

Environment, Transport and Development Committee

Item No.....

Report title:	Strategic and Financial Planning 2018-19 to 2021-22 and Revenue Budget 2018-19
Date of meeting:	19 January 2018
Responsible Chief Officer:	Tom McCabe – Executive Director, Community and Environmental Services

Strategic impact

The proposals in this report will inform Norfolk County Council's decisions on council tax and contribute towards the Council setting a legal budget for 2018-19 which sees its total resources targeted at meeting the needs of residents.

The information in this report is intended to enable the Committee to take a considered view of all the relevant factors to agree budget proposals for 2018-19 and the Medium Term Financial Strategy to 2021-22, and make recommendations on these to the Policy and Resources Committee. Policy and Resources will then consider how the proposals from Service Committees contribute to delivering an overall balanced budget position on 29 January 2018 before the Full Council meets 12 February to agree the final budget and level of council tax for 2018-19.

Executive summary

This report sets out details of the County Council's strategy which will set out the future direction, vision and objectives for the Council across all its services. It also provides an overview of the financial issues for the Council, including the latest details of the Autumn Budget 2017 and the Local Government Finance Settlement for 2018-19. It then summarises this Committee's saving proposals for 2018-19, identified budget pressures and funding changes, and sets out the proposed cash-limited revenue budget as a result of these. The report also provides details of the proposed capital programme.

Details of the outcomes of rural and equality impact assessments in respect of the 2018-19 Budget proposals are set out in the paper, alongside the findings of public consultation around specific savings proposals, where relevant to the Committee.

Policy and Resources Committee works with Service Committees to coordinate the budget-setting process, advising on the overall planning context for the Council. Service Committees review and advise on the budget proposals for their individual service areas. The report therefore provides an update on the Service Committee's detailed planning to feed into the Council's budget process for 2018-19. The County Council is due to agree its budget for 2018-19, and Medium Term Financial Strategy to 2021-22 on 12 February 2018.

EDT Committee is recommended to:

- 1) **Note the new corporate priorities – Norfolk Futures – to focus on demand management, prevention and early help, and a locality focus to service provision as set out in section 2 of this report.**
- 2) **Consider and agree the service-specific budgeting issues for 2018-19 as set out in section 5;**
- 3) **Consider and comment on the Committee's specific budget proposals for 2018-19 to 2021-22 set out in Appendix 2, including the findings of public consultation in respect of the budget proposals set out in Appendices 3a-d;**
- 4) **Consider the findings of equality and rural impact assessments, attached at Appendix 4 to this report, and in doing so, note the Council's duty under the Equality Act 2010 to have due regard to the need to:**
 - **Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act;**
 - **Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;**
 - **Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.**
- 5) **Consider and agree any mitigating actions proposed in the equality and rural impact assessments;**
- 6) **Consider the recommendations of the Executive Director of Finance and Commercial Services, and:**
 - a. **Recommend to Policy and Resources Committee that the Council's budget includes an inflationary increase of 2.99% in council tax in 2018-19, within the council tax referendum limit of 3.0% for 2018-19;**
 - b. **Note that the Council's budget planning includes an increase in council tax of 3.0% for the Adult Social Care precept in 2018-19, meaning that no increase in the Adult Social Care precept would be levied in 2019-20.**
- 7) **Agree and recommend to Policy and Resources Committee the draft Committee Revenue Budget as set out in Appendix 5:**
 - a. **including all of the savings for 2018-19 to 2021-22 as set out. *Or***
 - b. **removing any savings unacceptable to the Committee and replacing them with alternative savings proposals within the Committee's remit.**

For consideration by Policy and Resources Committee on 29 January 2018, to enable Policy and Resources Committee to recommend a sound, whole-Council budget to Full Council on 12 February 2018.

- 8) **Agree and recommend the Capital Programmes and schemes relevant to this Committee as set out in Appendix 6 to Policy and Resources Committee for consideration on 29 January 2018, to enable Policy and Resources Committee to recommend a Capital Programme to Full Council on 12 February 2018.**

1. Introduction

- 1.1. The Council's approach to medium term service and financial planning includes a rolling medium term financial strategy, with an annual budget agreed each year. The County Council agreed the 2017-18 Budget and Medium Term Financial Strategy (MTFS) to 2019-20 at its meeting 20 February 2017. At this point, the MTFS identified a gap for budget planning purposes of £35.015m.
- 1.2. The MTFS position is updated through the year to provide Members with the latest available financial forecasts to inform wider budget setting work across the organisation. As previously reported to Committees, Policy and Resources Committee considered a report "Strategic and Financial Planning 2018-19 to 2021-22" on 3 July 2017, which set out a forecast gap of £100.000m for the period to 2021-22.
- 1.3. This year, the budget-setting process is closely aligned with development of the new Council Plan and associated corporate strategy work. Further details of this were set out in the report "Caring for your County" and in the Strategic and Financial Planning reports considered by Policy and Resources Committee.
- 1.4. Norfolk County Council is due to agree its new Budget and Medium Term Financial Strategy for 2018-19 to 2021-22 on 12 February 2018. This paper sets out the latest information on the Local Government Finance Settlement and the financial and planning context for the County Council for 2018-19 to 2021-22. It summarises the Committee's pressures, changes and savings proposals for 2018-19, the proposed cash limit revenue budget based on all current proposals and identified pressures, and the proposed capital programme.

2. County Council Strategy and Norfolk Futures

- 2.1. The County Council Strategy will set out the future direction, vision and objectives for the Council across all its services.
- 2.2. A key plank of the new strategy will be Norfolk Futures. This comprises a number of initiatives focused on demand management, prevention and early help, and a locality focus to service provision, as referenced in the Strategic and Financial Planning 2018-19 to 2021-22 report presented at Policy and Resources 30 October 2017.
- 2.3. Norfolk Futures will focus on delivering the administration's manifesto priorities over the Medium Term Financial Strategy period and include:

Local Service strategy:

- We want to proactively target our services in the places where they are most needed in our market towns, Norwich, Great Yarmouth and King's Lynn.
- Joining up different areas of the council's work under one roof will enable the closure of little-used buildings and remodelled services.
- Refocusing our investment, based on the evidence we have of service usage will mean we can create services that meet the need of the residents in that place, rather than a one size fits all offer.

A new deal for families in crisis:

- We want to keep families together when life gets tough, and reduce the number of children entering the care system.
- To achieve this we will focus on early intervention to keep children safely at home.
- When we have to help and offer care we will use foster care and adoption where appropriate, which we know deliver better outcomes for our children.
- We will reduce our use of residential care and invest in specialist support alternatives.
- Care leavers will be better supported through high quality post 16 provision.

Promoting independence for vulnerable adults:

- We want to give people the skills and confidence to live independently and safely, in their own homes, for as long as possible.
- To do this we will focus on those most likely to need our formal services at some point to help them to stay independent for longer.
- This will involve supporting people to overcome problems and find renewed levels of independence.
- Helping people with learning difficulties to do the things we all want to do in life.
- Strengthen social work so that it prevents, reduces and delays need.

Smarter information and advice:

- We want to make it easier for people to find trusted, reliable information to make decisions that improve their independence and well being.
- Direct and connect people to services in their local community.
- This will help people to take control of their lives and their futures and to reduce reliance on health and local authority services.

Towards a Housing Strategy:

We care about the large number of people who are not able to afford a home of their own. As a county council we can help by accelerating the delivery of new housing, in all forms, throughout Norfolk by:

- Using county council landholdings to undertake direct development via Repton Property Developments Ltd, NCC's development company.
- Providing up-front finance for infrastructure development.
- Acquiring strategic landholdings with a view to development.
- Working in partnership with housing authorities, the HCA, and the LEP to secure additional investment.
- Highlight gaps in the type and location of accommodation to meet the needs of the people of Norfolk today and in the future.

Digital Norfolk:

Driving the creation of a sustainable technology infrastructure for better broadband and mobile services.

- Norfolk will be a place where all appropriate local government services are available online and are used safely and effectively by people to live, work, learn and play.
- We want to use technological solutions, to provide smarter ways of working and reduce costs within the council and in frontline services.
- Support provision of smarter information and advice by providing quicker, reliable access.
- This could include more online transactions, which are more convenient for many people and are more cost effective.

Commercialisation:

- Sweating our assets to maximise return on investment to invest in frontline services. Making the most of our under-utilised buildings and land by selling or leasing it to generate rent income.
- Running traded services profitably to make a return for the County Council to invest in frontline services.
- Seeking out new commercial opportunities.
- Managing the council's services in the most efficient way.
- Make sure the £700m we spend through contracted out services is managed and reviewed to ensure value for money.

3. Strategic financial context

- 3.1. Through the submission of an Efficiency Plan in 2016¹, the Council has gained access to confirmed funding allocations for the four years 2016-17 to 2019-20. As a result, the Council's main funding settlement in the period to 2019-20 is not expected to change substantially, although allocations are confirmed annually in the Local Government Finance Settlement.
- 3.2. The **Autumn Budget**, announced by the Chancellor of the Exchequer, Philip Hammond, on Wednesday 22 November 2017 contained relatively few announcements with implications for the County Council. The Chancellor characterised it as a "balanced approach" being adopted in the Budget, including preparing for the exit from the EU, maintaining fiscal responsibility, investing in skills and infrastructure, supporting housebuilding and home ownership and helping families with the rising cost of living.
- 3.3. The **provisional Local Government Finance Settlement for 2018-19** was announced on 19 December 2017. The 2018-19 Settlement represents the third year of the four year certainty offer which began in 2016-17, and was described by the Government as providing a path to a new system which will build on the current 50% retention scheme and will see councils retain an increased proportion of locally collected business rates. The Department for Communities and Local Government plans to implement the latest phase of the Business Rates Retention Scheme (BRRS) in 2020-21, which will see 75% of business rates retained by local government. This is to be achieved by rolling in existing grants including Public Health Grant and Revenue Support Grant. Local Government will also retain a 75% share of growth from the 2020-21 reset

¹ <https://www.norfolk.gov.uk/what-we-do-and-how-we-work/our-budget-and-council-tax/our-budget/our-budget>

onwards. 100% Business Rates pilots are continuing with a number of new pilots announced for 2018-19. Norfolk was not one of the 2018-19 pilots, although there may be a further opportunity to apply to participate in 2019-20.

- 3.4. In recognition of the pressures facing local government, the settlement includes plans for the core council tax referendum limit of 2% to be increased by 1% to **allow a maximum increase of 3%** before a local referendum is required (in line with inflation) in both 2018-19 and 2019-20. The implications of this are discussed in the section on the latest 2018-19 budget position below.
- 3.5. The Settlement acknowledged concerns about planned reductions to Rural Services Delivery Grant (RSDG) and as a result this is to be increased by £15m in 2018-19 – so that RSDG will remain at £65m throughout the settlement period (i.e. to 2019-20). There has been no change to the distribution methodology, which means an additional (one-off) £0.737m for the County Council in 2018-19.
- 3.6. The Government set out plans to look at options for dealing with the negative Revenue Support Grant (RSG) allocations within the settlement which appear in 2019-20, and intends to consult in the spring to inform planning for the 2019-20 settlement. It should be noted that Norfolk is not in a negative RSG position during the four year settlement. The Government has also published a formal consultation on the review of relative needs and resources, intended to deliver an updated and more responsive distribution methodology for funding to be implemented from 2020-21.
- 3.7. No new funding has been announced for social care. However the Government has recognised that a long term solution to adequately funding social care services is required, and confirmed that a green paper on future challenges within adult social care is due to be published in summer 2018. There was no mention in the Settlement of any funding for the recently announced local government pay offer for 2018-19 and 2019-20 of 2% in each year, with higher increases for those earning less than £19,430. There was also no extension of the Transitional Grant provided in 2016-17 and 2017-18, which has ceased in 2018-19.
- 3.8. The latest estimate of the Council's overall budget position for 2018-19 as a result of the above, and any other issues, will be reported to Policy and Resources Committee in January.

4. 2018-19 Budget planning

2017-20 Medium Term Financial Strategy

- 4.1. County Council approved the 2017-18 Budget and the Medium Term Financial Strategy for the period 2017-18 to 2019-20 on 20 February 2017. The Medium Term Financial Strategy to 2019-20 set out a balanced budget for 2017-18, but a deficit remained of £16.125m in 2018-19, and £18.890m in 2019-20. The Medium Term Financial Strategy for 2017-20 therefore set out a forecast gap for the years 2018-19 and 2019-20 of **£35.015m** and included planned net savings of **£72.737m**.

2017-18 budget position

- 4.2. The latest details of the Committee's 2017-18 budget position are set out in the budget monitoring report elsewhere on the agenda. The Council's overarching budget planning for 2018-19 continues to assume that the 2017-18 Budget will be fully delivered (i.e. that all savings are achieved as planned and there are no significant overspends).

The budget planning process for 2018-19

- 4.3. As reported to Service Committees in September, since the preparation of the Medium Term Financial Strategy, further pressures on the budget were identified, resulting in changes to the Council's budget planning position. At that point, the estimate of the budget gap for the four year planning period up to 2021-22 was **£100.000m**, and in September Service Committees were informed of the allocation of savings targets to aid in closing this projected gap.
- 4.4. In October, Service Committees then reported to Policy and Resources on the savings proposals identified to assist in closing the forecast gap for 2018-19. The total **gross** savings proposed were £41.593m. Policy and Resources Committee also considered a number of further changes to the Council's budget planning including the reversal and delay of a number of savings agreed as part of the 2017-18 Budget that had been identified as no longer deliverable in 2018-19. After new savings had been included, against the target **a budget gap of £7.806m remained for 2018-19 and £63.351m for the MTFS planning period 2018-22**. Policy and Resources Committee launched consultation on £3.580m of savings for 2018-19, and the level of council tax for the year, in order for Service Committees to consider the outcomes of consultation in January to inform their budget setting decisions.
- 4.5. In November Service Committees were updated on the position reported to Policy and Resources Committee but were not asked to identify further savings. In view of the remaining gap position for 2018-19, Committees were advised that **any change to planned savings or removal of proposals would require alternative savings to be identified**.
- 4.6. The budget position and the associated assumptions are kept under continuous review. The latest financial planning position will be presented to Policy and Resources Committee in January prior to budget-setting by County Council in February. The outline budget-setting timetable for 2018-19 is set out for information in Appendix 1 to this report.

Latest 2018-19 Budget position

- 4.7. The council's budget planning was originally based on an increase in council tax of 4.9%, and the general approach set out in the council's Medium Term Financial Strategy has been to raise general council tax in line with inflation, reflecting the Government's assumptions within the local government financial settlement.
- 4.8. The Government has now provided the discretion to raise general council tax by an additional 1% without the need for a local referendum in both 2018-19 and 2019-20, recognising the higher forecast rate of inflation. **This means council tax can be raised by 3% for general council tax and 3% for the adult social**

care precept, a total of 5.99% in 2018-19. The Government's core spending power figures now assume the council will raise council tax by the maximum amount available of 5.99%.

- 4.9. Since the last budget report to Policy and Resources Committee in October 2017, a number of pressures have emerged which require funding in 2018-19. These include:
- Additional on-going funding to support Children's Services;
 - Funding for the £12m investment in Children's Services;
 - The national pay award offer of 2% plus higher increases for those earning less than £19,430;
 - Changes to planned savings; and
 - Continuing higher inflation rates.
- 4.10. **An additional 1.09% increase in council tax, to raise council tax by the maximum amount of 5.99% without requiring a local referendum would be worth approximately £3.9m in 2018-19 based on current tax base estimates. This would contribute to funding the above pressures, closing the gap in 2018-19, and reducing the 2019-20 forecast budget gap. A council tax increase of 5.99% would therefore enable a substantially more robust budget for 2018-19 and significantly reduce the risks for the council over the Medium Term Financial Strategy period.**
- 4.11. In setting the annual budget, Section 25 of the Local Government Finance Act 2003 requires the Executive Director of Finance (Section 151 Officer) to report to members on the robustness of budget estimates and the adequacy of proposed financial reserves. This informs the development of a robust and deliverable budget for 2018-19.

Budget planning assumptions 2018-19

- 4.12. Key assumptions within the Council's current budget model include:
- **A CPI (2.99%) increase in council tax** above the 3% Adult Social Care precept, based on the updated assumptions used by the Government in the time 2018-19 local government settlement. Any reduction in this increase will require additional savings to be found. It should be noted that currently CPI is running at 3.0%². The assumed council tax increases are subject to Full Council's decisions on the levels of Council Tax, which will be made before the start of each financial year. In addition to an annual increase in the level of Council Tax (but with no increase in council tax in 2021-22), the budget assumes modest annual tax base increases of 0.5%;
 - **That Revenue Support Grant will substantially disappear in 2020-21. This equates to a pressure of around £39m, but significant uncertainty is attached to this and clearly the level of savings required in year three could be materially lower should this loss of funding not take place;**
 - 2017-18 Budget and savings delivered in line with current plans (no overspend);

² UK consumer price inflation: October 2017, published by the Office for National Statistics:
<https://www.ons.gov.uk/economy/inflationandpriceindices/bulletins/consumerpriceinflation/october2017>

- Use of additional Adult Social Care funding during 2017-18 and future years as agreed by Adult Social Care Committee 10 July 2017, with no changes to the overall funding allocations in 2018-19;
 - 2017-18 growth in Children's Services is included as an ongoing pressure and additional investment is included with Children's Services budgets to reflect 2017-18 pressures;
 - Ongoing annual pressures will exist in waste budgets; and
 - That undeliverable savings have been removed as set out elsewhere in this report, and that all the remaining savings proposed and included for 2018-19 can be successfully achieved.
- 4.13. The Executive Director of Finance and Commercial Services' judgement on the robustness of the 2018-19 Budget is substantially based upon these assumptions.

5. Service Budget, Strategy and Priorities 2018-19

Autumn Budget 2017 – implications for EDT

- 5.1. The Autumn Budget 2017 allocated a Government contribution of £98m to support the Great Yarmouth Third River Crossing. There were no other specific issues arising from the Chancellor's statement relevant to this Committee.

Approach to developing budget saving proposals

- 5.2. As in previous years, the proposals developed by officers are those which are considered to be deliverable. The proposals aim to seek to complement the thrust of Norfolk Futures (see section 2).
- 5.3. Where possible, we have continued to seek to prioritise bringing forward proposals which do not impact on front-line service delivery, including efficiencies, new processes and deleting vacant posts.
- 5.4. We have also continued to seek to bring forward proposals for delivery as soon as possible, to enable any associated saving to be delivered as soon as possible. Therefore, as the Committee will see, the majority of the proposals are 'front-loaded' in Year 1 (2018/19).

Changes to proposals since Committee considered them in October

- 5.5. **Remove the construction and demolition waste concession** - There have been no changes to the proposals. However, further work has been carried out to calculate the saving that the proposal to remove the construction and demolition waste concession at all recycling centres would deliver. In October, we reported that we expected this to enable a £180k saving in 2018/19. As a result of the further work, we now expect to be able to deliver £280k (and potentially more, once in operation and we can fully assess the impact).
- 5.6. **Reduce waste reduction activity** – in October, we reported that we would deliver this saving by reducing waste minimisation/reduction activities. Since that time, we have further reviewed activities and identified an alternative way to deliver the saving for the next two years through using waste service reserves. This means that there will be no impact on current activities. The service will

continue to work with colleagues through the Norfolk Waste Partnership to identify ways to reduce waste that will enable further savings, and to ensure that a permanent solution for this saving can be found for 2020-21 on onwards (i.e. after the two years of using reserves).

Service specific commentary on proposals

- 5.7. Below is some service specific information about some individual proposals. This is included to help ensure that the Committee can consider all relevant information in making a decision.
- 5.7.1. **Capitalisation** – this has no impact on service delivery or standards. The funding needed to do this is included in the Capital Programme at Appendix 6.
- 5.7.2. **Further roll-out of Street-lighting LEDs** – this work is already underway.
- 5.7.3. **Improved management of on-street car parking** – individual local schemes developed would be subject to a statutory consultation with local residents (as part of the Traffic Regulation Order process) before they can be implemented.
- 5.7.4. **Review the operation of bus services supported by the County Council** – a review of subsidised routes will need to be carried out to identify those where it may be suitable to cease financial support. A statutory 12 week consultation with bus operators will also need to be carried out. The outcomes of this will be reported to Committee in May, to enable a decision on the detailed changes needed to enable implementation. This means that it will not be possible to deliver the full saving during 2018/19 from this activity, and the CES Department will identify a suitable one-off saving from elsewhere (most likely from back office efficiency) to ensure the full amount is not at risk in 2018/19.
- 5.7.5. **Reduce the number of roads gritted in winter** – a review of the gritting routes will be carried out to identify the most effective way to reducing the gritted road network from 34% to around 30%. The results of this review will be brought to this Committee in May to consider, ready for implementation for the 2018/19 winter maintenance season. In the meantime, gritting for 2018/19 will continue with the current agreed routes, including the NDR.
- 5.7.6. **Proposals with staff changes** – some of the proposals related to changes in staff/organisational structures. Where this is the case, the relevant staff consultation has been carried out and processes are underway to implement any changes. This is to ensure that we are in a position to deliver the associated saving for 1 April, assuming these proposals are agreed. For the EDT services, there will be a net reduction in staffing establishment of 13.16ftes, out of a total of 1,909ftes in the CES department; note that the changes include deleting 10 vacant posts.

6. Revenue Budget

- 6.1. The tables in Appendix 5 set out in detail the Committee's proposed cash limited budget for 2018-19, and the medium term financial plans for 2019-20 to 2021-22. These are based on the identified pressures and proposed budget savings reported to this Committee in October, which have been updated in this report to reflect any changes to assumptions. Cost neutral adjustments for each

Committee will be reflected within the Policy and Resources Revenue Budget 2018-19 to 2021-21 paper which will be presented on the 29 January 2018.

- 6.2. The Revenue Budget proposals set out in Appendix 5 form a suite of proposals which will enable the County Council to set a balanced Budget for 2018-19. **As such recommendations to add growth items, amend or remove proposed savings, or otherwise change the budget proposals will require the Committee to identify offsetting saving proposals or equivalent reductions in planned expenditure.**
- 6.3. The Executive Director of Finance and Commercial Services is required to comment on the robustness of budget proposals, and the estimates upon which the budget is based, as part of the annual budget-setting process. This assessment will be reported to Policy and Resources Committee and County Council.

7. Capital Programme 2018-19

- 7.1. A summary of the Capital Programme and schemes relevant to this committee can be found in Appendix 6.
- 7.2. Details of the Highways capital programme are presented to committee in a separate report on this agenda. That report sets out a proposed additional £20m investment in highways, including a permanent funding solution for the NDR.
- 7.3. The Autumn Budget 2017 allocated a Government contribution of £98m to support the Great Yarmouth third River Crossing and programme entry was confirmed by the Department for Transport by letter of 28 November 2017. £2m funding has been secured from the LGF. The remaining £20m will be funded from local contributions. It has been underwritten by Norfolk County Council but we will continue to look for other funding opportunities. It is anticipated that delivery could start in 2022.

8. Public Consultation

- 8.1. Under Section 3(2) of the Local Government Act 1999, authorities are under a duty to consult representatives of a wide range of local people when making decisions relating to local services. This includes council tax payers, those who use or are likely to use services provided by the authority and other stakeholders or interested parties. There is also a common law duty of fairness which requires that consultation should take place at a time when proposals are at a formative stage; should be based on sufficient information to allow those consulted to give intelligent consideration of options; should give adequate time for consideration and response and that consultation responses should be conscientiously taken into account in the final decision.
- 8.2. Saving proposals to bridge the shortfall for 2018-19 were put forward by committees, the majority of which did not require consultation because they could be achieved without affecting service users.
- 8.3. Where individual savings for 2018-19 required consultation:

- The public consultations ran from the 6 November 2017 to 2 January 2018.
- Those consultations were published and consulted on via the Council's consultation hub Citizen Space at:
<https://norfolk.citizenspace.com/consultation/budget2018/>
- A copy of the relevant elements of the consultation document are included at Appendices 7a-d.
- We promoted the consultation through Your Norfolk residents' magazine, online publications, social media and our website.
- People were able to respond online and in writing. We also received responses by email to HaveYourSay@norfolk.gov.uk and accepted responses in other format, for example, petitions.
- Consultation documents were available in hard copy, large print and easy read as standard and other formats on request.
- Every response has been read in detail and analysed to identify the range of people's opinions, any repeated or consistently expressed views, and the anticipated impact of proposals on people's lives.

8.4 Four of the EDT proposals required public consultation, and a summary of the outcomes of this consultation is below.

Reducing spend on non-safety critical highway maintenance

8.5 There were 102 responses received for this proposal. Of these, a majority (76 people or 74%) replied as individuals. Norfolk County Council Labour Group undertook a separate consultation and submitted the responses they received which contained 62 comments relating to this proposal.

Key issues and concerns were:

- a) There was concern that our proposal would make roads more hazardous and therefore not safe to drive on, particularly if signs were not visible to drivers and if overgrown verges obstructed visibility.
- b) Some felt that our roads were already in a poor state and this proposal could make road conditions worse or we could be storing up more road maintenance problems and emergency repairs. Others stated this was a short term cost saving, or a false economy and costs would have to be met in the future.
- c) People took this opportunity to suggest that parish councils could become involved in some of the cosmetic work or be responsible for reporting maintenance problems. One parish council wanted Norfolk County Council to acknowledge the maintenance work they provided and requested further support in this matter.
- d) Where people supported the proposal some also stated they wanted to make sure there would be no impact on public safety.
- e) Some felt that rural locations would be more affected by this proposal, particularly because they felt that the only way to get around rural Norfolk was by car.

Reduce the number of roads gritted in winter

- 8.6 There were 638 responses received for this proposal. Of these, a majority (444 people or 70%) replied as individuals. Norfolk County Council Labour Group undertook a separate consultation and submitted the responses they received which contained 56 comments relating to this proposal.

Key issues and concerns were:

- a) There was a great deal of concern that if roads were not gritted during winter they would not be safe to drive on. People also thought there could be more accidents and lives lost. Many comments related to safety were raised during the cold snap experienced between 11 and 13 December.
- b) Some respondents expressed their view that road gritting should be a priority for funding over increasing members' expenses.
- c) It was felt that those living in villages and rural locations would be most affected and this proposal could force some people to become more isolated; some expressed concern at the prospect of not being able to reach their local shops, school or work. They also felt that by not gritting minor roads people would not be able to get to their nearest main road and this would make life in rural communities more difficult during the winter months.
- d) There were concerns that roads were already in poor condition so a reduction in gritting would make roads even more hazardous. People also took the opportunity to feedback their views on how and when we grit, suggesting that we could make the service more effective.
- e) People wanted to know more about how the review of the gritting route would be conducted and which roads may be affected.
- f) A few people suggested that drivers should take it upon themselves to drive more carefully during icy weather conditions.
- g) There was some concern about costs being passed onto other public services such as the NHS as a result of more road accidents and potential hospital admissions.
- h) Some people suggested ideas as to how this proposal could be supported such as advertising which roads were not gritted and others suggested this service could be paid for from the council tax raised from new homes.

Change the construction and demolition waste concession at recycling centres

- 8.7 In addition to the steps the council has taken to promote the consultation listed above we have also promoted the consultation by a poster at all recycling centres.

- 8.8 There were 231 responses received for this proposal. Of these, 204 people (89%) replied as individuals. Eight respondents told us they were responding on behalf of a group, organisation or business but not all gave the names of their organisations.

Key issues and concerns were:

- a) There was a great deal of concern that our proposal would increase the illegal dumping of waste, especially in rural areas, even amongst those

who felt that charging for the disposal of construction and demolition waste was reasonable.

- b) Many felt that the proposal would lead to additional costs in respect of cleaning up any illegally dumped waste and disposing of any additional waste coming through the household waste stream. Some were concerned that this cost may be passed onto other organisations such as district councils and/or that costs relating to clearing up illegally dumped waste might outweigh any savings made.
- c) Other environmental impacts mentioned included concerns that people would burn, bury or store waste in their own gardens, the proposal would lead to more journeys or that people would put construction waste into their black bins.
- d) Where people stated that they would be affected by the proposals this generally related to the additional costs they would have to pay. Others stated they felt they had already paid for this service as part of their council tax so would effectively be being charged twice. Some respondents were also concerned that the proposal would particularly affect those on a low income who were more likely in their opinion to undertake DIY work themselves, rather than employ a builder.
- e) People took this opportunity to suggest alternatives to charging, such as providing council skips or a range of permit schemes, including a residents' loyalty card scheme. Other alternatives to charging included increasing council tax, reducing opening hours and cracking down on trade waste abuses and those illegally dumping waste.

Review the operation of bus services supported by the County Council

- 8.9 In addition to the steps the council has taken to promote the consultation listed above, we informed all the providers of subsidised bus services and the community transport schemes we fund. We also asked the bus companies to put a poster promoting the consultation on all the bus services that we subsidise. The consultation was also raised at the Norfolk Bus Forum.
- 8.10 There were 1,184 responses received to this consultation. Of these, two-thirds (799 people or 67%) replied as individuals. Forty-nine respondents told us they were responding on behalf of a group, organisation or business. Out of all respondents, 945 said that they use bus services we subsidise and 242 said that they use the community transport schemes we grant fund.
- 8.11 We received six petitions with a combined total of 926 signatures. Surlingham Parish drafted a letter and asked residents to sign it and return it to us. We received 67 copies of the letter. Norfolk County Council Labour Group undertook a separate consultation and submitted the responses they received which contained 76 comments relating to this proposal.

Key issues and concerns were:

- a) Bus services are viewed as vital, essential or a lifeline by quite a lot of the people who responded – particularly for older people, disabled people, people with learning disabilities and people living in rural communities.

- b) Some respondents agreed that the County Council should review which bus services we support, because it is good practice to review all services every now and then to see if they can be improved or if we can get better value for money.
- c) Our proposal includes prioritising support for bus services which help people get to and from work and essential services, such as healthcare appointments and food shopping. However many people said they are worried that our proposal would make it more difficult to get to healthcare appointments. Several people are worried it would make commuting, going food shopping and getting to cultural or leisure activities more difficult.
- d) Several people said that our proposal would increase loneliness and social isolation – particularly for vulnerable, older and disabled people, people with learning disabilities and people who live in rural areas.
- e) Many respondents said that our proposal is not fair on people who live in rural communities and that it would affect the quality of life of people who live in rural communities.
- f) Some people said that our proposal would result in more people driving, increased congestion and additional pressure on car parking, which would be bad for the environment.
- g) Some respondents said they are worried about the financial implications of the proposals on them personally and that our proposal would make them financially worse off.
- h) Several people agreed with our proposal to prioritise supporting bus services which help people get to and from work and essential services, and that help people who live in areas where there are no other transport options available.
- i) Some people said they agreed with our proposal to prioritise particular bus services, but then added a proviso, for example that we should also support bus services which help people get to leisure activities or education.
- j) Some people said they have concerns about the bus services we are proposing to support in future, in particular they were concerned that our proposal would make it harder for people to see their family or friends, or to go to cultural or leisure activities. They were worried that this would increase loneliness and social isolation, and be bad for people's health and wellbeing. Some people said that we should also prioritise bus services which children and young people use to get to school and college.

8.12 A full summary of the consultation feedback received for all of these proposals can be seen at Appendices 3a-3d.

9. Equality and rural impact assessment – findings and suggested mitigation

9.1 When making decisions the Council must give due regard to the need to promote equality of opportunity and eliminate unlawful discrimination.

- 9.2 Equality and rural impact assessments have been carried out on all 12 of EDT Committee's budget proposals for 2018/19, to identify whether there may be any detrimental impact on people with protected characteristics or in rural areas.
- 9.3 Only two of the proposals are deemed likely to have a detrimental impact – specifically on disabled and older people, parents with young children, younger people who do not have access to a car and people living in rural areas:
- Review the operation of bus services supported by the County Council
 - Reduce the number of roads gritted in winter.
- 9.4 At this stage, there is no indication that the proposal to reduce spend on non-safety critical highway maintenance will have a detrimental impact on people with protected characteristics or in rural areas. However, this will be monitored, for reasons set out in the detailed assessment.
- 9.5 The proposal to change the construction and demolition waste concession at recycling centres will have a financial impact on residents who use this service, but this should not impact disproportionately on vulnerable people.
- 9.6 Five mitigating actions are proposed to address these potential impacts (which includes an action regarding the proposal to improve management of on-street car parking):
- (i) If the proposal to review the operation of bus services supported by the County Council goes ahead, at an appropriate stage when the review has taken place, equality/rural impact assessments to be carried out on any options to cease, stop or change a service, to identify any potential impacts on service users. If any detrimental impacts are identified, this to be reported to EDT Committee, along with any proposed mitigating actions that could be carried out, for consideration before a final decision is made.
 - (ii) If the proposal to reduce the number of roads being gritted goes ahead, the assessment methodology to take into account data on rural communities and proximity of older or disabled people (e.g. sheltered housing). The Council to make sure all relevant community groups including parish and district councils are informed of any changes to the policy, so that they can continue to help vulnerable communities within the county during times of severe weather.
 - (iii) If the proposal to reduce how much the Council spends on non-safety critical highway maintenance goes ahead, closely monitor the impact of this, and if at any stage it appears that there may be an impact on safety, a report to be brought to EDT Committee setting out the specific issues and seeking a decision on next steps.
 - (iv) Equality impact assessments to be undertaken on any local schemes being proposed as a result of the review of on-street car parking. In the event that an assessment identifies any detrimental impact on disabled people or in rural areas, this to be reported to EDT Committee for consideration before a decision is made.

- (v) HR Shared Service to continue to monitor whether staff with protected characteristics are disproportionately represented in redundancy or redeployment figures, and if so, take appropriate action.
- 9.7 The full assessment findings are attached for consideration at Appendix 4. Clear reasons are provided for each proposal to show why, or why not, detrimental impact has been identified, and the nature of this impact.

10. Financial implications

- 10.1. Financial implications for the Committee's Budget are set out throughout this report.

11. Issues, risks and innovation

- 11.1. Significant risks or implications have been set out throughout the report. Specific financial risks in this area are also identified in the Corporate Risk Register, including the risk of failing to manage significant reductions in local and national income streams (RM002) and the risk of failure to effectively plan how the Council will deliver services (RM006).
- 11.2. Income generation - as we continue to maximise and increase reliance on generation of income, from various sources, and become more reliant on market factors, we increase our risk.
- 11.3. External funding – there are a number of projects and services being fully or partly funded by external funding, for example grants from other organisations and successful funding bids. Many of these include an element of match funding or similar expectations about the County Council's input. Reductions in revenue funding could impact on our ability to do this and we could risk losing funding or our ability to successfully bid for funding in the future.
- 11.4. Staffing - It will not be possible to deliver the level of savings required without some changes and reductions in staffing levels. The CES Department has already made a number of changes/reductions to staff in recent years, including reducing the number of managers in the department, but further reductions will be needed. Although we will take steps to minimise the impact of any changes as far as possible, including by introducing new ways of working, there is a risk that a reduced workforce will directly impact on the level of service we are able to deliver.

12. Background Papers

- 12.1. Background papers relevant to the preparation of this report are set out below.

Norfolk County Council Revenue and Capital Budget 2017-20, County Council, 20 February 2017, Item 4:

<http://norfolkcc.cmis.uk.com/norfolkcc/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/444/Committee/2/SelectedTab/Documents/Default.aspx>

Norfolk County Council Budget Book 2017-20, May 2017:

<https://www.norfolk.gov.uk/-/media/norfolk/downloads/what-we-do-and-how-we-work/budget-and-council-tax/the-2017-2020-budget-book.pdf?la=en>

Caring for your County, Policy and Resources Committee, 3 July 2017, Item 7:
<http://norfolkcc.cmis.uk.com/norfolkcc/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/1359/Committee/21/Default.aspx>

Strategic and Financial Planning 2018-19 to 2021-22, Policy and Resources Committee, 30 October 2017, Item 7:
<http://norfolkcc.cmis.uk.com/norfolkcc/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/638/Committee/21/SelectedTab/Documents/Default.aspx>

Officer Contact

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

Officer name : Tom McCabe **Tel No. :** 01603 222500

Email address : tom.mccabe@norfolk.gov.uk

Officer name : Andrew Skiggs **Tel No. :** 01603 223144

Email address : andrew.skiggs@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.