Cabinet

Members of the Cabinet

Mr J Fuller
Chairman
Leader, External Affairs

Mr M Wilby
Vice-Chairman
Deputy Leader, Communities and Localism

Portfolio Holders

Mrs Y Bendle
Housing and Public Health

Mr D Bills
Innovation and Efficiency

Mr K Kiddie
Environment and Regulation

Mr G Wheatley
Finance and Resources

Agenda

Date
Monday 27 October 2014

Time
9.00 am

Place

Cavell and Colman Rooms
South Norfolk House
Swan Lane
Long Stratton Norwich
NR15 2XE

Contact
Claire White  tel (01508) 533669
South Norfolk District Council
Swan Lane
Long Stratton Norwich
NR15 2XE
Email: democracy@s-norfolk.gov.uk
Website: www.south-norfolk.gov.uk

If you have any special requirements in order to attend this meeting,
please let us know in advance
Large print version can be made available
AGENDA

1. To report apologies for absence;

2. Any items of business which the Chairman decides should be considered as matters of urgency pursuant to Section 100 B (4) (b) of the Local Government Act, 1972; [Urgent business may only be taken if, "by reason of special circumstances" (which will be recorded in the minutes), the Chairman of the meeting is of the opinion that the item should be considered as a matter of urgency]

3. To receive Declarations of Interest from Members;
   (Please see guidance form and flow chart attached - page 5)

4. Minutes of the meeting held on Monday 15 September 2014; (attached – page 7)

5. Performance, Opportunities/Risks and Revenue Budget Position Report April to September 2014/15;
   (report attached – page 15)
   (NOTE: Appendix 1, the Quarterly Performance report is not enclosed but is available to view on the Council’s website at http://www.south-norfolk.gov.uk/democracy/default.aspx)

This report details the Council’s risk position at the end of the second quarter for 2014/15, the revenue budget position for quarter two of the financial year 2014/15 and the performance of the Council for April to September.

Performance
The Council’s strategic performance indicators have been summarised in appendix 1 (Quarterly Performance Report) and highlights and summary are included in this report.

Opportunity and Risk
The position regarding the management of risk and opportunities at the Council is summarised within the report and reflects positively on the capacity of the Council to accept new risks as opportunities arise.

Finance
The report provides an explanation of the key movements and variances, which resulted in a favourable variance against expenditure budgets and additional income generated of £0.678 million as at the end of September 2014.

The positive variance against the pay budgets is 1.53% of the budget, illustrating effective management of the staff budget, including management of staff vacancies, to ensure expenditure is in line with the approved budget. The non pay variance is a positive 4.64%. The final element of the overall variance is income where the Council experienced an increase of 3.57% against the budget.

This report monitors capital expenditure for April to September 2014 against the amended Capital Programme as approved by Cabinet on 28 July 2014. The report also reviews the treasury management activity during the first half of the financial year 2014/15 and reports on the prudential indicators as required by CIPFA’s Treasury Management Code of Practice.

Capital expenditure for the first six months was £1,175,055 against a profile of £1,631,881 with the main expenditure being completion of the Travellers Site, Vehicle Replacements and Regional Building Control. Progress on capital schemes has been reviewed and reprogramming of the Ketteringham Depot and the Leisure scheme into 2015/16 is recommended, with funding for Cygnet House being brought forward from 2016/17 to 2014/15.

This report also updates Cabinet on the property development at Poringland and the procurement options being explored for the next phase of this development.

Investments totalled £36.495 million as at 30 September 2014, an increase of £1.28 million on the amount of £35.215 million as at 30 June 2014. The Council has made one investment for 2 years to take advantage of higher longer term interest rates.

Interest earned on cash investments is forecast to be £310,659 for the year, which is £75,659 above the budget of £235,000, but would be £43,927 less than the £354,586 received in 2013/14, due to the lower interest rates available on new investments. The gross rate of return is forecast to be 0.90% which is lower than the rate of return achieved in 2013/14 of 1.04%. The average gross rate of return on property investments is forecast to be 7.3%, calculated on the value of the property portfolio as at 30/09/14, as a number of long-term vacant properties have now been let. The net rate of return is forecast to be 7.0%.

Capita Asset Services, the Council’s treasury advisers, have provided an update on current economic conditions.

7. A11 Growth Corridor Project Proposal;

This report seeks agreement from Cabinet for a project proposal which builds upon the area’s sector strengths of engineering and advanced manufacturing to develop a world class cluster along a 25 mile section of the A11. South Norfolk Council will work in partnership with key stakeholders to enable the take up of allocated employment land within this area to create new businesses and high skilled jobs. In order to provide the scale of opportunity it is proposed that South Norfolk Council will work with Breckland Council in the first instance to secure external funding to attract new businesses to the corridor, create high skilled jobs and provide business support to grow existing businesses and enable greater levels of cross sector working.

8. Community Grant Schemes;

This report is to update Cabinet on the current progress on the Community Grant Schemes, incorporating recommendations from the Growth and Localism Committee on how the scheme may be further developed to deliver benefits to South Norfolk residents.
9. Recommendation from the Scrutiny Committee;  

(report attached – page 59)

| **This report details the recommendations of Scrutiny Committee to Cabinet, arising from the consideration of an item regarding the South Norfolk Market Towns’ Initiative at the meeting of Scrutiny Committee on 1 October 2014.** |

10. Pre-Application Planning Charges;

The report proposing charging for pre-application advice for planning applications has been delayed to allow recent experiences in dealing with complex major planning applications to be reflected in the proposals. It is planned to bring the report to the December meeting of Cabinet.

_Helen Mellors_  
Development Manager

11. Cabinet Core Agenda  

(attached – page 61)

12. Exclusion of the Public and Press;

To exclude the public and the press from the meeting under Section 100A of the Local Government Act 1972 for the following items of business on the grounds that they involves the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the Act (as amended)

13. Internal Audit Contract Award;  

(report enclosed separately for members)

(NOT FOR PUBLICATION by virtue of Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972)

| **The Council has undertaken a Procurement exercise to obtain a new Internal Audit service contract.**  
**South Norfolk is the contracting authority in the procurement, with the service also being procured for current Consortium Members; Breckland, Broadland and North Norfolk District Councils, Gt. Yarmouth Borough Council and the Broads Authority.**  
**The procurement was also developed to offer all members of the Consortium two options on service delivery. The first option was a fully outsourced service, with the Head of Internal Audit role undertaken by the Contractor as well as the delivery of the annual Internal Audit work plan, and the contract management element undertaken by the individual Authority. The second option, as currently provided, was for the Head of Internal Audit role and contract management to be provided by South Norfolk Council (Interface Services), and the delivery of the annual Internal Audit work plan by the successful bidder.**  
**The procurement was delivered in accordance with the agreed timetable and Cabinet is recommended to award the contract to the successful supplier.** |
DECLARATIONS OF INTEREST AT MEETINGS

When declaring an interest at a meeting Members are asked to indicate whether their interest in the matter is pecuniary, or if the matter relates to, or affects a pecuniary interest they have, or if it is another type of interest. Members are required to identify the nature of the interest and the agenda item to which it relates. In the case of other interests, the member may speak and vote. If it is a pecuniary interest, the member must withdraw from the meeting when it is discussed. If it affects or relates to a pecuniary interest the member has, they have the right to make representations to the meeting as a member of the public but must then withdraw from the meeting. Members are also requested when appropriate to make any declarations under the Code of Practice on Planning and Judicial matters.

<table>
<thead>
<tr>
<th>Have you declared the interest in the register of interests as a pecuniary interest? If Yes, you will need to withdraw from the room when it is discussed.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Does the interest directly:</td>
</tr>
<tr>
<td>1. affect yours, or your spouse / partner’s financial position?</td>
</tr>
<tr>
<td>2. relate to the determining of any approval, consent, licence, permission or registration in relation to you or your spouse / partner?</td>
</tr>
<tr>
<td>3. Relate to a contract you, or your spouse / partner have with the Council</td>
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<tr>
<td>4. Affect land you or your spouse / partner own</td>
</tr>
<tr>
<td>5. Affect a company that you or your partner own, or have a shareholding in</td>
</tr>
<tr>
<td>If the answer is “yes” to any of the above, it is likely to be pecuniary.</td>
</tr>
<tr>
<td>Please refer to the guidance given on declaring pecuniary interests in the register of interest forms. If you have a pecuniary interest, you will need to inform the meeting and then withdraw from the room when it is discussed. If it has not been previously declared, you will also need to notify the Monitoring Officer within 28 days.</td>
</tr>
<tr>
<td>Does the interest indirectly affect or relate any pecuniary interest you have already declared, or an interest you have identified at 1-5 above?</td>
</tr>
<tr>
<td>If yes, you need to inform the meeting. When it is discussed, you will have the right to make representations to the meeting as a member of the public, but must then withdraw from the meeting.</td>
</tr>
<tr>
<td>Is the interest not related to any of the above? If so, it is likely to be an other interest. You will need to declare the interest, but may participate in discussion and voting on the item.</td>
</tr>
<tr>
<td>Have you made any statements or undertaken any actions that would indicate that you have a closed mind on a matter under discussion? If so, you may be predetermined on the issue; you will need to inform the meeting, and when it is discussed, you will have the right to make representations to the meeting as a member of the public, but must then withdraw from the meeting.</td>
</tr>
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FOR GUIDANCE REFER TO THE FLOWCHART OVERLEAF.
PLEASE REFER ANY QUERIES TO THE MONITORING OFFICER IN THE FIRST INSTANCE
DECLARING INTERESTS FLOWCHART – QUESTIONS TO ASK YOURSELF

What matters are being discussed at the meeting?

Do any relate to an interest I have?

A  Have I declared it as a pecuniary interest?  OR
B  Does it directly affect me, my partner or spouse’s financial position, in particular:
   • employment, employers or businesses;
   • companies in which they are a director or where they have a shareholding of more
     than £25,000 face value or more than 1% of nominal share holding
   • land or leases they own or hold
   • contracts, licenses, approvals or consents

Pecuniary Interest

YES

The interest is pecuniary – disclose the interest, withdraw from the meeting by leaving the room. Do not try to improperly influence the decision

If you have not already done so, notify the Monitoring Officer to update your declaration of interests

NO

Related pecuniary interest

YES

The interest is related to a pecuniary interest. Disclose the interest at the meeting. You may make representations as a member of the public, but then withdraw from the room

Does the matter indirectly affects or relates to a pecuniary interest I have declared, or a matter noted at B above?

NO

Other Interest

YES

The Interest is not pecuniary nor affects your pecuniary interests. Disclose the interest at the meeting. You may participate in the meeting and vote

Have I declared the interest as an other interest on my declaration of interest form? OR

Does it relate to a matter highlighted at B that impacts upon my family or a close associate? OR

Does it affect an organisation I am involved with or a member of? OR

Is it a matter I have been, or have lobbied on?

NO

You are unlikely to have an interest. You do not need to do anything further.
CABINET

Minutes of a meeting of the Cabinet of South Norfolk District Council held at South Norfolk House, Long Stratton on Monday 15 September 2014 at 9.00 am.

Members Present:

Cabinet: Councillors J Fuller (Chairman) Y Bendle, D Bills, G Wheatley, M Wilby

Apologies: Councillor K Kiddie

Non-Appointed: Councillors Dale, Edney, Ellis, Hornby, Legg, Lewis, Mooney, Neal, Palmer, Pond, Riches, R Savage, Walden and Weeks

Also in attendance: One member of the press and one member of the public.

Officers in Attendance: The Chief Executive (S Dinneen), the Director of Environment and Housing (A Jarvis), the Acting Director of Business Improvement (D Lorimer), the Head of Business Improvement (P Kearsey), the Development Manager (H Mellors) the Property Manager (R Garfoot), the Senior Planning Officer (S Marjoram), the Accountancy Manager (M Fernandez-Graham), and the Business Improvement Manager (W Salmons).

2316 DECLARATIONS OF INTEREST

Cllr D Bills declared another interest in the matter detailed below:

<table>
<thead>
<tr>
<th>Minute No.</th>
<th>Title of Report</th>
<th>Reason for Declaration</th>
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<tbody>
<tr>
<td>2326</td>
<td>CNC Expansion: Fenland</td>
<td>Chairman of CNC Consultancy Services and member of the CNC Board</td>
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</tbody>
</table>

2317 MINUTES

The minutes of the meeting held on 28 July 2014 were agreed as a correct record and signed by the Chairman.
2318 DIGITAL WORKING FOR SNC MEMBERS 2015-2019

The subject of the decision

Cllr D Bills introduced the report, which set out proposals for digital working for members, following the election in May 2015.

The Head of Business Improvement outlined the benefits of working electronically and agreed that members would require training and support, especially through the transition period. He accepted that there might be rare occasions where printed copies of reports were required, but he explained that thought would be given to the formatting of documents to ensure that they could be successfully viewed on a tablet device. In response to questions, he explained that annotation apps would allow members to make notes and comments directly on to the electronically displayed reports. He also advised that an air print system was to be installed, allowing members to print directly from their tablets, whilst in the Council offices.

During discussion, the Chief Executive informed members that Senior Management Team meetings had already gone “paperless”, with Directors accessing all papers electronically. Although there had been a few teething problems, the new way of working was proving successful. Cllr M Wilby referred to Norfolk County Council where members had been working electronically for over a year. The occasional paper copy of an agenda was required, but 95% of members were successfully accessing their agendas within meetings via tablets.

Cllr R Savage addressed the meeting with concerns regarding the proposals to insist that following the election, all new members used their own tablet devices for council business. However this did not apply to returning members who could opt for a council owned device if preferred. Cllr Savage stressed that this could lead to a disenfranchisement of potential candidates, who did not own their own device and were not independently wealthy. After some discussion, members agreed that new and returning members should be treated equally, and that the policy should be amended to reflect that all members, whether they be new or re-elected, could opt for a council owned device, if that was their preference.

The Decision

RESOLVED: To endorse:

1. the commitment to increasing connectivity by embracing digital working, while reducing the impact on key support services.

2. the move to full use of mobile devices for formal meetings for Members in 2015/16 following the next full council election at SNC, subject to the equal treatment of new and returning councillors.

The Reasons for the Decision

To move with partner organisations in embracing mobile technology, whilst creating efficiencies and savings.
Other Options Considered
- That all new members after the May 2015 election, provide their own mobile device.

2319 GREATER NORWICH GROWTH PROGRAMME 2015/16 – SOUTH NORFOLK BUSINESS PLAN

The Subject of the Decision

Members considered the report of the Director of Growth and Localism, which proposed an Annual Business Plan for 2015/16, for strategic infrastructure projects in South Norfolk, to support planned growth in the Joint Core Strategy and emerging Local Plan documents.

The Chairman outlined the salient points of the report to members. He was pleased that the Business Plan also identified key projects where development was needed during 2015/16 and members noted that such projects included the Hempnall crossroads and the Long Stratton Bypass.

Responding to questions, the Senior Planning Officer advised that the Business Plan was still evolving; implementation groups had been set up to consider priorities for Green Infrastructure and the Norwich Area Transportation Strategy, and members noted that the Highways Agency was fully involved in relevant schemes.

The Decision

TO RECOMMEND THAT COUNCIL:

1. Agrees the 2015/16 Business Plan for South Norfolk (attached as Appendix A of the report) for consideration by the October meeting of the Greater Norwich Growth Board as part of the 2015/16 Growth Programme; and

2. Agrees to pool CIL payments for 2015/16 to help ensure the delivery of the Growth Programme.

The Reasons for the Decision

To promote the delivery of schemes in South Norfolk, ensuring that infrastructure is on track to support the growth set out in the Joint Core Strategy and the Greater Norwich City Deal.

Other Options Considered

None
2320 DCLG TECHNICAL CONSULTATION ON PLANNING

The subject of the decision

Members considered the report of the Development Manager and Planning Policy Manager, which presented members with the proposed response to a DCLG consultation on suggested improvements to the planning system.

The Development Manager briefly outlined her report, explaining that the document had been discussed at a recent informal session of the Environment, Regulation and Planning Policy Committee. She added that the portfolio holder, Cllr K Kiddie (absent from the Cabinet meeting), fully supported the Council’s proposed response.

The Decision

<table>
<thead>
<tr>
<th>RESOLVED:</th>
<th>To:</th>
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<tbody>
<tr>
<td></td>
<td>1. Approve the Council’s response to the Consultation as outlined in Appendix 1 of the report;</td>
</tr>
<tr>
<td></td>
<td>2. Delegate final approval of the document to the Director of Growth and Localism.</td>
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</table>

The Reasons for the Decision

To ensure that the Council takes advantage of opportunities to influence Government thinking with regard to streamlining the planning system.

Other Options Considered

- Not to respond to the consultation.

2321 BANKING SERVICE CONTRACT AWARD AND INSURANCE TENDER

The subject of the decision

The Chairman introduced the report which informed members of the outcome of the Banking Service Contract Award, and sought approval to conduct a joint procurement exercise to obtain a new insurance contract for the Council.

Following a discussion regarding town and parish councils, the Chief Executive suggested that the Norfolk Association of Local Councils (NALC), might be the appropriate body to co-ordinate a separate insurance procurement process for these organisations.
The Decision

RESOLVED: To
1. Note the decision to award a contract for banking services to Barclays Bank plc and the timetable for implementation;
2. Approve the decision to procure an insurance provider and to undertake a procurement exercise to achieve this.

The Reasons for the Decision

To achieve efficiency savings through the joint procurement process.

Other Options Considered

None

2322 PROPERTY DEVELOPMENT AT LONG STRATTON

The subject of the decision

The Property Manager introduced her report, which updated members on the progress of the Cygnet House development. She drew members’ attention to paragraph 3 of the report, which provided details regarding the scheme proposals and estimated costs.

Cllr A Pond, local member for Long Stratton, advised Cabinet that he, along with other local councillors, were lobbying for the provision of a zebra crossing along Swan Lane, due to the large number of new dwellings planned for the village.

The Decision

RESOLVED: To approve the:
1. Proposed approach in submitting a reserved matters planning application;
2. Appointment of Architects and design team;
3. Initiation of the accelerated OJEU procurement;
4. Proposed timeline.

The Reasons for the Decision

To maximise the benefits from the development of the site.
Other Options Considered

- To sell with planning consent

2323 CABINET CORE AGENDA

Members noted the latest version of the Cabinet Core Agenda

2324 EXCLUSION OF THE PUBLIC AND PRESS

It was proposed, seconded and

RESOLVED: that under Section 100A (4) of the Local Government Act 1972, the public and press be excluded from the meeting for the following items of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of Part 1 Schedule 12A of the Act (as amended).

2325 DISS HERITAGE TRIANGLE

The subject of the decision

Members considered the exempt report of the Director of Growth and Localism, which outlined plans of the Diss Heritage Triangle, to regenerate the historic centre of Diss.

The Chairman referred to the proposed contributions from South Norfolk Council, and acknowledged that there were some risks associated with the project, although these were offset by the conditions stipulated within the proposed funding package from the Council. The Acting Director of Business Development added that firm costings had now been obtained from the quantity surveyor and that the Diss Heritage Triangle was confident that all the necessary funds could be raised.

The merits of shifting footfall to the centre of the town was debated, during which the Chairman stressed that this was a community led project. The proposed changes to the town would enhance the experience for visitors, and lead to economic benefits for the people of Diss, and arguably the District as a whole.

Following detailed discussion, and representations made from Cllrs G Walden and T Palmer in support of the proposals, Cabinet agreed to support the recommendations of the report.

The Decision

<table>
<thead>
<tr>
<th>RESOLVED:</th>
<th>TO RECOMMEND TO COUNCIL</th>
<th>the funding package contained within the report, subject to the following conditions:</th>
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<tbody>
<tr>
<td></td>
<td>1.</td>
<td>The successful outcome of the due diligence work;</td>
</tr>
<tr>
<td></td>
<td>2.</td>
<td>The agreement of Diss town Council to the proposal and payment milestones;</td>
</tr>
</tbody>
</table>
3. Delivery of the payment milestones;
4. The Diss Heritage Partnership successfully obtaining all the necessary funding.

The Reasons for the Decision

The project has strong links to the Council’s Market Towns Initiative, and will lead to economic outcomes for the town and surrounding district.

Other Options Considered

- Not to contribute to the project
- To offer a reduced funding package

2326 CNC EXPANSION: FENLAND

The subject of the decision

Members considered the exempt report of the Director of Growth and Localism regarding the potential expansion of CNC Building Control and an opportunity to manage the Building Control service for Fenland District Council.

The Head of Business Improvement outlined the key areas of the report to members, stressing the need to market CNC outside of its traditional Norfolk boundaries. Members welcomed the recommendations, noting that Fenland District Council would be seeking member approval at its Cabinet meeting on 18 September.

The Decision

RESOLVED:

To:

1. Agree to provide a Building Control Service on behalf of Fenland District Council, subject to Fenland agreeing to join at their Cabinet on 18/09/2014;

2. Approve transitional funding of £150k, to be made available to draw on as part of the transfer project.

The Reasons for the Decision

To deliver efficiencies and increase levels of income for the Building Control Partnership.
Other Options Considered
  • Not to provide a service on behalf of Fenland.

(The meeting concluded at 10.12 am)

______________________________
Chairman
Performance, Opportunities/Risks and Revenue Budget Position Report April to September 2014/15

Scrutiny and Information Rights Officer/Accountancy Manager/Business Improvement Manager

This report details the Council’s risk position at the end of the second quarter for 2014/15, the revenue budget position for quarter two of the financial year 2014/15 and the performance of the Council for April to September.

Performance

The Council’s strategic performance indicators have been summarised in appendix 1 (Quarterly Performance Report) and highlights and summary are included in this report.

Opportunity and Risk

The position regarding the management of risk and opportunities at the Council is summarised within the report and reflects positively on the capacity of the Council to accept new risks as opportunities arise.

Finance

The report provides an explanation of the key movements and variances, which resulted in a favourable variance against expenditure budgets and additional income generated of £0.678 million as at the end of September 2014.

The positive variance against the pay budgets is 1.53% of the budget, illustrating effective management of the staff budget, including management of staff vacancies, to ensure expenditure is in line with the approved budget. The non pay variance is a positive 4.64%. The final element of the overall variance is income where the Council experienced an increase of 3.57% against the budget.

<table>
<thead>
<tr>
<th>Cabinet member(s):</th>
<th>Ward(s) affected:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Garry Wheatley</td>
<td>All</td>
</tr>
</tbody>
</table>

Contact Officer, telephone number, and e-mail:

Revenue/Budget: Matthew Fernandez-Graham 01508 533919
mgraeham@s-norfolk.gov.uk

Performance: Warren Salmons 01508 533682
wsalmons@s-norfolk.gov.uk

Opportunity/Risk: Emma Goddard 01508 533747
egoddard@s-norfolk.gov.uk
1. **Quarter Two 2014/15 Performance**

1.1. At the beginning of the financial year Cabinet approved the strategic measures to be reported and monitored on a quarterly basis. This report and accompanying appendix provides Cabinet with an overview of these key performance indicators.

1.2. We continue to meet the Council’s Vision through our corporate priorities and deliver the best outcomes for our residents. Strategic measures within tolerance or exceeding targets equate to a 100% rating in quarter 2. We have no strategic measures below our acceptable performance levels.

1.3. **Summary of the Strategic Measures for quarter 2 2014/15**

- 25 Measures met or exceeded target. (Green Indicator)
- 02 Measures are within an acceptable tolerance of target. (Amber Indicator)
- 00 Measures did not reach the stretched target. (Red Indicator)
- 04 Measures that have been introduced this year are reported with no set targets and will be reported through the year to provide baseline data. This will set targets to improve upon. These indicators are identified with the baseline icon in the Performance Appendix.

1.4. The measures approved by Cabinet on the 16th June 2014 included in this performance report along with the measures in the Directorate Business Plans that are used to manage performance at an operational level drive the business forward to continuously improve performance against the priorities and themes set by Cabinet.

1.5. Included in appendix 1 is the detailed performance report showing the target, outturn and operational comments relating to each strategic measure. Also included in the appendix is a 6 monthly update to provide members with an overview of how services are delivering against the activities agreed as part of the Directorate Business Plans.

2. **Quarterly Summary**

2.1. Q2 performance has been positive across the Strategic Measures and Members will be pleased to note that no indicators have fallen below acceptable performance levels.

2.2. The two measures with an amber status are:

- LI 262: Cost of waste collection per household
- LI263: Number of missed bins for all waste per 100,000 collections

2.3. The cost of waste collection and number of missed bins are only slightly off the stretched targets set, but they fall comfortably within accepted tolerance levels.

2.4. The waste service has been making major strides forward with the wider provision of services in South Norfolk; the implementation of the new MRF arrangements has culminated with the expansion of household recyclables accepted on the kerbside collection. The Council has also been moving forward with preparation work to add a commercial trade waste offer to our services and
this is now ready for launch in mid-October. These developments are expected to add value to the service as a whole and help drive further efficiencies and income opportunities by providing a more resilient service funded by additional income streams.

2.5. Through Q2 services have adapted well to re-alignment of reporting lines and though this period of change performance has continued to be strong across the board.

2.6. Two measures that have recovered their position from an amber status in Q1 are:
   - BV009: % of Council Tax collected
   - NI 181 Time taken to process Housing Benefit/Council Tax Benefit claims

As predicted in Q1 performance of these two indicators has recovered.

3. **Opportunity and Risk Management**

3.1. Managers have undertaken a review of all Strategic, Directorate and Operational opportunities and risks to reflect the current position. The Strategic Opportunities and Risks are attached at appendix 2.

3.2. The current organisational capacity position is highlighted below; this demonstrates that at present all risk factors are positive, indicating the Council is in a position where it could accept a higher level of risk or take additional opportunities that may expose the Council to some degree of risk. The table below presents a position that will assist the organisation achieve its ambitious targets for the future.

<table>
<thead>
<tr>
<th>Capacity Indicator</th>
<th>Present Position</th>
<th>Present Risk Acceptability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial</td>
<td>The Council agreed the revised Medium Term Plan (July 2014), which identified the potential savings required. Although there is uncertainty regarding this, the Acting Director of Business Development remains positive that the targets are achievable.</td>
<td>Positive</td>
</tr>
<tr>
<td>Service Delivery</td>
<td>The Council continues to perform strongly against its suite of strategic performance indicators. There have not been any significant adverse events over the past quarter.</td>
<td>Positive</td>
</tr>
<tr>
<td>Legal / Compliance</td>
<td>No significant legal / compliance issues have been raised over the past quarter and the status remains the same. However, the Council is mindful that both a General Election and District Council elections are scheduled for May 2015; work is being undertaken with organisations such as the District Council's Network to both influence and understand implications that may be arising.</td>
<td>Positive</td>
</tr>
<tr>
<td>Reputation</td>
<td>The Council continues to retain a good reputation both nationally and regionally.</td>
<td>Positive</td>
</tr>
</tbody>
</table>
3.3. In terms of the Strategic opportunities/risks, these have been updated to reflect the current position. A Strategic Opportunity has been added to the register relating to the Early Help Hub. The focus of the opportunity relates to providing better outcomes for individuals, families and communities and achieving shared outcomes with other organisations by working together. In addition, the risk relating to the shortage of the 5-year land supply (S1) has been merged with an operational risk relating to potential planning appeals and financial penalties associated with not meeting the five-year land supply. This ensures that all risks and actions to support risk mitigation relating to the five-year land supply are considered holistically. The status of this risk remains the same.

3.4. Other Strategic Risks have been updated, however represent minor changes that again do not constitute a shift in direction of the risks involved. Of note is progress made with regard to the opportunity related to the ratification of the Local Plans leading to co-ordinated development across the District (S2); the Long Stratton Area Action Plan reached pre-submission stage at Cabinet in July 2014 and Cabinet also agreed the Gypsy and Traveller document Issues and Options. In terms of the Strategic risks associated with Council assets and property development, these projects are long term and therefore have not changed significantly over the last quarter. Of note is that it has been agreed that a Framework for professional advisors is to be established in 2015/16, which will ensure that the Council remains efficient in procurement.

3.5. The nature of Directorate and Operational opportunities and risks have not changed significantly over the last quarter, however good progress is being made on a number of projects that present the Council and residents with opportunities for growth or income generation including the internal audit procurement, the expansion of CNC and the completion of the retail academy training programme associated with the Market Towns Initiative. The Council continues to monitor all risks and opportunities, and work towards completing necessary actions within set timescales.

Finance – Revenue Position

4. Background

4.1. This report summarises the position of the revenue budget for the Council. The budget for 2014/15 was set by the Council in February 2014. This report is based on the reporting structure that was in place at the time of setting the budget. At the meeting of Full Council on 22 September, it was agreed that the responsibilities of senior officers would be revised. The report for Quarter 3 will reflect the new reporting lines, which came into effect from 1st October.
5. **Summary of Quarter 2 Position**

5.1. The position for April to September 2014 is a positive variance of £678,567 as set out in the table below:

<table>
<thead>
<tr>
<th>Budget April to September</th>
<th>Actual April to September</th>
<th>Variance</th>
<th>% Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>£</strong></td>
<td><strong>£</strong></td>
<td><strong>£</strong></td>
<td><strong>%</strong></td>
</tr>
<tr>
<td>Pay</td>
<td>7,453,333</td>
<td>7,339,245</td>
<td>114,088</td>
</tr>
<tr>
<td>Non-Pay</td>
<td>6,267,397</td>
<td>5,976,463</td>
<td>290,933</td>
</tr>
<tr>
<td>Income</td>
<td>(7,652,366)</td>
<td>(7,925,912)</td>
<td>273,546</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>6,068,364</strong></td>
<td><strong>5,389,797</strong></td>
<td><strong>678,567</strong></td>
</tr>
</tbody>
</table>

5.2. Detailed forecasting work has taken place during August and September. The current forecast is for a revenue surplus of £1.5 million for 2014/15. This forecast will be refined further over the coming months.

5.3. Pay budget

Where vacancies have arisen in some areas, agency staff have been employed to maintain the level of service while recruitment takes place. The results of the 2013 Performance Reviews cost £189,358, which was greater than the budget of £166,000, reflecting the fact that 79.6% of staff were given an overall rating of Outstanding or Performing in their Performance Review, compared to 74.6% for the previous year. At the time of writing, the pay award for staff has yet to be agreed at a national level. On 10th October 2014, the LGA wrote to all Councils with details of pay proposals that would cover the period from April 2014 to March 2016. These proposals are subject to full consultation with Councils. The Council will be responding to these proposals, which do not yet constitute a formal pay offer. If agreed, the estimated cost to the Council for 2014/15 would be £99,000 compared to a budget of £136,000.

5.4. Non Pay

Positive variances on non-pay areas reflect continued tight control of costs as budget managers continue to look for efficiencies. This has been in a number of different areas.

5.4.1. Corporate Resources Directorate

Previously vacant investment properties have been let out, which means the Council no longer pays business rates on them, saving £20,000 so far. The good weather up to the end of September helped to reduce utilities costs by £21,000 at the Leisure Centres and £10,000 at South Norfolk House and by a total of £28,000 at all other Council properties. The property development at Poringland has incurred less revenue costs than anticipated as some costs have been capitalised. This has meant a positive revenue variance of £54,000 for the first six months of the year. There is a positive variance of £55,000 in revenues and benefits payments which represents approximately 0.2% of this budget, due to effective recovery of overpayments. There have been savings of £30,000 on equipment rental and printing costs in Corporate Scanning as more work is done electronically. Staff travel expenditure is £10,000 less than budgeted across the Directorate, as officers seek to economise on travel costs. There is a £9,000 saving against the
Grants Paid budget for Management of Commons as a payment to Waveney Valley will not be made, since this organisation no longer exists. A review of this area is currently being carried out. There have been savings on building maintenance at South Norfolk House of £6,000.

5.4.2. Environment and Housing Directorate

The new vehicles have helped with savings of £10,000 on the transport fleet due to lower fuel consumption. There have been savings in garden waste disposal costs of £9,000 due to the good summer weather reducing the weight of garden waste. Following the realignment in housing standards and enabling, there has been less use of consultancy, saving £18,000 to date.

5.4.3. Growth and Localism Directorate

There has been expenditure of £46,000 more than budgeted for consultants to assist with work on planning policy and the examination of the local plan. In setting the 2014/15 budget, it had been assumed that this would be funded from the Local Development Reserve. Given the overall surplus, it should not be necessary to use this reserve in 2014/15. There is £58,000 less expenditure to date from South Norfolk Alliance funds. The Council has committed to funding the Early Help programme and sporting facilities at Poringland from this budget. Based on current activities programme, the Youth Advisory Board budget is showing a positive variance of £51,000. Any funding that is not spent at the end of March 2015 will be requested to be slipped into 2015/16. The Market Towns Initiative is currently £28,000 behind the budgeted spend. Currently £64,000 remains unallocated for the remainder of the financial year. The Market Towns Co-ordinator is due to be appointed by the end of December.

5.4.4. Corporate Costs

There has been a reduction in the estimate for general bad debts to reflect the actual level in 2013/14, meaning that there is a lower provision for bad debts, saving £31,000 to date. There are savings of £15,000 on external audit fees, reflecting the lower rates from the Audit Commission’s tender of external audit work and the efficiency of the external audit process for 2013/14.

5.4.5. Trade Creditors, which are all invoices approved on the finance system but not yet paid, were £319,269 at 30 September 2014. The Council pays the majority of its suppliers within 30 days. To date, 99% of all undisputed supplier invoices have been paid within 30 days during this financial year. Budget Managers have also raised purchase orders and received goods/services to the value of £342,694 but have not yet received the invoice to pay for them as at 30 September 2014.

5.5. Income

5.5.1. Corporate Resources Directorate
Income at Wymondham Leisure Centre is up by £60,000 compared to budget. This is due to additional footfall of 2.6% compared to the same period last year which continues the trend from the final quarter of 2013/14. The housing benefit administration grant is £42,000 less than budgeted. As a consequence of the planned pool closure in January, the income at Diss is lower than budgeted by £24,000 reflecting a reduction in footfall of 4.6% compared to the same period last year. Changes to accounting for Council Tax Recovery income are having a positive effect of £29,000. CNC income is up by £31,000 due to the increased number of building applications. £29,000 of additional income is estimated to be due from legal income recovery and the profit share for NP Law. Reduced voids in our investment properties are leading to increased rental income of £31,000.

5.5.2. Environment and Housing Directorate

There is additional garden waste income from customers and recycling credits of £145,000. This reflects increasing demand as new customers sign up for this service and excellent growing conditions up to the end of September.

5.5.3. Growth and Localism Directorate

There are positive variances in income from development management of £37,000 and land charges of £10,000, which reflects higher number of planning applications as the economy improves. The County Council has contributed £15,000 for the first six months of the Early Help project which will offset the costs of providing accommodation for County Council staff in the Collaboration Hub at South Norfolk House. In addition, South Norfolk Council has allocated staffing to this project.

5.5.4. Corporate Costs

Investment income is forecast to be £75,000 more than was budgeted due to slower than profiled expenditure on revenue and capital and investment of some funds at higher rates of interest. The anticipated levy for Business Rates (NNDR) is £190,000, following the reduction in valuation of the Police Headquarters at Wymondham. When setting the budget, it was planned that this levy would be paid for from the Business Rates reserve, but officers now expect to fund this from the forecast revenue surplus. Regulations regarding Business Rates are due to be changed before the end of 2014/15 which may affect the levy calculation and the timing of payments between financial years.

5.5.5. Trade Debtors are all invoices raised by the Council and where we are awaiting payment. The Council has invoices totalling £657,187 waiting to be paid as at 30 September 2014, of which £524,892 has been invoiced in the last month and is not yet due. Of the overdue invoices totalling £132,295, 50% are committed to be repaid by instalment plans, 18% are under investigation with the remaining 32% being subject to debt recovery activity. These invoices include rent assisted deposits and charges for sewerage services.
£33,125 has also been raised in 2014/15 in relation to Community Infrastructure Levy (CIL). A proportion of this will be paid over to the parish and town councils.

5.6. A summary by Directorate shows positive variances across the Council.

<table>
<thead>
<tr>
<th>Chief Executive</th>
<th>Budget To Date</th>
<th>Expenditure To Date</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Pay</td>
<td>667,348</td>
<td>585,398</td>
<td>81,949</td>
</tr>
<tr>
<td>Non-Pay</td>
<td>491,917</td>
<td>489,978</td>
<td>1,939</td>
</tr>
<tr>
<td>Income</td>
<td>(217,690)</td>
<td>(207,230)</td>
<td>(10,460)</td>
</tr>
<tr>
<td>Directorate Total</td>
<td>941,575</td>
<td>868,145</td>
<td>73,429</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Corporate Resources</th>
<th>Budget To Date</th>
<th>Expenditure To Date</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Pay</td>
<td>1,302,762</td>
<td>1,290,836</td>
<td>11,926</td>
</tr>
<tr>
<td>Non-Pay</td>
<td>1,379,473</td>
<td>1,302,696</td>
<td>76,777</td>
</tr>
<tr>
<td>Income</td>
<td>(1,205,155)</td>
<td>(1,290,348)</td>
<td>85,193</td>
</tr>
<tr>
<td>Directorate Total</td>
<td>1,477,080</td>
<td>1,303,185</td>
<td>173,895</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Environment and Housing</th>
<th>Budget To Date</th>
<th>Expenditure To Date</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Pay</td>
<td>1,165,450</td>
<td>1,172,621</td>
<td>(7,171)</td>
</tr>
<tr>
<td>Non-Pay</td>
<td>(594,478)</td>
<td>(642,536)</td>
<td>48,058</td>
</tr>
<tr>
<td>Income</td>
<td>993,472</td>
<td>920,757</td>
<td>72,715</td>
</tr>
<tr>
<td>Directorate Total</td>
<td>1,564,444</td>
<td>1,450,843</td>
<td>113,601</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Growth and Localism</th>
<th>Budget To Date</th>
<th>Expenditure To Date</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Pay</td>
<td>501,557</td>
<td>489,915</td>
<td>11,642</td>
</tr>
<tr>
<td>Non-Pay</td>
<td>181,815</td>
<td>214,091</td>
<td>(32,276)</td>
</tr>
<tr>
<td>Income</td>
<td>(385,287)</td>
<td>(408,829)</td>
<td>23,542</td>
</tr>
<tr>
<td>Directorate Total</td>
<td>298,086</td>
<td>295,178</td>
<td>2,908</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Corporate Costs</th>
<th>Budget To Date</th>
<th>Expenditure To Date</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Pay</td>
<td>172,848</td>
<td>194,728</td>
<td>(21,880)</td>
</tr>
<tr>
<td>Non-Pay</td>
<td>1,761,593</td>
<td>1,731,248</td>
<td>30,346</td>
</tr>
<tr>
<td>Income</td>
<td>(1,795,605)</td>
<td>(1,889,196)</td>
<td>93,590</td>
</tr>
<tr>
<td>Corporate Costs Total</td>
<td>138,836</td>
<td>36,780</td>
<td>102,056</td>
</tr>
</tbody>
</table>
6. **Service Analysis**

6.1. An analysis of the main areas of variance is set out below. These variances are the direct costs of each service and exclude recharging between services for overheads and depreciation charges and technical financial adjustments required for statutory reporting purposes:
<table>
<thead>
<tr>
<th>Service Area</th>
<th>April to September Total Net Direct Budget £</th>
<th>April to September Total Net Direct Expenditure £</th>
<th>April to September Variance £</th>
<th>Commentary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building Control</td>
<td>(118,027)</td>
<td>(163,335)</td>
<td>45,308</td>
<td>CNC income is up by £31k due to increased number of building applications. There is a saving of £4k on consultancy and training costs. There are various non-pay savings of £10k partly because has been no dangerous structure work so far this year.</td>
</tr>
<tr>
<td>Economic Development</td>
<td>29,561</td>
<td>3,500</td>
<td>26,060</td>
<td>£20k positive variance on pay due to the Economic Development Manager post which was vacant at the start of the financial year. The budget for this post has now been used as part of the realignment within Growth and Localism which was completed in August. £6k positive variance across various non-pay budgets due to the vacancy at the start of the year, but this is expected to reduce.</td>
</tr>
<tr>
<td>Environmental Protection</td>
<td>142,890</td>
<td>113,720</td>
<td>29,170</td>
<td>There are currently staffing vacancies in this area, saving £17k to date. There is some additional income from service charges of £3k.</td>
</tr>
<tr>
<td>Garden Waste</td>
<td>(348,761)</td>
<td>(503,184)</td>
<td>154,422</td>
<td>There is additional income from customers and recycling credits (£145k) and savings on disposal charges (£9k). This is due to the excellent growing conditions for grass over the summer as well as continued growth in the number of customers for this service.</td>
</tr>
<tr>
<td>Housing Advice and Homelessness</td>
<td>157,296</td>
<td>119,681</td>
<td>37,615</td>
<td>The new housing advice team structure came into effect on 1 July 2014. Vacancies that were held prior to the realignment mean that there is a one-off saving of £12k on staffing. Additional homelessness presentations have resulted in additional client income receipts (£12k) and rent deposits being collected in excess of the original budget (£11k).</td>
</tr>
<tr>
<td>Service Area</td>
<td>April to September Total Net Direct Budget £</td>
<td>April to September Total Net Expenditure £</td>
<td>April to September Variance £</td>
<td>Commentary</td>
</tr>
<tr>
<td>-------------------</td>
<td>---------------------------------------------</td>
<td>-------------------------------------------</td>
<td>-------------------------------</td>
<td>----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Investment Property</td>
<td>(80,596)</td>
<td>(143,490)</td>
<td>62,894</td>
<td>The main driver here is reduced voids leading to increased rental income of £43k. Consequently, savings of £20k have been made due to lower business rates (these are not paid by the Council on properties that are no longer vacant).</td>
</tr>
<tr>
<td>Leisure Centres</td>
<td>251,775</td>
<td>217,382</td>
<td>34,393</td>
<td>Income at Wymondham Leisure Centre is up by £60k compared to budget. This is due to additional footfall which continues the trend from the final quarter of 2013/14. Income at Diss is £24k below budget. Numbers visiting the Leisure Centre at Diss have dropped compared to the same period last year. The pool was also shut for a brief period for specialist maintenance work which had a small impact on income (approximately £2.5k).</td>
</tr>
<tr>
<td>Waste Management</td>
<td>888,900</td>
<td>1,052,843</td>
<td>(163,943)</td>
<td>There are additional staffing costs of £25k at the Workshop as a Transport Manager has been employed on a short term contract to help meet Traffic Commissioner requirements. There has been extra trade waste income of £12k with more expected over the remainder of the year as the service is expanded. Currently staff and service contractor costs are £149k in excess of the budget and transfer costs and recycling gate fees are greater than budgeted by £20k, which is partly offset by additional recycling credits income (£82k). The increased costs and income are due to an extra collection round being required to collect from new properties in the District. There is a staffing review for domestic waste to meet increasing service demands from population growth.</td>
</tr>
</tbody>
</table>
7. **Relevant Corporate Priorities**

7.1. Driving services through being businesslike, efficient and customer aware.

8. **Conclusion**

8.1. The position as at the end of September on the General Fund shows a net favourable variance and additional income generated of £0.679 million, this compares to a net budget of £6.068 million.

8.2. Based on detailed forecasting, the projected outturn is a surplus of £1.5 million. This forecast will be updated over the coming months to reflect actions taken by officers and an updated forecast provided to Cabinet in January.

8.3. The significant variances are described within this report. The key movements are as a result of large favourable variances in income, non-pay and pay.

9. **Recommendations**

9.1. It is proposed that Cabinet:

   a) Notes the performance for quarter 2, 2014/15 and the combined efforts across the Directorates to deliver the Vision of the Council.

   b) Notes the current position, particularly the organisational capacity, with regard to opportunities and risks and accepts the actions to support risk mitigation and opportunity development.

   c) Notes the revenue position and the reason for the variances on the General Fund and the forecast outturn.
<table>
<thead>
<tr>
<th>Directorate</th>
<th>Code</th>
<th>Risk / Opportunity</th>
<th>Risk Owner</th>
<th>Commentary, including outcomes / benefits that may be gained</th>
<th>Directorate Plan Activity</th>
<th>Required / Outstanding Actions to support risk mitigation</th>
</tr>
</thead>
</table>
| Growth & Localism | S1   | Shortage of 5-year land supply results in un-co-ordinated development across South Norfolk, successful planning appeals and financial penalty | Planning Policy Manager     | The Council, along with the Greater Norwich Growth Board partners is reviewing the method used to calculate the five year land supply to take account of recent government advice regarding factors that can be taken into account in assessing housing land supply. Until such a time that the five year land supply is met, the Council could face speculative planning applications and successful appeals against planning decisions. Some planning consents were granted because of lack of 5 yr land supply in Norwich Policy Area. No Appeals have been lodged or defended on the grounds of lack of 5 yr land supply. | • D1 - Completion of Local Plans (see below)  
• D3 - Publication of quarterly updates on land supply  
• S2 - Ongoing approval of planning applications | • Annual reporting of combined NPA e.g. Broadland, Norwich and South Norfolk figures.  
• Require co-operation from the other two Authorities to co-ordinate half yearly monitoring.  
• Continual updates will be provided to Planning Committee members to take account of 5 Year land supply issues. |
|             | S2   | Ratification of the Local Plans leads to co-ordinated housing and infrastructure development across the District | Planning Policy Manager     | The Greater Norwich City Deal facilitates a commitment to pool CIL to fund infrastructure across the Greater Norwich area. Governance arrangements will now be resolved to ensure equitable allocation of growth funding arising from the City Deal.  
The City Deal presents a significant opportunity to generate economic growth throughout the Norwich Policy Area, as well as enabling greater financial freedom that could support the delivery of the required infrastructure works.  
Site Allocations, Wymondham Area Action Plan (AAP) and Development Management Policies documents are being examined at present. Long Stratton AAP reached Pre-Submission stage at Cabinet on 28 July 2014 (consultation ends on 24 October). Gypsy & Traveller document Issues & Options was agreed by Cabinet on 28 July 2014 (consultation ends on 24 October). | • D1 - Adoption of the Local Plan Documents | • Adoption of 'sound' Local Plan Documents: Site Allocations;  
Wymondham Area Action Plan; Development Management Policies (Q4 2014/15) Long Stratton Area Action Plan (LSAAP), including the use of CPO to ensure delivery if necessary (Q1 2015/16)  
• Preparation and approval of SPD (Q4 2014/15)  
• Hearing stage for SSAPD, WAAP and DMP runs from 21 October – 18 November 2014 with Inspector’s Reports due in Q4 (Feb 2015) and adoption to follow shortly afterwards. Considerable internal resources need to be deployed in the run-up to, and during, the Hearing sessions  
• Infrastructure Business Plan to be approved by Greater Norwich Growth Board in Q2/3 2014/15 |
| Environment and Housing | Early Intervention Manager | Lead and coordinate strategic activity and partnerships that are focused on economic growth, early intervention and wellbeing, and ensure that local communities reap the benefits of growth. Key examples include: 
1. Development of a targeted early intervention structure for residents with mental health issues and children and families to reduce overall public spending by utilising resources differently. 
2. Development and implementation of a strategy to reduce the impact of poverty on children. 
3. Development of a programme with the Prince’s Trust to prepare young people for work | Early intervention structure to be developed (Q3 2014/15) 
• Monthly case conference to be developed to include children and families. (Q3 2014/15) 
• Continue to offer support to unemployed young people via the Prince’s Trust Get Into and Get Started programmes |
| --- | --- | --- |
| S3 | The Early Help Hub provides better outcomes for individuals, families and communities; and for organisations to take a single approach by working together to shared outcomes | The Early Help Hub was established in July 2014, which resulted in 21 staff from 7 agencies work from the Hub in order to facilitate greater coordination and information sharing. 
The benefits of being part of a multiagency approach to working with families means we can reduce the demand from families on Council Services through providing an effective response early to resolve issues rather than escalate to high demand. 
So far the hub has closed 6 cases as needs met, stepped down 11 cases from Children in Need team to early help, which has positively affected the lives of 39 children. | |
| S4 | The Council is unable to deliver priority services as revenue funding falls short of required income | The Council's revised Medium Term Plan (July 2014) identifies the potential savings required of £491k over the next three years. The plan contains two major risks, around income. Firstly, based on the latest trajectory for house building, it projects an increase of £2.3 million in New Homes Bonus over the 3 years. There is uncertainty at this time on the future of New Homes Bonus after the General Election, which will not be clarified until mid-2015 at the earliest. Secondly, the plan assumes growth income from commercialisation, mainly from building control, property development and leisure enhancement. Should the additional income not be achieved, then the funding gap will increase. | The resolution of balanced budget (2015/16) 
• Delivery of Wymondham Leisure Centre Enhancement Programme (2015/16) 
• Delivery of Diss and Long Stratton Leisure Centre Enhancements (Phasing TBC) 
• Completion of Phase 1 Poringland Development (Q2 2015/16) 
• Completion of reserved matters on Cygnet House development (Q1 2015/16) 
• Signing up of new Building Control Hub Partners (Q3 & Q4 2014/15) |
| S5 | Business Development | Council assets are not managed effectively and do not support service delivery | Head of Asset Management | The Council's key operational assets need to be maintained adequately to support effective service delivery. These assets can assist the Council in improving services offered and increasing income generation. The repairs and maintenance of these assets is managed by the services responsible. Technical advice is provided by Facilities and Technical Services Manager | J2 - Ketteringham Depot expansion and upgrade | J2 - Leisure Centre Enhancement Programme | • Acquisition of land for depot enhancement (2014/15)  
• Delivery of Wymondham Leisure Centre Enhancement Programme (2014/15)  
• Delivery of Diss and Long Stratton Leisure Centre (Phasing TBC)  
• Framework for Professional Advisors is to be established 2015/16 |
| S6 | Property Development activities are not successful and income generation is not realised | Head of Asset Management | The Council is seeking to develop its own land to develop a range of residential and commercial property. A proportion of the property is to be retained for income generation and the remainder sold on the open market to generate capital receipts. | Maximise income generation and opportunities of surplus or underutilised land and property assets. Creation and effective management of a broad commercial property investment portfolio (capital investment) to support economic growth | • Maximise opportunities by seeking to gain planning consent for development  
• Establish a procurement compliant method for delivering the construction phase of the developments (2014/15)  
• Respond to market conditions, supply and demand (2014/15) |
Capital and Treasury Management Report – Quarter 2 2014/15

Accountancy Manager

This report monitors capital expenditure for April to September 2014 against the amended Capital Programme as approved by Cabinet on 28 July 2014. The report also reviews the treasury management activity during the first half of the financial year 2014/15 and reports on the prudential indicators as required by CIPFA's Treasury Management Code of Practice.

Capital expenditure for the first six months was £1,175,055 against a profile of £1,631,881 with the main expenditure being completion of the Travellers Site, Vehicle Replacements and Regional Building Control. Progress on capital schemes has been reviewed and reprogramming of the Ketteringham Depot and the Leisure scheme into 2015/16 is recommended, with funding for Cygnet House being brought forward from 2016/17 to 2014/15.

This report also updates Cabinet on the property development at Poringland and the procurement options being explored for the next Phase of this development.

Investments totalled £36.495 million as at 30 September 2014, an increase of £1.28 million on the amount of £35.215 million as at 30 June 2014. The Council has made one investment for 2 years to take advantage of higher longer term interest rates.

Interest earned on cash investments is forecast to be £310,659 for the year, which is £75,659 above the budget of £235,000, but would be £43,927 less than the £354,586 received in 2013/14, due to the lower interest rates available on new investments. The gross rate of return is forecast to be 0.90% which is lower than the rate of return achieved in 2013/14 of 1.04%. The average gross rate of return on property investments is forecast to be 7.3%, calculated on the value of the property portfolio as at 30/09/14, as a number of longer term vacant properties have now been let. The net rate of return is forecast to be 7.0%.

Capita Asset Services, the Council’s treasury advisers, have provided an update on current economic conditions.

<table>
<thead>
<tr>
<th>Cabinet member(s):</th>
<th>Ward(s) affected:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Garry Wheatley</td>
<td>All</td>
</tr>
</tbody>
</table>

Contact Officer, telephone number, and e-mail: Matthew Fernandez-Graham 01508 533919 mgraughter@norfolk.gov.uk
1. **Background**

1.1. The first section of this report monitors capital expenditure in the first half of the year against the amended Capital Programme as approved by Cabinet on 28 July 2014.

1.2. This second section of this report monitors treasury management activities in the first half of the year against the updated Treasury Management Strategy as approved by full Council on 7 July 2014.

**Capital**

2. **Capital Budget and Resources**

2.1. The amended Capital Programme as approved at Cabinet on 28 July 2014 was £11,524,774. As agreed at Full Council on 22 September, £250,000 has been added to the programme for Play Area Refurbishments, funded from Section 106 agreements.

2.2. In order to take forward the Council’s ambitions in relation to building control, it is necessary to bring forward the planned upgrade to IT servers into this financial year. It is therefore recommended that £138,000 be brought forward from the 2015/16 programme.

2.3. Negotiations with the seller of the land at Ketteringham Depot are continuing, but a sale is not expected to be completed until 2015/16 and it is therefore recommended that this budget be moved into the 2015/16 capital programme. The Leisure Centre enhancement at Wymondham Leisure Centre is now planned to start in 2015/16 and therefore it is recommended that the Leisure Enhancement budget be moved into the 2015/16 programme.

<table>
<thead>
<tr>
<th></th>
<th>£</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Capital Expenditure Budget at 28 July 2014</strong></td>
<td><strong>11,524,774</strong></td>
</tr>
<tr>
<td>Play Area Refurbishments</td>
<td>250,000</td>
</tr>
<tr>
<td>Proposed budget for IT Projects brought forward from 2015/16</td>
<td>138,000</td>
</tr>
<tr>
<td><strong>Total Capital Expenditure Budget 2014/15 for Quarter 2 monitoring</strong></td>
<td><strong>11,912,774</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>£</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposed reprogramming of Ketteringham Depot works into 2015/16</td>
<td>(1,371,852)</td>
</tr>
<tr>
<td>Proposed reprogramming of Leisure Centre enhancement into 2015/16</td>
<td>(1,425,376)</td>
</tr>
<tr>
<td><strong>Total Reprogrammed Capital Programme Budget 2014/15</strong></td>
<td><strong>9,115,546</strong></td>
</tr>
</tbody>
</table>

2.4. The amended capital programme is fully funded for 2014/15 and 2015/16. It is reliant on a combination of existing resources (e.g. LSVT capital receipt and
revenue reserves) together with new resources (e.g. new land sales) to achieve this. In 2016/17 the programme is currently 79% funded and this may require the Council to generate additional resources to finance the programme fully. Whether borrowing will actually be required will depend on the delivery of the capital programme, the level of capital receipts over the period and the level of revenue reserves in 2016/17. It is important that the programme is reviewed on a regular basis to assess the levels of expenditure and the generation of resources necessary to finance capital projects.

3. Capital Expenditure

3.1. Capital expenditure for the first half of the year was £1,175,055 against the profile of £1,631,881 with the main expenditure being completion of the Travellers Site, Vehicle Replacements and Regional Building Control. Details are in Appendix A along with a forecast for the remainder of the year. A summary of the position on significant schemes is set out below:

3.2. Low Cost Housing

This is a revised project funded from the affordable element of the New Homes Bonus. Under the New Homes Bonus Scheme, the Council receives additional funding for six years for each additional affordable property. This is then recycled into supporting other affordable housing projects. The Council has paid £46,625 in 2014/15 to complete a low cost housing scheme at Long Stratton which has delivered 11 units. The Council is currently committed to funding two bids worth £77,601 related to affordable housing in Wymondham and Earsham. It is anticipated that this funding will be paid in Quarter 4. There is also potential for a bid in Costessey relating to the conversion of shops into flats, which if approved would attract a bid of no more than £40,000. It is likely therefore that, even taking the potential scheme into account, there will be a positive variance of £60,000 to slip into future years.

3.3. Disabled Facilities Grants and Aids and Adaptations

The expenditure of £249,421 in the first half of the year was used to provide 52 grants. It is anticipated that the Disabled Facilities Grant budget will be overspent in 2014/15 and consideration will need to be given to transferring budget from the Decent Home Loans budget to cover the shortfall, due to the falling level of loans that are granted and the anticipated underspend on that particular budget.

Decent Home Loans

£30,694 was spent in the first half of the year to provide two loans against the annual budget of £200,000 and this budget is forecast to be underspent in 2014/15. Officers are currently reviewing this scheme. Future consideration will need to be given to transferring budget to the Disabled Facilities Grants budget to cover the shortfall in that budget.

3.4. Vehicle Replacement - Cleansing

Five street cleansing vans were purchased in the first quarter. As agreed by Full Council, the budget for these vehicles was slipped from 2013/14 due to delays in manufacturing the vehicles. Further vehicles included on the replacement
programme will be ordered in the third quarter, with expenditure following in the fourth quarter.

3.5. Capital Grant Projects

At the Cabinet meeting in February, Members agreed to award grants for three projects that had bid for funding (Earsham, Redenhall with Harleston, and Tharston and Hapton). £39,000 has been spent so far on the project at Earsham. and it is anticipated that this project will be completed in the third quarter. It is currently projected that the grant funding for the other two projects will not be paid in this financial year and therefore that a slippage request for the £100,000 (£60k Redenhall with Harleston, £40k Tharston and Hapton) is included at year end.

3.6. Ketteringham Depot – Expanding Facilities

There has been no spending on this project in the first half of the year. Further discussions with the seller are arranged for later in the year. It has been assumed in forecasting that the Council will spend no more than £50,000 on this project in 2014/15 and it is therefore requested that the majority of this funding be reprogrammed into 2015/16.

3.7. Wheeled Bin Replacements

The purchase of wheeled bins has been as forecast, with £103,513 spent in the first six months of 2014/15. The budget is anticipated to be fully spent in the year.

3.8. Toilet Refurbishments

Works has now started on the toilet refurbishments with work having begun at Harleston in October as planned. It is anticipated that works to the refurbishments in Loddon will commence after Christmas with both schemes being paid for by the end of 2014/15. The budget for the remainder of this project will be reviewed as part of the capital budgeting process for 2015/16. It is planned that the existing units in Loddon and Harleston will be converted into small trading units, with this work being funded from the Investment Property budget. The enabling works for these conversions are expected to being before the end of 2014/15.

3.9. Provision of Travellers Site

Works to the Travellers Site have now been completed, and the Council is awaiting the final invoice for retention monies payable which is due in Quarter 3. The cost of the total project exceeded the original budget of £350,000 and the additional cost has been funded from the low cost housing budget as agreed by Cabinet on 28 July 2014.

3.10. New IT Projects

Expenditure to date has been mainly on the completion of IDOX implementation for Environmental Health and Essential Server Upgrades, with a small element going towards the HR system implementation. It is anticipated that the majority of new projects will begin incurring expenditure in the remaining quarters of the year, including wireless access upgrades (£40,000), the purchase of tablets for mobile working (£35,000) and an upgrade of the firewall hardware (£70,000).
3.11. Regional Building Control IT

To take forward the Eastern Region Building Control model, as agreed at the May Cabinet, it is necessary to establish a communications link between SNC and IDOX in Milton Keynes. The funding for this is from the Transformation Grant and £145,000 has been transferred for this work as agreed by Cabinet on 28 July. £70,000 has been paid to date from this funding. A further £20,000 will be required from the Transformation Grant to fund additional Licences that will be purchased by the end of 2014/15.

3.12. Poringland Development

Following the granting of detailed planning permission in June, enabling works to the site commenced in July so that properties can begin to be constructed. The main contractor is currently letting the sub-contract packages. The full £3.3m budget allocated in this financial year is currently projected to be spent in full. It is anticipated that Phase 1 of the Poringland Development will be completed in June 2015.

3.13. Renewal of Play Areas

The programme now includes the renewal of play equipment at a number of sites throughout the District with the £250,000 expenditure being funded from the designated S106 provision. It is anticipated that these works will begin in March 2015 and be completed by April 2015 and therefore slippage will very likely be requested.

3.14. Property Developments

It is anticipated that some of this budget will be used to fund the conversion of toilets in Harleston and Lodden into small trading units. The remainder of the budget is available should a suitable investment opportunity arise during this financial year.

3.15. Leisure Enhancement

Work is proceeding on the project for Wymondham, with up to £50,000 being required later in the year. It is anticipated that a planning application will be made in the fourth quarter. Officers are working with the High School in Diss to explore the feasibility of pursuing a funding bid towards new leisure provision in Diss. It is recommended that the unused budget for Leisure Enhancement is reprogrammed for 2015/16.

3.16. Cygnet House

It is anticipated that the demolition of the current site will take place in the fourth quarter of 2014/15, with construction still planned to begin in the first quarter of 2015/16. The budget in the current year will be spent in full on Architects and Quantity Surveyors this year, so further budget provision will be required to fund the demolition works. The cost of demolition will be up to £100,000 and budget provision can be brought forward from the £1 million budget contained in the programme in 2016/17. Cabinet is requested to bring forward £100,000 from the programme in 2016/17 into 2014/15.
3.17. Green Deal Funding

In March 2014 South Norfolk Council (working in partnership with Broadland District Council and Norwich City Council) was informed that the November 2013 bid for Green Deal Funding had been agreed in principle, and the three Councils had been awarded £1,444,300 to maximise delivery of Green Deal Finance Plans across whole communities / streets including hard to reach sectors.

The finance is broken down into four parts:

1. £1,300,000 Green Deal Communities funding
2. £34,300 for free / subsidised Green Deal Assessments in the first target streets
3. £10,000 for show homes in the first target streets
4. £100,000 for Installer Training

The £1,300,000 Green Deal Communities funding will be split between the three authorities and will provide incentives tailored to individual properties. It is a condition of the funding that it is committed before the 31st March 2015.

Following further discussions with DECC over the summer to finalise details DECC have now released the funding to Broadland District Council for distribution to the other partners in accordance with the initial agreement. £450,000 will be transferred to South Norfolk to fund Green Deal energy efficiency improvements to homes in the private sector.

A Memorandum of Understanding (MOU) signed by the three partners will be required before the funding can be released and Cabinet is requested to authorise the Director of Environment and Housing to enter into this MOU.

3.18. Build Insight Ltd

As Cabinet is aware, the Council has received regulatory approval to set up an Approved Inspector company (Build Insight Limited). The Council is expecting that the company will begin trading before the end of 2014. Working Capital is required for Build Insight Ltd in order for it to trade and it is recommended that a loan of £200,000 be provided to the company from the Council’s capital programme. This loan will be at a commercial rate of interest and will be fixed for a period of two years.

4. Property Procurement

4.1. Cabinet agreed on 16 June 2014 to investigate alternative procurement and delivery models for the Council’s property development activities and to cease the joint venture procurement that was underway at that time.

4.2. Officers have explored a number of frameworks, and have identified two frameworks hosted by Scape System Build Ltd (“Scape”) as offering potentially the most significant benefits to SNC. Other procurement options have also been explored.

4.3. Through these investigations and activities, officers have determined that no single procurement method is universally better than the others in every possible property development project. It is therefore proposed that the Council reviews its options and chooses the most appropriate procurement route for each project on a case by case basis.
Cabinet
27 October 2014

4.4. Alongside the procurement route to be used for each project, the Council can also utilise a number of different delivery vehicles when undertaking these projects. Again, no single delivery model is universally superior, and the choice of delivery model should be determined on a case by case basis.

4.5. Additionally, with Phase 1 at Poringland now underway and expressions of interest being received for off-plan sales, it is appropriate to now consider and agree which plots will be retained by the Council for investment purposes.

4.6. This report seeks Cabinet approval to:

4.6.1. Utilise the procurement route which best delivers the outcomes required on an individual project basis without further reference to Cabinet, on the condition that contract award is in accordance with contract standing orders.

4.6.2. Retain the 10 houses identified in this cabinet report at Rosebery Park, Poringland for Private Rented Sector rental.

5. Procurement Routes

5.1. Construction works for Phase 1 at Poringland are being undertaken by respected local house-builders, John Youngs Limited (part of the RG Carter group). The appointment was made using a procurement exemption on the basis that it was in the business interest of the Council to proceed quickly with a firm that had local knowledge to achieve the Council's objectives in a timely manner.

5.2. The Council's project manager for the Poringland development advises that an accelerated version of the full OJEU procurement process is commonly used for construction projects and Cabinet agreed on 15 September 2014 that officers should initiate an accelerated OJEU procurement route for the development of the Cygnet House site.

5.3. The Scape frameworks and the accelerated OJEU procurement can deliver a start on site in approximately the same timescale. Scape appears to provide a comprehensive service for local authorities that do not have existing resource and capabilities to deliver property projects, but the process is less flexible and the choice of contractors more limited than an OJEU procurement.

5.4. The accelerated OJEU process provides more flexibility and greater choice of contractor than the Scape frameworks, but does require the Council to have a better understanding of and resources to apply towards the overall development and construction process. The Council’s project manager for the Poringland site advises that he believes the Council has developed the capabilities to use the accelerated OJEU route, subject to the appointment of a suitably qualified and experienced project manager and employer's agent to manage the process on the Council’s behalf.

5.5. The accelerated OJEU procurement route is the preferred option for the development of Phase 2 at Poringland. Subject to Cabinet authorisation, officers will initiate this procurement route for Phase 2 at Poringland at the appropriate time, without further reference to Cabinet, subject to Cabinet approving the final contract award.
6. **Residential Properties to be retained for investment purposes**

6.1. The Council is building residential properties at Poringland and Cygnet House to generate a financial return to help offset past and projected reductions in central government funding for the Council’s core activities. Financial return will be generated in two ways. The first is the realisation of developer’s profit on homes that are built and sold on the open market. The second is the generation of a long term revenue income through retaining and renting out some of the houses on the open market.

6.2. The Poringland scheme includes the construction of 56 homes. 13 of these will be affordable homes, as required by the planning permission granted, and will be transferred to a Registered Social Landlord (RSL). That leaves 43 homes to satisfy local market demand. Of these 43 homes, 33 will be sold on the open market, and 10 will be retained by the Council to rent out and generate long term rental income. Plots 13, 14, 15, 16, 24, 25, 36, 37, 42 and 43 will be retained. These are predominantly 2-bed houses, although plot 16 is a 3-bed.

6.3. The houses to be retained are currently projected to have a market valuation of £1,907,500 when completed, and have rental values of around £82,000 p.a.. Assuming a running 15% void, the rental income generated should be in the region of £69,000 p.a. Management costs are estimated at around 10% of gross rental income, so the Council should see an income of around £62,000 p.a. over the long term (growing over time).

6.4. Officers are investigating the best legal entities to take forward both the property developments and where the retained properties should be held and managed. There are a number of advantages to utilising limited companies such as perceptions/marketing, mitigation of financial and commercial risks. There are a number of options available and legal and tax advice is being sought. Officers propose to bring a paper back to Cabinet with recommendations in due course. Rosebery Park Developments Limited was set up in anticipation of forming the joint venture company and remains dormant. It is anticipated that this company will be utilised as one of the trading entities in the future.
Treasury Management

7. Economic Background

7.1. After robust UK growth in the first half of 2014, it appears very likely that strong growth will continue through 2014 and into 2015 as forward surveys for the services and construction sectors, are very encouraging and business investment is now recovering well. The manufacturing sector has also been encouraging though the latest figures indicate a weakening in the future trend rate of growth. However, for this recovery to become more balanced and sustainable in the longer term, the recovery needs to move away from dependence on consumer expenditure and the housing market to a greater focus on exporting, particularly of manufactured goods. Most economic forecasters are expecting growth to peak in 2014 and then to ease off a little, though still remaining strong, in 2015 and 2016.

7.2. Unemployment is falling much faster through the initial threshold of 7%, set by the Monetary Policy Committee (MPC) last August, before it said it would consider any increases in Bank Rate. The MPC has, therefore, subsequently broadened its forward guidance by adopting five qualitative principles and looking at a much wider range of about eighteen indicators in order to form a view on how much slack there is in the economy and how quickly slack is being used up. The MPC is particularly concerned that the current squeeze on the disposable incomes of consumers should be reversed by wage inflation rising back above the level of inflation in order to ensure that the recovery will be sustainable. There also needs to be a major improvement in labour productivity, which has languished at dismal levels since 2008, to support increases in pay rates. Unemployment is expected to keep on its downward trend and this is likely to eventually feed through into a return to significant increases in pay rates at some point during the next three years. However, just how much those future increases in pay rates will counteract the depressive effect of increases in Bank Rate on consumer confidence, the rate of growth in consumer expenditure and the buoyancy of the housing market, are areas that will need to be kept under regular review.

7.3. Also encouraging has been the sharp fall in inflation (CPI), reaching 1.5% in May and July, the lowest rate since 2009. Forward indications are that inflation is likely to fall further in 2014 to possibly near to 1%. Overall, markets are expecting that the MPC will be cautious in raising Bank Rate as it will want to protect heavily indebted consumers from too early an increase in Bank Rate at a time when inflationary pressures are also weak. A first increase in Bank Rate is therefore expected in the first half of 2015 and the markets expect increases after that to be at a slow pace to lower levels than prevailed before 2008 as increases in Bank Rate will have a much bigger effect on heavily indebted consumers than they did before 2008.

7.4. The return to strong growth has also helped lower forecasts for the increase in Government debt by £73bn over the next five years, as announced in the 2013 Autumn Statement, and by an additional £24bn, as announced in the March 2014 Budget - which also forecast a return to a significant budget surplus (of £5bn), in 2018-19. However, monthly public sector deficit figures have disappointed so far in 2014/15.
Cabinet
27 October 2014

7.5. In September, the Federal Reserve continued with its monthly $10bn reductions in asset purchases, which started in December 2014. Asset purchases have now fallen from $85bn to $15bn and are expected to stop in October 2014, providing strong economic growth continues. First quarter GDP figures for the US were depressed by exceptionally bad winter weather, but growth rebounded very strongly in Q2 to 4.6% (annualised).

7.6. The U.S. faces similar debt problems to those of the UK, but thanks to reasonable growth, cuts in government expenditure and tax rises, the annual government deficit has been halved from its peak without appearing to do too much damage to growth, although the weak labour force participation rate remains a matter of key concern for the Federal Reserve when considering the amount of slack in the economy and monetary policy decisions.

7.7. The Eurozone is facing an increasing threat from weak or negative growth and from deflation. In September, the inflation rate fell further, to reach a low of 0.3%. However, this is an average for all Eurozone countries and includes some countries with negative rates of inflation. Accordingly, the European Central Bank took some rather limited action in June to loosen monetary policy in order to promote growth. In September it took further action to cut its benchmark rate to only 0.05%, its deposit rate to -0.2% and to start a programme of purchases of corporate debt. However, it has not embarked yet on full quantitative easing (purchase of sovereign debt).

7.8. Concern in financial markets for the Eurozone had subsided considerably during 2013. However, sovereign debt difficulties have not gone away and major issues could return in respect of any countries that do not address fundamental issues of low growth, international uncompetitiveness and the need for overdue reforms of the economy (as Ireland has done). It is, therefore, possible over the next few years that levels of government debt to GDP ratios could continue to rise for some countries. This could mean that sovereign debt concerns have not disappeared but, rather, have only been postponed. There therefore remains a real, though relatively low, risk of a return to a full blown Eurozone crisis in late 2014 or 2015, perhaps centred on Italy and France.

7.9. In Asia, Japan is causing considerable concern as the increase in sales tax in April has suppressed consumer expenditure and growth, which was negative in Q2. The Government is hoping that this is a temporary blip. As for China, Government action in 2014 to stimulate the economy appeared to be putting the target of 7.5% growth within achievable reach but recent data has raised fresh concerns. There are also major concerns as to the creditworthiness of much bank lending to corporates and local government during the post 2008 credit expansion period and whether the bursting of a bubble in housing prices is drawing nearer.

8. **Outlook for interest rates**

8.1. The Council’s treasury advisor, Capita Asset Services, has provided the following forecast:
Capita Asset Services undertook a review of its interest rate forecasts in mid August, after the Bank of England’s Inflation Report. By the beginning of September, a further rise in geopolitical concerns, principally over Ukraine but also over the Middle East, had caused a further flight into safe havens like gilts and depressed PWLB rates further. However, there is much volatility in rates as news ebbs and flows in negative or positive ways. This latest forecast includes a first increase in Bank Rate in quarter 1 of 2015.

9. **Investment Activity**

9.1. The Guidance on Local Government Investments in England gives priority to security and liquidity and the Council’s aim is to achieve a yield commensurate with these principles.

**Movement on Investments:**

<table>
<thead>
<tr>
<th>Quarter 2</th>
<th>Balance 01/07/14</th>
<th>Investments Made</th>
<th>Investments Repaid</th>
<th>Balance on 30/09/14</th>
<th>Increase/Decrease in Investments</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£000s</td>
<td>£000s</td>
<td>£000s</td>
<td>£000s</td>
<td>£000s</td>
</tr>
<tr>
<td>Short term Investments</td>
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<td>0</td>
<td>20,000</td>
<td>0</td>
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<tr>
<td>Long term investments</td>
<td>0</td>
<td>2,010</td>
<td>0</td>
<td>2,010</td>
<td>2,010</td>
</tr>
<tr>
<td>Money Market Fund</td>
<td>0</td>
<td>23,505</td>
<td>(22,650)</td>
<td>855</td>
<td>855</td>
</tr>
<tr>
<td>Bank Accounts</td>
<td>15,215</td>
<td>9,125</td>
<td>(10,710)</td>
<td>13,630</td>
<td>(1,585)</td>
</tr>
<tr>
<td><strong>Total Investments</strong></td>
<td><strong>35,215</strong></td>
<td><strong>34,640</strong></td>
<td>(33,360)</td>
<td><strong>36,495</strong></td>
<td><strong>1,280</strong></td>
</tr>
</tbody>
</table>

9.2. The Investments made during the quarter were as follows:

<table>
<thead>
<tr>
<th>Month</th>
<th>Counterparty</th>
<th>Amount £m</th>
<th>Length</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sept</td>
<td>Royal Bank of Scotland</td>
<td>2.0</td>
<td>2 years</td>
<td><strong>1.4% in Year 1</strong> 1.85% in Year 2</td>
</tr>
</tbody>
</table>

9.3. The Council’s budgeted investment income for the year is £235,000. The cash balances invested, representing the Council’s reserves, working balances etc,
were £36.495m as at 30 September 2014 and interest earned is forecast to be £310,659 which is £75,659 above budget. This is partly due to the effect of the recent investment in RBS which is providing 1.4% in its first year and partly down to higher balances than predicted, as revenue expenditure is less than budgeted and capital expenditure is profiled to the second half of the financial year or being reprogrammed into 2015/16. This level of return would be £43,927 less than the £354,586 received in 2013/14, due to the substantially lower interest rates available on new investments compared to previous years. Due to lower interest rates, the average rate of return is forecast to be 0.90% which compares to a rate of return for 2013/14 of 1.04%.

9.4. Officers are looking to place investments for up to 2 years where there is the offer of higher interest rates in the second year.

10. Compliance with Prudential Indicators

10.1. In February 2014, the Council approved a set of Prudential Indicators for 2014/15, as part of the Council’s Treasury Management Strategy. In compliance with the requirements of the CIPFA Code of Practice this report provides members with a summary report of the treasury management activity to date during 2014/15. Details of the Prudential Indicators are in Appendix B. There were no breaches of any indicators during the quarter.

11. Return on Investment Properties

11.1. The Council has a portfolio of Investment Properties worth over £5.5 million. The majority of these properties are rented out, so the return on these properties is as important as if the Council had invested an equivalent amount in the Treasury Strategy. However, under CIPFA’s code they are recognised as Capital Assets in the Balance Sheet.

11.2. A summary of the Return on Investment is shown in Appendix C.

11.3. The forecast average gross rate of return for the total investment portfolio is currently 7.3% gross, calculated on the value as at 30/09/14. This reflects the Council’s success in letting a number of properties that had previously been vacant for some or all of 2013/14. This is a significantly better gross rate of return than if the same value had been invested with the Council’s counterparties.

11.4. The net rate of return including all expenditure on vacant properties is forecast to be 7.0%, which still compares favourably to the returns from cash investments.

12. Relevant Corporate Priorities

12.1. Promoting a thriving local economy.

12.2. Driving services through being businesslike, efficient and customer aware.

13. Conclusion

13.1. Capital expenditure for the first half of the year was £1,175,055 against the quarterly profile of £1,631,881 with the main expenditure being completion of the Travellers Site, Vehicle Replacements and Regional Building Control.

13.2. The forecast is that expenditure at the end of the year will be around £8.6 million, but this will be dependent on continued progress with a number of complex
schemes and suitable property investment opportunities arising before the end of the year. The programme is fully funded for 2014/15.

13.3. Cash Balances have increased from £35.215 million at 30 June 2014 to £36.495 million at 30 September 2014. This is due to the main elements of the Council’s capital programme being scheduled to spend later during 2014/15.

13.4. The Council’s approach has been to make short term rather than longer term investments, but to increase its investments in property in order to secure a higher rate of return and to promote economic development. The strategy of making short term investments enables the Council to react faster to changes in the financial markets and to reduce the long term risk around the financial strength of counterparties, but this reduction in risk is reflected in lower interest rates. However this strategy itself is not risk free, as higher yielding investments are now maturing in 2014/15 and are subject to the market conditions, credit ratings and rates prevailing at that moment. It is important that the Council keeps a balanced portfolio in terms of risk, rates and liquidity and Officers are looking at starting to extend the duration of investments.

13.5. Interest earned on cash investments is forecast to be £310,659 for the year, which is £75,659 above the budget of £235,000, but would be £43,927 less than the £354,586 received in 2013/14.

13.6. Longer term the Council will need to borrow to finance its capital programme and the Municipal Bonds Agency could potentially be a source of funding. The Council has invested £25,000 in equity for the set-up of the Agency.

14. Recommendations


14.2. That Cabinet notes that Officers will utilise the property development procurement route which best delivers the outcomes required on an individual project basis without further reference to Cabinet, on the condition that contract award is in accordance with contract standing orders.

14.3. That Cabinet authorises the Director of Environment and Housing to enter into a memorandum of understanding on the operation of the green deal funding.

14.4. That Cabinet approves the request to:

a) Re-programme the capital schemes at Ketteringham and Leisure Provision into 2015/16. Bring forward £100,000 of funding from 2016/17 for Cygnet House.

b) Bring forward £138,000 to fund work on the IT servers.

14.5. Cabinet is recommended to request that Council:

a) Approves the 2014/15 prudential indicators for the quarter.

b) Note the treasury activity in the quarter and that it complies with the agreed strategy.

c) Loan £200,000 to Build Insight Limited for working capital at a commercial rate of interest for a period of two years.
d) Retain the 10 houses identified in this report at Rosebery Park, Poringland for Private Rented Sector rental.
## Appendix A

<table>
<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td><strong>Priority: Supporting Communities to realise their potential</strong></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td>0</td>
<td>150,000</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td>Provision of Travellers Site</td>
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<td>170,000</td>
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<td>0</td>
<td>49</td>
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<td>46,625</td>
<td>46,625</td>
<td>0</td>
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<td>187,085</td>
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<td>Aids &amp; Adaptations</td>
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<td>0</td>
<td>350,000</td>
<td>75,000</td>
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<td>487,280</td>
<td>300,000</td>
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<td>(160,000)</td>
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<td>0</td>
<td>200,000</td>
<td>24,500</td>
<td>30,694</td>
<td>0</td>
<td>(10,000)</td>
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<td>0</td>
<td>160,000</td>
<td>80,000</td>
<td>103,513</td>
<td>0</td>
<td>(28,000)</td>
<td>56,487</td>
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<td>185,837</td>
<td>0</td>
<td>881,807</td>
<td>185,837</td>
<td>184,699</td>
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<td>75,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
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<td>75,000</td>
<td>75,000</td>
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<td>0</td>
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<td>0</td>
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<td>0</td>
<td>39,340</td>
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<td>0</td>
<td>465,000</td>
<td>50,000</td>
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<td>0</td>
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<td>Ketteringham Depot - Expanding Facilities</td>
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<td>1,416,852</td>
<td>0</td>
<td>1,421,852</td>
<td>50,000</td>
<td>0</td>
<td>0</td>
<td>(50,000)</td>
<td>1,421,852</td>
<td>50,000</td>
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<td>0</td>
<td>250,000</td>
<td>250,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>(125,000)</td>
<td>250,000</td>
<td>125,000</td>
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<td>Toilet Refurbishments</td>
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<td>350,000</td>
<td>0</td>
<td>350,000</td>
<td>115,000</td>
<td>15,627</td>
<td>0</td>
<td>(70,000)</td>
<td>334,373</td>
<td>180,627</td>
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<tr>
<td>Improved Leisure Provision</td>
<td>355,731</td>
<td>1,144,269</td>
<td>0</td>
<td>1,500,000</td>
<td>5,000</td>
<td>24,624</td>
<td>0</td>
<td>(35,000)</td>
<td>1,475,376</td>
<td>74,624</td>
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<tr>
<td><strong>Total Priority: Enhancing our Quality of Life and the Environment we live in</strong></td>
<td>2,762,026</td>
<td>3,518,290</td>
<td>250,000</td>
<td>6,530,316</td>
<td>1,101,962</td>
<td>850,161</td>
<td>0</td>
<td>(1,721,321)</td>
<td>5,719,495</td>
<td>3,193,982</td>
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<td><strong>Priority: Promoting a thriving local economy</strong></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Commercial Developments:</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Cygnet House</td>
<td>200,000</td>
<td>0</td>
<td>0</td>
<td>200,000</td>
<td>60,000</td>
<td>7,800</td>
<td>0</td>
<td>(150,000)</td>
<td>192,200</td>
<td>257,800</td>
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<tr>
<td>Porlingland Phase 1</td>
<td>1,857,440</td>
<td>1,528,810</td>
<td>0</td>
<td>3,386,250</td>
<td>100,000</td>
<td>14,440</td>
<td>0</td>
<td>(2,000,000)</td>
<td>3,371,810</td>
<td>3,314,440</td>
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<tr>
<td>Porlingland Phase 2</td>
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<td>0</td>
<td>0</td>
<td>0</td>
<td>30,000</td>
<td>25,844</td>
<td>0</td>
<td>(30,000)</td>
<td>(25,844)</td>
<td>85,844</td>
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<td>Other Property Developments</td>
<td>0</td>
<td>1,013,538</td>
<td>0</td>
<td>1,013,538</td>
<td>0</td>
<td>675</td>
<td>0</td>
<td>(1,012,863)</td>
<td>1,012,863</td>
<td>1,012,538</td>
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<tr>
<td><strong>Total Priority: Promoting a thriving local economy</strong></td>
<td>2,057,440</td>
<td>2,542,348</td>
<td>0</td>
<td>4,599,788</td>
<td>190,000</td>
<td>48,759</td>
<td>0</td>
<td>(3,192,863)</td>
<td>4,551,029</td>
<td>4,671,622</td>
</tr>
<tr>
<td><strong>Priority: Driving services through being businesslike, efficient and customer aware</strong></td>
<td></td>
<td></td>
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<td></td>
<td></td>
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<td></td>
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</tr>
<tr>
<td>CNC Integration</td>
<td>0</td>
<td>49,670</td>
<td>0</td>
<td>49,670</td>
<td>44,919</td>
<td>18,394</td>
<td>0</td>
<td>0</td>
<td>31,277</td>
<td>18,394</td>
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<td>Regional Building Control</td>
<td>0</td>
<td>0</td>
<td>145,000</td>
<td>145,000</td>
<td>145,000</td>
<td>70,000</td>
<td>0</td>
<td>(90,000)</td>
<td>75,000</td>
<td>235,000</td>
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<tr>
<td>New IT Projects</td>
<td>300,000</td>
<td>0</td>
<td>138,000</td>
<td>438,000</td>
<td>130,000</td>
<td>148,790</td>
<td>0</td>
<td>(116,500)</td>
<td>289,210</td>
<td>403,290</td>
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<tr>
<td><strong>Total Priority: Driving services through being businesslike, efficient and customer aware</strong></td>
<td>300,000</td>
<td>49,670</td>
<td>283,000</td>
<td>632,670</td>
<td>319,919</td>
<td>237,183</td>
<td>0</td>
<td>(206,500)</td>
<td>395,487</td>
<td>656,683</td>
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<tr>
<td><strong>Total Capital Programme</strong></td>
<td>5,119,466</td>
<td>6,260,308</td>
<td>533,000</td>
<td>11,912,774</td>
<td>1,631,881</td>
<td>1,175,055</td>
<td>0</td>
<td>(5,120,684)</td>
<td>10,777,059</td>
<td>8,572,287</td>
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</tbody>
</table>
Appendix B

Prudential Indicators

Capital Financing Requirement
Estimates of the Council’s cumulative maximum external borrowing requirement for 2013/14 to 2015/16 are shown in the table below:

<table>
<thead>
<tr>
<th></th>
<th>31/03/2014 Actual £000s</th>
<th>31/03/2015 Estimate £000s</th>
<th>31/03/2016 Estimate £000s</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Financing Requirement</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Less: Existing Profile of Borrowing</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Less: Other Long Term Liabilities</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Cumulative Maximum External Borrowing Requirement</td>
<td>0</td>
<td>0</td>
<td>0</td>
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</tbody>
</table>

In the Prudential Code (November 2009), it states "Where there is a significant difference between the net and gross borrowing position the risks and benefits associated with this strategy should be clearly stated in the annual strategy."

Balances and Reserves
Estimates of the Council’s level of Balances and Reserves for 2014/15 and future years are as follows:

<table>
<thead>
<tr>
<th></th>
<th>31/03/2014 Actual £000s</th>
<th>31/03/2015 Estimate £000s</th>
<th>31/03/2016 Estimate £000s</th>
<th>31/03/2017 Estimate £000s</th>
</tr>
</thead>
<tbody>
<tr>
<td>Usable Reserves</td>
<td>25,626</td>
<td>17,810</td>
<td>12,786</td>
<td>9,595</td>
</tr>
</tbody>
</table>

These have changed from the estimates in the Treasury Management Strategy due to the revenue surplus for 2013/14, the proposed reprogramming of capital expenditure from 2014/15 into 2015/16 and the forecast revenue surplus for 2014/15.

Prudential Indicator Compliance

(a) Authorised Limit and Operational Boundary for External Debt

- The Local Government Act 2003 requires the Council to set an Affordable Borrowing Limit, irrespective of their indebted status. This is a statutory limit which should not be breached.
- The Council’s Affordable Borrowing Limit is set at £500,000 for 2014/15.
- The Operational Boundary is based on the same estimates as the Authorised Limit but reflects the most likely, prudent but not worst case scenario without the additional headroom included within the Authorised Limit.
- The Operational Boundary for borrowing for 2014/15 is set at £75,000.

---

1 Prudential Code, November 2009, page 4, paragraph E#5
(b) Upper Limits for Fixed Interest Rate Exposure and Variable Interest Rate Exposure

- These indicators allow the Council to manage the extent to which it is exposed to changes in interest rates.
- The upper limit for variable rate exposure allows for the use of variable rate debt to offset exposure to changes in short-term rates on our portfolio of investments.

<table>
<thead>
<tr>
<th></th>
<th>Limits for 2014/15 £000s</th>
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<tbody>
<tr>
<td>Upper Limit for Fixed Rate Exposure</td>
<td>50,000</td>
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<td>Compliance with Limits:</td>
<td>Yes</td>
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<tr>
<td>Upper Limit for Variable Rate Exposure</td>
<td>25,000</td>
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<tr>
<td>Compliance with Limits:</td>
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</table>

(c) Maturity Structure of Fixed Rate Borrowing

- This indicator is to limit large concentrations of fixed rate debt needing to be replaced at times of uncertainty over interest rates.

<table>
<thead>
<tr>
<th>Maturity Structure of Fixed Rate Borrowing</th>
<th>Upper Limit %</th>
<th>Lower Limit %</th>
<th>Actual Fixed Rate Borrowing as at 31/03/14</th>
<th>% Fixed Rate Borrowing as at 31/03/14</th>
<th>Compliance with Set Limits?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 12 months</td>
<td>0</td>
<td>100</td>
<td>0</td>
<td>0</td>
<td>Yes</td>
</tr>
<tr>
<td>12 months and within 24 months</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>Yes</td>
</tr>
<tr>
<td>24 months and within 5 years</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>Yes</td>
</tr>
<tr>
<td>5 years and within 10 years</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>Yes</td>
</tr>
<tr>
<td>10 years and above</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>Yes</td>
</tr>
</tbody>
</table>

(d) Total principal sums invested for periods longer than 364 days

- This indicator allows the Council to manage the risk inherent in investments longer than 364 days.
- The limit for 2014/15 is set at £5 million.
- The Council has £2 million invested for 2 years.
- The Council has invested £10,000 to date in the Municipal Bonds Agency.
<table>
<thead>
<tr>
<th>Asset Description</th>
<th>Combined Land and Buildings Value</th>
<th>Rental Income 01/04/14 - 30/09/14</th>
<th>Expenditure 01/04/14-30/09/14</th>
<th>Net (Income) / Expenditure to 30/09/14</th>
<th>Projected (Income) / Expenditure in 2014/15</th>
<th>Gross Investment Yield</th>
<th>Net Investment Yield</th>
</tr>
</thead>
<tbody>
<tr>
<td>13 Vinces Road, Diss</td>
<td>£153,257</td>
<td>£(6,000)</td>
<td>£951</td>
<td>£(5,049)</td>
<td>£(12,000)</td>
<td>%7.8%</td>
<td>%6.6%</td>
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<tr>
<td>9-11 Mere Street, Diss</td>
<td>£1,001,594</td>
<td>£(28,750)</td>
<td>0</td>
<td>£(28,750)</td>
<td>£(57,500)</td>
<td>%5.7%</td>
<td>%5.7%</td>
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<td>Unit 5b, Owen Road, Diss, IP22 4ER</td>
<td>£84,200</td>
<td>£(3,250)</td>
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<td>£(3,250)</td>
<td>£(6,500)</td>
<td>%7.7%</td>
<td>%7.7%</td>
</tr>
<tr>
<td>15 Vinces Road, Diss</td>
<td>£161,678</td>
<td>£(6,000)</td>
<td>0</td>
<td>£(6,000)</td>
<td>£(12,000)</td>
<td>%7.4%</td>
<td>%7.4%</td>
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<tr>
<td>Unit B17, Owen Rd, Diss</td>
<td>£95,129</td>
<td>£(3,000)</td>
<td>0</td>
<td>£(3,000)</td>
<td>£(6,000)</td>
<td>%6.3%</td>
<td>%6.3%</td>
</tr>
<tr>
<td>Unit B19, Owen Rd, Diss</td>
<td>£95,129</td>
<td>£(3,000)</td>
<td>0</td>
<td>£(3,000)</td>
<td>£(6,000)</td>
<td>%6.3%</td>
<td>%6.3%</td>
</tr>
<tr>
<td>Unit 18A, Harleston</td>
<td>£436,868</td>
<td>£(17,000)</td>
<td>0</td>
<td>£(17,000)</td>
<td>£(34,000)</td>
<td>%7.8%</td>
<td>%7.8%</td>
</tr>
<tr>
<td>Unit 19B-D, Harleston</td>
<td>£204,674</td>
<td>£(7,338)</td>
<td>0</td>
<td>£(7,338)</td>
<td>£(14,676)</td>
<td>%7.2%</td>
<td>%7.2%</td>
</tr>
<tr>
<td>Ketteringham Depot</td>
<td>£184,833</td>
<td>£(9,075)</td>
<td>0</td>
<td>£(9,075)</td>
<td>£(18,150)</td>
<td>%9.8%</td>
<td>%9.8%</td>
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<tr>
<td>Loddon Business Centre</td>
<td>£645,831</td>
<td>£(23,942)</td>
<td>3,570</td>
<td>£(20,372)</td>
<td>£(47,884)</td>
<td>%7.4%</td>
<td>%6.3%</td>
</tr>
<tr>
<td>Wym – Aytom Road</td>
<td>£102,858</td>
<td>£(4,035)</td>
<td>0</td>
<td>£(4,035)</td>
<td>£(8,070)</td>
<td>%7.8%</td>
<td>%7.8%</td>
</tr>
<tr>
<td>Wym – Aytom Road</td>
<td>£39,257</td>
<td>£(1,775)</td>
<td>0</td>
<td>£(1,775)</td>
<td>£(3,550)</td>
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<td>%9.0%</td>
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<tr>
<td>Wym – Aytom Road</td>
<td>£87,967</td>
<td>£(3,500)</td>
<td>0</td>
<td>£(3,500)</td>
<td>£(7,000)</td>
<td>%8.0%</td>
<td>%8.0%</td>
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<tr>
<td>Wym – Aytom Road</td>
<td>£136,389</td>
<td>£(2,250)</td>
<td>0</td>
<td>£(2,250)</td>
<td>£(4,500)</td>
<td>%3.3%</td>
<td>%3.3%</td>
</tr>
<tr>
<td>Wym – Aytom Road</td>
<td>£77,565</td>
<td>£(6,000)</td>
<td>0</td>
<td>£(6,000)</td>
<td>£(12,000)</td>
<td>%15.5%</td>
<td>%15.5%</td>
</tr>
<tr>
<td>Wym – Aytom Road</td>
<td>£51,293</td>
<td>£(2,563)</td>
<td>0</td>
<td>£(2,563)</td>
<td>£(5,125)</td>
<td>%10.0%</td>
<td>%10.0%</td>
</tr>
<tr>
<td>Wym – Aytom Road</td>
<td>£101,997</td>
<td>£(4,963)</td>
<td>0</td>
<td>£(4,963)</td>
<td>£(9,925)</td>
<td>%9.7%</td>
<td>%9.7%</td>
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Notes
9 Park Road, Diss has been removed from this analysis following the Council’s decision to no longer seek to rent out this property.
A11 Growth Corridor project proposal

Funding Manager

This report seeks agreement from Cabinet for a project proposal which builds upon the area’s sector strengths of engineering and advanced manufacturing to develop a world class cluster along a 25 mile section of the A11. South Norfolk Council will work in partnership with key stakeholders to enable the take up of allocated employment land within this area to create new businesses and high skilled jobs. In order to provide the scale of opportunity it is proposed that South Norfolk Council will work with Breckland Council in the first instance to secure external funding to attract new businesses to the corridor, create high skilled jobs and provide business support to grow existing businesses and enable greater levels of cross sector working.

<table>
<thead>
<tr>
<th>Cabinet member(s):</th>
<th>Ward(s) affected: Wymondham, Hethersett, Cringleford</th>
</tr>
</thead>
<tbody>
<tr>
<td>John Fuller</td>
<td></td>
</tr>
</tbody>
</table>

Contact Officer: Funding Manager, 01508 533745, ncunningham@s-norfolk.gov.uk

1. Background

1.1 There are currently two key initiatives which span across local authority areas that seek to increase the rate of economic growth:- the Greater Norwich City deal (2013), which aims to create 3,000 high value jobs supported by the commercialisation of research from the Norwich Research Park by 2020 and the New Anglia Growth Deal (2014) which is committed to creating an additional 95,000 jobs by 2026. Both of these initiatives aim to support key growth sectors including advanced manufacturing and agri technology which aligns with the Government’s ‘Eight Great Technologies’ and the Agri tech Strategy which places the local science base at the heart of the national push for scientific and commercial advancement. These initiatives are in addition to our own programs within South Norfolk such as the Market Towns Initiative.

1.2 The development of the A11 corridor has been identified within New Anglia’s Strategic Economic Plan and subsequent Growth Deal (2014) as one of four ‘Growth corridors’ to help deliver the new high value jobs using a range of investment opportunities including EU, Growth Deal funding, infrastructure loans and pooled business rates.
1.3 To ensure that South Norfolk Council plays its part in delivering the LEP’s growth ambitions, 49 ha of employment land have been allocated along the A11 within the emerging South Norfolk Local Plan, which is due to be adopted in early 2015. As part of implementing this Plan the Growth and Localism directorate plan includes an economic growth project based along the A11 corridor which if taken forward, will feature within South Norfolk Economic Plan, due to be finalised by early 2015.

1.4 This report outlines a proposal which will capitalise on the existing sector strengths in engineering, composites, advanced manufacturing and agri technology, the commercialisation of world class research from the Norwich Research Park and the completion of the £120m A11 road dualling which will improve the transport links between South Norfolk, Cambridge, London and Norwich.

1.5 The project aims to create a world class engineering/ advanced manufacturing cluster along the 25 mile section of the A11 from Thetford to Cringleford. South Norfolk Council will work in partnership with key stakeholders to enable the take up of designated employment land within this area to create new businesses and high skilled jobs. In order to provide the scale of opportunity SNC, will work with Breckland Council in the first instance to secure external funding to attract new businesses to the corridor. To realise this ambition, the feasibility of a range of initiatives will be explored including:

- Preparation of employment land; financial encouragement packages for inward investors; a business support package for existing and new businesses;
- A simplified planning system using for example, Local Development Orders which if deemed suitable, would remove the need to pay or apply for planning permission allowing developers to progress with greater speed and certainty and
- The adoption of alternative governance arrangements whereby businesses operating within this area could be given greater powers to influence decision making including for example public spend within this area;
- Utilising South Norfolk Council and external funding including ‘Pooled business rates’, (to be used to make strategic investments designed to support Norfolk’s economic growth strategy as determined by the Leaders of participating authorities) leveraging European funding and New Anglia Growth Deal funding and
- Business support packages (both new and utilising existing packages) to attract new businesses to the area, grow existing businesses and enable cross sector working.

1.6 On 23 September 2014, Growth and Localism Committee considered the A11 Growth Corridor proposal. Having received clarification on a number of issues including implications of the proposal on South Norfolk Council CIL arrangements and the employment land allocations, this Committee made recommendations that Cabinet should support the project proposal and the signing of Memorandum of Understanding with Breckland Council.
2. **Current Position and Issues**

2.1 The A11 Growth Corridor project will help deliver the development of employment land by attracting public and private sector funding to stimulate the market in the corridor and attract significant levels of inward investment in conjunction with facilitating greater levels of innovation within and between the relevant sectors.

2.2 Given the geographical nature of the corridor, South Norfolk Council will work with Breckland Council to realise the combined growth ambitions of both Councils. To ensure the delivery of the project, a Memorandum of Understanding has been developed (attached as Annex 1) which sets out clear responsibilities of both parties and how the working arrangement will work.

2.3 It is expected that a number of stakeholders will lead on different delivery elements of the project based on their core strengths, for example, the Hethel Innovation Centre are planning to lead on sector engagement and skills while a bespoke grants scheme for the corridor may be led by another party, as yet to be identified.

2.4 Project cost to deliver the Local Authority element of the project will require pump priming of resources to establish and deliver the project. The delivery of this project is in addition to the Community Infrastructure Levy (CIL) arrangements that South Norfolk Council has in place with the Greater Norwich Growth Board for delivery of the Greater Norwich City Deal.

2.5 It is likely that a phased approach will be adopted as outlined below:

2.5.1 Phase 1- A feasibility study will be funded by both SNC and Breckland to provide the evidence to underpin the scale of the economic opportunity and delivery options. Funding has been secured by both Councils for this phase of work. Once initiated this phase of work is estimated to be delivered within a 3 month period. The results of this study will be the subject of a further Cabinet report.

2.5.2 Phase 2- This phase will focus on stakeholder engagement, ensuring an adequate supply of appropriately serviced employment land, drawing up a series of inward investment package concepts and establishing the delivery team. Phase 2 is estimated to cost in the region of £500k. Funding will be sought from the ‘Pooled business rates’ for this phase. Phase 2 will be delivered starting early 2015 subject to the findings of the phase 1 review.

2.5.3 Phase 3- This phase will focus on the delivery of the bespoke business support package. The estimated cost of this phase is £4m. Funding for this phase will
be sought from a number of sources including, South Norfolk Council, EU Funding, New Anglia Growth Deal, private sector investment and public loans from the New Anglia LEP and central government for the circa £40m for infrastructure investments. The SNC contribution to draw down £44m is estimated to be in the region of circa £250k which could potentially be funded from the Council revenue reserves. It is anticipated that Phase 3 will be delivered within a 36/48 month period commencing 16/17.

2.6 Based on an outline review of data by both South Norfolk, Breckland Council and sector specialist’s, anticipated benefits to South Norfolk over a six year period could potentially secure the following benefits:
   - 1,000-3,500 highly-skilled jobs created
   - 100 new high value businesses established
   - 49ha of employment land developed
   - Circa £0.5m-£1.5m - new business rates generated p/a
   - Circa £2m-4m savings in benefit payments p/a
   - 280 upskilled workforce with improved life chances
   - Investment opportunities for the NRP which this world class cluster will attract.

2.7 Whilst it is acknowledged that further detailed work (Phase 1) is required to identify and analyse the scale of the opportunity, investment required and delivery options, the findings from the outline review of the available data are encouraging in terms of the potential return on investment for South Norfolk Council once the project is up and running.

3. Other Options

3.1 **Business as usual- continuing with a market led approach.** This option will not support the proposed pace of economic growth along the A11 nor capitalise upon the unique opportunity that the opening of the A11 dualling presents for national promotion of the areas sector strengths. Without a plan to bring forward this employment land, successful delivery of the local plan is at risk combined with a likely loss of skilled workforce to Cambridge and beyond and an over resilience on a few large employers within this area. In addition, other local authorities which commit to taking a proactive approach are likely to create more stable financial positions underpinned by additional business rates, New Homes Bonus etc. over this period of time.

3.2 **South Norfolk Council to work either on its own or in partnership with other LAs.** The steer from the Central Government is to promote economic growth leaving ‘no stone unturned’. Given the specific section of A11 being dualled (Cringeford to Thetford) which borders both Breckland and South Norfolk, the scale of combined opportunity in terms of the allocated employment land (91ha) and housing development (13,000 new homes) makes the partnership with Breckland an obvious one. Together the Councils stand a far greater chance of
attracting inward investment than if South Norfolk was to work as a single authority or with other LAs.

3.3 **Alternative proposal.** Should the feasibility study indicate that the level of growth is unachievable either within the identified sectors or within the proposed geographical area the project will need to be revised to reflect these findings.

4. **Relevant Corporate Priorities**

4.1 Promoting a thriving local economy.

5. **Implications and Risks**

Financial

5.1 The level of inward investment, new businesses attracted to the area fails to outweigh the loss of income through use of Local Development Orders and business rate incentives reducing the expected return on SNC’s investment.

5.2 Insufficient funding from external sources is secured to enable the step change required to develop the A11 Growth corridor at pace.

Legal

5.3 There will be the need to ensure that robust contracts and Governance arrangements are in place to manage any new external funds.

5.4 If adopted, Local Development Orders will lead to amendments to the existing planning powers which will result in reduced levels of planning fees from employment based development within the A11 corridor for both Councils.

Environmental

5.5 As with any land /infrastructure development the environmental implications will be managed as part of the Regulatory Framework which will ensure that all necessary measures are taken to protect the environment.

Business participation

5.6 The primary risk for delivery of this ambitious project is around the delays in securing involvement with relevant businesses and organisations along the corridor and the success in attracting new inward investment to the area within the project timeframe. SNC will work with relevant stakeholders to put measures in place to ensure that these issues are addressed.
6. **Conclusion**

6.1 The development of the A11 Growth Corridor project proposal to pro-actively deliver jobs at pace is well placed politically and strategically to contribute to South Norfolk’s commitment to delivering economic growth for the benefit South Norfolk residents and businesses.

7. **Recommendations**

7.1 That Cabinet is asked to agree the A11 Growth Corridor Phase One project proposal including the delivery approach and timelines recognising that Phases Two and Three will be specified in the light of the phase 1 findings.

7.2 That Cabinet agrees to sign the Memorandum of Understanding between South Norfolk Council and Breckland Council to enable the necessary joint working arrangements to be put in place to deliver this project.
Statement of Co-operation and Partnership between Breckland Council and South Norfolk District Council

A11 Development Partnership

Date:

Breckland Council and South Norfolk Council agree to work together to develop a place based economic area of the ‘A11 growth corridor’ using a collaborative approach to delivery.

Where this is of economic benefit, both parties will:

1. recognise the A11 corridor as the engine for growth through alignment of its service provision to deliver the anticipated growth;

2. share and exchange economic data and other relevant resources that are not of a commercially sensitive nature;

3. work collaboratively to produce joint funding bids / revenue funded service provision to deliver the of A11 growth corridor;

4. when necessary, undertake joint initiatives such as influencing national government on shared priorities to deliver the identified A 11 corridor outcomes for transport and other major infrastructure issues;

5. collaborate on matters where economic development policies and growth priorities benefit from taking a shared approach and

6. actively promote the A11 growth corridor as a primary growth location to LEPs, UKTI and other relevant stakeholders;
Principles

This agreement is based on trust and the shared belief that co-operation and effective partnering will be carried through in practice by all those involved in the A11 development partnership.

In doing so, both parties will seek to act within the framework of the UK code of Corporate Governance and will abide by the seven principle of public life (Nolan Principles).

This agreement recognises that either council may wish to pursue collaborative work with other areas without the involvement of the other party.

In this case, following consultation with Members the Leaders/Chief executive of the council’s will discuss the matter and seek confirmation from the appropriate executive member board.

Resources

Both parties agree that suitable resources will be identified and committed within each district to develop and deliver the A11 growth corridor vision and the agreed work programme.

The Councils will review the performance of the partnership and if deemed appropriate a joint delivery team will be established.

A review of this agreement will be undertaken within a 12 month period.
Cabinet
27 October 2014

Agenda Item No: 8

Community Grant Schemes

Compliance and Risk Manager

This report is to update Cabinet on the current progress on the Community Grant Schemes, incorporating recommendations from the Growth and Localism Committee on how the scheme may be further developed to deliver benefits to South Norfolk residents.

<table>
<thead>
<tr>
<th>Cabinet member(s):</th>
<th>Ward(s) affected:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Martin Wilby</td>
<td>All</td>
</tr>
</tbody>
</table>

Contact Officer, telephone number, and e-mail:
Leah Mickleborough 01508 533954
lmickleborough@s-norfolk.gov.uk

1. Background

1.1. In May 2014, Cabinet agreed a new approach to community funding. The intention was to place members firmly at the centre of their communities, providing funding to support them in this role. A three tier approach was created, as follows:

1.1.1. Neighbourhood Fund – this would operate to provide grants of up to £2,000 to the community, with a total budget of £66,000

1.1.2. Member Ward Budget – each member has a total of £1,000 to spend on projects within their ward

1.1.3. Community Action Fund – each Neighbourhood Board Chairman has a total of £25,000 to spend on projects of benefit to their neighbourhood area

2. Current Position and Issues

2.1. The first report on the outcomes of the new funding approach was presented to the Growth and Localism Committee on 23 September 2014. Each Neighbourhood Chairmen was asked to update the Committee on the projects that had already been supported in their area, as well as those projects that had been identified and proposals for funding were being drawn up. The Chairmen were able to report on the many positive benefits the scheme had created, with the new approach allowing community groups to receive funding quickly and efficiently from the Council which, in many cases, had supported the leverage of
funding from other sources. Two particular projects were highlighted at the meeting:

2.1.1. Appleseed Social Enterprise - £9,000 of funding from the Tiffey Valley Neighbourhood Chairman and £1,000 of Local Member funding had been utilised to support a care farm near Wymondham. The care farm provides opportunities to people with learning disabilities, mental health problems and social problems can recover from their difficulties and gain confidence. The enterprise has been able to leverage further funding following South Norfolk Council’s support, and is now generating opportunities for economic development and volunteering within the District.

2.1.2. Hethersett Scouts Minibus - £3,000 of funding from Northern River Valleys Neighbourhood Chairman and £2,000 Neighbourhood Fund. Access to the High School minibus in Hethersett was lost when the School became an academy. Following funding from South Norfolk Council, the Scouts have been able to purchase a minibus which they have made accessible to support other local organisations.

2.2. It was highlighted that in some cases, the Neighbourhood Chairmen were having to carefully consider how to fund the projects coming forwards given the level of budget now available in the Community Action Funds for their area. In contrast, only 14% of the Neighbourhood Fund had been spent, with a further 24% earmarked for projects where further details were awaited. There is a risk that at year end the Community Action Fund would be over-subscribed, and the Neighbourhood Fund underspent.

3. Proposal and Reasons

3.1. Given the current position on the Community Action Fund and Neighbourhood Fund, the Growth and Localism Committee wish to propose to Cabinet to end the Neighbourhood Fund and place all remaining funding within the Community Action Fund. To ensure there is a smooth transition, the following approach is proposed:

3.1.1. The funding for any projects that have applied for a grant from the Neighbourhood Fund will be “ringfenced”. The remaining balance of the Neighbourhood Fund which has not been spent or ringfenced will be divided equally between each of the Neighbourhood areas.

3.1.2. Any bodies who approach the Council after the closure of the Neighbourhood Fund will be referred to the relevant Neighbourhood Chairmen to consider whether to fund the proposal.

3.1.3. The Ground Rules for the Community Action Fund will be modified to allow funding less than £2,000 to be allocated.

3.1.4. Each ringfenced grant will be assessed against the Neighbourhood Fund criteria. If assessment indicates that the applicant will not be successful, the ringfenced money will be allocated back to the Community Action Fund and divided equally between the Neighbourhood Areas. The local member and Neighbourhood
Chairmen will be informed to see if they would wish to fund the project from their own budgets.

4. Other Options
4.1. The Growth and Localism Committee considered whether the remaining balance in the Neighbourhood Fund should be allocated to the individual members budget instead of the Community Action Fund. However, it was recognised by the Committee that this could lead to each individual member obtaining only a small increase to their budget and larger community projects, which could have significant social value, would lose out if the funding was re-allocated to the local member budget.

4.2. The other option is to retain the status quo. This would present the risk that the Neighbourhood Fund is underspent at year end, whilst Community Action Fund is oversubscribed leading to frustration amongst applicants and community groups.

5. Relevant Corporate Priorities
5.1. Enhancing our quality of life and the environment we live in.
5.2. Promoting a thriving local economy.
5.3. Supporting communities to realise their potential.

6. Implications and Risks
6.1. Risks – it is recognised that the Neighbourhood Fund represents the least risk option for the Council, in that a very robust procedure is followed in order to approve applications, as opposed to the lighter regime employed for the Community Action Fund. However, the Neighbourhood Fund approach can lead to applications taking significantly longer to process, whilst the Community Action Fund approach can provide quick remedies to problems within the community.

7. Conclusion
7.1. The Council’s Community Action Fund has been very successful, providing funding to give quick benefits to South Norfolk Communities. The Neighbourhood Fund, whilst similarly delivering many positive benefits, is currently undersubscribed and more bureaucratic and challenging to apply for and administer. It is therefore proposed to end the Neighbourhood Fund, and reallocate the budget to the Community Action Fund

8. Recommendations
8.1. Cabinet to agree to close the Neighbourhood Fund, subject to the transitional approach outlined in paragraph 3.1 above.
Recommendations from Scrutiny Committee

Scrutiny Officer

This report details the recommendations of Scrutiny Committee to Cabinet, arising from the consideration of an item regarding the South Norfolk Market Towns’ Initiative at the meeting of Scrutiny Committee on 1 October 2014.

<table>
<thead>
<tr>
<th>Cabinet member(s):</th>
<th>Ward(s) affected:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Martin Wilby and John Fuller</td>
<td>All</td>
</tr>
</tbody>
</table>

Contact Officer, telephone number, and e-mail: Emma Goddard 01508 533747 egoddard@s-norfolk.gov.uk

1. South Norfolk Market Towns’ Initiative

1.1. Scrutiny Committee considered a report on the South Norfolk Market Towns’ Initiative at its meeting on 1 October 2014. The Committee also received representation from members of three out of the four Town Teams. The report can be viewed online: [http://www.south-norfolk.gov.uk/CARMS/meetings/scr2014-10-01reports.pdf](http://www.south-norfolk.gov.uk/CARMS/meetings/scr2014-10-01reports.pdf)

1.2. The Committee welcomed the work to date on the initiative, particularly the training programme offered to owners of retail businesses, the events the Council had assisted to provide and individual Town branding that had been developed. In considering the report, Scrutiny Committee discussed signage to the Market Towns, provided to help visitors navigate around the towns, as well as signage to the towns and noted that although this was vitally important, improvements to visitor numbers was more likely to be achieved through effective branding and marketing of the Towns, which would encourage people to plan a visit. Members also considered ways in which tourism could be promoted in each of the Towns and suggested that attracting coach tours and ‘twinning’ towns could be beneficial (for example. combining Wymondham and Dereham through the Mid Norfolk Railway steam train attractions).

1.3. Members also had the opportunity to hear the views and experiences of some members of the Town Teams. The Committee received representations from Harleston, Wymondham and Diss. Members learned of events that Harleston had organised, which were unlikely to have been provided if it were not for funding provided by the Council. The events had attracted large numbers to the Town and had received positive feedback. Retailers in the Town had also worked successfully together in order to benefit the whole Town and were keen to develop the Initiative further.
1.4. Wymondham similarly had witnessed a positive shift towards business owners in the Town working together to address local issues. Many local events had also been organised in Wymondham, many of which had been well attended. Members discussed the issues that were facing the Town, primarily the impact of the new out-of-town Morrisons supermarket, and considered there was a need to promote access to the Town Centre from the supermarket.

1.5. The experience in Diss highlighted that work would need to be done to rejuvenate the Diss town team. It was considered that the Heritage Triangle project had started this, bringing together many individuals and organisations in the Town. The good progress made towards securing funding, not least because of the significant funding from South Norfolk Council, was noted by the Committee.

1.6. The Scrutiny Committee concluded by supporting the recruitment of a dedicated Market Towns’ Co-ordinator and recommended that once in place, their contact details should be communicated to the Town Teams. The Committee was also keen to review the South Norfolk Market Towns’ Initiative once the Market Towns’ Co-ordinator is in post, and invite Town Teams’ Representatives back to the Scrutiny Committee in one year to report back on the progress with the Initiative.

1.7. In addition to the above, the Committee considered that the debate and discussion with the representatives from the Town Teams had been extremely valuable for both the Council and the members of the Town Teams. Although the Towns are diverse, members concluded that much could be gained through regular meetings between all Town Teams and Council officers. Scrutiny Committee resolved to make the following recommendations to Cabinet:

a. That a ‘conference’ be arranged to take place as soon as possible so that Town Teams’ Representatives can share their experiences and discuss the points raised at this meeting. Local members to also be invited; and

b. That the Town Teams should meet regularly to discuss their experiences and share ideas collectively.

2. Recommendations

2.1. That Cabinet endorse the recommendations of Scrutiny Committee outlined above.
## CABINET CORE AGENDA 2014/15

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<tr>
<td>O</td>
<td>Performance Risk and Revenue Budget Quarter 2 2014/15</td>
<td>D Lorimer / W Salmons / E Goddard</td>
<td>G Wheatley</td>
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<tr>
<td>O</td>
<td>Capital Report Quarter 2 2014/15</td>
<td>D Lorimer</td>
<td>G Wheatley</td>
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<tr>
<td>K</td>
<td>A11 Growth Corridor</td>
<td>N Cunningham</td>
<td>J Fuller</td>
</tr>
<tr>
<td>O</td>
<td>Changes in Community Grants</td>
<td>L Mickleborough</td>
<td>M Wilby</td>
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<td>Audit Procurement (Exempt)</td>
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### FULL COUNCIL 15 DECEMBER

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<td>Pre-Application Planning Charges</td>
<td>T Horspole</td>
<td>K Kiddie</td>
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### 12 Jan 15

| K | Long Stratton Area Action Plan | A Nicholls | J Fuller |

### 16 Feb

- Performance Risk and Revenue Budget Q3
- Capital & Treasury Report Q 3
- Budget Consultation
- Revenue Budget and Council Tax 2015/16
- Capital Programme April 2015 to March 2018

### FULL COUNCIL 23 FEBRUARY

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<th>23 March</th>
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<tr>
<td>20 April</td>
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### COUNCIL AGM 1 JUNE

| 15 Jun |

Key decisions are those which result in income, expenditure or savings with a gross full year effect of £100,000 or 10% of the Council's net portfolio budget whichever is the greater which has not been included in the relevant portfolio budget, or are significant (e.g. in environmental, physical, social or economic) in terms of its effect on the communities living or working in an area comprising two or more electoral divisions in the area of the local authority.
South Norfolk Council
Strategic Performance Report & Business Plan update
Quarter 2: 2014-2015
Enhancing our quality of life and the environment we live in

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<th>Year End Target 2014/15</th>
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<td>NI 192: % Municipal waste recycled and composted</td>
<td>44%</td>
<td>42%</td>
<td>44%</td>
<td>Bob Wade</td>
<td>The provisional outturn - 44% - reflects our increasing recycling performance. This has continued the strong performance from Q1 with the continuation of high garden waste tonnages and an increase in the quantity of dry recycling collected from the kerbside and the bring sites. Full detail will be available and inputted at the end of the next quarter. Of note: This is the last quarterly performance on the former kerbside recycling scheme with material expansion from 1st October with a much wider range of materials being accepted.</td>
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<td>90%</td>
<td>97%</td>
<td>Martyn Swann</td>
<td>During Q2, there were 61 cases presented, in which 59 cases saw homelessness being successfully prevented. The other two cases also saw a positive outcome for the customers. During the quarter, the Peer Review for homelessness services has been received with SNC scoring an overall 77% and SNC passed the &quot;good&quot; threshold of 60% in all ten categories of assessment. Through a service realignment, the post of housing options senior case advisor was created (within existing resources) to enhance SNC's specialist knowledge of other relevant organisations and maximise the benefits of an Early Help approach, as well as improve the support to Members on homelessness review cases. All of this work will help achieve wider outcomes for customers.</td>
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# Strategic Performance Report 2013-14: Quarter 2

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<td><strong>Enhancing our quality of life and the environment we live in</strong></td>
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| LI 322: Number of known targeted long term, empty homes back into use                | 7                   | 14          | 15                       | 29            | Martyn Swann  
As of the 6th October 2014 there were 338 properties on the long term empty list, down 22 from the October 2013 figure of 360. Focussing on this area of work ensures the Council receives the full benefit of the New Homes Bonus.                                                                                                                                                                                                                     |
| LI 323: Increase the number of vulnerable people helped to maintain independence in their own homes, with support from interventions including Care and Repair, Handyperson, disabled adaptations, energy efficiency measures and financial assistance. | 266                 | 750         | 797                      | 1,800         | Martyn Swann  
Effective early help is essential to enable vulnerable and elderly people to maintain their independence in their own homes. The establishment of the Independent Living Team brings together a number of council services that contribute to the health and wellbeing of residents. The annual target of 1800 (a 20% increase on the 13/14 target) is on track and includes activities such as Care and Repair, the Handyperson and the Integrated Housing Adaptations Team. |
| LI 350: Number of Affordable homes, delivered by March 2014 (500)                    | 180                 | 180         | 197                      | 200           | Martyn Swann  
17 affordable homes were completed in Q2, bringing the 2014/15 total to 197. During the next quarter the full year target of 200 will be achieved.  
Q2 completions include homes through S106 Agreements in Loddon, Harleston and Diss/Roydon.                                                                                                                                                                                                                                                     |
| LI 262: Cost of waste collection per household                                       | £30.11              | £28.31      | £31.44                   | £28.31        | Bob Wade  
The cost of waste collection per household is within the performance threshold to meet the projected year end outturn. Efforts remain focussed on delivering high levels of service.                                                                                                                                                                                                 |
| LI 263: No missed bins for all waste per 100,000 collections                        | 29                  | 30          | 31                       | 30            | Bob Wade  
The number of missed bins reported by customers remains within target and only misses the stretched target by 1 missed bin in 100,000 collections. This reflects the ongoing commitment to our customers and ‘getting it right first time’.                                                                                                                                                                                                 |
Strategic Performance Report 2013-14: Quarter 2

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<tr>
<td>MI 1037% of householder applications determined within six weeks</td>
<td>6%</td>
<td>12%</td>
<td></td>
<td>Helen Mellors</td>
<td></td>
<td>This is a new measure and this is the second quarter of benchmarking. The Council is aiming to process Householder Applications quicker than the 8 week National guide(measure LI 302), Quarter 1 established a benchmark of 6% and the second quarter has doubled this through lean reviews of our processes, including the removal of the need for site notices on all sites.</td>
<td></td>
</tr>
<tr>
<td>MI 1038 % of major planning applications processed within agreed timescales</td>
<td>96.5%</td>
<td>75.0%</td>
<td>100.0%</td>
<td>75.0%</td>
<td>Helen Mellors</td>
<td>This relates to 14 applications, 5 were determined within the statutory time limit and 9 of which were within an agreed extension of time. Performance of 100% increases on the previous quarter’s figure of 96.5% and shows we have exceeded the target this quarter due to timely negotiations and engagement with applicants. The rolling 2 year average continues to increase from the Q1 figure of 68.75% to 73.9%</td>
<td></td>
</tr>
<tr>
<td>LI 210: % of food premises which have a rating of satisfactory and above</td>
<td>99%</td>
<td>90%</td>
<td>99%</td>
<td>90%</td>
<td>Bob Wade</td>
<td>The target has been exceeded and indicates the comparatively high standards of hygiene and safety within the food businesses in the district. We continue to work closely and support businesses to maintain and improve standards. Over 45 premises have now achieved the healthy eating award HONOR demonstrating their commitment to offering healthy options to their customers with benefits to health and wellbeing.</td>
<td></td>
</tr>
<tr>
<td>LI 302: % of householder applications determined within eight weeks or agreed timescales</td>
<td>87%</td>
<td>80%</td>
<td>91%</td>
<td>80%</td>
<td>Helen Mellors</td>
<td>This relates to 195 applications, 158 were determined within the statutory time limit and 20 of which were within an agreed extension of time. The service is continuously improving its approach to householder applications and adding value to the planning process. The second quarter increases performance by a further 4.3% on the previous quarter which had been the best quarterly performance for 2 years. We are also driving performance to even higher levels by introducing the baseline measure (MI 1037) to process applications within 6 weeks.</td>
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<tr>
<td>LI 354: % Completion of an adopted local plan in 2014/15</td>
<td>75%</td>
<td>75%</td>
<td>75%</td>
<td>Adam Nicholls</td>
<td>The Site Allocations and Policies, the Wymondham Area Action Plan and the Development Management Policies documents are all in the examination phase. The public Hearings in front of the independent Inspector commence on 21 October and run to 18 November. The Long Stratton Area Action Plan is out for Pre-Submission representations period from 29 August-24 October 2014. Formal submission to the Government is expected in early 2015. The Gypsies &amp; Travellers Issues &amp; Options document is out for public consultation from 29 August-24 October 2014. Following this, the site selection criteria will be refined and then applied to the submitted sites. Consultation on the Preferred Options will follow in summer 2015.</td>
<td>☺</td>
</tr>
<tr>
<td>NI 157a: % of Major applications determined within 13 weeks</td>
<td>40%</td>
<td>40%</td>
<td>50%</td>
<td>Helen Mellors</td>
<td>This relates to 2 applications, 1 was determined within the statutory time limit and 1 of which were within an agreed extension of time resulting in 100% in agreed time limit. Rolling 2 year figure is 73.9%</td>
<td>☺</td>
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<tr>
<td>Promoting a thriving local economy</td>
<td>91.7%</td>
<td>92.2%</td>
<td>Sarah Cooke</td>
<td>Occupancy level in premises liable for Business Rates has increased by 0.5% compared to the previous quarter. This is a positive sign of the strengthening of our local economy. The Council through its economic development activities aims to keep these levels sustained and enable more growth in the district. The number of empty commercial premises has reduced by 7% during Q1 &amp; Q2, a greater reduction than was originally targeted for the whole year.</td>
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<tr>
<td>Promoting a thriving local economy</td>
<td>106</td>
<td>71</td>
<td>219</td>
<td>175</td>
<td>Sarah Cooke</td>
</tr>
</tbody>
</table>

We are working to build on our sources of information to enable us to target companies and help improve their chances of success and to grow their businesses within South Norfolk, advising them on potential funding streams, developing supply chains and new commercial opportunities.

There has been 27 new food businesses signposted to support and given regulatory advice.

There has been 37 direct telephone enquiries for new and existing business support.

There has been 82 businesses benefiting from guidance, signposting and advice from the NALP Growth Hub. This has not been counted in the actual target, as it is unknown how many leads came from South Norfolk Council directly.

There has been 139 people benefiting from the New Business Start Up Enterprise Norfolk Scheme.

The business pages on our website have had 614 hits over the last quarter, we hope this will increase as we are working on improving the website at the moment.
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<td>Promoting a thriving local economy</td>
<td></td>
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</tr>
<tr>
<td>LI 613: Number of new business start-ups in South Norfolk</td>
<td>143</td>
<td>121</td>
<td></td>
<td>Sarah Cooke</td>
<td>Through research into the local economy we have identified 121 start up businesses within South Norfolk. Information was obtained from the following sources:- Company House - 92 have registered as LTD or PLC Companies, Enterprise Norfolk - 20, SNC Licencing - 9  We are working to build on our sources of information to help improve their chances of success and to grow their businesses within South Norfolk.</td>
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<td>LI 758: External funding identified and bought into the local economy</td>
<td>£540k</td>
<td>£175k</td>
<td>£800k</td>
<td>Nina Cunningham</td>
<td>Good progress has been made in securing external funding during the past quarter which is as a result of responding to funding calls and direct approaches to delivery partners/funders and ensuring the maximum number of businesses take advantage of Government business rate relief.</td>
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<td></td>
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<td>A total of £60,115 has been secured to add to the previous quarters figure of £540,100. A full breakdown of this funding is outlined below.</td>
</tr>
<tr>
<td></td>
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<td>£17,500 - Our place funding for early help</td>
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<td></td>
<td></td>
<td>£1,775 - Food Standard Agency to display Hygiene ratings</td>
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<td></td>
<td>£15,000 – Breckland Council for A11 feasibility study</td>
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<td>£840 - HLS payment for commons</td>
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<td></td>
<td>£25,000 -Vanguard Funding from DCLG for the 'Right to build' for self build housing.</td>
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<td></td>
<td>Although not classed as new funding, support has been secured from Buisness rates with £385,000 secured as rate relief for SN retail businesses since April 2014 and a further £14,500 has been secured from Government in Business rates relief for businesses affected by flooding in December 2013.</td>
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<td></td>
<td>Following a spike in Q1 we considered that there was a possibility that income would dip in Q2, this does not appear to be the case and income levels this quarter have been healthy. The increases in fee earning potential and introduction of new technology should ensure we continue to exceed targets at the end of the year.</td>
</tr>
<tr>
<td>LI 1013 Building Control fee earning income</td>
<td>£428,900</td>
<td>£354,138</td>
<td>£360,525</td>
<td>Alan Osborne</td>
<td></td>
</tr>
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<tr>
<td><strong>Supporting communities to realise their potential</strong></td>
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</tr>
<tr>
<td>MI 1044 % of Community Action Fund (CAF) and Member's Ward Budget (MWB) spent for</td>
<td>12%</td>
<td>40%</td>
<td>43%</td>
<td>100%</td>
<td>Leah Mickleborough</td>
<td>As reported to the Growth and Localism Committee, grant expenditure is performing well with a large amount of funds committed or allocated in addition to the 43% already spent. Further information will be presented to Cabinet in October</td>
<td>✈</td>
</tr>
<tr>
<td>community initiatives by all Members by May 2015</td>
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<tr>
<td>MI 1041 The number of Housing Benefit/Council Tax Support claimants moving into work</td>
<td>48</td>
<td>143</td>
<td></td>
<td></td>
<td>Debbie Lorimer</td>
<td>This is a new measure, this year's figures are being recorded to set a baseline for future years. The figure is higher for the 2nd Quarter due to availability of seasonal work. This should be viewed as an annual measure when comparing one year to the next and should not be taken at face value at this point.</td>
<td>☀</td>
</tr>
<tr>
<td>MI 1043 From a sample of events and children's activities taken from across the South</td>
<td>98%</td>
<td>80%</td>
<td>87%</td>
<td>80%</td>
<td>Sophie Scott</td>
<td>Figure refers to the percentage of respondents that rated events delivered over the summer period, which include Kids Camp (Long Stratton and Wymondham) and Children’s Outdoor Theatre which took place in Costessey, Wymondham, Diss, Harleston and Loddon, either 'Excellent' or 'Very Good'. Possible other responses are ‘Poor’, ‘Fair’ and ‘Good’</td>
<td>✈</td>
</tr>
<tr>
<td>Norfolk’s calendar respondents were satisfied or very satisfied</td>
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</tr>
<tr>
<td>LI 199: The number of people continuing with regular exercise after taking part in GP</td>
<td>53</td>
<td>50</td>
<td>54</td>
<td>50</td>
<td>Rob Adams</td>
<td>An increase on the previous quarter, the new format for the referral scheme is working well now that the health trainer service has integrated. At the same point last year the number stood at 36, demonstrating significant growth in the last 12 months.</td>
<td>✈</td>
</tr>
<tr>
<td>Referral, GP Taster and Health Trainer sessions</td>
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</tr>
<tr>
<td>BV009: % of Council Tax collected</td>
<td>29.39%</td>
<td>50.00%</td>
<td>56.11%</td>
<td>98.50%</td>
<td>Debbie Lorimer</td>
<td>Collection is in line with anticipated levels given that the Council Tax Support scheme is less generous to low income households than previously. The increased trend in payers taking up their right to pay over 12 instalments is also increasingly delaying income through the year.</td>
</tr>
<tr>
<td>BV010: % of non domestic rates collected</td>
<td>28.67%</td>
<td>50.00%</td>
<td>57.98%</td>
<td>98.00%</td>
<td>Debbie Lorimer</td>
<td>This year the Government has given business rate payers the right to pay over 12 months rather than 10. This has been particularly taken up by big businesses/national chains with the result that income is being delayed over the year. This is putting collection nearly 2% behind last year's collection at the same point in time, which is consistent with other authorities' experience.</td>
</tr>
<tr>
<td>LI 204: Reduction in subsidy to Leisure Services (direct costs)</td>
<td>£20,542</td>
<td>£60,000</td>
<td>£58,036</td>
<td>£60,000</td>
<td>Rob Adams</td>
<td>Wymondham Leisure Centre continues to exceed its income forecasts, however at Diss Swim and Fitness Centre income has reduced as a result of an unplanned closure during the quarter for emergency repair works to the pool. A breakdown of individual centre performance is as follows; WLC -£17,975 Surplus DSFC £69,649 Deficit LSLC £6,362 Deficit DSFC swim school suffered a reduction in numbers following the 3 week closure in Jan. Figures are starting to increase since the start of the new school year.</td>
</tr>
<tr>
<td>LI759: % of our top 10 service requests made via online webforms</td>
<td>36.6%</td>
<td>36.6%</td>
<td>38.0%</td>
<td>36.8%</td>
<td>Sophie Scott</td>
<td>Service requests peaked in August at 39.77%. We have actively promoted the service forms through published media and our own website.</td>
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## Driving services through being businesslike, efficient and customer aware

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<tr>
<td>NI 181 Time taken to process Housing Benefit/Council Tax Benefit claims</td>
<td>7.00</td>
<td>6.00</td>
<td>6.00</td>
<td>6.00</td>
<td>Debbie Lorimer</td>
<td>We are confident that the target will be met this year as generic working continues to allow us to have a more flexible workforce and target workloads effectively.</td>
</tr>
<tr>
<td>LI 652: % of press releases used by the media</td>
<td>94%</td>
<td>90%</td>
<td>92%</td>
<td>90%</td>
<td>Julie Moule</td>
<td>It’s great to have an over 90% coverage rate with some very positive articles ranging from the success of our Kids Camps, to being the only council in Norfolk and Suffolk awarded funding for people wanting to build their own home through the government’s ‘Right to Build’. One of our major stories has been the new recycling contract, which brings enormous benefits to both residents and the council - saving money by diverting more waste away from landfill sites.</td>
</tr>
<tr>
<td>BV012: Working days lost due to sickness absence</td>
<td>1.31</td>
<td>4.00</td>
<td>3.44</td>
<td>8.00</td>
<td>Karen Thornber</td>
<td>Excellent that we are still below the target. Rate slightly higher than this time last year. We anticipate that this will level off throughout the remainder of the financial year.</td>
</tr>
<tr>
<td>LI 358: % rental income return from property investment</td>
<td>8.40%</td>
<td>5.00%</td>
<td>7.30%</td>
<td>5.00%</td>
<td>Renata Garfoot</td>
<td>Occupancy levels within the Council's investment property portfolio remains high and income stable. The yield of 7.3% remains acceptable and above the target level of 5%. The yield is slightly lower than the previous quarter, which included some back-dated income from a previous period.</td>
</tr>
<tr>
<td>LI 648: % of staff/Members IT support requests responded to within 10 days or less</td>
<td>84.91%</td>
<td>90.00%</td>
<td>95.84%</td>
<td>80.00%</td>
<td>Paul Kearsey</td>
<td>The IT Support service call volumes have now returned to a steady state following implementation of major project/s earlier in the year, including new telephony system.</td>
</tr>
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South Norfolk Council Business Plan Update 2014/15

In addition to the performance update for the Strategic Measures agreed by Cabinet, below is a half yearly update from the Council’s services to provide some highlights and context against the delivery of the Business Plans agreed by Cabinet and Council earlier in the year.

Elections
The Electoral Services Team has worked hard during the last six months with the implementation of Individual Electoral Registration starting. The transitional canvass had a good matching rate of 83.22% of the electorate being confirmed against Department of Work and Pensions records. By the team undertaking local data matching, this was increased to 93.63%. The Canvass is still ongoing and will finish with the Publication of the Revised Register on the 1 Dec 2014. The District Ward Electoral Boundary Review has been postponed until 2016. The European Elections had a turnout of 37.86%, and the European Election Accounts have been submitted and agreed within the 6 months submission deadline of 25 November 2014. Preparation is already underway for the May Parliamentary, District and Parish elections, which will enable a smooth and accurate electoral process for our residents.

Marketing and Engagement
As shown in the measures we have exceeded our target set on the number of press releases issued over the past six months and consistently achieve an over 90% coverage rate with some very positive articles.

Just under half of our customers are accessing our online services using a tablet or mobile device. Demand for online services continues to increase and all 362 bookings for Kids camp over the summer were taken online. Social Media and online access is playing a greater role in our customer interactions, this increase has been achieved by the implementation of a content calendar which promotes services and events the Council offers and encourages customers to use our website.

By being interactive and responding to residents’ concerns in a timely manner for social media contact, this has increased our followers and thus a wider audience now receives our key messages and news about South Norfolk Council.

HR
Alongside the Business Solutions Team, HR has implemented the new HR and Payroll system, this release has enabled users to access their payroll information online and update a number of aspects including their personal information and contact details. Work is underway to further utilise the functionality of this new system to include additional aspects such as Expenses.

In line with commercial and trading activities and partnership working opportunities HR has provided professional advice and guidance to both internal and external teams to support them in achieving their desired outcomes. This work will continue over the upcoming months to enable the TUPE transfer for Fenland as CNC expands.

We are in the process of the interim performance review cycle and have supported the teams at SNC in the development and preparation this requires. These interim performance reviews will support the businesses drive in continuous improvement and outstanding performance.
South Norfolk Council Business Plan Update 2014/15

Customer Services
The focus of the team is to enhance the customer experience whilst providing access to services as efficiently possible. The implementation of the new telephone system has enabled access to meaningful data that is used to improve performance and allocation of skills to customer demand.

Business Improvement
Work has continued across the team to support departments in developing lean new ways of working. This has included work within CNC, Corporate Scanning and the Customer Service team to improve the transactional services we offer our customers and by supporting the Democratic Services team in enabling electronic working for our Members. In addition to the development of lean working across SNC, many lighter but timely achievements have been made to support the formation of the Early Help Hub, the integration of the new telephony system and at the Ketteringham depot during a period of change.

A key work stream has been developed with the opportunity to pursue the expansion of CNC. Programme and project support has been provided by the team to enable this, including the sign up of Fenland District Council and the wider expansion of Eastern Region Building Control. Work will continue in this area during the upcoming months to support the transfer and wider growth programme.

Business Solutions
Completion of a two year implementation project to replace 5 back office systems onto the single IDOX Uniform system has been achieved, this should be seen an integral part of moving the capabilities of the business forward with more services now using a single common IT platform saving time and resources of managing multiple systems.

During the last 6 months the team have been involved in major developments to enable new ways of working, enhance our systems and to support the online self-service use by our customers. This has included the increase of data available through My South Norfolk with the addition of Tree Preservation Orders and work is also underway to interface to the new IDOX Uniform system to display bin collection days with the addition of Garden Waste Bins. New self-service E-forms have also been developed and are already live for Kids Camp, Building Control Applications, Grant application with many more in the pipeline.

Work to support the expansion of CNC, the ERBC and to enhance the new ways of working has been completed with the introduction of the first Mobile working solution for onsite inspections, where further phases will be developed and rolled out in line with the requirements of the wider partnership. More work has started on developing a similar Mobile working solution for use within the Growth & Localism Food Inspection Team. The mobile working development has been led and managed in house and focus has been given to meeting the needs of the business by providing technical solutions that enable efficient service delivery.

Work is continuing on the automation of invoices within the IDOX uniform system which will further support both the operational and finances teams. Although not part of the initial directorate plans an integrated HR and Payroll system has been procured and implemented that has self-service facilities soon to be rolled out including but not limited to expenses processing. This was made a priority following legislative changes covering RTI (Real Time Information)
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IT
The team has worked alongside Norfolk County Council to deliver a number of technical solutions; this has included Phase 1 implementation of the new telephone system rolled out across South Norfolk House in April this project ran in partnership with the County Council represents a saving £100,000 on initial procurement and enables connectivity to the County’s wider data network. In terms of the GIS service, a new agreement has been made with Norfolk County Council to provide this service to us on a one year trial basis with potential savings of £25,000. The early signs of both are positive and the trial is going well, with a final recommendation to be made after the year’s trial has been completed.

Maintenance of the Council’s Hardware, Software and multi-functional devices is ongoing with the replacement of older machines occurring as required to support the needs of SNC and to ensure we deliver an efficient and effective service to our customers. In line with new ways of working the infrastructure is being established to support developments such as the Expansion of Building Control and the development of bring your own device (BYOD) services.

The remaining parts of the year will focus on upgrading the Council’s Income system, procuring and implementing a new Council Website, the implementation of the newly procured Building Control hosted system and the procurement and implementation of a new Leisure system to follow on from the recently completed options appraisal.

Finance
The Council signed of its financial accounts for 2013/14 on the 25th July, two months earlier than ever before. This means that SNC were first in the County to close their accounts and one of the first nationwide.

The Council participated in a joint procurement exercise for banking services and has successfully awarded the contract to Barclays Bank. The implementation will happen in the second half of the year.

Work has been going on throughout the year in preparation of moving towards a single renewal date for Garden waste invoices by pro-rating the invoices for this years’ service.

Property
Contractors have started work on site at Poringland to deliver phase 1. At Cygnet House the Project Manager/Quantity Surveyor has been appointed, alongside the architects and work has begun on preparing the reserved matters.

Occupancy levels of the Council’s investment properties remains steady and is delivering a net return of around 7%, well above the 5% target and significantly better than the return on cash investments.
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Revenues & Benefits
The team continue to process Housing Benefit claims in an average of 6 days.

The value of Business Rates collected continues to grow and the team took a pro-active stance in approaching businesses which were entitled to claim the retail relief to encourage them to claim it. After the initial mail out the Business Rates Team identified 152 businesses who we believed were entitled to the relief but had failed to claim. We have proactively chased these businesses making sure that they are aware of their entitlement.

Performance in relation to Council Tax and NNDR collection is stable although the ability to pay over 12 months instead of 10 is impacting collection rates during the year.

Internal Audit
The team have undertaken a procurement exercise for the internal audit service provider on behalf of the consortium. This has been delivered successfully on time (subject to Cabinet’s approval elsewhere on this agenda) and the new contract is designed to deliver a quality service. In addition some of the consortium members had indicated that they wanted to market test the Head Internal Audit role and contract management with a view to this being delivered by the external provider. Fortunately through the procurement exercise the Internal Audit Management Team has been able to demonstrate that it offers a quality value for money service and all members of the consortium have decided to stay with the current arrangements.

Leisure
Footfall continues to increase at WLC resulting in higher income than anticipated. The team have launched a new Lifestyle Referral Service replacing the GP referral scheme and this has proved much more popular. The aim of the scheme is not a quick fix but to encourage long term positive lifestyle change.

CNC Building Control
The Council have successfully obtained Approved Inspector Status for its wholly owned Build Insight Ltd Company. Work has been progressing towards a launch in Quarter 3.

Procurement of the IT platform to enable the expansion of the regional building control model was achieved. Mobile working has been developed successfully and is now being rolled out through the service. Work continues with other local authorities to develop the regional building control model.
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Waste and cleansing services
The new recycling service was launched on 1 October. This is the culmination of over 2 years of intensive and challenging work across Norfolk to deliver a more comprehensive recycling service for our customers. A joint venture company has been formed and there has been over £8M invested locally in the new MRF. This new service will result in much increased amounts of material being recycling and composted – current recycling rates for the past half year are around 44% and these will rise given the additional tonnages being redirected away from final disposal. The garden waste service continues to attract customers with over 19500 subscribers – an increase of 1500 in six months with ever more material being composted locally. Customers reporting ‘missed bins’ is within target along with other performance indicators, reflecting the high standard of delivery we aim for.

The change programme at the depot has a renewed focus on the customer and delivering performance. A number of major initiatives have been delivered over the past 6 months – the district wide clean sweep, along with the ever popular waste electrical goods recycling events now offering a wider range of materials for re-use. Over 1000 items were recycled/re-used at the last two events with a weight of in excess of 10 tonnes of material taken out of the waste stream and used beneficially. The Big South Norfolk litter pick has again been well received with over 50 picks undertaken with high levels of community involvement (in excess of 1200 hours) and the keen support of local communities. An exciting new commercial waste service will be launched in mid-October offering value and quality services to local businesses and the community. The street cleansing service has a regular programme of footway sweeping in the market towns and this combined with the clean sweep indicate our commitment to improving services locally.

Environmental protection
Business plan targets are on track. Nuisance and other similar complaints peak over this period of the year, but continue to be managed within existing resources. The growth in the number of planning applications commented on contributes 1326 consultations so far with advice provided to ensure flooding and other environmental impacts are minimised. The new scrap dealers legislation has been successfully implemented with partners to help reduce criminality associated with this business area. Flood prevention work continues with county partners with the draft local surface water flooding management plan nearing completion. The air quality review although delayed from last year has been commenced.

Food, health and safety and licensing
It has been a challenging period for the team delivering new services and driving up standards. The overall standard of food premises in South Norfolk compares very favourably with the other local authorities. As part of the health and wellbeing agenda a healthy food award (HONOR) was launched with partners across the county. This award has been taken up by an increasing number of businesses who are keen to offer healthy eating options to their customers – so far over 40 establishments have signed up and the demand continues for the award. Research, including a small grant, has commenced on behalf of the Food Standards Agency into the food premises quality rating scheme.

Emergency planning
The Emergency Planning team has continued to review and improve the business continuity arrangements. The interagency emergency response plan has been revised across Norfolk in the light of last year’s flood surge. A very successful community resilience exercise was held in Diss with the aim of testing the rest centre plans. Learning will be used for other rest centre volunteers. The team continues to work closely with partners across the county on exercising plans as well as knowledge sharing to build resilience and preparedness. Multi agency exercises and events have continued.
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**Democratic Services**
In September, Cabinet agreed to implement electronic working for members from May 2015. Work is underway to implement these proposals, alongside plans for the refurbishment of the Council Chamber and the preparations for the 2015 Election. We continue to see an increase in the volume of FOI requests made and are working to ensure continued compliance with the Government’s transparency agenda.

**Communities**
The Community Action Fund and Member Ward budgets are progressing well, delivering positive outcomes to South Norfolk residents and communities.

**Early Help**
SNC, with its partners, has established an Early Help Collaboration Hub at South Norfolk which opened in July. So far SNC, the Police, The County Council’s Family Support Team, Norfolk family Focus, Stonham Housing and MTM Youth Services are based at the Hub.

The project has secured high level buy-in across the county, and early work focused on building trust and confidence amongst partners. Early building blocks are in place and a raft of work streams is underway.

Our Place funding of £20,500 has been secured for Early Help development for community work. An Expression of Interest was submitted during Q2 to the Transformation Challenge Award, and subsequently a bid has been produced and submitted, which will allow Norfolk County Council and District partners to roll out Early Help projects across Norfolk – with South Norfolk Council being one the key District partners.

A drop-in session for SNC Members has been held at the Early Help Collaboration Hub, which was well attended. It has been fed back to officers the Members found the session very positive and they would like a future session every six months or so.

**Housing and Advice**
The first six months have seen an increase in customers advised compared to the same period last year – 1494 compared to 1392 last year. This follows the implementation of a Home Options action plan which saw a high profile campaign (in partnership with Registered Providers) to explain the benefits of the housing register to those households who are in need but were not aware the opportunities would benefit them – this is a vital component of early interventions. Over the six months, the numbers on the housing register have increased from 583 at 31 March 2014 to 822 at 30 September.

There were 106 cases of homelessness presentations over the six months and in 103 of these cases homelessness was successfully prevented with the other 3 applicants having their needs met.

The results of the Peer Review for homelessness services have been received with SNC scoring 77% for its homelessness services. SNC passed the “good” threshold of 60% in all ten categories of assessment.
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Housing and Public Health Partnerships
The number of affordable homes reported in the first six months is 197. The delivery of 197 homes means over £19 million of inward investment, around 470 jobs, and over £47 million spending in the wider economy – this spending is not confined to the South Norfolk economy; meaning Norfolk, Suffolk and other areas are benefiting from South Norfolk’s economic success.

SNC has been designated a Vanguard authority by Communities and Local Government (CLG) for the Right to Build programme (serviced plots for custom or self-build) – only 11 authorities in the country have achieved this designation which sees SNC receive £25,000 of extra national funding to take forward the project. SNC will shortly open a register for people wishing to build their own home in the district and will also begin identifying and securing a sufficient number of suitable plots.

The Health and Wellbeing Strategy agreed by Members on 31 March is being implemented with new products being developed and positive outcomes being achieved. These include the launch of the Fit for Work initiative on 26th September (National Fitness Day) which supports health and fitness in local work places, the implementation of the HONOR scheme (Healthy Options in Norfolk) across South Norfolk which has helped 47 local businesses provide healthy food options to customers and a SNC commitment to help 1800 vulnerable people achieve independent living in their own home.

Housing Standards
The completion of the Gypsy and Traveller Transit Site at Bawburgh has contributed to a reduction in the number of queries relating to Illegal Encampments in the surrounding areas. Since its opening the site the has been regularly occupied by Norfolk based families that in previous years would have stayed at “high profile” locations in the Costessey/Queens Hills area. It enabled the police to resolve an unauthorised encampment by an out of county group and was recently used by families gathering for the funeral of a member of the community. The view of partner agencies and officers is that the site has successfully reduced demand on their resources.

A total of 797 vulnerable people have been helped to achieve independent living in their own home highlighting the positive contribution of SNC to customers and health and social care. Disabled Facilities Grants (DFGs) – 47 DFG completed cases in first six months – each DFG case which helps vulnerable people achieve independent living provides a social care saving of over £80k based on people receiving DFGs entering most costly forms of social care on average four years later (costs of £391.48 p/w). SNC’s revised Green Deal bid received approval from the Department of Environment and Climate Change (DECC) which will see 60 solid wall insulations in SN and 80 “other measures” which can include loft and cavity wall insulation, heating upgrades, draught proofing and glazing.

The annual snapshot of long term empty homes on the Empty Homes register has reduced from 360 to 338 (annual snapshot 1st October). The annual snapshots over the past five years have reduced year on year from 504 to 338. Over the last six months, 15 homes have been brought back into use through housing standards activity. During the summer, a new Independent Living Team was established with a dedicated team leader to help develop and deliver SNC’s offer to the health and wellbeing and early interventions agendas.
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Development Management
The service continues to concentrate on major developments and economic proposals with 95% being determined within agreed timescales for the year to date. The rolling 2 year period for determining majors is 73.9% well in excess of the government threshold of 40%. Minor applications show an improvement from 46% to 90%. Householder applications remain around 91%.

Planning Policy
The Local Plan Examination of three key documents starts 21 October; Wymondham Area Action Plan; Site Allocations and Policies and Development management Policies whilst Long Stratton Area Action Plan Pre-submission and Gypsy and Traveller Issues and Options are currently out to public consultation.

Economic Development
Numbers of new start-up businesses from Enterprise Norfolk has already exceeded target for year as has the number of SMEs provided with advice and guidance. Big businesses/national chains have taken up the offer by Government to pay rates over 12 months resulting in 2% reduction in collection rate on this period last year. Collection rates for households, is however in line with anticipated levels.