section 7 of the report in the Treasury Management Strategy.</p>
<b>Public Works Loans Board (PWLB)</b>	<p>The Public Works Loan Board (PWLB) is a statutory body operating within the United Kingdom Debt Management Office, an Executive Agency of HM Treasury that lends money from the National Loans Fund to local authorities.</p>
<b>Reserves</b>	<p>The accumulation of surpluses and deficits over past years. Reserves of a revenue nature can be spent or earmarked at the discretion of the Council. Reserves of a capital nature may have some restrictions placed on them as to their use.</p>
<b>Revenue Expenditure</b>	<p>Comprises the day-to-day costs associated with running the council’s services and financing the council’s outstanding debt.</p>
<b>Revenue Support Grant</b>	<p>Introduced in 1990, this is the central grant given to local authorities to support their services. In recent years, local authorities’ income from grant has decreased and a higher proportion now comes from business rates and council tax.</p>

<b>Section 106</b>	In considering an application for planning permission, the Council may seek to secure benefits to an area through the negotiation of a 'planning obligation' with the developer. Such obligations are authorised by Section 106 of the Town and Country Planning Act 1990. The Council may therefore, in some instances, receive funds to enable it to undertake works arising from these obligations. Examples of works include the provision or improvements of community facilities (parks/play areas), affordable housing and improved transport facilities.
<b>Section 25 Notice</b>	Under Section 25 of the Local Government Act 2003 the S151 officer (currently the Executive Director of Corporate and Commercial Services) is required to state in the budget report their view on the robustness of estimates for the coming year, the medium-term financial strategy, and the adequacy of proposed reserves and balances. The council is required to take this into account when making its budget and taxation decisions.
<b>Sterling Overnight Index Average (SONIA)</b>	Sterling Overnight Index Average. Replaced LIBID and LIBOR as the key measures of interbank lending rates.
<b>Specified Investments</b>	All such investments will be sterling denominated, with maturities up to maximum of 1 year, meeting the minimum 'high' quality criteria where applicable.
<b>Spending Review</b>	An announcement made by central government of its future spending plans for the public sector including local government. The last spending review took place in 2021 and covers 2022/23 to 2024/25.
<b>Subjective Analysis</b>	The classification of expenditure and income according to the nature of the items, for example, employee costs, premises, transport, supplies & services, fees & charges income, and grant income.
<b>Subsidiary Company</b>	A company that is owned or controlled by a parent company or body.
<b>Term Deposits (TD)</b>	This is used to describe a money deposit at a banking institution that cannot be withdrawn for a specific term or period of time.
<b>Thin Capitalisation</b>	A company with too little equity finance and too much debt finance.



<b>Treasury Management</b>	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 the optimum performance consistent with those risks.
<b>Treasury Management Code</b>	The Treasury Management Code of Practice, published by CIPFA, regulates the management of borrowing, investments, & banking. It requires the council to agree and monitor several indicators and Treasury Management Practices – these are found in section 5 of this report in the Treasury Management Strategy.
<b>UK Government Gilts</b>	Longer-term Government securities with maturities over 6 months and up to 30 years.
<b>UK Government Treasury Bills</b>	Short-term securities with a maximum maturity of 6 months issued by HM Treasury.
<b>Unit Trust (UT):</b>	A collective investment fund that is priced, bought, and sold in units that represent a mixture of the securities underlying the fund.



## 8. EQUALITY IMPACT ASSESSMENT OF BUDGET PROPOSALS Item 9

### Background

- 8.1 Norwich City Council has identified permanent budget savings of £3.745m for the financial year 2024/25. To ensure that we discharge our public sector equality duty we must have due regard to the need to:
- Eliminate discrimination, harassment, victimisation, and any other conduct that is prohibited by or under the act.
  - Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it.
  - Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 8.2 Information on the residents of the city as well as council customers and employees can be found in the annual Equality Information Report published on the council's website.

### Budget Context

- 8.3 The aim of the Equality Impact Assessment Process is to support good decision making; it encourages public bodies to understand how different people will be affected by their activities so that policies and services are appropriate and accessible to all and meet different people's needs. The aims of an EIA become especially important at times of tightened budgets, enabling us to:
- Think about what the council is trying to achieve.
  - Consider what impact the decision will have on different groups.
  - Target resources to those who may be most vulnerable.
  - Fund services which respond to people's diverse needs and save money by getting it right first time.
- 8.4 As part of the Corporate Plan it is proposed that we must focus our priorities and resources towards:
- People live independently and well in a diverse and safe city.
  - Norwich is a sustainable and healthy city.
  - Norwich has the infrastructure and housing it needs to be a successful city.
  - The city has an inclusive economy in which residents have equal opportunity to flourish.
  - Norwich City Council is in good shape to serve the city.
- 8.5 It is also important to understand the national and local context in which the budget and medium-term financial plan are being developed. The council has seen reductions in its long-term funding allocations from central government and with the expectation that there will again only be a one-year local government settlement there remains significant uncertainty over future funding levels including the operation of the business rates retention scheme.

- 8.6 The level of funding allocated to local government continues to be insufficient to support the increasing demand for council services. This, together with increased cost of living pressures, means that the council will not receive adequate resources to cover its costs over the medium term.
- 8.7 Certain budget decisions – perhaps where they do not have an impact on service provision available to our residents – will not require specific Equality Impact Assessments. However, where there is a material impact on service provision, an individual EIA will be conducted before any change is implemented.

### **Cumulative Equality Impact Assessment of Budget 2024/25**

- 8.8 Budget decisions can have different impacts on different groups of people, either changes to individual services or in the way those changes have an impact cumulatively. This appendix summarises the Equality Impact Assessment for the budget proposals for the financial year 2024/25. It highlights:
- The key differential impacts of potential budget decisions for legally protected groups.
  - Where a single decision or series of decisions might have a greater negative impact on a specific group.
  - Ways in which negative effects across the council may be minimised or avoided, and where positive impacts can be maximised or created.
- 8.9 We have undertaken an initial screening of all budget proposals, including those relating to the HRA, to ascertain where a potential change impacts on service provision. This has identified those proposals that require an Equality Impact Assessment or consultation. In those cases, an Equality Impact Assessment template has been completed by service leads to identify the main potential impacts on groups covered by legislation (the protected characteristics in the Equality Act 2010).
- 8.10 Equality Impact Assessments (EIA) for specific proposals are developed as proposals are being finalised. This ensures that the impact is understood and mitigating actions that minimise disadvantage and tackle inequality are identified where possible. These initial assessments are made available at the relevant time so that members can make informed decisions. There may be some proposals that have implications for council employees for which details of consultation or Equalities Impact Assessments cannot be published owing to data protection or employment legislation.
- 8.11 The EIA process and consultation have been based on identifying whether service delivery impacts are likely to be different for a person because of their protected characteristic (with a focus on where impacts may be worse).
- 8.12 While assessing the cumulative impact of our proposals on equality groups, we have identified an additional factor that could compound the impact. This is the risk of financial exclusion (due to low income).

## **Equality Impact Assessment Findings**

### **Council Tax Increase**

- 8.13 A 2.99% increase to the Band D rate is proposed in the 2024/25 budget figures. The proposed 2024/25 Band D rate is therefore £297.22 compared to the current year rate of £288.59 – an increase of £8.63.
- 8.14 Overall, this would result in an additional £0.320m of revenue to support council expenditure, therefore reducing the amount of savings which may otherwise need to be achieved by cutting or reducing service provision for customers, including those who may be from vulnerable groups. An increase in council tax values will, however, have a financial impact for most households in Norwich. The increase may be particularly difficult for those who are already under financial pressure.
- 8.15 In terms of impact, since Council Tax is applicable to all properties it is not considered that the increase targets any one group, rather it is an increase that is applied across the board. It should be noted that most Norwich residents are within council tax Bands A and B where the annual increase is lower; the impact on all individual council tax bands is shown Appendix 2(E).
- 8.16 The main mitigation is that many people on low incomes can get Council Tax Support to help them pay their Council Tax bills. The council has retained a 100% Council Tax Support Scheme and the proposal is to maintain current levels of support and assistance in 2024/25. In addition, further support is in place through the council's discretionary policies for those who suffer hardship and other support mechanisms.

### **Council Tax Premiums**

- 8.17 The Levelling Up and Regeneration Act 2023 received assent in October 2023, as a consequence we are proposing to introduce new Council Tax Premiums regarding empty homes and second homes. Initial considerations indicate that a limited number of people will be affected across the city. We will carry out further assessments at the appropriate time.

### **Rent and Service Charge Increase**

- 8.18 The proposal within the HRA budget is that rents increase by 7.7% in line with the government's announcement at the Autumn statement. For social housing tenants this equates to an average increase of £6.91 per week. This increase applies equally to all properties and so is not considered to have a differential impact on any group having a protected characteristic. Support is however available for those on low incomes through the operation of Housing Benefit or in some cases Universal Credit.
- 8.19 Garage rent increases are proposed at 7.7%, based on the level of the September 2022 CPI inflation index; this also applies across the board and so is not considered to have any differential impact on those with protected characteristics.

### **Savings and Income Proposals**

- 8.20 There has been an overall assessment of the Equality Impact Assessments that have been produced for the savings and income proposal and the findings are:

- We acknowledge the need to ensure that our services are as accessible as possible. This will be central when looking at alternative models of delivery, including the use of technology to reduce our costs.
  - There are some fee increases for non-statutory services that we provide, and we understand that these fee increases all add up. This may not impact on specific protected characteristics but will impact on those who have a low income; the impact of the cost-of-living crisis is also likely to exacerbate the impacts on lower income groups.
- 8.21 The equality impact assessments will continue to be updated as projects move through the feasibility appraisal and into implementation.
- 8.22 If there is a requirement to adapt the proposals as the full EIAs are finalised, there is financial mitigation (in the form of the budget risk reserve) put aside for any non-delivery or amendments to proposals.



**Committee name:** Cabinet

**Committee date:** 05/02/2025

**Report title:** 2024/25 Quarter 3 – budget monitoring report

**Portfolio:** Councillor Kendrick, cabinet member for an open and modern council

**Report from:** Interim Chief Finance Officer

**Wards:** All wards

**OPEN PUBLIC ITEM**

**Purpose**

This report sets out the council's overall financial position based on managers' outturn forecasts as at the end of December 2024 (quarter 3). The report covers the council's General Fund and Housing Revenue Account (HRA) resources and includes information in relation to both its revenue and capital position.

**Recommendation:**

It is recommended that the cabinet:

- 1) Notes the forecast outturn for the general fund revenue account is an overspend of £0.98 million and the Housing Revenue Account (HRA) is currently reflecting a forecast underspend of £7.319 million.
- 2) Notes the forecast £2.050m underspend against the general fund and the £7.319m underspend against the HRA capital programmes.
- 3) Approves the proposed adjustment to the 2024-29 five year general fund capital programme equivalent to an additional funding of £0.194m, fully funded by grant from the Ministry of Housing Communities & Local Government (MHCLG) to support the delivery of disabled adaptations as set out in paragraph 4.3 below.

**Policy framework**

The council has five corporate priorities, which are:

- An open and modern council
- A prosperous Norwich.
- A fairer Norwich.
- A climate responsive Norwich.
- A future-proof Norwich

This report supports the delivery of all these priorities.

- 1.1. Nationally, there continues to be some volatility in economic conditions, most noticeably in relation to inflation, which has seen the Consumers Price Index rise from the September position of 1.7% to a high of 2.6% in November 2024 before falling back again to 2.5% in December. The outlook is for a rising inflation impact for much of 2025 although there may be a fall during the remainder of 2024 – 2025. Interest rates have fallen but the Bank of England continues to urge caution to ensure that inflation remains under control. The fall in interest rates over the last year has impacted the level of investment income earned by Norwich City Council, meaning that there is less of a cushion against the budget pressures felt within services.
- 1.2. The impact of these budget pressures has been reflected within the budget setting process reported elsewhere on this agenda, seeking to mitigate the impact of the changing economic conditions and the local budget pressures. Continued efforts will be required to both reduce the outturn position for 2024 – 2025 and to ensure that expenditure is maintained within budget during 2025 – 2026.

## **2. General Fund revenue position**

- 2.1. The outturn forecast for the General Fund is currently showing an overspend of £1.277m overspend at this point in time, which equates to 1.7% in excess of the net expenditure. The following paragraphs highlight key areas of variance and work being undertaken to further mitigate the budget pressures in the second half of the financial year.

### **2.2. Corporate Financing**

This is a prudent forecast at this point in the financial year, but there is always the possibility that the position could alter, in either a positive or negative direction, during the remainder of the year dependent upon investment performance. Performance is exceeding the budget, in recognition of the continuing benefits derived from the investments of excess cash, whilst simultaneously being able to increase the levels of investment within money market funds that proactively seek investments that are focused upon positive Environmental, Social & Governance (ESG) outcomes. The current outturn forecast is for an over recovery of investment income by £398k.

### **2.3. Resources**

The outturn forecast of £262k overspend reflects both staffing pressures and contractual/supplies and services pressures. As reflected within the Quarter 2 report, there continue to be some posts that have proven challenging to recruit to, resulting in the need for interim appointments, however the vacancy management panel is maintaining close control of recruitment, whether on a permanent or an interim basis. Other potential pressures being kept under review are linked to the inflationary factors around postage and translation services, where prices and activity levels are potentially driving costs upwards, whilst the re-procurement of contracts supporting business critical finance systems have exceeded budgetary provisions.

### **2.4. Communities and Housing**

Additional income has been identified in 2024/25, arising from new grants and income streams which hadn't been announced or identified at the time the budget was set. In addition to which further costs have been offset on a one-off basis as a consequence of The Halls being closed for refurbishment. The combination of these factors results in a forecast underspend of £142k.



## 2.5. Development & City Services

The current outturn forecast is an overspend of £1,258m. The primary reasons for this forecast is in relation to car parking income and reduced Planning fees. The volume and value of income from car parks has increased relative to the same time in 2023/24, however it hasn't increased at the same rate as estimated when the budget was set. A review of the activity levels across car parks and the associated financial implications is underway to support future modelling of income budgets and the monitoring of trends in future.

## 3. Housing Revenue Account Revenue (HRA)

The HRA is forecasting a significant underspend of £7.319 million which is driven entirely by the removal of the planned revenue contribution to capital costs (RCCO) of £10.063 million, which has been made possible as a result of the new flexibilities applied to the Right To Buy (RTB) retention agreement for a two-year period. The underlying position continues to reflect budget pressures with property maintenance costs, reflecting demand and supply pressures within the property sector both in terms of the volume of activity but also the associated costs, which have been offset, to a degree, by staff vacancies and income recovery.

## 4. Capital

### 4.1. General Fund

Table 1 below sets out that the General Fund capital programme is projected to be underspent by £2.050m for the year. Table 1a sets out the major variations against the revised capital budget.

**Table 1 – General Fund capital forecast**

Directorate	Budget £'000s	Revised Budget £'000s	Forecast £'000s	Variance £'000s
Communities and Housing	4,995	6,063	6,251	188
Resources	560	542	642	100
Development & City Services	28,097	24,466	22,127	(2,338)
<b>Total</b>	<b>33,652</b>	<b>31,070</b>	<b>29,021</b>	<b>(2,050)</b>

Unspent 2023/24 General Fund capital budgets totalling £5.438m were approved to be carried forward under delegation by the chief finance officer, in consultation with the cabinet member for an open and modern council.

Subsequently, 2024/25 General Fund capital budgets totalling £16.375m have been re-profiled into future years, plus £0.078m of budgets approved by Council be removed from the five-year capital programme.

In addition, Council approved the addition to the General Fund capital programme of £0.201m to enable utilisation of the third year Shared Prosperity Fund grant from the Department of Levelling Up, Homes and Communities (DLUHC – now MHCLG) to deliver against the government's Community and Place intervention and additional funding of £0.017m received from the Department of Transport to enable the use of additional funds for Lakenham Way highway and footway upgrades project.

**Table 1a – General Fund capital programme – key issues**

<b>Summary issues</b>	<b>Detailed</b>	<b>£000</b>
Disabled Facilities Grant	Additional grant received from MHCLG. See paragraph 4.3 for request to increase capital programme.	268
ERP system	Supplier support to build in-house payroll services.	100
Play park equipment	Timing of procurement process has extended the project to 2025/26.	(250)
NCS Ltd equipment	Report will be presented to March cabinet with a view to request a budget carry forward to enable purchase in 2025/26.	(1,255)
Regulatory Services digitalisation project	Changes to scope and timescales of project, now planned to extend into 2025/26.	(400)
CIL contribution strategic	Changes to forecast method reduced cost.	(356)
Property Services IT	Project implementation extended to 2025/26.	(129)
Other variances		(28)
<b>Total</b>		<b>(2,050)</b>

There remains a potential budget risk relating to on-going negotiations around the cost of a project, once the likelihood of the risk materialising becomes clearer the outturn forecast will be finalised.

#### **4.2. General fund strategic property remediation fund**

As part of the 2024/25 general fund capital programme, a budget of £1.530m was approved for the remediation of property. In order to ensure that expenditure against individual projects is accurately monitored, technical virements have been approved by the Chief Finance Officer, to create smaller project specific budgets as shown in table 1b below.

**Table 1b – Strategic property remediation fund**

<b>Approved capital programme 2024/25 (£)</b>	<b>1,530,000</b>
St Giles House edge protection	(41,819)
St Johns Maddermarket wall	(54,153)
Churchman house cupola repairs	(200,790)
Rose Lane MSCP edge protection	(33,256)
St Giles MSCP edge protection	(46,825)
Castle project (contribution to Bigod stairs)	(50,000)
Guildhall – Mansafe system	(16,563)
35 St Georges – heating upgrade	(13,365)
Guildhall long term external repairs	(329,135)
St Andrews MSCP structural repair works	(192,900)
Ninham Court planning application works	(20,000)
St Andrews chapel glass roof	(59,000)

<b>Balance</b>	<b>472,194</b>
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#### 4.3. Adjustments to the general fund capital programme

On 21<sup>st</sup> February 2024, Council approved the delegation to Cabinet the authority to include additional capital schemes funded wholly by grant where it meets the Council's aims. It is therefore recommended that Cabinet consider the following proposals to adjust the 2024/25 general fund capital programme.

##### Disabled Facilities Grant (DFG)

Additional funding of £0.194m has been confirmed for 2024/25 for disabled adaptations from MHCLG. It is proposed that the general fund capital programme is increased to enable the additional funds to be utilised.

#### 4.4. Housing Revenue Account (HRA) – capital forecast

Table 2 sets out below that overall the HRA capital programme is projected to be underspent by £6.776m for the year. Table 2a sets out the major variations against the revised capital budget.

**Table 2 – HRA – capital forecast position**

<b>Directorate</b>	<b>Budget £'000s</b>	<b>Revised Budget £'000s</b>	<b>Forecast £'000s</b>	<b>Variance £'000s</b>
Communities and Housing	26,607	25,039	20,336	(4,703)
Development & City Services	17,100	5,944	3,871	(2,072)
<b>Total</b>	<b>43,707</b>	<b>30,983</b>	<b>24,207</b>	<b>(6,776)</b>

Unspent 2023/24 HRA capital budgets totalling £5.841m were approved to be carried forward under delegation by the chief finance officer, in consultation with the cabinet member for an open and modern council.

Subsequently, 2024/25 HRA budgets totalling £18.478m have been re-profiled into future years, plus £0.087m of HRA budgets approved by Council be removed from the five-year capital programme.

In addition, Council approved virements of £0.988m of HRA capital budget from the electrical upgrade budget to support the additional demand in HRA whole house improvement upgrades, and £0.400m from the HRA windows upgrades budget and £0.250m from the HRA structural upgrades budget to support additional costs of HRA re-roofing upgrades.

**Table 2a – HRA capital programme – key issues**

<b>Summary issues</b>	<b>Detailed</b>	<b>£000</b>
Upgrades – Whole house improvements, thermal comfort, solar thermal/photovoltaic, sheltered housing communal facilities, renewable heating,	Delays with the procurement process and direct award of contracts will extend the works into 2025/26.	(3,938)

stock condition survey, compliance upgrades		
Upgrades - Structural	Works now identified with a view to request a budget carry forward to enable completion in 2025/26.	(150)
Upgrades – Re-roofing	Contingency within approved budget has not been required.	(154)
Upgrades – Estate aesthetics	Delays in identifying works due to change in internal staffing will extend the works into 2025/26.	(236)
Threescore Phase 3	The reduced forecast is due to the construction programme being brought forward in 2023/24 so less expenditure in the current year.	(489)
Capital grants Housing Associations	Further opportunities are under discussion and will extend into 2025/26.	(1,518)
Other variances		(291)
<b>Total</b>		<b>(6,776)</b>

## 5. Consultation

There has been no specific consultation on this report.

### Implications

#### 5.1. Financial and resources

Any decision to reduce or increase resources or alternatively increase income must be made within the context of the council's stated priorities, as set out in its Corporate Plan 2024-29 and budget.

#### 5.2. Legal

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

### Statutory considerations

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

<b>Consideration</b>	<b>Details of any implications and proposed measures to address:</b>
Crime and Disorder	This report does not have direct implications for crime and disorder; it provides an update on the financial progress made in delivering agreed services and programmes, the implications of which will have been considered elsewhere.
Children and Adults Safeguarding	This report does not have direct safeguarding implications; it provides an update on the financial progress made in delivering agreed services and programmes, the implications of which will have been considered elsewhere.
Environmental Impact	This report does not have direct environmental implications; it provides an update on the financial progress made in delivering agreed services and programmes, the implications of which will have been considered elsewhere.

## 6. Risk management

<b>Risk</b>	<b>Consequence</b>	<b>Controls required</b>
The council does not understand or manage its resources appropriately.  Budget overspend.	A potential overspending position or failure to deliver the outcomes intended from the resources allocated.  Unexpected need to draw on reserves	Management actions where an overspend is indicated.  Where underspends are apparent decisions on resource re-allocation or transfers to reserves as appropriate.

## 7. Other options considered

As the report is primarily for information no other options have been considered.

## 8. Reasons for the decision/recommendation

It is important for the Cabinet to understand the council's financial performance and to highlight corrective actions where significant variances are apparent.


**Background papers:** None

**Appendices:** None

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**Committee name:** Cabinet

**Committee date:** 05/02/2025

**Report title:** Corporate Risk Register 2024/25 – Quarter 3

**Portfolio:** Councillor Kendrick, cabinet member for an open and modern council

**Report from:** Interim Chief Finance Officer

**Wards:** All wards

**OPEN PUBLIC ITEM**

### **Purpose**

This report provides an update to the council's corporate risk register based on the position for quarter three (December 2024).

### **Recommendation:**

It is recommended that the cabinet notes the identified risks and the direction of travel.

### **Policy framework**

The Council has five corporate priorities, which are:

- A prosperous Norwich.
- A fairer Norwich.
- A climate responsive Norwich.
- A future-proof Norwich.
- An open and modern council.

This report meets the “An open and modern council” corporate priority.

## **Introduction and background**

1. Heads of Service and other risk owners were asked to update their directorate and corporate registers to reflect the position at the end of quarter three (December 2024). Directorate level risks are reviewed by the relevant management team and are escalated to the Corporate Risk Register, for consideration by the Executive Leadership Team (ELT) where the residual risk exposure supports that action.
2. The Corporate Risk Register is shown at Appendix A with a report included on the exempt agenda. The position at the end of quarter two (up to 30<sup>th</sup> September) was reported to Cabinet in November. There have not been significant changes in the Council's risk profile at the end of this quarter.
3. The environment in which the council operates remains relatively high risk as the financial environment is challenging both in terms of the funding and economic position. The council approved its main budget and council tax setting reports at Full Council in February 2024. Financial planning and the budget setting process for the 2025/26 budget is in progress. On the horizon, the Government has announced more fundamental reform of local government financing with effect from 2026 – 2027. The reform could include multi-year financial settlements, which will aid longer term financial planning, as well as a review of fundamentals that will potentially equate to what has previously been referred to as the Fair Funding Review. Details are yet to be confirmed but this could also potentially include changes to Council Tax, Business Rates and local government grant funding.
4. UK Inflation has fallen from double digit levels and the latest CPI figures announced in January for the year to December 2024 showed an unexpected fall in inflation from 2.6% to 2.5%. The surprise fall in inflation was the first for three months, but overall prices continue to rise faster than the Bank of England's 2% target. Financial markets are still forecasting, a cut in the Bank of England interest base rate in the first quarter of 2025. Interest rates currently stand at 4.75%. Although currently there is better news on inflation figures and potential interest rate cuts to come, overall the UK economy is performing worse than expected and there is pressure on government finances as the UK borrows more than expected and borrowing costs increase.
5. The council continues to keep a watching brief on all key risk areas and as a result four risks show as 'improving' as result of mitigating actions to manage the risks.
6. The Council is also in the process of updating its risk management policy to ensure that risks are properly managed and that there is adequate guidance.

## **Consultation**

7. There has been no specific consultation on these proposals.

## **Implications**

### **Financial and resources**

8. Any decision to reduce or increase resources or alternatively increase income must be made within the context of the council's stated priorities, as set out in



its Corporate Plan 2022-26 and budget.

9. There are no proposals in this report that would reduce or increase resources.

## Legal

10. Identification and consideration of its corporate risks is an important governance function of the cabinet to ensure that appropriate action is being taken to ensure the Council takes lawful decisions and mitigates exposure to risk. The audit committee also exercises similar oversight and collectively this is designed to ensure that the council understands and is in a position to respond to risks as they arise.

## Statutory considerations

Consideration	Details of any implications and proposed measures to address:
Equality and Diversity	N/A
Health, Social and Economic Impact	N/A
Crime and Disorder	N/A
Children and Adults Safeguarding	N/A
Environmental Impact	N/A

## Risk management

Risk	Consequence	Controls required
The council is exposed to risks which need to be identified recorded and managed appropriately	Not managing risks appropriately exposes the council to a range of potential negative outcomes ranging from financial loss to impacts on its reputation.	The risk register provides a focus to consider risk management and in particular mitigations.  Other broader mitigations such as insurances also support the council's management of risk.

## Other options considered

11. As the report is primarily for information no other options have been considered.

## Reasons for the decision/recommendation

12. It is important for the Cabinet to understand the risks that the council is exposed to and the mitigations in place to minimise those risks to acceptable levels.

**Background papers:** None

## Appendices:

Appendix A Summary Risk Register

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## Appendix A

Risk (inc reference)	Q2 2024/25		Q3 2024/25		Current direction	Last Review Date
	Residual risk score	Target risk score	Residual risk score	Target risk score		
CORP01 Council Funding Medium - Long Term	12	8	12	8	Static	9-Jan-25
CORP03 Health & safety in the workplace	12	8	9	8	Improving	24-Dec-24
CORP06 Failure to respond to a critical, business continuity or emergency planning event	12	6	9	6	Improving	24-Dec-24
CORP07 Cyber security	15	15	15	15	Static	17-Dec-24
CORP09 Failure to fulfil statutory or legislative responsibilities - safeguarding	15	12	15	12	Static	9-Jan-25
CORP12 Contract management - governance	6	4	6	4	Static	9-Jan-25
CORP17 Failure to deliver acceptable levels of performance in regulatory services	12	8	12	8	Static	24-Dec-24
CORP18 Failure to address Natural England advice on Nutrient Neutrality (NN)	20	10	15	10	Improving	24-Dec-24
CORP20 Cost of living (COL) crisis has a negative impact on the city and the council	16	12	16	12	Static	20-Dec-24
CORP21 Climate Change risk to Council and its residents	20	15	20	15	Static	20-Dec-24
CORP23 Impact of economic downturn on key council suppliers	12	8	12	8	Static	9-Jan-25
CORP24 Temporary and Supported Accommodation - Reducing the Housing Benefit Subsidy gap	15	12	15	12	Static	9-Jan-25
CORP29 Contact centre staff risk	16	9	16	9	Static	23-Dec-24
CORP31 Recruitment	16	9	12	9	Improving	10-Jan-25



**Committee name:** Cabinet

**Committee date:** 05/02/2025

**Report title:** Adoption of Statement of Community Involvement 2025

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

**Report from:** Head of planning and regulatory services

**Wards:** All Wards

**OPEN PUBLIC ITEM**

**KEY DECISION**

### **Purpose**

To consider the responses received as part of the public consultation and the amended adoption version of the Statement of Community Involvement 2025.

### **Recommendation:**

It is recommended that Cabinet agree to adopt the revised Statement of Community Involvement 2025.

### **Policy framework**

The council has five corporate priorities, which are:

- A prosperous Norwich.
- A fairer Norwich.
- A climate responsive Norwich.
- A future-proof Norwich.
- An open and modern council.

This report meets the 'A fairer Norwich', 'A future-proof Norwich' and 'An open and modern council' corporate priorities.

This report addresses 'a collaborative council' 'a data and insight driven and people focused council', 'tackle the root causes of disadvantage', 'empowered communities' priorities or actions in the Community-led Plan.

## Report details

1. Statements of Community Involvement (SCIs) are codes of practice for setting out how councils intend to involve people in planning decisions. They cover decisions in relation to both planning policy and planning applications (development management). SCIs are required under section 18 of the Planning and Compulsory Act 2004.
2. A draft amended SCI was presented to Sustainable Development Panel in September 2024, and Cabinet in October 2024. Following this, a period of public consultation has been carried out. This report sets out the responses received to the consultation, outlines the changes made to the document and presents a final version of the SCI for adoption.

## The need for review

3. SCIs are required to be updated every 5 years under Regulation 10A of [The Town and Country Planning \(Local Planning\) \(England\) Regulations 2012 \(as amended\)](#).
4. Norwich City Council's latest SCI was adopted in November 2020. That version of the SCI required temporary revision to include provisions to adapt planning services as a result of the Covid-19 pandemic. The updates largely included text that introduced flexibility on consultation methods so that the public could still engage with planning activities, whilst still respecting social distancing guidelines which were in place at the time.
5. Since then, there have been key changes in the local and national planning context, which means the SCI is now due a further update. A summary of this changing context is set out below:
  - a. There have been a number of important changes to the national planning system which affect how we prepare and consult on plans and proposals in future. The introduction of the [Levelling Up and Regeneration Act \(LURA\) 2023](#) will abolish the Duty to Cooperate (the legal requirement on local planning authorities to engage with other relevant bodies constructively, actively and on an ongoing basis for strategic planning matters) when implemented. The duty was originally introduced by the Localism Act 2011. The previous government intended to introduce a "flexible alignment policy" instead, the recently published updated National Planning Policy Framework (NPPF) retains the Duty to Cooperate through increased strategic planning.
  - b. The LURA (2023) also contains provisions that allow the government to reform the planning system including: Establishing new national development management policies (NDMPs), which will sit alongside local plans in decision-making on planning applications; creating a statutory requirement for local planning authorities to produce a single local plan and update it every 5 years; introduced a statutory requirement for LPA's to prepare design codes, setting design requirements for developments in their local area; and replacing supplementary planning documents with new Supplementary Plans which will have the same weight as local plans and are intended to allow local planning authorities to respond to unanticipated changes in their area. These provisions have not yet taken effect. They require

regulations to be brought into force and the government has not yet confirmed the timetable for bringing the regulations forward. This SCI is drafted on the basis of the current planning system, and will be updated once the new planning system is in place.

- c. Introduction of the concept of street votes where local residents can have direct say in which development can go ahead in their area. This has not been implemented through regulations as yet.
- d. The previous Government required councils to have up to date local plans submitted by the end of June 2025 although the recent NPPF publication extends this to December 2026. There remains an important role for neighbourhood plans prepared directly by local communities.
- e. In March 2024, the [Greater Norwich Local Plan](#) (GNLP) was adopted. This superseded the Joint Core Strategy for Broadland, Norwich and South Norfolk (adopted 2011) and the Norwich Site Allocations Plan (adopted 2014). The GNLP sets out the development strategy for the wider Norwich area between 2018 and 2038 and includes sites for the creation of new houses and employment. The Development Management Policies Plan (adopted 2014) has not been superseded and is part of the Norwich Local Plan.
- f. The council and its partners on the East Norwich Delivery Board continue to work together to support future delivery of the East Norwich sites, building on the allocation of the East Norwich Strategic Regeneration Area in the GNLP. Work has also started on a new neighbourhood plan for the Norwich Over the Wensum (NOW) neighbourhood area; this is being developed by the NOW neighbourhood forum with support and advice from the council.
- g. The [Norfolk Strategic Planning Framework](#) (NSPF) was set up in 2015 to enable the local authorities in Norfolk to formally cooperate on a range of strategic cross-boundary planning issues to agree shared objectives and strategic priorities. So far, this group has collaborated on issues such as addressing climate change through the planning process and developing a new health protocol for planning applications. The NSPF group was initially set up to discharge the Duty to Cooperate and county wide cooperation will continue through the NSPF building on the county's proven track record of collaborative working. In addition, the Greater Norwich authorities are continuing their well-established collaborative working for plan making through the Greater Norwich Development Partnership (GNDP).
- h. The Government has made further changes to national planning rules which means that more kinds of development can be carried out without planning permission (permitted development rights). This includes making it easier for certain town centre and office uses to change to residential properties, as well as allowing upward extension of certain buildings.
- i. The Government and Natural England introduced new environmental initiatives which have impacted on how we plan for and make decisions about new development. This includes Biodiversity Net Gain and Nutrient Neutrality. The council has jointly been involved in the preparation and adoption of the Green Infrastructure Recreation Avoidance and Mitigation Strategy (GIRAMS) to reduce the impact of

visitor pressure on a number of internationally protected habitats in Norfolk and Suffolk.

6. A number of the proposed planning reforms have not yet been enacted. Therefore, this version of the SCI has been prepared on the basis of the current policy context. The lifetime of this version of the SCI may be limited given the anticipated and recently published planning reforms, however the document will be kept under review and updated as necessary.

## **Public Consultation**

7. The public consultation took place between 18<sup>th</sup> October 2024 and 1<sup>st</sup> December 2024, in accordance with the requirements of the currently adopted SCI. This included emailing directly recipients on the planning policy consultation database, providing hard copies at City Hall and Millenium Library, publishing information on the council's website, and for the first time utilising the Get Talking Norwich platform.
8. A total of six responses were received; four of these were sent directly to the planning policy mailbox so are likely to have come from directly emailed recipients or from the council's website; two responses were submitted on Get Talking Norwich. In addition to these submitted responses, on Get Talking Norwich there were:
  - a. 73 visits to the SCI project page – 58 of these were direct, 6 were redirected from the council's website, 8 were through a search engine and 1 was through social media;
  - b. 15 downloads of the one-page summary document;
  - c. 15 downloads of the full consultation version of the SCI;
  - d. 3 visitors classed as "engaged" – participation in the newsfeed and survey;
  - e. 22 visitors classed as "informed" – downloaded documents and visiting multiple of the project pages; and
  - f. 56 visitors classed as "aware" – visited at least one page
9. Get Talking Norwich also has functionality to record demographic information for those that access and engage with project pages. This can help ascertain which sections of the community the consultation is and isn't reaching. Unfortunately, there is no demographic information available for the SCI consultation. In order to collect this information, individuals must register for an account and agree to share this information (demographic information is shared anonymously). When setting up the project, officers were advised that asking individuals to register for an account in this way can reduce participation. The decision was made to not require registration and collect demographic information to maximise participation. Officers will continue to consider the benefits of disadvantages of these options for future consultations.
10. At the closure of the consultation, officers were also advised that the low rate of submitted comments via Get Talking Norwich may be due to there being multiple options for participants to respond to the consultation. Other options included being able to email directly to the planning policy mailbox or submitting comments by post. Consultation on planning policy documents is required to follow specific regulations in The Town and Country Planning (Local Planning) (England) Regulations 2012. These requirements, combined with the SCI's aim of making planning consultations as widely accessible as possible,



means that officers do not consider it appropriate at this time to fully switch all planning consultations over to the Get Talking Norwich platform, as this risks those without digital skills/access being able to participate, and also non-compliance with the regulations. However, it is acknowledged that Get Talking Norwich does offer some excellent additional functionality that may prove very useful for future consultations. The best methods for consultation and requirements under the regulations will continue to be kept under review as the SCI can be updated in future as necessary.

11. Below is a summary of the responses received to the SCI consultation. Full details of comments submitted to the consultation can be found in Appendix 2:

- a. Typographical errors
- b. Additional information is needed on how this document could be obtained in different formats or accessed in different ways
- c. The document should expand on ways to reach and engage with diverse communities
- d. Appreciated use of the Get Talking Norwich platform

12. The majority of the submitted comments did not request changes to the SCI, or the comments did not require changes to be made. Typographical errors were corrected as necessary and additional information has been included on the contents page as to how different formats of the SCI can be obtained. The SCI already contains information in multiple places as to how it aims to be inclusive and reach as wider audience as possible.

## **Conclusion**

13. Cabinet is recommended to adopt the 2025 adoption version of the SCI.

14. Should Cabinet agree to adopt the SCI, this will replace the existing version on the council's website and become the formal procedure for planning consultations in Norwich.

15. A summary of the post-consultation process and changes made to the document will also be added to the SCI Get Talking Norwich page, to keep participants informed.

## **Consultation**

16. This draft SCI was reported to the relevant portfolio holder, senior officers, Sustainable Development Panel and Cabinet prior to be subject to public consultation.

17. This report and the final version of the SCI have been reported to the relevant portfolio holder, senior officers and Sustainable Development Panel prior to Cabinet.

## **Implications**

### **Financial and resources**

18. Any decision to reduce or increase resources or alternatively increase income must be made within the context of the council's stated priorities, as set out in its community-led plan "We are Norwich" and budget.

19. There are proposals within the revised SCI that are likely to increase resource requirements, for example inclusion of neighbourhood planning processes that require facilitating consultations and a neighbourhood referendum. However, as these are statutory processes these the budgetary needs will need to be identified and considered through forthcoming budget setting processes.

## **Legal**

20. Planning consultations need to be carried out in accordance with the relevant statutory framework, otherwise the council's decisions on planning matters could be investigated by the Local Government Ombudsman or they could be challenged such as through Judicial Review. This SCI sets out that all planning consultations and engagement with the community will be in accordance with these statutory requirements as a minimum.

## **Statutory considerations**

<b>Consideration</b>	<b>Details of any implications and proposed measures to address:</b>
Equality and diversity	An Equality Impact Assessment has been carried out in relation to the revised SCI. Any issues raised by the EqIA have been considered within the SCI and multiple methods of consultation are carried out to ensure inclusivity of the planning process.
Health, social and economic impact	No impact as a result of this report.
Crime and disorder	No impact as a result of this report.
Children and adults safeguarding	No impact as a result of this report.
Environmental impact	No impact as a result of this report.

## Risk management

Risk	Consequence	Controls required
Cabinet may not agree to adopt the revised SCI	The city council will have an out-of-date SCI (last fully reviewed in 2016 with an update in 2020) that does not reflect the current planning policy context or include the most up to date national and local consultation requirements and procedures. This could cause confusion for the public, may not appear transparent and could risk the council not meeting statutory requirements.	Members also had the opportunity to comment on the SCI as part of the consultation process to raise any specific issues. The SCI has been subject to public consultation and has been amended as necessary. The Council's Community Enabling team has also been involved in its production. The SCI is a document that is kept until continuous review to respond to changing circumstance. s prior to adoption. This should allay any concerns that the revised SCI is not fit for purpose and should not be adopted.
Failure to consult some sections of the public/community	Some sections of the community may not be able to engage with the planning process as well as others if inclusive methods of consultation are not included.	An EqIA has been completed both prior to the public consultation and prior to writing this report to consider equality and diversity issues throughout the process. The consultation process was designed to be inclusive, which will include contacting organisations on our database that represent equality and diversity issues for the community, and using the Community Enabling team to contact other harder to reach sections of the community. The revised SCI also builds upon well-established community engagement in planning matters.

## Other options considered

21. No other options have been considered. SCIs are required to be updated at least every 5 years under Regulation 10A of [The Town and Country Planning \(Local Planning\) \(England\) Regulations 2012 \(as amended\)](#).

## Reasons for the decision/recommendation

22. SCIs are required to be updated at least every 5 years under Regulation 10A of [The Town and Country Planning \(Local Planning\) \(England\) Regulations 2012 \(as amended\)](#). Cabinet is asked to adopt the Adoption Version of the Statement of Community Involvement 2025.

## Background papers:

## Appendices:

Appendix 1: Statement of Community Involvement 2025 (Adoption Version)

Appendix 2: Table of responses to SCI Consultation

Appendix 3: Equality Impact Assessment for the adoption version of the Statement of Community Involvement 2025.

## Contact officer:

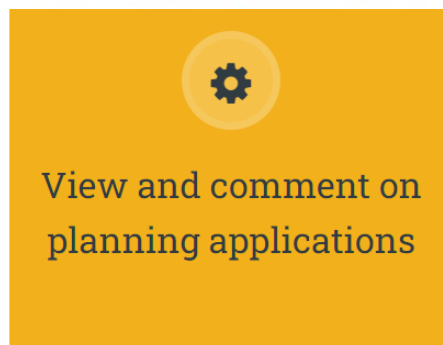
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# Statement of Community Involvement

A code of practice for involving the  
community in planning issues

January 2025

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## 1. Introduction

### Why we are preparing the Statement of Community Involvement

1. The city council is always looking for ways for the community to become more involved in its plan making and decision taking. We want to encourage more people to be involved and to make that as easy as possible. We hope that your local knowledge will help to make sure that development in the city benefits everyone whilst protecting the special qualities of the city. This statement sets out how we will ensure that you are part of this process.
2. Under Section 18 of the [Planning and Compulsory Purchase Act 2004](#), all local planning authorities in England and Wales must prepare a Statement of community involvement (SCI) and must carry out planning consultations in accordance with it. The SCI is a 'code of practice' setting out how the council intends to involve people in planning decisions. This can include both decisions about planning policy (plan-making) and decisions on planning applications.
3. This is the sixth edition of the SCI. It replaces the version published in November 2016 and the temporary version published September 2020.

### Need for review

4. SCIs are required to be updated every 5 years under Regulation 10A of [The Town and Country Planning \(Local Planning\) \(England\) Regulations 2012 \(as amended\)](#). A temporary update was produced in 2020 to respond to the unique circumstances presented by the coronavirus (Covid-19) pandemic. A thorough review is required to bring the SCI up to date as much has changed since both 2016 and 2020.
5. The following summarises key changes in the local and national planning context since the SCI was last published in 2020:
  - There have been a number of important changes to the national planning system which affect how we prepare and consult on plans and proposals in future. The introduction of the [Levelling Up and Regeneration Act \(LURA\) 2023](#) will abolish the Duty to Cooperate (the legal requirement on local planning authorities to engage with other relevant bodies constructively, actively and on an ongoing basis for strategic planning matters) when implemented. The duty was originally introduced by the Localism Act 2011. The previous government intended to introduce a "flexible alignment policy" instead, however the current government have confirmed their intention to retain the Duty to Cooperate in some format through more strategic planning.
  - The LURA (2023) also contains provisions that allow the government to reform the planning system including: Establishing new national development management policies (NDMPs), which will sit alongside local plans in decision-making on planning applications; creating a statutory requirement for local planning authorities to produce a single local plan and update it every 5 years; introduced a statutory requirement for LPA's to prepare design codes, setting design requirements for developments in their local area; and replacing supplementary planning documents with new Supplementary Plans which will have the same weight as local plans

and are intended to allow local planning authorities to respond to unanticipated changes in their area. These provisions have not yet taken effect. They require regulations to be brought into force and the government has not yet indicated the timetable for bringing the regulations forward. In December 2024, the government published an updated National Planning Policy Framework (NPPF) which may have further implications for the planning. This SCI is drafted on the basis of the current planning system and will be updated once the new planning system is in place.

- The introduction of the concept of street votes where local residents have a direct say in which development can go ahead in their area.
- Further significant changes in national rules are expected in coming years including the introduction of National Development Management Policies, reducing the time frames within which local plans must be produced etc.
- The previous Government required councils to have up to date local plans by the end of June 2025. The recent consultation on the revised NPPF would extend this to December 2026. There remains an important role for neighbourhood plans prepared directly by local communities.
- In March 2024, the [Greater Norwich Local Plan](#) (GNLP) was adopted. This superseded the Joint Core Strategy for Broadland, Norwich and South Norfolk (adopted 2011) and the Norwich Site Allocations Plan (adopted 2014). The GNLP sets out the development strategy for the wider Norwich area between 2018 and 2038 and includes sites for new homes and employment. The Development Management Policies Plan (adopted 2014) has not been superseded and is part of the Norwich Local Plan.
- The council and its partners on the East Norwich Delivery Board continue to work together to support future delivery of the East Norwich sites, building on the allocation of the East Norwich Strategic Regeneration Area in the GNLP. Work has also started on a new neighbourhood plan for the Norwich Over the Wensum (NOW) neighbourhood area; this is being developed by the NOW neighbourhood forum, with support and advice from the council.
- The [Norfolk Strategic Planning Framework](#) was set up in 2015 to enable the local authorities in Norfolk to formally cooperate on a range of strategic cross-boundary planning issues to agree shared objectives and strategic priorities. So far, this group has collaborated on issues such as addressing climate change through the planning process and developing a new health protocol for planning applications. The NSPF group was initially set up to discharge that Duty to Cooperate and, the Greater Norwich Authorities intend to continue their well-established collaborative working for plan making.
- The previous Government made further changes to national planning rules which mean that more kinds of development can be carried out without planning permission through permitted development rights. This includes making it easier for certain town centre and office uses to change to residential properties, as well as allowing upward extension of certain buildings.



- The Government and Natural England introduced new environmental initiatives which have impacted on how we plan for and make decisions about new development. This includes Biodiversity Net Gain and Nutrient Neutrality. The council has jointly been involved in the preparation and adoption of the Green Infrastructure Recreation Avoidance and Mitigation Strategy (GIRAMS) to reduce the impact of visitor pressure on a number of internationally protected habitats in Norfolk and Suffolk.
6. During this period of rapid change, we must strike a careful balance between meeting our obligations to government to prepare plans and decide applications as quickly as possible and making sure that local people still have a meaningful opportunity to comment on and influence planning policies and proposals. Taken together, the changes in the planning system will inevitably affect the way that local plans are prepared and how planning applications are made and dealt with. This means that the way we involve local people in the planning process also needs to change.

### **Planning and community Involvement**

7. The [Norwich 2040 City Vision](#) was developed in 2018 to create a long-term vision of what we want the city to be like in 2040 and what we need to do to make this happen. As part of delivering A Fair City, one of the key aims is to develop an inclusive and joined up approach to service delivery. In 2024, Norwich City council adopted its new [community-led Corporate Plan](#). This plan is the council's most strategic document which sets out the vision for Norwich for the next five years. This plan was developed by engaging with the people of Norwich. Over 900 individuals and organisations were consulted across the city, and views and opinions formed the building blocks of this new plan. The plan outlines the council's five main priorities (Figure 1). A key theme throughout the plan is the importance of the community helping to shape the services the council provides and underpins one of the council's guiding principles to 'Listen to the City'.
8. In order to achieve the council's vision and priorities through the planning service, it is essential that there is effective public involvement in plan-making and decision making on planning applications and that clear standards are set for when and how involvement will take place.



Figure 1: Extract from [We Are Norwich: A Community Led Plan 2024-2029](#)

### The council's commitment to equality

9. The council has a commitment to equality which is a statutory duty under the [Equality Act \(2010\)](#). This is particularly relevant to planning which has a role to play in promoting equality of opportunity and cohesion by considering the needs of the community. The council recognises that equality of opportunity in practice includes ensuring that vulnerable or disadvantaged groups have their voices heard and their needs considered. This SCI supports that objective through providing guidance on how to get people involved. The impact of planning activities and decisions will be assessed in order to ensure that there are no unintended negative impacts on vulnerable or disadvantaged groups. The assessments will focus on the six protected characteristics of race, gender, disability, age, sexual orientation and religion or belief, but will also consider the wider implications of socio-economic inequalities on community cohesion. This is normally carried out through an Equality Impact Assessment (EqIA) which takes place at the beginning of and during the plan-making process.
10. All printed material will be offered in Braille, large print, audio and translation options on request and the IN TRAN facility will be publicised in all printed material.

### **The role of councillors**

11. Councillors have three roles: as decision makers, as community representatives and as communicators to exchange and share information and discuss the issues and concerns of local electors with council officers and other stakeholders. Members of the public can make their views known to ward councillors, the relevant council executive member/portfolio holder, or at planning applications committee in a number of ways; by letter, email, or face-to-face discussion.
12. It is also important that there is engagement in the planning consultation process. This is how views are registered in the plan-making or planning application process. This ensures that while councillors hear what you have to say, you will not miss the opportunity to be heard at committees or at any subsequent appeal, inquiry, hearing or examination.
13. Planning committee meetings are held in person at Norwich City Hall. They are made available to watch on the council's YouTube channel. Current information is available here; <https://cmis.norwich.gov.uk/live/Meetingscalendar.aspx>

### **RTPI Planning Aid England**

14. The Royal Town Planning Institute (RTPI) Planning Aid England offers assistance and advice on the planning system to individuals and groups who are unable to pay for independent professional planning advice. Planning Aid encourages people to get involved in the planning system to help shape their own environment.
15. RTPI Planning Aid England can be contacted via the planning aid advice line:  
Tel: 0370 774 9494  
Email: [info@planningaid.rtpi.org.uk](mailto:info@planningaid.rtpi.org.uk)  
Web: <https://www.rtpi.org.uk/need-planning-advice/planning-aid-england/>  
Online form: <https://www.planningaid.co.uk/hc/en-us/requests/new>  
Postal address: Planning Aid England, RTPI, 41 Botolph Lane, London EC3R 8DL

## 2. Community Involvement in Planning Policy

16. This section outlines the council's approach to involving the community in the preparation of planning policy.

### National policy requirements

17. National planning policy makes clear that local planning authorities must seek the views of communities and other stakeholders from an early stage in the plan-making process. [The National Planning Policy Framework](#) (NPPF) outlines that Local Plans should be:

- A platform for local people to shape their surroundings
- Shaped early with effective engagement between plan-makers, communities, local organisations, businesses, infrastructure providers and statutory consultees
- Accessible through the use of digital tools to assist public involvement and policy presentation.

18. The Town and Country Planning (Local Planning) (England) Regulations 2012 also set out the community involvement requirements for local authorities to follow in preparing their local planning documents.

### What kinds of documents are consulted on?

19. **Local plans** are the formal policy documents which make up the statutory development plan for Norwich. Once adopted, these have full legal weight in decision making. The council's decisions to approve or refuse any development which needs planning permission must be made in accordance with the policies in the development plan unless material considerations indicate otherwise.
20. **Supplementary planning documents** (SPDs) help to support and explain in more detail how the city council will implement particular policies and proposals in the local plan. SPDs can also take the form of master plans, detailed design briefs or development briefs for sites identified for future development ("allocated") in the plan, as well as for other emerging sites. SPDs can be reviewed frequently and relatively straightforwardly to respond to change, whereas a review of the policies in the plan is a longer and more complex process.
21. **Neighbourhood plans** were introduced by the Localism Act 2011 to empower local community to become more involved in the planning of their local area. Neighbourhood plans can include allocating additional sites for development, producing more detailed policies on key issues for the area and set out local infrastructure priorities. Neighbourhood plans are produced by designated neighbourhood groups and the local planning authority has a duty to support this process. Further information on the preparation of Neighbourhood Plans can be found in the [Planning Practice Guidance](#). The [Locality website](#) gives advice on financial support and grants as well as general information about producing Neighbourhood Plans.
22. **Guidance and advice notes** are prepared by local planning authorities to offer technical advice and information on particular issues that may help with the

planning stage of a development proposal or set out the council's approach to assessing a technical issue. Guidance and advice notes can also be reviewed frequently and straightforwardly to respond to change.

23. The planning policy documents to be prepared by the council are identified in the [Local Development Scheme \(LDS\)](#). The LDS includes a timetable of when we aim to produce the documents, and the various stages they must go through to be adopted. The LDS is available on the council's website and is reviewed and updated regularly, most recently in January 2023.

### **The current local plan**

24. The currently adopted development plan (the local plan) for Norwich comprises the Greater Norwich Local Plan (the GNLP) adopted March 2024 and the Norwich Development Management Policies Local Plan (the DM Policies Plan), adopted December 2014.
25. The GNLP sets the strategic planning agenda for the wider Greater Norwich area and plans for growth of homes and employment up to 2038. This plan also includes site allocations and a monitoring framework. Upon its adoption in March 2024, the GNLP replaced the Joint Core Strategy for Broadland, Norwich and South Norfolk (2014) and the Norwich Site Allocations Plan (2014).
26. The DM Policies Plan sets out detailed planning policies to help guide and manage change and development in Norwich and covers specific issues such as design, protecting trees and parking standards. A review was carried out in 2019 which concluded that the policies were fit for purpose for the current time. A second review was carried out in 2024, also concluding that the majority of policies were fit for purpose, however policies relating to affordable housing and Gypsy and Traveller housing need have been superseded by the GNLP. Given the changes to the planning system referred to above, the council will consider the future of current DM policies following the introduction of national development management policies, anticipated in 2025.
27. The table in figure 2 shows the relationship between these documents, as well as the supplementary planning documents which are already in place to support their policies. More details of supplementary planning documents the council intends to prepare in future are in the LDS. Both the LDS and this SCI are procedural documents that support the production of the local plan setting out what will be produced and explaining how people can get involved with the process.

### **Emerging supporting documents**

28. Norwich City Council and partners commissioned a masterplan for the East Norwich sites, published in 2022, to guide their comprehensive regeneration. The regeneration area comprises approximately 50ha of brownfield land including Carrow Works and Carrow House, the Deal Ground / May Gurney site, and the Utilities site. The majority of the regeneration area is allocated for significant housing and employment development in the GNLP as the East Norwich Strategic Regeneration Area (ENSRA), with the eastern portion of the Utilities site allocated for housing and mixed use development in the Broads Local Plan. The council is working closely with the East Norwich Delivery Board, which includes

## ADOPTION VERSION

Homes England and local authority partners, to support the future delivery of the regeneration area.

29. There are several SPD or guidance documents anticipated to support GNLP policy, including on sustainable communities to support GNLP Policy 2, and in relation to purpose-built student accommodation to support GNLP policy 5.

### **Procedural Requirements**

30. Local plan documents must be prepared in accordance with a nationally prescribed procedure set out in the national Local Planning Regulations for England, which were last reviewed in 2012.
31. At key stages of plan-making there is an opportunity for the public to comment on emerging planning policies and proposals in the documents being prepared. After this, development plan documents must be submitted to the Secretary of State and be independently examined by a government appointed inspector to assess their soundness and legal compliance before they can be adopted by the city council and come into force.
32. Certain other documents must be published alongside each local plan document, including:
- the sustainability appraisal (SA) report of the local plan at each stage (a sustainability appraisal scoping report is prepared and consulted on at the start of the process to set out what sustainability issues and objectives the SA should cover and what evidence it will use);
  - a policies map, setting out the local plan's policies and proposals on a map base (if relevant);
  - a statement of consultation summarising public representations made to the plan and how they have been addressed (called the "Regulation 22(c) statement");
  - copies of any representations made;
  - any other supporting documents considered by the council to be relevant in preparing the plan; and
  - an adoption statement and environmental statement (when the plan is adopted).
33. The local plan is supported by a range of research reports, studies and topic papers making up a detailed evidence base which informs and justifies its policies.

### **Meeting the Duty to Cooperate**

34. For many years Norwich City Council has worked in close cooperation with its neighbouring councils Broadland and South Norfolk to plan for and deliver major growth. This work has been undertaken as part of a formal Greater Norwich Development Partnership (GNDP). The Joint Core Strategy for Broadland, Norwich and South Norfolk and the GNLP were produced by the GNDP, which includes the Broads Authority and Norfolk County Council working in partnership with the three districts. Other documents produced by the GNDP include the Community Infrastructure Levy (CIL) Charging Schedule for each district/authority

area. The Community Infrastructure Levy is a statutory charge on new development introduced by the CIL Regulations 2010. It came into force in Norwich in 2013. The spending of CIL, along with wider work on infrastructure delivery, is overseen by the Greater Norwich Growth Board (GNGB) and its delivery team.

35. Local authorities have a legal duty to work together to develop effective planning strategies for their areas. Councils are required show that they have met this statutory Duty to Cooperate in order for local plans to be accepted (found “sound” and “legally compliant”) when those plans are independently examined by government.
36. The planning policy documents which have been (and will be) prepared jointly by the Greater Norwich area authorities are set out in the respective Local Development Schemes for each authority. Public involvement in their preparation is guided by the community involvement standards as set by the partnership councils jointly in their respective SCIs. Consultation standards and consultation periods are common across the three local authority areas and all the participating authorities are working to the same consultation timeframes for key documents in their SCIs.

#### **Development Plan for Norwich**

37. Figure 2 below sets out the suite of documents making up the current development plan for Norwich.

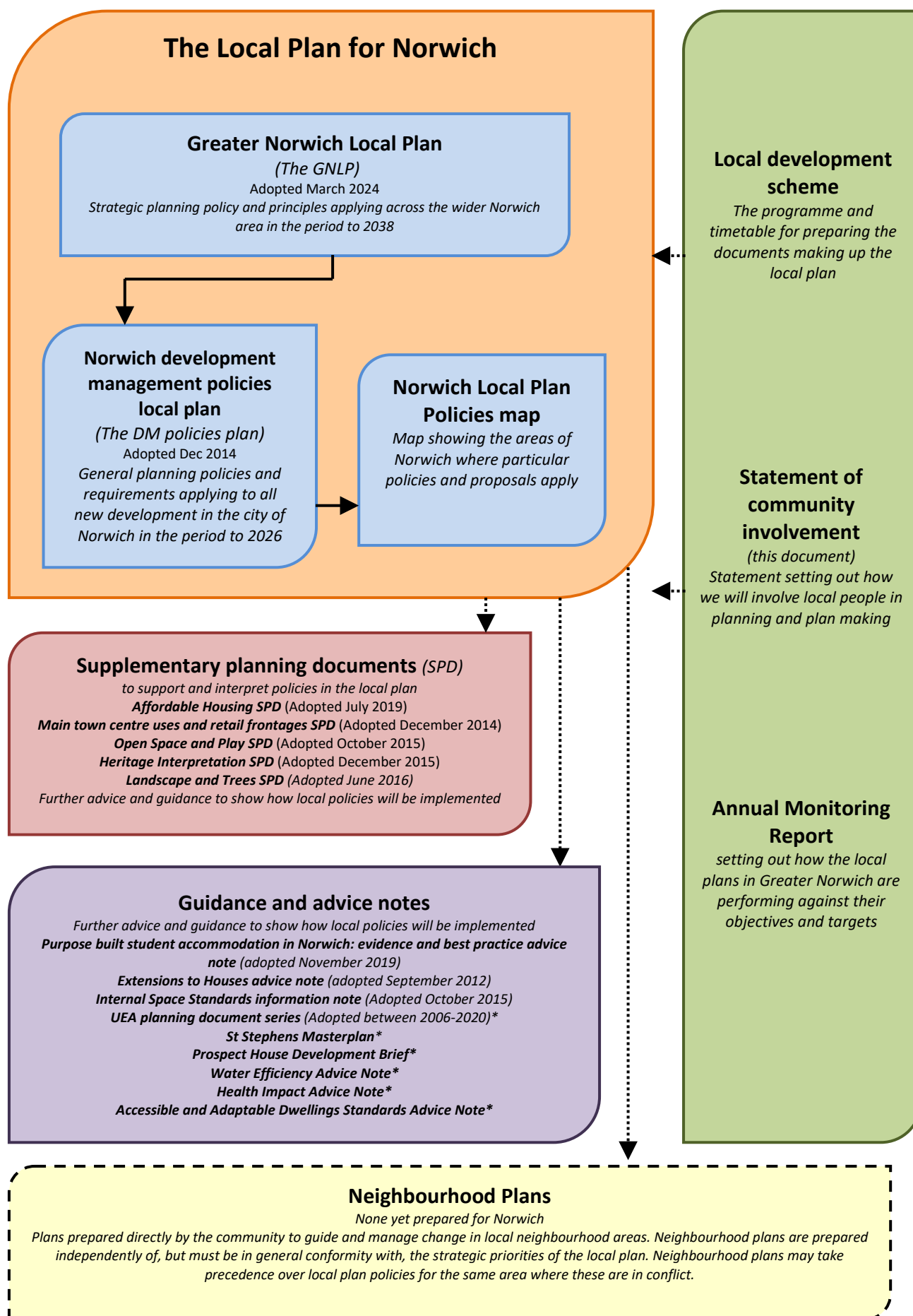


Figure 2: Documents making up the current 'development plan' for Norwich.

\* Status of documents to be agreed in revised LDS following adoption of GNLP.



## Consultation Methods

38. The council has a well-established procedure for involving people in plan-making. We will continue to develop our understanding of different consultation techniques over time and learn from what works, and what doesn't. A variety of methods have and will be used during consultations, taking into consideration issues being consulted on and the needs of the audience. These include the use of appropriate locations, and/or the use of particular presentation media for presentations to blind people, people with impaired hearing, and people with mental health issues or learning difficulties.
39. Consultation is carried out increasingly by electronic means which is still rapidly evolving in the digital age. Although all the documents we consult on are made available electronically, the challenge remains as to how information can be publicised effectively to attract the widest audience. The council is steadily expanding the use of interactive web technology to enable direct access to its services across a range of devices and to allow local people to make payments, submit comments and report issues and problems direct via online forms. In line with national policy which promotes the digitisation of planning, we will endeavour in future planning consultations to integrate these mechanisms where possible and extend the use of social media to help access "hard to reach" groups, especially younger people. This could include making use of the council's new Get Talking Norwich platform. We will also continue to use more traditional methods of consultation to include those without access to the internet or social media.
40. Based on our current success and lessons learned from previous consultations, we will endeavour to use a range of consultation approaches, as necessary dependent upon the type of consultation. These are set out in the following list:
- Letters/emails to groups and individuals
  - Digital platform such as Get Talking Norwich
  - newspapers and Citizen magazine
  - paper documents
  - council's website
  - presentations to community groups
  - public meetings
  - focus groups
  - exhibitions
  - local councillors
  - social media
  - local radio
41. We acknowledge that it is important to make public consultation arrangements as extensive as possible to make sure the public can get their voice heard. However, it is not always possible or appropriate to consult using all the methods listed above. We will make sure that consultations are tailored appropriately to

the kind of plan, policy or proposal being consulted on and the stages it has reached. We will ensure that people with no access to the internet, email, text or social media are kept informed by traditional, non-electronic means.

### How long will consultations last?

42. At all consultation stages the council will comply with the minimum legal requirements.

43. The following timescales will be adhered to for documents consulted on:

Document type	Normal period for consultation	Circumstances in which the consultation period will be extended
Local Plan documents	We will consult for at least the minimum statutory period of <b>six weeks</b> (42 calendar days) on Local Plan documents	Where a normal period of consultation would take in all or part of the Christmas/New Year holiday, the Easter holiday or the July/August summer holiday period in addition to bank holidays, extra days will be added to allow for this, up to a maximum of 14 calendar days over and above the statutory minimum.
Neighbourhood plans	We will consult for at least the minimum statutory period of <b>six weeks</b> (42 calendar days) when proposals for neighbourhood plans prepared by designated neighbourhood planning bodies are published. (Regulation 16 publication stage).	
Future reviews of this Statement of Community Involvement (SCI)	We will consult for at least <b>six weeks</b> (42 calendar days) on any future reviews of this SCI	At its discretion, and only in the early, informal stages of Local Plan/SPD production, the council may allow additional time for representations to be made in circumstances where there is a justifiable reason for not responding within the deadline.
Supplementary planning documents (SPD) including planning briefs	We will consult for at least the minimum statutory period of <b>four weeks</b> (28 calendar days) on SPD and on planning briefs which have the status of SPD	In accordance with the Code of Recommended Practice on Local Authority Publicity, we will not normally run consultations on planning documents in the six-week period immediately before local council elections. ("Pre-Election Period").
Non-statutory planning documents and informal advice notes	We will consult for a period appropriate to the coverage and content of the document concerned	

44. For supplementary planning documents (SPDs) and planning briefs, the Local Development Regulations specify a minimum four-week consultation period, although the period for legal challenge after adoption is longer than it is for Local Plans. Because SPDs typically relate to small geographical areas or subjects of specialist interest, shorter consultation periods are justified, particularly as similar lead-in times and reporting arrangements exist for SPD as they do for Local Plan documents.

45. For neighbourhood plans a separate period of public consultation by the neighbourhood planning body proposing the plan is required before a draft plan can be formally submitted to and accepted by the council (regulation 14 consultation). At the time of writing there are no 'made' (i.e. adopted) neighbourhood plans in Norwich. A neighbourhood forum has been designated for the Norwich Over the Wensum neighbourhood area, which is currently at an early stage in developing a neighbourhood plan.

**Who will we involve, and how?**

46. The council's community-led plan identifies a number of guiding principles that will inform everything we do, including:

- Listen to the city
- Put equality and inclusion front and centre of all our thinking
- Use evidence to inform the services we provide
- Work in partnership

These translate into different levels of involvement for residents, groups and other stakeholders where the council will inform, consult and collaborate.

## Potential involvement in and publicity methods for Local Plans

Key stages	Involvement Level	Potential public/stakeholder involvement arrangements
<b>1. Pre-production/evidence gathering</b> The information needed for the plan is prepared and potential issues identified.	<ul style="list-style-type: none"> <li>Consult</li> <li>Collaborate</li> </ul>	<ul style="list-style-type: none"> <li>Writing to statutory environment bodies to initiate Sustainability appraisal screening</li> <li>Early involvement of relevant stakeholders</li> <li>Hold focus group sessions where necessary to help decide issues to be included in the plan (where possible and in accordance with any relevant current regulations and guidance)</li> </ul>
<b>2. Draft Local plan (Regulation 18)</b> The information gathered at first stage is taken into account in the drafting of detailed policies and allocations. Depending on the level of complexity, the draft local plan stage may involve more than one period of consultation.	<ul style="list-style-type: none"> <li>Consult</li> </ul>	<ul style="list-style-type: none"> <li>Publish draft documents for consultation for a minimum of <b>six weeks</b>, and, <ul style="list-style-type: none"> <li>publish the Sustainability scoping report or appraisal;</li> <li>inform specific consultation bodies (email where possible or post);</li> <li>inform relevant consultation bodies, other interested bodies and individuals on the consultation database, as above;</li> <li>publish electronic copies of the consultation documents on the council's website</li> <li>make hard copies of consultation documents available for inspection at the council's office (where possible and in accordance with any relevant current regulations and guidance)</li> <li>provide online access via public PCs at libraries including the Millenium library</li> <li>issue a press release in local papers;</li> <li>add consultation information on the council's social media sites.</li> </ul> </li> <li>Arrange public meetings, exhibitions, focus groups as appropriate (where possible and in accordance with any relevant current regulations and guidance)</li> </ul>
<b>3. Pre submission publication of the Local plan (Regulation 19)</b> The Local plan is finalised and published for a last stage of consultation. Comments at this stage will only be sought on soundness and legal compliance of the plan.	<ul style="list-style-type: none"> <li>Consult</li> </ul>	<ul style="list-style-type: none"> <li>Publish the Local plan and relevant documents for consultation for a minimum of <b>six weeks</b>, and, <ul style="list-style-type: none"> <li>publish a statement of the representation's procedure;</li> <li>publish the Sustainability appraisal report for consultation;</li> <li>publish a consultation statement summarising all comments received from the previous stages and how the comments have been considered and taken into account;</li> <li>publish relevant supporting documents;</li> <li>inform specific consultation bodies, as above;</li> <li>inform relevant general consultation bodies, other interested bodies and individuals on the consultation database, as above;</li> <li>publish electronic copies of all the documents on the council's website</li> </ul> </li> </ul>

Key stages	Involvement Level	Potential public/stakeholder involvement arrangements
		<ul style="list-style-type: none"> <li>▪ make hard copies available for inspection at the council's office (where possible and in accordance with any relevant current regulations and guidance);</li> <li>▪ provide online access via public PCs at libraries including the Millenium library</li> <li>▪ issue a public notice in local newspapers;</li> <li>▪ issue a press release in local newspapers;</li> <li>▪ add consultation information on the council's social media sites.</li> </ul> <ul style="list-style-type: none"> <li>• Arrange exhibitions or presentations to interest groups if necessary, and where possible and in accordance with any relevant current regulations and guidance.</li> </ul>
<b>4. Submission (Regulation 22)</b>	<ul style="list-style-type: none"> <li>• Inform</li> </ul>	<ul style="list-style-type: none"> <li>• The draft Local plan, and all supporting documents and the comments received from public consultation are submitted to the Secretary of State, who appoints an independent planning inspector.</li> <li>• publish electronic copies of all the documents on the council's website</li> <li>• The hard copy documents are made available at council's offices (where possible and in accordance with any relevant current regulations and guidance).</li> <li>• Inform relevant general and specific consultation bodies, other interested bodies and individuals on the consultation database who requested to be notified of submission, as above (email where possible or post).</li> </ul>
<b>5. Public examination</b>	<ul style="list-style-type: none"> <li>• Inform</li> </ul>	<p>The Local Plan and comments received are examined by the appointed planning inspector, including the public hearing stage. If there are any proposed main modifications, they will be consulted on for at least <b>six weeks</b>. On receipt of the Inspector's report, it will be published on the council's website.</p> <p>Public examination publicity methods include:</p> <ul style="list-style-type: none"> <li>• Inform those who made Pre-Submission representations about the date of the Hearing session(s), publication of Proposed Main Modifications and receipt of Inspector's report (as relevant) (email where possible or post)</li> <li>• publish electronic copies of all the documents on the council's website;</li> <li>• add consultation information on council's social media sites.</li> <li>• Information available at council offices (where possible and in accordance with any relevant current regulations and guidance).</li> </ul>

Key stages	Involvement Level	Potential public/stakeholder involvement arrangements
<b>6. Adoption</b> The Local plan is adopted following the inclusion of the modification required by the inspector's report.	<ul style="list-style-type: none"> <li>Inform</li> </ul>	<ul style="list-style-type: none"> <li>Make the inspector's report available for inspection on the council's website and at the council's office (hard copies will be made available where possible and in accordance with any relevant current regulations and guidance)</li> <li>Inform 'pre submission publication' respondents who requested to be notified (email where possible or post).</li> </ul> <p>Following adoption of the Local plan, we will:</p> <ul style="list-style-type: none"> <li>Publish the Local plan, make electronic copies available on the council's website and hard copies available at the council's office (hard copies will be made available where possible and in accordance with any relevant current regulations and guidance)</li> <li>Publish an adoption statement in local newspapers</li> <li></li> <li>Send the adoption statement to specific and general consultees and those who made representations at previous stages or those who have asked to be notified of the adoption.</li> <li>Make the Sustainability appraisal and other supporting documents available for inspection for six weeks after adoption.</li> <li>provide information about the adoption of the plan on the council's social media sites</li> </ul>

## Public involvement in Supplementary Planning Documents (SPDs) and planning briefs

Key stages	Involvement Level	Potential Public/stakeholder involvement arrangements
<b>1. Pre-production/evidence gathering</b> The information for the topic needs to be prepared and potential issues identified.	<ul style="list-style-type: none"> <li>Consult</li> <li>Collaborate</li> </ul>	<ul style="list-style-type: none"> <li>Engaging relevant stakeholders in deciding the level of detail to be included in the document and to identify key issues that need to be addressed</li> <li>Where necessary, preliminary engagement will be carried out prior to the publication of draft SPDs</li> </ul>
<b>2. Draft SPDs/ Planning briefs</b> A Draft SPD/planning brief is prepared following the initial evidence gathering stage. Consultations at this stage will involve publishing a draft of the SPD/ planning brief for comment.	<ul style="list-style-type: none"> <li>Consult</li> </ul>	<ul style="list-style-type: none"> <li>Publish the Draft SPD/planning brief for consultation for a minimum of <b>four weeks</b>, and, at the start of the consultation period,               <ul style="list-style-type: none"> <li>make electronic copies of the plan and supporting documents available on the council's website;</li> <li>make hard copies of the plan and supporting documents available at the council's office for inspection (where possible and in accordance with any relevant current regulations and guidance).</li> <li>provide online access via public PCs at libraries including the Millennium library</li> <li>inform relevant specific and general consultees and those on the consultation database who may have an interest on the issues (by email where possible or post);</li> <li>issue a press release for the matters concerned if appropriate;</li> <li>provide consultation information on council's social media sites.</li> </ul> </li> <li>Arrange exhibition or presentation to interest groups if necessary (and where possible and in accordance with any relevant current regulations and guidance).</li> </ul>
<b>3. Adoption</b> The council will consider the representations received through the consultations and make any amendments necessary before adopting the SPD/ planning brief.	<ul style="list-style-type: none"> <li>Inform</li> </ul>	<ul style="list-style-type: none"> <li>Publish the SPD/planning brief               <ul style="list-style-type: none"> <li>make electronic copies and any supporting documents available on the council's website;</li> <li>make hard copies available at council's office (where possible and in accordance with any relevant current regulations and guidance).</li> </ul> </li> <li>Publish a consultation statement summarising all comments received from the previous stages and how the comments were considered and taken into account</li> <li>Send an adoption statement to those who have made representations during the previous consultations and those who have asked to be notified of the adoption of the SPD/planning brief (by email where possible or post).</li> <li>Provide information on council's social media sites</li> </ul>

### Publicising Neighbourhood Plans

Neighbourhood plans are prepared independently by the local community. As such, deciding how to involve people about what should be in a neighbourhood plan and determining what issues it will cover is the role of the neighbourhood forum or other designated body<sup>1</sup> actually proposing the plan. The council does not itself have a direct role in preparing a neighbourhood plan but must provide technical advice and support to any group proposing one, to ensure that it will be broadly consistent with the existing development plan for the area. The council is only required to consult formally at key stages, following the legal procedures as described below. The neighbourhood planning body must abide by the neighbourhood planning regulations and must consult “meaningfully” about a proposed plan but is not bound by this Statement of Community Involvement.

Key stages	Involvement Level	Potential public/stakeholder involvement arrangements
<b>1. Neighbourhood Area Application</b> A neighbourhood forum or other prospective neighbourhood planning body applies to the city council to designate a Neighbourhood Area for which they propose to prepare a Neighbourhood Plan.	<ul style="list-style-type: none"> <li>Consult</li> </ul>	As soon as possible after receiving the application, publish the Neighbourhood Area proposal and invite representations for a minimum of <b>six weeks</b> , and, <ul style="list-style-type: none"> <li>make electronic copies of the proposal documentation available on the council’s website;</li> <li>make hard copies of the proposal documentation available at the council’s office for inspection (where possible and in accordance with any relevant current regulations and guidance);</li> <li>provide online access via public PCs at libraries including the Millennium library</li> <li>inform relevant specific and general consultees and those on the consultation database who may have an interest in the proposal (email where possible or post);</li> <li>issue a press release relating to the proposal if appropriate;</li> <li>add information about how to respond to the proposal on the council’s social media sites.</li> </ul>
<b>2. Neighbourhood Forum Application</b>	<ul style="list-style-type: none"> <li>Consult</li> </ul>	As soon as possible after receiving the application, publish the Neighbourhood Area proposal and invite representations for a minimum of <b>six weeks</b> , and,

<sup>1</sup> In areas without a parish or town council (such as Norwich), local people will need to decide which organisation should produce a neighbourhood plan. These can be existing community groups or local people forming a new group. In both cases they will need to be formally designated and must meet the basic conditions set out in the Localism Act.



Key stages	Involvement Level	Potential public/stakeholder involvement arrangements
A neighbourhood group applies to the city to council to become a designated neighbourhood forum.		<ul style="list-style-type: none"> <li>• make electronic copies of the proposal documentation available on the council's website;</li> <li>• make hard copies of the proposal documentation available at the council's office for inspection (where possible and in accordance with any relevant current regulations and guidance);</li> <li>• provide online access via public PCs at libraries including the Millennium library</li> <li>• inform relevant specific and general consultees and those on the consultation database who may have an interest in the proposal (email where possible or post);</li> <li>• issue a press release relating to the proposal if appropriate;</li> <li>• add information about how to respond to the proposal on the council's social media sites.</li> <li>• A statement that as designation is made no other organisation or body may be designated for that area until the designation expires or is withdrawn.</li> </ul>
<b>3. Submission of a Neighbourhood Plan</b> The neighbourhood forum submits the Neighbourhood Plan to the city council.	<ul style="list-style-type: none"> <li>• Consult</li> <li>• Inform</li> </ul>	As soon as possible after receiving a plan proposal, publish the submitted plan and invite representations for a minimum of <b>six weeks</b> , and, <ul style="list-style-type: none"> <li>• make electronic copies of the submitted plan available on the council's website;</li> <li>• make hard copies of the submitted plan available at the council's (where possible and in accordance with any relevant current regulations and guidance);</li> <li>• online access via public PCs at libraries including the Millenium library</li> <li>• inform relevant specific and general consultees (including those on the neighbourhood plan consultation statement) and those on the consultation database, (by email where possible or post).</li> <li>• issue a press release relating to the Neighbourhood Plan if appropriate;</li> <li>• provide information about how to respond to the plan on the council's social media sites.</li> </ul>
<b>4. Publication of examiners report</b> The city council publishes the report of the examination into the submitted Neighbourhood Plan and the decision of	<ul style="list-style-type: none"> <li>• Inform</li> </ul>	Publish the examiners report and decision statement: <ul style="list-style-type: none"> <li>• make electronic copies of the examiner's report and decision statement available on the council's website;</li> </ul>

Key stages	Involvement Level	Potential public/stakeholder involvement arrangements
the council as to whether or not it accepts the examiner's recommendations.		<ul style="list-style-type: none"> <li>• make hard copies of the examiner's report and decision statement available at the council's office (where possible and in accordance with any relevant current regulations and guidance);</li> <li>• provide online access via public PCs at libraries including the Millennium library</li> <li>• inform relevant specific and general consultees (including those on the neighbourhood plan consultation statement) and those on the consultation database, (by email where possible or post)</li> <li>• Provide information about the examiner's report and decision on the council's social media sites.</li> </ul>
<b>5. Referendum information statement</b> The city council publishes the Referendum Information Statement and specified documents, setting out the date and procedure for the Neighbourhood Plan referendum.	<ul style="list-style-type: none"> <li>• Inform</li> </ul>	No less than <b>28 working days</b> before a Neighbourhood Plan referendum: <ul style="list-style-type: none"> <li>• make electronic copies of the referendum information statement and documentation available on the council's website;</li> <li>• make hard copies of the referendum information statement and documentation available at the council's office for inspection (where possible and in accordance with any relevant current regulations and guidance);</li> <li>• provide online access via public PCs at libraries including the Millenium library</li> <li>• inform relevant specific and general consultees and those on the consultation database, (by email where possible or post);</li> <li>• provide information about the referendum on the council's social media sites</li> <li>• send copies of the Referendum Information Statement to addresses within the designated neighbourhood area by post.</li> </ul>
<b>6. Notice of Referendum and Notice of Poll</b>	<ul style="list-style-type: none"> <li>• Inform</li> </ul>	Not later than <b>25 days</b> before the day of the referendum, publish a notice of referendum on the council's website. Not later than <b>6 days</b> before the referendum, publish a notice of poll on the council's website, including the situation of each polling station and the persons entitled to vote there.
<b>7. Publication of Referendum Results</b>	<ul style="list-style-type: none"> <li>• Inform</li> </ul>	Publish the results of the referendum: <ul style="list-style-type: none"> <li>• On the council's website</li> <li>• In hard copy at the council's office for inspection (where possible and in accordance with any relevant current regulations and guidance).</li> </ul>

Key stages	Involvement Level	Potential public/stakeholder involvement arrangements
<b>8. “Making” of the Neighbourhood Plan</b> The city council confirms that the Neighbourhood Plan has come into effect (has been “made”) <sup>2</sup> .	<ul style="list-style-type: none"> <li>• Inform</li> <li>• Collaborate</li> </ul>	Publish the Neighbourhood Plan: <ul style="list-style-type: none"> <li>• make electronic copies and any supporting documents available on the council's website and hard copies available at council's office (where possible and in accordance with any relevant current regulations and guidance).</li> <li>• Provide online access via public PCs at libraries including the Millennium library</li> <li>• notify those who have asked to be informed about the making of the neighbourhood plan.</li> <li>• provide information about the made plan on council's social media sites.</li> </ul>

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<sup>2</sup> Under planning legislation, neighbourhood development plans prepared by the community are referred to as being “made” when they take legal effect. This is distinct from local plans prepared by a council or other local planning authority, which are “adopted”.

## Public involvement in future revisions of the Statement of Community Involvement (SCI)

Key stages	Involvement Level	Potential public/stakeholder involvement arrangements
<b>1. Draft Statement of Community Involvement</b> A draft SCI is prepared in accordance with any relevant statutory requirements and guidance. Consultations at this stage will involve publishing a draft of the SCI for comment.	<ul style="list-style-type: none"> <li>Consult</li> </ul>	<ul style="list-style-type: none"> <li>Publish draft documents for consultation for a minimum of <b>six weeks</b>, and at the start of the consultation period: <ul style="list-style-type: none"> <li>Make electronic copies of the SCI available on the council's website;</li> <li>Make hard copies of the SCI available at the council's office Millennium library for inspection;</li> <li>Inform relevant specific and general consultees and those on the consultation database who may have an interest on the issues (this will be done by email where possible: postal mailing will be used where there is no email address on the database);</li> <li>Issue a press release for the matters concerned if appropriate;</li> <li>Provide consultation information on the council's social media sites;</li> </ul> </li> <li>Arrange exhibitions or presentations to interest groups if appropriate (where possible and in accordance with any relevant current regulations and guidance).</li> </ul>
<b>2. Adoption</b> The councils will consider the representations received through the consultation and make any amendments necessary before adopting the SCI.	<ul style="list-style-type: none"> <li>Inform</li> </ul>	<ul style="list-style-type: none"> <li>Publish the SCI – make electronic copies and any supporting documents available on the council's website and hard copies available at Council's office (hard copies will be made available where possible)</li> <li>Publish a consultation statement summarising all comments received from the previous stages and how the comments were considered and taken into account</li> <li>Provide information on council's social media sites.</li> </ul>

### 3. Community Involvement in Planning Applications

#### Introduction

47. Planning applications are considered through the development management process. It is important that the views of the general public and stakeholders are taken into account to inform decisions.
48. The legal minimum requirements of publicity on planning applications and applications for listed building consent are set out in legislation. These requirements include publication on the council's register, notices displayed near the site and/or neighbours being notified directly by letter. For some applications involving a listed building or in a conservation area, an advertisement is published in a local newspaper. All planning applications are available to view on the council's website and are updated in real time with changes and new correspondence. Detail of the council's application publicity procedure is available in the [Council's Constitution](#).
49. This section sets out the council's approach to encouraging, and requiring where necessary, developers to undertake pre-application consultations and for the involvement of the community in commenting on planning applications.
50. The Planning service standards outline how people can expect to be involved in planning applications and the service they can expect to receive including response times to letters, emails and phone calls. The most up-to-date Planning service standards are available on our website at [www.norwich.gov.uk](http://www.norwich.gov.uk); these will be updated when appropriate to reflect any future changes in legislation or internal processes.

#### Pre-application consultation

51. The National Planning Policy Framework (NPPF) states that local planning authorities should encourage other parties involved in the development process to take maximum advantage of the pre-application stage, so that prospective developers and applicants who are not already required to do so by law may engage effectively with the local community before they make a planning application. This should improve the efficiency and effectiveness of the planning application system for all parties.
52. The city council strongly encourages developers and agents of all application types to engage with the community at the earliest opportunity. For major schemes this is a requirement. This will give the best information on which to base proposals and enable any planning application that is subsequently made to have the best chance of success.
53. Early involvement between developers, the community, consultees and the local planning authority allows issues and concerns to be discussed before planning proposals are formally submitted for assessment and decisions are made. Pre-application involvement by all parties allows issues and concerns to be raised at an early stage, potentially enabling them to be addressed and giving communities the opportunity to shape or influence the development proposals.
54. There are several levels of pre-application service available, depending on the type of development proposed. A fee will be charged for this service. Further guidance can be found on the council's [Pre-Application webpage](#).

55. The council strongly encourages applicants to consult the local community before submitting a planning application for significant development, in particular:
- Housing developments of 10 or more dwellings;
  - Any other development with a floor area of 1,000 square metres.
56. The [Validation Requirements](#) produced by the council provide details of the pre-application consultation requirements for applications. These will be regularly updated in accordance with legislative requirements.
57. Figure 3 gives some basic advice on how involvement and consultation would be expected to be conducted. If community consultation is impacted by national guidance and regulations (for example social distancing rules that were introduced as a result of the Covid-19 pandemic), developers and agents will be expected to consider alternative methods of effective consultation and explain their approach.

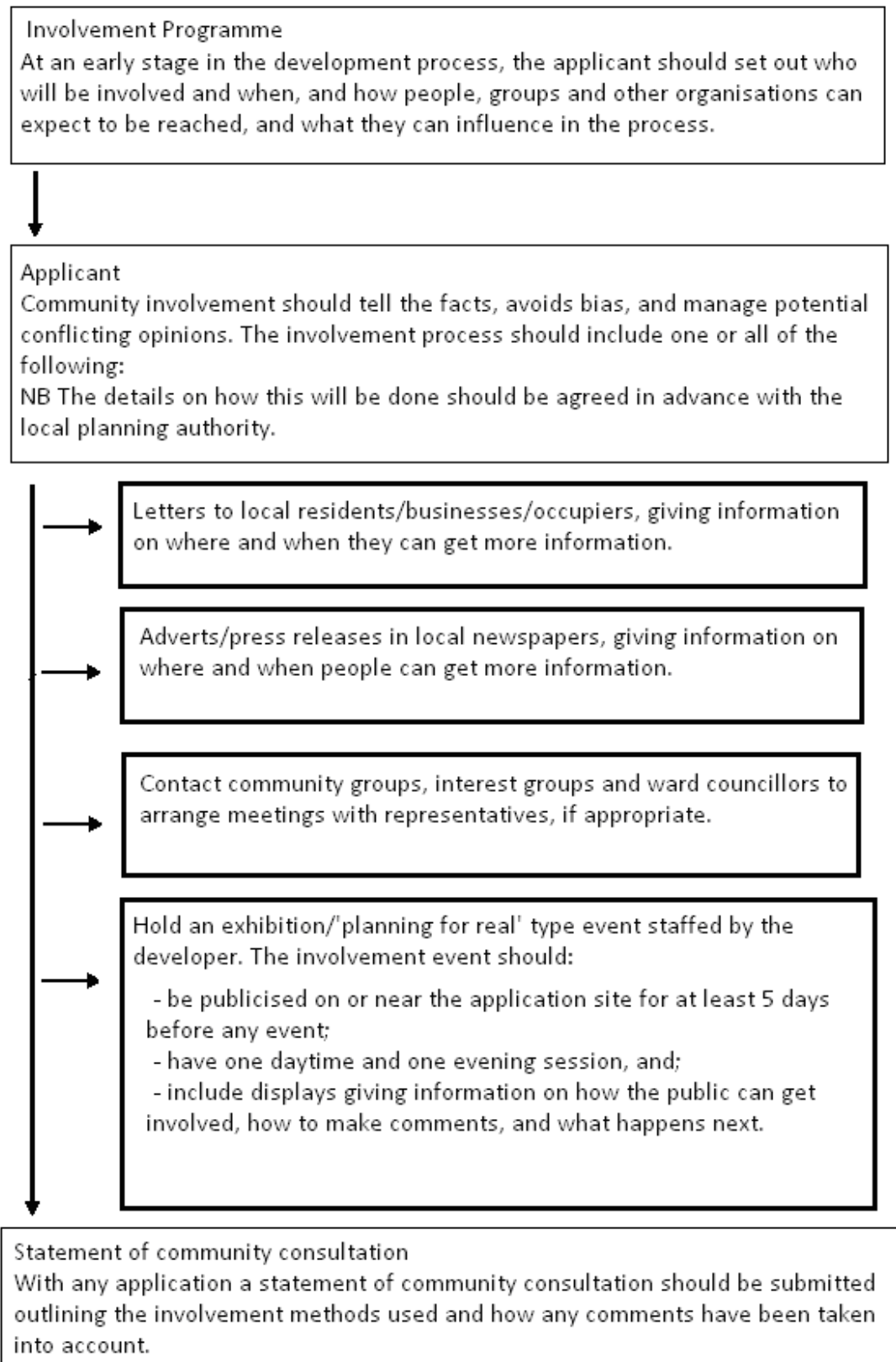


Figure 3: An example of how a pre-application community consultation could be conducted

## Planning application consultation

58. It is important that the community have suitable opportunities to be involved in commenting on planning applications and that those comments are taken into account as part of the decision-making process.
59. The council has a well-established process of consultation on planning applications. The main way to find out information on planning applications is through the [Planning Public Access service](#) on our website. You can also sign up to receive e-mail alerts of proposed developments in your area through this service. All comments received are published on our website and are attributable to their author. No anonymous comments can be considered. Details of how your information will be held and processed by the council can be found within the [Planning Privacy Notice](#).
60. Consultation will be carried out in accordance with at least the minimum requirements of Section 15 of The Town and Country Planning (Development Management Procedure) (England) Order 2015 (or any updated version thereafter). However, full details of the consultation methods on planning applications can be found from page 156 of the [Council's Constitution](#).
61. Other potential methods of planning application consultation are set out below. This list is not exhaustive and may be amended in response to future changes in national planning legislation or regulation:
- i) letters and emails to statutory consultees, other organisations and interest groups;
  - ii) letters and emails to residents, businesses and properties within 10 metres of the boundary of the site;
  - iii) the display of site notices (for some applications);
  - iv) publication in local newspapers (for some applications);
  - v) viewing of all comments received on our website;
  - vi) viewing of all decision reports on our website;
  - vii) presentations at committee (for some applications);
  - viii) committee papers – available a week before each meeting, and;
  - ix) committee minutes – available 7 days prior to the next meeting.
62. If any planning application is amended during the process of its assessment and the amendment would be likely to have a significant adverse impact on neighbouring properties, then the occupiers of properties affected will be re-notified. All revised or additional documentation or plans will be published on the website. If necessary, the case officer for the application will agree a new determination deadline with the developer/agent as required.
63. [The Planning Portal](#) provides information on planning in general, with Norwich City Council's website providing more specific information relevant to Norwich.



Public Access contains details of all planning applications and comments of consultees and the consideration of the application by officers from December 2005 onwards, with some information on applications from January 1988 to November 2005.

### Material planning considerations

64. In the process of assessing an application the planning officer must have regard to material planning considerations. Some examples of material considerations and non-material considerations can be found in figure 4 (please note, this list is not exhaustive).
65. More advice on material planning considerations can be found via the [Planning Portal Material Considerations webpage](#) and [Planning Aid England Material Considerations webpage](#).

Material planning considerations	Non-material considerations
National and local policies	Issues considered under Building Regulations
Planning history and previous appeal decisions	Land/boundary disputes, including rights of access
Case Law	Opposition to business competition
Impact on sunlight, outlook, privacy and amenity	Loss of property value
Highways issues (e.g. increased traffic movements)	Loss of view (NB this does not include 'outlook')
Effect on a Listed Building or Conservation Area	Opposition to the principle of a development if permission has been granted by an outline application or appeal decision

Figure 4: Examples of material and non-material considerations<sup>3</sup>

### The post-application stage

66. Once an application has been determined the council will inform the applicant (via a Decision Notice) and update the website with the Decision Notice.
67. Once the council has made a decision on a planning application the person who made the application has a right to appeal the decision if they disagree with it (an appeal can also be made if the council has not made a decision within the statutory or agreed timeframe). Most appeals must be made within 6 months of the date on the decision notice issued by the council (or date that a decision should have been made by). There are different deadlines for appeals under the

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<sup>3</sup> Source: RTPI/Planning Portal/ Planning Aid England

Householder Appeals Service, the Commercial Appeals Service and those linked to enforcement action, further details can be found in [the Planning Inspectorate Procedural Guide](#). Planning appeals are dealt with by the Planning Inspectorate and heard by an independent Planning Inspector.

- 68. Anyone can comment on a planning appeal and the deadline for comments is 5 weeks after the start date of the appeal. The council has to inform anyone who commented on the original application that an appeal has been lodged to give them a chance to comment. All comments received are passed to the Planning Inspectorate to consider as part of the appeal process.
- 69. An appeal can be dealt with through written representations or through a hearing or inquiry and there are opportunities for local people to be involved. There is [guidance about taking part in a planning appeal](#) available online.

## **Enforcement**

- 70. Where development has taken place without planning permission or carried out in a way that is different from approved plans, these are called breaches of planning control.
- 71. People are encouraged to report unauthorised work to protect the environment of Norwich for people who live, work and visit here. Information on how to [report a breach of planning control](#) and [the council's enforcement process](#) can be found online.

## 4. Resources, management and monitoring

72. This section discusses the management of the involvement process and the resources available to the council.
73. The local plan is managed by the council's planning policy team and supported by officers from other council departments who will provide expertise, support and advice during the process. The resources are designed to ensure that the Local plan, and other council strategies are linked and that all local community involvement events are coordinated.
74. The council will aim to make the most efficient use of limited staff time and resources to prepare local planning documents and involve people throughout the plan-making process. We will work closely with those involved to understand and agree policies and proposals at an early stage so that outstanding issues can be resolved where possible, meaning that fewer resources are needed at the examination stage to debate outstanding objections. From previous experience of consulting on planning policy documents, the efficient use of time and resources at the earliest stage can reduce the length of examination time. This helps to ensure that emerging policies and proposals have a broad consensus and will be appropriate and effective in bringing forward sustainable development.
75. The council may engage specialised agencies or consultants for specific parts of the planning policy framework such as master planning and evidence studies. Where appropriate, they will be expected to undertake public participation and involvement on their proposals and results which will be consistent with this document.
76. The SCI remains an important local planning document and will be reviewed to check that the methods and techniques being used are still the most appropriate, and any updates to the SCI made as necessary. Planning reforms, including those associated with the LURA which may lead to a change in planning regulations, may mean that there will be a review in the near future.

## Appendix 1: Local plan consultees

In the planning policy making process, the council is required to consult organisations which are known as either 'specific' or 'general' consultees. As the legislation and regulations are frequently updated, the lists of consultees below may change over time and must be checked against the requirements set out in any new regulations.

The recent planning regulations set out the specific consultation bodies. Along with relevant government departments, the list contains the bodies below.

Regard will also be had to the consultation requirements indicated in the Neighbourhood Plan Regulations (2012 as amended).

### **Specific consultation bodies**

- The Coal Authority
- The Environment Agency
- The Historic Buildings and Monuments Commission for England (Historic England)
- The Marine Management Organisation
- Natural England
- Network Rail Infrastructure Limited
- Highways England
- Norfolk County Council
- Broads Authority
- Adjacent local authorities
- Norfolk and Waveney Integrated Care System
- Norfolk Constabulary
- Police and Crime Commissioner
- Relevant telecommunications companies
- Relevant electricity and gas companies
- Relevant water and sewerage undertakers (Anglian Water)
- Homes England
- Local Enterprise Partnership (New Anglia)
- Local nature partnerships

### **General consultation bodies - examples**

Through this Statement of community involvement, we are committed to involving a wide range of other groups, organisations and interested individuals in the planning

process. This will ensure that as many people as possible who are interested are involved in the future development of Norwich.

The list below provides some examples of general consultation bodies:

- Community groups (area based and topic based)
- Parish councils in Norwich Urban Fringe parishes of Broadland and South Norfolk
- Local Members of Parliament
- Housing organisations
- Housebuilders
- Residents and tenants' groups
- Business and commerce organisations
- Economic development agencies
- Educational bodies
- School councils
- Community safety bodies
- Environmental and heritage organisations
- Equal opportunities bodies
- Ethnic minority groups
- Disabled people's organisations
- Older people's groups
- Faith groups
- Health and social care groups
- Norfolk and Suffolk NHS Foundation Trust
- Youth organisations
- Agents/developers
- Landowners
- Regeneration bodies
- Tourism bodies
- Transport bodies
- NCC Public Health
- Community centres
- Volunteer development organisations
- Sports and recreation organisations
- Health and Safety Executive

- Royal Mail
- Emergency services.
- Gypsies, Travellers and Travelling Show people organisations
- Design Review Panel
- Norfolk Historic Environment Service
- Local Enterprise Partnerships
- Utility service providers
- Interested individuals

### **Neighbourhood Plan - Statutory consultation bodies:**

As set out in Schedule 1 to the Neighbourhood Planning (General) Regulations 2012 (as amended).

- Interested individuals
- Where the local planning authority is a London Borough, the Mayor of London
- A local planning authority, county council or parish council any part of whose area is in or adjoins the area of the local planning authority
- The Coal Authority
- The Homes and Communities Agency
- Natural England
- The Environment Agency
- The Historic Buildings and Monuments Commission for England (Historic England)
- Network Rail Infrastructure Limited
- A strategic highways company, any part of whose area is in or adjoins the neighbourhood area
- Where the Secretary of State is the highway authority for any road in the area of a local planning authority any part of whose area is in or adjoins the neighbourhood area, the Secretary of State for Transport
- The Marine Management Organisation
- Any person to whom the electronic communications code applies or who owns or controls electronic communications apparatus in any part of the area of the local planning authority
- Where it exercises functions in any part of the neighbourhood area – a clinical commissioning group established under section 14D of the National Health Service Act 2006; the National Health Service Commissioning Board; a person to whom a licence has been granted under the Electricity Act (1989) or the Gas Act (1986); a sewerage undertaker; and a water undertaker

- Voluntary bodies some or all of whose activities benefit all or any part of the neighbourhood area
- Bodies which represent the interests of different racial, ethnic or national groups in the neighbourhood area
- Bodies which represent the interests of different religious groups in the neighbourhood area
- Bodies which represent the interests of persons carrying on business in the neighbourhood area and
- Bodies which represent the interests of disabled persons in the neighbourhood area.

Organisation	Ref	Section	Comment	Action	Response/change required
Gareth Roderick-Jones	1	General	'You obviously do not understand how to communicate. Your email does not tell us what LDF is.'	No action	<p>The Statement of Community Involvement (SCI) document does not include reference to the LDF. Reference is only made to this term in the planning policy shared inbox email address <a href="mailto:LDF@norwich.gov.uk">LDF@norwich.gov.uk</a></p> <p>LDF refers to Local Development Framework which is an old term for a set of planning policies and guidance, which we now commonly refer to as the Development Plan.</p> <p>No changes required.</p>
Natural England	2	General	'We regret we are unable to comment, in detail, on individual Statements of Community Involvement but information on the planning service we offer, including advice on how to consult us, can be found at: <a href="https://www.gov.uk/guidance/local-planning-authorities-get-environmental-advice">https://www.gov.uk/guidance/local-planning-authorities-get-environmental-advice</a>	No action	No changes requested.
Lead Local Flood Authority	3	General	'The LLFA has reviewed the report and has no substantive comments to make at this time. However, we note there are a few minor typos that you may wish to take the opportunity to correct.'	Amendments made	The document has been reviewed for typographical errors and amended as necessary.
Historic England	4	General	'While we do not currently have the capacity to comment, we will be interested in receiving future consultations on this and related projects.'	No action	No changes requested.
Anonymous response from Get Talking	5	General	The document should expand on strategies to reach and engage with diverse communities particularly those who may not	Amendments made	A section has been added to the bottom of the contents page including information about how the SCI can be



Norwich			<p>participate in typical planning consultations. For example, younger generations, non English speakers, people with disabilities).</p> <p>It could also include clearer information on the council's commitment to providing accessible consultation materials and formats. Accessible in plain English is important!! Planning should be an area we can understand and influence and access</p>		<p>obtained in different formats and languages.</p> <p>Planning can be a very technical subject area and there is government legislation and regulations that must be followed in planning processes. This can sometimes limit the accessibility of planning. However, Norwich City Council is committed to making this more accessible. The use of Get Talking Norwich and the commitment to more digital tools in the revised SCI is one step the planning team are taking to improve the accessibility of planning for its citizens.</p> <p>In addition, paragraph 40 of the SCI outlines a variety of different ways that the council aims to reach the widest audience possible. For example, as part of this SCI consultation, the council's Community Enabling team were asked to inform any local groups that the consultation was under way and how to comment.</p>
Anonymous response from Get Talking Norwich	6	General	pls use more digital consultations on here and promote on social media! No time to come into city hall to read documents. I am interested in planning and this is first consultation I've found	No action	Noted.

## Equality Impact Assessment

<b>What is being assessed</b>	Revised Statement of Community Involvement 2025	<b>Status</b>	5 yearly review of document (statutory review timescale) Second review of EqlA after public consultation.
<b>Officer completing</b>	Charlotte Rivett	<b>Role</b>	Planner (Policy)
<b>Team</b>	Planning Policy	<b>Directorate</b>	Development and City Services
<b>Senior leadership team sponsor</b>	Sarah Ashurst	<b>Role</b>	Head of Planning and Regulatory Services

**What are the main aims or purpose of the policy, practice, service or function?** *(include links to project briefs, cabinet reports etc)*

The Statement of Community Involvement (SCI) sets out how councils intend to involve people in planning decisions. They cover decisions relating to planning policy and planning application. SCIs are required under legislation.

**How does it fit with other services and policies, and how does it support our [corporate objectives](#) and [City Vision](#)?**

The production of an SCI meets several corporate objectives including, 'A future-proof Norwich', 'A fairer Norwich', and 'An open and modern council' by setting out clearly how the community will be engaged on planning issues and using multiple and inclusive methods of consultation to ensure everyone can access planning consultations and have their view. A new corporate communications/engagement strategy is in preparation – officers have worked together to ensure the revised SCI will be in line with this new emerging strategy.

**What is the reason for the proposal or change (financial, legal etc)?**

Under section 18 of the Planning and Compulsory Purchase Act 2004, all local planning authorities in England and Wales must prepare an SCI and undertake planning consultations in accordance with it. The SCI is being updated so that the most effective and appropriate community engagement in planning takes place and to ensure planning consultations are undertaken in accordance with the latest statutory requirements.

**Who implements, carries out or delivers the policy, practice, service or function?**

The planning service (Planning Policy and Development Management).

**What outcomes do we want to achieve, why and for who?**

- Ensuring planning consultation and engagement accords with statutory planning processes.
- Inclusive consultation processes so that all sections of the community can engage in planning.

- Improving digitisation of planning consultations and engagement in line with government policy.

**Will anyone be disproportionately affected by the programme, and/or will it create any benefits?** (*customers, employees, groups in the wider community etc*)

The amendments to the SCI are likely to increase the level of participation and engagement in planning through the following additions:

- Making provisions for consultations to be available online through public computers
- Making use of new digital tools such as Get Talking Norwich
- Retaining other non-digital forms of engagements such as issuing press releases and having hard copy documents available.

**If yes, complete the relevant sections below for any benefits and adverse impacts identified.**

Affected group	Key findings from analysis of data and evidence. Identify any gaps in data here	Level & type of impact: low/medium/high, positive/adverse	Justifiable if adverse	Actions to mitigate impacts, maximise benefits or address identified gaps in data	By when
Age	<p>There tends to be lower engagement in planning from younger generations. For Norwich we only have anecdotal information, although as part of the GNLP consultation process, an increase in engagement from young people was noted through increased use of social media.</p> <p>Through the consultation of the draft SCI, one comment noted their appreciation for using Get Talking Norwich, as they had never seen planning</p>	Adverse low		<p>The consultation methods proposed in the revised SCI include better use of digital tools for engagement in the planning process, including the use of interactive maps etc. The aim is to improve accessibility of planning and to appeal to/engage a wider audience, including younger peoples.</p> <p>In addition, the use of some of these digital tools (eg Get Talking Norwich) provides anonymised data about those who have engaged with the planning content so should assist in providing</p>	<p>Proposed additions of digital planning tools are included in draft SCI.</p> <p>Lessons learned from the SCI consultation are also included in the SD Panel and Cabinet</p>

## Equality Impact Assessment

	consultations before but were keen to be involved.			evidence for future planning workstreams.	reports to ensure the best use of digital planning tools in future.
<b>Disability</b>	Anecdotal information that those with disabilities may not be able to access planning information in certain formats.	Low adverse – the planning service already aims to use a wide range of consultation methods		Proposing to use a wider range of consultation methods for and within the SCI to ensure there are options for people to engage with the planning process. This includes having multiple contact methods available, having online tools, using accessibility checkers on all documents produced and the option to provide documents in large print/braille/other formats.	Proposed additions of digital planning tools are included in draft SCI.
<b>Gender reassignment</b>	N/A	No impact identified	N/A	N/A	N/A
<b>Marriage and civil partnership</b>	N/A	No impact identified	N/A	N/A	N/A
<b>Pregnancy and maternity</b>	N/A	No impact identified	N/A	N/A	N/A
<b>Race/ethnicity</b>	N/A	No impact identified	N/A	N/A	N/A
<b>Religion and belief</b>	N/A	No impact identified	N/A	N/A	N/A
<b>Sex/gender</b>	N/A	No impact identified	N/A	N/A	N/A
<b>Sexual orientation</b>	N/A	No impact identified	N/A	N/A	N/A

<p><b>Other groups</b></p> <p><b>Those without or with low digital skills</b></p>	<p>The Essential Digital Skills Survey 2022 suggests that 89% have essential full or partial digital skills for life. This leaves a proportion of the population without or with low digital skills. The risk is that this proportion of the population may not be able to engage in the planning process as easily, as it becomes further digitised.</p> <p>Officers were advised after the closure of the SCI consultation that low participation rates on digital platforms could be due to there being multiple options for responding.</p>	<p>Low adverse - the planning service already aims to use a wide range of consultation methods.</p>		<p>Proposing to use a wider range of consultation methods for and within the SCI to ensure there are options for people to engage with the planning process. This includes having multiple contact methods available, having online tools and the option to provide documents in alternative formats.</p> <p>Planning consultations are also required to be undertaken in accordance with the Town and Country Planning (Local Planning) (England) Act 2012 which would prevent the total shift of planning consultations to Get Talking Norwich.</p>	<p>Proposed additions of digital planning tools are included in the draft SCI.</p> <p>Lessons learned from the SCI consultation are also included in the SD Panel and Cabinet reports to ensure the best use of digital planning tools in future.</p>
<p><b>What evidence and data has been used for this assessment, including community engagement and consultation?</b></p> <p>The consultation on the SCI aimed to be inclusive and seek to gauge the view of as broader cross-section of the city as possible. This workstream tested the using of Get Talking Norwich as a new digital tool for this planning consultation. The reports available after the closure of the consultation showed that although direct comments were low (only 2 received through this platform) a significant number (nearly 60 people) were “aware” of the project and had seen some of the content available online. This has been helpful information to gauge level of interest.</p>					

## Equality Impact Assessment

The decision was also made not to collect demographic information for this project as doing so requires consent from individuals and can reduce participation. This will also be kept under review for future projects and it is possible that another test project that does choose to collect demographic information could be used as a comparison.

The lessons learned from this test run have been included in the Sustainable Development Panel and Cabinet reports and this will inform future approaches to consultation. This does not change the content of the SCI itself, as it is worded to be flexible to allow the best communication methods to be used for each project.

### **How has the equality impact assessment informed or changed the proposal?**

The EqlA has helped inform the design of the Get Talking Norwich tool for this project and ensured considerations from this document informed the process throughout. One of the comments received in response to the consultation has prompted the inclusion of information on how alternative formats of the SCI can be obtained.

### **What actions have been identified going forward?**

Revisit the results of this EqlA and the results of the public consultation when designing future projects public consultation. This is likely to include testing the collection of demographic data for another project.

The SCI has been updated following the public consultation and this will be in the public domain as part of committee reports and on the council's website.

Information on the post-consultation process will also be added to the Get Talking Norwich page.

### **How will the impact of your proposal and actions be measured moving forward?**

Through continued use of digital tools to consult on the SCI, we will be able to gather and analyse data as to who is engaging with planning content which will help evidence how successful the service is at reaching all sections of the community.

<b>Officer completing assessment</b>	<b>Charlotte Rivett</b>	<b>Date</b>	<b>09.12.2024</b>
<b>Senior leadership team sponsor</b>	<b>Sarah Ashurst</b>	<b>Date</b>	<b>02.01.2025</b>
<b>Equality lead (strategy team)</b>	<b>Joe Siggins</b>	<b>Date</b>	<b>11.12.2024</b>

**Committee name:** Cabinet

**Committee date:** 05/02/2025

**Report title:** Greater Norwich Joint Five-Year Infrastructure Investment Plan 2025-2030

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

**Report from:** Head of planning and regulatory services

**Wards:** All wards

**OPEN PUBLIC ITEM**

**KEY DECISION**

### **Purpose**

To consider the draft Greater Norwich Joint Five-Year Infrastructure Investment Plan 2025-2030.

### **Recommendation:**

It is recommended that Cabinet approve the draft Five Year Infrastructure Investment Plan 2025-30 (see appendix A) which includes the proposed 2025/26 Annual Growth Programme (AGP) and note that the AGP contains projects at Sweet Briar Marshes and Lion Wood and that the allocation of funding for these projects is subject to the approval of the Council's capital programme by Cabinet and subsequently Council in the associated budget papers.

### **Policy framework**

The council has five corporate priorities, which are:

- A prosperous Norwich.
- A fairer Norwich.
- A climate responsive Norwich.
- A future-proof Norwich.
- An open and modern council.

This report meets the corporate priorities for a prosperous Norwich, a fairer Norwich and a climate responsive Norwich and helps to fulfil the strategic planning policies in the Greater Norwich Local Plan.

## Report details

### Background

1. In 2013, Broadland District Council, Norwich City Council and South Norfolk Council, together with Norfolk County Council, signed a City Deal with Government. The City Deal agreed a strategic infrastructure programme which would be supported by access to reduced cost borrowing, and the local authorities made a commitment to pool a significant proportion of Community Infrastructure Levy income to form an Infrastructure Investment Fund.
2. The Greater Norwich Growth Board was then established, which has responsibility for managing the Infrastructure Investment Fund and for assembling the Annual Growth Programme from the Joint Five-Year Infrastructure Investment Plan (referred to henceforth in this report as “the Plan” and enclosed at appendix A).
3. The Greater Norwich Growth Board is a unique partnership in the UK whose practices have been celebrated as an exemplary model of working by the Planning Advisory Service.
4. The decision to produce an annual Joint Five-Year Infrastructure Investment Plan was made by the Greater Norwich Growth Board at its meeting on 24 March 2016. The Plan is prepared to provide a longer term, more strategic context for infrastructure decision making as well as to eliminate the need to approve individual projects at partner Cabinets and Councils more than once a year (subject to the Greater Norwich Growth Board not recommending any substantial changes to the programme). The projects identified within the Plan are those currently considered to be a priority for delivery to assist in achieving the economic growth targets as set out in the Greater Norwich Local Plan and the Greater Norwich City Deal.
5. The development of the Joint Five-Year Infrastructure Investment Plan is informed by the updated Greater Norwich Infrastructure Plan 2024, which was published in a digital format on the Greater Norwich Growth Board website [here](#). The partner authorities contribute to the annual update of the Greater Norwich Infrastructure Plan, which includes reviewing the list of infrastructure projects that have been identified as required to support the growth within the area. To ensure the list remains current City Council officers review the status of infrastructure projects that have been endorsed through the adoption of corporate strategies. Two of the strategies in gestation that will influence the next review are the Inclusive Economy Strategy and the Parks and Green Spaces Strategy.
6. The new projects which have been recommended to receive Infrastructure Investment Fund money during the forthcoming financial year (the first of the planned five years) are proposed to be adopted as the 2025/26 Annual Growth Programme.
7. The Plan provides an update on the financial status of the Infrastructure Investment Fund and therefore is an important evidence base to support decision making for new allocations. It also includes information which each charging authority is legally required to report on Community Infrastructure Levy spend on an annual basis.



8. As the Infrastructure Investment Fund has matured, the scope of how the fund supports the delivery of infrastructure within the Plan has broadened. There is now a variety of ways in which funding can be allocated to projects, all of which are explained within the Plan.

### **Draft Joint Five-Year Infrastructure Investment Plan 2025-30**

9. The Plan was considered by the Greater Norwich Growth Board at their public meeting on 28 November 2024 and is now being recommended for approval to each partner district council. The Plan, along with the confirmed Annual Growth Programme 2025/26, will then return to the Greater Norwich Growth Board at their meeting on 11 March 2025 for final agreement and commitment of funds.
10. The Plan incorporates the updated position on infrastructure delivery, includes revised community infrastructure levy income forecasts and provides updates on projects accepted within previous Annual Growth Programmes. The plan is split into five chapters.
11. Chapter 1, Context and introduction to the work of the Greater Norwich Growth Board, details how the Plan is developed, and provides information around the long-term strategic planning for Greater Norwich.
12. Chapter 2, The Infrastructure Investment Fund provides an overview of what the Infrastructure Investment Fund is, its eligibility criteria, and the different mechanisms the Greater Norwich Growth Board use to fund and deliver infrastructure using the Infrastructure Investment Fund.
13. Chapter 3, New Allocations details the projects which are being proposed within the 2025/26 Annual Growth Programme and which, if agreed, will receive Infrastructure Investment Fund money to support their delivery in the forthcoming financial year. It also presents the Match Funding and City Deal Borrowing Loans Fund allocations which have been agreed by the Greater Norwich Growth Board under their delegated powers. The Annual Growth Programme includes two projects that were sponsored by Norwich City Council:
  - a. Sweet Briar Marshes – a £546,116 contribution towards a project that will deliver new access infrastructure at Sweet Briar Marshes, based in the northwest of Norwich beside the River Wensum. The 90-acre site was purchased by the Norfolk Wildlife Trust with support from Aviva and is undergoing development to protect the wildlife and make it a destination for people to experience nature in the heart of Norwich. This project will form the third phase of works at Sweetbriar Marshes and aims to unlock the northern gateway of the site by increasing accessibility. Works will include an accessible entrance to Sweet Briar Marshes, a new direct route connecting Burnet Road, Marriott's Way and the entrance to Sweet Briar Marshes, a new accessible route across Mile Cross Marsh connecting the Riverside Walk to the existing eastern entrance of Sweet Briar Marshes and to Marriott's Way, accessible parking and a changing places toilet, and facilities to enable educational visits. In addition, a conservation workshop, storage and welfare facilities will be delivered through match funding. This project will be implemented by the Norfolk Wildlife Trust.

- b. Lion Wood – a £448,820 contribution towards a project that will deliver a range of improvements at Lion Wood on the wooded ridge in Thorpe Hamlet, creating an accessible green space for local residents to utilise, while increasing biodiversity and opening up the purple pedalway for greater use by walkers and cyclists, underpinned by natural flood management measures. Works will include a new hard surface path connecting Wellesley Avenue North and Wellesley Avenue South, localised surface improvements, entrance improvements to reduce access restrictions, biodiversity improvements with opportunities for natural play, and the installation of interpretation boards.

14. Chapter 4, Previous Allocations, provides a financial overview and drawdown timeframe of each project which has been allocated funding from the Infrastructure Investment Fund since its establishment. This is referred to as the Full Growth Programme with all projects listed by their Growth Programme (GP) number. Legislation requires this information is required to be reported on annually.

15. Chapter 5, Delivery Updates, provides delivery updates for projects that have received funding in previous years and are currently underway.

## Data Dashboard

16. A [digital dashboard](#) has been developed (see screenshot below indicating the format), that presents the financial information contained in the Plan. It provides an interactive and more accessible platform for readers to be able to explore the financial data more easily. Please note it does not contain all the detail and context so should be viewed alongside the Plan to ensure a full understanding.

**Greater Norwich Annual Growth Programme (AGP)**

Each year, a new group of projects receive funding from the Infrastructure Investment Fund (IIF) and are called the Annual Growth Programme. This table shows all the projects that have received funding since the fund was established in 2014/2015. Click on the authority logos or select from the drop down menus to filter the projects by different factors. Please note that multiple factors can be selected at once using the 'Ctrl' button.

**Greater Norwich Growth Board**

Growth Programme

Growth Programme Overview

Match Funding





Loans

CIL Forecast

Planned Spend

IIF Balance

**Lead Authority Partner**

**Infrastructure Theme**

All

**District Location**

All

**AGP Year**

All

**Project Status**

All

AGP Year	Ref	Lead Authority Partner	Project Name	Infrastructure Theme	Project Status	Project Budget	Other Funding	IIF Funding	Spend to 2024/25
2014/15	GP001	Broadland	Harrisons' Wood	Green Infrastructure	Ongoing	£45,000	£0	£45,000	£45,000
2014/15	GP002	Norwich	Danby Wood	Green Infrastructure	Complete	£35,000	£9,138	£25,862	£25,862
2014/15	GP003	Norwich	Marston Marsh	Green Infrastructure	Complete	£30,000	£5,555	£24,445	£24,445
2014/15	GP004	Norwich	Earlham Millennium Green - Phase 1	Green Infrastructure	Complete	£15,000	£11,840	£3,160	£3,160
2014/15	GP005	Norwich	Riverside Walk	Green Infrastructure	Complete	£70,000	£21,639	£48,361	£48,361
2014/15	GP006	County	Marriott's Way - Phase 1	Green Infrastructure	Complete	£60,000	£0	£60,000	£60,000
2014/15	GP007	South Norfolk	Norwich Health Walks	Green Infrastructure	Complete	£40,000	£2,148	£37,852	£37,852
2015/16	GP008	Norwich	Earlham Millennium Green - Phase 2	Green Infrastructure	Complete	£66,000	£13,879	£52,121	£52,121
2015/16	GP009	County	Marriott's Way - Phase 2	Green Infrastructure	Complete	£250,000	£12,721	£237,279	£237,279
2015/16	GP011	County	St Clements Toucan Crossing	Transport	Complete	£338,763	£225,763	£113,000	£113,000
2015/16	GP013	County	Eaton Interchange	Transport	Complete	£825,000	£725,000	£100,000	£100,000
<b>Total</b>						<b>£138,136,927</b>	<b>£95,791,302</b>	<b>£42,345,626</b>	<b>£23,207,991</b>

Clear Filters

## Consultation

17. There has been no consultation on the content of the Plan itself. Project sponsors are responsible for ensuring consultation takes place on individual projects.

## **Implications**

### **Financial and resources**

18. Any decision to reduce or increase resources or alternatively increase income must be made within the context of the council's stated priorities, as set out in its community-led plan "We are Norwich" and budget.
19. The financial status of the Infrastructure Investment Fund is explained within the Plan.
20. The Greater Norwich Growth Programme requires continuous monitoring and reporting which will be undertaken by the existing resource of the Greater Norwich Projects Team hosted by Norfolk County Council.
21. Resources for the delivery of each project within the programme will be the responsibility for the individual project manager and sponsor.
22. There are no proposals in this report that would reduce or increase resources. The 2025/26 budget reports to Cabinet and subsequently Full Council includes a financial provision within the capital programme for the Lion Wood and Sweet Briar Marshes projects.

## **Legal**

23. The Infrastructure Investment Fund pooling arrangements and the designation of an Accountable Body are set out in the Joint Working Agreement which was signed on 21 October 2015 and is supported by the Infrastructure Investment Fund Programme Governance. This has been agreed by all partners councils.
24. The Sweet Briar Marshes project will be implemented by the Norfolk Wildlife Trust but Norwich City Council, as the sponsoring body, will be accountable to the Greater Norwich Growth Board for the fulfilment of the grant conditions, including adherence to subsidy control rules. Norwich City Council will have a legal agreement with the Norfolk Wildlife Trust, drawn up by NPLaw, through which the conditions and liabilities arising from accepting the Greater Norwich Growth Board grant will be transferred from Norwich City Council to the Norfolk Wildlife Trust. This mirrors the successful arrangements previously used for sport projects that Norwich City Council has sponsored using funds from the Greater Norwich Growth Board Infrastructure Investment Fund. Our procurement rules will be followed when transferring funds to the Norfolk Wildlife Trust.

## Statutory considerations

Consideration	Details of any implications and proposed measures to address:
Equality and diversity	No specific issues arising from the funding of the Growth Programme. Individual project issues are the responsibility of the project manager and sponsor. The Lion Wood and Sweet Briar Marshes projects have key objectives to improve accessibility.
Health, social and economic impact	The funding of the Growth Programme is intended to contribute to the provision of infrastructure that supports the development identified in the Greater Norwich Local Plan. Individual project issues are the responsibility of the project manager and sponsor. In the case of Norwich City Council, this relates to the Sweet Briar Marshes and Lion Wood projects which will enable more people to use these wonderful open spaces, thereby boosting their health and wellbeing.
Crime and disorder	No specific issues arise from the funding of the Growth Programme. Individual project issues are the responsibility of the project manager and sponsor. In the case of Norwich City Council, this relates to the Sweet Briar Marshes and Lion Wood projects, but no crime and disorder impacts have been identified.
Children and adults safeguarding	No specific issues arise from the funding of the Growth Programme. Individual project issues are the responsibility of the project manager and sponsor. No safeguarding impacts have been identified in relation to Sweet Briar Marshes and Lion Wood.
Environmental impact	Project managers and sponsors will be required to meet their own environmental obligations. The Sweet Briar Marshes and Lion Wood projects will enable better management for the benefit of biodiversity and encourage physical activity through conservation volunteering and active travel.

## Risk management

Risk	Consequence	Controls required
Overrunning project cost and programme	Additional cost or lengthier programmes only carry a risk for Norwich City Council in relation to those projects within the City Council's capital programme. The Council would be obliged to either curtail the scope of the projects or obtain additional funds.	The risks related to project cost and delivery remain with the project manager and sponsor. New projects are asked to sign an Infrastructure Investment Fund grant offer letter to cover any additional project specific risks subject to specific conditions and risks of fulfilling those condition will be evaluated at the point when the grant offer is formally made. The management of the projects will be monitored by the Council's Capital Working Group and Capital Board. Funding is drawn in arears from the Infrastructure Investment Fund.
Lack of funds within the Infrastructure Investment Fund to make interest and loan repayments in the medium to long term.	Norfolk County Council ultimately carry the whole risk of repaying the loans. It is expected that the repayment of the loans would be prioritised in the decision making around the management of the Infrastructure Investment Fund over making new allocations to projects. If the fund ran out of money the Greater Norwich Growth Board partners would be expected to work together to establish how to cover any shortfall.	<p>This risk is alleviated by the agreed monitoring and reporting processes that the Greater Norwich Growth Board adhere to.</p> <p>The Plan provides an annual financial update and any new allocations are only agreed when all existing commitments are considered.</p> <p>It was agreed by each partner section 151 officer that a reserve equal to one annual loan repayment was required to be kept in reserves as a safeguard. A £2m cash reserve to support the repayments for the Broadland Northway was allocated in 2020/21 and £345,000 was allocated in 2022/23 in readiness for the repayments of the borrowing for Long Stratton Bypass with the intention to increase this when the final amount was known. All loan repayments are forecasted to total just under £3.5m a year from 2025/26 so an additional £1m is to be allocated to reserves in 2025/26 to accommodate all loan repayments.</p>

## Other options considered

25. The lower level of community infrastructure levy received recently required consideration about whether to invite applications for funding from the Infrastructure Investment Fund. It was agreed that there were sufficient funds to do so.
26. The projects that have been recommended for inclusion in the Annual Growth Programme as part of the Plan have emerged from a systematic and

collaborative process between the partner authorities. This is managed by the Greater Norwich Team who evaluate submissions against a set of clear criteria.

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

27. Cabinet is invited to approve the recommendation so community infrastructure levy funds collected from developers and pooled with neighbouring authorities under the auspices of the Greater Norwich Growth Board are allocated to a programme of infrastructure investments that is needed to support development in the Greater Norwich area, including at Sweet Briar Marshes and Lion Wood.

### **Appendices:**

Appendix A – Draft Greater Norwich Joint Five-Year Infrastructure Investment Plan 2025-30

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# **Draft Joint Five-Year Infrastructure Investment Plan 2025-2030**

**November 2024**

# Contents

## Contents

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# 1 Context

## 1.1 Introduction

This Plan is published on an annual basis by the Greater Norwich Growth Board (GNGB) who work in partnership to monitor and drive forward the delivery of infrastructure which is required to support planned growth. The development of this plan is informed by the [updated Greater Norwich Infrastructure Plan \(GNIP\) which is published in a digital format on the GNGB website.](#)

The projects detailed within this Plan are those currently considered to be a priority for delivery, to assist in achieving the economic growth targets as set out in the Greater Norwich Local Plan and the Greater Norwich City Deal; one of the key strands of the City Deal was the delivery of an infrastructure programme facilitated by a pooled funding arrangement between the Authorities.

To support the delivery of infrastructure, the partners pool their strategic income received from the Community Infrastructure Levy (CIL) into one Infrastructure Investment Fund (IIF). This Plan reports all agreed financial commitments of the IIF, providing current delivery updates to the programme of projects that have previously been funded. It also includes high level details of the different funding mechanisms the partnership has developed to fund the delivery of infrastructure, plus CIL income projections for the next five years. Together this information forms the evidence base against which all new allocations are reviewed.

This Plan includes details of the new projects which are to receive IIF funding during the next financial year. These will be adopted as the 2025/26 Annual Growth Programme (AGP).

Each district planning authority area is required to prepare a CIL income report called the Infrastructure Funding Statement (IFS). Each partner authority publishes their own IFS confirming the income that has been received. Uniquely, this Plan reports how that income has been spent across the combined administrative areas of Norwich City Council, South Norfolk, and Broadland District Councils. This area is known as Greater Norwich.

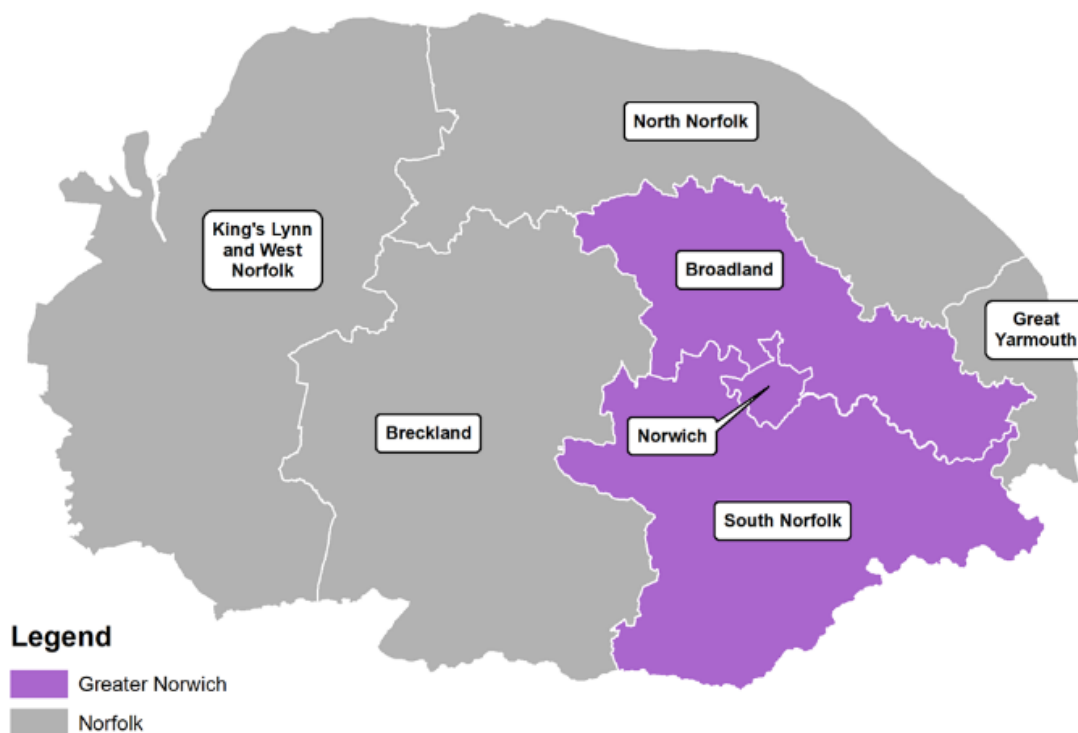
## 1.2 The Greater Norwich Growth Board

The Leaders from the Councils of Norfolk County, Norwich City, South Norfolk, and Broadland District form the Greater Norwich Growth Board (GNGB), which is a partnership unlike any other in the UK. They have voluntarily chosen to work together to accelerate the delivery of infrastructure within the Greater Norwich area, because they recognise the benefits that can be achieved by looking beyond their individual administrative boundaries.

Just under £46m of funding and £54.5m of CIL supported borrowing is currently allocated from the IIF. This has helped lever in at least £305m additional match funding to deliver infrastructure projects across the Greater Norwich area.

Since the establishment of the GNGB in 2014, their partnership working practices and particularly the pooling arrangements of CIL contributions within the IIF, have become an exemplar model of working. The Planning Advisory Service (PAS) have described the GNGB 'as a partnership who are pursuing ambitious growth agendas under strong strategic leadership and cross boundary collaboration'.

Figure 1 - Map of Greater Norwich and Norfolk



The GNGB received their first accolade in 2020 when they became the winners of the partnership working category at the national Planning Awards, this confirmed that their unique working arrangement is to be celebrated. Since then, the partnership has continued to develop, and now leads the way on a national scale, often invited to share their knowledge and experience with other authorities and industry experts.

In more recent years the GNGB has brought forward the design of new financial solutions, so that the IIF can be used in a variety of ways to deliver a range of projects and accelerate growth through the forward funding of infrastructure. The IIF has grown from being a programme of directly funded projects to becoming an award winning, unique fund that supports a programme of interdependent financial streams, which are managed through clear and robust partnership working practices.

In addition, their publication of reports and plans in a more user-friendly digital format is also considered as a clear example of how the board continue to lead the way for best practice.

The GNGB looks forward to continuing to work together to pool their shared skills and resources, leveraging additional funding and increasing delivery outcomes, whilst continually planning for future infrastructure schemes.

## 1.3 Development of the joint Five-Year Infrastructure Investment Plan

The development of this Plan is informed by the [updated GNIP which is published in a digital format on the GNGB website](#). The GNIP provides an overview of:

- the infrastructure required to support growth, as agreed in the Greater Norwich Local Plan (adopted March 2024)
- the progress of infrastructure delivery within the Greater Norwich area
- an overview of funding streams that are utilised to support infrastructure delivery, in addition to CIL.

Included within the GNIP's infrastructure priorities are the four infrastructure types that are eligible to receive CIL in Greater Norwich (see [Section 2.1 – Eligibility – Four Thematic Groups](#)). These priorities form part of the project appraisal process for all projects that apply to the IIF for funding. A call for new projects is triggered upon the acceptance of the GNIP by the Board.

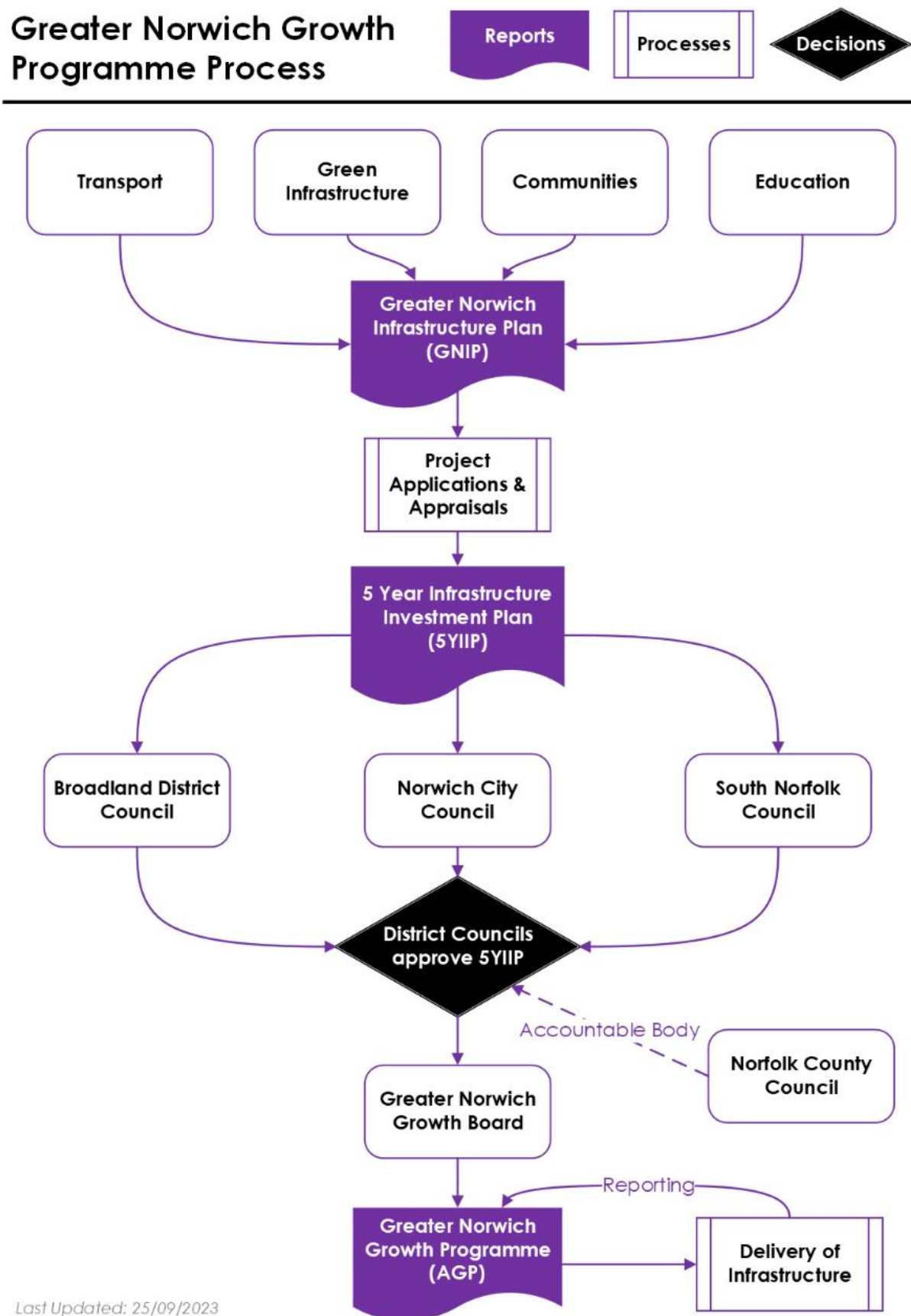
Applications from new projects are appraised by the Greater Norwich Projects Team (GNPT) against clear acceptance criteria. The GNPT provide recommendations to the Infrastructure Delivery Board (IDB) alongside comments received from the Greater Norwich Delivery Officers Group. This provides a measured and robust selection process which supports informed recommendations from the IDB.

Projects listed within this Plan under the forthcoming financial year, comprise the Annual Growth Programme (AGP) for that year.

This Plan considers the cost of these new projects against existing financial commitments for the IIF and the forecasted CIL income. It forms the evidence base to support the partner authorities' annual decision-making process to allocate funding to new projects. This enables the GNGB to allocate CIL from the IIF in a clear and decisive manner. Once this Plan is approved by each District Council's Cabinet, IIF funding is committed to all projects within the forthcoming financial year, accepting them as the AGP.

Figure 2 shows how each Greater Norwich publication informs the decision-making process to establish the AGP.

Figure 2 – Greater Norwich Growth Programme decision making process



This year's timetable for publication of the Plan is below.

- The 2024 GNIP was accepted by the GNGB via written procedures on 25<sup>th</sup> June and published online shortly after the general election.
- This year's call for new projects closed on 25 July.
- The GNGB initially consider the Draft Five Year Infrastructure Investment Plan on 28 November 2024. As the Accountable Body for the GNGB, Norfolk County Council will receive a report on the 2025/26 AGP in early 2025.
- The three District Councils consider this Plan at their Cabinet meetings in January/February 2025.
- The final report confirming the AGP 25/26 returns to the GNGB for formal joint agreement at their meeting on 11 March 2025.

## 1.4 A data dashboard to support the Plan

[A data dashboard has been developed](#) to present the financial information contained in this Plan. It provides an interactive and user-friendly platform for readers to explore the financial data more easily. Please note it does not contain all the detail and context so should be viewed alongside this Plan to ensure full understanding.

## 1.5 Greater Norwich's Long Term Strategic Planning

The Greater Norwich partners have been proactively working together for over 10 years. This voluntary partnership working arrangement was reconfirmed in March 2024 upon the adoption of the Greater Norwich Local Plan. This extended the planned development period to 2038 and reaffirmed the partners' commitment to working together for the longer term.

In addition to extending their joint plan for growth, the Greater Norwich partners:

- have published a joint [Physical Activity and Sports Strategy](#) in accordance with Sport England's planning guidance. [The strategy 'year one update' was published on the GNGB website](#) in March and the team are now preparing to report on the delivery of year two.
- are progressing an update to their joint **Green Infrastructure Strategy**

aligning with the Environment Act 2021. This has progressed through public consultation and stakeholder workshops, with the final strategy due to be reported to the GNGB on 11 March 2025.

- worked in consultation with Norfolk County Council to implement the **Transport for Norwich Strategy** and develop a new pipeline of projects for future funding.
- together with North Norfolk and Breckland district councils, established the **Norfolk Mitigation Fund** with an initial £9.6M received from Government in 2023. The fund helps to address the nutrient neutrality issues specifically in the Broads & Wensum catchment areas, offering loans and feasibility grants to landowners and businesses to enable them to bring forward projects that reduce the levels of phosphorus and nitrogen in the rivers. This will in turn allow new housing development to come forward. Applications for funding have exceeded the money that was initially available and an extra £8.85m was more recently awarded from Government to continue this work. [Visit the Norfolk Mitigation Fund website for more information.](#)
- Broadland and South Norfolk district councils together with North Norfolk and Breckland district councils established **Norfolk Environmental Credits Ltd** (Norwich have recently resolved to request to join). This is a not-for-profit joint venture that is providing a trading platform for nutrient mitigation credits. The core focus of the company is to accelerate delivery of nutrient mitigation through the continued development of a Norfolk wide catchment-based solutions to Nutrient Neutrality, with further environmental credit schemes being explored for the future, including Biodiversity Net Gain.

Each of these examples demonstrates that the partnership's strategic planning of infrastructure delivery is well informed, providing clear evidence of need alongside identified delivery solutions, whilst also supporting the transition to net zero.

For these programmes to progress, investment is also required to support project development, particularly the cost to undertake feasibility studies and bring forward major projects. Whilst the IIF's Annual Growth Programme is prioritised for projects that are nearing delivery, the Greater Norwich authorities understand the need to commission new project development. They continue to work together to source new funding streams and seek new routes of financing to ensure this work continues in the future, with the Norfolk Mitigation Fund just one example of this.

All funds currently unallocated within the IIF will be used to support projects arising from the plans and other policies and strategies that relate to the Greater Norwich area. This includes but is not restricted to:

- The **Stage 2 Masterplan for East Norwich** which indicates a total cost of £171m for the infrastructure required to underpin regeneration at East Norwich.
- **Schools' capital programme** - approximately £195.5m of which £50-£70m is required for a new high school.
- **Norfolk Strategic Infrastructure Delivery Plan** (includes the Broadland Growth Link Road £38m), and the **Norfolk Strategic Planning Framework**.
- **Local Transport Plan** and **Transport for Norwich Strategy** Implementation Plans, including the **Transforming Cities Programme**, the **Local Cycling and Walking Infrastructure Plans** (includes the Green Loop £5.8m), the **Walking, Wheeling and Cycling Strategy** and the **Norfolk Access Improvement Plan**.
- Mitigating the effects of **nutrient neutrality**
- **Strategic development locations** including: The North-East Growth Triangle, East Norwich, Long Stratton, the Cambridge-Norwich Tech Corridor and Anglia Square.
- The potential new City Centre Vision

Eligible projects that progress to delivery are welcomed to apply to the IIF but as demonstrated by the size of the above programmes, **the amount of pooled CIL available within the fund is small when compared to the total that will be required**. This is why the GNGB continues to work together, proactively seeking to close the funding gap, using the IIF to lever in additional match funding and sharing their resources, skills, and influence to accelerate the delivery of infrastructure in their joint Greater Norwich area.



## 2 The Infrastructure Investment Fund

The Community Infrastructure Levy (CIL) was introduced by Government in 2010, as a new means to collect developer contributions to help fund infrastructure projects. In Greater Norwich we have adopted a unique partnership arrangement. The three district planning authorities receipt their own CIL income, an amount is deducted for administration and the neighbourhood portion is allocated locally, then the remaining balance is transferred to a 'shared pool' called the **Infrastructure Investment Fund (IIF)**.

The IIF provides funding for strategic projects which support the planned growth in Greater Norwich. It is intended to offset the impact of growth on communities through the delivery of a variety of infrastructure measures. Priority is given to the areas which have experienced the most growth.

Together the GNGB oversee the delivery of a joint growth programme of projects across their joint Greater Norwich area. **This pooling process simplifies the delivery of cross border projects where the benefits can be realised by residents in multiple districts.** It helps bring forward the delivery of larger or more complex projects that the individual partners would struggle to achieve alone.

The GNGB are the only local authorities in the country that are voluntarily pooling CIL contributions in this way. This fund has been highly successful, and since 2014 we have allocated approximately £46m of IIF funding to over 100 projects. This approach to partnership working has been celebrated by the Planning Advisory Service (PAS), who cited the GNGB as a partnership pursuing ambitious growth agendas under strong strategic leadership and cross boundary collaboration. The GNGB continues to lead the way on a national scale by developing creative solutions to accelerate the delivery of infrastructure.

The IIF has specific eligibility criteria and is used to support the delivery of infrastructure through a growing number of mechanisms. **The same eligibility criteria and rules apply across all these funding routes**, details of these are provided in this chapter.

## 2.1 Eligibility - Four Thematic Groups

Allocations from the IIF are prioritised for projects that are nearing delivery and are considered strategically important, meaning those that support the broader growth ambitions of Greater Norwich rather than a localised need. In addition, the IIF is currently restricted to the four thematic groups as agreed within the Greater Norwich adopted CIL charging policy. These are **Transport, Education, Green Infrastructure** and **Community** (which includes sports). When CIL was initially adopted, local authorities were required to report a Regulation 123 list confirming the infrastructure thematic groups which were considered within their CIL charging calculations and therefore the groups to which CIL can be reallocated to. The need for this list was withdrawn by legislation from September 2019, but this does not automatically allow other groups to apply to the IIF because the Greater Norwich authorities are still adhering to their locally adopted CIL charging policy.

The GNGB understand the funding pressures that other infrastructure thematic groups are experiencing and were planning to undertake a review of CIL alongside the development of the Greater Norwich Local Plan. However, this was put on hold following the publication of the Planning For The Future - White Paper in August 2020, which proposed the cessation of CIL in favour of a new Infrastructure Levy (IL). This change was reconfirmed over subsequent years and a framework for its implementation was included within the Levelling up and Regeneration Act.

More recently, the new Labour government's consultation on the National Planning Policy Framework (Sept 2024) made it clear that it will not be implementing the new IL, but the Government are yet to release any further details. The Greater Norwich partners will work together to carefully consider the timing and approach for conducting a CIL review, but until this is complete **the GNGB are required to proceed with their existing adopted CIL charging policy.**

## 2.2 Grant Funding

Grant funding for projects using the IIF was introduced in 2014, providing grant funding for strategic projects to support growth and development in Greater Norwich.

Projects applying for grant funding vary from large projects with multimillion budgets that are supported by substantial amounts of match funding, to smaller projects that are looking for thousands of pounds to build something that forms part of the wider strategic network.

The IIF is open to applications for four-six weeks each summer, following the approval of the Greater Norwich Infrastructure Plan (GNIP) by the GNGB. All applications are expected to clearly demonstrate how they support the strategic priorities for their infrastructure theme, as outlined in the GNIP.

Applications must be sponsored by at least one member of the Greater Norwich Infrastructure Delivery Board. Applications are appraised following the agreed IIF appraisal guidance. A unanimous agreement is required by the GNGB before grant funding can be allocated to a project. All grant funded projects must be shovel ready in order to apply, meaning they must be ready to commence delivery in the next financial year.

For full details on all projects that have previously received granted funding, see [Section 4.5 – Grant Funded Projects](#).

## 2.3 Match Funding

This ringfenced pot of money is set aside within the IIF. It was introduced to the fund in April 2023 and can be allocated to projects as match funding. It is intended only for **major projects that require local match funding to lever in additional, more substantial amounts of funding**.

This match funding is overseen by the GNGB under delegated authority from the district partners. Ringfencing the match to only those projects that are applying for central government funds provides additional assurance to the partners that the fund will only be used to support projects which have already gone through a rigorous approval process.

Applications can be made in-year and must be sponsored by at least one member of the Greater Norwich Infrastructure Delivery Board. Applications are appraised following the agreed IIF appraisal guidance. A unanimous agreement is required by the GNGB before match funding can be allocated to a project. For an update on the use of the match funding category see [Section 4.2 - Match Funding Allocation](#).

## 2.4 Major Infrastructure Projects

This category was introduced to the fund from April 2023 and **allows for large strategic projects to earmark future IIF spending in the medium to long term.**

As major infrastructure and regeneration projects take many years to progress, this category does not require that projects are 'shovel ready'.

This funding allocation allows the partners to smooth the cost of major projects over several years, by gradually building up fund reserves in readiness for future spend.

Applications can be made in-year and must be sponsored by at least one member of the Greater Norwich Infrastructure Delivery Board. To secure funding, a full business case must be unanimously approved at a public meeting of the GNGB. Applications to this category will be the exception rather than the norm and to date no applications have been received to this category of projects.

## 2.5 Education Allocation

Education projects are not required to apply through the grant funding process, instead an allocation is agreed alongside each version of this Plan to support the delivery of their programme. As the Children's Services education programme spans the whole of Norfolk, all allocations from the IIF are ringfenced specifically for projects within the Greater Norwich boundaries. Flexibility regarding how this funding is invested and reported has been agreed, allowing either direct funding into a named project or the funding can be used to repay NCCs own borrowing if drawn to fund the delivery of the Greater Norwich school's capital programme.

## 2.6 Programme Management Fee

An annual allocation from the IIF is made to support the programme management of the projects in the growth programme, and the overall management of the fund. This is in accordance with section 59 of the CIL regulations which states that CIL can be applied to the 'provision, improvement, replacement, operation or maintenance of infrastructure to support the development of its area'. This allocation ensures there is sufficient resource to fund the Greater Norwich Project Team, who are instrumental in driving forward the delivery of the 110+ infrastructure projects that have been allocated funding from the IIF.

## 2.7 City Deal Borrowing

As part of the Greater Norwich City Deal agreement signed with Government in 2013, the GNGB were afforded the opportunity to access lower-cost loan funding from the Public Works Loan Board (PWLB).

The borrowing is allocated in this way:

- £60 million for strategic **infrastructure projects**:
  - £40m for the Broadland Northway
  - £10m for the Long Stratton Bypass
  - £10m for Central Norwich Road network schemes
- £20m to establish a Local Infrastructure Fund (LIF) – now the **City Deal Borrowing Loans** (CDBL) Fund

### **£60m Infrastructure Project Funding**

This borrowing aims to unlock growth by accelerating the delivery of strategic infrastructure. This will remove some of the constraints that prevent the private sector from delivering the housing and job growth, as set out in the City Deal.

To date, £40m for the Broadland Northway has been drawn down and a further £10m is due to be drawn in the coming months to support the delivery of Long Stratton Bypass. These loans are borrowed by Norfolk County Council (acting as the GNGBs Accountable Body) and are repaid over a period of 25 years from the LIF. Further detail is available on these loans in [Section 4.3 - City Deal Borrowing - £60m Infrastructure Project Funding](#).

The £10m remaining borrowing allocation within this category, is intended to be used for Central Norwich Road network schemes, but this borrowing has not yet been drawn. This is due in part to the partners being successful in securing alternative funding streams over the past ten years e.g. Cycling City Ambition Grant and Transforming Cities Funding.

As set out in terms of the Greater Norwich City Deal, this borrowing is available to the partners until the end March 2026.

## **£20m City Deal Borrowing Loans (CDBL) Fund**

£20m was initially allocated in the City Deal to establish a local infrastructure fund which was later agreed by all partners to be repurposed to create the City Deal Borrowing Loans Fund.

This fund provides the partners with upfront loan funding to support the delivery of key infrastructure in the Greater Norwich area. The GNGB will drawdown funds from the PWLB which will be repaid over an agreed period from the IIF. The amount drawn from PWLB will be onward loaned to one or more of the partner authorities, who will repay the full amount plus interest to the GNGB. The process of drawing down of funds will be undertaken by Norfolk County Council acting as the GNGBs Accountable Body.

The establishment of the CDBL Fund was approved by the Greater Norwich Growth Board at their meeting on 27 September 2023 and consequently opened to receive applications from the partners.

Applications are welcomed all year round and must come from one of the Infrastructure Delivery Board (IDB) Directors acting as the Lead Authority. The proposals will be reviewed by the IDB and if approved, an assurance check will be undertaken by the Greater Norwich Projects Team before being progressed for unanimous agreement by the Greater Norwich Growth Board.

## **2.8 Strategic Investment Fund**

Loans that are taken out by partners, through the City Deal Borrowing Loans Fund, will be repaid into a new **Strategic Investment Fund (SIF)**, which will be held separately to the IIF.

The SIF will be available to all Greater Norwich partner authorities. It will provide upfront loan funding for projects that support the unlocking of sites specifically for housing or employment growth.

The SIF application processes currently being developed by the Greater Norwich Projects Team. Once written, they will return to the Greater Norwich Growth Board for agreement before any projects can be considered. This fund will not be available for applications until the first interest and loan repayments are received from the City Deal Borrowing Loans Scheme. At this stage, it is anticipated that **the fund will not be available until at least 2027/28.**

## 3 New allocations

### 3.1 Current balance

This Plan proposes committing **just over £ 5.6m** to new projects which will commence delivery from April 2025. [Table 1 - Infrastructure Investment Fund](#) evidences the affordability of this new commitment, forecasting that just under £3.5m of uncommitted funds will remain within the fund at the end of 25/26.

Forecasts for the balance of the IIF are calculated using a combination of received and forecasted CIL income figures. Please note that the forecasted balance is subject to change because it is dependent upon CIL income for the second half of 24/25 and all of 25/26 being received as forecast. Given the complex nature of CIL income, it is expected that these figures will change between publications of this Plan, particularly in years three-five when the effects of inflation and market changes are not yet known.

Forecasting CIL income has become particularly difficult to calculate in recent years with a reduction in annual income already evident, which is expected to continue into 25/26. This is mostly attributed to the planning delays caused by **Nutrient Neutrality**.

The development of nutrient pollution mitigation is now advancing and enabling some new housing schemes to proceed through the planning system. However, the increase in delivery is likely to be gradual. It will take time before Greater Norwich reaches the rates of delivery and CIL income previously achieved. This is not only because authorities will need to address all the planning backlog, but because the housing market will need time to remobilise and progress to the point of delivery.

Previous CIL income forecasts suggested that it may not be possible to open a call for projects in some future years, but changes to the existing programme have provided a welcome financial buffer within the fund in 25/26. Several projects do not require their funding as soon as previously expected, plus a lower allocation is being committed to new education projects. This has enabled new allocations to be committed within this Plan for the forthcoming year.

The financial balance of the IIF will continue to be closely monitored by the Infrastructure Delivery Board under the direction of the GNGB. The decision on whether to open the fund again in Summer 2025 will be made by the GNGB at their meeting in May/June 2025.

The financial framework in Table 1 below has been provided for the specific purposes of this Plan to support the decision making of new allocations of CIL from the IIF. A detailed breakdown of individual project drawdowns set against CIL income as required within an Infrastructure Funding Statement, is detailed within [Section 4.5 – Grant Funded Projects](#)

Table 1 - Infrastructure Investment Fund

ITEM	To End March 2024		2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
Actual CIL receipts <sup>1</sup>	£67,830,316	£0	£0	£0	£0	£0	£0	£0
Interest <sup>2</sup>	£2,185,057	£0	£0	£0	£0	£0	£0	£0
Forecast CIL receipts <sup>3</sup>	£0	£2,651,381	£3,350,418	£5,349,559	£6,966,396	£6,571,365	£9,244,296	
<b>Cumulative Income<sup>4</sup></b>	£70,015,373	£72,666,754	£76,017,172	£81,366,731	£88,333,127	£94,904,492	£104,148,788	
Programme agreed <sup>5</sup>	£8,872,534	£2,335,457	£7,203,782	£4,766,000	£0	£0	£0	£0
Programme proposed (25/26 AGP) <sup>6</sup>	£0	£0	£3,562,653	£600,000	£0	£0	£0	£0
Borrowing agreed and drawn <sup>7</sup>	£14,970,202	£2,057,000	£2,057,000	£2,057,000	£2,057,000	£2,057,000	£2,057,000	£2,057,000
Borrowing agreed but yet to be drawn <sup>8</sup>	£0	£726,596	£1,297,858	£1,296,283	£1,296,283	£1,296,283	£1,296,283	£1,296,283
Cash Reserve: Borrowing <sup>9</sup>	£2,345,000	£0	£1,000,000	£0	£0	£0	£0	£0
Cash Reserve: Match Funding <sup>10</sup>	£2,000,000	£0	£0	£0	£0	£0	£0	£0
Education <sup>11</sup>	£14,500,000	£2,500,000	£1,500,000	£2,500,000	£2,500,000	£2,500,000	£2,500,000	£2,500,000
Programme Management Fee <sup>12</sup>	£0	£115,000	£123,000	£130,380	£138,202	£146,494	£155,284	
<b>Total Expenditure</b>	£42,687,736	£7,734,053	£16,744,293	£11,349,663	£5,991,485	£5,999,777	£6,008,567	
<b>Cumulative Expenditure<sup>13</sup></b>	£42,687,736	£50,421,789	£67,166,082	£78,515,745	£84,507,230	£90,507,007	£96,515,574	
<b>Cumulative Surplus/Deficit<sup>14</sup></b>	£27,327,637	£22,244,965	£8,851,090	£2,850,986	£3,825,897	£4,397,485	£7,633,214	
<b>Funds proposed and committed for spend in future years (25/26-29/30)<sup>15</sup></b>	N/A	N/A	£5,366,000	N/A	N/A	N/A	N/A	N/A
<b>FORECASTED non committed funds, available to spend<sup>16</sup></b>	N/A	N/A	£3,485,090	N/A	N/A	N/A	N/A	N/A



## Explanation of the table.

1. The amount of CIL income received from the District receipting authorities which has been paid into the IIF.
2. Interest earned on the balance of funds held within the IIF since 2014.
3. The CIL income that the IIF is forecasting to receive in the next five years. Given the complex nature of CIL income, it is expected that these figures will change between publications of this Plan, particularly in years three-five when the effects of inflationary rises are not yet known. The medium to long term effect on the construction industry following the Covid-19 outbreak, Brexit, the war in Ukraine, Nutrient Neutrality plus any emerging planning reform all add additional uncertainty to these figures.
4. Total CIL income received since the opening of the IIF to the end of each given financial year. Future years are forecasted figures.
5. The amount of CIL which will be drawn down from the IIF to deliver all projects in each given financial year. These projects have been agreed in previous AGPs and will either be delivered over multiple years or are projects whose delivery has been delayed and their draw-down has rolled over from a previous year.
6. The amount of CIL which will be drawn down by the projects included within the 2025/26 Annual Growth Programme in each given financial year. All projects are due to begin delivery in 25/26 but the delivery and funding draw down can continue over multiple years. These projects have been through the project selection process and are sponsored by the Infrastructure Delivery Board.
7. The agreed loan and interest repayments for a £40m loan drawn down to support delivery of the Broadland Northway. This is a 25-year loan, with the final repayment due in 2041.
8. The forecasted loan and interest repayments for Long Stratton Bypass including the administrative fee (a one-off charge for drawing down the money). £10m is due to be drawn imminently in 24/25 and £4.5m is due to be drawn the first quarter of 25/26. Please note that the £4.5m loan will be repaid to Greater Norwich. For more details regarding these loans please see [Section 4.3 - City Deal Borrowing - £60m Infrastructure Project Funding](#) and [Section 4.4 – City Deal Borrowing Loans Fund](#).

9. A £1m allocation is being made to reserves to cover the additional amount that will be required to cover all loan repayments. It was agreed by each partner s151 officer that an amount equal to one annual loan repayment was required to be kept in reserves as a safeguard. Loan and interest repayments are forecasted to total just under £3.5m a year from 25/26. A £2m cash reserve to support the repayments for the Broadland Northway was allocated in 20/21 and £345,000 was allocated in 22/23 in readiness for the repayments of the borrowing for Long Stratton Bypass.
10. The amount allocated as Match Funding. This is for major projects that require match funding to lever in additional, more substantial amounts of funding from central government. The GNGB has delegated authority to allocate this match funding to eligible projects throughout the year. See [Section 2.3 – Match Funding](#) for more information, and for financial information.
11. No new allocation is being sought for Norfolk County Council's (NCC) own education capital programme this year, instead £1.5m is allocated to an education project delivered by the University of East Anglia with NCC acting as their sponsoring authority. Education allocations are confirmed annually alongside the acceptance of each new Annual Growth Programme, so no commitment is made for future years, they are indicative figures only. See [Education](#) for further details.
12. The introduction of a Programme Management Fee was agreed from April 2024. This will supplement the cost of the Greater Norwich Project Team, who manage all funding streams within the IIF and are instrumental in driving forward the provision of infrastructure across the full Greater Norwich area. Amounts in future years are forecasts which will be adjusted when each subsequent year's salary inflationary rises are confirmed.
13. Total committed funding from the opening of the fund to each year end. Future years are forecasted figures.
14. Total amount remaining within the fund at the end of each financial year. This amount does not consider any future committed expenditure. Future years are forecasts only and are subject to change because both the income and expenditure are forecasted.
15. Amount programmed to be drawn from the fund beyond 25/26 for projects that are delivering over multiple years. This amount will not be spent in the forthcoming year but is included in the calculation because it is committed and therefore not available to be allocated to other projects.

16. The forecasted funds available within the IIF at the end of the forthcoming year which could be allocated to new projects. This is a forecast only, because both income and expenditure are forecasted and are subject to a high degree of change.

## 3.2 2025/26 Annual Growth Programme

In accordance with the agreed processes for the Infrastructure Investment Fund (IIF), the Infrastructure Delivery Board met on 5<sup>th</sup> September 2024 to agree which projects are to be put forward as the 2025/26 Annual Growth Programme (AGP). 14 projects totaling £5,662,653 have been identified to receive IIF funding. A summary of these projects has been included below

Table 2 - 2025/26 Annual Growth Programme

Project Name	Applicant	Amount of CIL requested	Total project size
<a href="#">Sweetbriar Marshes</a>	Norwich	£ 546,116	£ 1,915,471
<a href="#">Wherryman's Way: Bramerton Improvements</a>	County	£ 221,962	£ 302,272
<a href="#">Broadland Country Park Café &amp; Visitor Centre</a>	Broadland	£ 871,210	£ 1,639,958
<a href="#">Rothbury Park</a>	South Norfolk	£ 144,449	£ 184,449
<a href="#">Buckenham Ancient Woodland</a>	Broadland	£ 104,095	£ 169,143
<a href="#">Lion Wood</a>	Norwich	£ 448,820	£ 569,301
<a href="#">Diss Leisure &amp; Public Realm</a>	South Norfolk	£ 1,100,000	£ 6,198,000
<a href="#">Aylsham Library Improvements</a>	County	£ 110,000	£ 130,000
<a href="#">Long Stratton Library Improvements</a>	County	£ 55,000	£ 65,000
<a href="#">Diss Library Improvements</a>	County	£ 100,000	£ 115,000
<a href="#">Hethersett Library Improvements</a>	County	£ 121,000	£ 160,000
<a href="#">Urban Area Library Improvements - Earlham, St Williams Way, Sprowston</a>	County	£ 90,000	£ 105,000
<a href="#">Wymondham Baptist Community Space</a>	South Norfolk	£ 250,000	£ 577,712
<a href="#">School of Oral Health</a>	County	£ 1,500,000	£ 10,300,000
<b>Total</b>	N/A	<b>£ 5,662,653</b>	£22,431,307

In addition to the above projects, the following financial considerations are included in this year's plan:

**£123,000** will be allocated as a programme management fee. This will supplement the cost of the Greater Norwich Project Team, who manage all funding streams within the IIF and are instrumental in driving forward the provision of infrastructure across the full Greater Norwich area.

A **£10m loan is imminently due to be drawn** from the Public Works Loan Board, to support the delivery of the Long Stratton Bypass. This loan has already been agreed by all partners with delegated authority for the signing of the final loan agreement granted to the GNGB and their s151 officers, under the direction of Norfolk County Council as the Accountable Body. The current forecasted annual repayment is in the region of **£723,000**, to be paid from the IIF for 25 years. (Please note that this is a forecasted figure. The interest repayments for this loan will not be confirmed until the date that the money is drawn down).

A separate **£4.5m loan is also due to be drawn** from the Public Works Loan Board to forward fund the developer contribution for the Long Stratton Bypass. This loan is due to be drawn in quarter one of 25/26 and has been agreed through the newly established City Deal Borrowing Loans Fund (see [Section 2.7 - City Deal Borrowing](#) for more details). The current forecasted annual repayment is in the region of **£573,000**, to be paid from the IIF for 10 years. (Please note that this is a forecasted figure. The interest repayments for this loan will not be confirmed until the date that the money is drawn down).

A **£1m** allocation is being made to reserves to support the Long Stratton Bypass loan repayments. It was agreed by each partner s151 officer that a reserve equal to one annual loan repayment was required to be kept in reserves as a safeguard. A £2m cash reserve to support the repayments for the Broadland Northway was allocated in 20/21 and £345,000 was allocated in 22/23 in readiness for the repayments of the borrowing for Long Stratton Bypass with the intention to increase this when the final amount was known. All loan repayments are forecasted to total just under £3.5m a year from 25/26, therefore requiring this uplift in reserves.

Over **£5m** from the IIF is committed to projects that have a delivery programme spanning multiple years which stretch beyond 25/26, some of which were agreed in previous AGPs. Updates on previously agreed projects are provided in [Section 4.5 - Grant Funded Projects](#).

## Education

No new allocation is being sought for Norfolk County Council's (NCC) own education projects this year, **instead part of the allocation they have not claimed is allocated to the School of Oral Health**. This project is being delivered by the University of East Anglia with NCC acting as their sponsoring authority. Further details are provided in [Section 3.3 - New Project Descriptions](#)

Norfolk Children's Services provided a delivery update of their capital education programme to the GNGB at their meeting on 26<sup>th</sup> September, detailing the current and future educational infrastructure needs, funding sources, and key projects. The overall increased cost of borrowing is a challenge for all public bodies, NCC is no exception. Therefore, although the GNGB has approved the principle of IIF funding to be used to repay borrowing, NCC is having to scrutinise all capital expenditure borrowing commitments, including for the schools' capital programme. As a result of this process, only a one-year delivery programme has been confirmed by NCC Cabinet Members with future years yet to be agreed. There are Greater Norwich schemes on the agreed programme, including the key expansion at Wymondham High Academy which has already secured a total of £5m from the IIF to support its delivery. (For more details about this project see [GP088 – Wymondham High School](#)).

Of particular note within the **planning for future schools** is the necessity for a new 900-place secondary school within the North-East Growth Triangle to accommodate the 3,000 new homes in Beeston Park and the 4,000 in the Rackheath developments. Although full costs have not yet been determined, national benchmarks suggest the expenditure will be between £50-70 million. Two potential sites for the new secondary school have been allocated within the Greater Norwich Local Plan. It will be the first new secondary school opened by the County Council in Greater Norwich since 1979, when Hethersett High was opened. It aims to provide secondary phase education in an area where many students currently travel to outer Norwich schools or more rural locations in Broadland.

To support the timely development of this vital education infrastructure project, NCC's children services will work with the Greater Norwich Project Team over the next year to develop the business case for the new high school and **progress an application for Major Infrastructure Funding, aiming to secure agreement to earmark some IIF funding in future years**. The details and decision making for this are expected to come forward in the next version of this Plan, which is due at end of 2025.

### 3.3 New Project Descriptions

#### **GP102 - Sweetbriar Marshes - £546,116**

This project will deliver new access infrastructure at Sweet Briar Marshes, based in the northwest of Norwich beside the River Wensum. The 90-acre site was purchased by the Norfolk Wildlife Trust with support from Aviva and is undergoing development to protect the wildlife and make it a destination for people to experience nature in the heart of Norwich. This project will form the third phase of works at Sweetbriar Marshes and aims to unlock the northern gateway of the site by increasing accessibility.

Works will include:

- an accessible entrance to Sweet Briar Marshes
- a new direct route connecting Burnet Road, Marriott's Way and the entrance to Sweet Briar Marshes
- a new accessible route across Mile Cross Marsh connecting the Riverside Walk to the existing eastern entrance of Sweet Briar Marshes and to Marriott's Way
- accessible parking and a changing places toilet
- facilities to enable educational visits.

In addition, a conservation workshop, storage and welfare facilities will be delivered through match funding.

### **GP103 - Wherryman's Way: Bramerton Improvements - £221,962**

This project will deliver access improvements to a section of the Wherryman's Way 38-mile trail, which links Norwich City Centre to Great Yarmouth. Works will allow Bramerton Footpath 5, adjacent to the River Yare, to reopen and provide a gateway to traffic-free enjoyment of both the nature and culture of the Broads National Park.

Works will include:

- nature and access-friendly riverbank restoration
- footpath improvements
- installation of a new bridge
- ecological enhancements
- installation of new accessible interpretation boards and waymarking signs.



## **GP104 - Broadland Country Park Café & Visitor Centre - £871,210**

This project will deliver a new visitor centre at Broadland Country Park in Horsford. The 140-acre site, made up of heath, woodland, and marshy grassland, was purchased by Broadland District Council in 2020 with funding secured previously from the IIF. The site is part of their requirement to deliver Sustainable Alternative Natural Green spaces (SANGs) to mitigate against the impacts of recreational disturbance on internationally designated Natura 2000 sites.

Works will include a new visitor centre with a café, toilets, and indoor seating areas, as well as enhanced parking facilities with EV charging, a highway crossing and an interconnecting Disability Discrimination Act (DDA) Compliant footpath. These developments are designed to elevate the park's appeal as a key outdoor destination and country park, making it more accessible and enjoyable for everyone.

Figure 3 - Broadland Country Park Cafe & Visitor Centre



## GP105 - Rothbury Park - £144,449

This project will deliver a range of improvements at Rothbury Park in Wymondham. The project aims to transform the park from an underused, inaccessible, and outdated green space into a biodiverse, accessible, and valued leisure space that can be used by everyone.

Works will include:

- two new paths linking the north and south entrances
- accessible mounding and new play equipment
- a new seating area and litter bins
- cycle stands and fold-down bollards
- natural and native planting

Figure 4 - Design Proposal for Rothbury Park



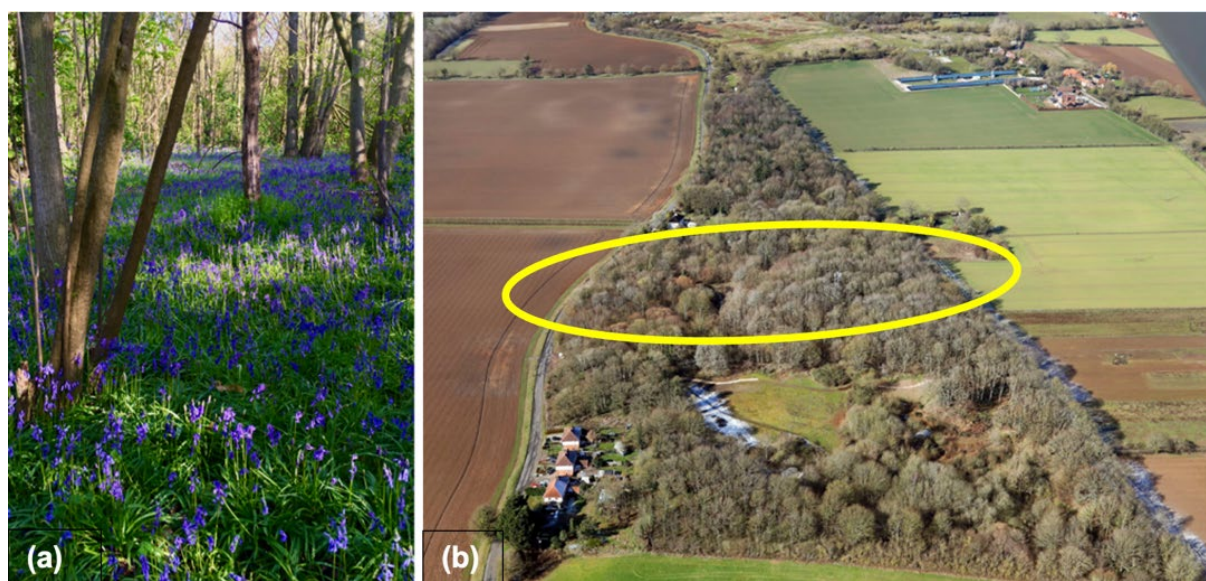
## **GP106 - Buckenham Ancient Woodland - £104,095**

This project will deliver a range of improvements at Buckenham Wood in Strumpshaw, with the ambition of restoring, enhancing, and conserving the integrity of the ancient woodland. Delivering this project will open up and safeguard Buckenham Wood as a central community asset that can be enjoyed by neighbouring communities and visitors from and beyond the Greater Norwich area.

Works will include:

- rationalising, restoring, and monitoring the footpath network
- installing fencing and gates where appropriate to access and manage newly acquired land
- installation of cycle stands, benches and interpretation boards.

Figure 5 - Buckenham Ancient Woodland



## **GP107 - Lion Wood - £448,820**

This project will deliver a range of improvements at Lion Wood on the wooded ridge in Thorpe Hamlet, creating an accessible green space for local residents to utilise, while increasing biodiversity and opening up the purple pedalway for greater use by walkers and cyclists, underpinned by natural flood management measures.

Works will include:

- a new hard surface path connecting Wellesley Avenue North and Wellesley Avenue South
- localised surface improvements
- entrance improvements to reduce access restrictions
- biodiversity improvements with opportunities for natural play
- installation of interpretation boards



## GP108 - Diss Leisure & Public Realm - £1,100,000

This project will deliver a new, two-storey dry-side leisure facility and public realm improvements on the old John Grose site, south of Diss Mere. This new facility, on a site purchased by South Norfolk Council in 2023, aims to increase accessibility to leisure provision in Diss and enhance connectivity between the town centre and the site on Park Road to help increase footfall.

The facility will include a 55-station gym, multi-use studio, and spin studio with supporting facilities, as well as a café and car parking. In addition, works will be undertaken to enhance the surrounding area to create a European-style public plaza overlooking Diss Mere.

Figure 6 - Diss Fitness Centre



## **GP109 – 113 – Libraries Improvement Projects**

A programme of library improvement works is planned. As a result of these works, the sites will be able to offer more inclusive services to the public, as well as improving library user experience and enhancing these community assets.

All these projects are strategically located to be delivered in key growth locations, and therefore support the growth ambitions of Greater Norwich.

### **GP109 - Aylsham Library Improvements - £110,000**

This project will deliver an accessible public toilet with baby changing, and new staff facilities at Aylsham Library through the reconfiguration of the internal library space. The remodeling will increase the overall size of the library area by 20m<sup>2</sup> and create a more coherent layout.

### **GP110 - Long Stratton Library Improvements - £55,000**

This project will deliver an accessible public toilet with baby changing facilities at Long Stratton Library, through reconfiguration of the internal library space.

### **GP111 - Diss Library Improvements - £100,000**

This project will deliver an accessible public toilet with baby changing facilities at Diss Library, through a small extension and reconfiguration of the internal library space.

### **GP112 - Hethersett Library Improvements - £121,000**

This project will deliver an extension at Hethersett Library, which in addition to reconfiguration works will result in a new accessible entrance and meeting room that can be used by local organisations and community groups.

### **GP113 - Urban Area Library Improvements - Earlham, St Williams Way, Sprowston - £90,000**

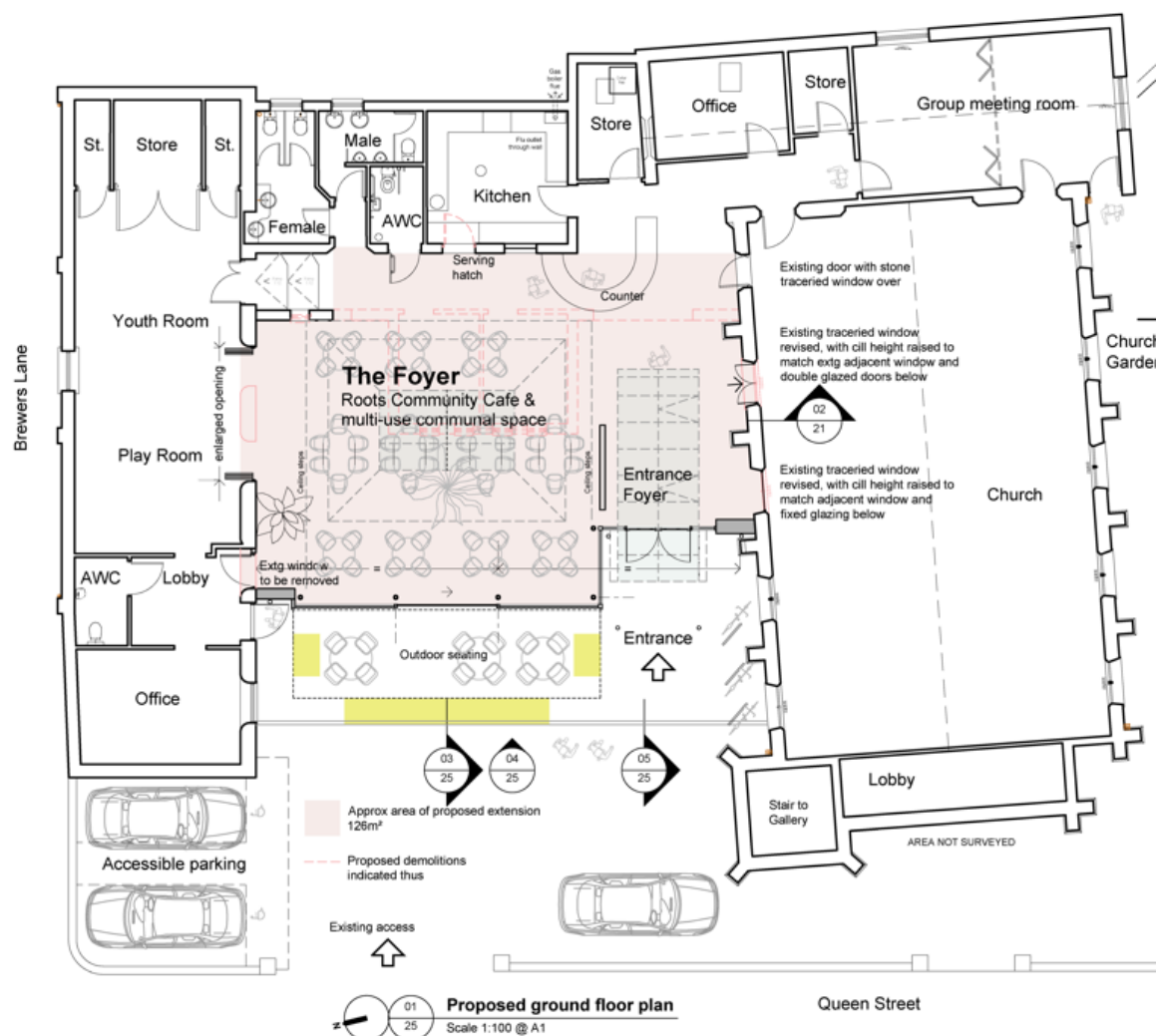
This project will deliver accessible public toilets with baby changing facilities at Sprowston, Earlham, and St Williams Way Libraries, through internal remodeling of the existing buildings.

## GP114 - Wymondham Baptist Community Space - £250,000

This project will deliver a 128-square-metre extension to Wymondham Baptist Church which will serve as a key community facility in the growing market town. The extension will be built to an eco-efficient design and create a spacious reception and open plan area that meets accessibility standards.

As a result of this project the extension will create a community space which is accessible to all, providing a much-needed base for a range of community services to operate from. This will allow an expansion of the services currently offered from the site, which include a community café, foodbank, several support groups, and advice from partners such as Citizens Advice and Shelter. In addition, new groups and charities will be able to base their services and support from the building; thereby improving the overall offer to the community.

Figure 7 - Floorplan of extension



## GP115 – School of Oral Health - £1,500,000

This project will deliver a two-storey extension to the Edith Cavell Building on the Norfolk and Norwich University Hospital Campus, UEA. This will be delivered in three phases, with the IIF funding phase two.

Phase One is to deliver the ground floor of the extension. This space will serve as a new Anatomy Suite for the University, offering 390m<sup>2</sup> of teaching space in seminar rooms, an immersive anatomy teaching space, improved preparation areas and associated storage and academic office facilities. This new facility, which replaces the existing suite on campus, will be one of the first in the country to meet contemporary standards set by the World Health Organisation.

Phase Two will deliver the second storey of the extension, which will be home to UEA's new School of Oral Health. This space will provide a space with 8 dentist chairs, clinical grade fittings and other specialist teaching infrastructure such as phantom heads, teaching laboratory and seminar room space. This will provide the initial capacity required for courses in Dentistry starting in 2026 with 40 undergraduate students per year.

A new School of Oral Health will have an immediate impact in Greater Norwich. Training dentists locally will provide much-needed resources for existing dental practices through newly qualified dentists but also through placements during qualification, whilst also addressing health inequalities. If undergraduate training starts in September 2026, the first cohort of dental students would qualify as dentists in June 2031, but they will be able to start delivering basic treatment within just a few years.

Figure 8 - Floorplan of the School of Oral Health





## 4 Previous Allocation

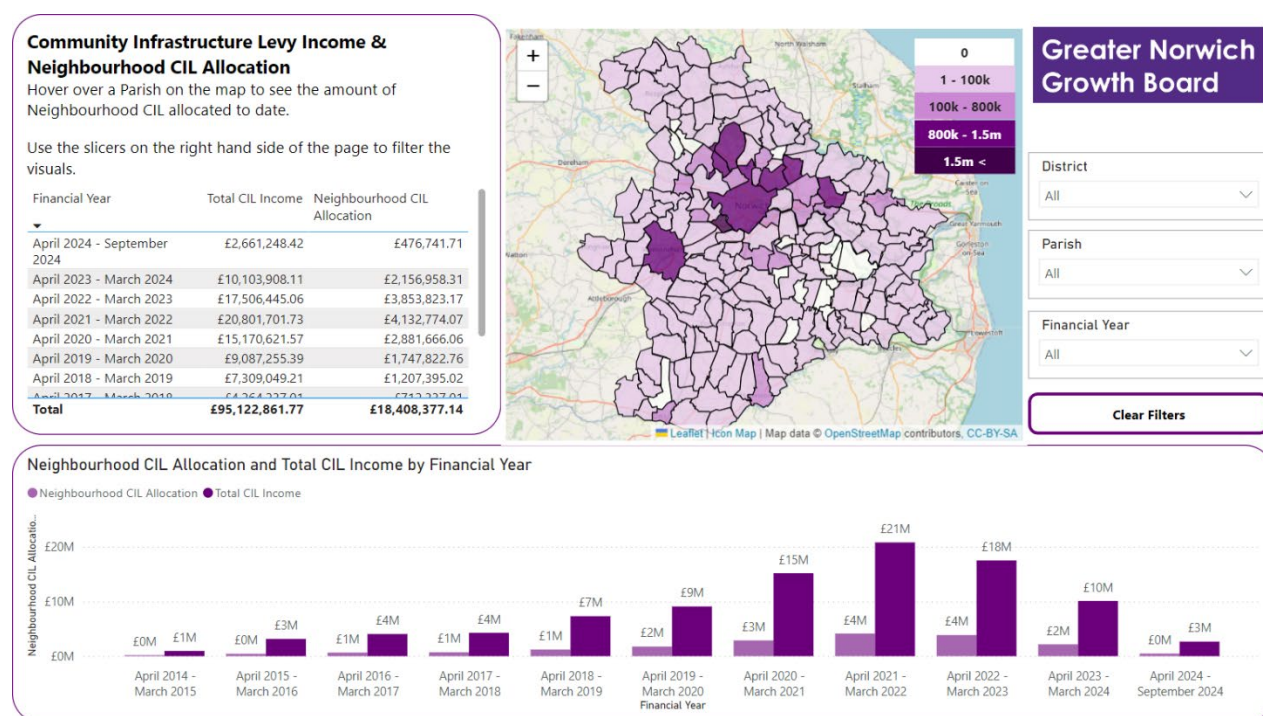
This chapter provides an overview of the projects that fall under each funding stream managed by the GNGB, including a complete list of funded projects in [Table 5 - Full Growth Programme](#). Detail of projects which are currently, or have been in progress in the past 12 months are included in [Section 5 – Project Delivery Update](#).

### 4.1 CIL/IIF Income

To date, £95,122,861 CIL income has been received in Greater Norwich. Of this, £70,482,000<sup>1</sup> has been received into the Infrastructure Investment Fund and £18,408,377 allocated to local parishes and neighbourhood projects within Norwich City Council's area through the Neighbourhood allocation.

[Click here to view a data dashboard which displays CIL and IIF income across Greater Norwich.](#)

Figure 9 - CIL Data Dashboard



<sup>1</sup> Please note, there is a lag between income being receipted by the Districts and then being received into the fund

## 4.2 Match Funding Allocation

In previous versions of this plan, £4m was set aside in the IIF to use as match funding and each District authority provided delegated authority to the GNGB to allocate funding from this category.

Two projects were allocated match funding in last year's version of this Plan.

- Long Stratton Bypass was allocated £2m and has since secured all remaining match funding and started delivery. This match funding allocation can now be fully committed to the project and added to the Greater Norwich Growth Programme (project number GP26d). Please note this is just one part of a funding package that has been agreed for this project. This £2m is in addition to the loan funding already agreed, outlined in [Section 4.3 - City Deal Borrowing - £60m Infrastructure Project Funding](#) and [Section 4.4 – City Deal Borrowing Loans Fund](#).
- The community sports foundations project 'The Nest' was allocated £650,000. The project was unsuccessful in securing an additional, more substantial amount of funding from central government (over £7m was required), and unfortunately the project has failed to fill the remaining funding gap during the last year. The project is now undertaking a period of review and considering a phased approach to delivery. The £650,000 match funding will be released from this project and will instead be made available for applications from new projects. The project will be welcome to reapply to the IIF for funding in a future year.

Of the initial £4m ringfenced as match funding, **£2m remains available** for eligible projects to apply. The process to apply for Match Funding is outlined in [Section 2.3 – Match Funding](#).

## 4.3 City Deal Borrowing- £60m Infrastructure Project Funding

To date, two projects have been allocated loan funding from the Infrastructure Projects category of the City Deal; the Broadland Northway and the Long Stratton Bypass.

Table 3 - City Deal Infrastructure Projects

Project Name	Applicant	Allocation	Total project size
Broadland Northway	Broadland District Council	£40 m	£205 m
Long Stratton Bypass	South Norfolk Council	£10 m	£46.96 m
<b>Total</b>	N/A	£50 m	£251.96 m

For more information on the City Deal borrowing please see [Section 2.7 - City Deal Borrowing](#).

### Long Stratton Bypass - £10,000,000

*This section provides an update on the status of the Loan, for an update on the project see [GP026 - Long Stratton Bypass](#).*

£10m will imminently be drawn down as a loan from the Public Works Loan Board (PWLb) to support the delivery of the Long Stratton Bypass.

The decision to agree this loan was initially progressed to all partners' Cabinets and Councils alongside the December 2021 version of this Plan. This decision was reconfirmed on 6 October 2022 by the GNGB, who unanimously agreed for £10m to be committed to the project, the full amount allocated within the City Deal Agreement. Each subsequent annual publication of this Plan has provided a progress update of the project with last year's forecasting that the drawdown would be undertaken in Q3 2024/25.

Whilst the draw down of this loan is imminent, the interest rate for repayments will not be secured until the day the loan monies are drawn. Using current interest rates, the annual repayment to the PWLB is forecasted to be in the region of £723,000. The capital amount and the interest will be repaid over 25 years from the IIF.

## **Broadland Northway - £40,000,000**

*This section provides an update on the status of the Loan, an update on the project has not been provided in this document as it has been successfully delivered.*

£40m was drawn down as a loan from the Public Works Loan Board to support the delivery of the Broadland Northway in 2015/16.

It is agreed that the annual interest and capital repayments, totalling just over £2m, are to be paid from the IIF for a period of 25 years. The final loan repayment is due 2041.

A legal agreement entitled 'related to partner drawdown and borrowing authorisations' was signed by all partners on 15 October 2015. This confirmed the use of the IIF to make repayments against loans drawn by Norfolk County Council on behalf of the GNGB, and also set the framework for all future loan drawdowns.

## 4.4 City Deal Borrowing Loans Fund

To date, one project has been allocated funding through the City Deal Borrowing Loans Fund; the Long Stratton Bypass.

Table 4 - CDBL Projects

Project Name	Applicant	Amount of CIL requested	Total project size
Long Stratton Bypass	South Norfolk Council	£ 4,500,000	£46,960,000
<b>Total</b>	N/A	£ 4,500,000	£46,960,000

For more details regarding this fund please see [section 2.7 - City Deal Borrowing](#).

### Long Stratton Bypass - £4,500,000

This section provides an update on the status of the Loan, for an update on the project see [GP026 - Long Stratton Bypass](#).

£4.5m will be drawn down as a loan from the Public Works Loan Board (PWLB) to support the delivery of the Long Stratton Bypass in Q1 2025/26. This is a loan to South Norfolk Council, to forward fund the developer's contribution and enable the bypass to be delivered sooner. This loan was agreed by the GNGB on 27 September 2023 under their delegated powers as previously agreed by each of the partners' Cabinets in June/July 2021.

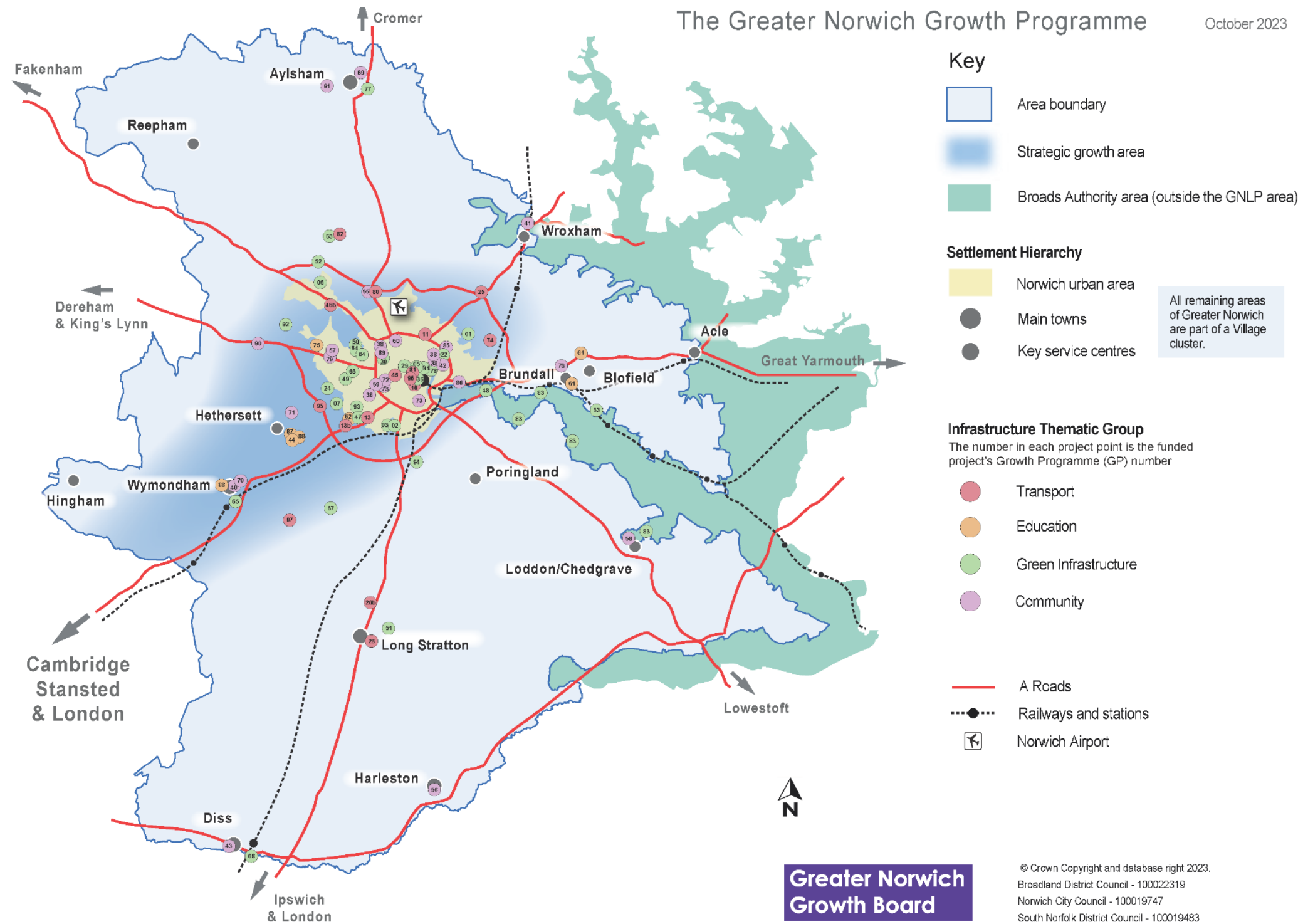
The current forecasted annual repayment to the PWLB is in the region of £573,000, to be paid from the IIF for 10 years. South Norfolk Council will repay both the capital amount and the interest to the GNGB on an annual basis following the second anniversary of the completion of the bypass. The repayment will be made into a new fund called the Strategic Investment Fund.

4.5 Grant Funded Projects

The map below shows the location of all the projects which have been agreed to date. The numbers correspond to the projects 'GP' or Growth Programme number which is included in the Greater Norwich Growth Programme. A delivery update for all active projects is provided in [Section 5 - Project Delivery Update](#).

[View an interactive project map here.](#)

Figure 10 - Map of the Greater Norwich Growth Programme



To date, approximately £46m from the IIF has been allocated to projects. As infrastructure can take several years to deliver, some of these projects are still ongoing and not all the allocation has yet been drawn down.

The table below lists each project based on their allocation year and Growth Programme number, showing the individual allocations for each project. Rows are colour coded, with Transport projects in Red, Green Infrastructure in Green, Community in Purple, and Education in Orange.

Each row shows the overall project budget, match funding, and IIF funding, as well as the amount of IIF funding which has been drawn down to date. The numbers shown are in 1000s, so (227) is £227,000.

The columns to the right show the financial year which the funding is expected to be drawn down in. Many projects have delivery programmes which span multiple years. Mapping out the draw downs in this way allows for prudent financial planning.

[The same information can be viewed in a digital dashboard.](#)

Table 5 – Full Growth Programme

AGP Year	Ref	Applicant	Status	Theme	Expenditure	Project Budget	Other funding	IIF funding	Spend to March 2025	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
2025/26	GP115	County	Not Started	Education	School of Oral Health	(10,300)	(8,800)	(1,500)	0	0	(1,500)	0	0	0	0
2025/26	GP114	South Norfolk	Not Started	Community	Wymondham Baptist Community Space	(578)	(328)	(250)	0	0	(250)	0	0	0	0
2025/26	GP113	County	Not Started	Community	Urban Area Library Improvements-Earlham, St Williams Way, Sprowston	(105)	(15)	(90)	0	0	(90)	0	0	0	0
2025/26	GP112	County	Not Started	Community	Hethersett Library Improvements	(160)	(39)	(121)	0	0	(121)	0	0	0	0
2025/26	GP111	County	Not Started	Community	Diss Library Improvements	(115)	(15)	(100)	0	0	(100)	0	0	0	0
2025/26	GP110	County	Not Started	Community	Long Stratton Library Improvements	(65)	(10)	(55)	0	0	(55)	0	0	0	0
2025/26	GP109	County	Not Started	Community	Aylsham Library Improvements	(130)	(20)	(110)	0	0	(110)	0	0	0	0
2025/26	GP108	South Norfolk	Not Started	Community	Diss Leisure & Public Realm	(6,198)	(5,098)	(1,100)	0	0	(500)	(600)	0	0	0
2025/26	GP107	Norwich	Not Started	Green Inf.	Lion Wood	(569)	(120)	(449)	0	0	(449)	0	0	0	0
2025/26	GP106	Broadland	Not Started	Green Inf.	Buckenham Ancient Woodland	(169)	(65)	(104)	0	0	(104)	0	0	0	0
2025/26	GP105	South Norfolk	Not Started	Green Inf.	Rothbury Park	(184)	(40)	(144)	0	0	(144)	0	0	0	0



AGP Year	Ref	Applicant	Status	Theme	Expenditure	Project Budget	Other funding	IIF funding	Spend to March 2025	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
2025/26	GP104	Broadland	Not Started	Green Inf.	Broadland Country Park Café & Visitor Centre	(1,640)	(769)	(871)	0	0	(871)	0	0	0	0
2025/26	GP103	County	Not Started	Green Inf.	Wherryman's Way - Bramerton Improvements	(302)	(80)	(222)	0	0	(222)	0	0	0	0
2025/26	GP102	Norwich	Not Started	Green Inf.	Sweet Briar Marshes	(1,915)	(1,369)	(546)	0	0	(546)	0	0	0	0
2024/25	GP100	County	Ongoing	Community	Plumstead Road Library	(260)	(65)	(195)	(110)	(110)	(85)	0	0	0	0
2024/25	GP099	Norwich	Ongoing	Community	Eaton Park	(601)	(268)	(333)	0	0	(333)	0	0	0	0
2024/25	GP098	Broadland	Ongoing	Community	Aylsham Gym & Fitness Hub	(1,410)	(1,010)	(400)	(400)	(400)	0	0	0	0	0
2023/24	GP097	South Norfolk	Ongoing	Transport	Hethel Technology Park	(10,560)	(5,560)	(5,000)	0	0	(2,000)	(3,000)	0	0	0
2023/24	GP095	County	Ongoing	Transport	Hethersett to NRP Cycle Route	(728)	(227)	(501)	0	0	(501)	0	0	0	0
2023/24	GP094	South Norfolk	Ongoing	Green Inf.	Venta Icenorum	(156)	(3)	(153)	(153)	(153)	0	0	0	0	0
2023/24	GP093	South Norfolk	On Hold	Green Inf.	Cringleford Country Park	(798)	(330)	(468)	(27)	(27)	(250)	(191)	0	0	0
2023/24	GP092	South Norfolk	Ongoing	Green Inf.	Queens Hill Community Park	(154)	(20)	(134)	(134)	(134)	0	0	0	0	0
2023/24	GP091	Broadland	Complete	Community	Youngs Park Aylsham AGP	(817)	(567)	(250)	(250)	(250)	0	0	0	0	0
2023/24	GP090	South Norfolk	Ongoing	Community	Easton Village Hall	(2,573)	(2,068)	(505)	(505)	0	0	0	0	0	0
2023/24	GP089	Norwich	Ongoing	Community	Sloughbottom Park Regeneration	(8,512)	(7,662)	(850)	0	0	0	(850)	0	0	0
2024/25	GP088b	County	Ongoing	Education	Wymondham High Academy	(14,000)	(9,000)	(5,000)	0	0	(5,000)	0	0	0	0
2023/24	GP088a	County	Ongoing	Education	Wymondham High Academy	0	0	0	0	0	0	0	0	0	0
2022/23	GP087	County	Ongoing	Education	Hethersett High Academy	(9,500)	(7,500)	(2,000)	(2,000)	0	0	0	0	0	0
2022/23	GP086	Broadland	Complete	Community	Yare Boat Club	(271)	(191)	(80)	(80)	0	0	0	0	0	0



AGP Year	Ref	Applicant	Status	Theme	Expenditure	Project Budget	Other funding	IIF funding	Spend to March 2025	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
2022/23	GP085	Norwich	Complete	Community	FDC - Heartsease Open Academy	(480)	(330)	(150)	(150)	0	0	0	0	0	0
2022/23	GP082	Broadland	Complete	Transport	Broadland Country Park - Horsford Crossing	(174)	(30)	(144)	(144)	(144)	0	0	0	0	0
2022/23	GP080	County	Ongoing	Transport	Yellow Pedalway Extension	(1,900)	(300)	(1,600)	0	0	(1,600)	0	0	0	0
2021/22	GP079	Norwich	Complete	Community	FDC Bowthorpe 3G Pitch	(929)	(679)	(250)	(250)	0	0	0	0	0	0
2021/22	GP078	Norwich	Complete	Green Inf.	Kett's Heights	(327)	(15)	(312)	(312)	(302)	0	0	0	0	0
2021/22	GP077	Broadland	Complete	Green Inf.	Bure Valley Path	(25)	0	(25)	(25)	(7)	0	0	0	0	0
2021/22	GP076	Broadland	Complete	Community	Brundall Sports Hub	(2,269)	(1,808)	(461)	(461)	(284)	0	0	0	0	0
2021/22	GP075b	County	Complete	Education	Ormiston Victory Academy	(9,000)	(5,000)	(4,000)	(4,000)	0	0	0	0	0	0
2020/21	GP075a	County	Complete	Education	Ormiston Victory Academy (added to 21/22 allocation)	0	0	0	0	0	0	0	0	0	0
2020/21	GP074	Broadland	Ongoing	Transport	Plumstead Road Priority Junction	(1,350)	(625)	(725)	0	0	0	(725)	0	0	0
2020/21	GP073	Norwich	Complete	Community	Norwich Parks Tennis	(423)	(320)	(103)	(103)	(87)	0	0	0	0	0
2020/21	GP072	Norwich	Complete	Community	Recreation Road Pool	(60)	0	(60)	(60)	0	0	0	0	0	0
2020/21	GP071	South Norfolk	Complete	Community	Crusaders Rugby Football Club	(344)	(194)	(150)	(150)	0	0	0	0	0	0
2020/21	GP070	South Norfolk	Complete	Community	Wymondham Tennis Club	(144)	0	(144)	(144)	0	0	0	0	0	0
2020/21	GP069	Broadland	Complete	Community	Aylsham Sports Hub Stage 3	(766)	(381)	(385)	(385)	0	0	0	0	0	0
2020/21	GP068	South Norfolk	Complete	Green Inf.	Frenze Beck Green Infrastructure	(45)	(10)	(35)	(35)	0	0	0	0	0	0
2020/21	GP067	County	Complete	Green Inf.	Ketts Country Long Distance Trail	(86)	0	(86)	(86)	0	0	0	0	0	0
2020/21	GP066	Norwich	Complete	Green Inf.	20 Acre Wood Community Access Improvements	(39)	0	(39)	(39)	0	0	0	0	0	0

AGP Year	Ref	Applicant	Status	Theme	Expenditure	Project Budget	Other funding	IIF funding	Spend to March 2025	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
2020/21	GP065	South Norfolk	Complete	Green Inf.	East Wymondham Green Infrastructure	(65)	(15)	(50)	(50)	0	0	0	0	0	0
2020/21	GP064	Norwich	Ongoing	Green Inf.	Hellesdon Station Green Infrastructure	(453)	(221)	(232)	(232)	(230)	0	0	0	0	0
2020/21	GP063	Broadland	Complete	Green Inf.	Broadland Country Park (prev NWW)	(1,265)	(546)	(719)	(719)	(143)	0	0	0	0	0
2019/20	GP062	County	Complete	Education	Cringleford Prep School	(10,428)	(8,428)	(2,000)	(2,000)	0	0	0	0	0	0
2018/19	GP061b	County	Ongoing	Education	Blofield Primary School	(11,300)	(10,100)	(1,200)	(1,200)	(1,000)	0	0	0	0	0
2018/19	GP061a	County	Complete	Education	Brundall Primary	(850)	(50)	(800)	(800)	0	0	0	0	0	0
2018/19	GP060	County	Complete	Community	Mile Cross Library self-access improvement	(35)	0	(35)	(24)	0	0	0	0	0	0
2018/19	GP059	County	Complete	Community	Earlham Library self-access improvement	(35)	0	(35)	(26)	0	0	0	0	0	0
2018/19	GP058	County	Complete	Community	Loddon Library self-access improvement	(35)	0	(35)	(22)	0	0	0	0	0	0
2018/19	GP057	County	Complete	Community	Costessey Library self-access improvement	(35)	0	(35)	(26)	0	0	0	0	0	0
2018/19	GP056	County	Complete	Community	Harleston Library self-access improvement	(35)	0	(35)	(22)	0	0	0	0	0	0
2018/19	GP055	Broadland	Complete	Community	Community Sports Hub - The Nest Horsford	(4,625)	(3,501)	(1,124)	(1,124)	0	0	0	0	0	0
2018/19	GP053	County	Closed Prematur ely	Transport	MW: Surfacing Works (Drayton)	(24)	0	(24)	(24)	0	0	0	0	0	0
2018/19	GP052	Broadland	Complete	Green Inf.	Thorpe Marriott Greenway	(121)	0	(121)	(109)	0	0	0	0	0	0
2018/19	GP051	County	Complete	Green Inf.	Green Infrastructure: Access for All	(150)	0	(150)	(150)	(64)	0	0	0	0	0
2018/19	GP050	Norwich	Ongoing	Green Inf.	Yare and Wensum Valleys Link	(209)	(59)	(150)	(45)	0	(115)	0	0	0	0
2018/19	GP049	Norwich	Complete	Green Inf.	Earlham Millennium Green Improvement Project: Phase 3	(25)	0	(25)	(20)	0	0	0	0	0	0
2018/19	GP048	South Norfolk	Complete	Green Inf.	Wherryman's Way: Yare Valley Cycle Route	(18)	0	(18)	(18)	0	0	0	0	0	0

AGP Year	Ref	Applicant	Status	Theme	Expenditure	Project Budget	Other funding	IIF funding	Spend to March 2025	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
2018/19	GP047	Norwich	Complete	Green Inf.	Yare Valley Walk-Cringleford Meadow (formerly UEA to Eaton Boardwalk)	(47)	0	(47)	(49)	0	0	0	0	0	0
2018/19	GP046b	County	Complete	Transport	Marriotts Way-Costessey resurfacing & Drayton ramp	(526)	(35)	(491)	(491)	0	0	0	0	0	0
2018/19	GP046	County	Closed Prematurely	Transport	MW: Thorpe Marriott to Costessey	(12)	0	(12)	(12)	0	0	0	0	0	0
2018/19	GP045	Norwich	Complete	Transport	Green Pedalway-junction improvements	(560)	(98)	(462)	(462)	0	0	0	0	0	0
2017/18	GP044	County	Complete	Education	Education - Hethersett Academy & Junior	(13,000)	(11,000)	(2,000)	(2,000)	0	0	0	0	0	0
2017/18	GP043	County	Complete	Community	Diss library: self service improvements	0	0	0	(29)	0	0	0	0	0	0
2017/18	GP042	County	Complete	Community	Plumstead Road Library: self service improvements	0	0	0	(112)	0	0	0	0	0	0
2017/18	GP041	County	Complete	Community	Wroxham Library: self service improvements	(153)	(33)	(120)	(34)	0	0	0	0	0	0
2017/18	GP040	South Norfolk	Complete	Community	Ketts Park Sports Hub: Wymondham	(800)	(550)	(250)	(250)	0	0	0	0	0	0
2017/18	GP039	South Norfolk	Closed Prematurely	Community	Hales cricket and bowls clubhouse improvements	(5)	0	(5)	(5)	0	0	0	0	0	0
2017/18	GP038	Norwich	Complete	Community	Football pitch improvements	(115)	(15)	(100)	(100)	0	0	0	0	0	0
2017/18	GP036	Norwich	Ongoing	Green Inf.	Castle Gardens	(410)	(260)	(150)	0	0	(150)	0	0	0	0
2017/18	GP033	Broadland	Ongoing	Green Inf.	Strumpshaw Pit Circular Walk	(130)	(95)	(35)	(35)	0	0	0	0	0	0
2017/18	GP031	Norwich	Ongoing	Green Inf.	Riverside Walk accessibility improvements	(200)	0	(200)	(30)	0	(170)	0	0	0	0
2017/18	GP030	Norwich	Complete	Green Inf.	Sloughbottom Park - Andersons Meadow	(343)	0	(343)	(343)	0	0	0	0	0	0
2017/18	GP029	Norwich	Complete	Green Inf.	Marriott's Way-Barn Road Gateway	(64)	(18)	(46)	(46)	0	0	0	0	0	0

AGP Year	Ref	Applicant	Status	Theme	Expenditure	Project Budget	Other funding	IIF funding	Spend to March 2025	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
2017/18	GP027	South Norfolk	Closed Prematurely	Green Inf.	Lizard and Silfield Nature Reserves	(14)	0	(14)	(14)	0	0	0	0	0	0
2024/25	GP026d	County	Ongoing	Transport	Long Stratton Bypass (match funding allocation)	(46,960)	(44,960)	(2,000)	0	0	(2,000)	0	0	0	0
2024/25	GP026c	South Norfolk	Ongoing	Transport	Long Stratton Bypass developer contribution (see borrowing costs below)	0	0	0	0	0	0	0	0	0	0
2016/17	GP026b	South Norfolk	Complete	Transport	Hempnall Crossroads	(4,064)	(3,758)	(305)	(305)	0	0	0	0	0	0
2016/17	GP026	County	Ongoing	Transport	Long Stratton Bypass (see borrowing costs below)	0	0	0	0	0	0	0	0	0	0
2016/17	GP025	Broadland	Complete	Transport	NDR (see borrowing costs below)	0	0	0	0	0	0	0	0	0	0
2016/17	GP024	Norwich	Complete	Transport	Colney River Crossing (NRP to Threescore)	(422)	(251)	(171)	(171)	0	0	0	0	0	0
2016/17	GP023	Norwich	Closed Prematurely	Green Inf.	Carrow to Deal Ground riverside walk	(29)	0	(29)	(29)	0	0	0	0	0	0
2016/17	GP022	Norwich	Complete	Green Inf.	Pink Pedalway - Heathgate	(250)	(100)	(150)	(150)	0	0	0	0	0	0
2016/17	GP019	Broadland	Closed Prematurely	Transport	St Faiths to Airport Transport Link	(20)	0	(20)	(20)	0	0	0	0	0	0
2015/16	GP017b	County	Complete	Transport	Cromer Rd - Aylsham Rd (A140)	(416)	(329)	(87)	(87)	0	0	0	0	0	0
2015/16	GP016	County	Complete	Transport	Golden Ball Street (NATS)	(3,448)	(2,425)	(1,023)	(1,023)	0	0	0	0	0	0
2015/16	GP013b	County	Complete	Transport	Roundhouse Way	(795)	(745)	(50)	(50)	0	0	0	0	0	0
2015/16	GP013	County	Complete	Transport	Eaton Interchange	(825)	(725)	(100)	(100)	0	0	0	0	0	0
2015/16	GP011	County	Complete	Transport	St Clements Toucan Crossing	(339)	(226)	(113)	(113)	0	0	0	0	0	0
2015/16	GP009	County	Complete	Green Inf.	Marriott's Way - Phase 2	(250)	(13)	(237)	(237)	0	0	0	0	0	0
2015/16	GP008	Norwich	Complete	Green Inf.	Earlham Millennium Green - Phase 2	(66)	(14)	(52)	(52)	0	0	0	0	0	0

AGP Year	Ref	Applicant	Status	Theme	Expenditure	Project Budget	Other funding	IIF funding	Spend to March 2025	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
2014/15	GP007	South Norfolk	Complete	Green Inf.	Norwich Health Walks	(40)	(2)	(38)	(38)	0	0	0	0	0	0
2014/15	GP006	County	Complete	Green Inf.	Marriott's Way - Phase 1	(60)	0	(60)	(60)	0	0	0	0	0	0
2014/15	GP005	Norwich	Complete	Green Inf.	Riverside Walk	(70)	(22)	(48)	(48)	0	0	0	0	0	0
2014/15	GP004	Norwich	Complete	Green Inf.	Earlham Millennium Green - Phase 1	(15)	(12)	(3)	(3)	0	0	0	0	0	0
2014/15	GP003	Norwich	Complete	Green Inf.	Marston Marsh	(30)	(6)	(24)	(24)	0	0	0	0	0	0
2014/15	GP002	Norwich	Complete	Green Inf.	Danby Wood	(35)	(9)	(26)	(26)	0	0	0	0	0	0
2014/15	GP001	Broadland	Ongoing	Green Inf.	Harrisons' Wood	(45)	0	(45)	(45)	(1)	0	0	0	0	0
2014/15	GP001	Broadland	Ongoing	Green Inf.	Harrisons' Wood secured funding (S106)	45	0	45	0	0	0	0	0	0	0
N/A	N/A	N/A	N/A	N/A	N/A	(195,352)	(149,551)	(45,801)	(23,208)	(3,335)	(17,266)	(5,366)	0	0	0

## 4.6 IIF Expenditure Summary

Table 6 - IIF Expenditure Summary\* - Table 2, above is summarised in the 'Full Growth Programme' row. N/A stands for Not Applicable.

IIF Expenditure	Project Budget	Other funding	Allocation	Spend to 2024/25	2024/25	2025/26	2026/27	2027/2028	2028/29	2029/30
<b>Full Growth Programme</b>	(195,352)	(149,551)	(45,801)	(23,208)	(3,335)	(17,266)	(5,366)	0	0	0
<b>Cash Reserves - one years City Deal loan repayments</b>	0	0	<b>(3,345)</b>	(2,345)	(1,000)	0	0	0	0	0
<b>Cash Reserves - Match Funding</b>	0	0	<b>(2,000)</b>	(2,000)	0	0	0	0	0	0
No new match funded projects	0	0	0	0	0	0	0	0	0	0
<b>City Deal Borrowing Totals</b>	<b>(251,960)</b>	<b>(201,960)</b>	<b>(50,000)</b>	0	0	0	0	0	0	0
GP25 Broadland Northway amount borrowed	(205,000)	(165,000)	(40,000)	0	0	0	0	0	0	0
Interest and loan repayment against borrowing	0	0	0	(17,013)	(2,057)	(2,057)	(2,057)	(2,057)	(2,057)	(2,057)
Loan set up fee	0	0	0	(14)	0	0	0	0	0	0
GP26 Long Stratton Bypass (City Deal Borrowing)	(46,960)	(36,960)	(10,000)	0	(10,000)	0	0	0	0	0
<b>Forecasted</b> interest and loan repayments against the borrowing	0	0	0	0	(723)	(723)	(723)	(723)	(723)	(723)
<b>Forecasted</b> loan set up fee	0	0	0	0	(4)	0	0	0	0	0
<b>City Deal Borrowing Loans Fund Totals</b>	<b>(4,500)</b>	0	<b>(4,500)</b>	0	0	0	0	0	0	0
GP26c LSBP Developer Contribution - amount borrowed	(4,500)	0	(4,500)	0	0	(4,500)	0	0	0	0
<b>Forecasted</b> interest and loan repayments against the borrowing	0	0	0	0	0	(573)	(573)	(573)	(573)	(573)
<b>Forecasted</b> loan set up fee	0	0	0	0	0	(2)	0	0	0	0
TOTAL borrowing costs (annual payment made from pooled CIL)	0	0	0	(17,027)	(2,784)	(3,355)	(3,353)	(3,353)	(3,353)	(3,353)
Programme Management Fee	0	0	0	(115)	(115)	(123)	(130)	(138)	(146)	(155)
<b>TOTAL pooled CIL funding requirement</b>	N/A	N/A	N/A	N/A	<b>(7,234)</b>	<b>(20,744)</b>	<b>(8,850)</b>	<b>(3,491)</b>	<b>(3,500)</b>	<b>(3,509)</b>
<b>Actual pooled CIL Income</b>	N/A	N/A	N/A	N/A	0	0	0	0	0	0
<b>Forecasted pooled CIL Income</b>	N/A	N/A	N/A	N/A	2,651	3,350	5,350	6,966	6,571	9,244
<b>Forecasted annual pooled CIL surplus / (deficit)</b>	N/A	N/A	N/A	N/A	<b>(4,583)</b>	<b>(17,394)</b>	<b>(3,500)</b>	<b>3,475</b>	<b>3,072</b>	<b>5,736</b>
<b>CIL Interest Earned</b>	N/A	N/A	N/A	N/A	0	0	0	0	0	0
<b>Forecasted CIL balance (including interest)</b>	N/A	N/A	N/A	N/A	26,245	8,851	5,351	8,826	11,898	17,634
<b>Forecasted Cumulative CIL income</b>	N/A	N/A	N/A	N/A	70,482	73,832	79,182	86,148	92,719	101,964
<b>Cumulative CIL income (including interest)</b>	N/A	N/A	N/A	N/A	72,667	76,017	81,367	88,333	94,904	104,149
<b>Forecasted Cumulative CIL commitment</b>	N/A	N/A	N/A	N/A	(46,422)	(67,166)	(76,016)	(79,507)	(83,007)	(86,516)
N/A	N/A	N/A	N/A	N/A	19,011	(11,893)	(3,498)	5,335	8,398	14,125

\* Current Draw down figures in 2024/25 are made up of part actual draw down (spend) and part programmed future draw down



## 5 Project Delivery Update

This section provides an update on projects that are currently underway, which were funded in previous Annual Growth Programmes (AGP). They are grouped by their Sponsoring Authority as denoted in the AGP. There are currently 22 active projects in the growth programme.

8 projects completed delivery in the financial year 2024/25, these are:

- [GP051 - Green Infrastructure: Access for All](#)
- [GP062 – Cringleford Prep School](#)
- [GP063 – Broadland Country Park](#)
- [GP076 – Brundall Sports Hub](#)
- [GP077 – Bure Valley Path](#)
- [GP078 – Kett's Heights](#)
- [GP082 – Broadland Country Park - Horsford Crossing](#)
- [GP091 – Youngs Park Aylsham AGP](#)

1 project has withdrawn from the programme:

- [GP083 - Wherryman's Way access improvements](#)

Projects which have completed in the last 12 months are included here as their final delivery report. Projects which have completed in previous years are not included. [View an interactive map of all growth programme projects here.](#)

[Broadland Projects](#) | [Norwich Projects](#) | [South Norfolk Projects](#) | [Norfolk County Council Projects](#)

## 5.1 Broadland

### GP001 – Harrisons' Wood

**Category:** Green Infrastructure

**CIL Funding:** £45,000.00

**Total Budget:** £45,000.00

**Project Status:** Ongoing

**Project Description:**

This project secures areas of woodland located off Blue Boar Lane, Sprowston (associated with the White House Farm development proposal) for public access and future use as a 'Woodland Park', as set out within the Sprowston Neighbourhood Plan.

**Delivery Update:**

Public access was achieved in 2016, and Broadland District Council has been enhancing, maintaining, and managing the site since that time.

The remaining element of this project is the transfer of ownership of the woodland sites. There have been delays to the completion of the Deed of Variation to the section 106 agreement between the various parties involved, which will, amongst other things, enable the transfer of these sites to Sprowston Town Council. The Deed of Variation has now been signed by all parties and will be completed shortly. Following this, the transfer of sites to the Town Council can progress and enable repayment of the loan secured from the GNGB.



## GP033 - Strumpshaw Pit Circular Walk

**Category:** Green Infrastructure

**CIL Funding:** £35,000.00

**Total Budget:** £130,000.00

**Project Status:** Ongoing

**Project Description:**

This project aims to expand the dog walking capabilities of Strumpshaw Pit, offering an alternative location for walking and offsetting the impact of visitor numbers in the protected sites of Norfolk. The project has already delivered improvements to the landfill gas infrastructure, improvement of the circular walk and links to the entry points, and biodiversity improvements along the path. The final elements, which will deliver benches, dog bins and improved parking facilities for cars and bicycles, are progressing.

**Delivery Update:**

Further path improvements (including path widening) and wildflower meadow restoration works (including staged bramble and scrub clearance around the fruit trees in the community orchard) have continued this year.

In September 2023, a further consultation was held on the car park area with the Parish Council in response to local concerns about the design. The design has since been revisited and reconsulted on. Ecology surveying and biodiversity net gain metrics have been undertaken, with an expanded area of biodiversity enhancement incorporated into the car park area design. The construction of the car park is programmed for February and March 2025, when the scheme will be completed.

### GP063 – Broadland Country Park

**Category:** Green Infrastructure

**CIL Funding:** £719,290.00

**Total Budget:** £1,265,000.00

**Project Status:** Complete 2024/25

**Project Description:**

Broadland Country Park (BCP) was purchased with IIF funding by Broadland District Council in 2019. The new Country Park was launched online with its new name at Easter 2021 with a new website, a promotional film, and a blog site. Ideally located adjacent to the Broadland Northway, the Thorpe Marriott Greenway cycle and pedestrian route, and the purple and yellow bus routes, BCP helps to maneuver the Greater Norwich area into a strong position in which to deliver sustainable, well-planned communities by enabling a mitigation strategy that alleviates the impact of growth on the internationally designated sites in Norfolk.

**Delivery Update:**

Broadland Country Park has made significant improvements over the past five years since the land was purchased. The park now offers accessible trails, making it easier for people of all abilities to explore and enjoy the site. A dedicated team of regular volunteers help maintain the heathland areas, contributing to conservation efforts such as grazing, which supports biodiversity. Visitors can also benefit from clear way-marking throughout the park, improved parking facilities, and the availability of Portalooos. Regular activities and events are hosted at the park, encouraging community engagement and outdoor recreation.

Looking forward, the Council has taken steps in planning the park's future by employing a professional services team to develop the next phase of improvements. This next phase of the project includes building a visitor centre, café, and permanent toilet facilities, as well as significantly expanding the car parking areas. These enhancements are aimed at further enhancing the visitor experience and making Broadland Country Park an even more attractive destination for both locals and tourists.

**GP074 - Plumstead Road Priority Junction (Previously Plumstead Road Roundabout)**

**Category:** Transport

**CIL Funding:** £725,000.00

**Total Budget:** £1,350,000.00

**Project Status:** Ongoing

**Project Description:**

This project will deliver a new T-junction on Plumstead Road as well as new footways and cycleways, a new pedestrian crossing, road re-alignment and associated services. In delivering the scheme, the project will ensure that the strategically important orbital link road between Salhouse Road and Plumstead Road can be delivered.

**Delivery Update:**

Broadland District Council have been exploring their options to deliver this scheme, including undertaking negotiations with third-party developers around the site and its own development company. No agreement has been made and BDC are now looking to progress the scheme directly.

In parallel with commercial negotiations, detailed design is progressing. Following a recent review, it appears that (a) the proposed road design does not align with the approved residential scheme to the north and (b) the planning permission has now expired. As a result, new planning permission will have to be secured.

Based on recent programme and cost advice it is anticipated that the works will be delivered by early 2027. The principal delay arises due to the length of time it will take to enter into the requisite S278 legal agreement with the highways authority.

<b>GP076 – Brundall Sports Hub</b>
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**Category:** Community

**CIL Funding:** £460,573.00

**Total Budget:** £2,268,541.96

**Project Status:** Complete 2024/25

**Project Description:**

This is phase one of the project at Brundall Sports Hub. The project delivered a multi-sport floodlit 3G pitch with fencing, floodlighting, a maintenance storage container, hard standing pathways, car parking and a single-storey club house/changing room building.

**Delivery Update:**

This project was successfully delivered in May 2024. The sports pitch has been managed by the Community Sports Foundation (CSF) for over 12 months, and in the first year received 1,607 bookings totaling 2,030.5 hours, with 76 clubs / teams regularly booking the pitch.

The community building was completed ahead of schedule and handed over from the contractor to Brundall Parish Council. In turn, the building has been handed over to the Community Sports Foundation (CSF) and is operational. The CSF will now be able to offer indoor provision such as holiday camps and usage by local schools (Brundall, Blofield & Hemblington). An official opening took place in October 2024.

The project was delivered to budget. Additional spend included some external lighting and a defibrillator.

<b>GP077 – Bure Valley Path</b>
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**Category:** Green Infrastructure

**CIL Funding:** £25,162.73

**Total Budget:** £25,162.73

**Project Status:** Complete 2024/25

**Project Description:**

The Bure Valley Path is already a well-used walking and cycling route and a key component of the Greater Norwich Infrastructure Plan project 'the Green Loop'. Despite this, there remain a series of obstacles which prevent it from reaching its full potential as a Norfolk-wide destination and alternative destination to the Natura 2000 sites.

This project, which delivered a broad range of improvements to the Bure Valley Path and the surrounding area was completed in 2024. Works included creating five new circular walks totaling 23.8 km (or 14.8 miles) at Oxnead, Buxton, Coltishall, Belaugh & Hoveton and installing 33 fingerposts, 10 way marker posts, 40 walk discs and 17 Circular Walk Information Boards at various locations along the route including in Oxnead, Buxton, Little Hautbois, Coltishall, and Belaugh. The scheme also included undertaking habitat creation at selected locations.

**Delivery Update:**

This project successfully delivered in 2024.

<b>GP082 – Broadland Country Park - Horsford Crossing</b>
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**Category:** Transport

**CIL Funding:** £143,699.89

**Total Budget:** £173,699.89

**Project Status:** Complete 2024/25

**Project Description:**

This project sought to encourage green transport options for accessing Broadland Country Park (BCP). Works included a road crossing refuge island on the B1149 Holt Road at Horsford, to cater for both pedestrians and cyclists entering Broadland Country Park; and installation of a new 'welcome' sign, directional signage and cycle racks at BCP, Sandy Lane entrance.

**Delivery Update:**

This project was successfully delivered in late 2023. As a result, local residents and visitors now have a safe crossing point to access Broadland Country Park (BCP) as well as a secure location to store bicycles, which will help encourage sustainable transport to BCP. The new waymarking will help direct visitors around the park, reduce confusion and improve the overall visitor experience.

Installation of the new information boards has been delayed due to significant enhancements planned at BCP. The boards will now be delivered following the completion of the visitor centre and car park works.

**GP091 – Youngs Park Aylsham AGP**

**Category:** Community

**CIL Funding:** £250,000.00

**Total Budget:** £816,816.00

**Project Status:** Complete 2024/25

**Project Description:**

This project at Youngs Park in Aylsham delivered a full-sized 3G artificial grass pitch, replacing an existing full-sized natural turf pitch. Its delivery contributes towards a variety of outcomes identified within Norfolk County Council's Together for Norfolk business plan, Sport England's Uniting the Movement strategy, the FA's National Football Facility Strategy, Aylsham Parish Council's Neighbourhood Plan and the Greater Norwich Physical Activity and Sport Strategy (PASS) and associated updated Playing Pitch Strategy.

**Delivery Update:**

This project has been successfully delivered, with the handover of the pitch taking place on 3rd June 2024. The official grand opening took place on 1st September 2024 and the facility is now open to the public for community use. The pitch was completed two months ahead of the contractor's initial schedule within the allocated budget.

## GP098 – Aylsham Gym & Fitness Hub

**Category:** Community

**CIL Funding:** £400,000.00

**Total Budget:** £1,410,000.00

**Project Status:** Ongoing

**Project Description:**

This project will deliver a new 487 m<sup>2</sup> community health and fitness facility on the Aylsham High School site, which includes a 40-station gym, multi-use fitness studio and changing facilities. The building will be located on land adjacent to the 3G pitch, swimming pool and sports hall, to expand the 'hub'.

Following the previous successful delivery of stages one and two, the Aylsham Gym and Fitness Hub proposal is the third stage of a programme of works, managed and delivered by Aylsham High School. These works are providing necessary new community sport and leisure facilities for Aylsham and the surrounding area.

**Delivery Update:**

The project budget has been confirmed and the contract has been signed. A local stakeholder consultation has been completed and an additional wider community consultation will be conducted by the end of the year.

The contractor began on site on 2nd September 2024 and have progressed works, including clearing the site and beginning the drainage installation. The programme has been revised slightly due to increased lead-in times and delivery of the steel. Completion is now expected in May 2025.



## 5.2 Norwich

### GP031 - Riverside Walk Accessibility Improvements

**Category:** Green Infrastructure

**CIL Funding:** £200,000.00

**Total Budget:** £200,000.00

**Project Status:** Ongoing

**Project Description:**

This project, which is an important part of the River Wensum Strategy Delivery Plan, aims to enable the use of the Riverside Walk by all (between New Mills and Carrow Bridge), including access measures on and adjacent to the walk, and improved signage and waymarking linking the river with the city centre and other key attractions.

**Delivery Update:**

Work on the wayfinding element of the project restarted in early 2024 and is progressing well in line with the revised programme.

The accessibility part of the project will recommence in early 2025. The technical information and design package have been reviewed and areas identified where alternative design solutions could be considered, to take account of construction costs, which have increased significantly since the project originally commenced. Norwich City Council contingency funds have been identified that could be allocated if required.

### GP036 - Castle Gardens

**Category:** Green Infrastructure

**CIL Funding:** £150,000.00

**Total Budget:** £410,000.00

**Project Status:** Ongoing

**Project Description:**

This project provides restoration and improvement works to Castle Gardens to promote its use as a linear park. Restoration works will safeguard the gardens for future use whilst planned improvements will ensure it can be maintained within the available budgets. The linkage to the gardens from the surrounding street scene will be enhanced along with improved linkages to the castle and green.

**Delivery Update:**

The Castle Keep project is scheduled to be completed in late 2024. The principal contractor has confirmed that due to the storage of materials no access can be made through their site compound to access the gardens until the keep project is complete.

As such, the programme for the Castle Gardens project has been revised to minimise the risk of a conflict with the keep project. The design has been revised and additional funds allocated by Norwich City Council to provide a budget that reflects the current build costs of the scheme. A new consultation exercise will be undertaken in January 2025, with the re-tender of the scheme following on in early 2025 and completion of the construction phase programmed ahead of the school summer break. To improve the outcomes of the scheme and to reduce the established anti-social behaviour, CCTV is being installed in the gardens by the city council.

### GP064 - Hellesdon Station Green Infrastructure

**Category:** Green Infrastructure

**CIL Funding:** £232,300.00

**Total Budget:** £453,399.00

**Project Status:** Ongoing

#### **Project Description:**

The project will deliver a range of inter-related green infrastructure improvements in the Hellesdon Station area. Overall, the project includes 25 sub-projects covering Hellesdon Station / Marriott's Way, Hellesdon Mill Meadow, Marlpit Paddock and Hellesdon Marsh. These improvements will boost the transport and ecological functions of strategic green infrastructure corridors to support growth.

Works include improvements to the Hellesdon Road crossing and provision of ramped access and path on Marriott's Way; improvements to the Hellesdon Mill Meadow; and improvements to Hellesdon Marsh including provision of a canoe platform.

#### **Delivery Update:**

Following the approval of the revised scope by the Infrastructure Delivery Board, ecological surveys were commissioned to determine the ecological constraints of the site and provide the necessary supporting information to the Environment Agency (EA) permission applications. The surveys revealed a water vole population along the banks of the River Wensum in this area. Norwich City Council have therefore sought the advice of a specialist ecologist who will be able to manage the works under a water vole licence.

The fish spawning season plus weather conditions mean that construction projects are programmed to start in March 2025 at the earliest when the risk of frosts and flooding are reduced.

In the interim, the team has engaged Inclusive Norwich to consult on the design and will be meeting with a consultant at Sweetbriar Marshes in November to discuss how the proposals can best serve the community. A topographical survey has also been commissioned for the Hellesdon Mill car park, following this, the plans will be finalised and the EA's permission will be sought. Once acquired, and subject to their conditions, the team will begin work on both car parks in May 2025. Work will then begin on the canoe portage, path, ramp and culvert, once the salmonid exclusion period has passed with completion expected in August 2025.

### GP078 – Kett's Heights

**Category:** Green Infrastructure

**CIL Funding:** £312,000.00

**Total Budget:** £326,801.00

**Project Status:** Complete 2024/25

**Project Description:**

Kett's Heights is described as one of Norwich's best kept secrets, containing the remains of a medieval chapel and 19th century garden terraces. It is named after Robert Kett, who occupied the site during his advance on the city in 1549. The site was acquired by Norwich City Council in the 1980s and is managed by the Friends of Kett's Heights, supported by the Norwich Fringe Project. The improvements to Kett's Heights provide for a more accessible and resilient space and enhance the green links through this area (linking with Mousehold Heath and Lion Wood).

Prior to this project access to the site was from Kett's Hill via a pedestrian gate and a series of failing timber steps. There was no DDA compliant access or provision for maintenance vehicles.

The project delivered improved access to the site with new steps from Kett's Hill and a new ramped access from Ladbrooke Place; repairs to the walls and infrastructure of the site, ensuring their preservation and the safety of users of the site; and creation of new habitat and improvements to existing habitat, to increase biodiversity.

**Delivery Update:**

The main public entrance with the upgraded stepped path was opened in March 2024, while the new entrance ramp from Ladbrooke Place opened in August following the installation of the metal gate and handrails, allowing the site to be fully accessible to the public. There was a slight delay to the project due to the proximity of gas mains requiring close coordination with utility providers, as well as the metal gates and handrails taking longer than planned.

The project has received positive feedback from the public. The Friends of Kett's Heights continue to be actively involved in the delivery of biodiversity enhancements and conservation repairs to the site. The site received a Green Flag award in July 2024.

### GP089 – Sloughbottom Park Regeneration

**Category:** Community

**CIL Funding:** £850,000.00

**Total Budget:** £8,512,025.00

**Project Status:** On hold

**Project Description:**

This project will deliver a linked set of new community facilities at Sloughbottom Park, including a new 3G football pitch, league standard changing rooms, a multi-purpose pavilion and café, an upgraded play park, a refurbished and upgraded BMX track, storage facilities, upgrade to the Dolphin Path and other park infrastructure – car improvements park, resurfaced paths, lighting and signage.

The full project comprised Norwich City Council's Levelling Up Fund (LUF) application for the North Norwich constituency. The specific elements of the project to be funded through the LUF as match funding are the 3G pitch, changing rooms and the upgrades to the Dolphin Path.

**Delivery Update:**

Following the award of Levelling Up Funding from government in November 2023, the project progressed with the appointment of a project manager, principal designer and quantity surveyor to commence delivery once full written confirmation of the funding was received.

Since then, Norwich City Council have signed and returned the memorandum of understanding. However, the general election was called prior to Norwich City Council receiving full written confirmation of the funding and the new administration are now reviewing all applications. The project is therefore currently on pause.

### GP099 – Eaton Park

**Category:** Community

**CIL Funding:** £333,000.00

**Total Budget:** £601,000.00

**Project Status:** Ongoing

**Project Description:**

This project will deliver a range of improvements to Eaton Park, a destination park based in the southwest of Norwich. The improvements will include renovations to the changing rooms in the central pavilion to install four player changing rooms and two officials' changing rooms, installation of green technologies (including solar panels, a heat pump, a Passive Infrared system, and LED lighting), improved park signage at all entrances and 10 cycle storage racks located throughout the park.

This project will make the facilities compliant with Football Association regulations and accessible by all, as well as improving the efficiency of the building. The installation of cycle racks will help encourage active travel to and around the park.

**Delivery Update:**

A principal designer, project manager and quantity surveyor have all been appointed and a planning application has been submitted, with a decision due by the end of November 2024.

When tenders for the construction phase were received, they were vastly different from those supplied by the Quantity Surveyor. As a result, the team have re-profiled the existing funding and are looking at additional funding sources to close the funding gap. The programme has been updated, with construction anticipated to commence in May 2025 at the end of the current football season, to avoid disruption where possible and allow sufficient time to secure additional funding.

## 5.3 South Norfolk

### GP090 – Easton Village Hall

**Category:** Community

**CIL Funding:** £505,000.00

**Total Budget:** £2,573,033.48

**Project Status:** Ongoing

**Project Description:**

The project will deliver a new, multi-use community centre with off-road parking in Easton which is due to receive significant residential growth over the coming years. Upon completion, it will enhance recreational provision, promote social integration and create a thriving, sustainable community hub.

It is designed to be a large 565m<sup>2</sup> multi-activity hall with a kitchen, changing facilities, bar and meeting/offices areas. It will also innovatively be able to deploy as an on and off-grid relief centre for emergency services and the community 24/7 as and when required. It will be fit for the future with extensive EV charging capacity for electric vehicles, providing exemplar services for both Easton and the wider area.

**Delivery Update:**

As of October 2024, works have been paused due to ongoing financial and logistical challenges. There have been delays in approvals and required works in relation to the highway, as well as key power connectivity via UK Power Network. Allied with these obstacles, funding and liquidity of the project have come under severe strain due to a multitude of factors. Part resolution was sought, with the Parish Council securing a loan of £500,000 from the Public Works Loan Board. This immediate liquidity allowed further works to be undertaken, however, local phasing and build out rates of ongoing development in Easton has slowed down anticipated CIL receipts that might have been expected to fund the remaining works.

Further challenges to the project include interrupted continuity in the project team. The Parish Council has experienced key resignations of the Clerk, Chair and Vice-Chair as well as the Financial Officer, all of whom retained ongoing knowledge and oversight of the project. With such a big turnover of key project personnel and a funding gap, these various challenges must be resolved before works can recommence.

## GP092 – Queens Hills Community Park

**Category:** Green Infrastructure

**CIL Funding:** £133,553.00

**Total Budget:** £153,553.00

**Project Status:** Ongoing

### **Project Description:**

Queen's Hills Community Park is a 90-acre multifunctional green open space on the southern edge of Queen's Hills in Costessey. It is also designated as a County Wildlife Site (CWS), demonstrating its value and importance to wildlife. The Community Park comprises of a community woodland, four play areas at Queen's Hills and East Hills Woods managed by South Norfolk Council. Costessey has one of the largest populations in South Norfolk, having seen significant amounts of development in recent years, and includes one of Greater Norwich's strategic employment locations at Longwater.

The aim of this project is twofold. The first, to provide formalised and improved access to and within the park for the community and visitors, and the second, to protect the existing woodland. This project will deliver formal footpaths, way markers, five circular walks, an additional access point to the park, 6 cycle racks and stock fencing for a grazing area.

### **Delivery Update:**

This project is slightly behind schedule due to staff capacity. New steps have been installed from Elizabeth Way and fencing has been put up around the wet meadows. New paths have been installed through the western woodland and are now being regularly used by walkers.

The remaining elements of the project include way markers for the footpath, which have been ordered, a new information board, which is currently in design, and the installation of the bicycle racks, which are currently outstanding. All remaining elements of the project are anticipated to be complete by the end of 2024.



<b>GP093 – Cringleford Country Park</b>
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**Category:** Green Infrastructure

**CIL Funding:** £468,000.00

**Total Budget:** £798,000.00

**Project Status:** On hold

**Project Description:**

Cringleford, as one of the five major growth locations in South Norfolk, has experienced a rapid expansion in its population. The Parish Council is purchasing land in the Yare Valley adjacent to the UEA woods, so that it can be protected from development and be made accessible. The primary purpose of this project is to secure and open up additional green space for the community.

The project will deliver 17.24 ha of land including 5.87 ha of managed woodland (Cringleford Wood) and 8.56 ha of pasture; a new accessible bridge crossing for the River Yare; 400m of accessible boardwalk across the land to the bridge; 400m cattle and dog-proof fencing to maintain grazing and protect users of the pasture; a new path linking Cringleford with UEA's boardwalk, the Yare Valley Walk, and the wider Kett's Country Long Distance Trail and Circular paths; and three disabled parking spaces for accessing the new path.

**Delivery Update:**

Cringleford Parish Council continues to progress work to develop this project, ongoing issues with the land purchase have led to delays, but its delivery remains a priority for the parish.

### GP094 – Venta Icenorum

**Category:** Green Infrastructure

**CIL Funding:** £153,128.00

**Total Budget:** £155,627.00

**Project Status:** Ongoing

**Project Description:**

This project will upgrade and expand the car park by 2,000m<sup>2</sup>, doubling the existing capacity so it is fit for purpose and can accommodate the increased number of visitors. The extension will help mitigate the problem with visitors parking on the rural road and reduce the risks to road users. Entry will be via a new height security barrier to prevent entry overnight. There will be allocated bays for blue badge holders, and provision for 2 new Electric Vehicle (EV) charging points with associated utilities. New cycle parking bays will be included to encourage cycling to the site, simultaneously relieving pressure on the car park. Finally, a new oak gazebo will be erected at the entrance, to act as a meeting point for visitors, hold information boards and provide some shelter too.

**Delivery Update:**

Work has progressed in 2024 to deliver the majority of this project, including constructing the new section of the car park and resurfacing the existing car park, and installing the height barrier, wooden entrance structure and bicycle stands. Work has also been undertaken to prepare the electrical supply to be connected to the new EV chargers. The project is now waiting for UK Power Network to connect the mains cable. The mounds that were created around the edge of the new section of car park will be seeded with wildflowers as per the planning condition.

The car park is open to the public and is being well utilised.

**GP097 – Hethel Technology Park**

**Category:** Transport

**CIL Funding:** £5,000,000.00

**Total Budget:** £10,560,000.00

**Project Status:** Ongoing

**Project Description:**

This project will deliver:

- A three-arm roundabout on the C186 (Wymondham Road) to the west of the current Hethel Engineering Centre access. The roundabout will provide a new access via a realignment of the southern end of Potash Lane through the Strategic Employment Allocation STR.12.
- A new road (as indicated above) through STR.12 providing access 'limbs' into the employment allocation to serve the employment facilities (new and existing) at Hethel.
- Footway and cycleway infrastructure alongside the sections of new road.
- Closure of the existing junction of the C186 Wymondham Road and Potash Lane to vehicular traffic at Hethel.

**Delivery Update:**

Resolution to grant planning permission was secured at South Norfolk Council (SNC) planning committee in mid-2024, subject to resolving a number of detailed issues around drainage and ecology. These issues are close to being resolved in dialogue between the project team, SNC, the Environment Agency and Natural England. Once resolved, planning permission will be formally issued – likely before the end of 2024.

In parallel, Norfolk County Council (NCC) has progressed the detailed design of the project via the appointed lead designer. The design and project team are focused on ensuring that ecological mitigation works are able to take place in early 2025 (Jan-March) as there is a narrow window during which these works can take place due to ecological constraints. Target completion is mid-2026, which aligns with the requirements of Lotus relating to works they are delivering in parallel.

However, there remains a significant funding gap for this project. Without bridging this gap, the project cannot be delivered. SNC is currently exploring options with NCC regarding potential procurement and delivery pathways, and opportunities for value engineering to address the funding gap.

## 5.4 Norfolk County Council

### GP026 - Long Stratton Bypass

**Category:** Transport

**CIL Funding:** £16,500,000.00 (£10m City Deal Borrowing, £4.5m City Deal Borrowing Loans Fund, and £2m Grant Funding)

**Total Budget:** £46,960,000.00

**Project Status:** Ongoing

**Project Description:**

The Long Stratton Bypass is identified as a regional priority and is progressing as a developer-led single carriageway bypass. It delivers an approximately four km long single carriageway highway improvement on the eastern side of Long Stratton. The scheme includes both non-motorised and vehicular overbridges to ensure connectivity between Long Stratton and outlying settlements to the east of the proposal. Intermediate roundabouts will serve as both access points back into Long Stratton as well as entry points to the proposed new development areas.

Existing Public Rights of Ways (PRoWs) affected by the proposal have been subjected to a Side Roads Order consultation; this will ensure that the proposed amendments to the PRoWs will allow safe and convenient access across the bypass.

**Delivery Update:**

The Department for Transport (DfT) approved the full business case on 2nd May 2024, confirming £26.21 million grant funding for the project. Construction began on 7th May 2024 and is progressing to programme. Earthworks and drainage works are underway, bridge foundations are complete and construction of the base of the new road has started.

A celebration to officially mark the start of the project was held on site on the 19th July and was attended by local councillors, the MP, officials from DfT, local government and the contractor. The scheme is expected to complete in November 2025, with Church Lane footbridge due to open in July 2025 and Hall Lane bridge opening to traffic in August 2025.

### GP050 – Yare and Wensum Valley Links

**Category:** Green Infrastructure

**CIL Funding:** £150,000.00

**Total Budget:** £209,000.00

**Project Status:** Ongoing

**Project Description:**

The River Wensum and Yare run close together in the west of the city between Marriott's Way and the Three Score development site. The link between the two river valleys is a recognised green infrastructure corridor and the route of the purple pedalway. The project will improve this link for walkers, cyclists, and wildlife.

**Delivery Update:**

This is a joint project between Norwich City Council and Norfolk County Council. The Norwich City Council aspects of the project have now been delivered, including works at Oval Road & Knowland Grove and Bunkers Hill Wood. Norfolk County Council has now taken ownership of the project to deliver the final two aspects: improvements at Gunton Lane Marriott's Way access and works at the linear green space between West Earlham and Bowthorpe.

The work at Marriott's Way/Guntons Lane is ongoing. The design of the project is complete and has been submitted to the contractor. Since the last update, discussions about the location of works have been held with the Legal team. The current classification is 'Unadopted Public Right of Way' that Norfolk County Council (NCC) maintains. To improve the area as per the designs, it was determined by the legal team that a Compulsory Purchase Order (CPO) would be required for NCC to acquire ownership. The project has been delayed as a result of the CPO process. It is hoped that this process will be completed soon, and works will begin on site in 2025.

### GP051 - Green Infrastructure: Access for All

**Category:** Green Infrastructure

**CIL Funding:** £150,000.00

**Total Budget:** £150,000.00

**Project Status:** Complete 2024/25

**Project Description:**

A number of green infrastructure trails across the Greater Norwich area have been audited for accessibility, identifying the improvement works necessary to better support a wider range of users. This project implemented a range of smaller scale accessibility improvements across various projects and areas. £30,000 was allocated each year for five years with different project areas being delivered each year.

**Delivery Update:**

This project successfully completed delivery in July 2024 following access improvement works on the Marriott's and Wherryman's Way routes. Works included re-grading and improving ramps, upgrading steps through new design layouts, installing signage, widening and adding handrails to bridges, and replacing gates.

These improvements have significantly improved access to the Norfolk Trails network for a broad range of users, including young families, less confident walkers, people with mobility limitations and power or wheelchair users. The series of thoughtful and strategic small-scale interventions will have a significant impact on accessibility and inclusivity and help encourage people to utilise the green spaces available in Greater Norwich.

### GP061b – Blofield Primary School

**Category:** Education

**CIL Funding:** £1,200,000.00

**Total Budget:** £11,300,000.00

**Project Status:** Ongoing

**Project Description:**

This project will relocate and expand Blofield Primary School to a new site, approximately five minutes from the existing site to accommodate for local growth, serving as a two-form entry (420 place) primary school. The new school will be a two-storey building consisting of 14 classrooms, including a dedicated external area for reception pupils, library space, main and studio halls, kitchen, and associated toilet and administration areas. Works will also include provision for 60 onsite staff parking spaces, covered cycle and scooter parking.

**Delivery Update:**

The contractor began on site earlier in 2024 and is over three quarters of the way through the build.

A steel signing event was held on the 24th September with colleagues from Norfolk County Council, NPS and the contractor in attendance, along with the school's headteacher and a selection of pupils. Delivery is expected to complete in March 2025, with the existing school looking to move across to the new site after Easter half term, in late April 2025.

## GP062 – Cringleford Prep School

**Category:** Education

**CIL Funding:** £2,000,000.00

**Total Budget:** £10,427,863.66

**Project Status:** Complete 2024/25

**Project Description:**

This project delivered a two-form entry (420 place), two-storey primary school in Cringleford. The school has 14 classrooms, including a dedicated external area for reception pupils, library space, main and studio halls, kitchen, and associated toilet and administration areas. Works also included provision for 59 onsite staff parking spaces, covered cycle and scooter parking.

**Delivery Update:**

The contractor completed construction of the primary school in May 2024 and the school was officially handed over to Inspiration Trust on 3rd May 2024. A formal opening ceremony took place on 21<sup>st</sup> May 2024, before the school opened to reception pupils in September 2024.

The existing Cringleford VA Primary School has been oversubscribed for local children and this new school will provide additional places for children from new developments. When the new school is at full capacity there will be a total of 420 places in Reception up to Year six (60 pupils in each year group).



### GP080 – Yellow Pedalway Extension

**Category:** Transport

**CIL Funding:** £1,600,000.00

**Total Budget:** £1,900,000.00

**Project Status:** Ongoing

#### **Project Description:**

This project will deliver active travel infrastructure improvements in the Hellesdon area to the north of Norwich. These improvements will enhance the provision of different transport options along the strategic A140 corridor to support growth. A summary of the key project deliverables is outlined below:

- Provide a new shared use path between the Broadland Northway (A1270) roundabout and the junction with Amsterdam Way / Middletons Lane along the western side of Holt Road, utilising the existing footway outside of the residential properties.
- Two new bus stops within laybys near The Nest / Manor Park sports facilities (subject to land availability) and an uncontrolled crossing will be provided between the two bus laybys.
- Upgrade the existing traffic signals at the Amsterdam Way / Holt Road junction to improve crossing facilities. (The traffic signals work will be funded by Norfolk County Council.)
- Upgrade the existing uncontrolled crossing just south of the A1270 roundabout (on the splitter island) in line with current design guidance. Extend the 40-mph limit to the Broadland Northway (A1270) roundabout to replace the existing 'national speed limit' along Holt Road to create a safer environment for walking and cycling, subject to statutory procedures.

#### **Delivery Update:**

Substantial changes were made to the preliminary design prior to the public consultation, due to street lighting restrictions because of the proximity of the scheme to Norwich International Airport and the A1270 Broadland Northway roundabout. The public consultation on the revised design took place in August 2024. Following the consultation feedback, further changes have been made to the design; therefore, a second, smaller consultation will take place in late 2024.

The contractor and site team have provided input into the design to date and programmed the scheme to begin construction mid-2025. The traffic signals at the Amsterdam Way / Holt Road junction will also be upgraded as part of this scheme to complement the new shared use path.

## GP083 - Wherryman's Way Access Improvements

**Category:** Green Infrastructure

**CIL Funding:** £216,500.00

**Total Budget:** £445,148.00

**Project Status:** Withdrawn

**Project Description:**

The Wherryman's Way is a 37.5-mile walking trail from Norwich Train Station to Great Yarmouth Train Station via the Reedham Ferry, following the River Yare through the protected landscape of the Norfolk Broads. The project will create access improvements on the route through sections at Surlingham, Bramerton and Hardley Flood allowing improved all ability access. Improvements will include bank stabilisation at Surlingham, Bramerton and Hardley Flood, the installation of bridges at Hardley Flood, the upgrading of footpaths, the restoration of the bird hide on Hardley Flood and improvements to the moorings at Rockland Staithe.

**Delivery Update:**

A strategic review of the whole project has been conducted as unprecedented water levels over the last winters have caused significantly more erosion and therefore the project scope has increased considerably from the original agreed outputs. As a result, this project has been withdrawn from the Greater Norwich Growth Programme.

The scheme will be divided into three separate projects for Bramerton, Hardley Flood and Surlingham to ensure separation of the respective budgets, contracting and consents/permissions processes. Full reinstatement works across Hardley Flood are currently being costed, and new applications to a range of sources will be made in 2024-25. A new application for Bramerton has been approved by the GNGB to begin delivery of works in 2025/26. [See GP103 – Wherryman's Way: Bramerton Improvements, for more details.](#)

**GP087 - Hethersett High Academy**

**Category:** Education

**CIL Funding:** £2,000,000.00

**Total Budget:** £9,500,000.00

**Project Status:** Ongoing

**Project Description:**

This project will deliver an expansion at Hethersett High Academy, in response to 1,400 new homes in the village. It will form the second phase of development at the school and will increase capacity from 230 pupils in each year group to 270. Works will include a new three-storey teaching and dining block, two DT rooms, two ICT-rich classrooms, and nine general-use classrooms.

**Delivery Update:**

The contractor began work on site in October 2023 and have been progressing the build of Hethersett Academy's new teaching block. The building is well into the construction process with brickwork nearing completion. Various events have been held to celebrate the progress of the build, the most recent being a steel signing event which took place in early June 2024.

The project has faced some challenges since work commenced and delivery is now expected to complete in spring 2025, following which the new teaching block will go into immediate use by the school. The school has been taking additional pupils in the last two admission years in response to pressure from housing development in the village and this new facility will help accommodate the pupil increases.

## GP088 – Wymondham High Academy

**Category:** Education

**CIL Funding:** £5,000,000.00 [23-24 & 24-25 allocations]

**Total Budget:** £14,000,000.00

**Project Status:** Ongoing

**Project Description:**

This project will deliver an expansion at Wymondham High Academy, increasing capacity from 260 to 300 children in each year group, for a total of 1,500 pupils aged 11–16. The project will form the fourth phase of development at the school, helping to meet pupil demand from significant housing development in the town. Works will include a new gymnasium, Design and Technology block, including food technology and music curriculum space. In addition, works will be undertaken to address drainage and access issues on site.

**Delivery Update:**

A planning application to complete works on the Norwich Road entrance has been submitted and is awaiting a decision. The planning application for the main teaching block is due to be submitted in mid-October 2024.

Subject to planning approval, Norfolk County Council aims to procure a contractor early in the new year before commencing works on site in June 2025. Handover of the various elements are proposed to be staggered, with handover of the Multi-Use Games Area in November 2025, the West Block in August 2026 and the remaining areas in November 2026.

## GP095 – Hethersett to NRP Cycle Route

**Category:** Transport

**CIL Funding:** £501,015.00

**Total Budget:** £728,015.00

**Project Status:** Ongoing

**Project Description:**

This project will enable an off-carriageway, shared use cycling and walking path to be provided along the western side of Colney Lane from the junction of Braymeadow Lane to the bridge over the A47. This will enable the Pink Pedalway to be extended to Hethersett to link with the Blue Pedalway (the Pink Pedalway currently terminates at the Norfolk & Norwich University Hospital). These improvements will enhance walking and cycling provision, supporting strategic growth of Wymondham, Hethersett and the NRP.

**Delivery Update:**

The land agreement is still outstanding, with no date for resolution at this stage. In addition, third-party developer works have booked the road space until early 2025 with National Highways indicating Thickthorn junction works will start in January 2025 making the required diversion for traffic, for Colney Lane works difficult. As a result, the project is waiting to be programmed for delivery.

### GP100 – Plumstead Road Library

**Category:** Community

**CIL Funding:** £195,000.00

**Total Budget:** £260,391.00

**Project Status:** Ongoing

**Project Description:**

This project will deliver a 72m<sup>2</sup> extension to Plumstead Road Library, based in the east of Norwich. The extension will include an internal entrance, a multi-use space to accommodate 20 people, a kitchen area, and a disabled toilet. In addition to this, a disability access ramp will be installed to improve accessibility from the car park.

The open nature of the library limits what can be offered currently. Developing this new space will allow for events and activities to be made available to a broader range of individuals and community groups, in a location where community facilities are limited. Examples of groups that will be able to be offered include Audio Book Club, Autism Friendly Sessions, Bereavement and carer cafes, Come Singing at The Library, Digital Support, Family History Club, Home Educators Group, Homework Club, Lego Club for Adults, Meet the Author events, Mini Movers, Music Club, Poetry Group, Pokémon Club, Seated Exercise and Writing groups. The space will also allow the development of a wider range of partnerships with other organisations being able to use a purpose built, accessible room.

**Delivery Update:**

This project is underway and is being managed as part of the Future Ready Programme (FRP). The FRP is steered by Norfolk County Council's Corporate Property Team and includes a series of tranching projects intended to reduce carbon emissions through the introduction of improved insulation and low emission heating systems in the council estate.

The FRP commenced in March 2024 and the principal contractor was appointed in April 2024. Building work is due to commence at Plumstead Road Library in the New Year with completion currently planned for December 2025.



**Committee name:** Cabinet

**Committee date:** 05/02/2025

**Report title:** Interim transfer of health & safety responsibilities

**Portfolio:** Councillor Packer, Cabinet member for planning and regulatory services

**Report from:** Head of planning and regulatory services

**Wards:** All wards

### **Purpose**

To consider the interim transfer of health and safety responsibilities from the vacant Executive Director of Development and City Services post to the Executive Director for Resources and Executive Director of Communities and Housing until such time as the post is recruited to.

### **Recommendation:**

It is recommended that Cabinet approve the interim transfer of these responsibilities.

### **Policy framework**

The council has five corporate priorities, which are:

- A prosperous Norwich.
- A fairer Norwich.
- A climate responsive Norwich.
- A future-proof Norwich.
- An open and modern council.

This report meets the A prosperous Norwich and A fairer Norwich corporate priorities.

This report helps to meet the requirements of the adopted Corporate Health and Safety policy of the Council

### **Report details**

#### **Introduction**

1. The Council's Health & Safety Policy identifies the responsibilities for managing

health and safety across the council and all council activities. In addition to responsibilities held by all employed workers, there are some specific responsibilities held by key post holders, specifically those in senior positions.

2. Until the postholder's departure in September 2024, the overall management of health & safety was monitored and overseen on behalf of the Chief Executive, by the Executive Director for Development and City Services.
3. There is now a requirement to transfer those corporate health & safety responsibilities previously held by this post to other posts until such time as a new postholder is recruited.
4. It is proposed that the Executive Director for Resources and Executive Director of Communities and Housing Services assume these responsibilities, until such time as the vacant Executive Director for Development & City Services post has been filled and the incumbent is ready to assume these responsibilities.
5. The position of Chair for the Health & Safety Board has been formally passed, via the Chief Executive, to the Executive Director for Resources, who will stand as the executive lead for health and safety across the Council.
6. The remaining responsibilities, as defined in the Health and Safety Policy, will be split between the Executive Director of Resources and Executive Director of Communities and Housing as follows:

**7. Executive Director of Resources**

a - ensuring that regular reports are prepared on the council's agreed targets for reducing the number of injuries at work and the incidence of work-related injuries,

b - appointing one or more competent persons to provide guidance and advice on health and safety matters,

c - ensuring that the council's health and safety policy, performance standards and procedures are reviewed as required,

d - chairing the health and safety board meetings,

**8. Executive Director of Communities and Housing**

e - ensuring that strategic management of building safety takes place across the Council's portfolio of commercial and operational properties,

f - ensuring that there are sufficient employees and financial resources in place to maintain effective management of health and safety across all Council owned commercial buildings,

g - ensuring that services delivering the waste contract, street cleansing contract and the Council's responsibilities for trees and park and open spaces are run safely, and within the legislative requirements for health & safety management,

h - ensuring that play areas are inspected at programmed intervals by competent persons.



9. In addition, previously associated responsibilities, as identified in the Policy and held by the corporate health & safety team, to manage the investigation of all incidents and accidents reportable to the HSE and other incidents/accidents, as agreed with the Executive Director of Development and City Services, will now be referred to and investigated in agreement with the Executive Director for Resources.
10. The existing corporate health & safety team responsibility for monitoring the implementation of any recommendations from health and safety audits, within the specified timescale and raising any likely failures to achieve the improvements, will be raised with the Head of Planning and Regulatory Services, Health and Safety Board and the Executive Director of Resources instead of the Executive Director of Development & City Services.

## **Implications**

### **Financial and resources**

11. Any decision to reduce or increase resources or alternatively increase income must be made within the context of the council's stated priorities, as set out in its community-led plan "We are Norwich" and budget.
12. There are no proposals in this report that would reduce or increase resources or income.

### **Statutory considerations**

<b>Consideration</b>	<b>Details of any implications and proposed measures to address:</b>
Equality and diversity	No Equality Impact Assessment is necessary. There is no impact or effect on any person based on their protected characteristics, because of the delegated responsibilities identified in this report.
Health, social and economic impact	There is no health, social or economic impact.
Crime and disorder	There is no crime or disorder impact.
Children and adults safeguarding	There is no Children or Adult Safeguarding impact.
Environmental impact	There is no Environmental impact, based on these delegated responsibilities.

## Risk management

Risk	Consequence	Controls required
Compliance and Legal	Failure to appoint suitable lead for oversight of health & safety, resulting in health & safety across NCC being unmanaged with no strategic direction to drive positive safety culture.	<p>Suitable leads identified.</p> <p>Adoption of this interim transfer of responsibility will ensure strategic leadership to drive safety culture.</p> <p>Senior Management awareness and monitoring of health &amp; safety across the organisation, ensuring effective strategic oversight.</p> <p>Health &amp; Safety is seen to be led from the top, helping to drive forward a positive safety culture.</p>

## Other options considered

13. An alternative option, would be to do nothing and leave the policy as written; these specific responsibilities would remain delegated to a vacant post meaning there would be no designated oversight of Corporate Health & Safety across Norwich City Council.

Accountability for Health & Safety would however remain with the Chief Executive Officer by default.

## Reasons for the decision/recommendation

14. Cabinet is recommended to approve the interim transfer of the health and safety responsibilities of the vacant post of Executive Director of Development and City Services to the Executive Director of Resources and Executive Director of Housing and Communities to ensure comprehensive oversight of the management of health & safety across the organisation.
15. Clear roles and responsibilities support a positive safety culture.
16. Strategic monitoring and oversight of health & safety management ensures compliance with legislative requirements and a safe and supportive environment of work for workers and visitors.

**Background papers: None**

**Appendices:**

Appendix 1 – Addendum identifying revisions to Corporate Health & Safety Policy

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## Appendix 1

## Addendum to Health and Safety Policy October 2024

Page	Current Text	Reason for change	Change to
Title Page	Executive Director for Development and City Services	Post Vacant	Chief Executive Officer
Page 11	Executive Director of Community Services	Post Title Change	Executive Director of Communities and Housing
Page 12	Executive Director of Corporate and Commercial Services	Post Title Change	Executive Director of Resources
Page 11	<p><b>Responsibilities</b></p> <p>Executive Director for Development and City Services</p> <p>Responsibilities a – h listed in the Health and Safety Policy</p>	Post Vacant	<p><b>Responsibilities</b></p> <p>In the absence of the Executive Director for Development and City Services, the Executive Director of Resources will act as the Executive Lead for health and safety at the Council.</p> <p>In the absence of the Executive Director for Development and City Services, their defined responsibilities in the Health and Safety Policy will be split between the <b>Executive Director of Resources</b> and <b>Executive Director of Communities and Housing</b> as follows:</p> <p><b>Executive Director of Resources</b></p> <p>a - ensuring that regular reports are prepared on the council's agreed targets for reducing the number of injuries at work and the incidence of work-related injuries,</p> <p>b - appointing one or more competent persons to provide guidance and advice on health and safety matters,</p> <p>e - ensuring that the council's health and safety policy, performance standards and procedures are reviewed as required,</p> <p>f - chairing the health and safety board meetings,</p> <p><b>Executive Director of Communities and Housing</b></p> <p>c - ensuring that strategic management of building safety takes place</p>

			<p>across the Council's portfolio of commercial and operational properties,</p> <p>d - ensuring that there are sufficient employees and financial resources in place to maintain effective management of health and safety across all Council owned commercial buildings,</p> <p>g - ensuring that services delivering the waste contract, street cleansing contract and the Council's responsibilities for trees and park and open spaces are run safely, and within the legislative requirements for health &amp; safety management,</p> <p>h - ensuring that play areas are inspected at programmed intervals by competent persons.</p>
Page 13	<p>Corporate Health and Safety Advice Team are responsible for:</p> <p>b - managing the investigation of all incidents and accidents reportable to the HSE and other incidents/accidents as agreed with the Executive Director of Development and City Services,</p>		<p>Corporate Health and Safety Advice Team are responsible for:</p> <p>b - managing the investigation of all incidents and accidents reportable to the HSE and other incidents/accidents as agreed with the <b>Executive Director of Resources</b></p>
Page 13	<p>e - monitoring the implementation of any recommendations from health and safety audits, within the specified timescale and raising any likely failures, to achieve the improvements with the Head of Planning and Regulatory Services, Health and Safety Board and Executive Director of Development and City Services,</p>		<p>e - monitoring the implementation of any recommendations from health and safety audits, within the specified timescale and raising any likely failures, to achieve the improvements with the Head of Planning and Regulatory Services, Health and Safety Board and <b>Executive Director of Resources.</b></p>



**Committee Name:** Cabinet

**Committee Date:** 5 February 2025

**Report Title:** HMO Licensing Policy

**Portfolio:** Councillor Jones – Cabinet member for housing

**Report from:** Executive Director of Resources

**Wards:** All Wards

## **OPEN PUBLIC ITEM**

### **Purpose**

For members to consider the draft HMO Licensing Policy in respect of Houses of Multiple Occupation (HMOs) licensed under the Housing Act 2004 and to agree a public consultation.

### **Recommendation:**

That Cabinet agree to on the draft HMO Licensing Policy.

### **Policy framework**

The council has five corporate priorities, which are:

- A prosperous Norwich.
- A fairer Norwich.
- A climate responsive Norwich.
- A future-proof Norwich.
- An open and modern council.

This report meets the prosperous Norwich, the fairer Norwich and an open and modern council priorities.

### **Report details**

1. A House in Multiple Occupation is commonly referred to as an HMO. There are indicator datasets showing there are about 4,212 total unique HMO addresses in Norwich, but only certain properties are required to be licensed under the national mandatory scheme.
2. An HMO is defined under sections 254 and 257 of the Housing Act 2004. An HMO can be a building or part of a building if it is:
  - a) occupied by persons who form more than one household and where those persons share (or lack) one or more basic amenity, such as a toilet, bathroom and cooking facilities

- b) a converted building containing one or more units of accommodation that do not consist entirely of self-contained flats. (There is no requirement that the occupiers share facilities).
  - c) a converted building consisting entirely of self-contained flats, where the building work undertaken in connection with the conversion did not comply with the 1991 Building Regulations and more than one third of the flats are occupied under short tenancies.
- 3. The Housing Act 2004 requires mandatory licensing of properties fitting certain criteria. The legislation also provides for 'additional' and 'selective' licensing, where local housing authorities may adopt other locally defined criteria for properties required to be licensed. Norwich does not operate any additional or selective licensing, only the mandatory scheme.

### **Which properties require licensing?**

- 4. Part 2 of the Housing Act 2004 requires Norwich City Council as the local housing authority, to license certain HMOs in the private rented sector. Licensing was introduced in April 2006.
- 5. This was in response to growing national concern regarding the condition and management of the private rented sector, particularly larger HMOs. Those with 5 or more occupants and based over 3 or more floors were required to be licensed under the mandatory scheme.
- 6. In October 2018, the definition of an HMO requiring a licence was extended by the Secretary of State to include all HMOs with 5 or more occupants, irrespective of the number of floors of the property.
- 7. Licensing is intended to make sure that:
  - a) A 'fit and proper' person manages HMOs.
  - b) each HMO is suitable for the number occupants living in the building.
  - c) the management of the HMO (including repairs, amenities, health and safety) is satisfactory.
  - d) high risk HMOs can be identified and targeted for improvement.
- 8. There is no specific requirement under the legislation for a local authority to adopt a specific policy on its approach to HMO licensing, however it is considered good practice to do so to enable the council to:
  - a) Set out its approach for the benefit of operators.
  - b) Guide and reassure the public and other public authorities.
  - c) Ensure transparency.
  - d) Ensure consistency.
- 9. Norwich City Council has published a significant amount of information regarding HMO Licensing on the council's website and has an existing HMO Licensing Policy in place which can be found here:  
[https://www.norwich.gov.uk/download/downloads/id/8346/hmo\\_licensing\\_policy.pdf](https://www.norwich.gov.uk/download/downloads/id/8346/hmo_licensing_policy.pdf)
- 10. A new draft policy has been prepared and is attached at Appendix A for members to consider. This report seeks authorisation for this draft policy to



form the basis of public consultation.

11. Once adopted a policy would normally be in force for a period of 5 years but may be reviewed at any time during that period.

### **What is different in the proposed policy?**

12. The draft policy has updated the current practices of HMO Licensing administration and inspection of properties to align more closely with both. The policy also outlines, in more detail, the requirements of applicants to provide the Council with the information it needs to deliver its statutory functions and provide a safe environment for occupiers to live in.
13. Section 3 (Legislation) of the existing policy has been replaced by a new table for ease of reference.
14. Sections 4 and 5 (consultation and adoption and interaction with other policies) of the existing policy have been deleted. They are not required in the policy and are considered to add little value. Elements of section 5 are covered in the Equality Impact Assessment (EQiA) appended to this report at Appendix B.
15. There are new sections (sections 5 and 6) which set out HMO Licence requirements in 2 distinct parts: what is necessary and what is desirable to support an application. This makes it clearer for applicant(s) to understand and adds detail where necessary.
16. Details in the fees section (in section 4) has been made clearer, particular about staged payments and when these are due.
17. A dedicated section on the fit and proper person test has been added (section 7) to aid the understanding of the applicant(s) around how the council will assess this.
18. The section on issuing a licence has removed the need for inspections for new HMO's, prior to a licence being issued. Instead, a new risk-based approach to licensing is set out. This is due to resource implications and is considered better to direct resource to high-risk properties rather than all those seeking a new application.
19. The revised policy also removes the 1-year and 3-year licence options. This has been replaced by a recognition that the existing law allows licences to be granted only for up to 5 years but does not express any requirements about licence length beyond this. The previous approach did not address administrative burdens, and junior officers were making decisions on licence length, not based on risk.
20. Details on the statutory powers to revoke and vary licences has also been included.

### **Term of licence**

21. The Housing Act 2004 allows for licences to be granted for up to 5 years.

## **Consultation**

22. The legislation does not provide for any statutory consultees that must be consulted on any proposed policy. It is proposed to consult as follows:

- An open consultation via the Council website
- Existing licence holders
- Trade organisations
- Persons who appear to the authority to represent the interests of persons operating Houses of Multiple Occupation
- Persons who appear to the authority to represent the interests of persons likely to be affected by the exercise of the authorities licensing functions under the Housing Act 2004

23. The portfolio holder has been consulted and briefed on the draft policy via portfolio holder briefings with the Head of Planning and Regulatory Services.

24. Consultation will be undertaken via Norwich City Council's website and via Get Talking Norwich and directly with those identified in bullets 2-5 above.

25. The public consultation would run for 6 weeks, provisionally from 10 February 2025 following agreement to the consultation from Cabinet.

## **Summary**

26. The latest draft policy is attached at Appendix A following a meeting of the Regulatory Committee prior to consultation. Following formal consultation, the draft policy will be amended (or not) as appropriate, in response to representations and will return to Regulatory committee for final approval before being formally adopted by the Council at Full Council.

27. The draft policy seeks to re-focus our activities regarding HMOs on improving and driving up housing standards, whilst also reducing administrative tasks.

28. Following formal adoption, the policy will remain in force for a five-year period after which it should be reviewed and formally adopted for a further five-year period, thereafter. However, the Council will reserve the right to review the policy sooner should it be required, or make such revisions to their policy, at such times as considered appropriate, following a further consultation exercise.

## **Implications**

### **Financial and Resources**

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

30. Licensing administration and inspection of licensed HMO's should be cost neutral to the Licensing Authority. The licence fee charged may only cover the cost to the authority of providing the function - i.e., the fee must be set to cover

the costs only and not to make a profit.

31. Any extra resource required to administer the policy if implemented, would be funded by a review of the licence fees to ensure the continued cost neutrality.

#### Legal

32. There is no legal requirement to adopt a policy, but it is considered good practice to do so, as detailed in para. 8

<b>Consideration</b>	<b>Details of any implications and proposed measures to address:</b>
Equality and diversity	An equality and diversity impact assessment of the policy will be undertaken after the proposed consultation and any amendments applied to the policy, prior to further consideration by members.
Health, social and economic impact	<p>The statutory requirement to licence certain HMO's is intended to ensure that certain Housing standards are met in the private rented sector, particularly in relation to health, welfare and wellbeing of the occupants.</p> <p>Implementation of a policy on administration and inspection of licensed properties will underpin this requirement and ensure standards are maintained.</p>
Crime and disorder	Implementation of a policy in relation to HMO administration and inspection of licensed properties is not considered to have any implications for crime and disorder, but this will be reviewed more fully following the proposed consultation with stakeholders, including the Community Safety Partnership.
Children and adults safeguarding	<p>The statutory requirement to licence certain HMO's is intended to ensure that certain housing standards are met in the private rented sector, particularly in relation to health, welfare and wellbeing of the occupants, including adults and children.</p> <p>Implementation of a policy on administration and inspection of licensed properties will underpin this requirement and ensure standards are maintained as per the Safeguarding Policy statement.</p>

<b>Consideration</b>	<b>Details of any implications and proposed measures to address:</b>
Environmental impact	Implementation of a policy in relation to HMO administration and inspection of licensed properties will contribute on the environmental impact, but this will be reviewed more fully following the proposed consultation with stakeholders.

### **Risk management**

<b>Risk</b>	<b>Consequence</b>	<b>Controls required</b>
If a policy is not implemented the Licensing Authority is not able to set out its approach to fulfilment of its statutory licensing function.	Failing to deliver a statutory service can place the Council at risk of a section 5 report needing to be issued by the monitoring officer when they believe that a proposal, decision or omission by the authority has, or is likely to, break the law.	Inconsistency in approach to administering the licensing regime, confusion with stakeholders regarding their expectations, leading to dispute from applicants and costly tribunal appeals and other damaging litigation/reputational risk

### **Other Options Considered**

33. As previously outlined in the report the policy has updated the current practices of HMO Licensing administration and inspection of properties to align more closely with both. By outlining, in more detail, the requirements of applicants to provide the Council with information to deliver its statutory functions, drive up standards in HMO's making them fit and proper for their use and to ensure that licence applicants have all the details needed to comply with their own legal responsibilities.

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

34. Adoption of a policy on administration of this licensing regime is considered good practice for the reasons set out in the report. To ensure robust policy setting, it is imperative to consider the opinions of all stakeholders, and the recommendation is for members to authorise the public consultation of this draft policy. This will enable relevant opinions to be gathered and ensure a more informed policy to be presented to members after the consultation.

### **Background papers:**

#### **Appendices:**

Appendix A – HMO Policy Draft for Consultation  
Appendix B – Equality Impact Assessment

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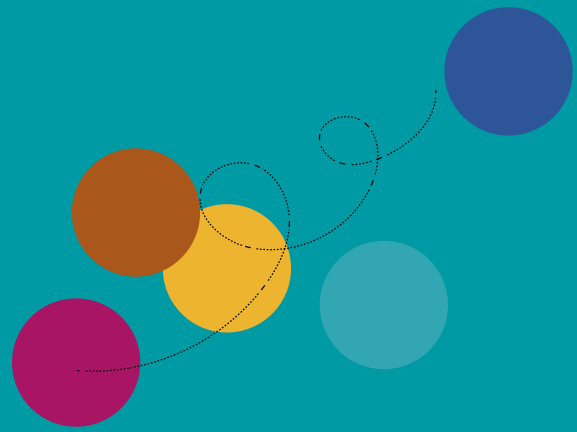
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**NORWICH**  
City Council



# Houses in Multiple Occupation (HMO)

**Private Sector Housing**



Title **Houses in Multiple Occupation (HMO) - Private Sector Housing.**

Owner **Sarah Ashurst. Head of Planning and Regulatory Services**

Approval level **Cabinet**

Version **2.0**

Adopted date

Review period

Review date

Relevant legislation or regulation

- **Part 2 of the Housing Act: Section 55 and (5)(c) and (6), Section 63 (3) and (7), Section 67 (5).**
- **The Licensing and Management of Houses in Multiple Occupation and Other Houses (Miscellaneous Provisions) (Amendment) (England) Regulations 2012.**
- **Section 16 of the Housing and Planning Act 2016.**
- **Section 4 Licensing of Houses in Multiple Occupation (Prescribed Description) (England) Order 2018.**
- **The Regulatory Reform (Fire Safety) Order 2005.**
- **The Fire Safety (England) Regulations 2022.**

Version control			
Date	Version number	Reason	Author
<b>3.10.2024</b>	1.01	Small content and consistency changes	Phil Stacey
<b>28.10.2024</b>	1.02	Amendment to delete paragraph 19.2 relating to floor plan	Phil Stacey
<b>05.12.24</b>	1.03	Amendments to paragraphs 15.8,15.9 and 15.10 to correct grammar and content	Phil Stacey
<b>09.12.24</b>	1.04	Revision to address of First Tier Tribunal	Phil Stacey
<b>09.12.24</b>	2.0	Reordered	Sarah Ashurst
<b>06.01.25</b>	2.01	Textual amendments	Phil Stacey
<b>16.01.25</b>	2.02	Textual amendments	Phil Stacey



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# 1. Introduction

1.1. Under Part 2 of the Housing Act 2004 there are two types of licensing schemes that relate to Houses in Multiple Occupation (HMOs), the national Mandatory HMO Licensing scheme and Additional Licensing of HMOs.

1.2. Under the national Mandatory HMO Licensing scheme all properties that meet the following criteria will require a mandatory HMO licence, which is defined in section 4 Licensing of Houses in Multiple Occupation (Prescribed Description) (England) Order 2018:

- Is occupied by five or more persons.
- Is occupied by persons living in two or more separate households; and meets:
- the standard test under section 254(2) of the Act (Housing Act 2004)
  - a) it consists of one or more units of living accommodation not consisting of a self-contained flat or flats.
  - b) the living accommodation is occupied by persons who do not form a single household (see section 258).
  - c) the living accommodation is occupied by those persons as their only or main residence, or they are to be treated as so occupying it (see section 259).
  - d) their occupation of the living accommodation constitutes the only use of that accommodation.
  - e) rents are payable or other consideration is to be provided in respect of at least one of those persons' occupation of the living accommodation; and
  - f) two or more of the households who occupy the living accommodation share one or more basic amenities, or the living accommodation is lacking in one or more basic amenities.

or

- the self-contained flat test under section 254(3) of the Act (Housing Act 2004) but is not a purpose-built flat situated in a block comprising three or more self-contained flats:
  - a) it consists of a self-contained flat; and
  - b) paragraphs (b) to (f) of subsection (2) apply (reading references to the living accommodation concerned as references to the flat).

or

- the converted building test under section 254(4) of the Act (Housing Act 2004).
  - a) it is a converted building.
  - b) it contains one or more units of living accommodation that do not consist of a self-contained flat or flats (whether it also contains any such flat or flats).
  - c) the living accommodation is occupied by persons who do not form a single household (see section 258).



d) the living accommodation is occupied by those persons as their only or main residence, or they are to be treated as so occupying it (see section 259).

e) their occupation of the living accommodation constitutes the only use of that accommodation; and

f) rents are payable, or other consideration is to be provided in respect of at least one of those persons' occupation of the living accommodation.

1.3. Additional licensing of HMOs covers those HMOs that are not licensed under the mandatory scheme but where the council has used its power to designate areas of the city subject to additional licensing of HMOs.

1.4. This document sets out the structure of the scheme and the requirements that licence holders must meet, the fees, charges, and criteria the council will apply to all licences in relation to the Mandatory HMO Licensing schemes.

## 2. Relevant Legislation

Is my Property an HMO?	Housing Act 2004 section and schedule numbers
<b>It will be an HMO if it is one of the following:</b>	
A shared house lived in by people who belong to more than one family* and who share one or more facilities**.	s254(2) (The 'standard test')
A house in bedsits lived in by people who belong to more than one family and who share one or more facilities.	s254(2) (The 'standard test')
A converted building	s254(4) (The 'converted building test')
An individual flat lived in by people who belong to more than one family and who share one or more facilities.	s254(3) (The 'self-contained flat test')
A building of converted self-contained flats that do not meet 1991 Building Regulation standards.  Exemptions... <ul style="list-style-type: none"><li>• If only two people occupy it.</li><li>• If the owner occupies it – and their family if any – and one or two lodgers.</li></ul>	s257



<ul style="list-style-type: none"><li>• If a religious community occupies it.</li><li>• If the occupiers have their main residence elsewhere***.</li><li>• If no one in the property is required to pay rent.</li><li>• If the owner or manager is a public body.</li><li>• If the owner or manager is an educational institution.</li><li>• A building of self-contained flats if two thirds or more of the flats are owner-occupied.</li><li>• If the property is part of a guest house or hotel – unless an ‘HMO declaration’ is made.</li></ul>	Sch 14,7  Sch 14, 6(c)   Sch 14,5   s259  s254(2)(e)  Sch 14, 2  Sch 14,4  s257(2)(b)   s254(2)(d) (s255(1))
Some of these HMOs must have a Licence – Which ones?	
<p>A house or flat that meets the definition of an HMO which must have a licence if.</p> <p>a) it is an HMO – see definition of HMO above, and</p> <p>b) it is occupied by five people or more.</p> <p>Exemptions:</p> <ul style="list-style-type: none"><li>• If the whole property is a purpose-built block of three or more self-contained flats only.</li></ul>	Regulations made under s55



<ul style="list-style-type: none"><li>HMOs managed by The Local Housing Authority, a Registered Housing Provider, the Police, the Fire and Rescue Authority and the National Health Service</li></ul>	
<b>*Family</b> – husband, wife, co-habitee, child, stepchild, foster-child, grandchild, parent, step-parent, foster-parent, grandparent, brother, half-brother, sister, half-sister, aunt, uncle, niece, nephew, cousin.	s258
<b>** Facilities</b> – basic amenities: wc; wash hand basin, shower, bath; cooking facilities.	s254(8)
<b>*** Accommodation</b> used by full-time students while they are studying is taken to be their main residence.	s259(2)(a)



### 3. HMO licensing in Norwich

3.1. The council has a responsibility under Section 55 of the Housing Act 2004 to secure the licensing of all mandatory HMOs and has been implementing its scheme in response to this duty since 2006.

3.2. The council does not currently undertake any additional licensing but reserves the right to consider implementation of a scheme of additional licensing at any point in the future. This would be subject to further consultation.

3.3. The HMO Licensing scheme in operation in Norwich therefore covers only mandatory licensable HMOs and all licence applications are to be accompanied with a fee determined by the council. Once a licence is issued it is not transferable to another person or property.

3.4. The council has exercised its powers to charge under Section 63(3) and (7) of the Housing Act 2004 and does so considering the Provision of Services Regulations 2009, which themselves implement the EU Services Directive.

3.5. Under Part 2 of the Housing Act 2004, an HMO is required to be licensed unless:

- a temporary exemption notice is in force in relation to it under section 62, or
- an interim or final management order is in force in relation to it under Chapter 1 of Part 4.

3.6. The council must take all reasonable steps to ensure that applications for licences are made to them in respect of HMOs in their area which are required to be licensed under this Part but are not.

3.7 All communications, including legal matters, will be handled via email unless you specify otherwise. Applications must be made via digital means and in a format set out by the Council. Where this is not possible, alternate ways of applying can be considered on a case-by-case basis.

### 4. HMO Licence Requirements

#### Licence Fees

4.1 Section 63 of the Housing Act 2004 permits the council to require any application for a licence under Part 2 to be accompanied by a licence fee and that this fee may properly cover all costs incurred by the council in carrying out its functions.

4.2 Norwich City Councils fee structure follows the Provision of Services Regulations 2009 and is applied to property licensing fees and the processes involved in implementing and delivering such schemes.

4.3 By law, Norwich City Council is not allowed to make a surplus from the licensing of HMOs, but we are able to recoup the cost of running the scheme through a licence fee. These costs include:

- time spent administering the scheme, including processing applications, serving formal notices, and taking payments.
- inspecting licensed HMOs to ensure that they are free from hazards.
- maintaining IT systems.
- identifying HMOs that should be licensed but are not.

- 
- any additions in accordance with guidance set out at:  
<https://www.local.gov.uk/publications/lga-guidance-locally-set-licensing-fees>

4.4 Once the application form is completed and all checks are concluded by the Council, the Licence Issue Fee (payable within 14 days following receipt of the 'Notice of Intention to Grant a License') should be made— This element of the fee covers the costs of issuing the licence, as well as operating and enforcing the HMO licensing scheme. Failure to make this payment will leave the property unlicensed and likely to result in enforcement action. For the purposes of this policy, this payment will be classed as a **Stage 1 payment**.

4.5 You will have an opportunity to make any representations, which we will consider.

4.6 We will then grant your HMO licence (known as the decision notice). Again, copies will be sent to all interested parties. You must then pay the final fee. For the purposes of this policy, this payment will be classed as a **Stage 2 payment**.

4.7. If you are still unhappy with any conditions, you will have an opportunity to appeal to the first-tier property tribunal.

HM Courts & Tribunals Service (Eastern Region)

First-tier Tribunal (Property Chamber) Residential Property,  
Cambridge County Court,  
197 East Road, Cambridge,  
CB1 1BA

Telephone: 01223 841 524

Fax: 01264 785 129

Email address: [RPEastern@justice.gov.uk](mailto:RPEastern@justice.gov.uk)

More information can be found at <http://www.justice.gov.uk/tribunals/residential-property> where it is also possible to download the appropriate forms.

4.8 Norwich City Council has adopted the two-stage approach. Fees and charges will be reviewed and set on an annual basis by the head of planning and regulatory services and will be published on the council's website.

4.9 Section 67 (5) of the Housing Act 2004 states that a licence may not include conditions imposing restrictions or obligations on a particular person (other than the licence holder) unless that person has consented to the imposition of the restrictions or obligation.

## Refunds

4.10. In addition, the council will attach a condition to all HMO licences requiring this Stage 2 payment to be made.

4.11. Failure to make the Stage 2 payment will result in the council acting through, either the revocation or refusal of the licence or by enforcing the non-compliance of the licence condition associated with the making of the Stage 2 payment.

4.12. The licence fees include the average costs of administering applications and inspection of the HMO before a licence is issued and/or during the period of the licence, where applicable. If hazards, management failures or failures to comply with any licence



conditions are identified during the licensing inspection the cost of any follow-up work by the council will not be included in the licence fee. This is because there are other ways for us to recover our costs directly from the landlord of a non-compliant HMO, without passing that cost to all licence holders.

4.13. The fees charged at stage 1 and stage 2 are designed to reflect the council's costs in administering the licence application process, including property inspections. Under some circumstances a refund of monies amounting to the costs not yet incurred by the council may be appropriate. Further details will be included in the council's published fees and charges for HMO licensing.

## 5. Information you must supply:

### Gas safety

5.1 If gas is supplied to the house, the licence holder must ensure that the Gas Safety (Installation and Use) Regulations 1998, or any Regulations which subsequently replace these, are complied with.

5.2 The licence holder must ensure that an annual safety check is carried out by a Gas Safe registered engineer on each gas appliance/flue in the house.

5.3 The licence holder must annually produce to the Council, for its inspection, a gas safety certificate obtained in respect of the house and produce on demand, said document within 14 days.

### Safety of electrical appliances

5.4 The licence holder must ensure that the Electrical Equipment (Safety) Regulations 1994, or any Regulations which subsequently replace these, are complied with.

5.5 The licence holder must ensure that electrical appliances made available in the house by them are always kept in a safe condition and proper working order.

5.6 The licence holder must ensure that all electrical appliances made available in the house by them are inspected visually for defects, such as frayed wiring, badly fitting plugs and so on, at the beginning of each occupancy, regularly thereafter and in any event every two years.

5.7 Subject to (5.5) above, the licence holder must ensure that earthed electrical equipment (class 1) and the associated leads and plugs made available to them are tested at least every five years (more often if deemed necessary by a risk assessment undertaken by the licence holder) and produce on demand, said document within 14 days..

5.8 The licence holder must ensure that portable earthed electrical equipment (class 1) and the associated leads and plugs made available by them are tested at least every two years and produce on demand, said document within 14 days..

5.9 This testing must be undertaken by a person who is competent in the use of the testing equipment and who has the appropriate electrical knowledge and training (i.e. a competent electrician or competent other person in possession of a City and Guilds Certificate 2377).

5.10 The licence holder must ensure that as soon as any electrical appliance is identified as being unsafe, it must be removed from the house immediately.

5.11 The licence holder must ensure that a record of inspections and tests is maintained.

## Houses in Multiple Occupation (HMO) - Private Sector Housing.



5.12 The licence holder must submit to the Council the record of inspections and tests within 14 days of the Council's demand.

### Smoke & Carbon Monoxide Alarms

5.13 The licence holder must always ensure that a suitable fire detection system designed in accordance with BS 5839-6:2004, or any British Standard which subsequently replaces this, is installed in the house, and is maintained in proper working order.

5.14 The licence holder must ensure that the fire alarm system in the house is inspected tested and serviced in accordance with BS 5839 – part 1:2002, sections 6 and 7, or any British Standard which subsequently replaces this. In particular – where relevant – the following must be carried out:

- every six months checks on the system must be carried out in accordance with clause 45.3 of the above-mentioned BS 5839
- every 12 months checks on the system must be carried out in accordance with clause 45.4 of the above-mentioned BS 5839
- where provided independent smoke alarms must be cleaned periodically in accordance with supplier's instructions.

5.15 Throughout the period of the licence, inspection, and servicing certificates in the format recommended by BS 5839 – part 1:2002 (Annex G 6) must be submitted to the Council within 14 days of its demand.

5.16 The above-mentioned checks must be carried out by a competent person who is familiar with all British Standards relating to automatic fire detection systems, who regularly inspects automatic fire detection systems, who is qualified to inspect automatic fire detection systems and whose work is subject to regular assessment. The NICEIC, the ECA and NAPIT claim to regularly assess the competency of their contractors.

5.17 The licence holder must supply and install a carbon monoxide alarm in any room (room includes hall or landing, bathrooms, and WC compartments) of the premises which is used wholly or partly as living accommodation.

5.18 The licence holder must keep any such carbon monoxide alarm(s) in proper working order.

5.19 The Licence holder must ensure that checks are made by them or on behalf of them to ensure that each smoke and carbon monoxide alarm is in proper working order on the day the tenancy begins if it is a new tenancy.

5.20 The licence holder must supply to the Council on demand within 14 days, a declaration as to the condition and position of any smoke alarms and/or carbon monoxide alarms in the property.

### Emergency Escape Lighting

5.21 The licence holder must ensure that the escape lighting in the house is inspected, tested, and serviced generally in accordance with clause 12 of BS 5266 – 1: 2005, or any British Standard which subsequently replaces this. The following must be carried out:

- every six months checks on the system must be carried out in accordance with clause 12.4.4 of the above-mentioned BS 5266





- every three years checks on the system must be carried out in accordance with clause 12.4.5 of the above-mentioned BS 5266
- for self-contained luminaires with sealed batteries, after the first three yearly test, the three yearly tests must be carried out annually in accordance with clause 12.4.6 of the above-mentioned BS 5266.

5.22 Throughout the period of the licence, periodic and test certificates in the format recommended by BS 5266 – part 1: 2005 (Annex C) must be submitted to the Council within 14 days of the demand.

5.23 The above-mentioned checks must be carried out by a competent person who is familiar with all British Standards relating to emergency escape lighting systems, who regularly inspects emergency escape lighting systems, who is qualified to inspect emergency escape lighting systems and whose work is subject to regular assessment. The NICEIC, the ECA and NAPIT claim to regularly assess the competency of their contractors.

### Safety of Electrical Installations

5.24 The licence holder must ensure that the electrical installation in the house is always kept safe and in proper working order.

5.25 The licence holder must ensure that an inspection of the electrical installation in the house is undertaken in accordance with BS 7671, or any British Standard which subsequently replaces this, at intervals of no more than five years or lesser period if indicated on the previous periodic inspection report.

5.26 The licence holder must supply to the Council the latest electrical installation condition report (EICR) in the format recommended in BS 7671. within 14 days of the Council's demand

5.27 The licence holder must ensure that this report is issued by a competent person who regularly inspects domestic electrical installation systems, who is qualified to inspect domestic electrical installation systems and whose work is subject to regular assessment. The NICEIC, the ECA and NAPIT claim to regularly assess the competency of their contractors.

### Storage and Disposal of Refuse

5.28 The licence holder must comply with Norwich City Councils waste collection scheme(s) relating to the storage, collection and disposal of waste arising from the HMO.

5.29 The licence holder must apply for, fund, and maintain a 'Trade Waste Agreement' as directed by Norwich City Council for the disposal of waste arising from the HMO.

### Legionella

5.30 The licence holder must provide the Council a current, valid legionella test certificate within 14 days of the Council's demand.

### Fire Evacuation plan

5.31 The Regulatory Reform (Fire Safety) Order 2005 sets out the legal requirements required for fire safety in the communal areas of houses in multiple occupation, maisonettes, and blocks of flats.



5.32 For all qualifying properties, there must be a responsible person for ensuring compliance. This is normally the landlord or the managing agent.

5.33 The Fire Safety (England) Regulations 2022 state that the responsible person must:

- Carry out a fire risk assessment.
- Provide fire safety information to tenants.
- Display fire safety instructions on fire doors within the property.

5.34 Regulation 9 requires the licence holder to install prominent fire safety instructions wherever the regulations apply within the property including communal areas. The instructions must contain guidance on how to evacuate the property, how to report the fire to the Fire and Rescue Service and any other relevant instructions.

5.35 Regulation 10 covers fire doors. the licence holder must tell all tenants that:

- All fire doors must be closed when not being used.
- They are forbidden from tampering with self-closing devices attached to fire doors.
- They must report any damages or faults to a fire door to the responsible person.
- The licence holder needs to inform residents in the same way as with Regulation 9- A modified version of this regulation covers buildings over eleven metres in height.

## Floor Plan

5.36 The licence holder must provide the Council a plan showing existing layout of the HMO and how the rooms are used by providing a floor plan.

5.37 Items that **MUST** be included on your floorplan (your application will be invalid without the following information):

- Address of property///
- Floor level i.e. ground, first, second.
- All rooms along with their use i.e. kitchen, bedroom, WC.
- Location of stairs.
- All fire precautions currently within the property- fire blanket, fire extinguishers, alarm points, heat and smoke detectors, carbon monoxide detectors, fire doors. egress windows.
- Size of rooms (m2), not including hallways, WCs, and bathrooms.
- Number of occupants per bedroom.

## 6. Information it is helpful for you to supply:

### Furniture and Furnishings (Fire Safety)

6.1 The licence holder must ensure that the Furniture and Furnishings (Fire Safety) Regulations 1988, or any Regulations which subsequently replace these, in respect of any upholstered furniture supplied by them, including chairs, sofas, children's furniture, beds, upholstered headboards, mattresses, scatter cushions, seat pads, pillows and upholstered garden furniture are complied with.

6.2 The licence holder must ensure that the furniture made available by them is always kept in a safe condition.



6.3 The licence holder must supply to the Council a declaration as to the safety of such furniture. within 14 days of the Council's demand

### Energy Performance Certificates

6.4 The licence holder must supply to the occupiers and the council a copy of an energy performance certificate (EPC) within 14 days of the Council's demand – current regulations expect this to be a minimum 'E' or above.

### Written Agreements

6.5 The Licence Holder must provide any new occupiers of the house with a written statement of terms on which they occupy it in writing prior to the commencement of any occupancy agreement. The licence holder must retain the written statements of terms and evidence of providing the written statement of terms to the occupant throughout the occupiers' period of occupation and for a minimum of five months after the occupation has ceased.

6.6 The Licence Holder must provide the Council with the written statement of terms and evidence of the provision to the occupant within 14 days on demand

## 7. How the Council assesses 'fit and proper' and your responsibilities

### Fit and Proper Person

7.1 The council must be satisfied that "the proposed management arrangements are satisfactory" before granting an HMO licence. Those arrangements include (but are not limited to) consideration of whether:


- the persons\* proposed to be involved in the management of the premises have a sufficient level of competence to be involved
- the persons proposed to be involved with the management of the premises are involved in the management
- those persons are 'fit and proper,' and
- the proposed management structures and funding arrangements are suitable.

7.2 It is for a council to determine whether a person has sufficient competence to be involved in the management of HMOs and, of course, the level of competence required will in some measure be determined by the complexity of the management challenges posed. The council will therefore be looking at the applicant's experience and record of accomplishment of managing HMOs and, where they are the existing manager, the premises to which the application relates, and whether they belong to a recognised trade association or are a member of an accreditation scheme.

7.3 The management structures must be such that the manager is able to comply with any licence conditions and deal with the day-to-day operation management issues that arise as well as being able to deal with longer term management issues. In considering whether the structures are appropriate the council may take account of the following:

- evidence as to whether the systems in place are sufficient to enable the manager to comply with any condition of a licence or if such systems can be put in place through a condition of a licence to ensure compliance.

### Houses in Multiple Occupation (HMO) - Private Sector Housing.

- 
- evidence of the systems for dealing with:
  - emergency repairs and other issues
  - routine repairs and maintenance to the premises and its curtilage
  - cyclical maintenance
  - management and the provision of services (if any) to the building and its curtilage
  - management of tenancies or occupants
  - management of the behaviour of tenants, occupants, and their visitors to the premises
  - neighbourhood issues (including disputes)
  - evidence of structures for engagement with the local authority, police, and other agencies, where appropriate

\*Persons – may include owner, landlord, letting agent or another person

7.4 The manager or a competent representative will need to operate within a reasonable proximity to the HMO, so that they can attend to matters promptly and retain an overview on the condition of the premises and the management of the tenancies. Consideration of reasonable proximity will be taken on the merits of each individual case, however within the county boundary may be a reasonable guide. A competent representative may be an individual who is not necessarily part of a letting or estate agency but should be able to deal with, or have knowledge, of any relevant matters in representing the property manager.

7.5. The council must also be satisfied that the financial arrangements relating to the HMO are suitable. In that regard the manager must be sufficiently funded or have access to funding to carry out their obligations under the licence and their general management functions.

7.6 The council can vary or revoke a licence at any time during the licence period if there is sufficient evidence to support these decisions. Unannounced visits of licensed properties may therefore be undertaken during the licence period to check for compliance with the licensing and management regimes which apply. This is consistent with the powers provided under Section 239 of the Housing Act 2004.


7.7 Breach of any such legislation is an offence for which further action will be taken. The Housing, Health, and Safety Rating System (HHSRS) also applies to rented properties and (if appropriate) remedial works can be enforced via The Housing Act 2004, which will be separate to the powers provided under the licensing scheme.

7.8 The licence holder must inform the Council in writing if, since becoming the licence holder, he/she commits any of the actions described within paragraphs below. Notification to the authority must be within 21 days of such a contravention via email.

7.9 The licence holder must inform the Council in writing, if the person managing the property contravenes any of the sections below. This must be done within 21 days of such a contravention via email.

7.10 The following is also considered by the Council when it assesses whether the licence holder or manager is a fit and proper person:

- a) Have committed an offence involving:
  - Fraud

- 
- Dishonesty
  - Violence
  - Drugs
  - Sexual Offences Act Schedule 3.
  - Practised unlawful discrimination on grounds of sex, colour, race, ethnic or national origins or disability in connection with a business.
  - Contravened any provision of housing or landlord and tenant law. In particular: subject to proceedings by a local authority
    - where the local authority has had to carry out works in default
    - subject to a management order under the Housing Act 2004
    - or been refused a licence or breached conditions of a licence.
    - acted in contravention of any Approved Code of Practice.
    - failed to register with a property redress scheme as appropriate.

## 8. Your responsibility as a Licence Holder

### Changes to the Licence

8.1 The licence holder must inform the Council in writing if they no longer reside at the address given and provide the authority with new address details within 21 days of a change.

8.2 The licence holder must inform the Council in writing where there is a change in any managing agent within 21 days of such a change.

8.3 If the licence holder is a managing agent, they must inform the Council in writing if the person who is specified as the main contact ceases to be employed by them and inform the authority of a new contact within 21 days of such a change.

8.4 If the licence holder is a managing agent, they must inform the Council in writing if they cease to have an interest in the property within 21 days of such a change.

8.5. The licence holder is responsible for updating HM Land Registry with any changes.

### General Public Health and Environmental Housing Standards

8.6 The licence holder must ensure that the exterior of the house is maintained in a reasonable decorative order and in reasonable repair.

8.7 The licence holder must ensure that gardens, yards, paths, and drives, where present, are maintained such that their condition does not adversely affect the amenity of the neighbourhood. To that extent the licence holder must ensure that gardens, yards paths and drives and other areas within the curtilage of the house are always kept in a clean and tidy condition and free from rodent infestations.

### Landlord and Tenant Issues

8.8 This is a procedure to be followed if or when a landlord has been made aware of the occurrence of anti-social behaviour. For the purpose of transparency, this process should be made available to tenants at the start of their tenancy agreement.

The licence holder must cooperate with the Council, the Police Service and any other agencies in resolving complaints of anti-social behaviour.



The licence holder should address problems of anti-social behaviour resulting from the occupiers or their visitors by following the procedure set out below:

- If a complaint is received, or anti-social behaviour is discovered, the licence holder must contact the tenant within 14 days. The tenant must be informed in writing of the allegations made against them and of the consequences of its continuation.
- The licence holder must monitor any allegations of anti-social behaviour for a period of 28 days, from the date the complaint was received.
- If after 28 days, it is found that the anti-social behaviour is continuing the licence holder must visit the premises within 7 days and provide the tenant with a warning letter advising them of the possibility of eviction if their behaviour continues.
- If after 14 days of giving a warning letter, the tenant has not taken steps to address the anti-social behaviour and it is continuing, the licence holder must act, which may include legal eviction proceedings.
- The licence holder must ensure that written notes are kept of any meetings, telephone conversations or investigations regarding anti-social behaviour for 3 years, and if requested by the Council, provide this information within 28 days on demand.
- Any letters, relating to antisocial behaviour, sent or received by the licence holder must be kept for 3 years by the licence holder and if requested by the Council, provide copies of them within 28 days on demand.
- Where the licence holder or his agent has reason to believe that the antisocial behaviour involves criminal activity the licence holder must inform the appropriate authorities.

#### 8.9 The licence holder currently must

- keep their rented properties safe and free from health hazards.
- protect the tenant's deposit in a government-approved scheme.
- check the tenant has the right to rent your property if it is in England.
- give the tenant a copy of the *How to rent* checklist when they start renting from you (it can be emailed)

### Maximum Permitted Occupation

#### 8.10 Conditions require the licence holder—

- (a) to ensure that the floor area of any room in the HMO used as sleeping accommodation by one person aged over 10 years is not less than 6.51 square metres.
- (b) to ensure that the floor area of any room in the HMO used as sleeping accommodation by two persons aged over 10 years is not less than 10.22 square metres.
- (c) to ensure that the floor area of any room in the HMO used as sleeping accommodation by one person aged under 10 years is not less than 4.64 square metres.
- (d) to ensure that any room in the HMO with a floor area of less than 4.64 square metres is not used as sleeping accommodation.





- e) The total number of occupants does not exceed that stipulated in the licence
- f) The occupancy of any particular room does not exceed the occupancy limit specified in the licence
- g) Only rooms that are suitable for occupancy may be used as living accommodation

8.11 Conditions require the licence holder to ensure that—

- (a) where any room in the HMO is used as sleeping accommodation by persons aged over 10 years only, it is not used as such by more than the maximum number of persons aged over 10 years specified in the licence.
- (b) where any room in the HMO is used as sleeping accommodation by persons aged under 10 years only, it is not used as such by more than the maximum number of persons aged under 10 years specified in the licence.
- (c) where any room in the HMO is used as sleeping accommodation by persons aged over 10 years and persons aged under 10 years, it is not used as such by more than the maximum number of persons aged over 10 years specified in the licence and the maximum number of persons aged under 10 years so specified.

8.12 Persons of different sexes and aged ten or over should not be permitted to share the same room for sleeping purposes unless they are married or living as partners.

8.13 However, it is recognised that for short term emergency accommodation where there is no other appropriate accommodation available the placing of families with children over ten in a family room may be the only option available. In such circumstances and where the Authority have no safeguarding concerns such occupation may be permitted but all available steps must be taken to ensure that the family's stay is kept to a minimum. Such occupation of family rooms must only be for temporary accommodation and occupation must be limited to a maximum of 42 nights unless there are exceptional circumstances agreed by the Local Authority

8.14 The licence holder must ensure that the maximum number of households/occupants specified in the licence conditions is not exceeded and must confirm with the Local Authority that placements will not cause the number of permitted occupants to be exceeded.

8.15 Only rooms designated as bedrooms may be used for sleeping accommodation.

8.16 Rooms containing cooking facilities within the room itself are not suitable to accommodate families with children below the age of 5 years.

### Storage and Disposal of Refuse

8.17 The licence holder must provide and maintain an adequate number of waste wheeled bins for the number of households and rubbish produced.

8.18 The licence holder must ensure that there is adequate off-street storage for all waste receptacles between collections and that bins are not unnecessarily left on the street between collection days.

8.19 The licence holder must ensure that all occupiers of the HMO are provided with adequate information on the appropriate disposal of refuse, the relevant days of collection and any reasonable recycling schemes imposed by the local authority.



8.20 The Licence holder must ensure that all internal and external refuse bins and bin storage areas, structure and hard standings are maintained in a clean and serviceable condition.

## 9. Administering the application and issuing a licence

### Issuing a licence

9.1. Norwich City Council does not have to conduct an inspection of an HMO as part of the licensing process. However, in conducting its licensing function Norwich City Council may become aware of properties where inspection is necessary. This requirement applies to licence renewals, therefore there must be some form of regular check of all licensed HMOs every five years.

9.2. Norwich City Council is required to satisfy itself that a licensable HMO is free of category 1 (serious) hazards and whether action is required to address any category 2 (other) hazards under Part 1 of the Housing Act 2004 (the Housing Health and Safety Rating System). Norwich City Council has a duty to do this as soon as reasonably practicable and not later than five years after receipt of a licence application as per s.55(5)(c) and (6) of the Housing Act 2004

9.3. All HMOs will also remain subject to further inspections during the lifetime of the licence to check compliance with licence conditions, management responsibilities and minimum standards. Frequency of inspection will be driven by a risk assessment of all the data relevant to the property and/or licence holder/manager. This will be modelled on a risk profile.

- Prior resolved category one hazards – 12 months
- Prior resolved category two hazards – 24 months
- Remainder – in the period of the licence.
- Any unresolved Cat 1 hazards will either have their licences refused or revoked, after due consideration of the circumstances on a case by case basis.

9.4. In certain cases, the council may decide to conduct such inspections without prior notice being given to the owner, licence holder and /or manager. This is consistent with the powers set out in Section 239 of the Housing Act 2004.

9.5. Where the inspection has been pre-arranged then licence holders, or applicants where applicable, will be required to provide access to all rooms in the HMO at a suitably arranged appointment.

9.6. All contact with the licence holder and relevant person(s) will be made using the contact information provided by the applicant on the original application. Accordingly, it is the licence holder's responsibility to ensure that all contact details are up to date, and you must notify the council of any change in details. The council will not be held responsible for any delay in communication if it is because of any contact information changing.

9.7. Where it is deemed appropriate to issue a licence, all parties will be issued with all relevant conditions for consultation.

9.8. Relevant persons will have an opportunity to make any representations, and these will be considered by the authority.





9.9. Representations must be submitted to the HMO Licensing Team within a maximum of 21 days of the date the licence is sent. Representations received outside of this period will not be considered.

9.10. A suitably qualified/experienced member of the licensing team will consider representations; and the licence varied or issued, as necessary.

9.11. Where the inspection has been pre-arranged then licence holders, or applicants where applicable, will be required to provide access to all rooms in the HMO at a suitably arranged appointment.

9.12. If the licence holder is still dissatisfied with the conditions or terms of the licence, they will have an opportunity to appeal to the First-tier Property Tribunal. The details of how this appeal can be made will be provided with the licence.

### Renewal applications

9.13. The Licensing and Management of Houses in Multiple Occupation and Other Houses (Miscellaneous Provisions) (Amendment) (England) Regulations 2012 set out amendments to “renewal applications”, which reduces the burden on landlords applying for the renewal of a licence.

9.14. In the case of renewal applications an applicant must provide a complete application form and sign the declarations provided.

9.15. Regulations define a “renewal application” as “an application for a licence under section 63 of the Act where, at the time the application is made a licence of the kind applied for is already held by the applicant and has effect in respect of the HMO or house”.

9.16. The effect of this part of the Regulations is that for the council to treat any application as a “renewal” the application must be made during the active period of the current licence. If a renewal application is received after expiry of the previous licence, then the application will be treated as refused and a new licence application will need to be submitted, along with the appropriate fee.

9.17 It is important to note that it is the licence holder’s responsibility to apply to renew the licence at the appropriate time. The council may send reminders prior to the expiry of any current licence, but these should not be relied upon to prompt a timely application.

### Revocation or variation of a licence

9.18. If circumstances regarding the HMO change during the licence period, the licence holder must notify the council directly so the licence can be re-assessed and varied if the HMO is considered suitable to accommodate the variation request.

9.19. The types of change requiring a variation to the licence would be:

- there is a change in the number of kitchens (including bedsits), or bathrooms provided.
- there is a change to the design or layout of the property.
- there is a change of management or ownership.
- there is a change of mortgage provider.

9.20. Similarly, if the HMO is no longer going to be occupied as an HMO or the licence holder changes, then the licence holder must make an application for the licence to be



revoked. Any remaining period of the licence will be forfeited and there will be no right to refund of the original payment.

9.21. Where there is a change of licence holder, there is no facility to transfer the licence to another party. A new licence application must be submitted, and the old licence revoked.

9.22. As well as voluntary revocation set out above, The Housing Act 2004, s.70 and s.70A also set out other circumstances where the council may take action to revoke a licence. This action falls into two categories:

9.22.1. Circumstances relating to licence holder or another person, such as:

- where the authority considers that the licence holder or any other person has committed a serious breach of a condition of the licence or repeated breaches of such a condition
- where the authority no longer consider that the licence holder is a fit and proper person to be the licence holder; and
- where the authority no longer consider that the management of the house is being continued by persons who are in each case a fit and proper person to be involved in its management.
- Where a banning order is made under section 16 of the Housing and Planning Act 2016 against the licence holder, or a person who— (i) owns an estate or interest in the house or part of it, and (ii) is a lessor or licensor of the house or part of it.

9.22.2. Circumstances relating to HMO concerned, such as:

- where the authority considers at any time that, were the licence to expire at that time, they would, for a particular reason relating to the structure of the HMO, refuse to grant a new licence to the licence holder on similar terms in respect of it.

### Licence period

9.23 HMO licences cannot be granted beyond a 5-year period. If fully compliant with both the law and policy then it will be normal practice to issue a 5-year licence.

### Decision making - delegation of authority.

9.24. All decisions regarding the grant, refusal, modification, and revocation of HMO licences are delegated to the post of head of planning and regulatory services, or any subsequent post fulfilling the responsibilities of overseeing the HMO licensing function.

### How long will it take to process an application?

9.25. Upon receiving a valid application, the council will aim to provide a decision as soon as is reasonably practicable. However, each case will require different processes to be completed before issuing a decision and will be dependent on the applicant supplying the required information and necessary payments within timescales, and that no representations are made. Where information or payments are late, or representations made, then this could extend the time it takes to process your application.

9.26. It is therefore the council's aim to process all valid applications and provide the relevant persons with a decision within 20 weeks of receipt. This will require the full co-



operation of the applicant with the council's requirements for determining a licence application.

9.27. Tacit consent does not apply to HMO licence applications. It is in the public interest that we check that the HMO meets the prescribed standards, which may include arranging a full property inspection, before a licence can be granted.

### Public registers

9.28. A register of HMO licences is available on the council's website. Full details are also available by request to the HMO licensing team.

### Appeals

9.29. If an application for an HMO Licence is refused, or the terms of a licence granted are disputed, there is a right to appeal this decision within 28 days to the First-tier Tribunal (Property Chamber -Residential Property). The details of this will be provided with the relevant documentation relating to the refusal or granting of the licence.

## Appendix A

Private Sector Housing Amenity Standards Booklet

[https://www.norwich.gov.uk/downloads/file/2252/amenity\\_standards\\_booklet](https://www.norwich.gov.uk/downloads/file/2252/amenity_standards_booklet)

If you need this information by email for use with the read-aloud function or in an alternative format, please contact us on 0344 980 4444 or visit



[www.intran.org](http://www.intran.org)

## Equality Impact Assessment

<b>What is being assessed</b>	Houses In Multiple Occupation Policy	<b>Status</b>	First assessment of new policy
<b>Officer completing</b>	Phil Stacey	<b>Role</b>	Team Leader
<b>Team</b>	Private Sector Housing	<b>Directorate</b>	Development and City Services
<b>Senior leadership team sponsor</b>	Sarah Ashurst	<b>Role</b>	Head of Planning and Regulatory Services

**What are the main aims or purpose of the policy, practice, service or function?** *(include links to project briefs, cabinet reports etc)*

To update the current practices of Houses in Multiple Occupation (HMO) Licensing administration and inspection of properties to more closely align with both current and new legislation.

**How does it fit with other services and policies, and how does it support our [corporate objectives](#) and [City Vision](#)?**

The HMO policy supports the council to meet a number of the council's priorities as outlined in its Community Led-Plan. These being:

A Fairer Norwich – This policy supports our efforts to ensure our city, and local neighbourhoods are safe, diverse and vibrant and that there are good quality homes for all.

An open and model council – This policy provides a clear and open demonstration to licence holders of what is required to make sure their properties meet the requirements of the law. It promotes the values of NCC to provide good quality and regulated housing provision in the city.

A Prosperous Norwich – This policy ensures the highest standards in Houses in Multiple Occupation which creates an environment encouraging people to live, work and contribute to the Norwich economy

**What is the reason for the proposal or change (financial, legal etc)?** *The Equality Act requires us to make this clear.*

There is no specific requirement under the legislation for a local authority to adopt a specific policy on its approach to HMO licensing, however it is considered good practice to do so to enable the council to:

- Set out its approach for the benefit of operators
- Guide and reassure the public and other public authorities
- Ensure transparency

- Ensure consistency

**Who implements, carries out or delivers the policy, practice, service or function?** *(person/team/body and other organisations who deliver under procurement or partnership arrangements)*

The Private Sector Housing Team

**What outcomes do we want to achieve, why and for who?**

The HMO policy details the requirements of applicants for a licence to provide the Council with the information it needs to deliver its statutory functions and provide a safe environment for occupiers to live in. By providing clearer requirements to licence holders and to their residents it will enable parties to determine statutory compliance and make it easier to address concerns more quickly and effectively.

**Will anyone be disproportionately affected by the programme, and/or will it create any benefits?** *(customers, employees, groups in the wider community etc)*

The statutory requirement to licence certain HMO's is intended to ensure that certain housing standards are met in the private rented sector, particularly in relation to health, welfare and wellbeing of the occupants, including adults and children. A recent study commissioned by NCC, shows HMOs provide affordable accommodation to groups who are unable to afford self-contained accommodation including students, young professionals and vulnerable people.

**If yes, complete the relevant sections below for any benefits and adverse impacts identified.**

Affected group	Key findings from analysis of data and evidence. Identify any gaps in data here	Level & type of impact: low/medium/high, positive/adverse	Justifiable if adverse	Actions to mitigate impacts, maximise benefits or address identified gaps in data	By when
Age	Improvements in the health, welfare and wellbeing of the occupants, including adults and children.	Positive		All groups should see benefits.	Over the life of the policy
Disability	As above	As above		As above	As above
Gender reassignment	As above	As above		As above	As above

## Equality Impact Assessment

<b>Marriage and civil partnership</b>	As above	As above		As above	As above
<b>Pregnancy and maternity</b>	As above	As above		As above	As above
<b>Race/ethnicity</b>	As above	As above		As above	As above
<b>Religion and belief</b>	As above	As above		As above	As above
<b>Sex/gender</b>	As above	As above		As above	As above
<b>Sexual orientation</b>	As above	As above		As above	As above
<b>Other groups</b>	N/A	No impact disproportionately affecting any marginalise group identified.	N/A	N/A	N/A

**What evidence and data has been used for this assessment, including community engagement and consultation?** (include links to data sources, consultations etc)

Analysis of reports and complaints to the Council highlight the need to update and strengthen the policy.

**How has the equality impact assessment informed or changed the proposal?**

Yes. Careful consideration has informed the draft policy, particularly in relation to health, welfare and wellbeing of the occupants of HMO's.

**What actions have been identified going forward?**

To implement the new policy. Further full consultation for 6 weeks will take place.

**How will the impact of your proposal and actions be measured moving forward?**

Reduction in the reports of illegal HMOs.

Reduction in the number of complaints against landlords of HMOs with unsatisfactory standards within their properties.

<b>Officer completing assessment</b>	<b>Phil Stacey</b>	<b>Date</b>	<b>18.11.2024</b>
<b>Senior leadership team sponsor</b>	<b>Sarah Ashurst</b>	<b>Date</b>	<b>26.11.2024</b>
<b>Equality lead (strategy team)</b>	<b>Joe Siggins</b>	<b>Date</b>	<b>22/11/2024</b>

**Committee name:** Cabinet

**Committee date:** 05/02/2025

**Report title:** Town Deal Funding Update (Blackfriars Hall Roof and Mechanical & Electrical Upgrade)

**Portfolio:** Councillor Kidman, Cabinet member for a prosperous Norwich

**Report from:** Head of property and economic development

**Wards:** Thorpe Hamlet

**OPEN PUBLIC ITEM**

**KEY DECISION**

### **Purpose**

This report is to update Cabinet on works required to Blackfriars Hall at The Halls, and request approval of the contract modification permissible under the Public Contract Regulations 2015

The funding for these works is included in the budget report being presented to cabinet on 5 February 2025, and Full Council on 12 February 2025.

### **Recommendation:**

To delegate the award of a contract modification of £593,778 relating to the Halls to the Executive director of resources subject to the budget being approved by Full Council on 12 February 2025. This amendment will be to the existing JCT contract for the Halls and relates to essential repairs to Blackfriars Hall.

### **Policy framework**

The council has five corporate priorities, which are:

- A prosperous Norwich.
- A fairer Norwich.
- A climate responsive Norwich.
- A future-proof Norwich.
- An open and modern council.

This report meets the A prosperous Norwich and A fairer Norwich corporate priority

## Report details

### Update on Current Project at The Halls

1. The MHCLG Town Deal Funding for The Halls project, did not include any funding for maintenance or repair to the buildings. In July 2020 Cabinet endorsed the submission of the Town Investment Plan which set out a comprehensive package of the eight schemes for investment totalling £26.13m.
2. The Town Deal Funded project provides improvements that enable the transformation of the Halls as a multi-venue performance space and will enable the following improvements, which will allow it to attract wider audiences/ more visitors and a greater number of events and activities:
  - Access improvements (including a new, wheelchair access lift)
  - Audio/Visual (A/V) improvements
  - Improved visitor movement and flow through the building
  - Increased food and drink capacity
3. During the design preparations for the Town Deal Fund project, a Building Condition Survey was carried out in November 2022 this identified significant structural issues in St Andrews Hall which, if not remedied, could have led to accident and injury to users and pedestrians using the surrounding external areas, and significant deterioration and damage to the Grade I and Listed Ancient Monument that is in the care of NCC.
4. On the 21st February 2023 and 8th March 2023, Cabinet approved to increase the general fund capital programme by £2.85m to cover the costs of these urgent upgrade works.
5. At the time of the 2022 Condition Survey, it was highlighted that if scaffolding were to be installed around Blackfriars Hall during the project, it would be sensible to remove tiling at the eaves of the roof to check the condition of the structure, however nothing was highlighted as a particular concern at the time. The works did include the need for scaffolding to clear gutting around Blackfriars roof 6-8 months after the project began and at this point we checked the roof structure as recommended.
6. A mechanical and electrical condition survey was also carried out during the design phase of the Town Deal Project which identified further works that would be needed over the next 5-10 years. Some of these works have already been captured through the current projects.
7. Construction works for the Town Deal and Upgrade/Repair projects commenced on site in March 2024, and the current completion date is April 2025.



## **The Halls Blackfriars roof**

8. As part of the Halls Upgrade/Repair project we included to inspect the condition of Blackfriars Hall roof. The planned upgrade works include the need to scaffold externally round Blackfriars Hall for improvements to rainwater goods, therefore we agreed it was sensible to remove approximately 1m of roof tiling to assess the condition of the timber structure at the eaves of Blackfriars roof.
9. This work was completed in November 2024 and a structural report issued by the project structural engineer. In summary the structural report identified that improvements to the roof carried out approximately 80-100 years ago had created an environment that trapped moisture within the timber structure. A specialist survey of the entire roof structure was required to establish a more detailed view of the decay. The current project team instructed this survey and further report, and the survey was carried out on 17th December 2024 with the project structural engineer in attendance to ensure the team were made aware of the findings within 24 hours of completion. Please see below section on the findings of the most recent survey.
10. The original Structural report made reference to moisture content being exacerbated by a non-breathable sheet which is laid over the timber structure throughout the roof during the improvements 80-100 years ago. We replaced this sheet throughout the 1m section that was opened up at eaves level with a breather membrane, which should assist the situation.

## **Detailed Roof Survey Outcome**

11. The detailed specialist roof survey was completed by Hutton + Rostron's on 17th December 2024. A summary of the findings is set out below:
  - Currently only the external surface of the embedded timbers have been effected by the trapped moisture and the centre of the timbers are still sound.
  - The moisture is a build-up of condensation on the underside of the roof finishes due to the previously installed plastic sheeting, not a roof leak.
  - The timber used to construct the roof is oak and is of a good quality, thus reducing the extent of decay/beetle infestation present. There are a few isolated rafters that have decayed and left voids. These rafters will need to be supplemented/repared.
  - The timber cornice is a thinner timber section and thus, has higher moisture content. A few isolated repairs/replacements will be required to the cornice however the tenons which connect the cornice to the principal trusses have deteriorated to a point that requires additional steel bracketry to prevent the cornices falling into the Hall.
  - Extensive alterations have been made to the original roof structure in the past to create the current arrangement. It is evident that the bosses

(roses/angels) have previously been removed and refixed into position, these need to be securely fixed into place to ensure the safety of users.

12. In summary, the survey concluded that the issue had been caught early and although the survey has highlighted works required in the immediate case, these are only isolated upgrades/strengthening works that will then extend the roof's lifespan to an estimated 15-20 years.

### **Recommended Works**

13. Isolated conservation based upgrades should be undertaken to the cornices, rafters and bosses. These works can be undertaken from within Blackfriars Hall, therefore not requiring an external scaffold but would need an internal birdcage scaffold. If these works were undertaken, the embedded structural elements should last another 15-20 years before more extensive repair works are required.
14. It is recommended that M&E upgrade works, identified in the previously mentioned condition survey, which require scaffolding access are carried out at the same time. These works will be required in the next 3-5 years and doing them now makes financial sense due to the cost of the scaffolding.
15. Following the upgrade works the roof structure it is to be surveyed on a 5 year cycle to give an early warning should the timbers begin to deteriorate faster than expected. This cost will be covered by existing repair and maintenance budget.
16. As explained above these works will increase the lifespan of the roof to approximately 15-20 years however, due to the remaining non-breathable sheet within the roof build-up, the deterioration of the structural members at eaves will only get worse over time and will still need extensive repairs in the future and re-roofing. High level costs have been obtained and are currently estimated to be £2,500,000 if the works were done today. This will of course increase over the next 15 – 20 years.

### **Implications**

#### **Financial and resources**

17. All the costs noted in this paper assume the works will be included in the current contract. If this does not happen the costs will significantly increase due to a new procurement process, new mobilisation of a contractor and significantly increase contractor prelim costs. It will also delay the programme of these works by approximately 3-4 months.
18. The current consultant team and contractor have been asked to provide fees and high-level costs for the roof and electrical & mechanical works to Blackfriars roof. These costs are illustrated in the below tables.
19. The funding for these works is included in the budget report being presented to cabinet on 5<sup>th</sup> February 2025, and Full Council on 12<sup>th</sup> February 2025.

<b>BLACKFRIARS HALL ROOF UPGRADE</b>	
Main Contractor Building Works	<b>£509,828</b>
Project/Design and Professional Fees	£103,137
Artwork storage costs	£5,000
Internal staff costs	£20,000
Risk Allowance	£144,593
<b>TOTAL</b>	<b>£782,558</b>

<b>BLACKFRIARS HALL ELECTRICAL &amp; MECHANICAL UPGRADE</b>	
Main Contractor Building Works	<b>£83,950</b>
Project/Design and Professional Fees	£26,152
Risk Allowance Contingency	£27,819
<b>TOTAL</b>	<b>£137,921</b>

<b>ESTIMATED TOTAL COSTS</b>	
Blackfriars Roof and M&E Upgrade	<b>£920,479</b>

20. Existing NCC staff will continue working on the project to ensure continuity and the staff costs have been accounted for in the project costs.
21. The £593,778 contract modification relates to the Main Contractor Building Works outlined in the table above. The total cost is £920,479. The difference between the two costs is the project design and professional fees, artwork storage, staff costs and contingency.

### **Legal and Procurement**

22. The current construction contract award to ND Willan is a JCT Standard Form of Contract Without Quantities 2016.
23. NCC Procurement have confirmed that the additional urgent works recommended in this paper can be introduced to the existing contract via a contract instruction and that no further tender works are required. The Public contract regulation 2015 allows for this contract modification.
24. As the modification value is £593,778 including OH&P, we recommend that cabinet approve the contract modification.

### **Statutory considerations**

<b>Consideration</b>	<b>Details of any implications and proposed measures to address:</b>
Equality and diversity	N/A
Health, social and economic impact	These proposals ensure the longevity of Blackfriars roof, and ensure the safety of staff and public using the building.
Crime and disorder	N/A

<b>Consideration</b>	<b>Details of any implications and proposed measures to address:</b>
Children and adults safeguarding	N/A
Environmental impact	N/A

## **Risk management**

<b>Risk</b>	<b>Consequence</b>	<b>Controls required</b>
The programme for these works includes an initial 1 month for design and then consultation with HE and the Conservation Officer.	There will be a minimum 3 month period before works could start on site. If an instruction to proceed is not received in early February 2025, the current construction programme for the works will be delayed increasing costs.	Early approval for the works.  Early engagement with HE and Conservation Officer.  Design and installation of scaffolding.  Clear and detailed communication with design team and contractor.
The current completion date is early Spring. Risk that construction works for Blackfriars roof are not instructed to enable the works to commence prior to the current contract completing and the contractor hands back the building and moves off site.,	The impact of this will be a significant increase to the costs to allow for remobilisation of the contractor and compound etc. An extended programme for the works, will costs are estimated to be £60,000 per month in addition to the works costs identified.  Additional costs for insurance and security estimated at approximately £60k per month  Delay to opening and operator mobilisation.	Early approval for the works.

## **Other options considered**

### **25. Do Nothing**

The issues identified in the urgent works are a H&S risk to users of Blackfriars Hall, therefore doing no works is not an option.

### **26. Full Re-roofing of Blackfriars Hall –**

- This would include, removing the current roof tiling, replacing timbers and new breathable membrane, along with a structural solution that removes the current concrete wall plate.

- The works would require fully scaffolding internally and externally including a temporary scaffold roof to protect the area.
- The current high-level costs for these works were estimated to be in excess of £2,500,000
- The current construction programme would be extended by approximately 8 months.
- It was concluded that the mitigation works identified in this report, and the 5-year monitoring surveys were satisfactory at this time and extended the life of the roof significantly. Therefore the full re-roofing option was an unnecessary and unjustified cost to the council, and impact on the current construction programme.

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

27. The recommendation for these works are given to ensure the safety of the staff and users of Blackfriars Hall, and to ensure the longevity of the Listed Building, Ancient Monument the NCC are custodians of.

### **Background papers:**

#### **Cabinet Reports**

20<sup>th</sup> Jan 2021 Norwich Town Deal Implementation

8<sup>th</sup> Jan 2023 Adjustment to the general fund capital budget – The Halls

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