

Communities Committee

Item No.....

Report title:	Re-Imagining Norfolk – the County Council Plan
Date of meeting:	27th January 2016
Responsible Chief Officer:	Managing Director Dr Wendy Thomson Executive Director of Community and Environmental Services – Tom McCabe Executive Director of Resources – Anne Gibson
Strategic impact Re-Imagining Norfolk - the County Council Plan - provides strategic direction for the Council, to guide and shape choices about investments and priorities for the coming medium term period – 2016-2019	

Executive summary

The County Council Plan is the vehicle for articulating the role and priorities set out in Re-Imagining Norfolk, the Council's agreed strategic framework. The Plan is part of the policy framework and as such is subject to Full Council approval.

The Plan is a high level whole-council strategy which is not intended to describe and catalogue everything the Council does. It exists to :

- Outline the strategic context for the Council
- Provide direction and guide strategic and resource choices
- Establish the strategy for each of the themes set out in Re-Imagining Norfolk
- Communicate and ensure the delivery of the Council's ambitions and priorities for Norfolk people, including:
 - How services will be provided in new ways in partnership with other public services
 - Improvements to the Council's internal organisation

Core to Re-Imagining Norfolk is to make a positive impact on Norfolk and its residents by focussing the council's activities and resources on its four priorities:

(agreed by Council):

- Excellence in education
- Real jobs
- Better infrastructure
- Supporting vulnerable people

At the same time meeting its statutory service responsibilities in new and innovative ways.

Recommendations: Members are asked to give their views on:

- the overall strategy for the County Council as set out in this paper
- the priority targets for the whole council as illustrated in the County Plan Tracker, Appendix 1.
- the service strategy for the areas which are the responsibility of this Committee as set out in section 10.

1. Background

- 1.1 At Council on February 22nd 2016, Councillors will be asked to agree a three-year medium term service and financial strategy, as well as an annual budget for 2016-17.
- 1.2 The County Council Plan, which is part of the Council's policy framework, will provide strategic direction for the council, to guide and shape choices about investments and priorities for the coming medium term period – 2016-2019.
- 1.3 The Council's priorities and strategic direction were initially considered in June 2015, when the Managing Director set out Re-Imagining Norfolk as a framework for the future direction of the Council in an era of reduced central government grant.
- 1.4 Within the framework of Re-Imagining Norfolk, each committee has been developing a medium term strategy, through considering how it would re-design its services with 75% and 85% of its current resources.
- 1.5 This report brings together a synthesis of those cross-council discussions into a draft County Council Plan for 2016-19, for consideration by all committees in the January cycle.
- 1.6 The report is being submitted to each committee to be discussed before the budget paper, in order that resource decisions can be made within a strategic framework for the council as a whole and ensure that the Council's final plan is developed through an iterative process leading to its final adoption by Council.

2. Purpose of the County Council Plan

- 2.1 The County Council Plan sets the strategic direction for the Council over the medium term. At a time of diminishing resources and rising demand, it has never been more important for the Council to focus its efforts and resources to secure an impact on the most important outcomes for residents.
- 2.2 The County Council Plan is intended to be a high level whole-council strategy; it does not describe and catalogue everything the council does. The purpose of the Plan is to:
 - Outline the strategic context for the Council
 - Provide direction and guide strategic and resource choices
 - Establish the strategy for each of the themes set out in Re-Imagining Norfolk.
 - Communicate and ensure the delivery of the Council's ambitions and priorities for Norfolk people, including:
 - How services will be provided in new ways in partnership with other public services
 - Improvements to the Council's internal organisation
- 2.3 Policy and Resources Committee at its meeting on September 28th 2015 agreed that individual service committees would ensure the delivery of the corporate strategy through their departmental and service responsibilities, and set out their plans in a way that their impact and outcomes can be managed, tracked and communicated.

- 2.4 At this stage, each committee is being asked to comment on the overall framework for the County Council Plan, a set of whole-council priorities, with measurable targets.
- 2.5 The County Council Plan is part of the Council's policy framework; as such, responsibility rests with Policy and Resources Committee to recommend the plan to Council for agreement at its meeting February 22nd 2016.
- 2.6 More detailed committee service plans will then be developed and considered during the March committee cycle and reported to council in April.

3. Strategic context for the Council

- 3.1 This decade is witnessing huge changes in the scope and scale of public services. After several decades of growth, the new normal facing local government is continuing resource reductions at a time of growing demand for services.
- 3.2 In Norfolk, as in other parts of the country, there are challenges serving an ageing population, a more mobile population, rapid technological advances and social changes which, among other things, see people living further away from family support networks. There are high expectations from citizens who in other fields of society value 'one-touch' services which are efficient and individual to them.
- 3.3 In Norfolk, the numbers of births and deaths have stayed constant over the last five years, as has the number of people aged under 65. But within this there has been a substantial increase (12%) in the population aged over 65, imposing increasing strains on health and social care systems.
- 3.4 In Norfolk by 2026, one in three of our population will be aged over 60, and 18,000 people will be aged over 90, compared with 10,300 today. Whilst many enjoy good health, there are above rates of prevalence for people living with chronic diseases including diabetes, heart disease, chronic kidney disease and stroke.
- 3.5 Demographic and social changes are generating ever-increasing demand for services, particularly health and social care. The public service institutional landscape in Norfolk is complex and fragmented, with many local health and community service bodies commissioning and delivering services for our population. On the receiving end of this are Norfolk individuals and families who find themselves engaging with many different professionals and organisations through many different processes. Not only is this often frustrating to our customers, it is also inefficient and costly.
- 3.6 These trends of the last five years point to an urgent need for re-design of health and social care systems. Council provided services were set up for a different era. With many more people now living longer with multiple chronic conditions, there is a pressing need to shift services from residential to community care.
- 3.7 There are major infrastructure challenges for the county; road and rail investment is still seen as lagging behind other parts of the country, basic amenities are still required to enable development and there are clear but unrecognised cost implication of delivering services to a rural area.

- 3.8 Local government responsibilities and financing are changing radically. The Cities and Local Government Devolution Bill sets out the latest terms for progressing the localism agenda. Following the referendum on Scottish sovereignty, and building on the commitment to fuel the Northern powerhouse, devolution of central government powers and functions within England has taken on a greater focus in Westminster. Local government is looking at a future where it is expected to be far less reliant on central government grant, and instead finance its services and economic development by the revenue it collects locally.
- 3.9 This means that over the coming years, the Council's resources will be tied to the county's prosperity and economic growth, making it ever more important for the county council to build the infrastructure and generate the jobs that enable people to be more independent. In four years time, government has announced that 100% of business rates will be retained locally and revenue support grant will be ended.
- 3.10 It has never been more important to be ambitious for Norfolk. The county is committed to deliver 65,000 new homes and 45,000 new jobs over the next ten years.
- 3.11 With a dynamic and changing population, we need to attract and keep the tech savvy generation - good graduates, young entrepreneurs, whilst still building the skills of an already strong and resilient workforce.
- 3.12 Norfolk County Council is well prepared to meet these challenges. In 2015 the Council agreed its four strategic priorities:
- Excellence in Education
 - Real Jobs
 - Improving Infrastructure
 - Supporting the vulnerable
- 3.13 The priorities of the Council are designed to make us a voice for Norfolk's future, with a well-educated population, well placed to benefit from a changing economic landscape, and with a local environment and business sector able to seize opportunities in a changing economy.
- 3.14 Norfolk itself has the potential to prosper in the coming decades. The county possesses;
- A thriving knowledge economy
 - The very best in scientific research
 - Thriving ports and offshore business
 - Cutting edge manufacturing
 - Improving connections – road, rail and high speed broadband
 - Vibrant culture, stunning landscapes and world class heritage giving a high quality of life
 - A location close to London and Cambridge, two of Europe's fastest growing cities.
- 3.15 There is a renewed sense of ambition and aspiration for Norfolk, energised by the opportunity to make a case of devolution in partnership with other councils in Norfolk and Suffolk, and led by the Local Enterprise Partnership. Over the life of this strategy, regardless of the outcome of the devolution discussions, the

Council will continue to make the case for Norfolk as a place to live, work and invest in.

- 3.16 In this socio-economic context, we also need to take account of changing policy agendas affecting local government. Looking to the recent past, public health has been transferred from the NHS to local government, providing additional capacity and powers to local government.
- 3.17 National education policy has encouraged the transfer of schools from local authority control to Academies and free schools, creating a challenging landscape for the council to meet its responsibilities for ensuring effective school improvement, and a school place for every Norfolk child that needs one.
- 3.18 Increasingly councils such as Norfolk have decided to commission more of its services via third party contracts rather than by directly employed staff. Over the past few years, the council has transferred many of its functions to external agencies such as Norse and Independence Matters as well as procuring many services through traditional procurement routes. This way of securing a mixed supply of services creates new challenges and opportunities for the council to deliver on its priorities.
- 3.19 In this changing context, local government and the wider public service needs to meet increasing demographic demands by doing things differently to make the most positive impact on people's lives.

4. Financial prospects

- 4.1 Since 2010, the Government's direction of travel has been "self-sufficiency" for local government, and this drive has increased significantly following the General Election in 2015, signalling devolution, and a move to 100% retention of business rates in 4 years time.
- 4.2 Over the last five years, we have met the triple challenge of:
 - Grant reductions from government
 - Changing demographics, affecting particularly adults social care
 - No increase to council tax
- 4.3 Between 2011 and 2016, the Council will have made savings of £245m, many have been through efficiencies and staff transfers; the Council's directly employed staff has reduced by about 20% between 2010 and 2014.
- 4.4 The planned replacement of revenue support grant with 100% retention of business rates creates an incentive for local government to generate economic growth. Other national funding programmes, such as the New Homes Bonus, also incentivise growth through housing development, particularly a source of additional revenue for district councils.
- 4.5 The 2015 Spending Review announced that local government funding from central government is planned to decrease by 56% in real terms, although this is expected to be offset in part by retained business rates and higher council tax. The Government anticipates overall local government spending to rise by £0.2bn in cash terms (from £40.3bn in 2015-16 to £40.5bn in 2019-20), representing a total real terms decrease of 6.7%, based on current inflation forecasts.

- 4.6 The 2015 spending review has these implications for the County Council going forward:
- Locally retained business rates and phasing out of revenue support grant by the end of the Parliament
 - A transfer of as yet unspecified “new responsibilities” to local government;
 - Greater flexibility to raise council tax to fund Adult Social Care;
 - An assumption that more revenue will be raised locally by increased council tax
 - Changes to New Homes Bonus grant funding.
- 4.7 Although the Government has now provided indicative four-year allocations of funding as part of the provisional local government finance settlement, it remains clear that the Council faces a substantial financial challenge, with the first two years of the Spending Review set to be the toughest for local government. Norfolk will see an overall reduction in core government funding (Settlement Funding Assessment) of 12.91% in 2016-17 compared to the adjusted 2015-16 baseline, and 11.10% in 2017-18.
- 4.8 Furthermore, the Government’s new methodology for the distribution of grant, takes into account the ability to raise funds locally via council tax. This approach has a disproportionately adverse impact on shire counties and results in significant reductions to revenue support grant (RSG). Shire counties will see an average reduction in RSG of 34.1% in 2016-17 against their adjusted 2015-16 allocations.
- 4.9 Although Norfolk is relatively protected amongst shire counties due to its higher dependency on government funding, the County Council is still due to receive a 26.09% reduction in RSG compared to the adjusted 2015-16 position. This is slightly below the average for all authorities in England (27.6%), but higher than the average reductions faced by inner London authorities (21.5%) and metropolitan districts (24.0%).
- 4.10 For the first time, the Government has made assumptions about the growth in local authorities’ funding from council tax, and in particular assumes that councils will raise council tax by both CPI and (where applicable) the Adult Social Care precept, alongside significant assumed increases in the tax base.
- 4.11 Councils which fail to raise council tax in this way will be increasingly underfunded against the Government’s funding expectations. For Norfolk County Council, an increase in council tax of £76.901m is forecast in the Government’s assumptions by 2019-20 compared to the 2015-16 baseline – amounting to a 24.7% increase in the funding from council tax across the period. The achievability of such significant increases is not certain.

5. Our strategy in response to Norfolk’s challenges

- 5.1 The county needs a forward-looking and ambitious strategy to promote the interests and future of Norfolk people and respond to the challenges we face. It must have
- An outward focus to promote the county as a place,
 - A policy focus to deliver our priorities and services,
 - An inward focus, to improve our organisation

- 5.2 The Council agreed four priorities in February 2015. These core commitments go beyond our statutory responsibilities and avoid retreating to minimum levels of service. We aim for:
- A well-**educated** and skilled population
 - With '**real**' **jobs** which pay well and have prospects,
 - **Improved infrastructure** - air, sea, road, rail, broadband and mobile network coverage.
 - Vulnerable people **supported** – more living independently and safely in their communities
- 5.3 The Council has to find ways of working which support communities and individuals to become more self-sufficient. These priorities do just that.
- 5.4 Helping more people into real jobs, obtaining good qualifications, within a county which is accessible and connected to the rest of the country are key to Norfolk's future. With economic growth and sustainable services, people living here will be able to lead independent and fulfilling lives. Just as important is for our most vulnerable residents to have access to a continuum of community services.
- 5.5 We will sustain a sharp, sustained focus on achieving these priorities, which are set out in more detail in figure 1. Over the life of this strategy there are a set of whole-council improvements which we consider critical to the overall strategic direction of the Council in the next three years - these are highlighted in bold.
- 5.6 **The 'County Plan Tracker' (Appendix 1)** gives more background as to why these have been identified and includes measures and targets for each.

Fig.1

Priorities –the significant areas of work that Norfolk County Council are concerned with achieving as they represent key areas that will achieve the greatest impact for Norfolk and its Communities.			
Excellence in education	Real Jobs	Good Infrastructure	Supporting vulnerable people
Sub-Outcomes – This gives a clear indication of what ‘good’ looks like and what the people of Norfolk should expect to see and experience in their own lives.			
<ul style="list-style-type: none"> • Children and young people are ready and able to learn • Learners realise their potential • People value education as a means to living independently 	<ul style="list-style-type: none"> • Secure more high value jobs • Make Norfolk the first choice for business • More people who are able to work have the opportunity to do so 	<ul style="list-style-type: none"> • Infrastructure makes it a great place to live, work and visit • Communities are resilient, confident and safe 	<ul style="list-style-type: none"> • All vulnerable people who live, work, learn and are cared for will be safe • Vulnerable people are more self-reliant and independent
What you will see and hold us to account for			
<ol style="list-style-type: none"> 1. More children start secondary school (aged 11) at the expected level in reading and mathematics 2. All schools and education establishments are judged good or better by Ofsted 3. Children reach the expected early learning goals by the time they start key stage 1 (age 5) 4. Children make at least expected progress and most make better than expected progress at primary school 5. Children make at least expected and many make better than expected progress at secondary school 6. 14 to 19 year olds are encouraged & guided to make appropriate choices 7. Young people reaching adulthood feel equipped to make life choices and to take responsibility for themselves and their future 	<ol style="list-style-type: none"> 1. More people have jobs that pay more and have better prospects 2. People on benefits can find work quickly 3. More people are supported to start and successfully grow their own businesses 4. More people with learning disabilities secure employment 5. There are more high value jobs in Norfolk's growth sectors 6. Businesses are attracted here and prosper 7. Businesses grow sustainably 8. A highly-skilled workforce encourages investment 	<ol style="list-style-type: none"> 1. A good transport network and journey times 2. All of Norfolk is connected via fast Broadband. 3. Growth from housing developments is delivered sustainably 4. Households produce less waste and we have lower costs of dealing with it 5. Fewer people are killed or seriously injured on Norfolk roads 6. People and their property are better protected from flooding and climate impact 7. Norfolk's environment is protected 8. Individuals, communities and public service working better together 	<ol style="list-style-type: none"> 1. Fewer children are unable to live with their families 2. More people live in their homes for as long as they wish 3. Fewer people need a social care service from NCC 4. Fewer vulnerable people die in accidents and incidents including fires 5. Children and young people are safe from harm 6. Vulnerable adults are safe from harm 7. People know who to ask for the right help, information or advice 8. Wherever possible people with long term conditions manage their own care

6. Towards a 'Norfolk public service'

6.1 Successfully tackling the challenging issues facing Norfolk will not be achieved by the council working alone.

6.2 A key part of this strategy is to move towards a Norfolk public service, working across organisations and within communities to give people a seamless continuum of services, targeted at those who need them most. It's about redesigning services around people's lives, achieving better outcomes at less cost; working with partners and communities locally, and sharing premises.

6.3 Following the Norfolk Public Service Summit in September 2015, all 7 district councils, Norfolk Constabulary and the County Council have agreed to collaborate on a set of key themes. They reflect the key challenges facing the County Council, and also have potential to duplication and deliver better value.

6.4 There are the following themes:

- Promoting independence for adults – focusing on older people, people with disabilities, adults with learning difficulties and people with mental health issues. The emphasis is on better access to early help and prevention, re-directing people to community solutions, delaying the need for formal services.
- Supporting children and families– preventing the cycle which leads children into the criminal justice system. The emphasis is on early help, sharing better intelligence, and planning with families whom agencies already know.
- Economic growth for Norfolk – through collaboration across Norfolk and Suffolk on devolution.
- One public estate – maximising our estates and buildings, supporting service re-design and looking for opportunities to co-locate services and reduce the space and number of buildings occupied by public sector partners in each locality.
- Street scene – making better use of the resources and teams we have on the ground in different localities, removing duplication and reducing costs overall
- Waste costs Norfolk taxpayers over £50m per year for services delivered across the public service organisations in the county: including collection, management, disposal and recycling.
- Information and intelligence – pooling information – both client based and population based – where we can to respond better to families and communities, particularly those at risk from harm.

6.5 Norfolk whole health and social care system

6.6 The integration of health and social care is a critical element of our move towards a seamless Norfolk public service, and the government's agenda for public service reform. Hence alongside the development of the local public service summit, the County Council has initiated a process that brings together the leadership across Norfolk's five CCGs, three hospital trusts, two community health trusts, one mental health trust, the ambulance service, independent service providers, NHS England (eastern region), and the newly established NHS Improvement.

6.7 After a series of productive planning sessions, enabled by Sir John Oldham, this group of agencies has defined the 'Norfolk Principles of Care' to be embedded in

all of our services, and proposed a 'transformation executive' composed of Chief Executives across the local authority and NHS . Its overarching purpose is to improve health outcomes for the population of Norfolk through the delivery of successful programmes at scale.

- 6.8 It has established a series of workstreams to tackle the most important issues facing the health and social care system in Norfolk, and agreed to work at practical solution at pace, recognising the burning platform driving the system. The workstreams are:

- **Keeping me at home – particularly care for frail elderly and** those with multiple long term conditions, including mental ill health. The aim is to have a comprehensive approach to helping people avoid admissions to hospital.
- **Future care and sustainability** - Improving the care within and sustainability of acute and secondary care including mental health services across Norfolk. The workstream will also look at new designs for primary and community health care services.
- **Prevention and wellbeing** - Engaging and motivating citizens and their communities in preventing ill health, recognizing that many more people are able and willing to contribute to their own care.
- **Developing the right workforce for the future** - Recruitment of a new workforce to fit the future needs of health and social care in Norfolk, and training the existing workforce for future demands including health coaching and remote interventions.

- 6.9 In addition, further work will be done to communicate with the public and with staff within the NHS and the Care sector about these important developments.

7. Re-designing services

- 7.1 Managing demand for services is one of the most pressing issues facing the county council. When compared with other councils, we admit more proportionately more people into permanent residential care. Whilst this can be the right option for some people, for many there are alternatives which allow people to continue to live in their own homes, closer to their social networks and families. Our analysis has made us question the number of older people who go straight from hospital into permanent residential care – a life-changing, irreversible decision, taken at a time of often high anxiety.
- 7.2 Our analysis and benchmarking also shows that we have a much higher proportion of younger disabled people (18-64) in permanent residential care. We also could do more to help people with learning disabilities and mental health problems find paid employment.
- 7.3 In Children's services, we have higher numbers than similar councils of looked after children. Whilst all councils have seen a rise in these numbers since high profile child protection service failures, Norfolk is still significantly higher than it should be.
- 7.4 Whilst Ofsted found far-reaching improvements in our children's social care, the most recent inspection still found short-comings in outcomes for looked after children.

- 7.5 The other significant and potentially costly area of growth for the County Council is waste disposal. Projections show that, because of economic growth, increases in new homes and inflation, if we do nothing to reduce the amount of waste produced by each household then the cost of residual waste disposal will increase by more than £2m to around £25m in 2020.
- 7.6 These issues are not new, and inroads into tackling them have been made. However, what is new is the radical change in how the Government funds councils. The phasing out of the revenue support grant and the expectation of increased locally raised tax from individuals and from business – fuelled by an increase in economic growth – places the Council at a cross-roads, which requires whole-council transformation and re-design of services, based on more prevention and earlier intervention that delivers better outcomes for people and places in Norfolk.
- 7.7 During the last nine months, all Committees were asked to re-imagine their services with 85% and 75% of their current resources. In doing so, they adopted a systematically reviewed activity and spending by:
- 7.8 **Cutting costs through efficiencies** – by increasing productivity and stopping services that are not essential to our priorities. The Council has budgeted to deliver efficiency savings of £144.600m in the period 2011-12 to 2015-16. The Council has consulted on a further £101m of efficiencies for the period 2016-17 to 2018-19, which are on top of efficiencies of £23.26m agreed for 2016-17 and 2017-18 as part of the 2015-16 budget process.
- 7.9 **Getting better value for money on what we spend** – buying the right things at the best cost and doing differently, outsourcing, social enterprises and making the most of our purchasing power by buying things jointly with others. For example, the new park and ride contract which started in September means Norfolk has the only park and ride facility in England that does not require ongoing taxpayer subsidy. The service has been improved: new buses, increased frequency, wifi and improved site facilities such as toilet facilities – and it has generated £350,000 per year in savings. Looking forward, we are merging our fleet across transport, libraries and street scene. This will enable us to run a 24/7 workshop that could potentially trade with the private sector, for example, providing MOTs for HGVs and LGV. We estimate we can save at least £0.5m each year and potentially earn more externally. These are just two of many examples.
- 7.10 **Enabling communities and working locally.** Within a context of the public sector needing to find ways to do more with less, the County Council is committed to working differently with communities.
- 7.11 A critical lever for bringing about the changes we need in our services – moving to early help and managing demand – is having communities and neighbourhoods where there are vibrant networks of help, advice and support. An example of this recently is the campaign to promote dementia friendly towns and villages – places which go the extra mile to understand the condition and to adapt to a growing number of people living with dementia. It means people are more likely to be able to stay longer in their own homes, and their carers feel less isolated.
- 7.12 We are shifting to a way of working that looks to build up and make more use of the informal, but highly effective support that already exists in many Norfolk communities. The role of the Council in taking this forward needs to be tested

and developed with communities themselves; the establishment of a Communities Directorate demonstrates a shift for the Council, and over the lifetime of this Plan, we will collaborate with communities of place and communities of interest to develop a strategy for harnessing community capacity.

- 7.13 As part of this, we will be basing more of our staff in localities and fewer at County Hall. We believe this will increase the collaboration and joint working with our public and voluntary service partners, moving towards more joint arrangements, for example, shared buildings, joint teams and appointments. It will ensure we are better placed to listen to communities and to find local solutions.
- 7.14 **Early help and prevention** Both Adult and Children's services are focusing far more on prevention services. Our budget proposals include investment of £1.5m in re-ablement services for adult social care, because we expect to make a saving of more than £3 million and improve the quality of people's lives. The adults strategy Promoting Independence is based on preventing or delaying the need for funded social care services.
- 7.15 Norfolk Family Focus has helped 1,700 families in the county to change their lives, supporting parents into work and children to attend school. The approach looks at the needs of the whole family, builds on their strengths and tackles the root causes of their problems, helping to break a cycle that can affect many generations. The success of the approach in Norfolk has been acknowledged by national lead Louise Casey, and a further £2.6m has been awarded to the Council to deliver the second stage – working with a further 5000 families.
- 7.16 **Channel shift.** As well as being better for customers and matching their changing lifestyles, interactive web-based services also save money on paper transactions and processes. The transaction cost of a telephone call is around £4, an online transaction is 4p.
- 7.17 In April 2016 an all-new council website will go live as the first stage in a major move to providing more council services, including transactions, online. By making it easier to find information and advice about council services, along with information about third party and community services, demand should reduce for both services and for more expansive customer interactions. Already in 2015/16 the new Adult Education prospectus has become available online only but has seen a rise in the number of applications.
- 7.18 The new website will have a 'My Account' feature, letting residents track their interactions with council and allowing the council to send tailored information proactively to residents. By 2020 'My Account' will include schools admissions, childcare funding applications, library services and aspects of adult and children's social care. Eventually it will expand to include personal budget management. This will give residents greater control over their services while reducing council costs.
- 7.19 **A more commercial approach.** A new funding regime for local government requires a sharper commercial mind set from councils. We are taking this forward on a number of fronts.
- 7.20 The County Council already has the largest and most successful wholly-owned local authority company through the Norse Group. As the Group continues to expand and take on new work throughout the country, there are increasing benefits to the County Council through dividend payments, through volume

discounts, and through Norse's corporate and social responsibility, for example in its work on apprenticeships.

7.21 Alongside Norse, the Council is committed to increasing other commercial opportunities. Investments such as Hethel Engineering have been well documented and continue to provide economic benefits through jobs and opportunities, as well as financial return for the Council. Looking forward over the life of this plan, the Council will consider establishing more commercial initiatives to develop houses or properties on land in its ownership where this offers a sound return on investment. Previously the approach has been to sell off land to others to develop; Policy and Resources Committee signalled the new approach in November 2015.

7.22 **Trading** - to understand where we should trade in the market, we need to understand what opportunities exist, review those areas already charging for their services to ensure that we are achieving the best return possible, and look for new areas where it may be appropriate to charge.

7.23 We are assessing the business prospects of an initial group of services:

- Trading Standards (metrology)
- Registrars
- Highways (laboratory and training)
- Fleet management
- Highways works service
- Scottow Enterprise Park (former RAF Coltishall)

7.24 The review is covering:

- Developing a detailed understanding of the total cost of providing the service (direct costs, including staff, labour, materials; indirect costs, including buildings, ICT, business rates, utilities).
- Understanding the existing market in which they operate (including size of market, competitors, market growth / shrinkage, price elasticity).
- Understanding our products, capabilities and skills and how this matches existing and potential markets (including expanding product offer – up or down supply chain – and new geographic market).
- Business planning – including budgeting, P&L, branding / marketing, web presence, online capability, cost reduction, investment / development requirements, premises strategy.
- Mentoring, entrepreneurship, and business skills – support package from Hethel Innovation Limited.
- Assessment of NCC support and systems – what, if any, changes are necessary to finance and other support systems and processes to move to a more commercial approach.
- Future options – at the appropriate time, a decision will need to be made to be made on a delivery model, or whether the activity will continue.

7.25 **Property** costs to the Council amount to some £19.5m a year; as the Council becomes a smaller organisation, and technology allows more mobile working, fewer offices and depots are needed. Our target is £7 million saving on property over the next three years. There is a greater prize if we can look across the whole public estate – including district councils, health service, police – seeking to share properties where we can to deliver better value for the public purse. A grant from the Department of Communities and Local Government, 'One Public Estate' has been received to take this forward.

7.26 **Revenue Generation.** The County Council has adopted a strategy for generating income to support our key priorities through bids to National and European funding programmes. Led by a recently established Corporate Bid Team, our strategy is to develop corporate and service led priorities that lend themselves to support through external funding. This requires capacity building in services through running bid writing and project management training, and developing a clear focus in our approach – namely:

- Bids must be designed to save NCC money
- Develop and support the redesign of services
- Are sustainable when funding is withdrawn
- Clearly address an outcome objective
- Focused on priorities and be cost neutral
- Clearly meet the criteria of the funding body

7.27 The Council has a good track record in some areas. During 2015 total grant funding achieved was £42,527,258. Of this, just over £40 million was for large capital projects, whilst smaller grant funded awards totalled £2.4 million.

7.28 Examples of the smaller projects include:

- £545,555 from the Big Lottery for a project which brings people together from different generations and cultures to explore and share the rich history of their communities.
- £273,449 for the 'Get Healthy, Get Active' project.
- £200,000 for a programme to promote cultural tourism in East Anglia. Administered by the New Anglia Cultural Board.

7.29 Our strategy incorporates a target of 20% annual increase in external grant funding prioritising Corporate, Adult and Children's services.

7.30 This systematic framework has proved to be a sound basis for re-designing services so they are sustainable over the medium term. We will continue to apply this framework to continually review and re-shape services. It has helped to shift away from 'salami slicing,' and instead has helped the council to shape a future for its services which can still deliver some better outcomes at less cost.

7.31 The future direction for our main services is summarised here:

- **For Adult Social Services**, the strategy is **promoting independence**. It aims to manage demand by finding local community solutions for individuals and families. For people who do need a service, that service aims to get people back on their feet as soon as possible, expanding re-ablement service to help people to stay independent in their own homes for longer. The strategy requires a different approach to social work, which seeks to build on the strengths and assets in someone's life, rather than giving a service to meet assessed care needs.
- **For Children's Services**, the strategy **Getting in Shape**, sees greater investment in early help for families, clearer accountability for social work, and more staff based in localities. Children's Services will continue strengthen social work practice through 'signs of safety' – an approach which focuses on strengths and assets and aims to support families before their problems get too difficult, and put our teams back in communities where they can connect better with other community

services. **For education - A Good Education for Every Norfolk Learner strategy** is designed to deliver the ambition for all Norfolk pupils to go to a school which is rated as good or better. Whilst schools are responsible for their own improvement, the Council is committed to providing the challenge and support to schools to ensure they reach national benchmarks and standards.

- **For Environment, development and transport**, the principle of prevention underpins the waste strategy, making it second nature for people to re-cycle, re-use and reduce waste. Other big strategic changes for roads and environmental services will see many staff move out of county hall to be located closer to the communities they support. Staff will be working far more closely with other parts of the public service in order to avoid duplication and cutting costs.
- **For Community Services**, the direction of travel is for making the most of technology and self-service – such as in libraries. Open-plus technology investment will allow swipe card entry to some libraries out of hours, to reduce running costs, as well as seeing if there are other services that can be run from library buildings.

8. Improve the Council's internal organisation

- 8.1 The County Council will need to be a very different organisation to make the changes required for Re-Imagining Norfolk. It will be smaller, with fewer staff, different skills and attitudes, able to change at pace while taking out costs. It needs functions which are lean and efficient, which minimise bureaucracy, and support the Council's transformation and organisational change.
- 8.2 Critical to this is an efficient business infrastructure which aligns all our organisational levers in support of the strategy.
- 8.3 There will be re-structure of the council's internal support functions which reflects the future needs of front line services, and saves money.

9. Performance Framework

- 9.1 The Council's performance management system is key to ensuring that the resources we do have are used to best effect, and that by doing things differently the Council does deliver demonstrable results to the people of Norfolk. It is about the benefits people receive for the money spent. A review in 2015 of corporate performance management identified a series of improvements to current arrangements if we are to translate the Council's priorities and three-year budget proposals into results and impact for residents.
- 9.2 The review found a need for strengthened capacity for strategic research, forecasting demand, cross organisational problem solving; changes necessary to avoid a tendency to focus on process rather than results.
- 9.3 To begin to address this, a Re-Imagining Norfolk Team has been established via secondments to fulfil a role that will be carried out on a more permanent basis by a strategy and delivery unit, proposed as part of the changes arising within the Resources Department.
- 9.4 The Team's initial work programme is focused on the following priorities:

- Developing a target demand model to help deliver sustainable Adult Social Care in Norfolk.
- Increasing the number of people with mental health problems and people with learning disabilities into work.
- Re-ablement: working with adult social services to maximise the impact of the expanded re-ablement service.
- Better outcomes for looked after children - working with Children's services to understand the current numbers and trends for looked after children and to ensure the outstanding health assessments happen and future assessments are timely.
- Towards a Norfolk public service ensure summit workstreams have measurable plans to deliver against their targets.

9.5.1 Policy and Resources Committee has endorsed a performance pyramid to capture a hierarchy of performance information to show us how well we are achieving the strategy we have set. Discipline around the hierarchy will ensure that the right information is reported to committees to enable them to monitor and assure themselves about the overall Plan and specific service priorities. A series of Member workshops are taking place January and February, and the full framework will be reported subsequently.

10. A strategy for Services

Community and Environmental Services Department

A number of the services reporting to this Committee form part of the Communities and Environmental Services Directorate, along with the services reporting to EDT Committee. As previously reported to Members, one of the challenges of this Department is to harness the expertise and capacity within the department to support the county to grow and realise its ambitions. The Department is tasked with bringing the understanding and intervention in the physical and social aspects of communities together in one department – what in local government terms would be loosely called 'place'.

The department was established by putting existing services together, but we have not yet created the necessary capacity or structure to further deliver this role. It is intended to introduce a new service delivery model based on locality working, which will be the driving force behind the future direction and strategy for the Department.

Work to develop this approach has progressed and the overall vision has been defined. A staff consultation for the Directorate is underway to enable the vision to be better understood; the consultation also covers some proposed changes to the senior management structure for the department and some changes to individual services/teams where they would be needed in order to deliver budget proposals.

An extract from the consultation document, which gives further information about the overall vision and proposed way forward, is attached at Appendix 2. The key elements of the locality working vision are:-

- Developing a strong place-based (locality) focus to work. Work will be, as far as possible, community driven and delivered and we will use the seven district council areas as our localities;
- Working with our public service colleagues, we will identify suitable 'hubs' to be the focal point for communities;
- Making it easier for communities and the voluntary sector to work with us, including to enable services to be delivered in non-traditional ways;

- Improve our support to the voluntary sector, including a clear lead for all voluntary sector liaison for the County Council.

There will need to be a significant amount of work to develop this approach over the next 6-12 months. However, there are some changes that we intend to put in place in the next few months, subject to staff consultation:-

- Nominated Co-ordinators for each locality (district council area). These District Co-ordinators will be existing members of staff and will be tasked with taking an overview of all activity in a district area and seeking opportunities for collaboration across NCC and local stakeholders;
- The Assistant Director Environment and Planning will take the lead on developing the Department's community lead role and an enabling communities approach for the County Council, providing senior capacity to develop and deliver these roles;
- As the first stage of implementing the vision, changes to the Department's senior management structure are proposed which would see a reduction of posts (a reduction of 28% of in scope posts below Assistant Director level is proposed).

Public Health

A public health strategy is being developed. A workshop was held with Community Committee members in December. The outputs from that meeting are included in a separate paper on the agenda. The paper asks the Committee to agree their public health vision, and guiding principles to inform priorities.

The recently announced reductions in the ring fenced public health grant have resulted in resetting the baseline allocation at 6.2% below 2015 - 16, equivalent to a £2.324m reduction. In addition, the funding allocation will be further reduced by 2.2% (£0.925m) in 2016 - 17, 2.5% in 2017 - 18, and 2.6% in each of the two following years.

The Public Health strategy will be agreed by early summer 2016. Emerging strategy aligns public health priorities with the County Council's priorities of Education: health visitors prioritising school readiness and looked after children; Employment: including working with employers to promote workplace health; Infrastructure: working with District Councils to promote health improvement, and Protecting Vulnerable People: providing sexual health, school nurses, drug and alcohol treatment services.

Registration Service

The Registration Service delivers the statutory registration of all births and deaths that occur in the county. No fees can be charged for these two services and there are over 30,000 contacts each year to be delivered for no charge. In addition, the service undertakes the preliminaries to marriage and carries out marriage ceremonies, for which a fee may be charged. The statutory side of the service is building based, since notifications have to be undertaken face to face by County Council staff. Therefore the service cannot by law be outsourced or automated (e.g. delivered on-line), which reduces the opportunities for channel shift. However the service is endeavouring to cut accommodation costs (as detailed below) and to support this strategy the historical records which generate an income through the production of copy certificates have been passed to the Records Office, with the associated costs and income attached.

The service continues to seek to reduce costs and increase income and registrars are part of a corporate project on income generation led by the Director of Communities and Simon Coward, Managing Director of Hethel and this piece of work is still progressing. The council requires the service to produce an income of over £2m to fund the 'no-pay' statutory services and offer up an amount at the end of the financial year. The service is

therefore required to grow income through taking an increasingly commercial approach, both looking outside Norfolk for new business and growing new service offers. The budget proposals agreed for consultation by this Committee include closure of part time offices at Downham Market, Fakenham, Watton and Swaffham and find alternatives for provision in public buildings at no additional cost, which reflects the service strategy of co-location with public estate partners.

11. Recommendations

Members are asked to give their views on:

- The overall strategy for the County Council as set out in this paper.
- The whole-council improvement areas, including the targets in Appendix One.
- The strategy for services covered by this Committee as set out in Section 10.

Officer Contact

If you have any questions about matters contained or want to see copies of any assessments, eg equality impact assessment, please get in touch with:

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If you need this report in large print, audio, Braille, alternative format or in a different language please contact 0344 800 8020 or 0344 800 8011 (textphone) and we will do our best to help.