

Cabinet

Monday 5 November 2018

9.00 am, Colman and Cavell Rooms

South Norfolk House, Cygnet Court, Long Stratton, Norwich, NR15 2XE

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



Contact Claire White on 01508 533669 or democracy@s-norfolk.gov.uk



Members of the Cabinet**Portfolio**

John Fuller (Chairman)	The Economy and External Affairs
Mr M Edney (Vice Chairman)	Growth and Resources
Mrs Y Bendle	Housing, Wellbeing, Leisure and Early Intervention
Mr K Kiddie	Stronger Communities
Mrs K Mason Billig	Shared Services, Waste and Recycling
Mrs L Neal	Regulation and Public Safety

This meeting may be filmed, recorded or photographed by the public; however, anyone who wishes to do so must inform the chairman and ensure it is done in a non-disruptive and public manner. Please review the Council's guidance on filming and recording meetings available in the meeting room.

Group Meetings

Conservatives – 8.00 am, Cabinet Office

Liberal Democrats – 8.15 am, Blomefield Room

Agenda

- 1. To report apologies for absence;**
- 2. Any items of business which the Chairman decides should be considered as a matter of urgency pursuant to Section 100B(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 – page 5)
- 4. To confirm the minutes of the meetings of Cabinet held on Monday 10 September and 8 October 2018;**
(attached – pages 6 & 12)
- 5. Performance, Risks, Revenue and Capital Budget Position Report for Quarter Two 2018/19;** (report attached – page 16)
- 6. Treasury Management Quarter 2 2018/19** (report attached – page 73)
- 7. Courtauld Commitment 2025** (report attached – page 86)
- 8. Update to the South Norfolk Local Development Scheme (LDS)** (report attached – page 98)

9. Cabinet Core Agenda;

(attached – page 114)

10. Exclusion of the Press and Public;

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

11. CNC Building Control Business Plan

(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)

12. Funding for Accelerated Construction

(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)

DECLARATIONS OF INTEREST AT MEETINGS

Members are asked to declare any interests they have in the meeting. 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 on the matter.
- 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.
- In any case, members have the right to remove themselves from the meeting or the voting if they consider, in the circumstances, it is appropriate to do so.

Should Members have any concerns relating to interests they have, they are encouraged to contact the Monitoring Officer (or Deputy) or another member of the Democratic Services Team in advance of the meeting.



CABINET

Minutes of a meeting of the Cabinet of South Norfolk District Council held at South Norfolk House, Long Stratton, on Monday 10 September 2018 at 9.00 am.

Members Present:

Cabinet: Councillors J Fuller (Chairman), M Edney, K Kiddie , K Mason Billig and L Neal

Apologies: Councillor Y Bendle

Non-Appointed: Councillors D Bills, P Hardy, T Lewis , G Minshull, B Stone and V Thomson

Officers in Attendance: The Director of Growth and Business Development (D Lorimer), the Director of Communities and Wellbeing (J Sutterby), the Head of Governance (E Hodds), the Head of Planning (P Courtier), the Early Help Hub Manager (L Pickering), the Healthy Living Manager (S Cayford), and the Operational Economic Development Manager (D Disney)

2658 CHAIRMAN'S ANNOUNCEMENTS

The Chairman made reference to Cllr Y Bendle, who had sent her apologies, as unfortunately her husband was in hospital. Cabinet expressed its best wishes to both Cllr Bendle and her husband.

Members also expressed its best wishes to Cllr K Worsley, who was still not well, following an operation earlier in the year.

The Chairman then drew attention to the recent incident at Ketteringham Depot, where it had emerged that a vehicle had been running without a MOT certificate. With this being such a serious incident, the Chairman had asked the Chief Executive to undertake a full review, and arrangements had been made for an external investigation to take place. Cllr K Mason Billig added that preliminary investigations had suggested that this had been down to a human administrative error, and that the member of staff concerned had been suspended whilst the investigation took place. She was extremely disappointed that this had happened,

and assured members that procedures at the depot had already been tightened. She stressed that the vehicle in question had been subject to six-weekly tests, as were all vehicles, and had throughout the whole period, remained in good working order, and road worthy. The Chairman agreed that following the outcomes of the investigation, this might be an appropriate area for the Scrutiny Committee to consider further.

The Chairman then explained that following Cllr Stone's increased responsibilities at Norfolk County Council, Cllr Stone had decided to stand down from the Cabinet at South Norfolk. The Chairman thanked Cllr Stone for his valuable contributions during his time as portfolio holder for Finance and Resources and members noted that Cllr K Kiddie had been appointed to replace him. The Chairman added that he intended to make modifications to the portfolios, and that this would be subject to a report at full Council on 18 September 2018.

Cllr B Stone explained that it had been a pleasure to have served on the Cabinet and he conveyed his very best wishes to his successor, Cllr Kiddie.

2659 MINUTES

The minutes of the meeting held Monday 23 July 2018, were confirmed as correct records, and signed by the Chairman.

2660 NORFOLK HEALTH AND WELLBEING STRATEGY

The Subject of the Decision

Members considered the report of the Healthy Living Manager, which presented Cabinet with the draft Joint Health and Wellbeing Strategy 2018-2022, for approval.

The Director of Communities and Wellbeing introduced the report, reminding members that the South Norfolk Health and Wellbeing Strategy had been approved by members back in July. The Norfolk wide Strategy contained the same aims and priorities as the South Norfolk Strategy and focussed on similar themes such as mental health and the frail and elderly. The

Healthy Living Manager stressed that collaboration was key to delivery, explaining that the Strategy's priorities and aims could not be achieved by one single organisation.

The Early Help Hub Manager presented members with an example of how South Norfolk Council would deliver on the Strategy's framework, referring to the Early Help, Homeless Prevention and Emotional Resilience project, a scheme that was funded through a Norfolk County Council homeless prevention fund.

The Chairman reminded members that they all played a role in the delivery of the Strategy, for example through the member ward budget, which could be used to support projects such as "Men's shed". Cllr D Bills, who represented the County on the Norfolk Health and Wellbeing Board, thanked officers for their work, and also gave mention to Cllr Y Bendle, who was Vice-Chairman of the Board and had led an extremely positive contribution from the District.

The Decision

RESOLVED:

1. To agree the formal sign off of the Norfolk Health and Wellbeing Strategy, and that this be reported back to the HWB Board.
2. To continue to commit to taking an active role in the implementation of the Norfolk HWB Strategy

The Reasons for the Decision

To ensure a joined-up and sustainable approach in working to improve the health and wellbeing of residents in Norfolk.

Other Options Considered

None.

2661 SOUTH NORFOLK GROWS BUSINESS AWARDS

The Subject of the Decision

Members considered the report of the Operational Economic Development Manager, which outlined proposals for a “South Norfolk Grows Business” Awards campaign.

The Operational Economic Development Manager explained the benefits of the campaign, both to the Council and local businesses, and its potential to promote growth and inward investment in South Norfolk. Members noted that the campaign would build on the success of the “Independent Retailer Awards” but would widen the scope and focus to better represent and reflect the diverse business offer of the District.

Commending the report to Cabinet, Cllr M Edney referred to the success of the “pub of the year” awards, explaining that this would in future years, be incorporated in to the campaign. Members noted that the Council’s “community awards”, would continue as a separate process.

Members expressed their support for the proposals and the Chairman stressed the need for clear and comprehensive ground rules.

The Decision

RESOLVED: To agree that the Council holds a “South Norfolk Grows Business” Awards Campaign and to note the proposed approach, timeline and categories. The final arrangements to be delegated to the Director of Growth and Business Development in consultation with the relevant Portfolio Holder.

The Reasons for the Decision

To better recognise the diverse business offer across the District and to promote growth and inward investment in the Greater Norwich Area.

Other Options Considered

- To continue with the Independent Retailer Awards
- To discontinue the awards campaigns

2662 ESTABLISHMENT OF A GROWTH DELIVERY TEAM

The Subject of the Decision

Members considered the report of the Head of Planning, which outlined proposals for the establishment of a Growth Delivery Team.

The Head of Planning presented his report, explaining that the role of councils had shifted, in that it they should no longer just plan for growth, but also proactively help to deliver growth. The Council was facing unprecedented levels of growth, which the market alone would struggle to deliver in a timely manner, and the establishment of a Growth Delivery Team would assist in addressing these issues. He referred members to the proposed key work streams of the team, which would include the securing of funding for projects to support growth, coordinating infrastructure delivery, working with landowners, developers and other key partners, and local communities, and raising the profile of both Broadland and South Norfolk.

Cabinet noted the resource implications of the proposals, and that funding would be sought from other sources such as the Norfolk Business Rates Pool. Members also noted the significant benefits and additional income the team could help to bring to both councils in the future.

The Chairman commended the proposals, explaining that with the current unprecedented levels of growth, the establishment of a team was well timed.

The Decision

RESOLVED: To:

1. Agree to the establishment of the growth delivery team and the appointment of the three new posts; and
2. Delegate authority to the Chief Executives to agree any interim reporting arrangements.

The Reasons for the Decision

To ensure external funding and the delivery of infrastructure to support strategic sites, adding value to new and existing communities.

Other Options Considered

- Establish a team from existing staff and backfill where appropriate
- Establish a virtual team from existing staff who will be required to incorporate strategic delivery into their current workstreams

2663 CABINET CORE AGENDA

Members note the latest version of the Cabinet Core Agenda.

(The meeting concluded at 9.59 am)

Chairman

CABINET

Minutes of a meeting of the Cabinet of South Norfolk District Council held at South Norfolk House, Long Stratton on Monday 8 October 2018 at 11.30 am.

Members Present:

Cabinet: Councillors: J Fuller (Chairman), M Edney (for part of the meeting), K Kiddie, K Mason Billig and L Neal

Apologies: Councillor: Y Bendle

Non-Appointed: Councillors: D Bills, F Ellis, M Gray, N Legg, T Lewis , G Minshull and V Thomson

Officers in Attendance: The Chief Executive (S Dinneen), the Director of Communities and Wellbeing (J Sutterby), the Director of Growth and Business Development (D Lorimer), the Head of Planning (P Courtier), the Interim Joint Planning Policy Manager (J Walchester), the Development Manager (H Mellors), the Senior Planning Officer (S Marjoram) and the Senior Governance Officer (E Goddard).

The press and 17 members of the public were also in attendance

2664 DECLARATIONS OF INTEREST

Cllr J Fuller declared an 'other' interest in the matter referred to below:

Minute No.	Item	Declaration
2665	Greater Norwich Local Plan	Has company connections with a site at Seething – not being considered at this meeting

2665 GREATER NORWICH LOCAL PLAN: REGULATION 18 CONSULTATION ON NEW, REVISED AND SMALL SITES; DRAFT STATEMENTS OF CONSULTATION; AND IMPLICATIONS OF THE REVISED NATIONAL PLANNING POLICY FRAMEWORK

The Subject of the Decision

The Chairman welcomed 17 members of the public to the meeting and summarised the process followed by the Council, together with Norwich City and Broadland District Councils, for the submission, consultation and assessment of sites put forward for inclusion in the Greater Norwich Local Plan (GNLP). He explained that, when preparing the current Local Plan, many of the sites put forward for consideration were discounted during the process and that only approximately 80 sites were accepted from 1500 put forward.

Members then considered the report of the Interim Joint Spatial Planning Manager, which sought to update Cabinet on the progress being made on the production of the GNLP and to gain its agreement for a consultation on approximately 200 new, amended and small sites that had been submitted by landowners, agents and developers to be considered for inclusion in the emerging GNLP.

In response to a question from Cllr Gray regarding the possibility that more sites might be put forward for consideration, the Chairman advised that it had been necessary for additional consultation to take place due to various factors, including significant new sites coming forward, and to take into account the revised National Planning Policy Framework (NPPF). The Joint Spatial Planning Manager added that it was necessary for the Council to take any new submissions into account during the initial stages but advised that this would be more difficult in the later, more formal stage. Cabinet noted that in previous years, the Council was required to demonstrate that it had the 'most appropriate Local Plan' but that the requirement was now that it must have an 'appropriate Local Plan'. The Chairman confirmed that South Norfolk, Norwich City and Broadland District Councils would carry out consultations in order to draw up a Draft Plan, but the final decision on the Local Plan would be tested by the independent Planning Inspector.

The Leader of the Opposition raised a question regarding the significance of a planning application being submitted for a site which was also included under the consultation. The Chairman clarified that the new Local Plan would not carry any weight in its early stages but that a little weight would be added once it reached the draft stage, which was currently timetabled for September 2019. The Head of Planning commented that he would advise caution to any developer who considered making an opportunistic

application as, in the case that it was refused, there may be less weight given to the site by the Planning Inspector in the Local Plan process.

Mr D Chapman and Mr R Parkinson, residents of Swainsthorpe, addressed Cabinet and spoke of their concerns regarding a potential planning application within their village. Although the Chairman advised that Cabinet would not discuss an individual case, he invited officers to comment on the process for planning applications. The Development Manager reassured the meeting that any planning applications submitted would be considered on their own merits in line with the current Local Plan together with all relevant national planning policies, legislation and in consideration of statutory consultees. The Chief Executive advised that decisions on planning applications were determined by the Development Management Committee, which followed a different process and was a separate body to the Cabinet.

The Decision

RESOLVED: To:

1. Note the contents of the initial Draft Consultation Statement for the Greater Norwich Local Plan and the implications of the revised National Planning Policy Framework on the production of the Plan; and
2. Agree to undertake the forthcoming Greater Norwich Local Plan 'Regulation 18 Consultation on New, Revised and Small Sites' and delegate to the Director of Growth and Business Development, in conjunction with the Portfolio Holder for The Economy and External Affairs, agreement of the final consultation content.

The Reasons for the Decision

To ensure that all the sites being considered for allocation have been through the same level of analysis and scrutiny.

Other Options Considered

None

2666 CABINET CORE AGENDA

Cabinet noted the latest version of the Cabinet Core Agenda.

(The meeting concluded at 12.08 pm)

Chairman

Cabinet
5 November 2018
Agenda Item: 5

Performance, Risks, Revenue and Capital Budget Position Report for Quarter Two 2018/19

Report of the Accountancy Manager / Business Improvement Lead / Senior Governance Officer

Cabinet Member: Michael Edney, Finance and Resources

CONTACT

Revenue/Budget: Matthew Fernandez-Graham 01508 533915
mgraham@s-norfolk.gov.uk

Performance: Emma Pepper 01508 533656
epepper@s-norfolk.gov.uk





Risk: Emma Goddard 01508 533943
egoddard@s-norfolk.gov.uk

1. Introduction

- 1.1 This report details the Council's performance against strategic measures, risk position and financial position for the second quarter of 2018/19, and seeks approval for other consequential matters.






2. Overview

- 2.1 **Performance:** In February 2018, Cabinet approved the annual Corporate Business Plan for the 2018/19 financial year which included a set of strategic measures aligned to our corporate priorities. These measures are monitored and reported on a quarterly basis to Cabinet. Appendix 1 provides the detailed performance report for quarter 1. The table below provides a summary.

	Totals
 Green Indicator	23 Measures met or exceeded the target.
 Amber Indicator	2 Measures are within an acceptable tolerance of target.
 Red Indicator	2 Measures did not reach the stretched target.
 Baseline	6 Measures are being 'baselined' in order to determine the target.

- 2.2 **Risk management:** Managers have undertaken a review of all Strategic, Directorate and Operational risks. In light of this, the current organisational capacity position is highlighted below; this demonstrates that at present all risk factors are positive, indicating the Council is proactively managing risks and capable of realising opportunities as they are identified. The table below presents a

position that will assist the organisation achieve its ambitious targets for the future. The Strategic Risk Register is outlined in Appendix 2.

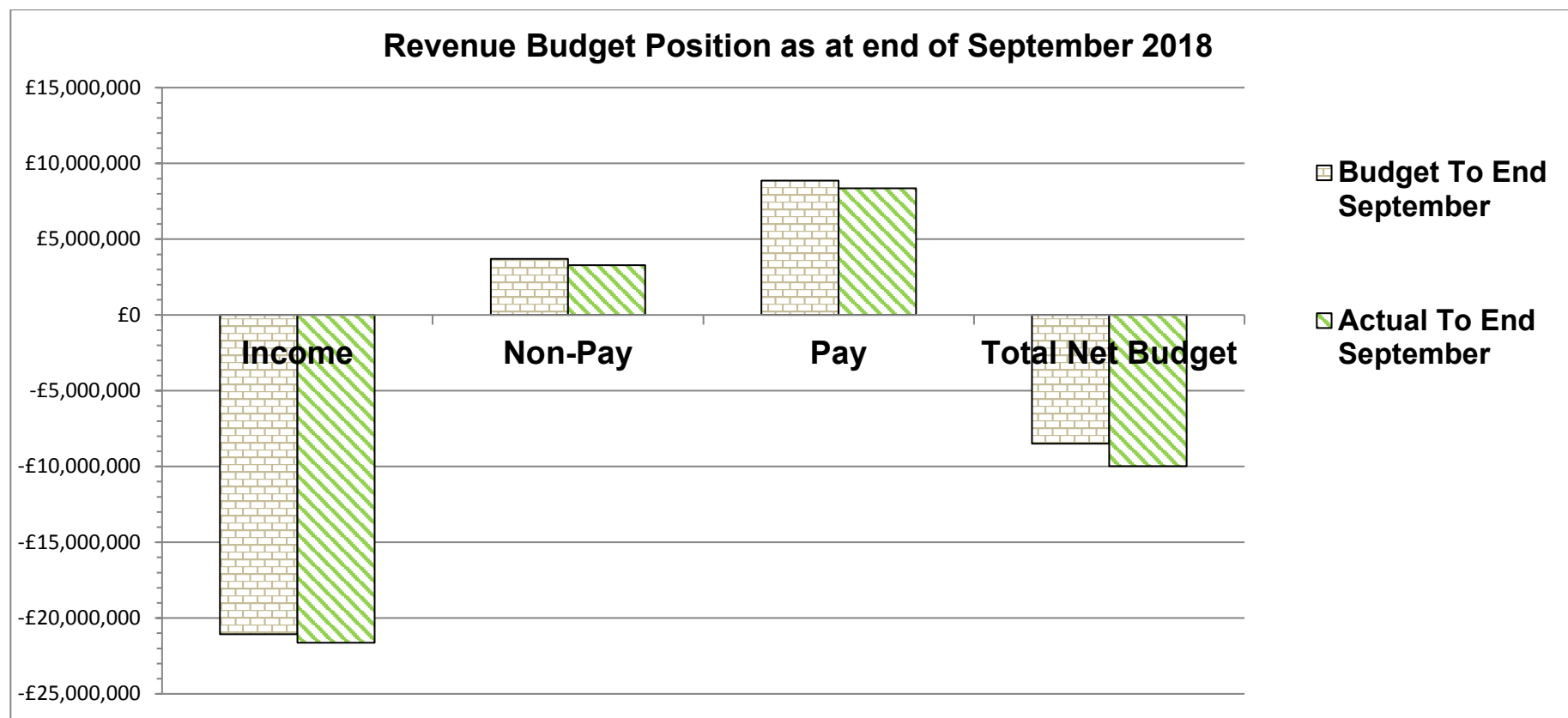
Capacity Indicator	Present Position	Present Risk Acceptability
Financial	The Medium Term Financial Strategy agreed in February 2018 shows that the Council's Budget is balanced for 2018/19 and 2019/20 after taking account of income and savings identified in those years. Work is ongoing to identify measures to balance the budget from 2020/21 onwards as part of this year's business planning.	
Service Delivery	The Council continues to perform strongly against its suite of strategic performance indicators. The quarter 2 position 2018/19 is favourable with only two measures not meeting its target.	
Legal / Compliance	No significant legal / compliance issues have been raised over the past quarter and the status remains the same.	
Reputation	The Council continues to have good reputation locally and nationally	
Human Resources Capacity	This remains strong and the Strategic Leadership Team continues to be in a position to drive the Council forward. It will continue to ensure that the Council has the right skills and resources in place to fulfil the needs of the organisation and make interim appointments where appropriate to ensure service continuity and delivery of key functions. This is strengthened by the appointment of the Joint Managing Director.	

2.3 Revenue Position Quarter Two

The budget for 2018/19 was set by the Council in February 2018.

The total net budget to the end of September was (£8,497k). The actual total expenditure, net of income and excluding Housing Benefit payments, was (£9,980k). This therefore produced a positive variance against the revenue budget of £1,483k. The position at the end of September is set out in the graph below.

A more detailed analysis of the main areas of variance by service is attached as Appendix 3. These variances are the direct costs of each service and exclude recharging between services for overheads, depreciation charges and technical financial adjustments required for statutory reporting purposes at the end of the financial year.



2.3.1 Pay and staffing budgets

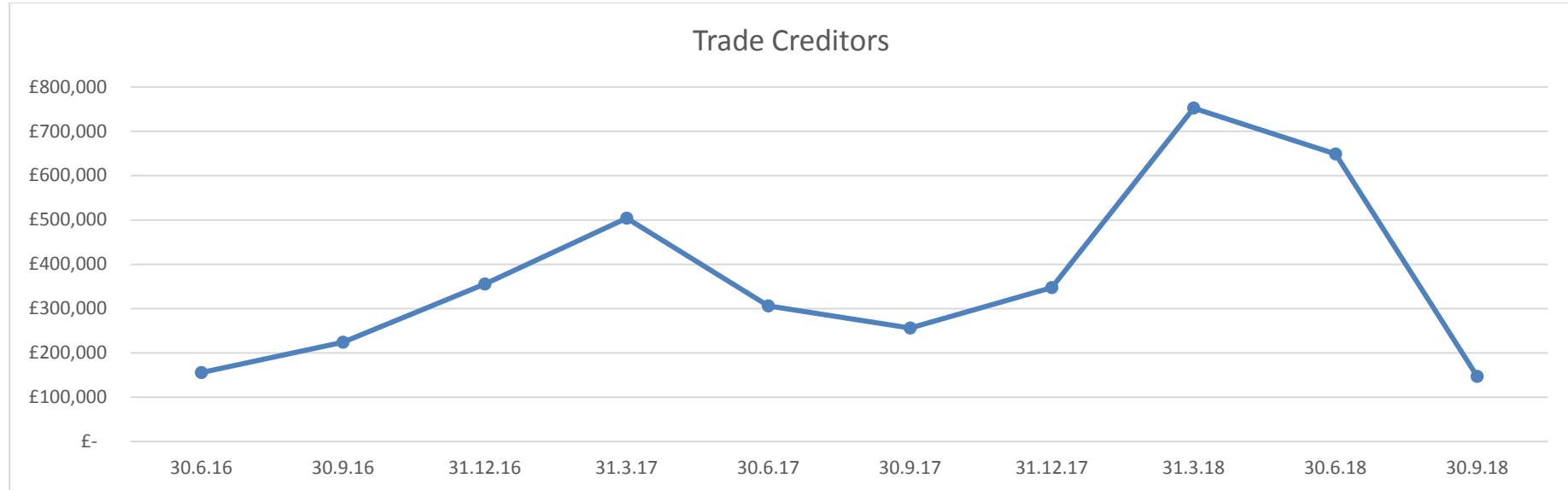
There have been vacancies in several areas across the Council, which include Building Control, Development Management, Economic Development, Street Cleaning, Grounds Maintenance, and Marketing. Recruitment processes are ongoing, but interim

staffing arrangements in these areas did not fully offset the savings from vacancies. In some cases, vacancies have been held open pending review. The overall position on staffing budgets at the end of September is a positive variance of £507,000. This represents 5.71% of the pay and staffing budget, which is lower than the proportion for quarter 2 last year (7.28%).

2.3.2 Non-Pay Budgets

Non-pay budgets were reduced for 2018/19 as part of budget setting. Overall, there was lower than budgeted non-pay expenditure across the Council, resulting in a positive variance of £418,000. This represents 11.3% of the non-pay budget, which is considerably higher than the proportion for quarter 2 last year (6.05%). However, over 60% of this positive variance (£255,000) reflects the fact that the Council has not yet had to borrow externally and therefore has not spent anything on interest payments and the variance excluding this element would be 4.46%.

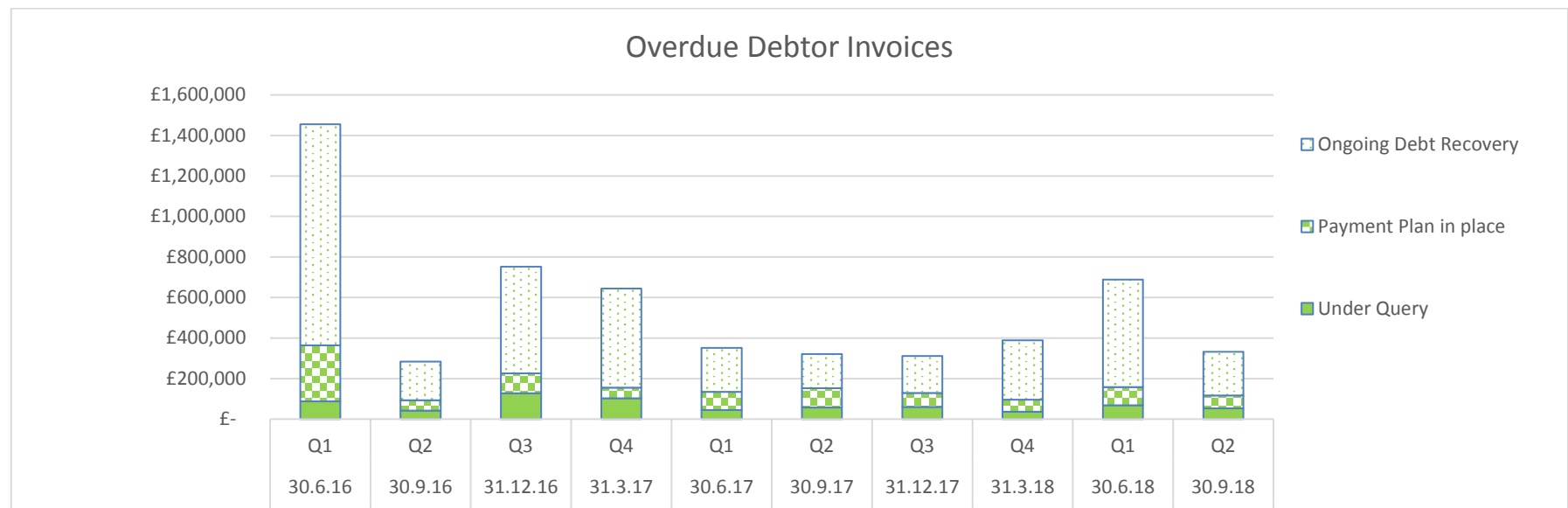
Performance on payments is shown in the graph below which shows the total value of invoices approved on the finance system but not yet paid (these are referred to as 'Trade Creditors'). The Council pays most of its suppliers within 30 days. 96.22% of all undisputed supplier invoices have been paid within 30 days for the year to date.



2.3.3 Income Budgets

Income budgets were increased as part of budget setting to reflect higher demand and increases to most fees and charges. Overall income was £559,000 higher than budgeted across the Council. This represents 2.65% of the income budget, which is greater than the proportion for quarter 2 last year (1.09%). There is a positive variance on business rates income of £313k, reflecting the fact that overall NNDR receipts continue to be ahead of the 2017/18 position. The variance excluding business rates income would be 1.17%.

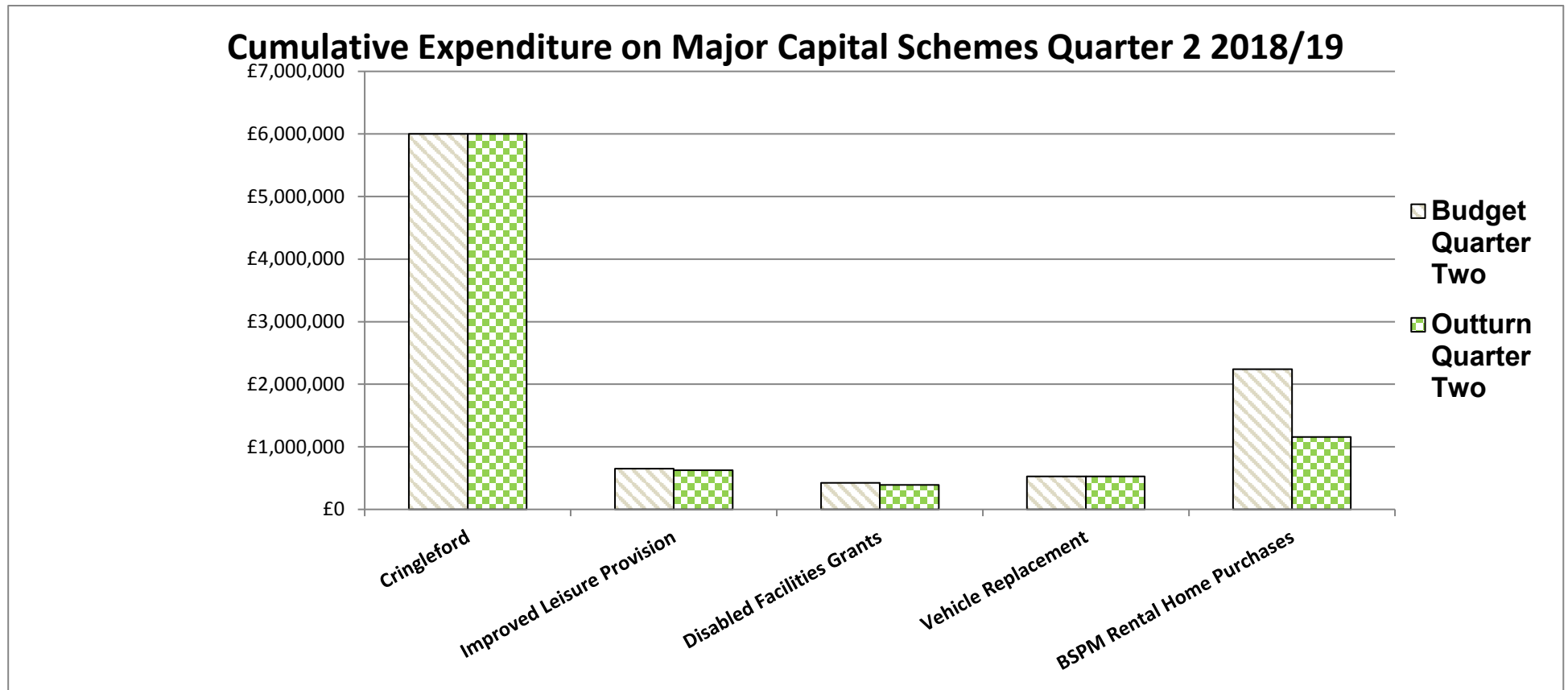
Trade Debtors are all invoices raised by the Council and where we are awaiting payment. Performance on overdue invoices for Quarter 2 compared to historic performance since 2016/17 is shown in the graph below. These invoices include charges for CNC Building Control, Community Infrastructure Levy, Rent Assisted Deposits and charges for Sewerage Services. £1,125,156 has been raised in the current financial year in relation to Community Infrastructure Levy (CIL).

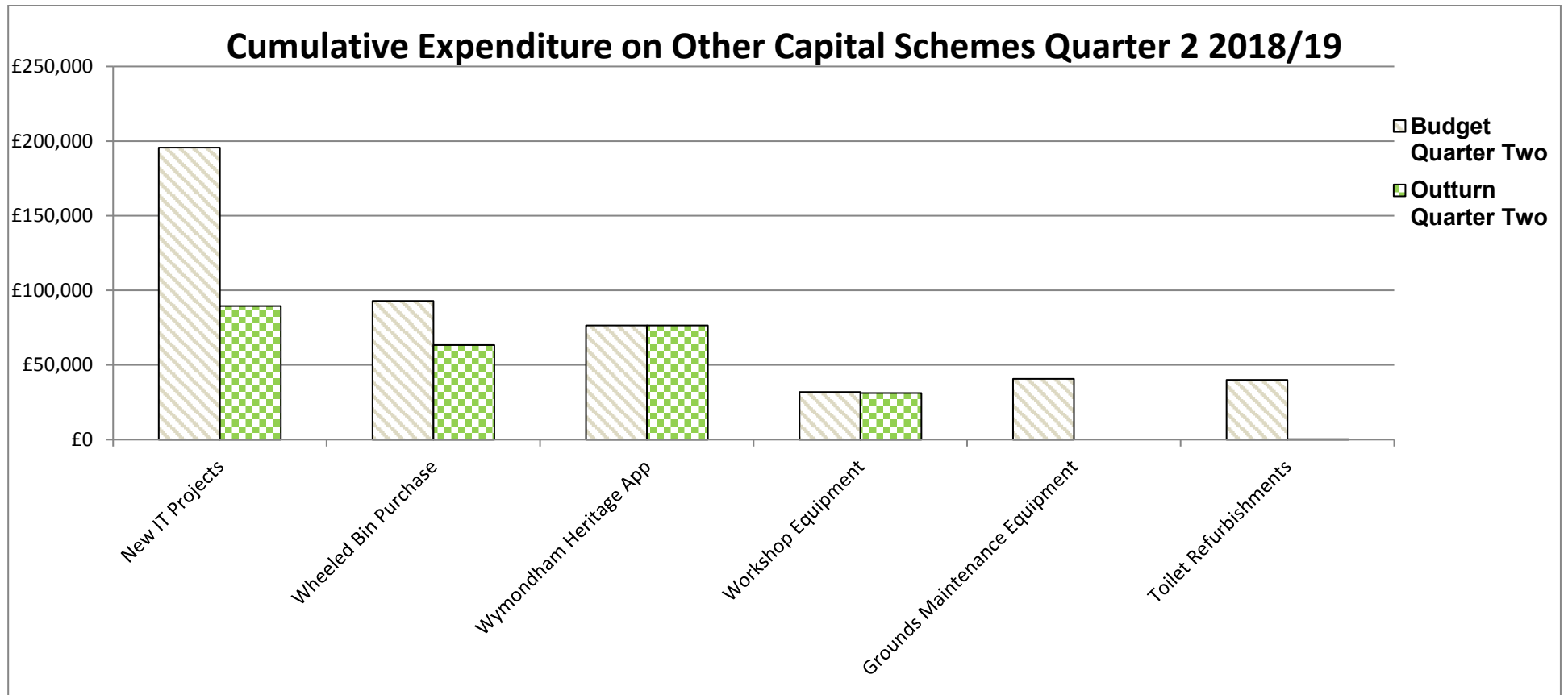


2.3.4 Capital Budget and Expenditure Quarter Two

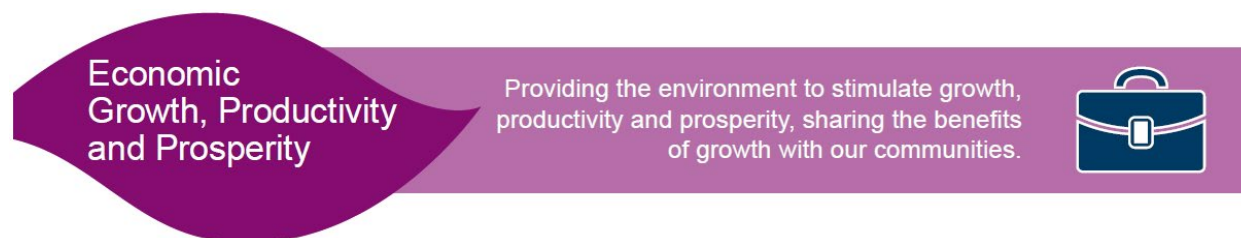
The report details the overall position on the Capital Programme. Expenditure to the end of September was £8.975 million compared to a budget of £10.363 million.

The two graphs below show the variances on the 2018/19 capital programme. Major variances are reported in Appendix 4.





3 Combined Performance, Risk and Financial Commentary by Corporate Priority



3.1 Economic Development

The number of new business start-ups supported (LI 613) was 26 in q2, this exceeds our target and indicates that we are on track to meet the year-end target of 75.

Progress with the Norwich Research Park Enterprise Zone is continuing. Capital expenditure is expected later in the year subject to implementation of decisions on related planning applications and agreement on the allocation of infrastructure funding between the partners.

In Q2 we have had a total of 117 new apprenticeships placements (EG 1605) which means we are already exceeding our annual year-end target. South Norfolk Council in Q2 had 25 apprentices registered with the National Apprenticeship Service and agreement for two more apprentices across Council Tax and housing so we're on track to meet 36 employed by 2020.

The cumulative amount of external funding has meant that in Q2 we have already exceeded our year-end target of £1m for the year by over £250k (LI 758). This includes £50k for Transforming cities for Greater Norwich alongside £138k rough sleeper and homelessness grant from Norfolk County Council, which will be invested over a 3 year period into emotional and low level mental health resilience as part of our Help Hub.

3.2 Business Rates

Performance on non-domestic rates collected (BV010) in quarter 2 has exceeded the target for Q2. The in-year collection profile can be influenced by several factors, but we remain in line with our 17/18 performance which is encouraging given that the actual value of income has increased.

There is an overall positive variance of £313,000 on South Norfolk Council's share of NNDR (business rates) income. South Norfolk Council's share of NNDR (business rates) income is higher than anticipated when the budget was set owing to higher than budgeted receipts to date. Income from businesses on the Norwich Research Park Enterprise Zone is included in this variance and this income will need to be transferred to the Enterprise Zone Reserve at year end to cover the costs of further development on the site, with associated borrowing.

There is an unpaid NNDR debt relating to 2014/15 of £47,673.84. All actions to secure this debt with liability orders and deployment of enforcement agents have been implemented, but without success. In January 2016, HM Revenues and Customs commenced compulsory-strike off action against the debtor, which was finalised in August 2017. The Insolvency Service have now advised that there is no likelihood of any of the company's debts being recovered or receipt of a future dividend and therefore it is requested that the debt of £47,673.84 be written off as irrecoverable in accordance with the Rules of Financial Governance.

As Cabinet will be aware, South Norfolk Council has been participating in a pooling arrangement to the benefit of all Norfolk Councils. All Norfolk Councils were invited to submit a joint bid to DCLG to establish a one-year pilot for 75% retention of business rates for 2019/20. The bid had to be submitted by 25th September and the agreement of all Councils was required for the bid to proceed. Owing to this timetable, the Leader of the Council, in consultation with the Chief Executive and Section 151 Officer, agreed to participate in this bid and Cabinet is requested to endorse this action.

3.3 Market Towns

The Wymondham Trails app has now received over 1,500 downloads and an average rating on the app store of 4/5. Work continues to market this to families over the upcoming half term period. Evidence suggests that footfall in the Town has increased, leading to a total of 7,000 visitors in the past twelve weeks, which helps to increase visitors numbers to the District's market towns.

3.4 Property Development and Management

Overall the indicator for percentage of rental income returned from our property investments has exceeded quarter 2 target (LI358), 82% of occupancy remaining at Rosebery Park and we have commenced marketing at Trumpeter House (Long Stratton) with the first tenant being secured and taking occupation on 20th July.

Furthermore, in relation to residential dwelling developed through Big Sky Developments (EG1601a), only 6 properties remain at Rosebery Park (3 shared equity and 3 open market) and a further 7 open market dwellings are left to sell at Maple Park, where a further 8 are reserved and awaiting exchange.

At its meeting on 30th October 2017, Cabinet agreed that Big Sky Developments could have an ongoing “overdraft” facility of £500,000. Due to careful cash management, this overdraft facility has not been used to date. In line with the loan agreement, BSDL will have repaid its existing loan of £5.38 million at the end of October 2018. As the Cringleford development moves forward, it is projected that BSDL requires up to £2 million in cashflow funding until the remaining properties are sold, which is anticipated to happen before the end of the financial year. It is therefore proposed that the “overdraft” facility is increased to £2 million, to be charged at the same rate of 6% as previously agreed by Cabinet on 30th October 2017.

In line with the capital programme, in July funding of £663,000 was transferred to Big Sky Property Management Ltd (BSPML) to purchase three plots reserved for letting on Maple Park. No further purchases are expected to take place for the rest of this financial year, which would result in a positive variance of £3.322m.

The construction of Trumpeter House is now complete and has been transferred from Big Sky Developments Ltd to SNC. The first tenant has moved in and the Council continues to actively market the remaining units. This assists mitigate the Strategic Risk (S6) relating to property development and associated income. This risk will also be managed by the refurbishment of the Lodge, which is due to begin in Q3.

Big Sky Developments has assembled the Design Team to deliver housing on the site in Cringleford, which will mitigate risk regarding property development.

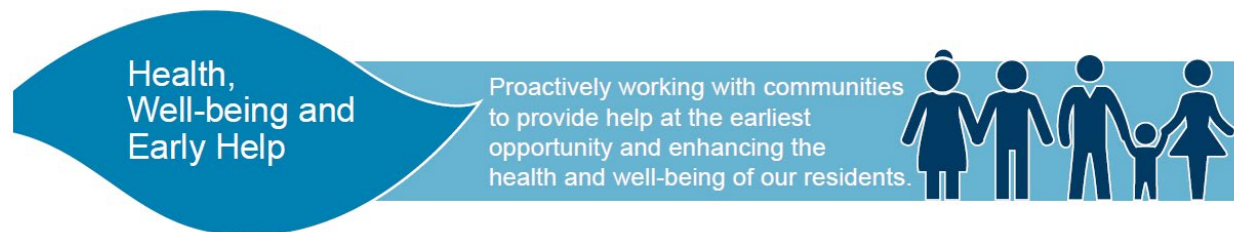
3.5 CNC Building Control

Following a difficult 2017/18, CNC has seen a positive increase in fee earning income again this quarter and has met the Q2 income target for this reporting period (LI 1013). Income is £68,000 higher than at the same point in 2017/18 owing to the increase in fees that was implemented part way through 2017/18. This greatly helps to mitigate the Directorate Risk (D4) relating to the pace of income generation. Service delivery also continues to be improved by the implementation of the non-technical review recommendations. Staffing vacancies have proved difficult to fill in a tight labour market and a recruitment drive is planned later in the year. Further measures to address this situation are outlined in the report on CNC elsewhere on this agenda.

3.6 BDC/SNC Collaborative working

In the last quarter (July to end-Sept), both Full Councils agreed to the recommendations in the Feasibility report and the implementation phase of the programme started. A Joint Appointments Panel of 8 Members was established and with support from East of England LGA's HR specialists undertook selection and assessment for a Joint Managing Director. The Panel's recommended candidate (Trevor Holden) was formally ratified by both Full Councils' on 4 October with an anticipated start date in January 2019. The first Joint Culture workshop facilitated by LGA was held with both Cabinets and the Joint Strategic Group (both CEXs, Broadland's Deputy CEX and South Norfolk's Directors). This helped identify a number of key issues to be resolved as well as culture-related activities to take forward. The second LGA Culture workshop involving a wider group of Members and staff as well as Unison representatives, took place on 9 October. In September both Councils' Cabinets approved the proposal to establish the Strategic Growth Delivery Team to assist development of strategically important sites. Economic Development teams have produced a joint website to attract inward investment which was promoted at MIPIM during October. Joint procurement has started for Dog Kennelling & Collection service as well as joint procurement of Councils' Insurance. IT has identified a potential shared email/calendar solution and will progress testing this. The MHCLG Digital Declaration was agreed and will provide access for us to bid for part of the £7.5m funds available related to digital collaboration.

A new Strategic Opportunity (S7) has been added to the Risk Register in relation to collaborative working with Broadland District Council: *Opportunity to benefit from efficiencies and enhance services and quality of life for residents through collaborative working with Broadland District Council*. This will track key actions required to ensure that the opportunities sought are realised, as outlined above.



3.7 Leisure and Recreation

Overall income is up by 7% year-on-year at the leisure centres, with Wymondham Leisure Centre increasing income by 8.3%, however leisure memberships results were below target for Q1 and Q2 (HE1601). Despite the refurbishment work at Long Stratton we have continued to see an increase in memberships in this quarter. Quarters 3 and 4 are traditionally busier and more productive quarters and the full re-opening of Long Stratton LC in Q4 will be of further benefit and is hoped to bridge the current growth target deficit by year end. Public perception appears positive with further investment in the Kett's Park project and increased membership numbers at Long Stratton during its refurbishment, which provides sufficient mitigation against the Directorate Risk relating to anticipated income generation and public perception.

Continued training and qualification of the teams with both vocational and professional courses being attended and successfully completed has resulted in the broadening training breadth of the team's skill sets and ensures the on-going and future resilience of the services operations. This continues to manage the Operational Risk relating to illness and accidents at the leisure centres.

The new Spa business partnership continues to grow and the improvements at Diss are resulting in the lowest operational deficit to date.

The Kett's Park Management Agreement has been signed with Wymondham Town Council and it is anticipated that the site will commence operations at the end of Q3. This will allow the Leisure Service to expand its fitness class and activity programme in the Wymondham area. Officers are still considering options to expand the customer car park at Wymondham Leisure Centre as this is becoming a constraint on business growth.

The refurbishment of Long Stratton Leisure Centre is still progressing well; the school and 3G changing rooms are now complete as is the steel work. We are still expecting a handover in Spring with the date to be confirmed by the contractor imminently.

3.8 Housing

Due to the reduction in supporting people funding there are less vacancies available for people who are not suitable for standard housing (HE1603). We are using our FIRST provision to work with them, to better support a safe environment whilst ongoing accommodation access enquiries occur.

Prevention remains the CORE of our delivery model and the HRA has allowed us to focus on this further. Our partnership working within the HUB allows us to be even more proactive. The introduction of the Duty to refer will promote this further in the coming months so that it is hopefully then entrenched throughout our partner organisations. This is reflecting in the good performance of (HE1801) for the % of successful interventions to prevent or relieve homelessness which was introduced for 2018/19 to reflect the changes for the housing and homelessness provision and has exceeded its Q2 target.

3.9 Independent Living

In quarter 2, we supported a further 466 vulnerable people to maintain independence in their own homes (LI 323) and met our Q2 target. We anticipate in line with our recruitment we should see encouraging figures in the last half of the year.

Expenditure on Disabled Facilities Grant/Aids and Adaptations of a combined total of £393,133 resulted in the Council making 77 grants during the first two quarters, compared to 69 grants approved in the same period of 2017/18. The Care and Repair team is now up to full capacity and the grant process is now running without any major delays, therefore the team remain confident that they will be able to commit the full allocation of funding for DFGs in 2018/19.

3.10 Early Help

Officers are due to review the Help Hub in Q3 to gain further understanding of what the Hub should focus on moving forward. This is ongoing and the team will look at how we can engage with partners to reduce demand, which assists risk mitigation in this area.

This quarter we have helped 1024 families and residents to achieve positive outcomes through our Help Hub service (HE 1607), and cumulatively have almost met the year end target of 1500. We have created a link with the mental health team in the Police control room to share information between the Help Hub and mental health services due to Mental wellbeing being the most prevalent issue we see in the hub.

3.11 Housing Benefit/Council Tax Support

The % of Council Tax collected as at Q2 is 55.22% and falls only marginally short of our 55.50% target and we are continuing to focus on responding to customer requests (primarily moves of house) in order to bring this measure back on target during Q3. We are continuing to see the migration away from 10 monthly to 12 monthly instalments with payment being received up to March each year. The tax base continues to grow and we have added 457 properties since April which has increased the collectable tax to £86m. We continue to experience high volumes of customer contact in Council Tax.

In quarter 2 the number of days taken to process new claims for Housing Benefit/Council Tax Benefit (HE1606) was 12 days. The average over Q1 and Q2 is 10.5 days which is similar to last year's performance which was 9.3 days at the same point. Although the increase in days is above our own targets this is still well below the target set for DWP and the rest of Norfolk District Councils. With full resource now back in place, focus being realigned to new claims and the full rollout of UC across district for working aged people we anticipate this figure will reduce again during the autumn to meet our targets in Q3 and Q4



3.12 Development Management

In quarter 2, we have delivered 191 affordable homes (LI 350). The majority of these were completed by housing associations, all through S106 agreements with developers. In addition, MHCLG reported the completion of 79 homes through Help to Buy (equity loan). We are on course to achieve the financial year's target of 500 before the end of Q3.

The five-year land supply continues to be tested (Strategic Risk S3) and we are currently awaiting the Inspector's report in relation to an appeal at Broadland District Council.

There is ongoing progress being made with regard to the planning applications in relation to the Long Stratton by-pass (Strategic Risk S2). The determination of these applications is on time and risks are continually monitored.

We continue to perform at or above target for all of development management strategic measures with 98.86% of householder applications determined within 8 weeks or in extension of time.

There is a positive variance of £157k on Development Management Budgets to the end of September, mainly owing to greater than budgeted fee income as applications have been higher than anticipated and also current vacancies that are expected to be filled later in the year.

3.13 Waste

The cost of waste collection (LI 262) for Q2 is £34.51 per household which is slightly up on Q1 figures but still under the £37 year-end target. This is partly due to the anticipated take up on the Garden Waste service not being realised over the summer months due to weather, which also resulted in lower than expected revenue from recycling credits.

In addition, for Q2 the number of missed bins per 100,000 collections (LI 263) remains 'green' at 23 despite operational difficulties during September due to fleet availability. Depot operations continue to be reviewed, with the garden waste service currently undergoing optimisation to allow for better customer service and continued growth.

The amount of municipal waste recycled, reused and composted has a provisional outturn of (NI 192a) 44.58%. This is a similar result to Q1. This is mainly due to reduced seasonal tonnages for garden waste with the dry weather impact.

The Commercial Waste service continues to grow and has now surpassed 600 customers. Recycling income has remained strong and actions to improve the quality of recycling continues to be promoted, managing the Operational Risk (O5) related to income and quality of MRF recycling.

Against the Vehicle Procurement and Replacement budget for 2018/19, three refuse vehicles have been purchased and delivered with the delivery of two further vehicles expected in Q4 of 2018/19. A request has been made to bring forward £130k from the 2019/20 Vehicle Procurement and Replacement budget to purchase a second-hand refuse collection vehicle. This would support the required domestic rounds re-optimisation and would assist in balancing the age and size profile of our current fleet.

3.14 Public Conveniences

The refurbishment of the public conveniences at Wymondham is now complete and we are currently awaiting the final invoice from the contractor. Negotiations will shortly take place to agree the final cost for the refurbishment of the public conveniences at Harleston. These works are likely to be completed during Q4.



How we will deliver: Customer focussed, Can do and collaborative, Business-like, efficient and entrepreneurial - Moving Forward Together

3.15 **Resources**

The positive variance against the revenue budget of £1,483,000 in Q2 is a positive sign of the present strength of the Council's financial position which needs to be maintained in the future. We recognise there is a strategic risk that the Council is unable to deliver priority services should revenue funding fall short of required expenditure. Initial forecasts indicate that the revenue surplus at year end will be in the region of £2.3 million of which well over a half reflects the two factors of higher business rates income and delayed external borrowing.

The Medium Term Financial Strategy is being updated to provide an up to date picture of the longer term financial position for the Council, reflecting the decision to proceed with collaboration with Broadland Council and a range of scenarios for future funding in the light of considerable uncertainty for all Councils.

Work needs to be undertaken to re-asphalt the roof of South Norfolk House. At present the asphalt is failing in several places where it meets the perimeter wall, allowing the ingress of water. In order to prevent significant structural damage, it is being recommended that a budget of £36k is included in the Capital Programme to be funded from the existing Asset Management Programme revenue budget.

3.16 **Insurance**

The Council's current long-term insurance agreements will expire on 30th September 2020. A successful joint procurement exercise was held last time with 2 other District Councils in Norfolk. Officers are holding discussions with Broadland, North Norfolk and Great Yarmouth Councils with a view to conducting a joint tender exercise to procure insurance. Each Council would have a separate contract with the insurer. Consideration will be given to use the proposed LGA insurance mutual if it is in operation within the timescale.

3.17 Staff

The number of working days lost due to short term sickness absence (BV012a) is showing an increase this quarter, to 1.75 days lost per FTE, compared to 1.53 in Q2 2017/18. However, we are still below target. Despite this the overall days lost per FTE, including long-term sickness, has reduced and is lower than Q2 2017-18. Flu jabs will again be offered to staff this year in a hope to reduce the impacts of this over winter months.

The “Being the Best you can be” Development Programme 2018 continued to be rolled out across Q2 2018/19 which will support the Council’s Moving Forward Together programme, continuous service development and collaborative working, which alleviates the Directorate Risk regarding: There is insufficient employee capability / capacity to deliver organisational priorities.

3.18 IT/Digital

The performance against the measurement for on line self-service HO1801 has continued to increase. In Q2 66.73% of services that have an online webform were made via online self-service. Wymondham Leisure Centre are really driving digital forward with over 70% online self-service. We anticipate the Take up of self service will continue to improve as we introduce additional digital channels such as web chat where we can link customers directly to self-service processes. The growth of our “My Account” portal is encouraging as we now have 4,139 people signed up for an online “My Account”.

The telephony project is still progressing and the new system is expected to go live in Q3. Expenditure is expected to remain within the allocated capital budget and should be finalised by the end of Q3. This work will assist in reducing ongoing revenue costs for telephony.

In order to accelerate the implementation of Windows 10 within the Council it is requested that £100,000 be brought forward from the 2019/20 capital programme so that Windows 10 can be rolled out during 2018/19.

3.19 Data Protection

An Internal Audit conducted in August 2018 gave a positive *Reasonable Assurance*, with only 2 non-urgent minor recommendations, which gives further reassurance that the risk relating to possible financial penalties is being well managed and remains minimal.

4 Recommendations

4.1 It is proposed that Cabinet:

- a) Notes the 2018/19 performance for the quarter and the combined efforts across the Directorates to deliver the vision of the Council (detail contained in Appendix 1).
- b) Notes the current position with respect to risks and accepts the actions to support risk mitigation (detail contained in Appendix 2).
- c) Notes the capital and revenue position and the reason for the variances on the General Fund (detail contained in Appendix 3 & 4).
- d) Agrees to the write-off of an NNDR debt of £47,673.84 relating to 2014/15 as outlined in paragraph 3.2.
- e) Endorses the decision of the Leader of the Council to participate in the bid for a one-year pilot of 75% business rates retention as outlined in paragraph 3.2.
- f) Approves the increase to the ongoing “overdraft” facility to Big Sky Developments Limited to £2,000,000 as outlined in paragraph 3.4.
- g) Agrees to bringing forward £130,000 from the 2019/20 capital programme for an additional refuse vehicle as set out in 3.13.
- h) Agrees to include a budget of £36,000 in the capital programme for essential work on the roof of South Norfolk House as set out in 3.15.
- i) Approves the decision to procure an insurance provider and to undertake a procurement exercise to achieve this as set out in 3.16.
- j) Agrees to bringing forward £100,000 from the 2019/20 capital programme to accelerate the roll-out of Windows 10 as set out in 3.18.

APPENDIX 1 - Quarter 2 performance report 2018/19: Strategic Measures


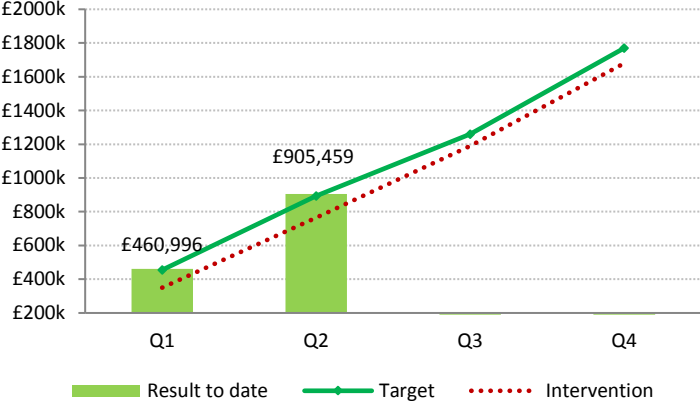
Economic Growth, Productivity and Prosperity

Providing the environment to stimulate growth, productivity and prosperity, sharing the benefits of growth with our communities.


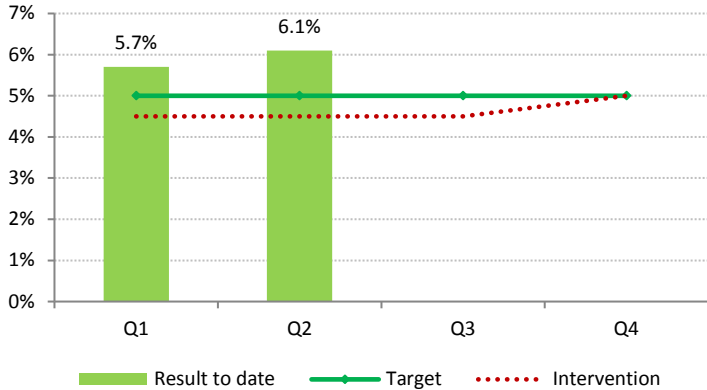

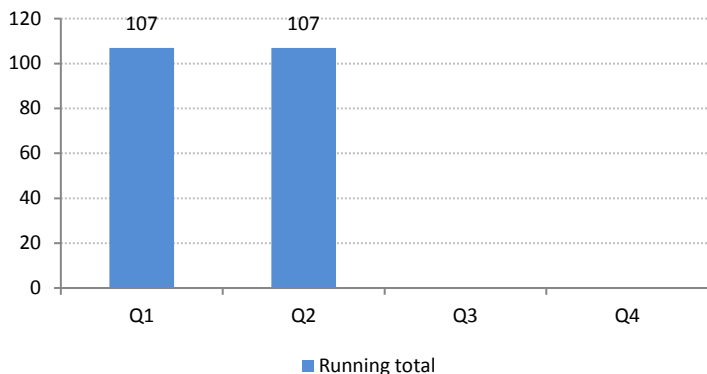


Key:


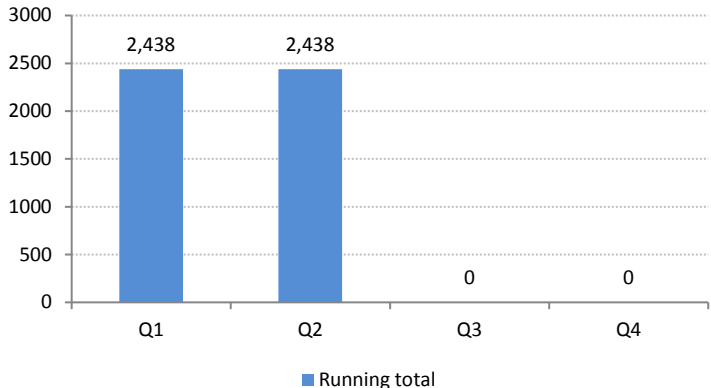

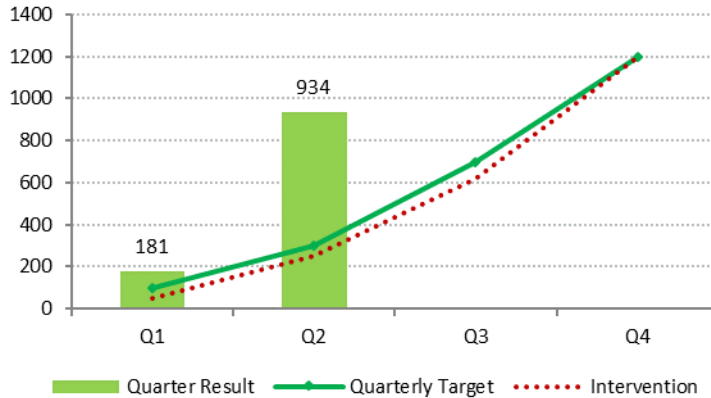
- = Met or exceeded target
- = Within acceptable tolerance of target
- = Stretch target not reached
- = The measure is being 'baselined' in order to determine the target

Measure	Latest Data		Measure Owner	Operational Comments	Chart												
Description	Quarter 2 Result / Indicator	Year End Target 2018/19															
LI 1013: CNC Building Control fee earning income.	£905,459 	£1,770,000	Stephen Fulcher	<p>Our Q2 fee income continues to be above our target. The building sector has benefited from a dry summer which has increased the number of applications received.</p> <p>There continues to be a number of singularities on the horizon which will have as yet unknown effects to the building sector I.e Grenfell enquiry, Brexit and changes to national housing policy.</p> <p>We anticipate a slow down in the building sector in Q3 and Q4 but are optimistic that if the effects of the afore mentioned risks are minimal we will remain close to our budgeted figures.</p>	 <table><thead><tr><th>Quarter</th><th>Result to date</th><th>Target</th><th>Intervention</th></tr></thead><tbody><tr><td>Q1</td><td>£460,996</td><td>~£450k</td><td>~£350k</td></tr><tr><td>Q2</td><td>£905,459</td><td>~£900k</td><td>~£750k</td></tr></tbody></table>	Quarter	Result to date	Target	Intervention	Q1	£460,996	~£450k	~£350k	Q2	£905,459	~£900k	~£750k
Quarter	Result to date	Target	Intervention														
Q1	£460,996	~£450k	~£350k														
Q2	£905,459	~£900k	~£750k														


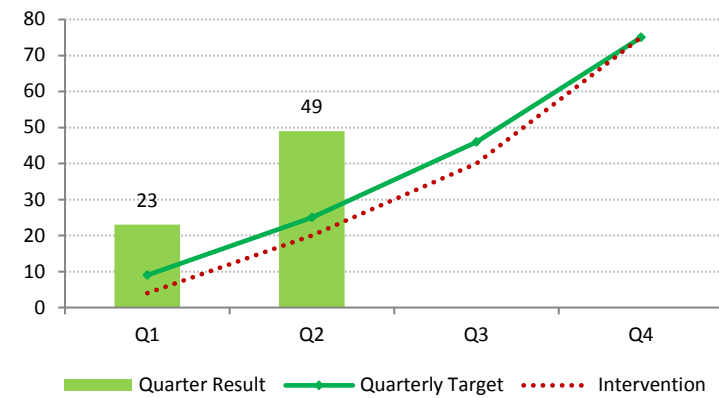
APPENDIX 1 - Quarter 2 performance report 2018/19: Strategic Measures

Measure	Latest Data		Measure Owner	Operational Comments	Chart																				
Description	Quarter 2 Result / Indicator	Year End Target 2018/19																							
LI 358: % rental income return from property investment.	6.10% 	5.00%	Spencer Burrell	Investment properties remain above budget. Occupancy at Rosebery Park remains at 82%. We have commenced Marketing at Trumpeter House (Long Stratton) with the first tennant being secured and taking occupation on 20th July	 <table><tr><th>Quarter</th><th>Result to date</th><th>Target</th><th>Intervention</th></tr><tr><td>Q1</td><td>5.7%</td><td>5.0%</td><td>4.5%</td></tr><tr><td>Q2</td><td>6.1%</td><td>5.0%</td><td>4.5%</td></tr><tr><td>Q3</td><td></td><td>5.0%</td><td>4.5%</td></tr><tr><td>Q4</td><td></td><td>5.0%</td><td>4.5%</td></tr></table>	Quarter	Result to date	Target	Intervention	Q1	5.7%	5.0%	4.5%	Q2	6.1%	5.0%	4.5%	Q3		5.0%	4.5%	Q4		5.0%	4.5%
Quarter	Result to date	Target	Intervention																						
Q1	5.7%	5.0%	4.5%																						
Q2	6.1%	5.0%	4.5%																						
Q3		5.0%	4.5%																						
Q4		5.0%	4.5%																						
EG 1601a: Number of residential dwellings developed through our Big Sky Developments company.	107 	Baseline (Totals shown are multi-year running totals from Q1 2016/17)	Spencer Burrell	Rosebery Park - only 6 properties to sell (3 shared equity and 3 open market). Maple Park - we have only 7 open market dwellings left to sell. A further 8 are reserved awaiting exchange. We release a month ago the 2 shared equity units and are progressing through the qualification process.	 <table><tr><th>Quarter</th><th>Running total</th></tr><tr><td>Q1</td><td>107</td></tr><tr><td>Q2</td><td>107</td></tr><tr><td>Q3</td><td></td></tr><tr><td>Q4</td><td></td></tr></table>	Quarter	Running total	Q1	107	Q2	107	Q3		Q4											
Quarter	Running total																								
Q1	107																								
Q2	107																								
Q3																									
Q4																									


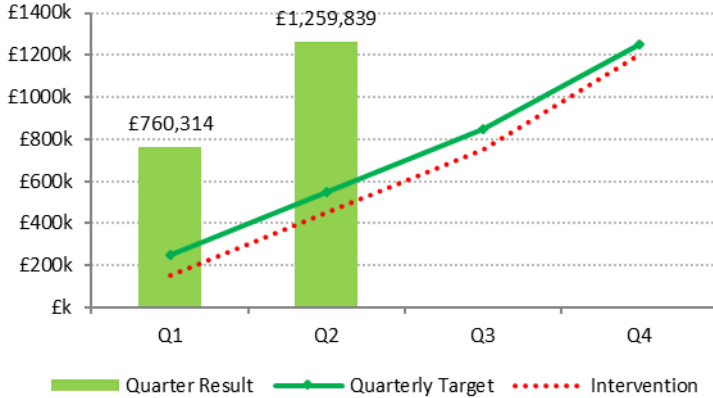
APPENDIX 1 - Quarter 2 performance report 2018/19: Strategic Measures

Measure	Latest Data		Measure Owner	Operational Comments	Chart																									
Description	Quarter 2 Result / Indicator	Year End Target 2018/19																												
EG 1601b: Sq Metre area of commercial space developed through our Big Sky Developments company.	2,438 	Baseline (Totals shown are multi-year running totals from Q1 2016/17)	Spencer Burrell	The running total still remains at 2,438 sqm	 <table><caption>EG 1601b: Running total</caption><thead><tr><th>Quarter</th><th>Running total</th></tr></thead><tbody><tr><td>Q1</td><td>2,438</td></tr><tr><td>Q2</td><td>2,438</td></tr><tr><td>Q3</td><td>0</td></tr><tr><td>Q4</td><td>0</td></tr></tbody></table>	Quarter	Running total	Q1	2,438	Q2	2,438	Q3	0	Q4	0															
Quarter	Running total																													
Q1	2,438																													
Q2	2,438																													
Q3	0																													
Q4	0																													
LI 356: Number of SME's provided with advice and guidance in South Norfolk.	934 cumulative 	1,200 (This is a cumulative total for the whole year which will be the sum of each quarter's result)	David Disney	<p>In Q2 we provided advice and guidance to 753 SME's</p> <p>The quarter two figures comprise:</p> <p>93- Food Team 31- Waveney Valley L-Tag meeting 31- Via Ec Dev and growth Hub enquiries 18- Swimming pool workshops 61- licences issued. 519- General business contacts (F&L)</p>	 <table><caption>LI 356: Cumulative Results</caption><thead><tr><th>Quarter</th><th>Quarter Result</th><th>Cumulative Total</th><th>Quarterly Target</th><th>Intervention</th></tr></thead><tbody><tr><td>Q1</td><td>181</td><td>181</td><td>181</td><td>181</td></tr><tr><td>Q2</td><td>934</td><td>1,115</td><td>1,115</td><td>1,115</td></tr><tr><td>Q3</td><td></td><td></td><td></td><td></td></tr><tr><td>Q4</td><td></td><td>1,200</td><td>1,200</td><td>1,200</td></tr></tbody></table>	Quarter	Quarter Result	Cumulative Total	Quarterly Target	Intervention	Q1	181	181	181	181	Q2	934	1,115	1,115	1,115	Q3					Q4		1,200	1,200	1,200
Quarter	Quarter Result	Cumulative Total	Quarterly Target	Intervention																										
Q1	181	181	181	181																										
Q2	934	1,115	1,115	1,115																										
Q3																														
Q4		1,200	1,200	1,200																										


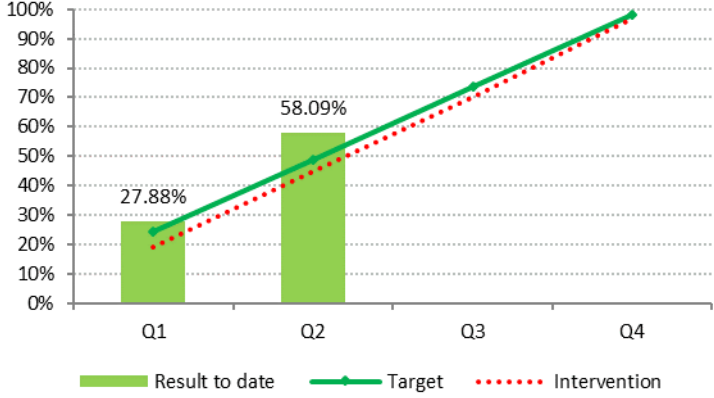

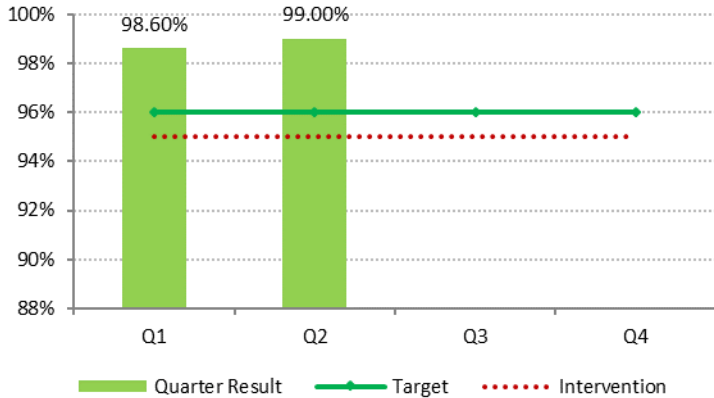
APPENDIX 1 - Quarter 2 performance report 2018/19: Strategic Measures

Measure	Latest Data		Measure Owner	Operational Comments	Chart
Description	Quarter 2 Result / Indicator	Year End Target 2018/19			
LI 613: Number of new business start-ups supported in South Norfolk.	49 Cumulative 	75 (This is a cumulative total for the whole year which will be the sum of each quarter's result)	David Disney	Total for this quarter 26 5- New businesses via the NWES/Hub referral 21- Growth club programme	 <p>80 70 60 50 40 30 20 10 0</p> <p>Q1 Q2 Q3 Q4</p> <p>Quarter Result Quarterly Target Intervention</p>


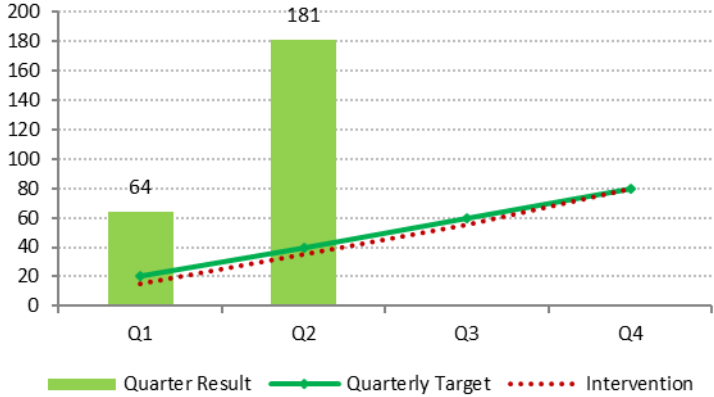

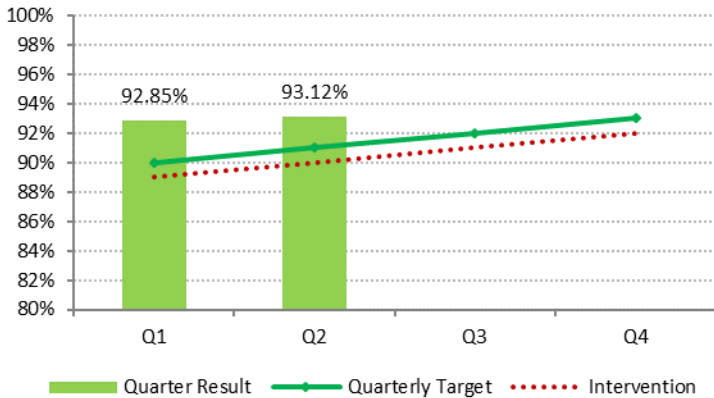
APPENDIX 1 - Quarter 2 performance report 2018/19: Strategic Measures

Measure	Latest Data		Measure Owner	Operational Comments	Chart																				
Description	Quarter 2 Result / Indicator	Year End Target 2018/19																							
LI 758: External funding identified and brought into the local economy.	£1,259,839 Cumulative 	£1,000,000 (This is a cumulative total for the whole year which will be the sum of each quarter's result)	Nina Cunningham am	<p>The Q2 have already taken us over our £1m target for year end. The Q2 figures total £499,525 and comprise of the following:</p> <p>50,000-Transforming Cities fund for Greater Norwich from the Future of Mobility Grand Challenge fund (Industrial Strategy). This will be used to produce the final proposal to draw down some of the £1.7bn</p> <p>£138,000- Rough Sleeper & homelessness Grant from Norfolk County Council. This funding will be invested over a 3year period into emotional and resilience and low level mental health as part of the Help hub.</p> <p>Business growth grants £28,500- Tropic Bioscience (Eastern Agri- tech Grant) £140,000- Mirus (Growing Business fund) £37,500-Netmatters (Growing Business fund) £13,975 -Abate Ltd (Growth Hub ERDF small grant) £13,550- 3 in One Services (Growth hub ERDF small grant) £78,000- Yare Valley (EAFRD funding)</p>	 <table><caption>Chart Data</caption><thead><tr><th>Quarter</th><th>Quarter Result (£k)</th><th>Quarterly Target (£k)</th><th>Intervention (£k)</th></tr></thead><tbody><tr><td>Q1</td><td>760,314</td><td>~250</td><td>~150</td></tr><tr><td>Q2</td><td>1,259,839</td><td>~550</td><td>~400</td></tr><tr><td>Q3</td><td>-</td><td>~850</td><td>~700</td></tr><tr><td>Q4</td><td>-</td><td>~1,150</td><td>~1,000</td></tr></tbody></table>	Quarter	Quarter Result (£k)	Quarterly Target (£k)	Intervention (£k)	Q1	760,314	~250	~150	Q2	1,259,839	~550	~400	Q3	-	~850	~700	Q4	-	~1,150	~1,000
Quarter	Quarter Result (£k)	Quarterly Target (£k)	Intervention (£k)																						
Q1	760,314	~250	~150																						
Q2	1,259,839	~550	~400																						
Q3	-	~850	~700																						
Q4	-	~1,150	~1,000																						

APPENDIX 1 - Quarter 2 performance report 2018/19: Strategic Measures

Measure	Latest Data		Measure Owner	Operational Comments	Chart
	Quarter 2 Result / Indicator	Year End Target 2018/19			
BV 010: % of non-domestic rates collected.	58.09% 	98.00%	Simon Bessey	<p>The total value of net receipts for NDR is £18.4m (£17.7m 17/18) against a total collectable property charge of £31.7m for 18/19 liabilities.</p> <p>The in-year collection profile can be influenced by several factors, but we remain in line with our 17/18 performance which is encouraging given that the actual value of income has increased.</p>	 <p>100% 90% 80% 70% 60% 50% 40% 30% 20% 10% 0%</p> <p>Q1 Q2 Q3 Q4</p> <p>Result to date Target Intervention</p>
LI 210: % of food premises which have an FHRS (Food Hygiene Rating Scheme) rating of satisfactory or above.	99.00% 	95.00%	David Disney	Q2 reflects the emphasis placed on improving the scores across South Norfolk. Adverse score changes are now automatically flagged and investigated immediately at management level.	 <p>100% 98% 96% 94% 92% 90% 88%</p> <p>Q1 Q2 Q3 Q4</p> <p>Quarter Result Target Intervention</p>

APPENDIX 1 - Quarter 2 performance report 2018/19: Strategic Measures

Measure	Latest Data		Measure Owner	Operational Comments	Chart
Description	Quarter 2 Result / Indicator	Year End Target 2018/19			
EG 1605: Number of apprenticeship placements available in our local businesses for our young people.	181 Cumulative 	70 (This is a cumulative total for the whole year which will be the sum of each quarter's result)	David Disney	In Q2 - 117- live apprenticeships were advertised in South Norfolk	 <p>Quarter Result Quarterly Target Intervention</p>
MI 1039: % of units liable for business rates occupied.	93.12% 	93%	David Disney	<p>Our local PI for the occupancy rate of our commercial buildings has seen an improved picture over the past quarter from an occupancy rate of 92.85% now up to 93.12%</p> <p>The only point at which we have seen a higher rate in 5.5 years was at the end of 2015/16.</p>	 <p>Quarter Result Quarterly Target Intervention</p>

APPENDIX 1 - Quarter 2 performance report 2018/19: Strategic Measures

Health, Well-being and Early Help

Proactively working with communities to provide help at the earliest opportunity and enhancing the health and well-being of our residents.


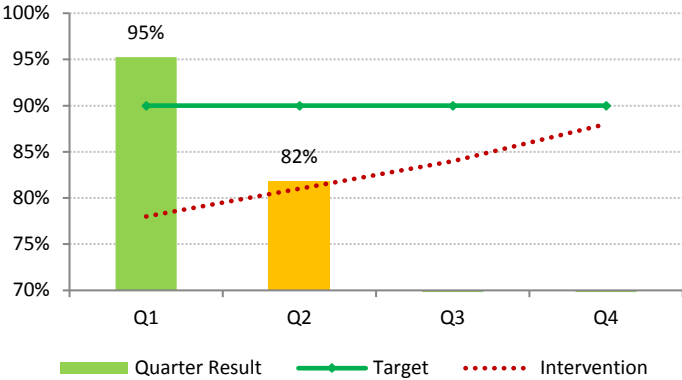


Key:


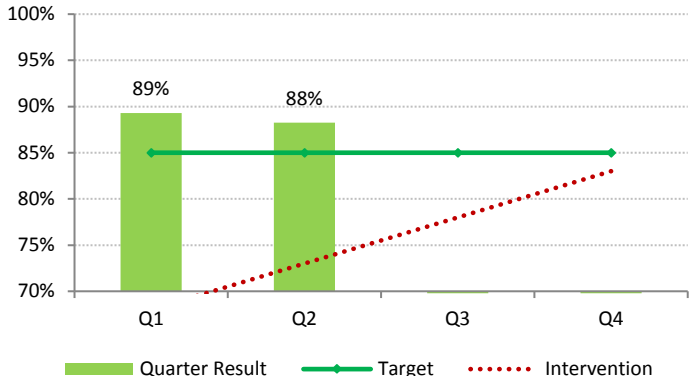

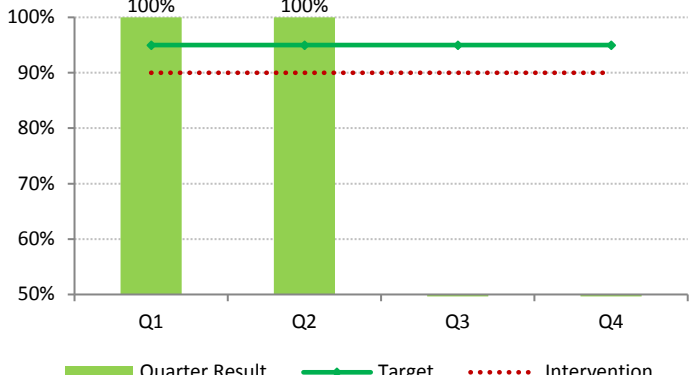
- = Met or exceeded target
- = Within acceptable tolerance of target
- = Stretch target not reached
- = The measure is being 'baselined' in order to determine the target

Measure	Latest Data		Measure Owner	Operational Comments	Chart
	Quarter 2 Result / Indicator	Year End Target 2018/19			
(NEW) HE 1601: % increase in our Leisure Centre members following the refurbishment of our three Centres.	-1.48% 	10.00%	Steve Goddard	<p>Q2 is traditionally the services most challenging quarter and has seen Wymondhams fitness monthly membership decline by (-57), Diss move back by (-6) and Long Stratton increase by +20 therefore a cumulative decrease of 43 members.</p> <p>Overall the monthly fitness financial direct debit line decreased by (-£1,457). The quarterly decrease overall of (-1.48%) was undoubtedly impacted by an extremely hot summer resulting in lower sales, attendances and higher than normal attrition with the public enjoying the outdoors.</p> <p>However an encouraging performance at Long Stratton during a refurbishment continues to bode well for the future. The Year on Year increases remain positive post investments made and the impact demonstrates that Wymondham has increased by +£5,021 per month, Diss by +£1,872 and Long Stratton by +£1,857.</p> <p>The financial performance equates to 159, 66 and 69 new member growth respectively which is a +10% cumulative year on year increase.</p> <p>The new Spa business partnership at Wymondham continues to grow, the</p>	<p>Result to date Target Intervention</p>


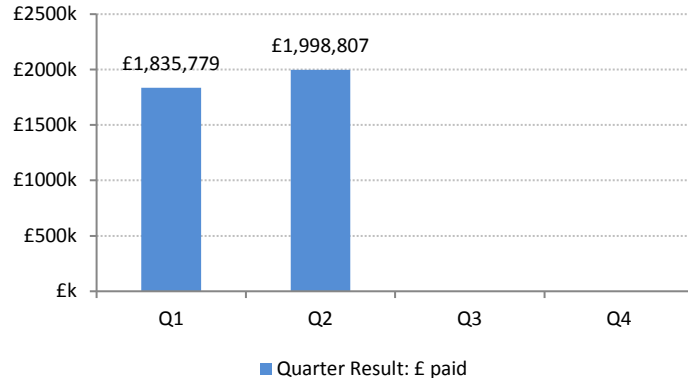

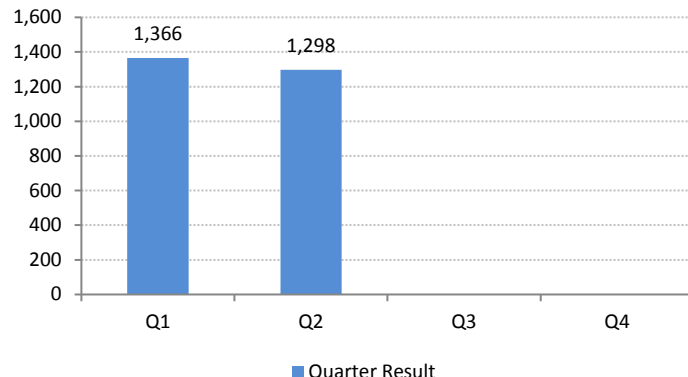
APPENDIX 1 - Quarter 2 performance report 2018/19: Strategic Measures

Measure	Latest Data		Measure Owner	Operational Comments	Chart																				
Description	Quarter 2 Result / Indicator	Year End Target 2018/19																							
				<p>improvements at Diss are resulting in its lowest operational deficit to date and excitement regarding the new Long Stratton centres development is increasing.</p> <p>The remaining quarters 3 and 4 are traditionally the services busier periods with upturns in attendances, membership sales and general business to bridge the current growth target deficit by year end. Year to date we are flat lining and we now require an average +5% increase in membership numbers in both Quarters 3 & 4 which is achievable with strong traditional sales period and the pre sale launch and launch of the new Long Stratton LC in Q4.</p>																					
HE 1603: % of households in temporary accommodation for 8 weeks or less from the date of the homelessness decision to housing solution.	81.82% 	90%	Mike Pursehouse	Due to the reduction in supporting people funding there are less and less vacancies available for people who are not suitable for standard housing. This is also a cross district issue and all are competing for the same minimal level provision. With our FIRST provision in place we are able to work with them so that they are able to obtain suitable skills or link them to any support provision. Our view is it is better to support in a safe environment while ongoing accommodation access enquires occur rather than place people in unsuitable accommodation that they are likely to fail to sustain	 <table><caption>HE 1603 Performance Data</caption><thead><tr><th>Quarter</th><th>Quarter Result (%)</th><th>Target (%)</th><th>Intervention (%)</th></tr></thead><tbody><tr><td>Q1</td><td>95%</td><td>90%</td><td>~78%</td></tr><tr><td>Q2</td><td>82%</td><td>90%</td><td>~80%</td></tr><tr><td>Q3</td><td>-</td><td>90%</td><td>~84%</td></tr><tr><td>Q4</td><td>-</td><td>90%</td><td>~88%</td></tr></tbody></table>	Quarter	Quarter Result (%)	Target (%)	Intervention (%)	Q1	95%	90%	~78%	Q2	82%	90%	~80%	Q3	-	90%	~84%	Q4	-	90%	~88%
Quarter	Quarter Result (%)	Target (%)	Intervention (%)																						
Q1	95%	90%	~78%																						
Q2	82%	90%	~80%																						
Q3	-	90%	~84%																						
Q4	-	90%	~88%																						

APPENDIX 1 - Quarter 2 performance report 2018/19: Strategic Measures

Measure	Latest Data		Measure Owner	Operational Comments	Chart																				
Description	Quarter 2 Result / Indicator	Year End Target 2018/19																							
(NEW) HE 1801 % successful intervention to prevent or relieve homelessness for customers who are homeless or at risk of becoming homeless	88.24% 	85%	Mike Pursehouse	Prevention remains the CORE of our delivery model and the HRA has allowed us to focus on this further. Our partnership working within the HUB allows us to be even more proactive. The introduction of the Duty to refer will promote this further in the coming months so that it is hopefully then entrenched throughout our partner organisations	 <table><caption>HE 1801 Performance Data</caption><thead><tr><th>Quarter</th><th>Quarter Result</th><th>Target</th><th>Intervention</th></tr></thead><tbody><tr><td>Q1</td><td>89%</td><td>85%</td><td>70%</td></tr><tr><td>Q2</td><td>88%</td><td>85%</td><td>75%</td></tr><tr><td>Q3</td><td>-</td><td>85%</td><td>80%</td></tr><tr><td>Q4</td><td>-</td><td>85%</td><td>85%</td></tr></tbody></table>	Quarter	Quarter Result	Target	Intervention	Q1	89%	85%	70%	Q2	88%	85%	75%	Q3	-	85%	80%	Q4	-	85%	85%
Quarter	Quarter Result	Target	Intervention																						
Q1	89%	85%	70%																						
Q2	88%	85%	75%																						
Q3	-	85%	80%																						
Q4	-	85%	85%																						
HE 1605: % of those housed by SNC Housing remain in the same, similar or improved accommodation after a 12 month period	100% 	95%	Mike Pursehouse	We continue to make sure people are ready to moving into properties and ensure they have the skills to stay in long term tenancy.	 <table><caption>HE 1605 Performance Data</caption><thead><tr><th>Quarter</th><th>Quarter Result</th><th>Target</th><th>Intervention</th></tr></thead><tbody><tr><td>Q1</td><td>100%</td><td>95%</td><td>90%</td></tr><tr><td>Q2</td><td>100%</td><td>95%</td><td>90%</td></tr><tr><td>Q3</td><td>-</td><td>95%</td><td>90%</td></tr><tr><td>Q4</td><td>-</td><td>95%</td><td>90%</td></tr></tbody></table>	Quarter	Quarter Result	Target	Intervention	Q1	100%	95%	90%	Q2	100%	95%	90%	Q3	-	95%	90%	Q4	-	95%	90%
Quarter	Quarter Result	Target	Intervention																						
Q1	100%	95%	90%																						
Q2	100%	95%	90%																						
Q3	-	95%	90%																						
Q4	-	95%	90%																						


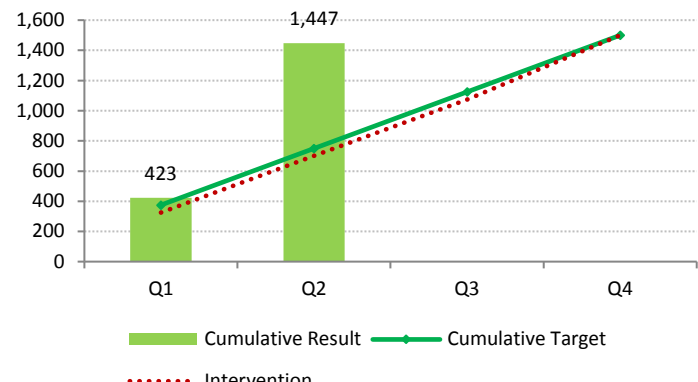

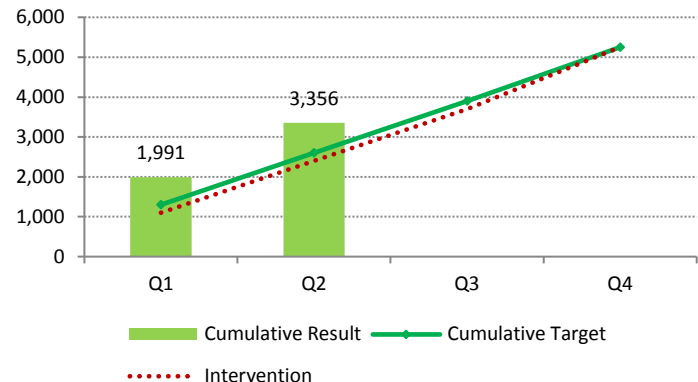
APPENDIX 1 - Quarter 2 performance report 2018/19: Strategic Measures

Measure	Latest Data		Measure Owner	Operational Comments	Chart										
Description	Quarter 2 Result / Indicator	Year End Target 2018/19													
HE 1607a: £pounds paid in benefits to people in work	£1,998,807 	Baseline	Mike Pursehouse	This figure remains stable, the increase may lie in that people are getting their benefits all in order to avoid moving to UC when Norwich goes live in October	 <table><caption>HE 1607a: £ paid in benefits</caption><thead><tr><th>Quarter</th><th>£ paid</th></tr></thead><tbody><tr><td>Q1</td><td>£1,835,779</td></tr><tr><td>Q2</td><td>£1,998,807</td></tr><tr><td>Q3</td><td></td></tr><tr><td>Q4</td><td></td></tr></tbody></table>	Quarter	£ paid	Q1	£1,835,779	Q2	£1,998,807	Q3		Q4	
Quarter	£ paid														
Q1	£1,835,779														
Q2	£1,998,807														
Q3															
Q4															
HE 1607b: Number of people in work receiving benefits	1298 	Baseline	Mike Pursehouse	We continue to monitor the measure, quarter 2 figures are likely to be down due to summer work availability.	 <table><caption>HE 1607b: Number of people in work receiving benefits</caption><thead><tr><th>Quarter</th><th>Number of people</th></tr></thead><tbody><tr><td>Q1</td><td>1,366</td></tr><tr><td>Q2</td><td>1,298</td></tr><tr><td>Q3</td><td></td></tr><tr><td>Q4</td><td></td></tr></tbody></table>	Quarter	Number of people	Q1	1,366	Q2	1,298	Q3		Q4	
Quarter	Number of people														
Q1	1,366														
Q2	1,298														
Q3															
Q4															


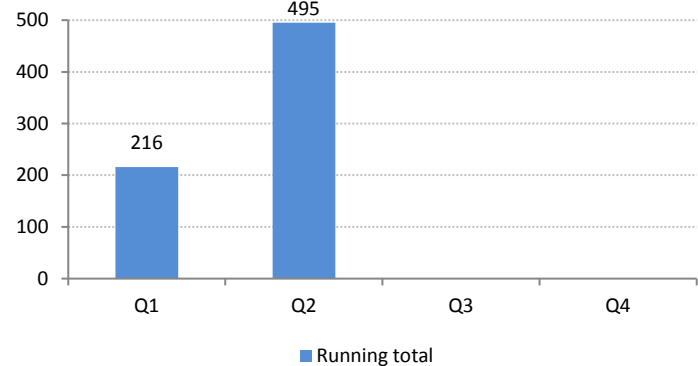

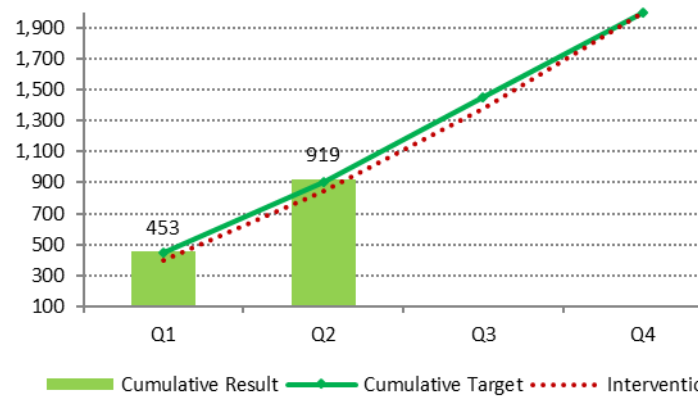
APPENDIX 1 - Quarter 2 performance report 2018/19: Strategic Measures

Measure	Latest Data		Measure Owner	Operational Comments	Chart
Description	Quarter 2 Result / Indicator	Year End Target 2018/19			
BV 009: % of Council Tax collected.	55.22% 😞	98.50%	Simon Bessey	<p>We continue to experience high volumes of customer contact. This can have the impact of 'delaying' payments, and we do continue to see the migration away from 10 monthly to 12 monthly instalments, with payments being received up until March each year. So far this year we have collected £47.5m against 18/19 liabilities compared with £44m at the same point in 17/18.</p> <p>The tax-base continues to grow. We have added 457 properties since April which has increased the total collectable Council Tax by £559k to £86m.</p> <p>We are continuing to focus on responding to customer requests (primarily moves of house) in order to bring this measure back on target during Q3.</p>	<p>Result to date Target Intervention</p>
HE 1606: Number of days taken to process new claims for Housing Benefit/Council Tax Benefit.	12 days 😡	9 days	Mike Pursehouse	<p>In quarter 2 the number of days taken to process new claims for Housing Benefit/Council Tax Benefit was 12 days. The average over Q1 and Q2 is 10.5 days which was similar to last year's performance which was 9.3 days at the same point. Although the increase in days is above our own targets this is still well below the target set for DWP and the rest of Norfolk District Councils. With full resource now back in place, focus being realigned to new claims and the full rollout of UC across district for working aged people we anticipate this figure will reduce again during the autumn to meet our targets in Q3 and Q4</p>	<p>Quarter Result Target Intervention</p>

APPENDIX 1 - Quarter 2 performance report 2018/19: Strategic Measures

Measure	Latest Data		Measure Owner	Operational Comments	Chart																				
Description	Quarter 2 Result / Indicator	Year End Target 2018/19																							
HE 1607: Number of families and residents helped to achieve positive outcomes through our Help Hub service.	1447 	1,500 (This is a cumulative figure for the whole year)	Mike Purchasehouse	We have created a link with the mental health team in the Police control room to share information between the Help Hub and mental health services. Mental wellbeing is the most prevalent issue we see in the hub.	 <p>Chart data for HE 1607:</p> <table><thead><tr><th>Quarter</th><th>Cumulative Result</th><th>Cumulative Target</th><th>Intervention</th></tr></thead><tbody><tr><td>Q1</td><td>423</td><td>423</td><td>423</td></tr><tr><td>Q2</td><td>1,447</td><td>1,447</td><td>1,447</td></tr><tr><td>Q3</td><td>-</td><td>-</td><td>-</td></tr><tr><td>Q4</td><td>-</td><td>-</td><td>-</td></tr></tbody></table>	Quarter	Cumulative Result	Cumulative Target	Intervention	Q1	423	423	423	Q2	1,447	1,447	1,447	Q3	-	-	-	Q4	-	-	-
Quarter	Cumulative Result	Cumulative Target	Intervention																						
Q1	423	423	423																						
Q2	1,447	1,447	1,447																						
Q3	-	-	-																						
Q4	-	-	-																						
HE 1608a: Number of residents who are assisted to access support within their community to meet low level need	3356 	5250 (This is a cumulative figure for the whole year)	Mike Purchasehouse	Our Community Connectors have been working in Diss Job Centre to make connections with people who are out of work to support people who are facing barriers to work.	 <p>Chart data for HE 1608a:</p> <table><thead><tr><th>Quarter</th><th>Cumulative Result</th><th>Cumulative Target</th><th>Intervention</th></tr></thead><tbody><tr><td>Q1</td><td>1,991</td><td>1,991</td><td>1,991</td></tr><tr><td>Q2</td><td>3,356</td><td>3,356</td><td>3,356</td></tr><tr><td>Q3</td><td>-</td><td>-</td><td>-</td></tr><tr><td>Q4</td><td>-</td><td>-</td><td>-</td></tr></tbody></table>	Quarter	Cumulative Result	Cumulative Target	Intervention	Q1	1,991	1,991	1,991	Q2	3,356	3,356	3,356	Q3	-	-	-	Q4	-	-	-
Quarter	Cumulative Result	Cumulative Target	Intervention																						
Q1	1,991	1,991	1,991																						
Q2	3,356	3,356	3,356																						
Q3	-	-	-																						
Q4	-	-	-																						

APPENDIX 1 - Quarter 2 performance report 2018/19: Strategic Measures

Measure	Latest Data		Measure Owner	Operational Comments	Chart																				
Description	Quarter 2 Result / Indicator	Year End Target 2018/19																							
HE 1608b: Number referrals from GPs to our social prescribing service via community connectors	495 	Baseline	Mike Pursehouse	Referrals into the social prescribing service have increased again by 29% on the previous quarter. Further increases are expected as the service becomes embedded into the 'whole offer' of Primary Care	 <table><caption>HE 1608b: Running total</caption><thead><tr><th>Quarter</th><th>Running total</th></tr></thead><tbody><tr><td>Q1</td><td>216</td></tr><tr><td>Q2</td><td>495</td></tr><tr><td>Q3</td><td></td></tr><tr><td>Q4</td><td></td></tr></tbody></table>	Quarter	Running total	Q1	216	Q2	495	Q3		Q4											
Quarter	Running total																								
Q1	216																								
Q2	495																								
Q3																									
Q4																									
LI 323: Increase the number of vulnerable people supported to maintain independence in their own homes, with support from interventions.	919 Cumulative 	2,000 (This is a cumulative figure for the whole year)	Sam Cayford	Q2 figures are on track and in line with annual targets. Recruitment should see encouraging figures in the last half of the year.	 <table><caption>LI 323: Cumulative Performance</caption><thead><tr><th>Quarter</th><th>Cumulative Result</th><th>Cumulative Target</th><th>Intervention</th></tr></thead><tbody><tr><td>Q1</td><td>453</td><td></td><td></td></tr><tr><td>Q2</td><td>919</td><td></td><td></td></tr><tr><td>Q3</td><td></td><td></td><td></td></tr><tr><td>Q4</td><td></td><td></td><td></td></tr></tbody></table>	Quarter	Cumulative Result	Cumulative Target	Intervention	Q1	453			Q2	919			Q3				Q4			
Quarter	Cumulative Result	Cumulative Target	Intervention																						
Q1	453																								
Q2	919																								
Q3																									
Q4																									

APPENDIX 1 - Quarter 2 performance report 2018/19: Strategic Measures

Place, Communities and Environment

Improving the quality of life of our communities and enhancing the built and natural environment in our towns and villages.



Key:



= Met or exceeded target




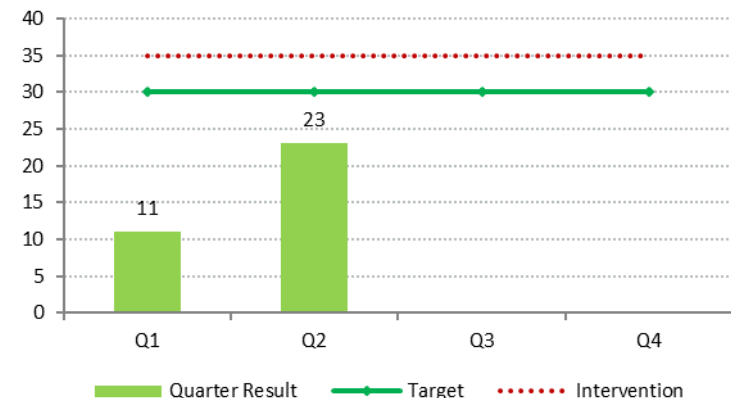
= Within acceptable tolerance of target



= Stretch target not reached




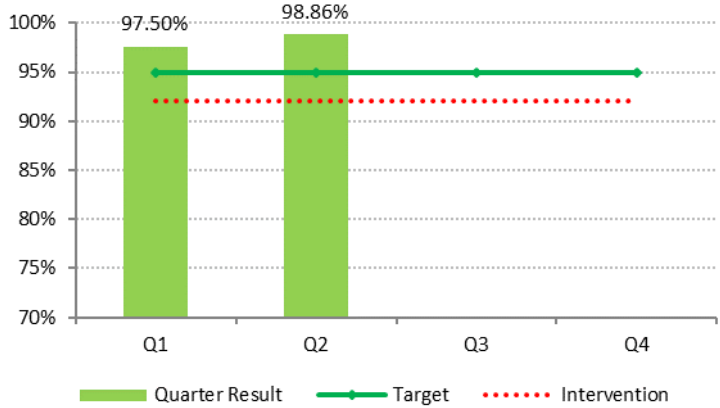

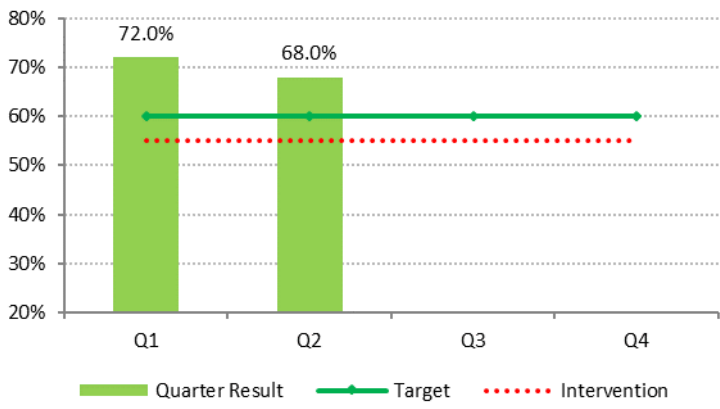
= The measure is being 'baselined' in order to determine the target

Measure	Latest Data		Measure Owner	Operational Comments	Chart
Description	Quarter 2 Result / Indicator	Year End Target 2018/19			
LI 263: Number of missed bins for all waste per 100,000 collections	23 	30	Simon Hawken	Despite operational difficulties during September due to fleet availability we have still come in under the target of 30/100k. There should be a positive improvement to report in Q3 once the impact of those difficulties has passed. However positive action is required in terms of optimisation of the current domestic rounds in order to maintain this trend in the future.	 <p>Legend: ■ Quarter Result —●— Target Intervention</p>


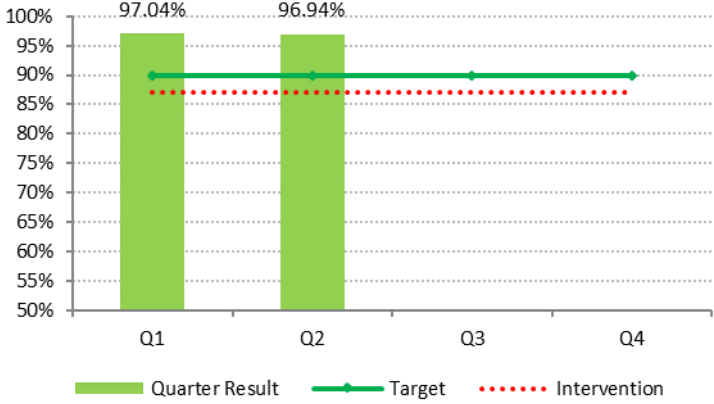

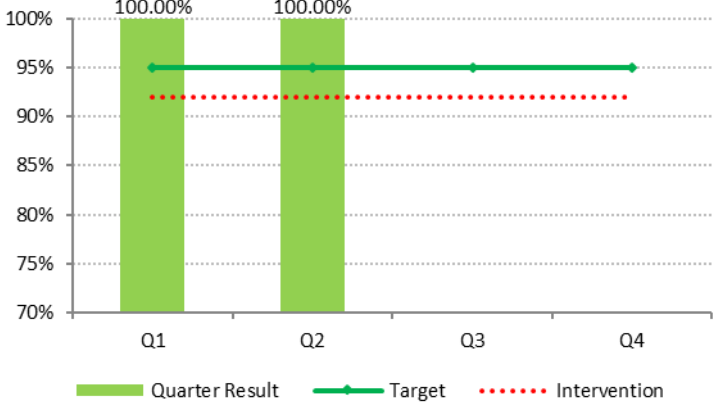
APPENDIX 1 - Quarter 2 performance report 2018/19: Strategic Measures

Measure	Latest Data		Measure Owner	Operational Comments	Chart
Description	Quarter 2 Result / Indicator	Year End Target 2018/19			
LI 262: Cost of waste collection per household	£34.51 😊	£37	Simon Hawken	Whilst still under the £37 target the cost has risen by more than £2 over the past quarter. This is partly due to the anticipated take up of the Garden Waste service not being realised over the summer months due to poor weather, resulting in lower revenue from bin charges & recycling credits. In addition staffing the service, in part due to the deployment of additional rounds than what were budgeted for, have seen costs increase.	<p>£50 £45 £40 £35 £30 £25 £20 £15</p> <p>Q1 Q2 Q3 Q4</p> <p>Result to date Target Intervention</p>
NI 192a: % Municipal waste recycled, reused and composted	44.58% 😊	45.00% (This is a target for the year overall and is not the same as the Q4 quarterly target)	Bob Wade	Given provisional data we are slightly above the target for Q2 albeit lower than for the same period last year. This is mainly due to reduced seasonal tonnages for garden waste with the dry weather impact.	<p>50% 45% 40% 35% 30% 25%</p> <p>Q1 Q2 Q3 Q4</p> <p>Quarter Result Quarterly Target Intervention</p>


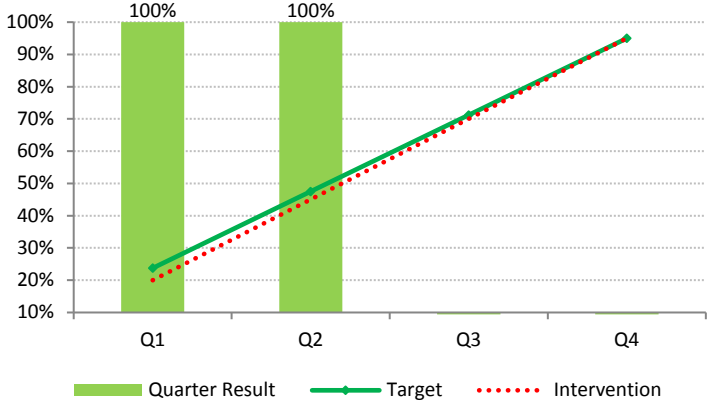

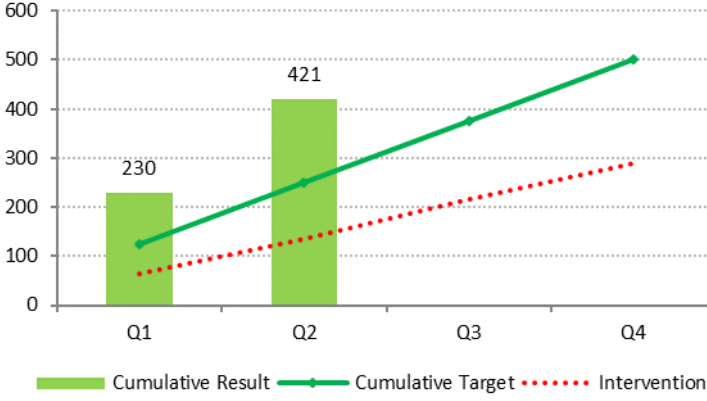
APPENDIX 1 - Quarter 2 performance report 2018/19: Strategic Measures

Measure	Latest Data		Measure Owner	Operational Comments	Chart												
Description	Quarter 2 Result / Indicator	Year End Target 2018/19															
LI 302: % of householder applications determined within 8 weeks or in extension of time	98.86% 	95.00%	Helen Mellors	This relates to 175 applications, 156 of which (89%) were determined in the 8 week period with 17 being determined within an extension of time, resulting in 98.86% being determined in an agreed time period.	 <table><caption>LI 302 Performance Data</caption><thead><tr><th>Quarter</th><th>Quarter Result</th><th>Target</th><th>Intervention</th></tr></thead><tbody><tr><td>Q1</td><td>97.50%</td><td>95.00%</td><td>92.50%</td></tr><tr><td>Q2</td><td>98.86%</td><td>95.00%</td><td>92.50%</td></tr></tbody></table>	Quarter	Quarter Result	Target	Intervention	Q1	97.50%	95.00%	92.50%	Q2	98.86%	95.00%	92.50%
Quarter	Quarter Result	Target	Intervention														
Q1	97.50%	95.00%	92.50%														
Q2	98.86%	95.00%	92.50%														
MI 1037: % of householder applications determined within six weeks	68.00% 	60.00%	Helen Mellors	This relates to 175 applications, 119 of which (68%) were determined in the less than 6 week period. 156 (89%) were determined in the 8 week period with 17 were determined within an extension of time, resulting in 98.86% being determined in an agreed time period.	 <table><caption>MI 1037 Performance Data</caption><thead><tr><th>Quarter</th><th>Quarter Result</th><th>Target</th><th>Intervention</th></tr></thead><tbody><tr><td>Q1</td><td>72.0%</td><td>60.00%</td><td>55.00%</td></tr><tr><td>Q2</td><td>68.0%</td><td>60.00%</td><td>55.00%</td></tr></tbody></table>	Quarter	Quarter Result	Target	Intervention	Q1	72.0%	60.00%	55.00%	Q2	68.0%	60.00%	55.00%
Quarter	Quarter Result	Target	Intervention														
Q1	72.0%	60.00%	55.00%														
Q2	68.0%	60.00%	55.00%														


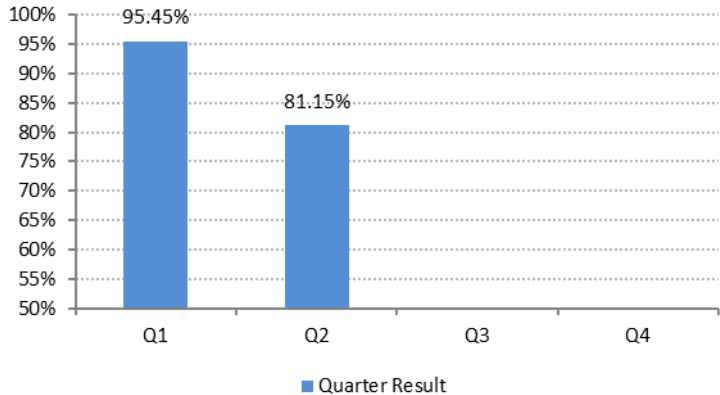
APPENDIX 1 - Quarter 2 performance report 2018/19: Strategic Measures

Measure	Latest Data		Measure Owner	Operational Comments	Chart
Description	Quarter 2 Result / Indicator	Year End Target 2018/19			
(NEW) PL1801 : % of other and minor applications determined within eight weeks or extension of time	96.94% 	90.00% (Rolling two year figure)	Helen Mellors	This is a rolling 2 year figure. 96.94% (2268 / 2777) were determined in an agreed time period	 <p>100% 95% 90% 85% 80% 75% 70% 65% 60% 55% 50%</p> <p>97.04% 96.94%</p> <p>Q1 Q2 Q3 Q4</p> <p>Quarter Result Target Intervention</p>
MI 1038: % of major applications determined within 13 weeks or in extension of time	100% 	95.00%	Helen Mellors	This relates to 14 applications, 11 of which (79%) were determined in the 13 week period with 3 being determined within an extension of time, resulting in 100% being determined in an agreed time period.	 <p>100% 95% 90% 85% 80% 75% 70%</p> <p>100.00% 100.00%</p> <p>Q1 Q2 Q3 Q4</p> <p>Quarter Result Target Intervention</p>

APPENDIX 1 - Quarter 2 performance report 2018/19: Strategic Measures

Measure	Latest Data		Measure Owner	Operational Comments	Chart
Description	Quarter 2 Result / Indicator	Year End Target 2018/19			
PL 1602: % of Community Action Fund (CAF) spent.	100% 	95%	Mike Pursehouse	No CAF panel this Quarter	 <p>100% 100%</p> <p>100% 90% 80% 70% 60% 50% 40% 30% 20% 10%</p> <p>Q1 Q2 Q3 Q4</p> <p>Quarter Result Target Intervention</p>
LI 350: Number of Affordable homes delivered in this year (2018-19)	421 Cumulative 	500 affordable homes by 31 March 2019. (1,500 by March April 2020)	Keith Mitchell	In Q2, 112 homes were completed by housing associations, all through S106 Agreements with developers. The second house was acquired by Big Sky Property Management Limited using S106 receipts for sale on shared equity terms. In addition, MHCLG reported the completion of 79 homes through Help to Buy (equity loan). We are on course to achieve the financial year's target of 500 before the end of Q3.	 <p>600 500 400 300 200 100 0</p> <p>230 421</p> <p>Q1 Q2 Q3 Q4</p> <p>Cumulative Result Cumulative Target Intervention</p>


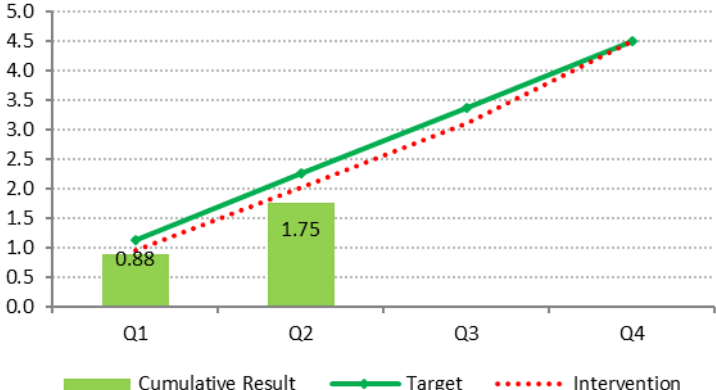
APPENDIX 1 - Quarter 2 performance report 2018/19: Strategic Measures

Measure	Latest Data		Measure Owner	Operational Comments	Chart										
Description	Quarter 2 Result / Indicator	Year End Target 2018/19													
PL 1604: % percentage of people applying to register to vote online as opposed to on paper.	81.15% 	Baseline	Julia Tovee-Galey	<p>The annual canvass was undertaken during Q2, therefore this has increased the number a paper forms being received.</p> <p>The annual canvass confirms who is living at each property, this inevitably confirms people who are not on the register. We are required to post a form to them, where a person has not confirmed an email.</p> <p>The annual canvass continues until the revised register is published on the 1st Dec, so is also likely to effect Q3. We have not had any planned elections this year, so this will have increased the number of unregistered, which will be confirmed during the canvass process.</p>	 <table><caption>Quarter 2 Performance Data</caption><thead><tr><th>Quarter</th><th>Result (%)</th></tr></thead><tbody><tr><td>Q1</td><td>95.45%</td></tr><tr><td>Q2</td><td>81.15%</td></tr><tr><td>Q3</td><td>-</td></tr><tr><td>Q4</td><td>-</td></tr></tbody></table>	Quarter	Result (%)	Q1	95.45%	Q2	81.15%	Q3	-	Q4	-
Quarter	Result (%)														
Q1	95.45%														
Q2	81.15%														
Q3	-														
Q4	-														


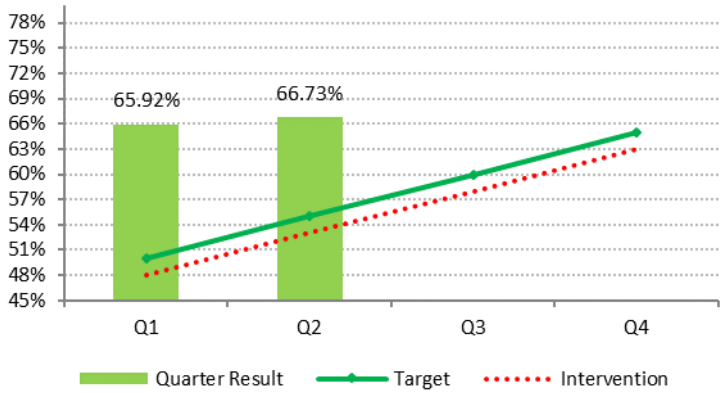
APPENDIX 1 - Quarter 2 performance report 2018/19: Strategic Measures





Key:	
	= Met or exceeded target
	= Within acceptable tolerance of target
	= Stretch target not reached
	= The measure is being 'baselined' in order to determine the target

Measure	Latest Data		Measure Owner	Operational Comments	Chart																				
Description	Quarter 1 Result / Indicator	Year End Target 2018/19																							
BV012a: Working days lost per FTE due to short term sickness absence.	1.75 	4.5 days (This is a cumulative total per FTE figure for the whole year)	Peter Catchpole	<p>Short-term absence is showing an increase, 1.75 days lost, compared to 1.53 in Q2 2017/18. However, we are still below target.</p> <p>The overall days lost per FTE, including long-term sickness, has reduced to 3.90 cumulative and is lower than Q2 2017-18 (4.13 days).</p> <p>Long term absence cases have halved in the last month, from 239 days lost in August to 120 days lost in September. Absence continues to be monitored monthly and return to work forms chased/quality checked. Formal procedures are also being monitored and managed closely.</p>	 <table><caption>Chart Data</caption><thead><tr><th>Quarter</th><th>Cumulative Result</th><th>Target</th><th>Intervention</th></tr></thead><tbody><tr><td>Q1</td><td>0.88</td><td>1.0</td><td>1.0</td></tr><tr><td>Q2</td><td>1.75</td><td>2.0</td><td>2.0</td></tr><tr><td>Q3</td><td></td><td>3.0</td><td>3.0</td></tr><tr><td>Q4</td><td></td><td>4.5</td><td>4.0</td></tr></tbody></table>	Quarter	Cumulative Result	Target	Intervention	Q1	0.88	1.0	1.0	Q2	1.75	2.0	2.0	Q3		3.0	3.0	Q4		4.5	4.0
Quarter	Cumulative Result	Target	Intervention																						
Q1	0.88	1.0	1.0																						
Q2	1.75	2.0	2.0																						
Q3		3.0	3.0																						
Q4		4.5	4.0																						


APPENDIX 1 - Quarter 2 performance report 2018/19: Strategic Measures

Measure	Latest Data		Measure Owner	Operational Comments	Chart																				
Description	Quarter 1 Result / Indicator	Year End Target 2018/19																							
(NEW) HO1801 % of services that have an online web form that were self service	66.73% 	65.00%	Simon Smith	We have seen a further increase in self service uptake this quarter and will continue to enhance our online offer over the coming year. Wymondham Leisure Centre are really driving digital forward with over 70% online self service from a total of over 12,000 transactions. Take up of self service will improve as we introduce additional digital channels such as web chat where we can link customers directly to self service processes.	 <table><caption>Chart Data</caption><thead><tr><th>Quarter</th><th>Quarter Result (%)</th><th>Target (%)</th><th>Intervention (%)</th></tr></thead><tbody><tr><td>Q1</td><td>65.92</td><td>51.0</td><td>48.0</td></tr><tr><td>Q2</td><td>66.73</td><td>56.0</td><td>53.0</td></tr><tr><td>Q3</td><td>-</td><td>60.0</td><td>58.0</td></tr><tr><td>Q4</td><td>-</td><td>65.0</td><td>63.0</td></tr></tbody></table>	Quarter	Quarter Result (%)	Target (%)	Intervention (%)	Q1	65.92	51.0	48.0	Q2	66.73	56.0	53.0	Q3	-	60.0	58.0	Q4	-	65.0	63.0
Quarter	Quarter Result (%)	Target (%)	Intervention (%)																						
Q1	65.92	51.0	48.0																						
Q2	66.73	56.0	53.0																						
Q3	-	60.0	58.0																						
Q4	-	65.0	63.0																						

Directorate	Code	Risk/Opportunity	Owner	Commentary (including outcomes / benefits that may be gained)	2018/19 Business Plan Activity	Required/outstanding actions to support risk mitigation
<div> <div>  <p>Economic Growth, Productivity and Prosperity</p> </div> <div> <p>Providing the environment to stimulate growth, productivity and prosperity, sharing the benefits of growth with our communities.</p>  </div> </div>						
Growth & Business Development	S1	<p>Failure to secure a new funding package for the infrastructure.</p> <p>Failure to encourage business growth at Norwich Research Park Enterprise Zone (EZ) means the Council cannot recoup its investment in the site.</p> <p>Failure of landowners to deliver all of the required infrastructure on Zone 1, 4 and 3 to enable end users to avail of the financial</p>	Director of Growth & Business Development	<p>On 23 May 2016, Cabinet agreed to invest £12.54m to support infrastructure development at Norwich Research Park Enterprise Zone. The accompanying report highlighted the opportunity to:</p> <ul style="list-style-type: none"> - invest, unlock and enable new development - generate significant economic and financial benefits - accelerate business growth and attraction of inward investment - generate business rates income <p>Also highlighted were several key risk areas, most notably that the development of the site does not occur, which could ultimately result in the Council's investment not being recouped.</p> <p>Work has been completed on a market assessment for a building Zone 4 which shows a good level of demand for such an investment.</p>	Delivery of inward investment, new jobs and Business rates income from the NRP EZ	<ul style="list-style-type: none"> • Lead generation work programme has been commissioned to identify prospective tenants for the EZ. • Assessment of most advantageous borrowing options for South Norfolk Council at point of borrowing. • Develop and agree terms of the JV package for Zone 4 building. <p>Work in train to agree a new infrastructure funding package for the EZ. Work in train to review the Transport Strategy for the NRP.</p>

Directorate	Code	Risk/Opportunity	Owner	Commentary (including outcomes / benefits that may be gained)	2018/19 Business Plan Activity	Required/outstanding actions to support risk mitigation
		<p>incentives from new developments.</p> <p>Interest rates are greater than expected and loan will take longer to repay.</p> <p>The EZ is not built out in a consistent manner leaving 'holes' within particular zones where infrastructure funding could not be secured.</p> <p>Opportunity to take forward a JV building on the NRP EZ with NA LEP is not delivered.</p> <p>Opportunity to grow key sectors including Life science & bio-economy, Agritech and ICT.</p>				

Directorate	Code	Risk/Opportunity	Owner	Commentary (including outcomes / benefits that may be gained)	2018/19 Business Plan Activity	Required/outstanding actions to support risk mitigation
Growth & Business Development	S2	Delivery of the Long Stratton Bypass is delayed	Director of Growth & Business Development	<ul style="list-style-type: none"> • The Greater Norwich City Deal facilitates a commitment to pool CIL to help fund infrastructure across the Greater Norwich area, with the Long Stratton Bypass identified as a key project to be delivered. A multi-year commitment to borrow £10m from the City Deals loan pot to help part-fund the bypass was agreed by the Greater Norwich Growth Board in 2016. Additional internal and external funding streams are also being investigated. • The Long Stratton AAP was adopted in May 2016, which requires developers/ landowners to contribute a 'substantive' amount of the funding required, adding certainty to the project happening • A successful bid to the National Productivity Investment Fund has secured £3.05m towards the improvements at Hempnall Crossroads and NCC have undertaken initial consultation in preparation for a planning application; • A successful bid for the Business Rates Pool is being used to develop 	E3 Infrastructure Delivery	<ul style="list-style-type: none"> • Two planning applications have been submitted, which include 1,800 homes, employment land, supporting infrastructure and the bypass. The timetable proposed by the developer anticipates consideration of the applications by Development Management Committee in December 2018 and this has been formally agreed with the Council. • The potential use of a Compulsory Purchase Order to ensure delivery remains an option if progress is too slow, Considerable internal resources would be needed if a formal CPO process is required for the Long Stratton bypass and 1800 houses plus associated employment land and infrastructure. A significant sum has been earmarked from the Council's reserves should additional costs be necessary to fund such work • SNC has supported the inclusion of the A140 as part

Directorate	Code	Risk/Opportunity	Owner	Commentary (including outcomes / benefits that may be gained)	2018/19 Business Plan Activity	Required/outstanding actions to support risk mitigation
				costing for the bypass, a timeline for delivery and the economic case for the bypass (to support future bids for capital funding);		of the Government's Major Roads Network, and will work with Norfolk County Council to investigate any subsequent funding opportunities that arise.
						
Growth & Business Development	S3	Shortage of 5-year land supply results in uncoordinated development across South Norfolk, with pressure to approve housing applications on unallocated sites and housing planning appeals more likely to succeed when applications are refused on land supply grounds	Director of Growth & Business Development	<p>Housing land supply figures for April 2017 have been published in the JSC Annual Monitoring Report (AMR) for 2016/17. The AMR takes the JCS figures as the starting point for land supply calculations, but also presents figures based on the 2017 Central Norfolk SHMA.</p> <p>The Council will remain under pressure to approve residential development proposals on unallocated sites.</p>	E2 – Adopted Local Plan delivery and implementation	<ul style="list-style-type: none"> All Greater Norwich Local Plan documents allocating sites have been adopted, but continuing to approve appropriate planning applications on unallocated sites will add to the housing land supply. Each application will be considered on its own merits. Planning applications for housing need to be considered having regard to the current five-year supply situation set out in the AMR –

Directorate	Code	Risk/Opportunity	Owner	Commentary (including outcomes / benefits that may be gained)	2018/19 Business Plan Activity	Required/outstanding actions to support risk mitigation
						<p>including both JCS and SHMA-based calculations.</p> <ul style="list-style-type: none"> • Forthcoming Housing Delivery Test, to be published by MHCLG in November is likely to have implications for the 5-Year Land Supply calculation. • Officers across Greater Norwich are continuing to work with housebuilders and landowners and undertaking research to identify the reasons why some sites are not progressing as quickly as desirable, and explore whether any assistance (via the LEP, the Local Infrastructure Fund, the National Productivity Investment Fund, the Housing Infrastructure Fund and other sources) could help speed up delivery of such sites. • Officers will continue to take legal advice on various aspects of the current

Directorate	Code	Risk/Opportunity	Owner	Commentary (including outcomes / benefits that may be gained)	2018/19 Business Plan Activity	Required/outstanding actions to support risk mitigation
						housing land supply situation, to ensure the position across greater Norwich is robust and defensible.
How we will deliver: Customer focussed, Can do and collaborative, Business-like, efficient and entrepreneurial - Moving Forward Together						
						
Chief Executive	S4	The Council is unable to deliver priority services as revenue funding falls short of required income	Accountancy Manager	<p>The Council's Medium Term Financial Strategy (MTFS) was updated in February 2018 and shows a balanced budget for 2017/18, 2018/19 and 2019/20. Further work is ongoing to identify measures to balance the budget from 2020/21 onwards. The plan contains two major risks, around income.</p> <p>Firstly, it includes reduced revenue income from the New Homes Bonus (NHB) of £551k in the revenue budget for 2018/19 compared to 2017/18. The reduction up to 2022/23 years is £1.5 million. The actual level of NHB received is dependent on continued</p>	BAU: Finance: Ensure the Council's resources are managed effectively and provide value for money, reducing the risk to the Council's reputation and procurement challenge.	<ul style="list-style-type: none"> Balanced budget beyond 2019/20 Delivery of Long Stratton Leisure Centre Enhancements (2018/19) Delivery of the Enterprise Zone Delivery of further property developments (2018/19)

Directorate	Code	Risk/Opportunity	Owner	Commentary (including outcomes / benefits that may be gained)	2018/19 Business Plan Activity	Required/outstanding actions to support risk mitigation
				<p>delivery of planned housing growth in the District.</p> <p>Secondly, the plan assumes additional income from commercialisation, mainly from property development and the leisure service and also from increases to fees and charges.</p> <p>The outturn for 17/18 was a surplus and the 10% challenge has been met.</p>		
Chief Executive	S5	Council assets are not managed effectively and do not support service delivery	Assistant Director - Resources	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 the Facilities and Technical Services Manager.		<ul style="list-style-type: none"> • Delivery of Long Stratton Leisure Centre enhancements (2018/19) • Rationalise floor space at South Norfolk House for rental income – office space has been created with a view to let (2018/19) • The Lodge is to be refurbished, with a view to providing rental income • Trumpeter House is being actively marketed (2018/19)
Chief Executive	S6	Property Development activities are not successful and income generation is not realised	Development Project Manager	Through the Council's wholly owned property development company, Big Sky Developments Ltd, the Council is seeking to utilise its own land to develop a range of residential and commercial property. The commercial		<ul style="list-style-type: none"> • Maximise opportunities by seeking to gain planning consent for development • Respond to market conditions, supply and demand

Directorate	Code	Risk/Opportunity	Owner	Commentary (including outcomes / benefits that may be gained)	2018/19 Business Plan Activity	Required/outstanding actions to support risk mitigation
				units will be retained within the Council to enable revenue income to be generated from rents. While the majority of the residential homes will be sold to generate profit, it is envisaged that a number will be retained in the Council's wholly owned property rental company, Big Sky Property Management Ltd. These homes will generate a rental income and the company's profits will be returned to the Council's revenue income.		<ul style="list-style-type: none"> Feasibility appraisal of 5 potential development sites has led to pre-application discussions in relation to 4 sites, with a view to submit full planning applications in relation to two sites in Q3 2018/19. Search for additional sites for development in progress (2018/19) Assembling Design Team to deliver housing at the newly acquired site in Cringleford, purchased by Big Sky Developments
Chief Executive *NEW OPPORTUNITY / RISK*	S7	Opportunity to benefit from efficiencies and enhance services and quality of life for residents through collaborative working with Broadland District Council.	Head of Business Transformation	<p>South Norfolk Council has been working alongside Broadland District Council (BDC) since October 2017 to consider options regarding collaborative working.</p> <p>This approach would enable both Councils to drive economic and housing growth, enhance quality of life and improve service delivery to residents of Broadland and South Norfolk.</p> <p>This would also allow both councils to build capacity and resilience, deliver potential savings and increase their</p>	M2: BAU: Business Improvement Team: Undertaking Service Reviews for Strategic Leadership Team and the wider business to identify capacity, efficiencies, service delivery alterations. Tracking, reporting,	<ul style="list-style-type: none"> Programme Team to: <ul style="list-style-type: none"> progress the actions outlined in the route map for delivery set out in the Feasibility Study (2018/19) monitor risks as outlined in the Feasibility Study. Consult Joint Lead Members Group and Group when appropriate (2018/19) Track and support the delivery of the Routemap

Directorate	Code	Risk/Opportunity	Owner	Commentary (including outcomes / benefits that may be gained)	2018/19 Business Plan Activity	Required/outstanding actions to support risk mitigation
				<p>influence nationally with regard to shaping the local government agenda</p> <p>The Full Council of each authority resolved to form one joint officer team across the two autonomous councils on 12 July 2018</p>	<p>challenging and intervening as necessary for Council performance, corporate projects and programmes. In conjunction with Digital Transformation, identify, prioritise and develop digital solutions to maximise self-service and 24x7x365 customer support</p>	<p>through the core programme team.</p>

Appendix 3: Analysis of Major Variances on Service Areas – April to September 2018

Service Area	Direct Budget £	Direct Net Expenditure/ (Income) £	Variance £	Commentary
Wymondham Leisure Centre	(117,615)	(14,359)	(103,256)	Building maintenance has been £52k higher than anticipated. Income is £28k behind budget as the membership Direct Debit income target is not being reached and officers are examining ways to address this, for example by looking at car park capacity. Negative variance on staffing due to £19k additional spend on salaries following a realignment to match the requirements of the business.
WLC Spa	(732)	35,622	(36,354)	Negative variance due to operation starting later than planned and significant one-off set up costs incurred
Diss Swim & Fitness Centre	70539	44,012	26,527	Positive variance due to the recent investment having positive impact on income and allowing savings on salaries, contract cleaning and equipment spend
Long Stratton Leisure Centre	131,833	90,865	40,968	Positive variance due to savings on salaries as staffing is being kept to a minimum while the centre is partly closed. Closure has resulted in less expenditure on supplies and equipment. Income is performing well despite the partial closure with an increase in membership numbers following marketing to ensure a high level of member retention.
Leisure Centre Management	105,080	75,739	29,341	Positive variance due to savings on uniform, consultancy and marketing spend. It is planned to delay expenditure on uniforms until 2019/20.
Environmental Quality	164,922	130,706	34,216	Positive variance due to establishment savings after realignment.

Recycling Strategy	59,665	24,401	35,264	Positive variance due to establishment savings after realignment
Care & Repair	(85,452)	(33,773)	(51,679)	Negative variance due to Income being under budget due to the full year effect of one partner dropping out of the scheme and staff vacancies which have now been filled.
HB Administration	(118,488)	(155,349)	36,861	Positive variance due to HB Admin government grant being higher than budget
Building Control	(99,732)	(371,573)	271,841	<p>Stronger than budgeted performance has been driven by savings on employment related costs of £219k. This is mainly due to vacancies carried over into the new fiscal year when it has proved difficult to attract in part because of the strong labour market. A recruitment drive is anticipated in the new year following the CNC Business Planning paper which is elsewhere on the agenda. Further investment in scanning and digitisation is expected to begin later in the year and this will reduce the overall variance.</p> <p>A further positive variance [£28k] has also occurred on equipment spend because of investment in employees' equipment being pushed further back into the second half of the year.</p> <p>Income has failed to keep pace with budget by (£23k) but has exceeded the level of income seen in the corresponding period last year by £68k, reflecting the fee increase in October 2017 which is offsetting a fall in overall applications..</p>

Development Management	40,175	(117,321)	157,496	Income has exceeded budget by £115k, with application fees and the admin charge of the CIL levy posting positive variances of £83k and £19k respectively as applications have been higher than anticipated. Additionally, savings on employment costs of £35k were also realised due to vacancies within the service which are expected to be filled later in the year.
Economic Development	151,074	114,674	36,400	Grant income over what was budgeted for has managed to offset an increase in Consultancy spend on several initiatives that were not known at the time of the budget setting process. Savings of £38k have been realised on employment costs due to the decision not to recruit to vacancies, although some recruitment is planned later this year.
Food & Safety	102,162	64,690	37,472	Positive variance of £37k realised on employment costs because of a decision not to recruit to a vacant budgeted role following a review of the service. This post is being removed from the establishment.
Car Parks	(101,002)	(126,571)	25,569	Stronger sales performance of £13k and savings on Building Maintenance have driven a positive variance this year.
Street Cleaning	186,862	127,571	59,291	The reallocation of some employment costs to reflect the work performed by the Streets team in opening and maintaining Public Conveniences have, with unfilled vacancies, driven a favourable variance. Vacancies are being partly covered through agency staff until recruitment takes place,

Commercial Waste	(67,608)	(102,260)	34,652	<p>Tonnage figures attributed to Commercial Waste have been lower than budgeted and has resulted in a positive variance of £21k on disposal costs.</p> <p>Income has outperformed budget by £7k so far this year.</p>
Domestic Waste	758,241	788,724	(30,483)	<p>Additional staffing and agency usage (£52k) and fuel costs (£13k) have been recorded because of additional rounds having to be put on to reduce the risk of vehicles being overweight as the volume of overall waste is continuing to increase.</p> <p>These additional costs have been partially offset by higher income received from initial bin charges [£12k] and recycling credits [£28k].</p>
Grounds Maintenance	91,085	44,367	46,718	<p>Favourable variance has been achieved by the decision not to recruit to a number of vacancies at the present time, as well as higher anticipated income received in the year.</p>
Transport Fleet	189,976	294,497	(104,521)	<p>Maintenance costs of the fleet are currently running (£127k) over budget. This is due to several large invoices for tyres, as well as an increase in outsourced repairs to vehicles. The Council has recently changed its procurement approach to tyres which will increase its ability to monitor tyre usage.</p> <p>A review of current fleet management packages on the market is due to start in Q3 to enable enhanced tracking and analysis of maintenance costs.</p>
Growth and Business Development Business Support	251,878	219,886	31,992	<p>Favourable variance achieved because of not filling vacant budgeted roles prior to a recent recruitment exercise.</p>

Marketing	153,953	117,411	36,542	Positive variance due to salary saving resulting from a vacancy being held while a more general systems review is undertaken. Costs to date have been lower in Consultancy, System Improvement and Equipment, where budgets are planned to be spent in the second half of the year.
IT	657,558	702,188	(44,630)	Negative variance due to planned data infrastructure expenditure in the first half of the year. Expenditure is planned to reduce over the second half of the year to ensure that it remains within budget. Telephone costs have been greater than budgeted, but steps are being taken to reduce costs by changing suppliers and the introduction of the new phone system in the second half of the year.
Investment Properties	(175,275)	(145,555)	(29,720)	Negative variance due to a large unit in Wymondham being vacant since the start of 18/19, losing £22.5k in rent to date. There are currently 3 parties interested in taking the unit on. A smaller unit in Diss was vacant losing approximately £3k in rent up to September, but it is now let.
Investment Income	(255,000)	(397,149)	142,149	This reflects the outstanding loans to the Council's wholly owned companies and additional interest from the temporary loan required to cover the VAT payment on the land at Cringleford.
Interest Payments on External Borrowing	253,000	0	253,000	The positive variance results from the fact that no external borrowing has yet taken place as the authority's cash balances are being used to avoid the need to borrow prematurely
Business Rates (NNDR) Income	(1,374,925)	(1,687,659)	312,734	This reflects strong performance on collection of business rates in the first six months of the financial year.

Appendix 4: Analysis of Major Variances on Capital Programme

Capital Projects	Budget to 30/09/18	Expenditure to 30/09/18	Variance	Commentary
	£	£	£	
New IT Projects	195,696	89,424	106,272	Expenditure on the new telephony project has not been significant to date, however, the system is due to go live on 19 th November, so spend is expected to rise substantially during quarter 3. The mobile working budget is currently entirely unspent however, discussions are taking place between IT and other departments to determine requirements with a view to spending this budget by year end.
Grounds Maintenance Equipment Purchase	40,750	0	40,750	There are no plans to spend any of this budget at the moment, however, the equipment that was budgeted to be replaced will continue to be kept under review.
Toilet Refurbishments	40,000	370	39,630	The refurbishment of the Public conveniences in Wymondham is now complete and the contractor will be paid imminently.
Car Park Improvements	33,174	0	33,174	Prioritisation of the most needed resurfacing is nearly complete and resurfacing works will be undertaken during the second half of 2018-19.
BSPM Rental Home Purchases	2,240,000	1,158,000	1,082,000	Funding has been provided to BSPM to enable them to purchase 6 properties on Maple Park. No further purchases are expected to take place for the rest of this financial year, which would result in a positive variance of £3.322m.

**Cabinet
5 November 2018**

Agenda Item No.6

Treasury Management Quarter 2 2018/19

**Report of the Accountancy Manager
Cabinet Member: Michael Edney – Growth and Resources**

CONTACT
Matthew Fernandez-Graham 01508 533915
mgraham@s-norfolk.gov.uk



1. Introduction

- 1.1** The prudential indicators as required by CIPFA's Treasury Management Code of Practice. report reviews the treasury management activity during the first six months of the financial year 2018/19 and reports on the
- 1.2** Investments totalled £49.48 million as at 30 September 2018, including loans and equity in the Council's wholly owned companies. From this total, £28.823 million represents external cash investments in a range of counterparties (Banks and Money Market Funds). Historically, cash held rises in the first six months of the financial year and the increase is further explained by the revenue surplus as at Q2 and the fact that the majority of the capital programme is profiled for the second half of the year.
- 1.3** Interest received on external cash investments during the financial year is forecast to be around £123,000 which is £19,000 above the budget of £104,000. This reflects the higher rates available on cash investments, as the base rate was increased from 0.5% to 0.75% in August 2018. More cash is being held short in order to ensure that funds are available for the capital programme, to avoid the need to borrow externally.
- 1.4** By using cash to avoid borrowing, at the present time it is anticipated that any external borrowing in 2018/19 will be limited to the Enterprise Zone. This will reduce the level of interest payments and Minimum Revenue Provision required, which were originally budgeted at £506,000 for 2018/19, resulting in a saving to the General Fund of £253,000 as at the end of Quarter 2.

2. Economic Environment and Interest Rates

- 2.1** Following a sharp downturn in the quarter from January to March 2018, the economy has picked up. GDP growth from April to June was confirmed at 0.4% and quarterly growth in both July and August was at 0.7%, boosted by the warmer than usual summer. Credit growth picked up by 3.9% in August, after slowing to 3.7% in July. Net lending to businesses grew, but borrowing remains relatively subdued as economic uncertainty, related primarily to Brexit concerns, weighed in. CBI data showed that while

retail growth slowed in September, it was still strong. Inflation is predicted to be 0.1% higher this year at 2.5% and 2.2% next year, still above the Bank of England's target rate of 2%.

- 2.2** The growth and inflation picture meant that the Bank of England, which had pulled back from an expected rate increase in May 2018, increased the bank rate in August 2018 to 0.75%. The BoE said that the economy is operating at almost full capacity, raising the prospect of more inflationary pressure ahead, despite slow growth. The Bank commented that "If the economy performs broadly as we expect, then we will need to reduce the amount of support we are providing to make sure inflation returns sustainably to the target. We think that will probably require further modest rises in interest rates over the next few years. We expect any rises in interest rates to happen at a gradual pace and to a limited extent. Interest rates are likely to remain substantially lower than a decade ago."
- 2.3** The latest interest rate forecast from the Council's Treasury Management Advisors (Link Asset Services), is shown in the table below, with no further rises in the central bank rate expected this year. Rates on cash investments are often linked to the London Interbank Bid Rate (LIBID), which is marginally higher than the bank rate. Borrowing rates from the Public Works Loans Board continue to be low for short term borrowing, increasing to a peak of a little under 3% for 25-year borrowing and then reducing slightly for very long-term borrowing.

UK Interest Rate Forecast

Bank Rate												
	NOW	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21
Link Asset Services	0.75%	0.75%	0.75%	0.75%	0.75%	1.00%	1.00%	1.00%	1.25%	1.25%	1.50%	1.50%
Capital Economics	0.75%	0.75%	0.75%	0.75%	1.00%	1.00%	1.25%	1.25%	1.25%	1.25%	1.75%	-
5yr PWLB Rate												
	NOW	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21
Link Asset Services	1.82%	2.00%	2.00%	2.10%	2.20%	2.20%	2.30%	2.30%	2.40%	2.50%	2.50%	2.60%
Capital Economics	1.82%	1.70%	1.70%	1.70%	1.90%	2.20%	2.40%	2.40%	2.40%	2.40%	2.40%	-
10yr PWLB Rate												
	NOW	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21
Link Asset Services	2.20%	2.40%	2.50%	2.50%	2.60%	2.70%	2.70%	2.80%	2.90%	2.90%	3.00%	3.10%
Capital Economics	2.20%	2.10%	2.10%	2.10%	2.30%	2.60%	2.80%	2.80%	2.80%	2.80%	2.80%	-
25yr PWLB Rate												
	NOW	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21
Link Asset Services	2.62%	2.80%	2.90%	3.00%	3.10%	3.10%	3.20%	3.30%	3.30%	3.40%	3.50%	3.50%
Capital Economics	2.62%	2.60%	2.60%	2.60%	2.90%	3.10%	3.40%	3.40%	3.40%	3.40%	3.40%	-
50yr PWLB Rate												
	NOW	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21
Link Asset Services	2.41%	2.60%	2.70%	2.80%	2.90%	2.90%	3.00%	3.10%	3.10%	3.20%	3.30%	3.30%
Capital Economics	2.41%	2.40%	2.40%	2.40%	2.70%	2.90%	3.20%	3.20%	3.20%	3.20%	3.20%	-

3. The Council's Overall Borrowing Requirement

- 3.1 The Council's *underlying* need to borrow is called the Capital Financing Requirement (CFR). This figure is a gauge of the Council's debt position. Based on the final accounts, as at 31 March 2018, the Council had a CFR of £2.51 million showing an underlying need to borrow for a capital purpose. However, no external borrowing was required to fund the capital programme as the Council was internally borrowed by £2.51 million as at 31 March 2018, reflecting the planned use of cash investments to cover the cashflows associated with the capital programme and delay external borrowing.

3.2 The Council's CFR for the year is shown below, and represents a key prudential indicator.

CFR (£m)	31 March 2018 Actual	31 March 2019 Estimate
Closing Balance	£2,510,000	£26,086,000

- 3.3** The Council is currently estimated to have a Capital Financing Requirement of £26,086,000 for 2018/19, which will increase in future years given the size of the capital programme agreed by Cabinet in February 2018. The Council's Treasury Management Strategy, agreed by Full Council on 19 February 2018 states that the CFR would be financed from internal borrowing in the first instance and then external borrowing. Given the significant cuts to local government funding putting pressure on Council finances, the strategy followed is to minimise debt interest payments by using the Council's own resources. The differential between the cost of new longer-term debt and the return generated on the Council's temporary investment returns is significant (over 2%). The use of internal resources in lieu of borrowing is judged to be the most cost-effective means of funding capital expenditure.
- 3.4** The extent of the Council's cash investments and the timing of capital expenditure, as detailed in the Risk, Finance and Performance report elsewhere on this agenda, means that planned external borrowing for 2018/19 will not all be required and should be limited to external borrowing in relation to the Enterprise Zone. How much external borrowing is ultimately required in 2018/19 will depend on the extent of net cash flows into the authority and the speed at which the Council's capital programme is delivered. This has, for the time being, lowered overall treasury risk by maintaining a position of no external debt and reducing temporary investments. Looking forward, the extent of the Council's capital investment programme means that the Council will need to borrow externally in the latter part of 2019/20.

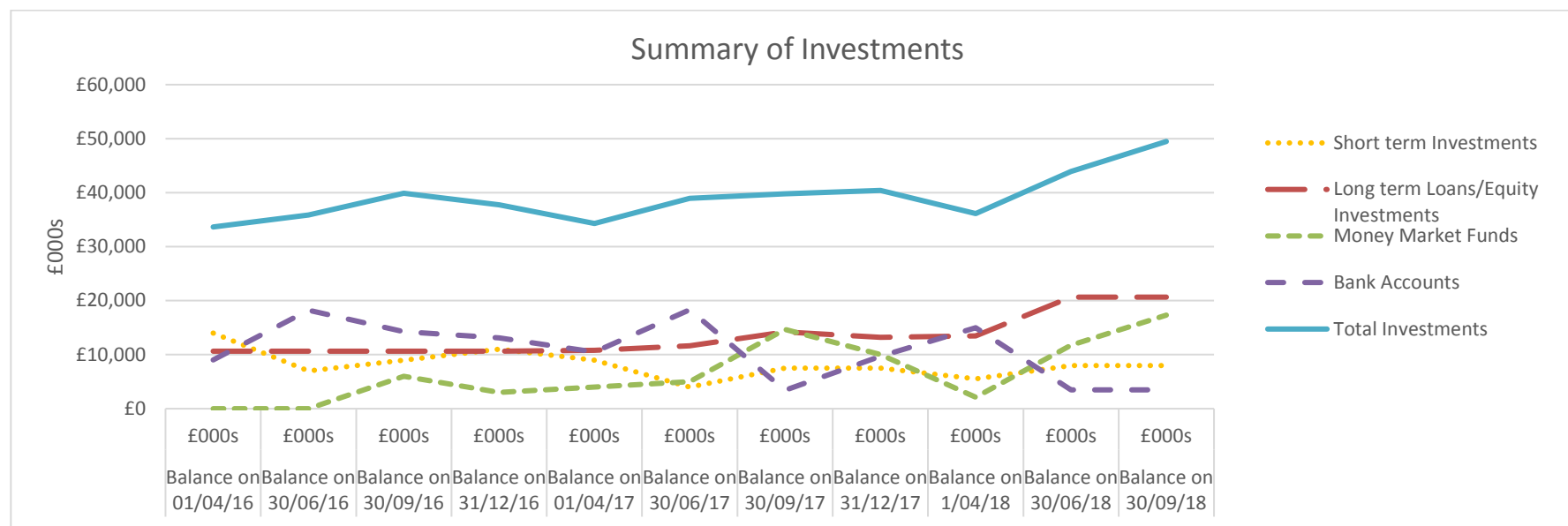
4. Compliance with Prudential Indicators

- 4.1** The Council approved a set of Prudential Indicators for 2018/19, in February 2018, as part of the Council's Treasury Management Strategy.

- 4.2** Under the Council's Constitution, the Full Council approves the Treasury Management Strategy and therefore any deviation or breach must be reported to Full Council. In practice, all breaches are also reported to Cabinet prior to Full Council. The prudential indicators can be found in Appendix A. There were no breaches of the indicators between April and September.

5. Investment Activity

- 5.1** The MHCLG's Investment Guidance requires local authorities to prioritise security and liquidity over yield. The graph below shows the position on investments as at 30 September 2018 compared to the position over the past 2 years. Short term investment balances have fallen as the Council has sought greater liquidity in its portfolio, using a combination of bank account and money market investments, depending on rates and cash requirements. Long term investments have risen as the Council has used its cash to invest in property and commercial activities via its wholly owned companies.



- 5.2** For new investments this year, the Council has invested for up to one year in order to maintain a more liquid position, taking the advice of its treasury management advisors at the time. Details of these investments (excluding those placed in money market and bank call accounts) are provided below.

Investment made in Month	Counterparty	Amount £m	Length of Investment	Rate
May	Goldman Sachs	1.0	6 months	0.78%
September	Standard Chartered	5.0	35 days' notice	0.752%

The Council has also made use of Enhanced Money Market Funds that have been able to provide slightly higher returns than call accounts.

- 5.3** Security of capital remains the Council's main investment objective. At the end of September 2018, no counterparty in which the Council has invested funds for longer than 1 day had a long-term credit rating lower than A.
- 5.4** Liquidity is important due to the Council's sizable capital programme and decision to use its cash rather than borrow. Funds have therefore been reinvested for shorter periods to increase liquidity. The maximum length of an investment is 2 years. It is important that the Council keeps a balanced portfolio in terms of risk, rates and liquidity.
- 5.5** The Council's budgeted investment income for the year has been set at £104,000. The cash balances invested, representing the Council's reserves and working balances were £28.823 million as at 30 September 2018 and interest earned is forecast to be around £123,000 which is £19,000 above budget, due to higher interest rates and capital expenditure falling in the latter part of the year. This figure would be £27k less than the £150k received in 2017/18, due to the use of reserves for the capital programme.
- 5.6** The Council holds £25,000 in shares in the Municipal Bonds Agency. This is an equity investment and was accounted for as capital expenditure.
- 5.7** The Council has invested in its companies. As at 31 March 2018, this consisted of £5,730,000 of equity shares in Big Sky Ventures Limited, the holding company for the Council's property companies and £125,000 in Build Insight Ventures Limited, which is the

holding company for the 50/50 joint venture with Norfolk Property Services (NPS) for the building control companies. As per the agreed capital programme, there were outstanding loans of £2,240,000 to Big Sky Property Management Ltd (BSPM), to enable it to purchase rental property from Big Sky Developments Limited (BSDL). Interest rates on these loans are applied at a commercial rate of 4%, reflecting the relative risk in the company and the market environment. The Council also had an outstanding loan of £5,380,000 to Big Sky Developments Ltd, at a commercial interest rate of 8%, which will be repaid in Q3. If the money used for loans and investments had been invested in a bank, then the return would have been around £63,000 at the interest rates prevailing for 2017/18, compared with £496,000 in interest actually received from the companies in 2017/18.

- 5.8** Between April and September 2018 there have been additional loans of £695,000 made to BSPM and of £6,000,000 to BSDL (for land at Cringleford) and equity investments of £462,000 in Big Sky Ventures Limited in line with the agreed capital programme, as detailed in the Finance, Performance and Risks report elsewhere on this agenda. There was a temporary loan of £2,400,000 to BSDL to enable it to pay the VAT on the land purchase at Cringleford, which has now been repaid, since BSDL has reclaimed the VAT from HMRC. Loans to BSDL related to the Cringleford land attract an interest rate of 6%.
- 5.9** The Money Market Fund sector is now in the last stages of introducing new regulations. These will see existing non-government Constant Net Asset Value (CNAV) funds convert to Low Volatility Net Asset Value (LVNAV) pricing. The change is in the way the funds are priced, moving from using amortised cost for pricing all assets in the fund currently, to a situation where securities up to 75 days are still priced using amortised cost accounting, but those over 75 days use mark to market pricing. There is not expected to be an impact on the security of these type of investments as they will still be investing in the same types of highly secure assets as at present. This change is expected to occur in the very early stages of 2019. It is recommended that the Treasury Management Strategy for 2018/19 be amended so that the Council can invest in Money Market Funds that have converted to LVNAV pricing.

6. Investment Properties

- 6.1** The Council has a portfolio of Investment Properties worth around £7 million. The majority of these properties are rented out, so the return obtained on these properties is as important as if the Council had invested the same amount in the Treasury Strategy. However, under CIPFA's code they are recognised as Capital Assets in the Balance Sheet.

- 6.2** The average rate of return for the total investment portfolio at Q2 is 6.1% gross, calculated on the property value as at 1/4/18. This is a significantly better rate of return than if the same value had been invested with the Council's counterparties.

7. Conclusion

- 7.1** Investment balances have increased from £36.137 million at 31 March 2018 to £49.480 million at 30 September 2018, but this includes £20.66 million in loans and equity in the Council's companies. Cash balances are £28.82 million as at 30 September 2018. Historically, cash held rises in the first six months of the financial year and the increase is further explained by the revenue surplus as at Q2 and the fact that the majority of the capital programme is profiled for the second half of the year. These balances are expected to reduce as the capital programme progresses in the second half of the year.
- 7.2** Interest earned on cash investments is forecast to be £123,000 for the year, which is £19,000 above the budget of £104,000, but is £27,000 less than the £150,000 received in 2017/18.

8. Recommendation

- 8.1** Cabinet is recommended to request that Council:
- a) Note the treasury activity for the first half of the year and that it complies with the agreed strategy.
 - b) Approve the 2018/19 prudential indicators for the first six months of the year.
 - c) Amend the Treasury Management Strategy for 2018/19 so that the Council can invest in Money Market Funds that have converted to LVNAV pricing as set out in 5.9.

Appendix A: Prudential Indicators

Capital Financing Requirement and Borrowing

Estimates of the Council's Capital Financing Requirement for 2017/18 to 2019/20 are shown in the table below. This represents the underlying need to borrow:

	31/03/2018 Outturn £000s	31/03/2019 Estimate £000s	31/03/2020 Estimate £000s
Capital Financing Requirement before MRP	2,510	26,086	42,115
Less Minimum Revenue Provision	0	0	(257)
Capital Financing Requirement	2,510	26,086	41,858

The table below shows the maximum borrowing planned, which is both internal borrowing from cash balances and external borrowing from funders such as PWLB.

	31/03/2018 Outturn £000s	31/03/2019 Estimate £000s	31/03/2020 Estimate £000s
Existing Profile of Borrowing	0	2,510	28,596
Less: Other Long Term Liabilities	0	0	0
Borrowing in Year (Internal and External)	2,510	26,086	13,519
Cumulative Maximum Borrowing Requirement	2,510	28,596	42,115

In the Prudential Code (November 2009), it states¹ '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.'

¹ Prudential Code, November 2009, page 4, paragraph E19

Balances and Reserves

Estimates of the Council's level of Balances and Reserves (both Revenue and Capital) for 2017/18 and future years are as follows:

	31/03/2018 Actual £000s	31/03/2019 Estimate £000s	31/03/2020 Estimate £000s	31/03/2021 Estimate £000s
Balances and Usable Reserves	25,289	19,616	16,138	14,938

These have risen from the estimates in the Treasury Management Strategy due to the predicted revenue surplus for 2018/19.

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 £39,035,000 for 2018/19 (*an increase from £13,000,000 in 2017/18 to reflect the EZ and property investment*).
- 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 2018/19 is set at £33,035,000 (*an increase from £6,932,000 in 2017/18 to reflect further borrowing planned for the EZ and property investment*).
- There has been no external borrowing in 2018/19 to date and therefore the limits set for 2018/19 were not breached.

(b) Upper Limits for Fixed Interest Rate Exposure and Variable Interest Rate Exposure

- The Council will manage the extent to which it is exposed to changes in interest rates.

- It will manage its variable rate debt exposure to ensure that the Council is not exposed to interest rate rises which could adversely impact on the revenue budget. This approach allows for the use of variable rate debt to offset exposure to changes in short-term rates on investments.
- Decisions will be made for drawing down new loans on a fixed or variable rate basis; and will ultimately be determined by expectations of anticipated interest rate movements as set out in the Council's treasury management strategy.
- 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.

(c) Maturity Structure of Fixed Rate Borrowing

- This indicator is to limit large concentrations of fixed rate and variable rate debt needing to be replaced at times of uncertainty over interest rates. (maturity is defined as the earliest date at which the loan could be required to be repaid).

Maturity structure of borrowing	2018/19 Estimate %	2018/19 Estimate %	2018/19 Actual £	2018/19 Actual %	Compliance with Set Limits?
	Lower Limit (Cumulative)	Upper Limit (Cumulative)			
Under 12 months	0%	20%	0	0%	Yes
12 months to 2 years	0%	40%	0	0%	Yes
2 years to 5 years	0%	60%	0	0%	Yes
5 years to 10 years	0%	80%	0	0%	Yes
10 years and above	0%	100%	0	0%	Yes

(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 2018/19 is set at £15 million.

**Cabinet
5 November 2018**

Agenda Item 7

Courtauld Commitment 2025

Report of the Head of Environmental Services

Cabinet Member: Cllr K Mason – Billig - Shared Services, Waste and Recycling

CONTACT

Bob Wade

01508 533 787

bwade@s-norfolk.gov.uk

1. Introduction

- 1.1** This report seeks Cabinet approval for the Council to 'sign up' to the Courtauld Commitment 2025 as part of the Norfolk Waste Partnership (NWP) given the wishes of the Member Board of the partnership as expressed at their meeting of 25 September 2018. Individual authorities signing up as part of the NWP will also be working collaboratively with Suffolk Waste Partnership as a joint commitment to work more closely together.
- 1.2** The Courtauld Commitment 2025 voluntary agreement was launched by the Government funded Waste and Resources Action programme (WRAP) in March 2016, to bring together organisations involved in the food system to make food and drink production and consumption more sustainable. This was to cut the waste and greenhouse gas emissions associated with food and drink by at least one-fifth per person in ten years, with cumulative savings it estimated of around £20 billion. WRAP sees local authorities as critical players in trying to reach this goal with the food industry and retailers. For householders the relevant goal is a 20% reduction in food waste in the UK and as local authorities are at the 'end of the pipeline' and have to deal with food waste in the residual bin waste we collect. In addition, as Norfolk and Suffolk have significant food producing industries this is also an opportunity to build relationships and explore mutually beneficial opportunities.
- 1.3** Agreeing to 'sign up' to the commitment has limited financial impact for the authority. In any event, given that annual residual waste disposal tonnages for this Council alone are over 28k tonnes - of which up to 30% is food waste - the financial impact of collection and disposal is very significant compared to any money spent on prevention.

2. Background

2.1 National context – there are a number of policy measures that are currently coming into place relating to resource and wastes management which will involve local authorities.

- The EU Circular Economy Package (CEP) became law across the EU in early July of this year and this has been ratified by the UK. The CEP will see new targets set for the recycling of municipal waste, which the EU estimates accounts for between seven and ten per cent of the total waste generated in the EU. Recycling rate targets of 55 per cent by 2025, 60 per cent by 2030 and 65 per cent by 2035 have been set and the UK Government, despite its impending departure from the EU, has ratified the new proposals and will work towards the targets set within it. However, the UK currently faces an uphill climb to reach the current target of 50 per cent by 2020.
- The Government has to publish an Environment Bill by the end of this year (as enshrined in European Union (Withdrawal) Act 2018). Earlier this year the Government published 'A Green future: Our 25 year plan to improve the Environment' <https://www.gov.uk/government/publications/25-year-environment-plan> which includes 10 goals, these include minimising waste and using resources more sustainably and efficiently.
- The 25 year plan includes the commitment to publish a Resources and Waste strategy in 2018 with a stated aim of making the UK a world leader in resource efficiency. This strategy will set out the approach to reducing waste, promoting markets for secondary materials, incentivising producers to design better products and how we can better manage materials at end of life by targeting environmental impacts.

- In terms of food waste, within the 25 year plan, there is a target of cutting per capita food waste by 20% by 2025 and supporting the UN target of 50% by 2030. The plan states that recycling food waste is a key priority and work is being done via the Courtauld Commitment. The plan also states that the Government will continue to work closely with WRAP, food businesses, LAs and other organisations to meet the Courtauld Commitment 2025.

2.2 Norfolk context – given the above national backdrop there is a strong case to support the direction of travel of Government and support the Courtauld Commitment 2025. It is worth noting that:

- Of the approximate £50m total local authority system costs for waste in Norfolk each year (2015) we are spending around £11m or 22% dealing with food waste – collecting it, treating it and disposing of it. These figures includes Recycling Centre costs too. If these are stripped out the amount spent on food waste is around 25%.
- Reducing household food waste at source can have a positive impact on our budgets. Currently, from information provided by WRAP, the average UK household throws away the equivalent of six meals a week, which would fill 50 carrier bags with waste food and amounts to around £700 every year for a family. However, many families still do not recognise how much food goes to waste from their homes - 60% still believe they waste ‘none’ or ‘hardly any’ food. Over one third apparently don’t know how much they could save by reducing their food waste.

2.3 What Is the Commitment?

WRAP launched the Courtauld Commitment 2025 as voluntary agreement in March 2016, to bring together organisations involved in the food system to make food and drink production and consumption more

sustainable. This was to cut the waste and greenhouse gas emissions associated with food and drink by at least one-fifth per person in ten years, with cumulative savings estimated of around £20 billion.

- 2.4** WRAP sees local authorities as critical players in trying to reach this goal but not all aspects apply directly to local authorities, as some apply just to businesses – for example water consumption. For householders the relevant goal is a 20% reduction in food waste in the UK and as local authorities are at the end of the ‘pipeline’ by dealing with food waste presented in bins.
- 2.5** Organisations that sign up to the commitment are agreeing to work with suppliers and customers across the food chain from producer to consumer. This is something we are already doing in Norfolk, for example by working with a £50k grant from Sainsbury’s, supporting community fridges, delivering ‘Love Food Hate Waste’ and ‘Plan Eat Save’ initiatives, working with a network of food waste volunteers, as well as by collecting and supporting existing food waste collections. (Note that there is no expectation on councils not doing food collections to start doing so if they sign up).
- 2.6** In terms of this Council in particular, we have been strongly supportive of the work of the NWP outlined above including working with the community in Costessey with food waste reduction initiatives and a community fridge which have shown tangible reductions and reuse of food waste by needy residents. The large retailers in the area continue to support this well given their CSR commitments and active members of the local community. In addition, encouraging resident home composting is another way of bearing down on ‘unavoidable’ food waste in particular such as potato, fruit peelings, etc. We continue to support the NWP ‘Master composter’ scheme with, amongst other things, a digital media campaign to promote home composting and promotion of composting workshops. So far since April we have sold 245 compost bins. We also currently have 4 community compost schemes running in the district which deal with local green waste (but not food waste) -see <https://www.recyclefornorfolk.com/reduce-my-rubbish/compost/community-composting/#>.

2.7 Those that sign up gain access to various campaigns and also have the opportunity to benefit from developing and delivering pilots with WRAP and the option to participate in the Courtauld Steering Group. Examples of those already signed up include nearly all the large retailers and multinational food producers, several dozen LAs and waste partnerships along with Food Standards Agency, DEFRA, etc.

3.0 Current position

3.1 The agreement's focus is on an area of major costs for the taxpayer of Norfolk as outlined in 2.2 above.

It is in line with most of the Partnership's nine approved key objectives particularly:

- 1. To reduce the growth in municipal waste by promoting waste reduction and reuse initiatives.*
- 2. To promote waste awareness through public education and awareness campaigns.*
- 3. To increase recycling and composting of waste to achieve statutory performance standards and national recycling and recovery standards.*
- 4. To deliver an efficient, effective and affordable waste management service that promotes the implementation of the most practical, social, environmental and economically acceptable solutions*
- 5. To minimise as far as possible the residual waste requiring treatment and final disposal.*

As part of the Norfolk Waste Partnership. Given the backdrop at 2.0 above if we sign up we will commit to some key principles and reporting. All the commitment actions are effectively being met and therefore it will be our decision, along with the NWP, to take matters even further. The current position and expectation of the commitment is outlined below:

Principle		Relevance / examples in Norfolk
1	Share best practice and support the implementation of changes across the areas relevant to them (which for us is <i>'influence consumption behaviours and reduce waste'</i> and <i>'find innovative ways to make best use of wastes and surpluses'</i>)	We already do this with 'Love Food Hate Waste', 'Plan Eat Save', existing food waste collections in some districts and community fridges.
2	Support collaborative projects where able	We have repeatedly done this with WRAP and most recently with Sainsbury's supported by their £50k grant.
3	Report to WRAP actions taken and their estimated impact once a year (eg how we have used its campaigns	We use many WRAP materials and we wouldn't all have to comment if a particular Council hadn't used the campaigns or done anything specifically related to food.

4	Help their communities– by providing information on food choices and skills.	We already do this with ‘Love Food Hate Waste’ and ‘Plan Eat Save’.
5	Support businesses – by promoting the opportunities to improve their operations and ways of working with suppliers and customers	Our recent work with Sainsbury’s is a good example as is the community fridge network. We also work closely with food businesses as part of our everyday work and there is an NWP workstream to maximise opportunities with local processors.

3.2 Proposed vision

The proposed programme of activities to reduce food waste sets a direction of travel to reduce the cost burden on council tax payers in terms of food waste collection, processing and disposal. Do nothing is not a sustainable option and by working with the Suffolk Waste Partnership there are economies of scale and the ability to deliver consistent messages when working with the community and local media.

The aim is for households in Norfolk and Suffolk to take meaningful actions in their daily lives to reduce food waste and to work with organisations and interested parties in the local food and drink supply chain on the delivery of messages to reduce and prevent food waste. Preventing avoidable food waste covers a number of activities:

- Demonstrating how simple practical steps can avoid food waste

- Supporting better participation in food collection services where they exist
- Promoting re-distribution via Community Fridges and food sharing organisations
- Promoting home composting
- Using national food waste reduction initiatives.

The proposed vision is:

“By 2025 we aspire to achieving a significant step towards a 20% reduction of food waste across Suffolk and Norfolk in line with the Courtauld Commitment. We will strive for an empowered, pro-active population, driven to make a positive difference to their own household, to the community and wider-environment.”

3.3 How will it be delivered?

Over two years running up to 2020 working with Hubbub (an environmental campaigning charity) the main focus is on working with local businesses to secure funding to deliver initiatives to reduce food waste in four main themes:

- campaign with householders on small actions
- developing investments and partnerships with businesses
- developing a stronger network of advocates
- working with individual organisations on food waste messages

Hubbub was appointed by the Suffolk Waste Partnership and the Norfolk Waste Partnership can be involved directly via Norfolk County Council which has joined this contract to benefit from economies of scale and the

benefits of close proximity. The Suffolk Waste Partnership contract is one year to cover an initial phase of delivery including producing an action plan that covers two years. This approach allows a review in summer 2019 before a second year commitment is made.

Basically, Hubbub's purpose is to work with interested businesses to secure funding for food waste related initiatives that meet shared goals of the local authorities and local businesses, ie getting campaigns we support funded by the private sector. Hubbub would be the lead with businesses to secure this external funding, recent developments include:

- Adnams and Marks and Spencer on a £14k bread waste reduction message – funding for development of campaign materials and delivery
- Morrison's to extend community fridge network – starting by providing fridges and campaign materials starting with an additional 3 in the Norfolk area (expected to be Earlham, Diss and another tbc based on expressions of interests)
- NEFF – is funding a community kitchen in Suffolk and a campaign for families focussed on cooking together, with workshops and media materials also delivered in Norfolk
- Interventions to drive behavioural changes, for example the 'Food Savvy' brand launch which will involve label awareness and a calendar of campaigns.

Hubbub's aim is to secure over £100k additional investment from the private sector to deliver the 'vision' in the first six months, which it is relatively confident of based on its existing relations with companies that are warm to this agenda.

The approach is supported by WRAP and involves them too – working directly with them on early engagement on pilots for behavioural change is a part of the scope.

3.4 Cost and resource implications

The total cost of working with Hubbub for the Suffolk Waste Partnership and Norfolk for one year is £40,200. The cost has been split as £22k for the Suffolk Waste Partnership and £18k for Norfolk to reflect the fact that Norfolk's activities are slightly more advanced. Norfolk County Council is funding the £18k. £18k is equivalent to the costs of collecting and treating around 100 tonnes of left over rubbish or 36% of the external funding Hubbub expects to be able to secure to support our messages. Any other costs relate to existing local authority's resources that already support initiatives in this area, for example in support of the Sainsbury's campaign, delivery of the 'Plan Eat Save' message and 'Love Food Hate Waste'.

4. Proposal

- 4.1 Given the above it is proposed that the Council 'sign up' to the Courtauld Commitment 2025 as part of the Norfolk Waste Partnership.

5. Risks and implications arising

5.1 There are no identifiable risks or implications as a result of the proposals. In particular:

- As it stands the financial implications are minimal as we currently contribute to the joint funding of the NWP by a partnership support officer and communications. Norfolk County Council are bearing the major cost burden. It should be recognised that evidencing outcomes in this area of activity can be challenging but this is not an

overriding reason not to be involved. Metrics of success can be subjective particularly when assessing the impact of communications

- In terms of disadvantaged groups, there are benefits already realised with access to community fridges and support on minimising food waste. An equalities assessment is not necessary
- the proposal will have positive impacts on the environment and is in line with the Council's Environment policy
- there will be no impact on crime and disorder
- there are benefits in relation to health and wellbeing in a number of ways

6. Other options

The only option to signing is not to. There appears to be no good reason not to 'sign up' given the minimal risks, potential of collaborative working, gaining investment from private sector partners, reducing costs and a range of community benefits as well as supporting national policy.

7. Recommendation

- 7.1 Cabinet to agree to signing the Courtauld Commitment 2025 as a partner within the Norfolk Waste Partnership.

**Cabinet
5 November 2018**

Agenda Item No. 8

Update to the South Norfolk Local Development Scheme (LDS)

**Report of the Interim Joint Spatial Planning Manager
Cabinet Member: Cllr John Fuller, The Economy and External Affairs**

**CONTACT
John Walchester, 01603 430622
john.walchester@broadland.gov.uk**

1. Introduction

- 1.1** The Local Planning Authority is required to produce a Local Development Scheme (LDS) that sets out the Development Plan Documents it intends to produce, what they will cover and the timetable for their production. The purpose of this report is to seek Cabinet's approval for some amendments to the Council's LDS.
- 1.2** The LDS is made up of a project plan/timetable supported by text about production of the Local Plan documents and Supplementary Planning Documents; the text includes details of the documents to be produced, what they need to conform with, what they replace, resources and monitoring/review. Progress against the timetable is reported in the Local Plan Annual Monitoring Report.
- 1.3** The most recent South Norfolk LDS update was agreed by Cabinet in December 2017; however, further updates are now required.

2. Current Position and Proposals

- 2.1** The principal reason for updating the LDS is to reflect the revised timetable for the production of the Greater Norwich Local Plan (GNLP), which was agreed by the Greater Norwich Development Partnership in June. The revised LDS is attached as Appendix A. The updated GNLP timetable is included as set out in Appendix 1 of the LDS. The main changes are the introduction of two additional Regulation 18 consultations: the first between October and December 2018 on 'New, Revised and Small Sites', the format of which was agreed by Special Cabinet on 8 October; and the second on a Draft plan in September to October 2019. The consequence of these additional consultations is that the anticipated adoption date of the GNLP moves from December 2020 to September 2021.
- 2.2** In addition to reflecting the changes to the GNLP timetable, the LDS has also been updated to reflect:
 - The adoption of the Guidelines for Recreation Provision in New Residential Developments Supplementary Planning Document (SPD) at Full Council on 17 September, which therefore no longer needs to be on the LDS timetable;
 - The removal of the Norfolk Strategic Planning Framework and the Brownfield Register from the LDS timetable, as they are not formal Local Plan documents. Reference to these will be retained in the supporting text of the LDS to reflect their importance to the Local Plan process;

- The formal withdrawal of the intention to produce a Starter Homes SPD, which is no longer considered necessary following the inclusion of Starter Homes as part of the overall definition of affordable housing in the revised National Planning Policy Framework (NPPF); and
- The NPPF requirement to review local plans every 5 years, which is set out in an update to the GNLP Document Profile, starting on page 6 of the LDS

The format of the LDS now more closely aligns with the LDS for Broadland District Council.

3. Risks and implications arising

- 3.1** The LDS sets out a timetable for producing the documents that make up the Local Plan, as such it is not a policy document in its own right. The risks and implications of producing those individual Local Plan documents are identified when those documents are themselves considered by the Council.
- 3.2** An up to date LDS is requirement for Local Plan documents to be found sound and legally compliant; consequently there is benefit to keeping the document as straightforward as possible and ensuring that it is regularly reviewed and kept up to date.

4. Recommendation

- 4.1** That Cabinet agrees the updated South Norfolk Local Development Scheme (Appendix A) and brings it into effect immediately

Local Development Scheme for South Norfolk

DRAFT - October 2018



Contents

1. Introduction
2. The Adopted Local Plan
3. The LDS Programme
4. Local Development Document Profiles
5. Other Documents related to the Development Plan

Appendix 1 – South Norfolk Local Development Scheme Timetable

Appendix 2 – Details of Existing Local Plan Documents

DRAFT

1. Introduction

- 1.1 The Council is required to prepare a *Local Development Scheme* (LDS) under the Planning and Compulsory Purchase Act 2004 (as amended by the Localism Act 2011). The LDS is essentially a project plan which identifies, amongst other matters, the Development Plan Documents which, when prepared, will make up the Local Plan for the area. It must be made publicly available and kept up-to-date. This enables the public and stakeholders to find out about emerging planning policies in their area, the status of those policies, what the documents will contain, and the timescales for their production.
- 1.2 In addition to providing information about the development plan documents in preparation, this LDS also provides detail about the preparation of Supplementary Planning Documents (SPDs), and adopted local development documents, to provide a full account of the planning policies operating in South Norfolk. This document also refers to key documents supporting the production of the Local Plan.
- 1.3 The South Norfolk LDS does not cover the Broads Authority areas within South Norfolk, as the Broads Authority is a Local Planning Authority in its own right and produces its own LDS.

2. The Adopted Local Plan

Development Plan Documents (DPDs)

- 2.1 Development Plan Documents or DPDs, now more usually called 'Local Plans', are the formal policy documents which make up the statutory development plan for South Norfolk. Once adopted, these have full legal weight in decision making. The Council's decisions to approve or refuse any development which needs planning permission must be made in accordance with the policies in the development plan, unless material considerations indicate otherwise.
- 2.2 The currently adopted development plan for South Norfolk comprises the following documents:
- *Joint Core Strategy for Broadland, Norwich and South Norfolk* (the JCS), adopted in March 2011, with amendments adopted January 2014;
 - *South Norfolk Site Specific Allocations and Policies Document*, adopted October 2015;
 - *South Norfolk Development Management Policies Document*, adopted October 2015;
 - *Wymondham Area Action Plan*, adopted October 2015;
 - *Long Stratton Area Action Plan*, adopted May 2016;
 - *Cringleford Neighbourhood Plan*, made February 2014;
 - *Mulbarton Neighbourhood Plan*, made February 2016; and
 - *Easton Neighbourhood Plan*, made December 2017;

Further details on the above can be found in Appendix 2.

- 2.3 Each document (apart from Neighbourhood Development Plans) must be prepared in accordance with a nationally prescribed procedure set out in the Town and Country Planning (Local Planning) (England) Regulations 2012, as amended. At key stages of plan-making there is an opportunity for the public to comment on emerging planning policies and proposals in the documents. At the end of the process, development plan documents must be submitted to the Secretary of State and be independently examined by a government appointed inspector to assess their soundness and legal compliance before they can be adopted by the Council and come into force.
- 2.4 Certain other documents must be published alongside each Development Plan Document, including:
- a *sustainability appraisal (SA) report* of the DPD at each stage (a *sustainability appraisal scoping report* is prepared and consulted on at the start of the process to set out what sustainability issues and objectives the SA should cover and what evidence it will use);
 - a *policies map*, setting out the DPD's policies and proposals on a map base (if relevant);
 - a *statement of consultation* summarising public representations made to the plan and how they have been addressed (called the "Regulation 22(c) statement");
 - copies of any representations made;
 - any other supporting documents considered by the council to be relevant in

- preparing the plan;
- an *adoption statement* and *environmental statement* (when the plan is adopted).

Supplementary planning documents (SPDs)

- 2.5 Supplementary planning documents (SPDs) help to support and explain in more detail how the Council will implement particular policies and proposals in the local plan. SPD can also take the form of masterplans or detailed design briefs for sites allocated in the Local Plan. SPDs can be reviewed frequently and relatively straightforwardly to respond to change.
- 2.6 The National Planning Policy Framework (NPPF) and Planning Practice Guidance (PPG) state that SPDs should be used '*where they can help applicants make successful applications or aid infrastructure delivery*', and should not be used to add unnecessarily to the financial burdens on development. SPDs should clarify and amplify existing policy, not introduce new policy or include excessively detailed guidance.
- 2.7 Current SPDs adopted by the Council are:
- *South Norfolk Place-Shaping Guide SPD (September 2012);*
 - *Guidance for the delivery of a Food and Agriculture Hub for Broadland and South Norfolk SPD (July 2014); and*
 - *Guidelines for Recreation Provision in New Residential Developments SPD (September 2018)*

3. The LDS Programme

- 3.1 With an adopted Local Plan for the whole of South Norfolk's planning authority area, the focus is now on maintaining an up to date Plan in accordance with Government requirements. The focus of this work is on the replacement of the oldest part of the Local Plan, the JCS, with a new Greater Norwich Local Plan (GNLP). As well as replacing the JCS the GNLP will also allocate the sites to deliver future growth, effectively replacing the South Norfolk Site Specific Policies and Allocations Document, significant elements of the Wymondham and Long Stratton Area Action Plans and, potentially, elements of some Neighbourhood Plans. The timetable for producing the GNLP set out in this LDS has been adjusted to reflect two additional Regulation 18 consultations (a) October to December 2018 on 'New, Amended and Small Sites' and (b) September to October 2019 on a draft version of the Plan. These consequently extend the timetable to GNLP to September 2021.
- 3.2 The LDS has also been updated to reflect the adoption of the Guidelines for Recreation Provision in New Residential Developments Supplementary Planning Document (SPD)

Local Plan documents and SPDs proposed to be abandoned

- 3.3 Previous versions of the LDS referred to the possible need for an SPD on the Council's approach to Starter Homes. Starter Homes are defined in Sections 2 and 3 of the Housing and Planning Act 2016 and have been added to the overall definition of Affordable Housing in the July 2018 version of the National Planning Policy Framework. As such, it is no longer considered necessary to produce a separate SPD on this issue and it is now proposed to formally abandon the production of a Starter Homes SPD.

4. Local Development Document Profiles

Document Title	Greater Norwich Local Plan (GNLP)
Role and content	<p>To provide the strategic vision, objectives and strategy for future development of the Greater Norwich area, to accommodate objectively assessed needs for growth and to identify specific sites for development in the period to 2036.</p> <p>The areas to which the policies apply will be shown on the Policies Map.</p> <p>The GNLP provides the strategic context for the preparation of any lower level policy documents prepared by the three constituent district planning authorities, such as Development Management Policies or Area Action Plans.</p>
Status	Development Plan Document/Local Plan
Conformity	The document must conform with the National Planning Policy Framework (NPPF) and should also accord with standing advice in national the Planning Practice Guidance (PPG) and other Government Policy Statements.
Geographical coverage	The three districts of Broadland, Norwich and South Norfolk, excluding the parts of those districts falling within the Broads Authority Executive Area.
Joint working arrangements (if any)	The plan will be prepared jointly with Broadland District and Norwich City councils, working with Norfolk County Council.
Relationship with adopted local plan(s)	<p>The GNLP will supersede</p> <ol style="list-style-type: none"> the Joint Core Strategy (JCS) for Broadland, Norwich and South Norfolk (adopted March 2011, amendments adopted 2014); the South Norfolk Site Specific Allocations and Policies Document (October 2015); the Wymondham Area Action Plan (October 2015); and the Long Stratton Area Action Plan (October 2015); and those other documents identified in the LDSs for Norwich City and Broadland District Councils
Evidence required <i>May include selective reviews of the evidence base already in place for the</i>	<p>Includes (but may not be limited to):</p> <ul style="list-style-type: none"> Strategic Housing Market Assessment (SHMA); Housing and Economic Land

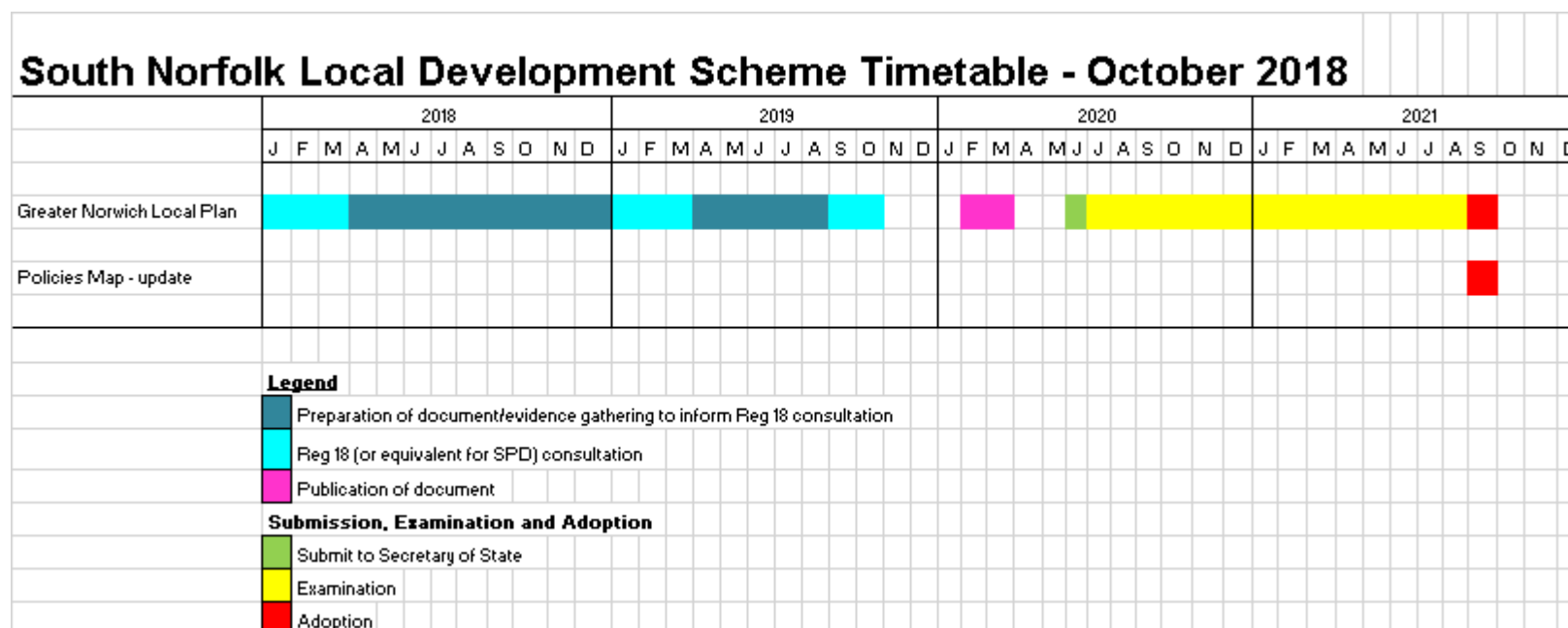
<i>adopted Local Plan and new or updated studies where necessary.</i>	<ul style="list-style-type: none"> Availability Assessment (HELAA); New Settlement Topic Paper Employment, Town Centre and Retail Study; Viability Study Infrastructure study; Health Impact Assessment; Strategic flood risk assessment (SFRA); Water Cycle Study; Landscape Character Assessment; Green infrastructure study; and Sport and recreation study. <p>The plan must be accompanied by a Sustainability Appraisal (SA) and Habitats Regulation Assessment (HRA) which will draw on, and themselves be part of, the evidence base</p>
Production milestones (Timetable consistent with that for Norwich City and Broadland District Councils)	
Commence document production.	December 2015
Call for sites – invitation to put forward specific development sites for inclusion in the GNLP.	May-July 2017
Commission, prepare and publish evidence studies required to support the GNLP.	March 2016 – January 2019
Publish initial Growth Options and Site Proposals (Regulation 18) for consultation.	January-March 2018
Publish the New, Amended and Small Sites (Regulation 18) for consultation.	October – December 2018
Publish Draft Plan (Regulation 18) for consultation.	September – October 2019
Publish Pre-Submission Plan (Regulation 19)	February – March 2020
Formal submission of GNLP to Secretary of State (Regulation 22).	June 2020
Public Hearings start	January 2021
Adoption of the Greater Norwich Local Plan.	September 2021

Arrangements for Production and Review	
South Norfolk Governance	<p>Led by Planning Policy</p> <p>Agreement at each stage through Cabinet and Full Council approval at Regulation 19, 22 and adoption.</p>
How will stakeholders and the community be involved?	The Council will accord with the approved Statement of Community Involvement (SCI)
How will the document be reviewed?	<p>The document will be monitored and reviewed as part of the Annual Monitoring Report process.</p> <p>In accordance with the NPPF, Local Plans should be reviewed every 5 years. Such a review will need to determine whether any significant matters have arisen, for example through changes to national policy or the identification of additional development needs, that mean the Plan needs to be updated or replaced.</p> <p>The current timetable proposes adoption of the GNLP in September 2021, approximately 5 years from commencement of plan production. Consequently, the first review is scheduled for late 2021.</p>

5. Other documents related to the Development Plan Documents

- 5.1 Various other documents are required alongside the local plan, but do not form part of it. A **Statement of Community Involvement (SCI)** shows how the council intends to involve the community in plan preparation and planning decision making. The South Norfolk SCI was adopted in May 2016 and will be kept under regular review.
- 5.2 To ensure that plans and policies are effective, an **Annual Monitoring Report (AMR)** must also be prepared to record progress on implementing the local plan and whether local plan targets are being met. From 2011, the AMR for South Norfolk has been incorporated within a combined monitoring report for the Joint Core Strategy prepared jointly by the Greater Norwich authorities.
- 5.3 The **Norfolk Strategic Planning Framework (NSPF)** is a non-statutory strategic policy statement which sets broad targets and priorities for the next round of statutory Local Plans for individual districts and wider areas in Norfolk, facilitating joint working across district boundaries and helping to fulfil the statutory Duty to Co-operate. Consultation on the initial NSPF took place from July-September 2017, and the document was subsequently endorsed by all of the Norfolk authorities. The NSPF is currently being updated to reflect the requirements of the revised NPPF, in particular (a) so that it fulfils the remit of a 'Statement of Common Ground' and (b) so that it reflects the new 'standard' housing methodology. Both the GNLP and the NSPF will cover the period to 2036.
- 5.4 Local Planning Authorities must to publish and maintain a statutory **Brownfield Land Register**. The register is intended to include details of any previously developed land suitable for housing, which is capable of accommodating five or more dwellings. The first Register was prepared for December 2017 and will be reviewed annually thereafter. The Brownfield Register is prepared jointly by the Greater Norwich authorities.

Appendix 1



Appendix 2

The existing adopted Local Plan

Several planning documents are already in place to guide the council's decisions on planning applications: together these form the existing adopted Local Plan for South Norfolk. As these documents are already in use, they are not part of the formal LDS schedule set out in Appendix 1.

The documents making up the Local Plan must conform to national planning policy in the National Planning Policy Framework (NPPF), supported by national Planning Practice Guidance (PPG).

The Local Plan documents fit into a hierarchy with broad, strategic policies at the top and more detailed policies interpreting the strategic approach at a district or smaller area level.

For the Greater Norwich area (which includes South Norfolk), the adopted **Joint Core Strategy for Broadland, Norwich and South Norfolk** (JCS) is at the top of the hierarchy. The JCS was adopted in March 2011, with amendments adopted in January 2014. It is a strategic planning document prepared jointly by the three constituent districts in Greater Norwich and provides a long-term vision, objectives and spatial strategy for development of the area to 2026.

The **Site Specific Allocations and Policies Document** identifies and sets out policies for site allocations in South Norfolk indicating where development is expected to occur between now and 2026. Alongside the Wymondham Area Action Plan, the Cringleford Neighbourhood Plan and the Long Stratton Area Action Plan, it responds to the requirement of the JCS to identify additional sites for approximately 16,000 new homes in the district by 2026, over and above existing housing commitments at the JCS base date of April 2008. It also identifies opportunities to accommodate the overall levels of growth in jobs and services anticipated over that period and to ensure that these can be delivered and located sustainably. It will also help to deliver the community facilities and green infrastructure and elements of the sustainable transport network required to support new development as it occurs, in accordance with the JCS.

The **Development Management Policies Document** sets out a range of more detailed policies applying throughout South Norfolk which will be used in the council's assessment of development proposals and to guide future council decisions on applications for planning permission. Policies cover a range of topics, building on the national policy principles for sustainable development set out in NPPF and the strategic policies and objectives of the JCS. In certain cases, the policies also set out local criteria and standards for different kinds of development.

The **Wymondham Area Action Plan** guides development in the town up to 2026. The plan provides for at least 2,200 new homes and 20 hectares of

employment land, in the context of: protecting and enhancing a 'Kett's Country Landscape' to strengthen the role of the Tiffey Valley; maintaining the strategic separation between Wymondham and Hethersett; protecting the landscape setting of the town and abbey; and creating connections and linkages between green infrastructure.

The **Long Stratton Area Action Plan** will deliver at least 1,800 new dwellings, additional employment land, alongside the long- sought Long Stratton bypass to reduce congestion and pollution through the village in peak hours and improve connectivity along the A140 corridor.

The Localism Act 2011 allows for community led **Neighbourhood Development Plans** to be brought forward to complement the adopted Local Plan. There are existing Neighbourhood Plans for Cringleford, Mulbarton and Easton. Neighbourhood Areas, the first stage of developing a Neighbourhood Plan, have been formally agreed for the following: Dickleburgh; Diss & District (Diss, Burston & Shimpling, Roydon, Scole, and three parishes in Mid-Suffolk); Long Stratton, including parts of Tharston Parish; Poringland; and Starston.

CABINET CORE AGENDA 2018/19

	Decisions: Key, Policy, Operational	Key Decision/Item	Lead Officer	Cabinet Member	Exempt Y/N
10 Dec	O	Conservation Area Boundaries and Appraisals for Bramerton, Brockdish, Saxlingham Green, Saxlingham Nethergate and Shotesham.	C Bennett	L Neal	N
	O	Member-Led Grants	M Pursehouse	K Kiddie	N
Council 10 December					
7 Jan 19	O	Waste Re-optimisation	S Hawken	K Mason Billig	N
4 Feb		Performance, Risks, Revenue and Capital Budget Position Report for Quarter Three 2018/19	E Pepper/M Fernandez-Graham/ E Goddard	M Edney	N
		2019/20 Business Plan	E Pepper	M Edney	N
		Revenue Budget, Capital Programme and Council Tax 2019/20	M Fernandez-Graham	M Edney	N
		Treasury Management and Capital Strategy 1 April 2019 to 31 March 2022	M Fernandez-Graham	M Edney	N
Council 18 February 2019					

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.