

Scrutiny Committee

Date: **Wednesday 21 June 2023**

Time: **10 am**

Venue: **Council Chamber, County Hall, Martineau Lane,
Norwich NR1 2DH**

Membership:

Cllr Steve Morpew (Chair)

Cllr Daniel Elmer (V Chair)

Cllr Carl Annison

Cllr Lesley Bambridge

Cllr Phillip Duigan

Cllr John Fisher

Cllr Tom FitzPatrick

Cllr Mark Kiddle-Morris

Cllr Keith Kiddie

Cllr Brian Long

Cllr Ed Maxfield

Cllr Jamie Osborn

Cllr Brian Watkins

Parent Governor Representatives

Vacancy

Vacancy

Church Representatives

Ms H Bates

Mr Paul Dunning

Advice for members of the public:

This meeting will be held in public and in person.

It will be live streamed on YouTube and members of the public may watch remotely by clicking on the following link: [Norfolk County Council YouTube](#)

We also welcome attendance in person, but public seating is limited, so if you wish to attend please indicate in advance by emailing committees@norfolk.gov.uk

We have amended the previous guidance relating to respiratory infections to reflect current practice but we still ask everyone attending to maintain good hand and respiratory hygiene

and, at times of high prevalence and in busy areas, please consider wearing a face covering.

Please stay at home if you are unwell, have tested positive for COVID 19, have symptoms of a respiratory infection or if you are a close contact of a positive COVID 19 case. This will help make the event safe for attendees and limit the transmission of respiratory infections including COVID-19.

A g e n d a

1 To receive apologies and details of any substitute members attending

2 Minutes

(Page 5)

To confirm the minutes of the meeting held on 18 May 2023

3. Members to Declare any Interests

If you have a **Disclosable Pecuniary Interest** in a matter to be considered at the meeting and that interest is on your Register of Interests you must not speak or vote on the matter.

If you have a **Disclosable Pecuniary Interest** in a matter to be considered at the meeting and that interest is not on your Register of Interests you must declare that interest at the meeting and not speak or vote on the matter

In either case you may remain in the room where the meeting is taking place. If you consider that it would be inappropriate in the circumstances to remain in the room, you may leave the room while the matter is dealt with.

If you do not have a Disclosable Pecuniary Interest you may nevertheless have an **Other Interest** in a matter to be discussed if it affects, to a greater extent than others in your division

- Your wellbeing or financial position, or
- that of your family or close friends
- Any body -
 - Exercising functions of a public nature.
 - Directed to charitable purposes; or
 - One of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union);

Of which you are in a position of general control or management.

If that is the case then you must declare such an interest but can speak and vote on the matter.

4 Public Question Time

Fifteen minutes for questions from members of the public of which due notice has been given. Please note that all questions must be received by the Committee Team (committees@norfolk.gov.uk) by **5pm on Thursday 15 June 2023**. For guidance on submitting a public question, please visit <https://www.norfolk.gov.uk/what-we-do-and-how-we-work/councillors-meetings-decisions-and-elections/committees-agendas-and-recent-decisions/ask-a-question-to-a-committee>

5 Local Member Issues/Questions

Fifteen minutes for local member to raise issues of concern of which due notice has been given. Please note that all questions must be received by the Committee Team (committees@norfolk.gov.uk) by **5pm on Thursday 15 June 2023**

6 To note that the deadline for calling-in matters, from the Cabinet meeting held on Monday 5 June 2023 was 4pm on Monday 12 June 2023

7 Update from the Chair of the Norfolk Countywide Community Safety Partnership (Page 14)

8 Strategic and Financial Planning 2024-25 (Page 18) Report from Director of Strategic Finance

9 Finance Monitoring Report 2022-23 Outturn (Page 46) Report from Director of Strategic Finance

10 Scrutiny Committee Forward Work Programme (Page 89) Report from Executive Director of Strategy & Transformation

Tom McCabe
Chief Executive
County Hall
Martineau Lane
Norwich
NR1 2DH

Date Agenda Published: 13 June 2023



If you need this document in large print, audio, Braille, alternative format or in a different language please contact 0344 800 8020 or (textphone) 18001 0344 800 8020 and we will do our best to help.



Scrutiny Committee

**Minutes of the Meeting Held on 18 May 2023
at 10 am at County Hall Norwich**

Present:

Cllr Steve Morphew (Chair)
Cllr Daniel Elmer (Vice Chair)

Cllr Phillip Duigan
Cllr John Fisher
Cllr Mark Kiddle-Morris
Cllr Keith Kiddie
Cllr Brian Long

Cllr Ed Maxfield
Cllr Jamie Osborn
Cllr Brian Watkins
Cllr Tony White (substitute for Cllr Lesly
Bambridge)

**Also, present (who took
a part in the meeting):**

Cllr Maxine Webb
Cllr Kay Mason Billig
Cllr Andrew Jamieson
Cllr Karen Vincent
Harvey Bullen
Paul Cracknell
James Dunne
Sara Tough
James Wilson
Michael Bateman
Kat Hulatt
Peter Randall
Tim Shaw

County Councillor (in attendance for item 9)
Leader and Cabinet Member for Strategy and Governance
Deputy Leader and Cabinet Member for Finance
Deputy Cabinet Member for Children's Services
Director of Strategic Finance
Executive Director of Strategy and Transformation
Assistant Director of Strategy & Transformation (Comms)
Executive Director of Children's Services
Director of Sufficiency, Planning & Education Strategy
Assistant Director SEND Strategic Improvement & Partnerships
Director of Legal Services and Monitoring Officer
Democratic Support and Scrutiny Manager
Committee Officer

**1A Opening remarks by the Chair –Welcome to new Members of the Committee
and thanks to Cllr Lana Hemsall, the former Vice-Chair of the Committee**

- 1A.1** The Chair formally welcomed Cllr Elmer and Cllr Fisher as new members of the Committee and pointed out that Cllr Fitzpatrick had also been appointed to the Committee but had given his apologies for this meeting.
- 1A.2** The Chair placed on record the Committee's thanks to Cllr Lana Hemsall, the previous Vice-chair of the Scrutiny Committee, for all her hard work on behalf of the Committee.

1B Apologies for Absence

- 1B.1** Apologies were received from, Cllr Carl Annison, Cllr Lesley Bambridge, Cllr Tom FitzPatrick, Ms Helen Bates (Church Representative) and Mr Paul Dunning (Church Representative). Apologies were also received from Cllr Penny Carpenter (Cabinet Member for Children's Services).

2 Minutes

The minutes of the previous meetings held on 20 April 2023 were confirmed as an accurate record and signed by the Chair.

3. Declarations of Interest

- 3.1** Cllr Ed Maxfield declared another interest in item 9 because he worked for a charity that benefitted from grant funding from the Council.

4. Public Question Time

- 4.1** There were no public questions.

5. Local Member Issues/Questions

- 5.1** There was one local member issues/question from Cllr Maxine Webb which the Chair agreed the Committee should consider at item 9 on the agenda.

6 Call In

- 6.1** The Committee noted that there were no call-in items.

7 Committee Terms of Reference

- 7.1** The annexed report (7) was received.
- 7.2** The Scrutiny Committee received a report that served as an annual opportunity for members to note and consider the sections of the NCC Constitution that related to the operation and powers of the Scrutiny Committee.
- 7.3** The Committee **RESOLVED:**

To note the following documents with relation to the powers and procedures of the Scrutiny Committee:

- **Excerpt from Part 7 of the NCC Constitution - Overview and Scrutiny Bodies (pg. 115-118).**
- **Excerpt from Part 7A of the NCC Constitution – Overview and Scrutiny**

Procedure Rules (pg. 123-124).

8. County Deal – Consultation Outcomes and Next Steps.

8.1 The annexed report (8) was received.

8.2 The Committee received a report the invited members to consider the County Deal consultation outcomes ahead of Cabinet making a decision on sending the responses on to central government, providing feedback and recommendations where appropriate.

8.3 During discussion of the report with Cllr Kay Mason Billig, (Leader of the Council and Cabinet Member for Strategy and Governance), Cllr Andrew Jamison (Deputy Leader of the Council and Cabinet Member for Finance), Paul Cracknell (Executive Director of Strategy and Transformation) and James Dunne (Assistant Director of Strategy & Transformation (Comms)) the following key points were noted:

- The Executive Director of Strategy and Transformation said that the Government had encouraged the Council to consult with residents, the public, partner organisations and business communities about the proposed deal and to share the outcomes of the consultation with all interested parties.
- The consultation results had been evaluated by a third party thereby ensuring their independence.
- Next steps included holding extensive awareness raising sessions about the outcome of the consultation with County and District Councillors and key staff, followed by the matter being brought back to Cabinet for discussion.
- The timing was currently focused on getting the next stage in the process completed during the summer.
- If Cabinet agreed to share the consultation results with government, government would use them to inform their decision to proceed to the next stage of Norfolk's in principle deal agreement. Full Council would then be asked in December 2023 whether they endorsed the deal and supported the move to an elected leader and cabinet system of governance. If this did not happen, a Level 3 deal would not be possible.
- The Chair said that while he was in favour of devolution, he was not in favour of the devolution deal that was currently on the table. The Chair added that the public appeared to be unclear as to how they were expected to respond to the consultation exercise.
- In reply, the Deputy Leader and Cabinet Member for Finance said that the consultation exercise was a legal process and as such of little interest to Norfolk residents. Residents were, however, interested in understanding what the deal could bring to Norfolk. The responses to the consultation made the Deputy Leader believe that people did understand the important issues.
- Officers were carefully reviewing all the responses to see what else needed to be included in the planning for the implementation of the deal.

- Some Members said that the findings of the consultation had revealed that a county deal this was not a priority issue for Norfolk residents at a time when they were facing cost of living pressures. Because the message lacked clarity about funding it was not surprising that those receiving it were not entirely enthusiastic.
- In reply, officers said that there were responses from over 60 organisations. The detail in the consultation was proportional to the stage that Norfolk was at in the county deal process; each question included links to more resources and documentation. The timing was chosen due to being mindful of holding this exercise before the pre-election period.
- The Leader said that Norfolk County Council had to focus on providing good services to the people of Norfolk. It would have been better to have had more responses however the Council could only encourage people to respond and advertise the consultation as widely as possible. It was written in such a way that everyone could comment on why they agreed with it or not. There were interesting views raised and questions to evaluate.
- Social media had been used to promote the consultation especially to younger people, the youth parliament and colleges.
- Officers said they were satisfied that there was enough activity through social media to let people know that the consultation was taking place. Officers were satisfied that a broad range of organisations had participated in the responses and that they had found it to be meaningful and useful and were happy with the way that the questions were posed. Officers were mindful of the need to track where the responses were coming from geographically to see if promotional activity needed increasing in certain places. This was a significant consultation response compared to the usual consultation responses.
- The responses by demographic and age and geography were shown in the report.
- In a budget consultation, people were more likely to respond if it affected them financially.
- The Chair referred to the costs of the consultation exercise which included officer time that had not been fully costed.
- MEWG would be kept in the consultation loop so Councillors could understand the implications and how this impacted on the LEP.
- Legal Services were satisfied that the consultation was appropriately worded and had been carried out correctly.
- In reply to questions, the Leader said that discussions were continuing with the Districts following the District elections to take account of any change of political view.
- Officers were reviewing what the results meant for issues other than the county deal (for example issues that had been raised about public transport) and these were being evaluated with a view to seeing if there were any possible changes in Council policy for Cabinet to consider.
- On the question of whether Full Council should have early sight of the results of the consultation it was pointed out that Council would always have the final say on whether to move to a directly elected leader. The public

consultation had involved no decision making. The final shape of the governance model was not in the original deal and there would be many opportunities to look at this at Full Council in December.

- It was noted that the internal Members Engagement Working Group (MEWG) were also continuing to explore the issues surrounding the devolution deal. This included councillors from opposition parties. If appropriate this issue could be brought back to Scrutiny Committee before December.

The Committee **RESOLVED** to make no recommendations to Cabinet but to pass on the comments made in these minutes.

9 Local First Inclusion Programme

9.1 The annexed report (9) was received.

9.2 Members of the Committee discussed the report with Cllr Karen Vincent (Deputy Cabinet Member for Children's Services), Sara Tough (Executive Director, Children's Services), James Wilson (Director of Sufficiency, Planning & Education Strategy) and Michael Bateman (Assistant Director SEND Strategic Improvement & Partnerships)

9.3 The Committee also heard from Cllr Maxine Webb, who with the approval of the Chair during the debate of this item asked the following question:

"Since the legal rights of families will remain exactly as they are now, there is a risk of disruption to the Local First Inclusion plan by the SEND Tribunal directing specialist placements and parental requests for EHCP needs assessments. What work is the council going to do with families to restore trust and confidence, and to ensure they do experience the changes in practice and culture that are needed?"

9.4 In reply, Michael Bateman (Assistant Director SEND Strategic Improvement & Partnerships) gave the following reply:

The Local First Inclusion programme had been built on the previous work with parents/carers and professionals within our Area SEND Strategy and Written Statement of Action SEND improvement work and set out an ambition to both increase local mainstream inclusion whilst also continuing to develop more state-funded specialist provision. This programme of work also aligned directly with the government's new plan for SEND nationally within the SEND & AP Improvement Plan. Whilst it was true that the current primary legislation and associated SEND Code of Practice would remain, within the current parliament, both the DfE and NCC had set a very clear expectation within the Local First Inclusion programme that investment within mainstream schools in particular would ensure that the vast majority of support could be made available at SEN Support.

The LA would continue to work with parents/carers and professionals to set out plans to work together on implementation and to regularly assess our progress over

the six-year programme. However, it was equally important that everyone within the 'SEND System' in Norfolk helped with this programme of work as the LA could not achieve these improvements alone. Early Years Settings, Schools and Colleges would need to play their part, as would parent/carer groups and all with an interest in making a reality of this unique opportunity in Norfolk through this new programme of work.

- 9.5** Officers added that Local First Inclusion built on existing improvement work with parent carer groups and was about ensuring officers became more aware of what families and young people needed over and above what the data from project working with partners showed to be the case. Local First inclusion was about going further and doing things faster, co-production with parent carer groups, celebrating improvements that had been made and recognising those improvements that needed to be made. It was important to let families know their needs could be met in local mainstream provision where that was appropriate and that there was enough specialist provision available for those that needed this
- 9.6** Cllr Maxine Webb referred to a statement on page 238 of the agenda that spoke about how the SEND system was not a positive experience for many young children and their families and how the intention of meeting their needs at the lowest tariff of costs possible could be a positive message for parents.
- 9.7** In reply officers said that this was about trying to strike a balance between managing public finances correctly and meeting children's needs in the most appropriate way through working more at individual family level and with parent carer groups to improve confidence in the SEND system.
- 9.8** During debate of the report the following points were made:
- The report set out a major new programme of transformational change which over the next 6 years would transform support for children and their families with SEND and financially benefit the Council by reducing reliance on the independent sector and providing more quality local specialist provision that was recognised by Ofsted as Good and Outstanding and proving to be 'value for money'.
 - Members recognised that the changes set out in report would mean that some children had less distance to travel to reach school.
 - In reply to questions, the Director of Strategic Finance explained the complex process for the repayment of the dedicated schools grant which was set out on page 259 of the report and remained subject to detailed discussions with the DFE. The DFE wanted Councils to own this issue from both a financial point of view and a service prospective: in part, this involved all mainstream schools essentially contributing annual transfers of money from the Schools Block to the High Needs Block and for this to be signed off by the Secretary of State. The Government had put more money into the High Needs bBlock following the Autumn Statement and more was expected in future years. In addition the Local First Inclusion programme was designed to ensure that a far great amount of investment found its way back to mainstream schools than the amount transferred across
 - In reply to further questions, it was pointed out that additional staffing resources would be made available to schools to oversee the Local First Inclusion Programme and that an executive board had been set up to

oversee the programme. This board included six representatives from the Schools Forum and had so far met on two occasions.

- The Local First Inclusion Programme included collaborative working with the health sector across all childrens agendas with an aspiration for health teams to grow their work within school settings in a more coherent way.
- The Chair stated that it was encouraging to note that the report set out the high level risks and mitigations for the programme but also said that “rag rated” risks and outcomes should be included in future reports on this topic.
- In reply to questions from the Chair about the impact of the proposals on the independent sector, Officers said that where there were issues for the viability of independent schools they were being encouraged to engage with the Council about the implementation of the programme and to date there had been positive engagement at individual school level from the initial meetings and this work would continue. It was stated by Officers that the majority of children would continue within their current placements and that the plan was not to move children forcibly to other schools.
- Members asked if the changes might impact on multi academy trusts. Officers said that in their experience they were not aware of any differences in SEND practice in academy or maintained schools, i.e. inclusive schools were found within both ‘sectors’ and vice versa. Following a prompt from Members regarding the authority that the council had with schools Officers did confirm that it was possible to direct schools to admit children regarding SEND when necessary, however, the majority of the Council’s work was to influence their practice and to work as a system with school leader decisions.
- The Council wanted to get to a place where schools were holding each other to account, with school leaders operating in zones where they were able to challenge each other and learn from each other. There were areas in the system where this was already happening.
- The Deputy Cabinet Member, and Members of the Committee, spoke in favour of a proposal from the Chair for setting a new task and finish group to meet on one occasion to examine this complex topic in greater detail. The creation of 15 school zones was a new way of working and the task and finish group would be a good way to delve into this matter in some detail.
- It was pointed out that most children who had to travel more than 2-3 miles to attend a state funded special school received some form of travel assistance; this would be factored in when opening new schools.
- The Chair in moving the recommendations contained in the report and asked for a one meeting task and finish working group to be set up to look at the structure for reporting back on this topic to the Scrutiny Committee and the People and Communities Select Committee, and for this group to be chaired by Cllr Daniel Elmer.

9.9 The Committee RESOLVED:

- a. To note the programme of work detailed within the report, known as Local First Inclusion, including the overall strategy, and provide feedback as set out in these minutes.**
- b. To note the key risks and mitigations of this programme given the system-wide and transformative nature of it, and provide feedback as set out in these minutes.**

- c. That, in considering the proposed programme of annual reports to Scrutiny Committee and bi-annual reports to the People and Communities Select Committee, People and Communities Select Committee be asked to agree to the setting up of a one meeting Task and Finish Working Group, chaired by Cllr Daniel Elmer, to look at how this is done.

10 Performance Review Panels – Quarterly Update

- 10.1 It was noted that this item had been withdrawn from the agenda.

11 Appointment to the Norfolk Countywide Community Safety Partnership – Scrutiny Sub Panel

- 11.1 The Committee received a report (with the supplementary agenda) that asked Members to appoint 3 County Council members (2 Conservative and 1 Labour) to represent the County Council on the Countywide Community Safety Partnership Scrutiny Sub Panel. A copy of the terms of reference for the Sub Panel were attached at Appendix A to the report.

- 11.2 The Chair asked for a further letter to be sent to the Norfolk District Councils reminding them of the importance of the work of the Sub Panel and of their participation at its meetings.

- 11.3 It was **RESOLVED**

That Norfolk Countywide Community Safety Partnership Scrutiny Sub Panel keep with its existing membership.

12 Scrutiny Committee Forward Work Programme

- 12.1 The annexed report (9) was received.

- 12.2 It was noted that a training session about the future work programme had been held before recent changes were made in the membership of the Committee. It was pointed out that it was possible for new members to add items to the work programme: suggestions that the forward work programme be amended to include consideration of consultation processes (considered at item 8 on this agenda), and the work of the Norfolk Integrated Domestic Abuse Service, would be examined with appropriate officers and reported back to the Committee.

- 12.3 **RESOLVED**

That the Committee:

Note the current forward work programme as set out in the appendix to the report subject to the comments made above.

The meeting concluded at 13.10 pm

Chair

Scrutiny Committee

Item No: 7

Report title: Update from the Chair of the Norfolk Countywide Community Safety Partnership (NCCSP) Scrutiny Sub Panel

Date of meeting: 21 June 2023

Responsible Cabinet Member: N/A

Responsible Director: Tom McCabe (Chief Executive)

Executive Summary

The Scrutiny Committee is asked to consider an update from the Chair of the NCCSP Scrutiny Sub Panel, Cllr Mark Kiddle-Morris.

Recommendations:

To consider the progress being made by the Scrutiny Sub Panel and what recommendations (if any) it might make for its future work.

1. Background and Purpose

- 1.1 In June 2011 the Home Secretary gave permission for the seven Community Safety Partnerships (CSPs) in Norfolk to formally merge into one CSP for the whole of the county. Responsibility for scrutiny of the Norfolk Countywide Community Safety Partnership (NCCSP or “the Partnership”) lies with the County Council and this statutory scrutiny function is set out at paragraph 4 of Appendix 2A of the County Council’s Constitution, which can be viewed [here](#). Since the change of governance arrangements at the County Council in May 2019 this role has been undertaken by the Scrutiny Committee, through a dedicated Scrutiny Sub Panel.
- 1.2 Since the last update, the NCCSP Scrutiny Sub Panel (the “Sub Panel”) has met once, on 8 June 2023. The [agenda for the June Scrutiny Sub Panel meeting is available to view](#). The minutes will be published in due course.

2. Chair and Vice-Chair 2023-24

- 2.1 Councillor Mark Kiddle-Morris (Norfolk County Council) was elected Chair for the year and Councillor Penny Carpenter (Great Yarmouth Borough Council) was elected Vice-Chair.

3. Terms of Reference

- 3.1 The Scrutiny Sub Panel endorsed the existing Terms of Reference.

4. Introduction to the Norfolk Countywide Community Safety Partnership (NCCSP)

- 4.1 The Scrutiny Sub Panel received an introduction to the NCCSP, which had been requested by the Scrutiny Sub Panel to support councillors' understanding of what the Partnership is, how it functions and effects change. It also included an overview of the transformation work that has taken place over the last three years. This was presented as a case study that had been shared with the Home Office as part of the Partnership's response to the recent national consultation on Community Safety Partnerships and anti-social behaviour powers. During discussion, the Community Safety Team was commended on the transformation work that it had led.
- 4.2 In addition to asking questions, councillors challenged the Partnership on several matters, including:
- Communication: how the Partnership could do more to raise awareness of the range and depth of its work; how it could use lived experience to develop its engagement strategy;
 - Grant funded projects: how inflation has affected the delivery of grant funded projects; how the Partnership evaluates their impact and captures the views of local communities to support the evaluation.
- 4.3 The Community Safety Team acknowledged the challenges and agreed to raise them with the Partnership and address them in future reports to the Panel.
- 4.4 The Scrutiny Sub Panel also received an overview of what happens following a domestic homicide to inform them and support them in their community role. During discussion, councillors raised several matters for the Partnership to consider, including:
- The importance of promoting and re-using material that has already been developed to continue to raise awareness of domestic abuse, such as the HEAR (Help Educate Awareness Respond) campaign and "Things Need to Change" short films;
 - The importance of continuing to educate young people around healthy relationships and consent, ensuring that the misogynistic attitudes displayed by some popular influencers are addressed;
 - The impact that education programmes are having and whether they are reaching those who really need them.
- 4.5 The Scrutiny Sub Panel noted the information provided and made the following recommendations to the Partnership:
- 1) That as part of its next report on the topic, it should describe any challenges or barriers to the action points arising from the Thematic Review of Norfolk Domestic Homicide Reviews (DHRs);

2) That as part of its next report on the topic, it should explain how effectively police powers to protect victims of stalking and harassment are being used to intervene and take action against perpetrators of domestic violence.

4.6 The following matters are programmed for consideration on 28 September 2023:

- An update on the strategic plans for community safety – the development of the NCCSP Strategic Plan.
- Partnership Priority: Serious Violence
 - A full report on the Partnership's thematic review of Norfolk DHRs, together with further information on Domestic Violence Change Champions to explain how they are working in practice in Norfolk.
 - An overview of the Partnership's response to the new Serious Violence Duty.

5. Proposal

5.1 To consider the progress being made by the Scrutiny Sub Panel and what recommendations (if any) the Scrutiny Committee might make for its future work.

6. Impact of the Proposal

6.1 Regular review by the Scrutiny Committee will strengthen the governance of the Partnership's activity and support effective scrutiny.

7. Financial Implications

7.1 None.

8. Resource Implications

8.1 **Staff:** None.

8.2 **Property:** None.

8.3 **IT:** None.

9. Other Implications

9.1 **Legal Implications:** None.

9.2 **Human Rights implications:** None.

9.3 **Equality Impact Assessment (EqIA) (this must be included):** None.

9.4 **Data Protection Impact Assessments (DPIA):** None.

9.5 **Health and Safety implications (where appropriate):** None.

9.6 **Sustainability implications (where appropriate):** None.

9.7 **Any other implications:** None.

10. Risk Implications/Assessment

10.1 N/A.

11. Select Committee comments

11.1 N/A.

12. Recommendations

12.1 To consider the progress being made by the Scrutiny Sub Panel and what recommendations (if any) it might make for its future work.

13. Background Papers

13.1 None.

Officer Contact

If you have any questions about matters contained in this paper, please get in touch with:

Officer name: Jo Martin

Tel no.: 01603 223814

Email address: jo.martin@norfolk.gov.uk



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.

Scrutiny Committee

Item No: 8

Report Title: Strategic and Financial Planning 2024-25

Date of Meeting: 21 June 2023

Responsible Cabinet Member: Cllr Andrew Jamieson (Cabinet Member for Finance)

Responsible Director: Harvey Bullen, Director of Strategic Finance

Executive Summary

This report supports the Committee's scrutiny of the Council's process for developing the 2024-25 Budget, and in particular represents an opportunity for the Committee to consider the overall timeline and activity required to deliver a balanced budget.

Recommendations

The committee is asked to:

1. **Consider the attached Cabinet report, providing feedback and recommendations to officers where appropriate.**
2. **Consider the proposed strategic and financial planning timeline presented by officers and outline the role of scrutiny moving forward.**
3. **Agree the proposed approach for budget scrutiny and outline areas for particular focus as part of budget 'deep-dives' in the run up to council adopting the proposed budget in February 2024.**

1. Background and Purpose

- 1.1. At the Cabinet meeting held on the 5 June 2023, Cabinet Members received the appended paper: Strategic and Financial Planning 2024-25 (Appendix A). The minutes and associated papers for this meeting, including the summary of decisions notice can be found [here](#).
- 1.2. At the request of the Chairman and Vice-Chairman, this has been brought to scrutiny to ensure effective and timely oversight of the 2024-25 budget setting process.
- 1.3. In particular, the appended Cabinet report updates members on:

- The Medium Term Financial Strategy (MTFS) 2023-28, including details of assumptions about pressures and challenges within the financial model.
 - The financial context for budget setting including the Spending Review 2021, Autumn Budget 2022 and DLUHC Policy Statement, which provided indications of the medium term financial envelope within which local authorities will operate for 2024-25, and the implications for Norfolk County Council's 2024-25 budget.
 - The wider financial and organisational context underpinning the process of developing the 2024-25 budget.
 - An overview of the proposed budget setting process and the proposed savings targets, broken down by department.
- 1.4. This is an annual item that will support the Scrutiny Committee in its duty to provide oversight and challenge to the council's process for developing the 2024-25 budget. It represents the first opportunity for the Committee to engage with the budget setting process and outline expectations for future Scrutiny.
- 1.5. The Chair has proposed a change to the way in which the Scrutiny Committee provides challenge to the annual budget setting process. If agreed by the committee, this would include three further 'deep dive' looks at specific areas of financial policy. These would coincide with existing budget updates to the Scrutiny Committee where possible. Members are asked to consider which areas these deep dive sessions should focus on.
- 1.6. Scrutiny Members have a duty to provide effective 'critical friend' challenge to the annual budget process, ensuring sound financial decision making by reviewing how NCC resources are allocated, and exploring the integration between financial and service planning. Members of the Scrutiny Committee are asked to consider the proposed timeline set out below (excerpted from pg. 12, para. 3.4 of the appended report) and determine whether any additional Scrutiny activity is required.

Budget Setting Timeline 2024-25 as considered by Cabinet 5 June 2023

2024-25 Planned Activity	Time frame
Cabinet review of the financial planning position for 2024-28 – including formal allocation of targets	5 June 2023
Scrutiny Committee	21 June 2023
Select Committee input to development of 2024-25 Budget – strategy	w/c 10 July 2023
Review of budget pressures and development of budget strategy and detailed savings proposals 2024-28 incorporating: <ul style="list-style-type: none"> • Budget Challenge 1 (18 July 2023) – context / strategy / approach / outline proposals 	April to December 2023

<ul style="list-style-type: none"> Budget Challenge 2 (5 September 2023) – detail and final proposals Budget Challenge 3 (12 December 2023) – if required 	
Cabinet approve final proposals for public consultation	2 October 2023
Scrutiny Committee	18 October 2023
Public consultation on 2024-25 Budget proposals, council tax and adult social care precept	Late October to mid December 2023
Select Committee input to development of 2024-25 Budget – comments on specific proposals	w/c 13 November 2023
<i>Government Autumn Budget</i>	<i>TBC October / November 2023</i>
<i>Provisional Local Government Finance Settlement announced including provisional council tax and precept arrangements</i>	<i>TBC December 2023</i>
Cabinet considers outcomes of service and financial planning, EQIA and consultation feedback and agrees revenue budget and capital programme recommendations to County Council	29 January 2024
Confirmation of District Council tax base and Business Rate forecasts	31 January 2024
<i>Final Local Government Finance Settlement</i>	<i>TBC January / February 2024</i>
Scrutiny Committee 2024-25 Budget scrutiny	14 February 2024
County Council agrees Medium Term Financial Strategy 2024-25 to 2027-28, revenue budget, capital programme and level of council tax for 2024-25	20 February 2024

2. Evidence and Reasons for Decision

- 2.1 The Council is legally required to set a balanced budget annually. The appended Cabinet report outlines the wider financial and organisational context underpinning the 2024-25 budget setting process.

3. Alternative Options

- 3.1 Highlighted in appended report.

4. Financial Implications

- 4.1 Financial implications are discussed throughout the appended report. The Cabinet paper sets out activity associated with developing the 2024-25 County Council budget.

5. Resource Implications

5.1 Staff:

Highlighted in the appended report.

5.2 Property:

Highlighted in the appended report.

5.3 IT:

Highlighted in the appended report.

6. Other Implications

6.1 Legal Implications:

Highlighted in the appended report.

6.2 Human Rights Implications:

Highlighted in the appended report.

6.3 Equality Impact Assessment (EqIA) (this must be included):

Highlighted in the appended report.

6.4 Data Protection Impact Assessments (DPIA):

Highlighted in the appended report.

6.5 Health and Safety implications (where appropriate):

Highlighted in the appended report.

6.6 Sustainability implications (where appropriate):

Highlighted in the appended report.

6.7 Any Other Implications:

None identified.

7. Risk Implications / Assessment

7.1 Highlighted in appended report.

8. Select Committee Comments

8.1 The Select committees are included as part of the proposed timeline for setting the 2024-25 budget, and will be included in discussions in July and October around the implications for their relevant service areas, which will then be reported back to Cabinet to inform budget setting discussions.

9. Recommendations

To:

1. Consider the attached Cabinet report, providing feedback and recommendations to officers where appropriate.
2. Consider the proposed strategic and financial planning timeline presented by officers and outline the role of scrutiny moving forward.
3. Agree the proposed approach for budget scrutiny and outline areas for particular focus as part of budget 'deep-dives' in the run up to council adopting the proposed budget in February 2024.

10. Background Papers

10.1 Appendix A – Strategic and Financial Planning 2024-25

Officer Contact

If you have any questions about matters contained within this paper, please get in touch with:

Officer name: Peter Randall, Democratic Support and Scrutiny Manager

Telephone no.: 01603 307570

Email: Peter.randall@norfolk.gov.uk



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.

Cabinet

Item No: 8.1

Decision making report title: Financial and Strategic Planning 2024-25

Date of meeting: 5 June 2023

Responsible Cabinet Member: Cllr Andrew Jamieson (Deputy Leader and Cabinet Member for Finance)

Responsible Director: Harvey Bullen, Director of Strategic Finance

Is this a key decision? Yes

If this is a key decision, date added to the Forward Plan of Key Decisions: 18 April 2023

Introduction from Cabinet Member

This report marks the formal start of the Council's annual budget setting process for 2024-25. The 2023-24 Budget and Medium Term Financial Strategy agreed by the Council in February 2023 provide a sound foundation upon which to develop the 2024-25 Budget, but it is nevertheless essential for the Council to have a robust plan in place to enable the preparation of a balanced and sustainable budget. It is the Budget, through the allocation and prioritisation of resources, which provides the framework that enables the achievement of the organisation's key ambitions alongside the delivery of vital services. It is the intention of Cabinet to work with Departments to ensure that savings, (particularly those from the Strategic Review), and pressures linked to demand and demography, are sufficiently robust, so as to ensure that any rise in Council tax is kept to a minimum.

It remains the case that there is significant uncertainty about funding for 2024-25 onwards, in spite of the Government's Policy Statement published shortly before the 2023-24 Finance Settlement. In this context, and in particular recognising the wider pressures both on demand and within the economy, we must continue to safeguard the delivery of the essential local services which are used and relied on by so many of the County's residents, businesses and visitors.

This report therefore sets out the framework for how the Council will approach budget setting for 2024-25 and should be read in conjunction with the 2022-23 Financial Outturn report elsewhere on the agenda. The proposed approach to budget setting will be informed by the key objectives set out in the Better Together, for Norfolk strategy and as such the Budget represents one of the key building blocks contributing to the delivery of the Council's strategy and direction over the next few years.

Executive Summary

The Council has a robust and well-established process for annual budget setting, including the development of savings proposals, and the scrutiny and challenge of all elements of the budget. This report sets out proposals for how this can be further refined with a greater emphasis on balancing the financial position over the Medium-Term Financial Strategy (MTFS) period, whilst maintaining the focus on delivering a prudent and transparent approach to budgeting for 2024-25. The proposed approach incorporates the usual required key elements such as public consultation, Scrutiny, and engagement with Select Committees. This report proposes the Budget planning cycle for 2024-25 to start immediately and to be undertaken in parallel with both the implementation of the strategic review changes during 2023-24, and the identification of further opportunities from the future phases of this work.

As part of 2024-25 Budget setting, a thorough review of identified future cost pressures will also be required. It is particularly important to recognise that the 2023-24 Budget included exceptional levels of inflationary growth pressure, which will not be sustainable in future years, but which reflected the wider operating and economic environment. There may be opportunities to draw back on some of these 2023-24 pressures and this will need to be kept under review as budget monitoring for the year progresses. In addition, the 2023-24 position was supported by significant one-off measures including use of reserves, which (although lower than in the 2022-23 Budget) still represent a challenge to be addressed in future years. As has been previously identified, the ongoing reliance on reserves does not represent a sustainable long-term approach.

As in previous years, the wider budget position remains the subject of high levels of uncertainty, although Government has provided some indications about the intentions for local government funding in 2024-25 within the [DLUHC Policy Statement](#). In this context, this report sets out details of a proposed budget planning process for 2024-25 but recognises that as always there may be a need for some flexibility. The report accordingly provides a summary of key areas of wider risk and uncertainty for Cabinet to consider. This report should be read in conjunction with the Finance Monitoring 2022-23 Outturn Report to Cabinet elsewhere on this agenda.

Recommendations:

Cabinet is recommended:

- 1. To consider the overall budget gap of £126.522m included in the Medium Term Financial Strategy (MTFS) set by Full Council in February 2023, and agree:**
 - a. the gap of £46.216m to be closed for 2024-25; and**
 - b. the extension of the MTFS by a further year (to 2027-28), adding a further £18.689m to the gap and resulting in additional pressure assumptions to be addressed and leading to an overall gap for planning purposes of £145.211m over the next four years. (Section 2).**

2. To review the key budget risks and uncertainties as set out in this report. (Section 10).
3. To consider the principles of the proposed approach to budget setting for 2024-25, noting that there may be a need for flexibility within both the process itself and the assumptions applied, and agree:
 - a. the process and indicative timetable set out in Section 3, including the proposed consultation process for 2024-25.
 - b. that there should be a detailed review of cost pressures and growth already provided within the Budget (including 2023-24 inflation provisions) against actual costs experienced to identify any opportunities for budget reduction.
 - c. the minimum savings targets allocated to each Department to be found (Table 8), and that these will be kept under review throughout the budget process.
4. To approve the initial budget virements for 2023-24 as set out in Appendix 1, reflecting budget transfers for whole services between departments as a result of the Strategic Review, while noting:
 - a. The virements do not change the overall Council Budget.
 - b. That there will be further 2023-24 budget virements as a result of the Strategic Review, which will be reported for approval as required later in the year through regular financial reporting to Cabinet.

1. Background and Purpose

- 1.1. In recent years the significant and sustained reductions experienced in Central Government funding to Local Government have lessened, with more generous funding settlements being provided since 2021-22. However, much of the new funding was initially for adult social care reforms and was accompanied by an increasing expectation that local authorities will raise resources locally (through council tax). Alongside this, there continues to be a significant gap between funding and service pressures driven by a complex mix of factors including demographic changes, unfunded burdens such as the National Living Wage, the needs of the people who draw upon social care services becoming increasingly complex, and by the wider economy including (more recently) the abnormally high levels of inflation.
- 1.2. Children's services, in both social care and education remain under very significant stress. Long delayed reforms within Adult Social Care, and changing expectations alongside the forthcoming new inspection regime, represent another key challenge. Other Council services also remain subject to significant financial stress, for example as a result of increasing energy and fuel costs which have a widespread impact across service delivery and

commissioned services. These in their turn have a knock on effect by increasing the pressure placed on discretionary and preventative services both in relation to the need for these to stem and reduce demand, and because these are often the areas called upon to make budgetary savings.

- 1.3. The Council's February 2023 MTFS identified that the Council, in common with other upper tier local authorities, needs to address a material budget shortfall in 2024-25. Although the forecast 2024-25 gap is lower than the one closed to deliver the balanced 2023-24 Budget, it remains a significant challenge. Simultaneously, as set out in this report, there remain uncertainty about the level of funding for 2024-25 and the potential for additional pressures to emerge during the budget setting process. Although the Council's track record of delivering a balanced budget, coupled with a robust budget planning approach, provides a solid basis for development, it is prudent to begin comprehensive planning for 2024-25 now.
- 1.4. As has been the case in recent years, it is anticipated that the Council will not receive any further detailed information about funding allocations for 2024-25 until autumn 2023 at the earliest (and probably December 2023). Almost all of the Government's planned reform of local government funding has been delayed until at least 2025-26 and it is therefore unlikely that the 2024-25 Settlement will provide any sort of multi-year allocation which would support the Council to develop its financial strategy with greater planning certainty. As a result, the overall level of uncertainty means that budget setting for 2024-25, and the wider financial environment for local government, is set to remain highly challenging.
- 1.5. The Chancellor of the Exchequer announced the Government's [2023 Spring Budget](#) on 15 March 2023, but this did not include further significant policy announcements in terms of local government funding, which would impact on the budget position.
- 1.6. Therefore, as in previous years, this report represents the start of the Council's process for setting the 2024-25 Budget and developing the associated Medium Term Financial Strategy (MTFS). The report sets out the context and a proposed approach to budget setting including:
 - A summary of the Budget and MTFS approved by Full Council in February 2023, including the savings already planned for future years.
 - An overview of the significant remaining uncertainties facing local government finances.
 - The MTFS position for 2024-25 onwards as agreed in February 2023, extended for a further year to support 2024-25 Budget setting.
 - A proposed timetable for 2024-25 Budget setting including the recommended approach to public consultation.
 - Proposed savings targets by Department, representing the minimum target to be sought in order to enable Member choice about the ultimate budget decisions to be made in February 2024.

- 1.7. Ultimately this report is intended to support the Council in preparing the 2024-25 Budget and identifying savings which will assist in delivering a balanced budget for the year.

2. Budget context and Medium Term Financial Strategy

- 2.1. On 21 February 2023, the County Council approved the 2023-24 Budget and Medium Term Financial Strategy (MTFS) to 2026-27. Based on currently available information, the **MTFS set out a budget gap of £126.522m over the period 2023-24 to 2026-27** based on an assumption that the funding allocations set out in the 2023-24 final Local Government Finance Settlement¹ would be broadly “rolled over” for 2023-24 and beyond.
- 2.2. Collectively the Spending Review 2021, Autumn Budget 2022 and DLUHC Policy Statement provided indications of the medium term financial envelope within which local authorities will operate for 2024-25, but the Final Local Government Finance Settlement 2023-24 itself only set out funding allocations for one year. The failure to publish full medium term funding forecasts is disappointing and impacts on the Council’s ability to plan over the longer term. The further significant delay to long awaited funding reforms (until at least 2025-26), alongside the absence of any detail at this stage about the likely terms of reference for this funding review, only serves to add further uncertainty to the Council’s financial planning and associated forecasts.
- 2.3. Announcements in the Final Settlement were broadly in line with overall planning assumptions, or were accompanied by associated spending pressures, such as the National Living Wage. As a result the 2023-24 Settlement enabled the Council to prepare a balanced 2023-24 Budget but was not sufficient to support a balanced position over the life of the MTFS. The Council therefore continues to expect to need to draw on its earmarked reserves over the period covered by the MTFS. This includes a significant draw on one-off resources in 2023-24, continuing the trend seen in the previous year 2022-23. This is not however a sustainable position in the longer term. Although some contributions into reserves will be made, this mainly reflects the timing of spend funded from specific grants. Current planning does not include any draw on the Council’s general balances, which are planned to be maintained at the minimum level of at least 5% of the net revenue budget. The use of reserves is also in part a reflection of the various severe cost pressures and challenges in achieving planned savings, which the Council faces across almost all service areas. It is important to recognise that as a result, the Council is not in a position to be able to remove or reverse any of the saving proposals agreed as part of the 2023-24 budget, including those savings which are due for implementation during 2024-25.
- 2.4. The table below sets out the high level MTFS position as agreed in February 2023, which has been updated to reflect the addition of a further financial year

¹ <https://www.gov.uk/government/collections/final-local-government-finance-settlement-england-2023-to-2024>

\\Norfolk.gov.uk\nccdfs1\Resources-TEAMS\Democratic Services\Committee Support\COMMITTEES - current\Scrutiny Committee\Agendas and pre-agendas\Agendas and pre agenda\2023\230621\Finals\8.1 Strategic and Financial Planning - Saving targets.docx

(for 2027-28) to the planning period in order to maintain the Council's usual four year MTFS horizon.

2.5. As previously stated, the Medium Term Financial Strategy (MTFS) agreed in February 2023 set out a gap of £126.522m for the period including **a gap of £46.216m for the first year, 2024-25**. Extending the MTFS for an additional year, 2027-28, based on the same broad assumptions, adds a further £18.689m to the gap to be addressed, resulting in **a total revised gap of £145.211m for the MTFS**. The forecast gap for 2024-25 remains unchanged.

Table 1: Extended MTFS 2023-24 to 2027-28

	2023-24	2024-25	2025-26	2026-27	2027-28
	£m	£m	£m	£m	£m
Growth Pressures					
Economic and inflationary	41.528	25.471	22.737	23.293	24.495
Legislative requirements	31.069	6.760	-0.200	0.000	0.000
Demand and demographic	20.495	42.150	37.150	37.010	11.000
Policy decisions	55.746	0.776	-1.543	2.078	0.000
Funding decreases	16.115	0.628	0.000	0.000	0.000
Savings and funding increases					
Identified savings	-59.704	6.197	-0.669	-2.285	0.000
Funding increases	-75.665	-8.352	0.000	0.000	0.000
Council tax changes	-29.584	-27.414	-20.949	-16.316	-16.807
Forecast Gap (Surplus)/Deficit	0.000	46.216	36.526	43.781	18.689

2.6. The gap in 2024-25 is substantially being driven by the elements set out in the table below. Further details of MTFS assumptions are also provided below.

2.7. It should be noted that the 2027-28 gap is smaller than that forecast up to 2026-27 as it does not include provision for future service cost pressures which have been assumed within the MTFS position. The final year gap may therefore increase when it is further reviewed in future, informed by the actual pressures identified for 2024-25 to 2026-27.

Table 2: Commentary on 2024-25 MTFS pressure assumptions

	2024-25 £m	Detail
Economic and inflationary pressures	25.471	Pay assumed at 4% for 2024-25 equates to £13.0m, price inflation of £12.5m includes £7.0m Adult Social Care, £3.2m Children's Services.
Legislative requirements	6.760	£7.0m relates to Adult Social Care pay and price market pressures (including National Living Wage), offset by small reversal in CES.
Demand and demographic pressures	42.150	£5.5m relates to Adults demographic growth. £9.5m Children's Services demographic growth (including £2.5m Home to School transport pressures). £2.0m relates to waste tonnages. £25m held centrally as provision for anticipated service growth.
Council policy decisions	0.776	Reversals of one-off items in services part offset by MRP and treasury pressures.
Net total pressures	75.157	
Funding decreases	0.628	Reflects assumed loss / removal of New Homes Bonus Grant. Significant uncertainty exists around other Government funding within the Settlement. Assumption for 2024-25 is a broad rollover of 2023-24 as indicated by DLUHC Policy Statement .
Net reversal of one-off 2023-24 savings	6.197	Reversal of one-off savings, including use of reserves, in Adults, CES and Finance General budgets.
Total	81.982	Pressures, saving reversals and funding decreases

2.8. A summary of budget growth and other changes currently incorporated in 2024-25 planning are shown in the table below by Department. This reflects the high level changes following the restructuring of Finance and Commercial Services (see [Appendix 1](#) for further details).

Table 3: 2024-25 MTFs net budget by Department

	Adult Social Services £m	Children's Services £m	Community and Environmental Services £m	Strategy and Transformation £m	Finance £m	Total £m
Base Budget 2023-24	249.526	232.593	191.754	22.941	-203.107	493.707
Growth						
Economic / Inflationary	9.183	6.412	4.707	0.965	4.204	25.471
Legislative Requirements	7.010	0.000	-0.250	0.000	0.000	6.760
Demand / Demographic	5.500	9.500	2.150	0.000	25.000 ²	42.150
NCC Policy	-2.000	-0.540	-1.350	-0.281	4.947	0.776
Funding Reductions	0.000	0.000	0.000	0.000	0.628	0.628
Cost Neutral Increase	0.000	0.000	0.000	0.000	0.000	0.000
Total Budget Increase	19.693	15.372	5.257	0.684	34.779	75.785
Reductions						
Total Savings	2.700	0.088	2.819	0.050	0.540	6.197
Funding Increases	-15.364	0.000	0.000	0.000	7.012	-8.352
Cost Neutral Decrease	0.000	0.000	0.000	0.000	0.000	0.000
Total Budget Decrease	-12.664	0.088	2.819	0.050	7.552	-2.155
Base Budget 2024-25	256.555	248.053	199.830	23.675	-160.776	567.337

Funded by: Council Tax	-521.121
Collection Fund Surplus	0.000
Total	-521.121
Budget Gap	46.216

² Growth provision to be allocated to services based on review of actual pressures, business case and prioritisation during 2024-25 budget-setting process.

\\Norfolk.gov.uk\nccdfs1\Resources-TEAMS\Democratic Services\Committee Support\COMMITTEES - current\Scrutiny Committee\Agendas and pre-agendas\Agendas and pre agenda\2023\230621\Finals\8.1 Strategic and Financial Planning - Saving targets.docx

2.9. The key assumptions underpinning the forecast gap in the current MTFS position include:

- Planned savings of £56.460m being delivered over the MTFS period:

Table 4: Savings in MTFS by Department

	2023-24 £m	2024-25 £m	2025-26 £m	2026-27 £m	2023-27 £m
Adult Social Services	-28.040	2.700	-2.500	-2.000	-29.840
Children's Services	-12.517	0.088	0.050	0.000	-12.379
Community and Environmental Services	-10.904	2.819	0.570	-0.045	-7.560
Strategy and Transformation	-2.542	0.050	1.571	0.000	-0.921
Finance	-5.700	0.540	-0.360	-0.240	-5.760
Savings total	-59.703	6.197	-0.669	-2.285	-56.460

- Government funding will be broadly flat in 2024-25 (i.e. essentially a rollover of 2023-24 funding levels). This assumption includes Settlement Funding (RSG, business rates), Rural Services Delivery Grant, Social Care Grant(s), Better Care Fund / improved Better Care Fund, Public Health Grant and Services Grant.
- Cost pressures for 2024-25 including:
 - 4% for pay inflation in 2024-25 and 3% thereafter.
 - Non-pay inflation in line with contractual rates or CPI forecasts where appropriate totalling £12.5m in 2024-25. It should be noted that **the MTFS assumes a material reduction in inflationary pressures compared to the level provided for in the 2023-24 Budget.**
 - Demographic growth pressures for Adults, Childrens, Waste totalling £17m in 2024-25, plus a contingency **assumption of £25m for further pressures.** If identified pressures exceed this level, there will be a need to find equivalent additional savings to achieve a balanced Budget position for 2024-25. Equally however, if any of this provision is not required, it will enable the level of savings sought to be reduced.
- Increases in council tax over the MTFS period, including **an assumed 4.99% increase in 2024-25 for planning purposes** as agreed by Full Council in February 2023 and shown in the following table. It should be noted that **every 1% change in council tax assumptions increases or decreases the budget gap by approximately £4.9m in 2024-25.**

Table 5: MTFS council tax assumptions

2.10. The council tax assumptions shown are those agreed by Full Council in February 2023.

	2024-25	2025-26	2026-27	2027-28
	£m	£m	£m	£m
Council tax increase	-14.841	-10.474	-10.895	-11.223
Council tax collection fund	2.268	0.000	0.000	0.000
Council tax base	-4.914	-5.211	-5.421	-5.584
Council tax ASC precept	-9.927	-5.263	0.000	0.000
Total	-27.414	-20.949	-16.316	-16.807

	2024-25	2025-26	2026-27	2027-28
Band D %	2.99%	1.99%	1.99%	1.99%
ASC Precept % ³	2.00%	1.00%	0.00%	0.00%
Tax base % change assumption	1.00%	1.00%	1.00%	1.00%

2.11. The net budget within the approved MTFS is shown below.

Table 6: MTFS Net Budget by Department

	2023-24	2024-25	2025-26	2026-27	2027-28
	£m	£m	£m	£m	£m
Adult Social Services	249.526	256.555	269.342	282.680	298.500
Children's Services	232.593	248.053	258.194	268.118	278.400
Community and Environmental Services	191.754	199.830	207.359	214.335	221.615
Strategy and Transformation	22.941	23.675	24.828	25.935	26.967
Finance	-203.107	-160.776	-134.912	-106.160	-105.079
Total Net Budget	493.707	567.337	624.811	684.908	720.403
Council Tax	-493.707	-521.121	-542.070	-558.386	-575.193
Budget Gap (cumulative)	0.000	46.216	82.741	126.522	145.211

3. Proposals

3.1. The following principles for 2024-25 budget setting are proposed:

- **Two rounds of Budget Challenge** (initial proposals in July and detailed proposals in September).
- **Allocation of the £46m saving target:**

³ DLUHC Policy Statement confirms the expectation for the ASC Precept to be available in 2024-25 at the same level as 2023-24, however decisions about the Precept offer are made annually by Government and there is currently no indication whether it will continue for 2025-26 onwards.
 \\Norfolk.gov.uk\nccdfs1\Resources-TEAMS\Democratic Services\Committee Support\COMMITTEES - current\Scrutiny Committee\Agendas and pre-agendas\Agendas and pre agenda\2023\230621\Finals\8.1 Strategic and Financial Planning - Saving targets.docx

- **An efficiency target of 3% applied to support services' "controllable spend"** (Strategy and Transformation and Finance)
- **The remainder of the £46m target for 2024-25 allocated based on analysis of "controllable spend"** approach consistent with previous years, resulting in a savings target for all Council Departments.
- **Budget planning to cover the period 2024-25 to 2027-28** (extending the current Medium Term Financial Strategy (MTFS) by one year).
- Seek to identify proposals to address forecast future year budget gaps, with the aspiration to achieve a **balanced position over the whole MTFS**. In order to support this and encourage longer term, sustainable savings, it is proposed that the Budget process seek to address the targets for each department for all years of the MTFS. Therefore **a mechanism will be developed to ensure any savings a department proposes for future years are recognised in that future year's target setting rather than being "lost"; any additional pressures which arise are applied in the same ratio; and any one off savings come back in the future year targets for that department.**
- To closely scrutinise any requests for additions to the Capital Programme for 2024-25 requiring additional borrowing to consider the value for money of proposals and assess their impact on the affordability of the revenue budget and MTFS, ensuring that borrowing levels are maintained within appropriate prudent limits and the revenue budget remains robust.
- Select Committees to have a role as part of the budget-setting process, considering areas for savings in July 2023 and commenting on detailed proposals in November 2023.
- Final decisions about the 2024-25 Budget to be taken in February 2024 in line with the budget setting timetable as set out below.

3.2. It is proposed that the approach to budget development should include:

- A review of all current pressures with a view to reducing the level required, which will include a process to challenge, understand, and approve all growth within 2024-25 Budget planning;
- A requirement that a business case is submitted for requests to access the £25m growth provision held corporately and that this will be subject to a prioritisation process as part of Budget Challenge;
- A review of all earmarked revenue reserves with a view to releasing funding where possible (noting that this would provide a one-off gain which would impact on the future year gap);
- A review of the Council's commercial opportunities, including scope to achieve increased income;
- A review to consider the scope to extend existing saving proposals;
- Identification of new savings against the minimum target of £46.200m to enable Member choice;
- Consideration of opportunities for greater integration between performance reporting, business planning, and budget development; and
- An additional target of £10m to be delivered by the Strategic Review (SR) in 2024-25. It is proposed that any savings to contribute towards this SR target

should be brought forward through departmental saving development (i.e. the £10m forms part of the full £46m saving target allocated out).

- Consideration of the impact and budget requirements in relation to progress towards the proposed [County Deal](#).

3.3. It should be noted that the changes during the budget setting process may result in the saving targets currently allocated to Services being revised (and potentially materially increased) in the event that further pressures or income changes arise. Options to address any shortfall in savings to close the 2024-25 Budget gap will ultimately include:

- Government providing additional funding;
- Corporate / centrally identified savings opportunities;
- The removal or mitigation of currently identified budget pressures; and
- Service departments identifying further savings.

3.4. The Budget agreed in February 2023 included a high level timetable for the 2024-25 budget process. The detailed timescales for internal budget planning activity will be confirmed following approval of the proposed approach by June Cabinet. The Budget process will also be informed through the year by any Government Budget announcements, Spending Reviews or other fiscal events, and Local Government Settlement, as well as any progress on reforms such as the Funding Review. The specific timing for these is currently unknown.

Table 7: Proposed Budget setting timetable 2024-25

2024-25 Proposed	Time frame
Cabinet review of the financial planning position for 2024-28 – including formal allocation of targets	5 June 2023
Scrutiny Committee	21 June 2023
Select Committee input to development of 2024-25 Budget – strategy	w/c 10 July 2023
Review of budget pressures and development of budget strategy and detailed savings proposals 2024-28 incorporating: <ul style="list-style-type: none"> • Budget Challenge 1 (18 July 2023) – context / strategy / approach / outline proposals • Budget Challenge 2 (5 September 2023) – detail and final proposals • Budget Challenge 3 (12 December 2023) – if required 	April to December 2023
Cabinet approve final proposals for public consultation	2 October 2023
Scrutiny Committee	18 October 2023
Public consultation on 2024-25 Budget proposals, council tax and adult social care precept	Late October to mid December 2023
Select Committee input to development of 2024-25 Budget – comments on specific proposals	w/c 13 November 2023

2024-25 Proposed	Time frame
<i>Government Autumn Budget</i>	<i>TBC October / November 2023</i>
<i>Provisional Local Government Finance Settlement announced including provisional council tax and precept arrangements</i>	<i>TBC December 2023</i>
Cabinet considers outcomes of service and financial planning, EQIA and consultation feedback and agrees revenue budget and capital programme recommendations to County Council	29 January 2024
Confirmation of District Council tax base and Business Rate forecasts	31 January 2024
<i>Final Local Government Finance Settlement</i>	<i>TBC January / February 2024</i>
Scrutiny Committee 2024-25 Budget scrutiny	14 February 2024
County Council agrees Medium Term Financial Strategy 2024-25 to 2027-28, revenue budget, capital programme and level of council tax for 2024-25	20 February 2024

3.5. In respect of the allocation of 2024-25 savings, it is proposed to:

1. **Seek to deliver efficiency savings via a target of 3% applied to support services** (Strategy and Transformation and Finance). This approach recognises that work has been undertaken in the context of the Council's Strategic Review to design a corporate centre function with the right capability and capacity to support the wider organisation. It would be inconsistent with the overall rationale and approach of the Strategic Review if this newly established function were to be diminished through the application of an arbitrary budget target. However it is also recognised that it is appropriate to continue to expect these services to seek to deliver continuous improvement and value for money. The application of a 3% target recognises the challenge for the corporate centre to be more efficient in this context.
2. **Allocation of the remaining gap across the three front line departments**, based on applying the approach adopted in previous years. This is based on exclusion of "non controllable" spend, and ringfenced budgets, such as Schools, Public Health, and capital financing items and then allocating a target based on the overall proportion of the controllable budget.

3.6. This renders the following saving targets (rounded), representing the minimum savings level required to enable Member choice within the budget setting process for 2024-25:

Table 8: Allocation of Saving Target by Department

	2024-25	2025-26	2026-27	2027-28	Total MTFS saving target	Share
	£m	£m	£m	£m	£m	%
Adults	20.700	16.100	19.600	7.800	64.200	44%
Children's Services	11.800	9.200	11.200	4.500	36.700	25%
Community and Environmental Services	11.400	8.900	10.800	4.300	35.400	24%
Strategy and Transformation	1.300	1.300	1.200	1.200	5.000	3%
Finance	1.000	1.000	1.000	0.900	3.900	3%
Total	46.200	36.500	43.800	18.700	145.200	100%

3.7. The above table assumes that the efficiency saving target is maintained across all years of the MTFS. The value reduces slightly over the MTFS as the savings assumed for previous years are delivered. This approach would mean that any increase in the gap that emerges during the budget setting process (whether in relation to 2024-25 or later years of the MTFS) would be distributed across the main three front line departments, with a resulting increase in the savings target for them to find.

4. Impact of the Proposal

4.1. This paper sets out an outline timetable and approach to the Council's budget planning process for 2024-25, while recognising that significant risks and uncertainties remain. The proposals in this report are intended to:

- set the context for service financial planning for the year to come;
- provide a robust approach to tackling the budget gap forecast for the whole MTFS period;
- assist the Council in managing the continuing significant uncertainty around local authority funding including funding reform while providing sufficient flexibility to respond to any changes required; and
- contribute to the Council setting a balanced budget for 2024-25.

5. Evidence and Reasons for Decision

5.1. In the context of continuing significant financial pressures and delays to Government plans for funding reform, it remains critical that the Council has a robust approach to budget setting and the identification of saving proposals. After more than a decade of savings delivery, the ability to continue to identify achievable savings at the scale required is becoming increasingly challenged. The preparation of a balanced budget for 2024-25 is key to ensuring that the necessary resources are available to continue to progress with the

implementation of the Council's key strategic ambitions, as well as the delivery of crucial day to day services.

- 5.2. It therefore remains essential to continue to engage with Government, MPs and other stakeholders to campaign for adequate and sustainable funding for Norfolk to enable the delivery of vital services to residents, businesses and visitors. Although funding reform plans have been delayed, it is still important that Government focuses on this issue and provides guidance on the direction of travel for reforms, financial planning assumptions, and indicative funding allocations for the medium term, as soon as possible.
- 5.3. Although lower than that addressed for 2023-24, the size of the budget gap forecast for 2024-25 is such that there is still a risk that the Council will be obliged to consider reductions in service levels. As a result it is important that the process of identifying, and consulting on, savings proposals is undertaken as soon as possible and in particular that a full suite of proposals is brought forward for Cabinet to consider in October. This will provide adequate time for consultation and engagement work around saving proposals, which should, in turn, support effective mobilisation, implementation and delivery of any proposals that are ultimately agreed to provide a full year saving for 2024-25.
- 5.4. The Council's planning within the MTFS forecast is based on the position agreed in February 2023 and it is important to note that this will be kept under review throughout the 2024-25 Budget setting process, particularly in the event that further information about funding becomes available. It nevertheless remains prudent to establish a process to begin planning for savings at the level required to close the underlying gap identified in February 2023.
- 5.5. The proposals in the report are intended to reflect a proportionate response to the challenges and uncertainties present in the 2024-25 planning process and will ultimately support the Council to develop a robust budget for the year.

6. Alternative Options

- 6.1. This report sets out a framework for developing detailed saving proposals for 2024-25 and at this stage no proposals have been agreed, meaning that a range of alternative options remain open.
- 6.2. In addition, there are a number of areas where Cabinet could choose to consider different parameters for the budget setting process, such as:
 - Adopting an alternative allocation of targets between services, or retaining a target corporately.
 - Considering an alternative timetable within the time constraints required to develop proposals, undertake public consultation, and meet statutory deadlines for the setting of council tax.
 - Changing assumptions within the MTFS (including the level of council tax assumed for planning purposes) and therefore varying the level of savings

sought. **Every 1% reduction in the level of council tax (or ASC precept) would equate to approximately £4.9m of additional savings to be identified as part of the 2024-25 Budget.**

- 6.3. The planning context for the Council will be updated if further information becomes available. Final decisions about the overall shape of the 2024-25 Budget, savings, and council tax will not be made until February 2024.

7. Financial Implications

- 7.1. Financial implications are discussed in detail throughout this report, which sets out the proposed indicative savings targets which will need to be found by each department to contribute to closing the 2024-25 and future year budget gap, subject to formal approval by Full Council in February 2024. The proposals in the report will require services to identify further significant savings to be delivered against current budget levels. The experience of budget setting in recent years has demonstrated that the scope to achieve savings at the level required is becoming increasingly challenging in the context of service delivery expectations, and existing saving programmes.
- 7.2. The Council is legally required to set a balanced Budget annually and should plan to achieve this using a prudent set of assumptions. However, Cabinet could choose to vary the allocation of indicative targets between directorates, or to establish an alternative approach to identifying savings. Taking into account the savings already planned for 2023-24 and future years, the scale of the budget gap and savings required are such that if the Council is required to continue to identify and deliver savings at this level there remains a risk that this could threaten the Council's ability to continue to fully deliver its statutory responsibilities. As such the Government's response and decisions about Council funding in 2024-25 will be hugely significant. Any changes in Government funding could have a material impact on both the level of savings to be identified, and the Council's wider budget process. Government has hitherto failed to deliver the level of funding needed in recognition of the importance and costs of providing social care, and to adequately fund local authorities to provide these and other vital services. In spite of improvements in recent settlements, fundamentally there remains an urgent need for a larger quantum of funding to be provided to local government to deliver a sustainable operating environment for future years.
- 7.3. Work to deliver additional Government funding could therefore have an impact on the overall budget gap to be addressed. Equally, in the event that future funding allocations or reform sees resources shifted away from shire counties, the Council's forecast gap for 2024-25 or future years could increase. At this point, Government has not confirmed details of the proposed approach or timescales for consultation on funding reform, but they are not anticipated until 2025-26 at the earliest. Many key assumptions about 2024-25 funding remain to be confirmed and should be considered a key area of risk.

- 7.4. As a result of the above, the budget setting process and savings targets will be kept under review as budget planning progresses. In the event that additional budget pressures for 2024-25 emerge through budget planning, there may be a requirement to revisit the indicative saving targets.

8. Resource Implications

- 8.1. **Staff:** There are no direct implications arising from this report although there is a potential that staffing implications may be linked to specific saving proposals developed. These will be identified as they arise later in the budget planning process.
- 8.2. **Property:** There are no direct property implications arising from this report although existing saving plans include activities linked to property budgets and assumptions around capital receipts to be achieved.
- 8.3. **IT:** There are no direct IT implications arising from this report although existing saving plans include activities linked to IMT budgets. In addition, activities planned within Business Transformation will include further work to deliver savings through activity related to digital and IT initiatives.

9. Other Implications

- 9.1. **Legal Implications:** This report sets out a process that will enable the Council to set a balanced budget for 2024-25 in line with statutory requirements, including those relating to setting council tax, and undertaking public consultation.
- 9.2. **Human Rights implications:** No specific human rights implications have been identified.
- 9.3. **Equality Impact Assessment (EqIA) (this must be included):** Any saving proposals with an impact on service delivery will require public consultation, and an Equality Impact Assessment of all proposals will need to be completed as part of budget-setting in due course. The results of public consultation and the findings of all EqIAs will be presented to Cabinet in January 2024 in order to inform budget recommendations to County Council.
- 9.4. No specific EqIA has been undertaken in respect of this report, although the EqIA in relation to the 2023-24 Budget can be found as part of the [budget papers considered in February 2023](#)
- 9.5. **Data Protection Impact Assessments (DPIA):** N/a
- 9.6. **Health and Safety implications (where appropriate):** N/a
- 9.7. **Sustainability implications (where appropriate):** There are no direct sustainability implications arising from this report although existing 2023-24

\\Norfolk.gov.uk\nccdfs1\Resources-TEAMS\Democratic Services\Committee Support\COMMITTEES - current\Scrutiny Committee\Agendas and pre-agendas\Agendas and pre agenda\2023\230621\Finals\8.1 Strategic and Financial Planning - Saving targets.docx

budget plans include funding for activities which may have an impact on the environmental sustainability of the County Council through the delivery of the Environmental Policy. These issues were considered in more detail within the February budget report to Full Council. Further details are set out in the [Norfolk County Council Climate Strategy](#) considered by Cabinet in May 2023 (agenda item 8). Ultimately sustainability issues and any associated financial implications in relation to either new 2024-25 proposals, or activities developed during 2023-24, will need to be fully considered once such initiatives are finalised, and ultimately incorporated as part of budget setting in February 2024.

9.8. Any other implications: Significant issues, risks, assumptions and implications have been set out throughout the report.

10. Risk Implications/Assessment

10.1. Significant risks have been identified throughout this report. Risks in respect of the MTFS were also set out within the February 2023 report to Full Council.

10.2. A number of significant uncertainties remain which could have an impact on the overall scale of the budget gap to be addressed in 2024-25, linked to ongoing uncertainty around local government (and wider public sector finances) including:

- further “cost of living” pressures and the wider economic impacts, including impact on demand for services (including the ongoing impact of the war in Ukraine and the impact on energy costs and inflationary pressures);
- implications of increases in the National Living Wage;
- the progress of funding reforms (previously the Fair Funding Review) now likely to be developed for implementation in 2025-26;
- Government decisions about the council tax referendum limit or further ASC precept flexibilities in 2024-25 and beyond;
- the need for a long-term financial settlement for local government;
- delivery of other reforms to local government funding including further details of the approach to Adult Social Care reforms to implement the cap on care costs, and changes to other funding streams;
- progress on delivery of the Safety Valve programme and implementation of Local First Inclusion within Children’s Services;
- progress of various elements of Government policy including levelling up, delivery of the County Deal, and the Shared Prosperity Fund.

10.3. The Council’s Corporate Risk Register provides a full description of corporate risks, including corporate level financial risks, mitigating actions and the progress made in managing the level of risk. A majority of risks, if not treated, could have significant financial consequences such as failing to generate income or to realise savings. These corporate risks include:

- RM001 – Infrastructure funding requirements
- RM002 – Income streams.
- RM006 – Service delivery – The potential risk of failure to deliver our services within the resources available for the period 2022-23 to the end of 2023-24.
- RM022b – EU transition
- RM027 – MyOracle
- RM030 – Non-realisation of Children's Services Transformation change and expected benefits
- RM031 – NCC Funded Children's Services Overspend
- RM033 – Norwich Western Link Project
- RM035 – Adverse impact of significant and abnormal levels of inflationary pressure on revenue and capital budgets
- RM039 – ASSD financial, staffing & market stability impacts due to implementation of social care reform

Further details of all corporate risks, including those outlined above, can be found in Appendix C of the [April 2023 Risk Management report to Cabinet](#) (item 12). There is close oversight of the Council's expenditure with monthly financial reports to Cabinet. Any emerging risks arising will continue to be identified and treated as necessary.

11. Select Committee comments

- 11.1. Select Committees provided commentary and input to the 2023-24 Budget process during budget development, and this was reported to Cabinet at various stages of the process. No specific input has been sought from Select Committees in respect of this report, however Select Committees are expected to again have the opportunity to comment when they consider the implications of 2024-25 budget setting for the service areas within their remit when they meet during the year as set out in the proposed timetable.

12. Recommendations

- 12.1. Cabinet is recommended:

- 1. To consider the overall budget gap of £126.522m included in the Medium-Term Financial Strategy (MTFS) set by Full Council in February 2023, and agree:**
 - a. the gap of £46.216m to be closed for 2024-25; and**
 - b. the extension of the MTFS by a further year (to 2027-28), adding a further £18.689m to the gap and resulting in additional pressure assumptions to be addressed and leading to an overall gap for planning purposes of £145.211m over the next four years. (Section 2).**

2. To review the key budget risks and uncertainties as set out in this report. (Section 10).
3. To consider the principles of the proposed approach to budget setting for 2024-25, noting that there may be a need for flexibility within both the process itself and the assumptions applied, and agree:
 - a. the process and indicative timetable set out in Section 3, including the proposed consultation process for 2024-25.
 - b. that there should be a detailed review of cost pressures and growth already provided within the Budget (including 2023-24 inflation provisions) against actual costs experienced to identify any opportunities for budget reduction.
 - c. the minimum savings targets allocated to each Department to be found (Table 8), and that these will be kept under review throughout the budget process.
4. To approve the initial budget virements for 2023-24 as set out in Appendix 1, reflecting budget transfers for whole services between departments as a result of the Strategic Review, while noting:
 - a. The virements do not change the overall Council Budget.
 - b. That there will be further 2023-24 budget virements as a result of the Strategic Review, which will be reported for approval as required later in the year through regular financial reporting to Cabinet.

13. Background Papers

13.1. Background papers relevant to this report include:

[Norfolk County Council Revenue and Capital Budget 2023-24 to 2026-27, County Council 21/02/2023, agenda item 5](#)

[2023-24 Budget Book](#)

[Better Together, for Norfolk](#)

[Corporate Delivery Plan](#) and [Corporate Delivery Plan – Annual Report 2022-2023, Cabinet 10/05/2023, agenda item 11](#)

[Finance Monitoring 2022-23 Outturn Report, Cabinet 05/06/2023 \(on this agenda\)](#)

[Risk Management, Cabinet 03/04/2023, agenda item 12](#)

Officer Contact

If you have any questions about matters contained in this paper, please get in touch with:

Officer name: Titus Adam

Tel no.: 01603 222806

Email address: titus.adam@norfolk.gov.uk



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.

Appendix 1 – 2023-24 Budget reconciliation

The following tables provide a summary of the adjustments between the Net Budget position presented to County Council in February 2023, and the Net Budget position which appears in the [2023-24 Budget Book](#) and will form the basis for 2023-24 monitoring in future reporting to Cabinet. These adjustments **do not change the overall County Council Budget for 2023-24**, but instead reflect the changes arising from the transfer of whole services from the Finance and Commercial Services budget into other Departments from April 2023, following the departure of the Executive Director of Finance and Commercial Services. It should be noted that there will be further budget changes (below whole team level) as a result of the detailed implementation of the Strategic Review, but these will be completed as in-year 2023-24 budget adjustments when the final details are known as implementation progresses, and will be reported through 2023-24 financial monitoring to Cabinet later in the year. Further details are set out in the [2023-24 Budget Book](#).

	Adult Social Services £m	Children's Services £m	Community and Environmental Services £m	Strategy and Transformation £m	Finance and Commercial Services £m	Finance General £m	Total £m
Net Budget 2023-24 as per Full Council February 2023	249.481	232.593	177.109	12.761	35.793	-214.029	493.707
Adjustments							
Public Health	0.045	0.000	-0.045	0.000	0.000	0.000	0.000
Corporate Property Team	0.000	0.000	13.303	0.000	-13.303	0.000	0.000
Procurement	0.000	0.000	1.388	0.000	-1.388	0.000	0.000
IMT	0.000	0.000	0.000	10.180	-10.180	0.000	0.000
Combine Finance and Finance General	0.000	0.000	0.000	0.000	-214.029	214.029	0.000
Total 2023-24 c/f below	249.526	232.593	191.754	22.941	-203.107	0.000	493.707

Net Budget	Adult Social Services £m	Children's Services £m	Community and Environmental Services £m	Strategy and Transformation £m	Finance £m	Total £m
2023-24 (adjusted)	249.526	232.593	191.754	22.941	-203.107	493.707
2024-25	256.555	248.053	199.830	23.675	-160.776	567.337
2025-26	269.342	258.194	207.359	24.828	-134.912	624.811
2026-27	282.680	268.118	214.335	25.935	-106.160	684.908
2027-28	298.500	278.400	221.615	26.967	-105.079	720.403

Scrutiny Committee

Item No: 9

Report Title: Finance Monitoring Report 2022-23 Outturn

Date of Meeting: 21 June 2023

Responsible Cabinet Member: Cllr Andrew Jamieson (Cabinet Member for Finance)

Responsible Director: Harvey Bullen, Director of Strategic Finance

Executive Summary

This report supports the Committee's scrutiny of the Council's overall finances, providing a summary of the final outturn position for the 2022-23 Revenue and Capital Budgets, General Balances, and the Council's Reserves at the year end position.

Recommendations

The committee is asked to:

1. **Consider the attached Cabinet report, providing feedback and recommendations to officers where appropriate.**
2. **Consider the implications for the 2024-25 budget setting process and whether further scrutiny of issues arising is required.**

1. Background and Purpose

- 1.1. At the Cabinet meeting held on the 5 June 2023, members received the appended paper: Finance Monitoring Report 2022-23 Outturn. The minutes and associated papers for this meeting, including the summary of decisions notice can be found [here](#).
- 1.2. This report summarises the year end outturn position of Norfolk County Council, providing members with key financial data as of the 31 March 2023.
- 1.3. Cabinet receives regular monitoring outturn reports to maintain oversight of the council's finances. The paper attached represents the final 22-23 position, providing a comprehensive overview of overall council spending relative to the budget agreed by Full Council in February 2022.
- 1.4. This paper supports the Scrutiny Committee in its duty to provide oversight of the council's finances, ensuring that scrutiny maintains challenge throughout

the year. It also ensures that the Scrutiny Committee develops an ongoing yield of financial data to support delivery of the 2024-25 revenue and capital budgets.

2. Evidence and Reasons for Decision

- 2.1 The Council is legally required to set a balanced budget annually. The appended report provides key financial data outlining the actual spend relative to the planned budget agreed by council.

3. Alternative Options

- 3.1 Highlighted in appended report.

4. Financial Implications

- 4.1 Highlighted in appended report.

5. Resource Implications

5.1 Staff:

Highlighted in the appended report.

5.2 Property:

Highlighted in the appended report.

5.3 IT:

Highlighted in the appended report.

6. Other Implications

6.1 Legal Implications:

Highlighted in the appended report.

6.2 Human Rights Implications:

Highlighted in the appended report.

6.3 Equality Impact Assessment (EqIA) (this must be included):

Highlighted in the appended report.

6.4 Data Protection Impact Assessments (DPIA):

Highlighted in the appended report.

6.5 Health and Safety implications (where appropriate):

Highlighted in the appended report.

6.6 Sustainability implications (where appropriate):

Highlighted in the appended report.

6.7 Any Other Implications:

None identified.

7. Risk Implications / Assessment

7.1 Highlighted in appended report.

8. Select Committee Comments

8.1 Highlighted in appended report.

9. Recommendations

To:

- 1. Consider the attached Cabinet report, providing feedback and recommendations to officers where appropriate.**
- 2. Consider the implications for the 2024-25 budget setting process and whether further scrutiny of issues arising is required.**

10. Background Papers

10.1 Appendix A – Finance Monitoring Report 2022-23 Outturn

Officer Contact

If you have any questions about matters contained within this paper, please get in touch with:

Officer name: Peter Randall, Democratic Support and Scrutiny Manager

Telephone no.: 01603 307570

Email: Peter.randall@norfolk.gov.uk



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.

Report taken to Cabinet

Item No. 9.1

Report Title: Finance Monitoring Report 2022-23 Outturn

Date of Meeting: 5 June 2023

Responsible Cabinet Member: Cllr Andrew Jamieson (Deputy Leader and Cabinet Member for Finance)

Responsible Director: Harvey Bullen (Director of Strategic Finance)

Is this a Key Decision? No

If this is a Key Decision, date added to the Forward Plan of Key Decisions: N/A

Introduction from Cabinet Member

This report gives a summary of the outturn position for the 2022-23 Revenue and Capital Budgets, General Balances, and the Council's Reserves at 31 March 2023, together with related financial information.

At Full Council in February 23, I forecasted a balanced budget for 2022/23: I am pleased to confirm that this is the case. Indeed, we have marginally underspent against the net budget of £464.123m. We did so while managing an in year pressure in Childrens Services of £14.3m and, furthermore, have taken steps to mitigate its impact in 2023/24, as I said we would when announcing the 23-24 budget.

Executive Summary

On a net budget of £464.123m, the revenue outturn for 2022-23 is **a balanced budget after transferring £0.0070m to the general fund**, taking into account use of £31.125m Covid reserves brought forward from 2021-22 to meet Covid pressures in 2022-23 and pay and inflationary cost pressures highlighted in the Appendix 1. Details of these pressures and savings achieved and the impact on 2023-24 are addressed in the detail of this report.

General Balances have increased from **£23.840m to £24.410m** at 31 March 2023 following the transfers of £0.570m from a contribution to General Balances and underspends at the end of 2022-23 to reserves. Service reserves and provisions (excluding the Dedicated Schools Grant reserve) are **£202.463m**, subject to any final year end audit adjustments.

Recommendations:

1. To recognise that the revenue outturn for 2022-23 is a **balanced budget after transferring £0.570m to the general fund**;
2. To note the COVID-19 funding utilised in year of **£21.572m**, and the carry forward of **£9.553m** COVID-19 funding to 2023-24 to mitigate the on-going cost pressures and risks associated with infection prevention;
3. To recognise the saving shortfall of **£4.300m**; being 85% savings delivery in 2022-23, as described in Appendix 1 paragraph 6, which has been offset by other savings;
4. To recommend to Full Council that the General Balances at 31 March 2023 be increased to **£24.410m** after a transfer of £0.570m from a contribution to General Balances and underspends in Finance General.
5. To note the expenditure and funding of the revised current and future 2023-27 capital programmes, including the (reprofiling of £126.940m from 2022-23 into 2023-24 addition of £62.938m to the capital programme to address the capital funding requirements from various external sources as set out in Appendix 3, paragraph 1.3.

1. **Background and Purpose**

- 1.1. This report and associated annexes summarise the forecast financial outturn position for 2022-23, to assist members to maintain an overview of the overall financial position of the Council.

2. **Proposals**

- 2.1. Having set revenue and capital budgets at the start of the financial year, the Council needs to ensure service delivery within allocated and available resources, which in turn underpins the financial stability of the Council. Consequently, progress is regularly monitored, and corrective action taken when required.
- 2.2. General Balances are maintained to cover financial risks faced by the Council. This report proposes an increase in the general balances from £23.840m to £24.410m as a result of transferring the £0.570m contribution to General Balances and revenue underspend to the general fund.

3. **Impact of the Proposal**

- 3.1. The impact of this report is primarily to demonstrate where the Council is anticipating financial pressures not forecast at the time of budget setting, including the implications of the Covid-19 pandemic, together with a number of other key financial measures. A balanced budget has been achieved in 2022-23.

4. **Evidence and Reasons for Decision**

- 4.1. Three appendices are attached to this report giving details of the forecast revenue and capital financial outturn positions:

Appendix 1 summarises the revenue outturn position, including:

- Forecast over and under spends
- Changes to the approved budget
- Reserves
- Savings

Appendix 2 summarises the key working capital position, including:

- Treasury management
- Payment performance and debt recovery.

Appendix 3 summarises the capital outturn position, and includes:

- Current and future capital programmes
- Capital programme funding
- Income from property sales and other capital receipts.

- 4.2. Additional capital funds will enable services to invest in assets and infrastructure as described in Appendix 3 section 4.

5. Alternative Options

- 5.1. To deliver a balanced budget, no viable alternative options have been identified to the recommendations in this report. In terms of financing the proposed capital expenditure, no further grant or revenue funding has been identified to fund the expenditure, apart from the funding noted in Appendix 3.

6. Financial Implications

- 6.1. As stated above, the forecast revenue outturn for 2022-23 is a **balanced budget**, linked to an 85% savings delivery. The outturn for service reserves and provisions is **£202.463m** and the general balances after transferring £0.570m from Finance General contribution to General Balances and underspends is £24.410m. Funding previously received in 2021-22 to off-set additional expenditure occurred as a result on-going infection control has been utilised in year to mitigate the cost pressures resulting from on-going prevention work to contain COVID-19. £9.553m of COVID funding has been transferred into 2023-24 to mitigate on-going cost pressures associated with COVID infection prevention measures.
- 6.2. Where possible service pressures have been offset by underspends or the use of reserves. A narrative by service is given in Appendix 1.
- 6.3. The Council's capital programme is based on schemes approved by County Council in February 2023, including previously approved schemes brought forward and new schemes subsequently approved.

7. Resource Implications

- 7.1. None, apart from financial information set out in these papers.

8. Other Implications

8.1. Legal Implications

In order to fulfil obligations placed on chief finance officers by section 114 of the Local Government Finance Act 1988, the Director of Strategic Finance continually monitors financial forecasts and outcomes to ensure resources (including sums borrowed) are available to meet annual expenditure.

8.2. Human Rights implications

None identified.

8.3. Equality Impact Assessment

In setting the 2022-23 budget, the council has undertaken public consultation and produced equality and rural impact assessments in relation to the 2022-23 Budget. An overall summary Equality and rural impact assessment report is included on page 305 of the Monday 21 February 2022 Norfolk County Council agenda. [CMIS > Meetings](#)

The Council is maintaining a dynamic [COVID-19 equality impact assessment](#) to inform decision making during the pandemic.

The Council's net revenue budget is unchanged at this point in the financial year and there are no additional equality and diversity implications arising out of this report.

8.4 Data Protection Impact Assessments (DPIA)

DPIA is not required as the data reported in this paper does not drill down to the personal data level.

9. Risk Implications/Assessment

- 9.1. Corporate risks continue to be assessed and reported on a quarterly basis to both Cabinet and the Audit Committee. The Council's key financial based corporate risk (RM002 - The potential risk of failure to manage significant reductions in local and national income streams) has been reviewed and refreshed in February 2022 to incorporate the 2022/23 budget and Medium-Term financial strategy 2021 - 2026 being set. Key risk mitigations include amongst others regular (monthly) financial reporting to Cabinet, working to the Medium-Term Financial Strategy and setting robust budgets within available resources.

- 9.2. Unlike many other parts of the public sector such as the NHS, local authorities are required by law to set a balanced budget. As part of their duties, the Director of Strategic Finance has a responsibility to report to members if it appears to him that the authority will not have sufficient resources to finance its expenditure for

the financial year. The Director of Strategic Finance believes a balanced budget has been achieved for 2022-23.

10. Select Committee comments

10.1. None

11. Recommendation

11.1. Recommendations are set out in the introduction to this report.

12. Background Papers

12.1. Summary Equality and rural impact assessment [CMIS > Meetings](#) page 305

Officer Contact

If you have any questions about matters contained in this paper, please get in touch with:

Officer name: Harvey Bullen

Tel No.: 01603 223330

Email address: harvey.bullen@norfolk.gov.uk



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.

Norfolk County Council Finance Monitoring Report 2022-23

Appendix 1: 2022-23 Revenue Finance Outturn Report

Report by the Director of Strategic Finance

1 Introduction

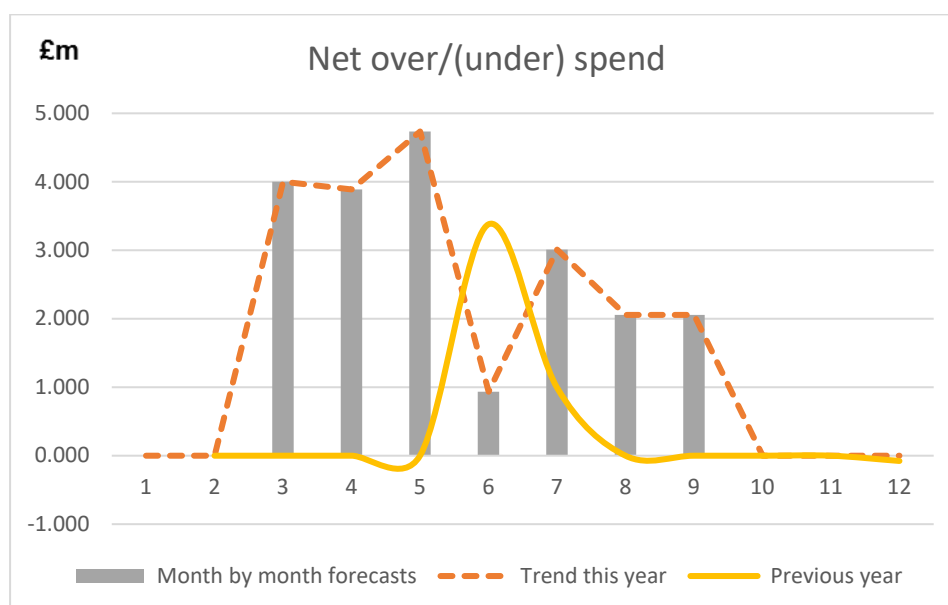
1.1 This report gives details of:

- the outturn position for the 2022-23 Revenue Budget
- additional financial information relating one-off funding, cost pressures and delivery of savings initiatives
- forecast General Balances and Reserves as at 31 March 2023 and
- other key information relating to the overall financial position of the Council.

2 Revenue outturn – over/(under)spends

2.1 **At the end of March 2023**, the outturn position shows a modest underspend of £0.570m against a net budget of £464.123m.

Chart 1: actual revenue outturn 2022-23, month by month trend:



2.2 Chief Officers have responsibility for managing their budgets within the amounts approved by County Council. They have been charged with reviewing all their cost centres to ensure that, where an overspend is identified, action is taken to ensure that a balanced budget has been achieved over the course of the year.

2.3 Details of all under and overspends for each service are shown in detail in Revenue Annex 1 to this report, and are summarised in the following table:

Table 1: 2022-23 outturn (under)/overspends by service

Service	Revised Budget	Cost Pressures	(Under spends/ Savings)	Earmarked Reserves & Provisions Utilised	Net (under)/ overspend	%	RAG
	£m		£m		£m		
Adult Social Care	265.574	6.088	-1.968	-4.120	0.000	0%	G
Children's Services	213.360	18.390	-1.051	-2.990	14.349	6.7%	R
Community and Environmental Services	203.784	4.099	-4.108	0.000	-0.009	0%	G
Strategy and Transformation	9.115	0.856	-0.993	0.137	0.000	0%	G
Governance Department	2.195	0.488	-0.609	0.121	0.000	0%	G
Finance and Commercial Services	54.238	4.408	-1.983	-1.421	1.004	2%	R
Finance General	(300.788)	0.274	-20.922	5.304	-15.344	5.1%	G
Total	464.123	33.844	-30.778	-3.106	0.000	0%	G

Notes:

- 1) the RAG ratings are subjective and account for the risk and both the relative (%) and absolute (£m) impact of overspends.
- 2) Earmarked reserves and provisions were set aside in 2021-22 in order to meet and fund additional pressures in 2022-23.

2.4 **Children's Services:** The outturn for 2022-23 is an overspend position of £14.349m presuming use of budgeted reserves and £2.990m net use of additional reserves to mitigate the in-year pressures. Compared to the previously reported position as at period 11 (end of February 2023), this is a reduction of (£0.130m) to the overspend position.

2.5 The outturn position highlights the crystallisation of the financial risks and cost pressures experiences within the demand-led budgets of social care placements and support, c. £12m, and home to school transport c. £7m (particularly for those with special educational needs and disabilities), seen both within Norfolk and nationally.

2.6 The overall number of children in care (excluding unaccompanied asylum-seeking children) and those with placements had stabilised compared to previous years, where a reduction had been seen since the implementation of our transformation programme. However, there has been a small increase towards the end of the financial year and the impact of this increase into 2023-24 will be kept under close review. It remains that the position in Norfolk is better than in many local authority areas, but the cost of care has increased substantially. This is primarily due to the cohort with the very highest and most complex needs continuing to grow as a

proportion of all children looked after; particularly as we have been successful with interventions and new models of working to keep children out of care when appropriate to do so

- 2.7 Children's Services has clear evidence that the interventions and new models of working implemented through our transformation programme are effective and are allowing us to meet the needs of children with complex needs effectively in many cases. In particular, New Roads is proving very successful.
- 2.8 However, the cost avoidance and reduction being achieved is counteracted by the volume and increased complexity of need along with market forces, which is proving to be significantly higher than modelled within the budget and, therefore, offsetting the savings delivered. This is particularly in relation to the number of external residential placements for children and an increase in the unit cost of such placements as well as the packages of support we are creating for children and young people with very challenging needs.
- 2.9 Previous financial monitoring reports throughout 2022-23 provided significant analysis of the key financial drivers experienced by Norfolk's Children's Services, as well as Children's Services within the Eastern Region and nationally. These drivers will continue into the new financial year and the department will continue to take mitigating action, including continuing to develop and implement its substantial transformation programme designed to both improve outcomes for children and young people as well as delivering substantial financial savings.
- 2.10 As previously reported, the forecast for the department contains significant uncertainties given the sizeable demand-related budgets, and the department continued to undertake mitigating actions throughout the year to reduce the size of the overspend. This has resulted in a reduction to the unplanned usage of reserves at year-end, providing some capacity to manage ongoing, short-term risks into 2023-24.
- 2.11 **Adult Social Services:** The final outturn for 2022-23 is a breakeven position. With Adult Social Care (ASC) being a demand led service, the budget to provide it always operates under a degree of uncertainty, especially in the last 24 months. The ASC service is still managing its recovery from the pandemic alongside delivering significant transformation and was planning for the upcoming Social Care Reform. Within its recovery programme there is a significant emphasis on reducing the backlogs that have developed over the past 18+ months. A critical element of the financial position for the department will be the effective management of this work and the financial outcomes that ensue. At present the level of backlogs have not significantly reduced and remain above 3600 cases (end of March 2023), and therefore much uncertainty remains in the financial implications of the work to reduce these.

- 2.12 As over 70% of the ASC budget is spent with independent providers, it is only right to acknowledge the financial risk the current economic conditions may place on these care markets. Whilst the Council was able to invest £18m into the market as part of its 2022/23 fee uplift, the continued economic uncertainty may well have a destabilising impact on individual providers. The price pressure in the economy comes at a time when Central Government have equally stopped some of the provider grants distributed during the pandemic, such as the infection control grant, that has provided over £50m of funding to Norfolk providers in the last 2 years. We are now seeing more providers approaching us indicating financial difficulty and have seen a number of care providers either close or return contracts. Each home closure clearly has implications for the residents impacted, but also typically means any replacement package secured is done so at a cost premium.
- 2.13 The department continues to work with its partners in the Integrated Care System (ICS) to manage system pressures around hospital discharge both from acute hospital and the wider Transforming Care Programme. The ICS itself continues to operate in a challenging financial environment. We have now received additional details relating to the £500m winter discharge funding as part of Governments “Plan for Patients”. NCC received £3.482m for the 2022/23 winter period. ASC commissioners with partners in the ICS have now submitted plans on how the funding will be used.
- 2.14 As described in the saving section of this report, the risks previously raised around our savings programme led to us declaring an under-delivery of our 2022/23 programme. Our short-term residential placements continue to be high compared to our budget. The health and care system approach to developing intermediate care solutions will be critical to our ability to manage this pressure. Furthermore, our housing programme fell slightly behind its original build profile and therefore this has had a knock-on-effect on the revenue savings it facilitates.
- 2.15 Both internally to the department, and within the wider care sector, availability of staff continues to be a challenge. Whilst in the interim, internal vacancies will continue to produce staffing underspends, longer term the ability to manage the care budget is predicated on good quality social care, undertaken in a timely way to truly prevent, reduce and delay need. We reflected the additional cost of the 2022/23 pay award in service budgets. Due to our actions through the winter period we have been able to fully absorb this additional pressure in this financial year.
- 2.16 Whilst recognising the uncertainties described above, the level of ASC departmental reserves to manage these risks in the short term remain strong. Longer term, the financial implications of the upcoming reform of Social Care, and in particular the sustainability of our care market, will continue to be unpacked and built into the Medium-Term Financial Strategy (MTFS).
- 2.17 **CES:** We have delivered an overall balanced outturn position. The pressure on income budgets particularly with admissions income within the

Museums service is creating a £1.657m cost pressure, this is in line with the regional and national picture.

- 2.18 The Fire Services position includes the agreed 7% pay award which exceeds the budget provision, leading to an overspend of £0.747m. For Community Information and Learning the pay award and inflationary cost pressures have led to an overspend in of £0.420m, whilst in Performance and Governance the overspend was £1.270m.
- 2.19 For Growth and Development whilst there were inflationary cost pressures, the level of vacancies throughout the year led to an underspend of £0.357m.
- 2.20 Overall Highways generated an underspend of £1.432m. There was an overspend related to the electricity costs for Street Lighting (£1.145m) but this was more than offset by additional highways income and charges to capital projects.
- 2.21 Waste volumes at Recycling Centres and kerbside collections have been highly volatile over the last two years. The Waste volumes for 2022-23 are lower than budget resulting in a £2.414m underspend, enabling CES to fund the cost pressure arising from the pay award in excess of the budget provision.
- 2.22 **Corporate services:** The Strategy and Transformation and Governance directorates reported a breakeven Outturn position for 2022-23. Service pressures, including the pay award and additional coroner's costs, were offset by one-off savings from vacancies and usage of reserves.
- 2.23 Finance and Commercial Services final Outturn was an overspend of £1.004m. This was due to the rise in inflation, petrol and utilities during the year, which have impacted contracts, especially within Property Services. The delay in implementation of myOracle and the pay award has also contributed to this overspend.
- 2.24 **Finance General:** Finance General outturn includes an underspend of £15.344m. Savings of £6.567m on the Minimum Revenue Provision due to slippage in the 2021-22 Capital Programme, £2.176 m in interest payable on borrowings were secured from last year's borrowing at the low long term PWLB rates and additional interest receivable forecasted of £3.153m, with £6.671m additional business rate relief reconciliation adjustment for prior years and £1.3m accumulated surplus business rates returned to local authorities as part of the 2023-24 Local Government Finance Settlement. £5.304m of the one-off business rates has been transferred into the Business Rates Risk Reserve to mitigate future variances. This is offset by additional COVID cost pressures of £0.274m. Miscellaneous savings in other budgets are offset by various one-off cost pressures with a net savings of £1.056m.
- 2.25 Further details are given in Appendix 1: Revenue Annex 1.

3 Approved budget, changes and variations

- 3.1 The 2022-23 budget was agreed by Council on 21 February 2022 and is summarised by service in the Council's Budget Book 2022-23 (page 17) as follows:

Table 2: 2022-23 original and revised net budget by service

Service	Approved net base budget	Revised budget P11	Revised budget P12/13
	£m	£m	£m
Adult Social Care	263.184	264.914	282.219
Children's Services	189.065	191.529	213.360
Community and Environmental Services	166.162	168.142	203.784
Strategy and Transformation	8.759	9.115	9.115
Governance Department	1.960	2.195	2.195
Finance and Commercial Services	33.424	34.232	52.238
Finance General	-198.431	-206.004	-300.788
Total	464.123	464.123	464.123

Note: this table may contain rounding differences.

- 3.2 During P12 and the subsequent closedown P13, there were a number of large capital accounting budget adjustments between Finance General and the other Services. These have not affected service budgets and the Council's net budget for 2022-23 remains unchanged.

4 General balances and reserves

General balances

- 4.1 At its meeting on 21 February 2022, the County Council agreed a minimum level of general balances of £23.268m in 2022-23. The balance at 1 April 2022 was **£23.840m** following transfers of £0.077m from non-Covid related savings and Finance General underspends at the end of 2021-22. The outturn for 31 March 2023 is **£24.410m**, taking into account a contribution of £0.500m provided in the 2022-23 budget and the small revenue underspend of £0.070m achieved in year.
- 4.2 Movements during the year are as follows:

	£m
General Balances – opening balance 1 April 2022	23.840
Transfer of contribution to General Balances and Finance General underspends	0.570
General Balances – closing balance 31 March 2023	24.410

- 4.3 The transfer of related Finance General underspends to General Balances is consistent with the County Council decision on 21 February 2023 which

agreed the principle of seeking to increase the general fund balances as part of closing the 2022-23 accounts.

Reserves and provisions 2022-23

- 4.4 The use of reserves anticipated at the time of budget setting was based on reserves balances anticipated in January 2022. Actual balances at the end of March 2022 were higher than planned, mainly as a result of grants being carried forward, including Covid-19 support grants, and reserves use being deferred.
- 4.5 The 2022-23 budget was approved based on a closing reserves and provisions (excluding DSG reserves) of £144.987m as at 31 March 2022. This, and updated Reserves and Provisions outturns are as follows.

Table 3: Reserves budgets and forecast reserves and provisions

Reserves and provisions by service	Actual balances 1 April 2022	Increase in March 2022 balances after budget setting	2022-23 Budget book forecast 1 April 2022	Outturn balances 31 March 2023
	£m	£m	£m	£m
Adult Social Services	45.909	18.738	27.171	46.708
Children's Services (inc schools, excl LMS/DSG)	17.398	8.881	8.517	13.988
Community and Environmental Services	65.814	13.745	52.069	73.953
Strategy and Transformation	2.466	0.725	1.741	2.777
Governance	2.045	1.073	0.972	2.166
Finance & Commercial Services	3.793	1.234	2.559	2.468
Finance General	56.237	18.950	37.287	44.363
Schools LMS balances	17.888	3.217	14.671	16.040
Reserves and Provisions including LMS	211.550	66.563	144.987	202.463
DSG Reserve (negative)	-53.976	0.348	-54.324	-45.877

- 4.6 Covid grants and other grants and contributions brought forward as at 31 March 2022 resulted in reserves and provisions being £66.563m higher than had been assumed at the time of budget setting. The majority of these reserves have been used for service provision during 2022-23. However a decision was taken in P12 to set aside £9.554m in reserves to mitigate future cost pressures. As a result, of this and other grant funding received late in Q4 2023, the net total for reserves as provisions at 31 March 2023 is approximately £57.476m higher than was assumed at the time of budget setting.
- 4.7 **Dedicated Schools Grant (DSG):** The overall DSG outturn position was an in-year deficit of £19.9m, a decrease of (£2.1m) compared to the previous forecast and c. £2m higher than the budgeted deficit.

- 4.8 This in-year deficit has been added to the DSG Reserve (negative), which would have resulted in a cumulative deficit of £73.877m at the end of the financial year without the impact of the additional contribution of (£28m) from the DfE through the Safety Valve deal to mitigate the DSG cumulative deficit. With this contribution, the cumulative deficit balance at 31 March 2023 is £45.877m.
- 4.9 The reduction in the overspend compared to the previously forecast position was primarily due to further clarity regarding the cost of the additional requests by mainstream schools for funding to support children with high level SEND to remain in their schools, thus avoiding more costly special school provision, along with a reduction in the estimated number of Early Years hours to be funded (data not received until late in the spring term) compared to the DfE funding provided that has been updated and based upon snapshots in time.
- 4.10 The Local First Inclusion programme (supported by the Safety Valve deal) has planned for additional spend in mainstream schools to support children with high level SEND to remain within them, and this investment is a key driver to the long-term aim of returning the DSG to an in-year balanced budget and, subsequently, to repay the cumulative deficit. Where children are appropriately supported to remain within mainstream settings, it mitigates the need for further expansion of special schools (above planned increases) or independent provision, whilst enabling the children to achieve good outcomes.
- 4.11 In addition to the pressure in relation to support for mainstream schools, the other areas of most significant cost pressure during 2022-23 were independent school placements along with post-16 provision and maintained special school placements. These have been kept under close review given the demand-led nature of these budgets but have remained relatively stable during the latter part of the year.
- 4.12 In the medium-to-longer-term, Norfolk's Local First Inclusion plan is seeking to address the high use of independent provision within Norfolk, rather than state-funded provision or provision in mainstream schools, that should help to mitigate these funding challenges.
- 4.13 Norfolk has been investing significant capital monies in the creation of additional specialist places in existing state-funded schools alongside the building of new special schools and specialist resource base provision. Without this investment, the deficit position would have been significantly higher on the basis that the independent sector continues to expand in line with demand. Two Free Special School bids have been submitted to the DfE to support Norfolk capital investment in special school provision and the DfE have provided approval in principle with follow up work now taking place to finalise these plans.

- 4.14 Following significant work during 2022-23, including with partners, the County Council negotiated and agreed a Safety Valve programme deal¹ with the DfE, agreed by the Secretary of State, to enable investment in the high special educational needs system in Norfolk, as well as long-term repayment of the cumulative DSG deficit. The deal provides £70m of additional funding from the DfE, which is vital for the delivery of the Local First Inclusion SEND Improvement Programme. The first tranche of funding, (£28m), was provided in 2022-23 to reduce the cumulative deficit carried forward alongside (£6m) per year for the following 5 years and (£12m) in the final year of the programme, presuming that progress targets are met.
- 4.15 NCC reports the forecast position each term to the Norfolk Schools Forum, in line with DfE expectations and feedback from the Forum continues to be sought.
- 4.16 The Government has now published its policy paper: SEND and alternative provision improvement plan² following the publication of its associated Green paper in 2022 and resulting consultation. The impact of the proposed changes is yet to be known and the Council will need to keep this under close review, considering how it fits with our Local First Inclusion plan and whether it will be sufficient to mitigate the under-lying funding challenges for high SEND provision seen nationally in recent years.

4.17 **Provisions included in the table above**

The table above includes forecast provisions of £33.048m comprising:

- £11.708m insurance provision,
- £12.818m landfill provision (this provision is not cash backed),
- £5.851m provisions for bad debts,
- £2.421m business rates appeals provision, and
- £0.250m of payroll related provisions.

5 On-going Covid-19 financial implications

- 5.1 Whilst the pandemic is officially over, there are on-going impacts on service provision and demand for support from Council services. The council has carried forward £31.125m grant funding received from central government in 2021-22 to mitigate any on-going risks and cost pressures associated with addressing the service needs arising from COVID-19.

¹ <https://www.gov.uk/government/publications/dedicated-schools-grant-very-high-deficit-intervention>

² <https://www.gov.uk/government/publications/send-and-alternative-provision-improvement-plan>

5.2 Covid-19 funding brought forward is as follows:

Table 4a: Covid-19 funding

Funding	Actual 2022-23 £m
Covid reserves brought forward	
Norfolk Assistance Scheme	0.206
Wellbeing for education recovery grant	0.031
Fire Home Office Grant	0.196
Covid-19 Bus Services Support Grant	1.077
Contain Outbreak Management Fund	9.285
Community Testing Funding	1.223
Omicron Support Fund	0.278
COVID-19 MHCLG Grant Tranche 5	18.829
Funding to be carried forward into 2022-23	31.125

During the year, the bulk of this grant funding was released to offset cost pressures arising from infection control measures undertaken by the Council.

Cost pressures

- 5.3 The costs and income pressure relating to Covid-19 vary from the overall Council forecast balanced budget position shown in this report. This is due to non-Covid-19 related actions put in place by Chief Officers to mitigate the financial impacts of the pandemic.

The UK Health Security Agency has confirmed that any remaining COMF grants can be carried over into 2023-24 to provide relief against any on-going cost pressures associated with infection control and prevention work undertaken by the Public Health team. £9.553m has been carried forward into 2023-24

6 New / confirmed funding

- 6.1 **Household Support Fund:** On 29 April 2022 the government set out the basis of the extension of the fund to 30 September 2022. On 26 May 2022, the Chancellor announced an extra £421m funding, extending the fund until March 2023. The objective of the fund is to provide support to vulnerable households in most need of help with significantly rising living costs. The

indicative funding allocation for 2022-23 is £13.394m. Further guidance for the second half of 2022-23 includes the prioritisation of funding to support households with the cost of energy bills with an emphasis on providing support to the most vulnerable households as soon as possible

- 6.2 **Homes for Ukraine Fund:** The DLUHC provided confirmation on 29 April 2022 of funding of £5.618m for 535 individuals across Norfolk. Since this date the scheme has expanded and is now likely to support c1300 people and attract funding of c£14m. As this funding covers 12 months of costs, a significant proportion of funding will be spent in 2023/24 and the carry forward is now reflected in the Adult Social Care balance sheet. This funding will be initially received by Norfolk County Council and dispersed to the local district councils to provide financial support to refugees and their host families.
- 6.3 **Adult Social Care Reform Implementation funding:** The Department of Health and Social Care (DHSC) announced on the 15th June 2022 £15.5m of national un-ringfenced Section 31 grant towards supporting the preparation of implementing Government's reform of Social Care. For Norfolk, this is £0.097m of one-off funding in 2022/23.
- 6.4 **Winter Adult Social Care Discharge Fund:** The Department of Health and Social Care (DHSC) announced on 16th November 2022 a further £500m of which 40% will be distributed to local authorities. Norfolk's share of the fund for 2022-23 is £3.482m. This funding will work alongside £6.963m (60%) of funding the Integrated Care Board (ICB) will receive with both tranches paid and agreed via the governance surrounding the Better Care Fund (BCF).
- 6.5 **Drug Strategy Housing Support Fund :** On 3 February 2023 the Office for Health Improvement and Disparities (OHID) announced the allocation of £53m to fund targeted housing support interventions for people in drug and alcohol treatment across 28 local authorities. Norfolk's share of this allocation is £1.342m and it will be split across the 2022-23, 2023-24 and 2024-25 financial years.
- 6.6 **Electric Vehicle Charging Points:** The Office for Zero Emission Vehicles and the Department of Transport announced on 21 February 2023 an additional £56m to support the expansion of electric vehicle charging points across the country. Norfolk's share of this funding will be £1.6m
- 6.7 **Drug and Alcohol Treatment funding:** - The Office for Health Improvement and Disparities announced on 16 February 2023 an extra £421m to local authorities to improve drug and alcohol addiction treatment and recovery. Norfolk's apportionment of this new funding is £2.072m for 2023-24 and will increase to £2.944m in 2024-25

7 Budget savings 2022-23 summary

- 7.1 In setting its 2022-23 Budget, the County Council agreed net savings of £28.434m. Details of all budgeted savings can be found in the 2022-23 Budget Book. A summary of the total savings outturn is provided in this section.
- 7.2 The latest monitoring reflects the outturn savings delivery of £24.134m at year end.
- 7.3 The outturn savings delivery is as shown in the table below:

Table 5: Analysis of 2022-23 savings forecast

	Adult Social Services	Children's Services	Community and Environmental Services	Strategy and Transformation	Governance	Finance and Commercial Services	Finance General	Total
	£m	£m	£m	£m	£m	£m	£m	£m
Budget savings	10.465	12.088	3.496	0.439	0.200	-0.134	1.880	28.434
Savings outturn	7.565	11.088	3.496	0.439	0.200	-0.534	1.880	24.134
Savings shortfall (net)	2.900	1.000	0.000	0.000	0.000	0.400	0.000	4.300

Commentary on savings risk areas

- 7.4 The outturn savings for 2022-23 is £24.134m against a budgeted savings target of £28.434m. A shortfall of £2.9m has been reported in Adult Social Services, £1m in Children's Services and £0.400m in Finance and Commercial Services.

Adult Social Services

- 7.5 Adult Social Services has a £10.465m savings target comprised of recognising additional benefits from the existing savings initiatives (ASS030), delivering market utilisation efficiencies through contract performance management (ASS031), continued implementation of the Learning Disabilities transformation programme (ASS032) and a strategic refocus of investment in Intermediate Care Services (ASS039).
- 7.6 Adults have delivered £7.565m of its 22/23 savings target of £10.465m. The £2.900m shortfall relates to three areas:
- a) the £0.900m of savings originally expected from the Supported Housing Programme this year has been delayed. This is due to Covid and the current

planning issues around nutrient neutrality which has meant that the timing of savings delivery associated with the Programme has been impacted.

- b) Our Norse Care contract has had a multi-year saving target to deliver a wholesale transformation of the offer and ensure it is fit for the future types of demand we expect to face. A £1m shortfall in savings delivery has happened due to the delay to the transformation programme whilst the whole estate is being reviewed. There was partial mitigation this year from contract refunds for units out of commission.
- c) We are pleased to report that our major departmental transformation “Connecting Communities”, working with our strategic partner, has begun to deliver real change through a new model of care and a refocus on early help and prevention. However, the delay in the start of the Connecting Communities project against the original MTFS timeline has impacted on the saving profile and hence savings delivery for 22/23. During the year we have worked at pace to attempt to compensate for this revised start date and have delivered a near £1m of savings in 22/23. Whilst we have reported a shortfall in 2022/23 savings, we strongly believe this is a timing issue, rather than being one that limits future opportunity and our commitment to future savings delivery.

There have been emerging risks impacting previous saving which we are continuing to address within the department:

Short Term Offer (prior year saving) - Our short-term residential placements have continued to be at significantly high levels compared to our budget due to the amount of pressure the health and care system are under. The system has begun to shift to a community-based recovery model which will be critical in our ability to manage this pressure in the longer term. However, for this year this continues to be an issue.

Despite the savings shortfall in-year for Adult Social Care, the department continues to be dynamic in managing the whole budget as evidenced by the reported breakeven position.

Children’s Services

- 7.7 Children’s Services had a budgeted savings target of £12.088m, which has mostly been delivered as evidenced by tracking of all schemes. However, the final tracking for the year has shown a relatively small, in-year under-

delivery for the programme of c. £1m, which is a movement from the previously reported position that anticipated full delivery.

- 7.8 In the interests of transparency, the savings reported as delivered are only those that have been directly tracked throughout the year through specific projects. Several projects have delivered where the financial impacts of which are not directly trackable, such as the ongoing impact of the introduction of the new social care delivery model that introduced call-in services such as the Intensive and Specialist Support Services and enhanced operational support. Therefore, overall, in-year delivery is expected to be higher than reported.
- 7.9 This small under-delivery should be considered in the wider context of the Children's Services transformation and savings programme which has delivered over £67m gross savings (c. £51m savings net of transformation investment) since inception in 2018-19.
- 7.10 This tracking does show significant over-delivery of some schemes, particularly New Roads where over 160 children have been diverted from care since its introduction less than two years ago, that compensate for the under-delivery of others, in particular savings target primarily derived from early intervention and prevention work (CHS001) and significant transformation work undertaken in 2021-22 (CHS002) and transformation of the care market (CHS003).
- 7.11 The department has overspent in 2022-23 due to the significant pressures reported in para 2.4 above. However, these are primarily due to growth demands exceeding those budgeted rather than overall budgeted savings not being delivered. Management action was taken through the year to minimise these growth pressures whilst still significantly delivering against the savings programme.

Finance and Commercial Services

- 7.12 FCS014: HR & Finance System replacement project in Finance Exchequer Services - Benefits realisation work is still underway to quantify value of saving from the HR & Finance System replacement, however this £0.400m saving has not been delivered in 2022-23.

2023-24 to 2025-26 savings

- 7.13 Budget setting in 2022-23 saw the approval of £9.159m savings for 2023-24, £8.200m for 2024-25. The deliverability of these savings, including any 2022-23 savings that are permanently undeliverable, has been considered as part of the budget setting process for 2023-27.

Revenue Annex 1

Revenue Outturn

Revenue outturn by service

The forecast net balanced budget is a result of a range of underlying forecast over and underspends which are listed below.

Revenue budget outturn by service – detail

	Revised Budget	Overspend	Under spend	Outturn net spend
		£m	£m	
Adult Social Services				
22-23 Pay Award cost pressure		1.717		
Purchase of Care		4.371		
Commissioning			-0.265	
Community Health and Social Care			-0.456	
Community Social Work			-0.431	
Strategy and Transformation			-0.134	
Management, Finance and HR			-0.682	
Use of Business Risk Reserve			-4.120	
Forecast over / (under) spends		6.088	-6.088	
Net total	282.219		0.000	282.219
Children's Services				
22-23 Pay Award cost pressure		1.696		
Social Care		10.960		
Learning and Inclusion		5.605		
Community, Partnerships & Resources			-0.919	
Quality and Transformation			-0.132	
CSLT, Finance and HR		0.129		
Use of Transport Equalisation Reserve			-2.872	
Use of Business Risk Reserve			-0.118	
Forecast over / (under) spends		18.390	-4.041	
Net total	213.360		14.349	227.709
Community and Environmental Services				
Culture and Heritage		1.657		
Fire Service		0.747		
Growth and Development			-0.357	
Performance and Governance		1.270		
Highways & Waste			-3.751	
CIL		0.420		
Other net overspends		0.005		
Forecast over / (under) spends		4.099	-4.108	
Net total	203.784		-0.009	203.775

	Revised Budget	Overspend	Underspend	Outturn net spend
Strategy and Transformation				
<i>Reserves additions/(use of)</i>		0.137		
<i>Net underspend</i>			-0.137	
Forecast over / (under) spend		0.137	-0.137	
Net Total	9.115		0	9.115
Governance				
<i>Coroners costs, pay award pressures and other overspends</i>		0.488		
<i>Net underspends</i>			-0.609	
<i>Reserves additions/(use of)</i>		0.121		
Forecast over / (under) spend		0.609	-0.609	
Net Total	2.195		0.000	2.195
Finance and Commercial Servcs				
<i>Cost pressures</i>		4.408		
<i>Net underspends</i>			-1.983	
<i>Use of Reserves</i>			-1.421	
Forecast over / (under) spend		4.408	-3.404	
Net Total	54.238		1.004	55.242
Finance General				
<i>Minimum Revenue Provision – one off saving due to slippage</i>			-6.567	
<i>Interest on balances – borrowing secured at lower interest rates</i>			-2.176	
<i>Interest receivable</i>			-3.153	
<i>COVID-19 additional costs</i>		0.274		
<i>Other miscellaneous underspends</i>			-1.056	
<i>Business Rates Relief Reconciliation Adjustment for Prior Years</i>			-6.670	
<i>Accumulated surplus business rates - LGFS</i>			-1.300	
<i>Increase in Business Risk Reserve</i>		5.304		
Forecast over / (under) spend		5.578	-20.922	
Net total	-206.004		-15.344	-316.132
TOTAL	464.123			464.123

Revenue Annex 2 – Dedicated Schools Grant Reserve

	Reserve as at 31 Mar 22	Revised Budget (A)	Budgeted Reserve as at 31 Mar 23	Forecast Spend (B)	(Over) / under spend A-B	Outturn Reserve as at 31 Mar 23
<i>Dedicated schools grant</i>						
High Needs Block		17.924		-19.901	-1.977	
Increase in net deficit		-17.924				
Forecast (over) / under spend				-19.901	- 1.977	
DfE Safety Valve contribution to mitigate the cumulative deficit				28.000	28.000	
Net deficit (DSG Reserve)	-53.976		-71.900			-45.877

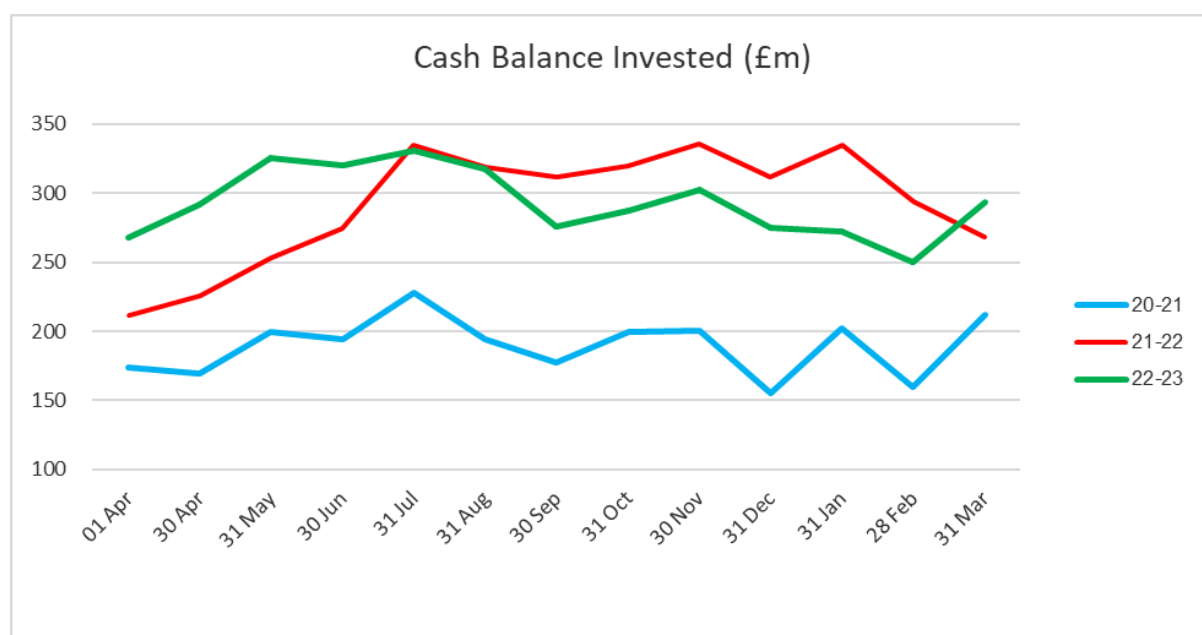
Norfolk County Council Finance Monitoring Report 2022-23

Appendix 2: 2022-23 Balance Sheet Finance Monitoring Report Month 12

1 Treasury management summary

- 1.1 The corporate treasury management function ensures the efficient management of all the authority's cash balances. The graph below shows the level of cash balances over the last three financial years to March 2023,

Chart 2: Treasury Cash Balances



- 1.2 The Council's Treasury Strategy assumed that £80m may be borrowed in 2022-23 to fund capital expenditure in year. However, following updated forecasts for the capital programme showing significant slippage into future years, the borrowing need was revised down with only £10m borrowed over the course of the financial year, to minimise the cost of carrying unnecessary borrowing. The cashflow also reflects the receipt of £28m Safety Valve funding referred to in Appendix 1: 4.6 and a further £22m capital funding received in advance funding, resulting in a closing cash balance of approximately £293.141m.
- 1.3 The Council borrowed £10m in November 2022 taking advantage of a dip in the PWLB borrowing rates. Following the recent trend in the Bank of England base rate, it is unlikely that the PWLB interest rates will fall below the 3.6% threshold recommended by the external consultants. Given the relatively high cash balance at 31 March 23, the Council continues to delay any further borrowing in 2023.
- 1.4 The Council has healthy cash balances for the immediate future with cash balances of £293.141 as at the end of March 2023. The P12 net outturn of

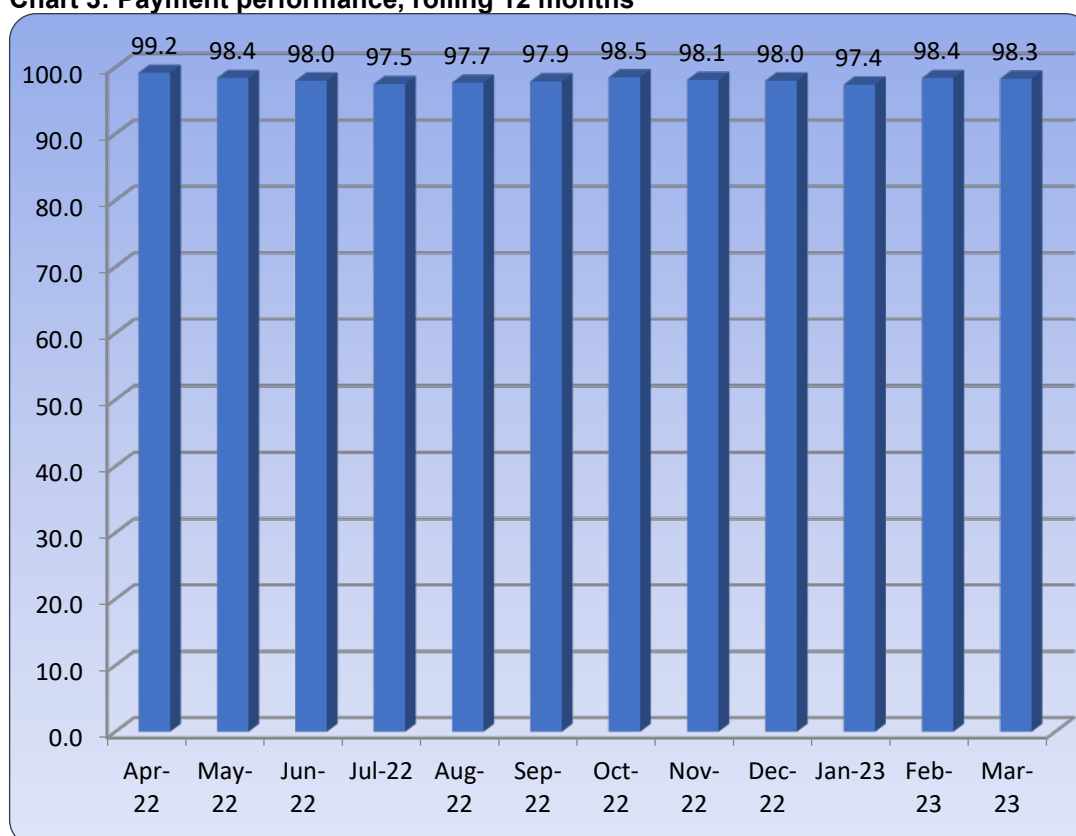
Interest receivable from treasury investments held by the Council is £3.826m; which is £3.153m higher than budget.

- 1.5 PWLB and commercial borrowing for capital purposes is static at £848.917m at the end of March 2023. The associated annual interest payable on existing borrowing is £31.393m.
- 1.6 The interest payable for 2022-23 is £29.469m, against a budget of £32.128m which represents a saving of £2.658m.

2 Payment performance

- 2.1 This chart shows the percentage of invoices that were paid by the authority within 30 days of such invoices being received. Some 470,000 invoices are paid annually. 98.3% were paid on time in March 23 against a target of 98%. This KPI has dropped below the target of 98% a few times over the last 12 months due to seasonal delays in the receipt of invoices resulting in a temporary backlog of payments following the implementation of the new financial system.

Chart 3: Payment performance, rolling 12 months



Note: The figures include an allowance for disputes/exclusions.

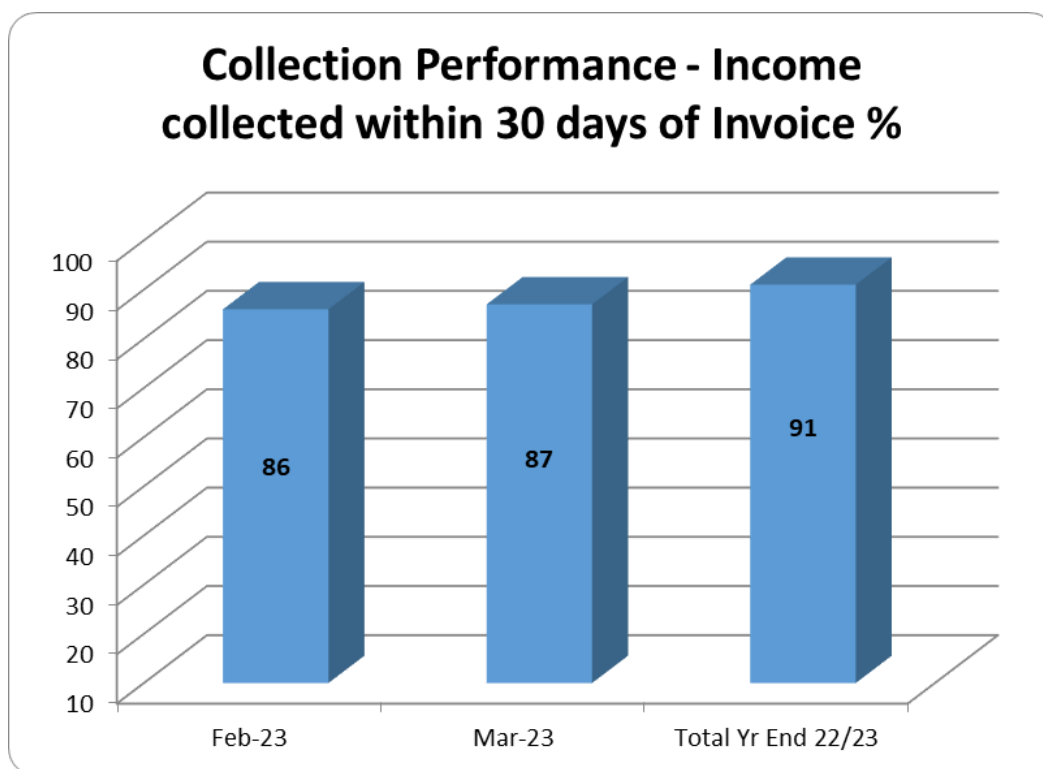
3 Debt recovery

- 3.1 **Introduction:** In 2022-23 the County Council raised over 126,932 invoices for statutory and non-statutory services. These invoices totalled in excess of £1.197bn. Through 2022-23 91.2% of all invoiced income was collected within 30 days of issuing an invoice, with 98% collected within 180 days.

Debt collection performance measures – latest available data

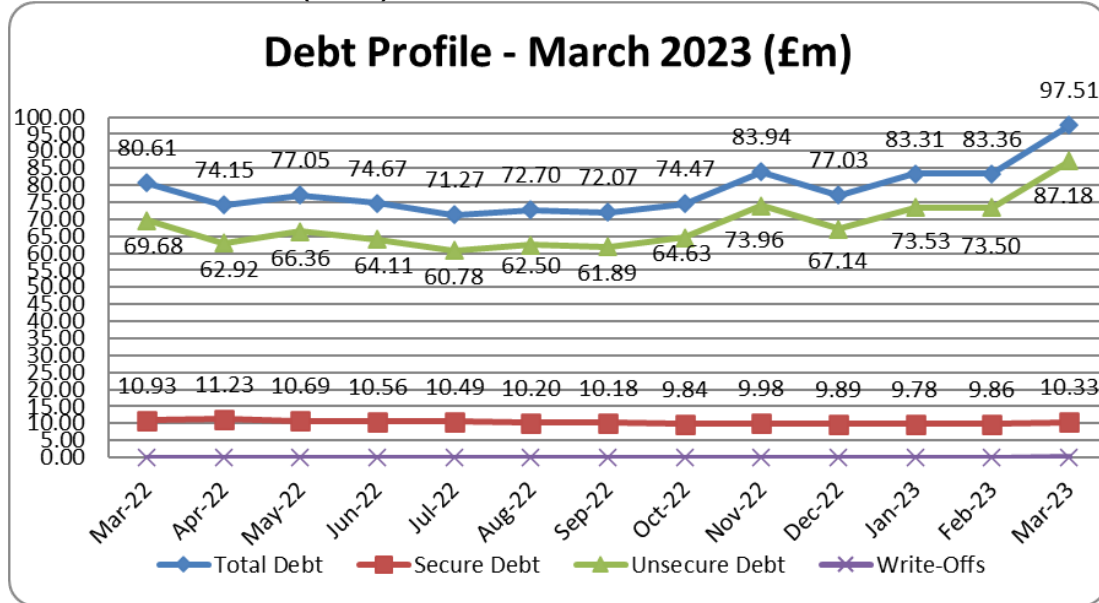
- 3.2 The proportion of invoiced income collected within 30 days for invoices raised in the previous month – measured by value – was 87% in March 23

Chart 4: Latest Collection Performance



- 3.3 The value of outstanding debt is continuously monitored, and recovery procedures are in place to ensure that action is taken to recover all money due to Norfolk County Council. The level of debt is shown in the following graph:

Chart 5: Debt Profile (Total)



- 3.4 The overall level of unsecure debt increased by £13.68m in March 2023. Of the £87.18m unsecure debt at the end of March 23; £32.81m is under 30 days, £1.17m has been referred to NPLaw, £1.03m is being paid off by regular instalments and £10.29m is awaiting estate finalisation. The largest area of unsecure debt relates to charges for social care, £70.68m, of which £24.5m is under 30 days and £34.7m is debt with the CCG's for shared care, Better Care Pooled Fund, continuing care and free nursing care. The overall debt with the CCGs has increased by £4.2m in March 2023. Of this total, the level of CCG debt under 60 days has increased by £8.6m and the level of debt over 60 days has decreased by £4.4m.
- 3.5 Secured debts amount to £10.33m at 31st March 2023. Within this total £3.27m relates to estate finalisation where the client has died, and the estate is in the hands of the executors.
- 3.6 **Debt write-offs:** In accordance with Financial Regulations and Financial Procedures, Cabinet is required to approve the write-off of debts over £10,000. The Executive Director of Finance and Commercial Services approves the write-off of all debts up to £10,000.
- 3.7 Service departments are responsible for funding their debt write-offs. Before writing off any debt all appropriate credit control procedures are followed.
- 3.8 For the period 1 April 2022 to 31 March 2023 451 debts less than £10,000 were approved to be written off following approval from the Executive Director of Finance and Commercial Services. These debts totalled £132,618.03 (£116,199.37 in March 2023), the majority of which are individual debts below £500 for which no further recourse for debt recovery is available.

- 3.9 For the period 1 April 2022 to 31 March 2023, there are 7 debts over £10,000 which were approved by Cabinet on 6 March 23 and written off totalling £114,658.40, as follows:

Debt Type	Amount	Reason
Residential Care charges (63769)	£16,973.70	Estate exhausted
Residential Care charges (132241)	£20,264.79	Estate exhausted
Residential Care charges (140351)	£12,384.13	Estate exhausted
Third Party Top Up for Residential Care	£25,340.96	Legal options exhausted
Residential Care charges (160149)	£16,218.61	Legal options exhausted
Non-Residential Care and Housing with Care charges (185102)	£12,130.07	Estate exhausted
Residential Care charges (207728)	£11,346.14	Estate exhausted

All the debts listed above have previously been provided for in the 2021-22 accounts and any decision to write-off will not affect the outturn position.

Appendix 3: 2022-23 Capital Finance Outturn Report

1 Capital Programme 2022-27

- 1.1 On 21 February 2022, the County Council agreed a 2022-23 capital programme of £247.360m with a further £470.396m allocated to future years', giving a total of £717.756m.
- 1.2 Additional re-profiling from 2021-22 resulted in an overall capital programme at 1 April 2022 of £798.620m. Further in-year adjustments for new external funding and the 2023-24 Capital Strategy have resulted in the capital programme shown below:

Table 1: Capital Programme budget

	2022-23 budget	Future years
	£m	£m
New schemes approved February 2022	26.435	64.292
Previously approved schemes brought forward	220.925	406.104
Totals in 2022-27+ Budget Book (total £717.756m)	247.360	470.396
Schemes re-profiled after budget setting	63.977	7.424
New schemes approved after budget setting including new grants received	7.763	1.700
Revised opening capital programme (total £798.620m)	319.100	479.520
Re-profiling since start of year	-287.296	287.296
Other movements including new grants and approved schemes	185.471	355.242
Total capital programme budgets (total £1,339.332)	217.273	1,122.058

Note: this table and the tables below contain rounding differences

- 1.3 The total capital programme budget has increased by £62.938m compared to the budget reported in March 23 to Cabinet (P11 £1276.393m) due to:
- £0.450m funding received from Norfolk & Waveney ICB to support the funding of Oliver Court Mental Health Residential Care setting
 - £4.648m increase in Children's Services funding received, including £2.942m donated land asset for the new Cringleford Academy, £0.519m additional funding received from DfE for the expansion of SEN provision at Fred Nicholson School and at Watton Junior School, £0.944m Basic Need funding from the Department of Education and £0.704m additional contributions from developers
 - £5.580m external funding received for Economic Development schemes including the County Deal Regen projects £2.498, LEP funding for the O&M Campus £2.810m and £0.324m uplift in NCC Borrowing for the Scottow Enterprise Park

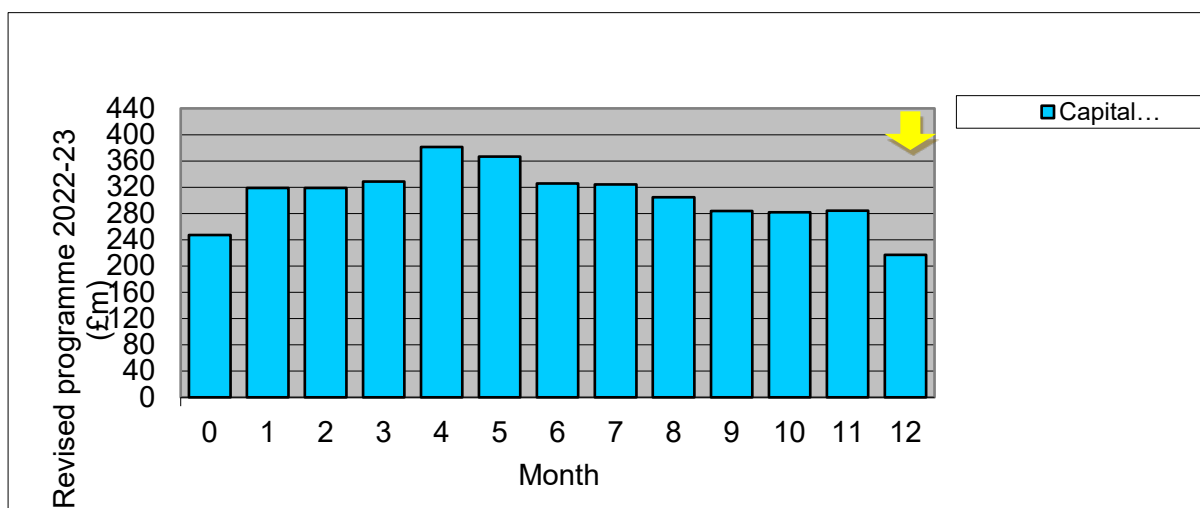
- £50.336m increase in funding received for various Highways projects relating to the building of new roads, maintenance of the existing highways network and improvements works on surfaces and drainage
- £0.873m additional contributions for the HLF Castle Keep Museum project
- £2.123m uplift to the Better Broadband Next Generation project funded from BT rebates received
- £1.072m reduction in various capital projects to reflect the actual spend in year, mainly those projects funded from external borrowing.

- 1.4 In addition, the capital outturn position for 2022-23 has resulted in further slippage of £125.940m in budgets into 2023-24. This brings the total budget reprofiled from 2022-23 to future years to £287.295m.
- 1.5 The reprofiling of capital budgets reflects the Council's endeavours to maximise the use of external capital grant funding received in 2022-23 adjust the profile of NCC borrowing funding accordingly. The full breakdown of these movements in capital budget as highlighted in notes 1.3 and 1.4 are set out below in Capital Annex 1 below.

Changes to the Capital Programme

- 1.6 The following chart shows changes to the 2022-23 capital programme through the year.

Chart 1: Current year capital programme through 2022-23



- 1.7 Month "0" shows the 2022-23 capital programme at the time of budget approval, with schemes reprofiled after budget setting shown in month 1, followed by the most up to date programme. The current year programme was adjusted as additional funding was secured, and when schemes were re-profiled to future years as timing were finalised for the outturn position.

1.8 The current year's capital budget is as follows:

Table 2: Service capital budgets and movements 2022-23

Service	Opening programme	Changes reported previously	Reprofiling since previous report	Other Changes since previous report	2022-23 latest Capital Budget
	£m	£m	£m	£m	£m
Children's Services	83.850	-44.874	-9.926	4.158	33.210
Adult Social Care	14.232	4.898	0.221	0.150	19.501
Community & Environmental Services	157.149	21.811	-101.232	53.824	131.552
Finance & Commercial Services	63.437	-16.582	-14.714	0.726	32.866
Strategy & Governance	0.432	0.000	-0.289	0.000	0.144
Total	319.100	-34.746	-125.940	58.858	217.273
		284.354		-67.082	

Note: this table may contain rounding differences.

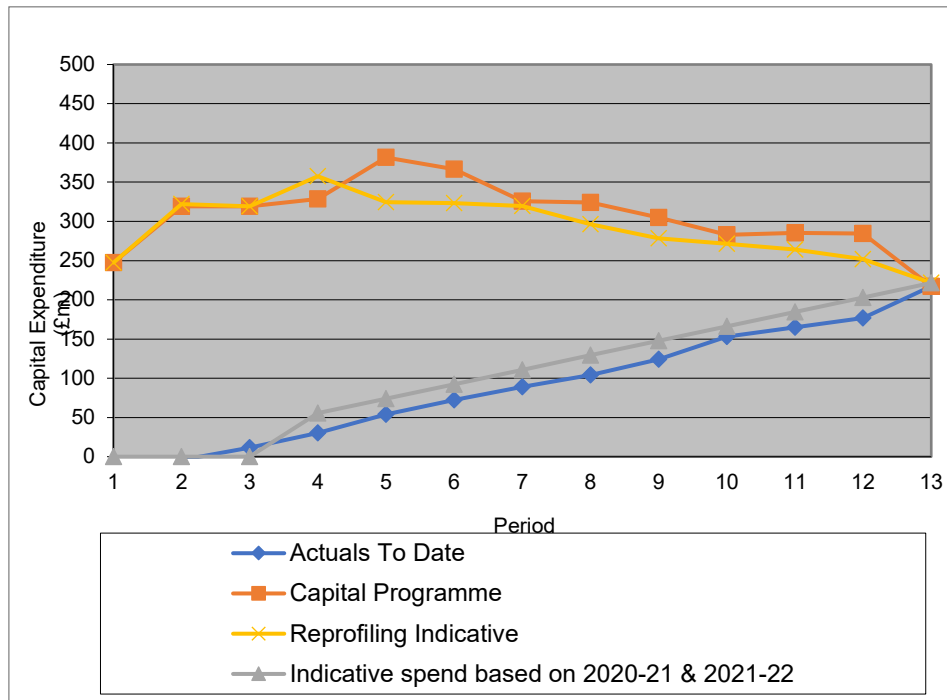
1.9 The revised programme for future years (2023-24 to 2026-27) is as follows:

Table 3: Capital programme future years 2023+

Service	Previously reported future programme	Reprofiling since previous report	Other Changes since previous report	2022+ Future Capital Budget
	£m	£m	£m	£m
Children's Services	237.236	9.926	0.489	247.651
Adult Social Care	63.556	-0.221	0.418	63.752
Community & Environmental Services	586.769	101.232	3.383	691.385
Finance & Commercial Services	104.478	14.714	-0.210	118.981
Strategy & Governance	-	0.289	0.000	0.289
Total	992.038	125.940	4.080	1,122.058

Note: this table contains rounding differences

- 1.10 The graph below shows the movement on the current year capital budget and year to date capital expenditure:



The graph shows that actual year to date capital spend was behind the forecast, which was based on the opening capital programme and an indicative calculation based on previous years' expenditure. It also shows the reprofiling of budgets to future years as the progress on projects becomes clearer.

The Capital Outturn for 2022-23 is £217.273m which is £4.260m less than the P11 forecast of £221.533m

- 1.11 Actual expenditure in 2022-23 is as follows:

Table 4: Actual expenditure to date

Service	Expenditure 2021-22	Expenditure 2022-23
	£m	£m
Children's Services	52.379	33.210
Adult Social Care	14.817	19.501
Community & Environmental Services	126.466	131.552
Finance and Commercial Services	61.207	32.866
Strategy and Governance		0.144
Total to date	254.869	217.273

The rate of capital spend has averaged approximately £20.560m per month. Total spend in 2022-23 was £217.273m, compared with £254.869m in 2021-22.

The overall programme is ambitious and a significant amount of re-profiling of schemes into 2023-24 and future years has taken place in the final months of 2022-23 to reflect the actual timing of schemes.

- 1.12 The increased the rate of spend in 2022-23, reflects the significant projects underway such as the Great Yarmouth Third River Crossing and the Oracle replacement project. In addition the Council has been forecasting rising costs of construction due to 25-30% increases in construction costs which has significantly challenged the Council's purchasing power and ability to manage its cost pressures.
- 1.13 This has prompted the Council to proactively defer some schemes in 2023, particularly those funded by NCC borrowing, further contribution to the £287.295m capital budgets slippage in year. There have also been delays in construction due to raw materials shortages and the fuel crisis.
- 1.14 Ongoing schemes include schools' improvements, the refurbishment of Norwich Castle Keep, the new Household Waste Recycling facilities, Better Broadband and Highways capital maintenance.

2 Financing the capital programme

- 2.1 Funding for the capital programme comes primarily from grants and contributions provided by central government and prudential borrowing. These are supplemented by capital receipts, developer contributions, and contributions from revenue budgets and reserves.

Table 4: Financing of the capital programme

Funding stream	2022-23 Programme	Future Years Forecast
	£m	£m
Prudential Borrowing	10	476.02
Internal Borrowing	48.322	
Use of Capital Receipts	29.093	
Revenue & Reserves	1.85	-
<i>Grants and Contributions:</i>		
DfE	17.714	92.459
DfT	81.315	482.755
DoH	9.304	0.190
MHCLG	2.505	-
DCMS	-0.002	-
DEFRA	1.945	-
Developer Contributions	4.076	34.771
Other Local Authorities	1.201	2.721
Schools Contributions	0.289	0.199
Local Enterprise Partnership	0.013	12.630

Community Infrastructure Levy	2.222	3.894
National Lottery	2.485	3.039
Commercial Contributions	1.551	-
Business rates pool fund		
Other	3.391	13.384
Total capital programme	217.273	1,122.058

Note: this table may contain rounding differences

- 2.2 For the purposes of the table above, it is assumed that all capital receipts will be applied directly to the financing of short-life assets and £5m has been applied to the Adult Social Care Transformation programme. Any proposals to utilise capital receipts to fund in-year capital expenditure are recommended to Cabinet for approval (see section 3 below) and will be applied in line with the Council's Minimum Revenue Provision Statement.
- 2.3 Developer contributions are funding held in relation to planning applications. Section 106 (Town and Country Planning Act 1990) contributions are held in relation to specific projects: primarily schools, with smaller amounts for libraries and highways. The majority of highways developer contributions are a result of section 278 agreements (Highways Act 1980). The Commercial Contribution referred to above is in respect of next generation broadband access (Better Broadband for Norfolk).

3 Capital Receipts

- 3.1 The Council's property portfolio is constantly reviewed to ensure assets are only held where necessary so that capital receipts or rental income can be generated. This in turn reduces revenue costs of the operational property portfolio.
- 3.2 The capital programme, approved in February 2022, gave the best estimate at that time of the value of properties available for disposal in the four years to 2024-25, totalling £23.4m.

Table 5a: Disposals capital programme forecast

Financial Year	Property sales forecast £m
2022-23	8.103
2023-24	14.523
2024-25	0.801
2025-26	0.000
	23.427

The timing of future year sales is the most optimistic case and may slip into future years if sales completions are delayed.

- 3.3 The revised schedule for current year disposals is as follows:

Table 5b: Capital receipts and forecast use current financial year £m

Capital receipts 2022-23	£m
Capital receipts reserve brought forward (revised by £0.133m for yearend adjustments on cost of disposals)	5.290
Loan repayments – subsidiaries forecast for year	12.903
Loan repayments – LIF loan repayments to date	4.234
Capital receipts to date	
Capital receipts in year	28.613
Capital Receipts forecasted for asset disposals subject to contract	0.000
Secured capital receipts to date	51.040
Available capital receipts	51.040
Use of capital receipts	
Maximum flexible use of capital receipts to support transformation costs	5.000
To fund short-life assets – IT and VPE	24.093
Norwich Western Link Reserve	5.061
Total forecast use of capital receipts	34.154
Capital Receipts Reserve carried forward (incl NWL earmarked reserve)	21.947

- 3.4 As can be seen from this table, enough capital receipts have been secured to support the use of capital receipts to support transformation costs, short-life capital expenditure and the Norwich Western Link project, previously approved by County Council.
- 3.5 Further sales will contribute to the capital receipts reserve which can be used to reduce the external borrowing requirement, fund debt repayments, flexible use of capital receipts or to directly fund capital expenditure, thereby reducing the Capital Funding Requirement (CFR).
- 3.6 On 10 February 2021, the DLUHC announced that the flexibility granted to local authorities to utilise capital receipts to support transformation costs has been extended for a further 3 years. Table 5b includes £5m earmarked for this in 2022-23 for Adult Social Care.

4 New capital budget revisions

- 4.1 The revisions to the capital budget for March 2023 reflect the final adjustments to the Capital Outturn for 2022-23, the application of external funding and capital receipts to the in-year capital programme and reprofiling of future years budgets.
- 4.2 The main revisions are set out in note 1.3 and 1.4. The breakdown of the sources of funding for these revisions to capital are set out below in Capital Annex 1.

Capital Annex 1 – changes to the capital programme since last Cabinet

			2022-23	2022-23	23-24+	23-24+	
Service	Project	Funding Type	Change(£m)	REPROFILE	Change(£m)	REPROFILE	Reason for change
Adult Social Care							
	SC8198 : SL Norwich Complex TCP 1	NCC Borrowing			0.100		
	SC8210 : Oliver Court MH Residential Care	External Funding	0.150		0.300		Local Health Authority Funding received to support the delivery of Oliver Court as a residential setting for Mental Health Service Users
	SC8120 : Social Care Unallocated	External Funding	0	- 0.005	0.018	0.005	
	SC8158 : HWC Kitchen Equipment	NCC Borrowing	- 0				
	SC8153 : ICES Equipment	NCC Borrowing		0.120	-	0.120	Reprofiled to match actual spend
	SC8170 : Supported Living Programme	NCC Borrowing		0.107	-	0.107	Reprofiled to match actual spend
	Other minor capital slippage adjustments	NCC Borrowing		- 0.001		0.001	
Total ASC			0.150	0.221	0.418	-0.221	
Children's Services							
Various S106 pots	S106 Developer cont	External Funding	0.771	- 0.714	- 0.067	0.714	Reprofiled to match actual spend and updated for S106 contributions received
	Various SRB and SEND Projects	Mixed Funding source	-0.392	- 1.362	- 2.106	1.362	Reprofiled to match actual spend
	EC4279 : CS Sufficiency Strategy	NCC Borrowing	-0.250	- 0.088		0.088	Reduction in NCC Borrowing offset by increase in Basic Need DfE funding
	EC4695 : Basic Need	External Funding	0.944	- 1.332		1.332	Reprofiled to match actual spend and uplift to Basic Need funding
	EC4862 : North Lynn, Lynnsport	External Funding	-0.500	- 0.611		0.611	Reprofiled to match actual spend
	EC4920 : CM-Cringleford New Academy	External Funding	1.869		1.073		External funding received from DfE for the purchase of land
	EC4945 : Hethersett High Masterplan Refresh	External Funding		- 0.021	0.438	0.021	Reprofiled to match actual spend
	EC4845 : Fred Nicholson SEN Expansion	External Funding	1.350	- 1.508		1.508	Reprofiled to match actual spend and grant funding received from DfE
	EC4965 : Watton Junior SRB	External Funding	0.10042		1.567		New grant funding received from DfE
	Schools Based Projects	Mixed Funding source	0.266	- 4.289	- 0.416	4.289	Reprofiled to match actual spend and maximise the use of external funding
Total Children's			4.158	-9.926	0.489	9.926	

Service	Project	Funding Type	2022-23 Change(£m)	2022-23 REPROFILE	23-24+ Change(£m)	23-24+ REPROFILE	Reason for change
Community & Environmental Services							
Adult Education	LA9007 : Wensum Lodge Development			- 0.018		0.018	Reprofiled to match actual spend
Ec Development	PU2919 : County Deal Regen Projects	External Funding	2.498				Levelling Up Funds received from DLUHC
	PU2918 : GY O&M Campus	External Funding		-0.928	2.810	0.928	LEP funding received to fund 2023-24
	PU2917 : Development of Norfolk Infrastructure	NCC Borrowing	-0.052	-0.383		0.383	Reprofiled to match actual spend
	PU0010 : SEP Capital General	NCC Borrowing		-0.609	0.324	0.609	Reprofiled to match actual spend
Environment	Jubilee Trails, Wendling Beck & Hedge Restoration Fund	NCC Borrowing	0.000	-0.848		0.848	Reprofiled to match actual spend
ETD GRT	Gypsy and Traveller Site Improvements	NCC Borrowing		- 0.037		0.037	New budget approved for 2023-24
ETD Other	Various Natural Capital projects	NCC Borrowing		- 2.071		2.071	Reprofiled to match actual spend
ETD Public Access	Bure Valley Path and Recycling of Railways	NCC Borrowing	0.005	- 0.314		0.314	Reprofiled to match actual spend
ETD Waste	PQ3035 : Replacement HWRC Norwich	NCC Borrowing and Reserves	0.167				Uplifted budget to match actual spend
	PQ3037 : HWRC North A11/South Norwich	NCC Borrowing	-0.105				Offsets increased budget for HWRC replacement in Norwich
	PQ3042 : Recycling Centre Site Equipment			- 0.002	0.093	0.002	New Budget approved for 2023-24
	Various ETD Waste Projects reprofiled			- 0.910		0.910	Reprofiled to match actual spend
Fire	Various Fire Projects reprofiled	NCC Borrowing		- 1.135		1.135	Reprofiled to match actual spend - mainly slippage on Fire Station maintenance programme and delays with the delivery of Red Fleet and Equipment replacement programme

Service	Project	Funding Type	2022-23 Change(£m)	2022-23 REPROFILE	23-24+ Change(£m)	23-24+ REPROFILE	Reason for change
Community & Environmental Services							
Highways							
	PAA & PB Projects - Bus Priority Schemes and Bus Infrastructure Projects	External Funding	0.336	-6.999		6.999	Uplift for additional DfT funding received and reprofiled to match actual spend
	PC-PF Projects - Public Transport and Active Travel Schemes	External Funding	-0.113	-4.228	0.064	4.228	Uplift for additional DfT funding received in future years, reduction in NCC Borrowing and reprofiled to match actual spend
	PG-PJ Projects - Road Safety and Traffic Calming Schemes	Various Funding sources	-0.201	1.956	0.040	- 1.956	Uplift for additional DfT funding received and matched to actual spend, release of NCC Borrowing not required
	PK1000 - NATS REVW NDR	External Funding		-1.018		1.018	Reprofiled to match actual spend
	PK1000 - NATS REVW NDR	NCC Borrowing		1.624		- 1.624	Reprofiled to match actual spend
	PK1002 : Norwich Western Link	External Funding		-13.754		13.754	Reprofiled to match actual spend
	PK1002 : Norwich Western Link	NCC Borrowing		10.422		- 10.422	Reprofiled to match actual spend
	PK9999 : Local Road Schemes	External Funding		-0.706	-0.135	0.706	Reprofiled to match actual spend
	PKA011 : Fakenham A148/Water Moor Lane	External Funding		-1.390		1.390	Reprofiled to match actual spend
	PKA018 : Great Yarmouth 3rd River Crossing	External Funding		-16.183		16.183	Reprofiled to match actual spend
	PKA021 : West Winch Bypass	External Funding		-2.127		2.127	Reprofiled to match actual spend
	PKA021 : West Winch Bypass	NCC Borrowing		-0.845		0.845	Reprofiled to match actual spend
	PKA023 : Postwick ACT1973	NCC Borrowing		-1.624		1.624	Reprofiled to match actual spend
	PKA024 : Long Stratton Bypass	External Funding	8.537	-9.394		9.394	Reprofiled to match actual spend
	PKA122 : Gt Yarmouth Harfreys Roundabout	External Funding		-1.913		1.913	Reprofiled to match actual spend
	PL Various Gateway and Street Furniture projects	External Funding	0.21161	0.446		- 0.446	Reprofiled to match actual spend and DfT funding received
	PM8999 : Bridge Strengthening Budget and Forecast	NCC Borrowing		-3.738		3.738	Reprofiled to match actual spend
	PM9999: Other Highways Schemes	External Funding	42.813	-38.610	-0.049	38.610	Reprofiled to match actual spend on new roads, reconstruction, resurfacing, pothole repairs and drainage improvements
	PM9999: Other Highways Schemes	NCC Borrowing		-1.144		1.144	Reprofiled to match actual spend
	Various Other Highways projects	NCC Borrowing	-1.135	-3.006	-0.004	3.006	Reprofiled to match actual spend and NCC Borrowing released and replaced with External Funding
	Weighbridges, Weather Stations and Depot Improvements	NCC Borrowing	0.001	-0.114	0.099	0.114	Reprofiled to match actual spend
Museums	MM00550 HLF Castle Keep	NCC Borrowing		-1.381	0.000	1.381	Reprofiled to match actual spend and internal funding
	MM00550 HLF Castle Keep	Internal Funding	0.850				Reprofiled to match actual spend and internal funding
	MM0546 Norwich Castle Critical M&E	NCC Borrowing		-0.265	0.023	0.265	Reprofiled to match actual spend and internal funding
	Various Museum and Heritage Site projects	NCC Borrowing		0.026		- 0.026	Reprofiled to match actual spend and internal funding
Libraries	LL11056 - NML Meeting Rooms	Internal Funding	0.118				Reprofiled to match actual spend and internal funding
	LL11056 - NML Meeting Rooms	NCC Borrowing	-0.118	-0.009		0.009	Reprofiled to match actual spend and internal funding
	LL1060 - Electric Mini Mobile Library	NCC Borrowing			0.118		Reprofiled to match actual spend and internal funding
	LL1060 - Electric Mini Mobile Library	Internal Funding	0.008				Reprofiled to match actual spend and internal funding
	Various Library Stock Projects reprofiled	External Funding		-0.005		0.005	Reprofiled to match actual spend and internal funding
Total CES			53.824	-101.232	3.383	101.232	

			2022-23	2022-23	23-24+	23-24+	
Service	Project	Funding Type	Change(£m)	REPROFILE	Change(£m)	REPROFILE	Reason for change
Total Strategy & Governance	KA0002 - NPLaw IT System	NCC Borrowing		-0.289		0.289	Reprofiled to match actual spend
Finance & Commercial Services							
Finance ICT	KT2680 - Local Full Fibre Network	External Funding	-0.318				Reprofiled to match actual spend
	KT2610 - Technology Improvement	Internal Funding	0.290		-0.039		Reprofiled to match actual spend
	Other ICT projects	NCC Borrowing	0.112	-2.690		2.690	Reprofiled to match actual spend
Finance	CPM005 - Capital Loans facility for subsidiaries	NCC Borrowing		0.359	0.000	-0.359	Reprofiled to match actual spend
	CPM001 - Captial Programme Management	External Funding	0.045				DEFRA funding received
	KF0088 - HR and Finance System Replacement	NCC Borrowing	0.000	-0.424		0.424	Reprofiled to match actual spend
	PQ6003 - Social Infrastructure Fund	NCC Borrowing		-0.381		0.381	Reprofiled to match actual spend
	Other Finance Projects reprofiled		0.00	-0.127		0.127	Reprofiled to match actual spend
Better Broadband	KT0004: Better Broadband Next Generation	External Funding	2.132				BT Rebate received in year to fund Better Broadband project
	KT0004: Better Broadband Next Generation	NCC Borrowing	-0.010				Released NCC Borrowing not required
Offices	Various Office refurbishment projects	NCC Borrowing	0.042	-2.717	0.050	2.717	Reprofiled to match actual spend
Offices	County Hall	NCC Borrowing	0.001	-1.048		1.048	Reprofiled to match actual spend
Property - Fire	NFRS Fire Station Improvements projects	NCC Borrowing	-0.034	-2.527		2.527	Reprofiled to match actual spend
Property Other	CA2311 - KL Multi User Hub	External Funding	-0.750		-0.221		Reprofiled to match actual spend
Property Other	CA2311 - KL Multi User Hub	NCC Borrowing	-0.881	1.593		-1.593	Reprofiled to match actual spend
Property Other	CA2308 - G&T Site Improvements	NCC Borrowing					NCC Borrowing released as funding no longer required
Property Other	Other Property projects slippage	NCC Borrowing		-2.220		2.220	Reprofiled to match actual spend
County Farms	Various projects reprofiled	NCC Borrowing		-4.531		4.531	Reprofiled to match actual spend
Total Finance			0.630	- 14.714	- 0.210	14.714	
	Landfill Provision		0.09588				
Overall Total			58.858	-125.940	4.080	125.940	

Scrutiny Committee

Item No: 10

Report Title: Scrutiny Committee Forward Work Programme

Date of Meeting: 21 June 2023

Responsible Cabinet Member: None

Responsible Director: Executive Director of Strategy and Transformation

Executive Summary

This paper sets out the current forward work programme for the Scrutiny Committee, outlining committee dates and agreed items.

Recommendations

Members of the committee are asked to:

1. Note the current Scrutiny Committee forward work programme and discuss potential further items for future consideration.

1. Background and Purpose

- 1.1 Members of the Scrutiny Committee took part in a work programming session held on the 22 April 2023, discussing proposed items for the Committee to consider through until May 2024.
- 1.2 The work programme attached is amended frequently to better reflect officer pressures and changes to the Cabinet forward plan of decisions.
- 1.3 All topics are subject to change, with the committee remaining flexible to ensure the ability to adapt to emerging and urgent topics for consideration.

2. Proposal

- 2.1 Members are asked to note the attached forward programme of work (**Appendix A**) and discuss potential further items for consideration.

3. Impact of the Proposal

- 3.1 Maintaining the proposed work programme will ensure that the Scrutiny Committee has a full schedule of work, and officers are well prepared to present to the committee.

4. Financial Implications

- 4.1 None

5. Resource Implications

5.1 Staff:

None

5.2 Property:

None

5.3 IT:

None

6. Other Implications

6.1 Legal Implications:

None

6.2 Human Rights Implications:

None

6.3 Equality Impact Assessment (EqIA) (this must be included):

None

6.4 Data Protection Impact Assessments (DPIA):

None

6.5 Health and Safety implications (where appropriate):

None

6.6 Sustainability implications (where appropriate):

None

6.7 Any Other Implications:

None

7. Risk Implications / Assessment

7.1 None

8. Select Committee Comments

8.1 None

9. Recommendations

Members of the Scrutiny Committee are asked to:

1. Note the Scrutiny Committee forward work programme and discuss potential further items for future consideration.

10. Background Papers

10.1 **Appendix A** – Scrutiny Committee Forward Programme of Work

Officer Contact

If you have any questions about matters contained within this paper, please get in touch with:

Officer name: Peter Randall

Telephone no.: 01603 307570

Email: peter.randall@norfolk.gov.uk



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.

Scrutiny Committee Forward Work Programme

Date	Report	Further notes/Comments	Better Together for Norfolk - Strategic Goal(s)*	Cabinet Member	Exec Director
21/06/23	Update from the Chair of the Norfolk Countywide Community Safety Partnership	Standing item	- Strong, Engaged and Inclusive Communities	None	Tom McCabe, Executive Director of Community and Environmental Services
	Strategic and Financial Planning 2024-25	Standard Budget Setting Item	- A Vibrant and Sustainable Economy	Cllr Andrew Jamieson, Cabinet Member for Finance	Harvey Bullen, Director of Strategic Finance
	Finance Monitoring 2022-23 Outturn Report	Quarterly Financial Management Item	- N/A	Cllr Andrew Jamieson, Cabinet Member for Finance	Harvey Bullen, Director of Strategic Finance
19/07/23	Performance Review Panels – Quarterly Update	Standard quarterly item	<ul style="list-style-type: none"> - Better Opportunities for Children and Young People - Healthy, Fulfilling and Independent Lives 	Cllr Alison Thomas, Cabinet Member for Adult Social Care & Cllr Penny Carpenter, Cabinet	James Bullion, Executive Director of Adult Social Care & Sarah Tough, Executive Director of Children's Services

				Member for Children's Services	
	LEP integration with NCC	Requested by Scrutiny Committee Members	- A Vibrant and Sustainable Economy	Cllr Fabian Eagle, Cabinet Member for Economic Growth	Tom McCabe, Executive Director of Community and Environmental Services
	NCC Climate Change Strategy	Requested by Scrutiny Members	- A Greener, More Resilient Future	Cllr Eric Vardy, Cabinet Member for Environment and Waste	Tom McCabe, Executive Director of Community and Environmental Services
23/08/23	County Deal - Update	Scheduled item on the County Deal timeline	<ul style="list-style-type: none"> - A Vibrant and Sustainable Economy - Better Opportunities for Children and Young People - Healthy, Fulfilling and Independent Lives - Strong, Engaged and Inclusive Communities - A Greener, More Resilient Future 	Cllr Kay Mason- Billig, Leader of the Council and Cabinet Member for Governance and Strategy	Paul Cracknell, Executive Director of Strategy and Transformation

	Digital Connectivity in Norfolk	Requested by Scrutiny Members	<ul style="list-style-type: none"> - A Vibrant and Sustainable Economy - Better Opportunities for Children and Young People - Healthy, Fulfilling and Independent Lives - Strong, Engaged and Inclusive Communities 	Cllr Graham Plant, Cabinet Member for Highways, Infrastructure and Transport	Paul Cracknell, Executive Director of Strategy and Transformation
20/09/23	Update from the Chair of the Norfolk Countywide Community Safety Partnership	Standing item	- Strong, Engaged and Inclusive Communities	None	Tom McCabe, Executive Director of Community and Environmental Services
	NORSE/NORSE Care	Requested by Scrutiny Members	- Healthy, Fulfilling and Independent Lives	Cllr Kay Mason-Billig, Leader of the Council and Cabinet Member for Governance and Strategy &	Tom McCabe, Executive Director of Community and Environmental Services & James Bullion, Executive Director of Adult Social Care

				Cllr Alison Thomas, Cabinet Member for Adult Social Services	
	Recycling Services	Requested by Scrutiny Members	- A Greener, More Resilient Future	Cllr Eric Vardy, Cabinet Member for Environment and Waste	Tom McCabe, Executive Director of Community and Environmental Services
18/10/23	County Deal - Update	Scheduled item on the County Deal timeline	<ul style="list-style-type: none"> - A Vibrant and Sustainable Economy - Better Opportunities for Children and Young People - Healthy, Fulfilling and Independent Lives - Strong, Engaged and Inclusive Communities - A Greener, More Resilient Future 	Cllr Kay Mason-Billig, Leader of the Council and Cabinet Member for Governance and Strategy	Paul Cracknell, Executive Director of Strategy and Transformation
	Performance Review Panels – Quarterly Update	Standard quarterly item	- Better Opportunities for Children and Young People	Cllr Alison Thomas, Cabinet Member for Adult Social Care	James Bullion, Executive Director of Adult Social Care

			- Healthy, Fulfilling and Independent Lives	& Cllr Penny Carpenter, Cabinet Member for Children's Services	& Sarah Tough, Executive Director of Children's Services
	Strategic and Financial Planning 2023-24	Standard budget setting item	- A Vibrant and Sustainable Economy	Cllr Andrew Jamieson, Cabinet Member for Finance	Harvey Bullen, Director of Strategic Finance
22/11/23	Review of Norfolk Flood Prevention Activity	Agreed by the Scrutiny Committee at the meeting held on the 23 November 2022	- A Greener, More Resilient Future	Cllr Graham Plant, Cabinet Member for Highways, Infrastructure and Transport	Tom McCabe, Executive Director of Community and Environmental Services
	Coastal Erosion/Drought in Norfolk	Requested by Scrutiny Members	- A Greener, More Resilient Future	Cllr Eric Vardy, Cabinet Member for Environment and Waste	Tom McCabe, Executive Director of Community and Environmental Services
13/12/23	County Deal – Consideration of Statutory Instrument	Scheduled item on the County Deal timeline	<ul style="list-style-type: none"> - A Vibrant and Sustainable Economy - Better Opportunities for Children and Young People - Healthy, Fulfilling and Independent Lives 	Cllr Kay Mason-Billig, Leader of the Council and Cabinet Member for Strategy and Governance	Paul Cracknell, Executive Director of Strategy and Transformation

			<ul style="list-style-type: none"> - Strong, Engaged and Inclusive Communities - A Greener, More Resilient Future 		
	Update from the Chair of the Norfolk Countywide Community Safety Partnership	Standing item	Strong, Engaged and Inclusive Communities	None	Tom McCabe, Executive Director of Community and Environmental Services
20/12/23	Nothing Currently Scheduled				
25/01/24	Update on Local Government Finance Settlement	Standard budget setting item	- A Vibrant and Sustainable Economy	Cllr Andrew Jamieson, Cabinet Member for Finance	Harvey Bullen, Director of Strategic Finance
	Access to Museums Service	Requested by Scrutiny Members	- Strong, Engaged and Inclusive Communities	Cllr Margaret Dewsbury, Cabinet Member for Communities and Partnerships	Tom McCabe, Executive Director of Community and Environmental Services
	People with Disabilities, Engagement and Charging Policy	Requested by Scrutiny Members	- Healthy, Fulfilling and Independent Lives	Cllr Alison Thomas, Cabinet Member for Adult Social Care	James Bullion, Executive Director of Adult Social Care
	Performance Review Panels – Quarterly Update	Standard quarterly item	- Better Opportunities for Children and Young People	Cllr Alison Thomas, Cabinet Member for Adult Social Care	James Bullion, Executive Director of Adult Social Care

			- Healthy, Fulfilling and Independent Lives	& Cllr Penny Carpenter, Cabinet Member for Children's Services	& Sarah Tough, Executive Director of Children's Services
14/02/24	Scrutiny Committee 2023-24 Budget scrutiny	Standard budget setting item	<ul style="list-style-type: none"> - A Vibrant and Sustainable Economy - Better Opportunities for Children and Young People - Healthy, Fulfilling and Independent Lives - Strong, Engaged and Inclusive Communities A Greener, More Resilient Future	Cllr Andrew Jamieson, Cabinet Member for Finance	Harvey Bullen, Director of Strategic Finance
20/03/24	Nothing Currently Scheduled				
24/04/24	Performance Review Panels – Quarterly Update	Standard quarterly item	<ul style="list-style-type: none"> - Better Opportunities for Children and Young People - Healthy, Fulfilling and Independent Lives 	Cllr Alison Thomas, Cabinet Member for Adult Social Care & Cllr Penny Carpenter, Cabinet	James Bullion, Executive Director of Adult Social Care &

				Member for Children's Services	Sarah Tough, Executive Director of Children's Services
--	--	--	--	-----------------------------------	--

The 'Better Together for Norfolk – County Council Strategy 2021-25**' outlines five strategic priorities. These are:*

- A Vibrant and Sustainable Economy*
- Better Opportunities for Children and Young People*
- Healthy, Fulfilling and Independent Lives*
- Strong, Engaged and Inclusive Communities*
- A Greener, More Resilient Future*

When scheduling items for the work programme the committee should consider, where applicable, the item contributes to the above strategic goals and overall delivery of the County Council's strategy for 2021-25.