

Communities Committee

Item No.

Report title:	Strategic and Financial Planning 2018-19 to 2021-22
Date of meeting:	11 October 2017
Responsible Chief Officer:	Tom McCabe – Executive Director, Community and Environmental Services

Strategic impact

This report provides an update on the Service Committee's detailed planning to feed into the Council's budget process for 2018-19. The Council's budget setting activity is informed by a range of documents including the Medium Term Financial Strategy, and the County Council Plan, which is currently being updated. Together these help to set the context for the Council's medium term service and financial planning, which will support the development of a robust, balanced budget for 2018-19.

Executive summary

This report forms part of the strategic and financial planning framework for Service Committees. It provides an update on the Council's budget setting process, and sets out details of the actions required by Service Committees to enable the Council to set a balanced budget for 2018-19.

Recommendations:

Communities Committee is recommended to:

- 1) Note that the Council's current budget planning includes an assumed increase in council tax of 3.0% for the Adult Social Care precept, and an inflationary increase of 1.9% in 2018-19.**
- 2) Consider and agree the service-specific budgeting issues for 2018-19 as set out in section 3.**
- 3) In order to help close the forecast 2018-19 budget gap as set out in section 2 of this report:**
 - a. Consider whether any savings identified for 2019-20 have the capacity to be brought forward to 2018-19;**
 - b. Agree the proposed new savings for 2018-19 (Table 4) for recommendation to Policy and Resources Committee;**
 - c. Agree to recommend to Policy and Resources Committee the proposed new savings for 2018-19 which require consultation as set out in section 3.**
- 4) Consider the proposed activities to deliver the historic committed but unallocated budget savings for the Fire and Rescue service (£490k) (see Table 5) and the Library and Information service (£622k) (see Table 6) as set out in section 3.**

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, to be completed in the autumn. 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. This report builds on the position reported to Service Committees in September and represents the next stage of the Council's budget planning process. In particular, the paper sets out details of the saving proposals identified for 2018-19 and subsequent years, for the Committee's consideration.

2017-18 budget position

- 1.5. 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.
- 1.6. The latest details of the 2017-18 budget position are set out in the budget monitoring report elsewhere on the agenda. The Council's overarching budget planning assumptions for 2018-19 continue 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).

2. 2018-19 Budget planning

2017-20 Medium Term Financial Strategy

- 2.1. 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's aim is to ensure a balanced budget to aid forward planning and help mitigate financial risk. The Medium Term Financial Strategy position is shown in the table below.

Table 1: Budget surplus / deficit as reported to Full Council on 20 February 2017

	2017-18 £m	2018-19 £m	2019-20 £m
Additional cost pressures and forecast reduction in Government grant funding	74.212	58.719	52.819
Council Tax base increase	-19.853	-14.722	-9.338
Identified saving proposals and funding increases	-54.359	-27.872	-24.591
Budget gap (Surplus) / Deficit	0.000	16.125	18.890

- 2.2. The £58.719m assumed cost pressures and forecast reduction in Government grant funding in 2018-19 consists of:
- Inflationary cost pressures for pay and non-pay budgets of £11.548m.
 - Legislative changes of £22.891m including responsibilities at the time anticipated relating to the improved Better Care Fund, and pension revaluation costs.
 - Demographic cost pressures of -£2.866m. Demographic pressures in Adult Social Services were offset by the fact that additional funding for Children's Services was one-off in 2017-18 and so reversed in the plans for 2018-19. This pressure has subsequently been made ongoing during 2018-19 budget planning.
 - NCC policy changes of £2.552m.
 - Forecast funding reductions of £24.594m.
- 2.3. It should be noted that the budget gap of £16.125m in 2018-19 **assumes a CPI (1.9%) increase in council tax** above the 3% Adult Social Care precept, based on the assumptions used by the Government at the time of the 2016-17 local government settlement. Any reduction in this increase will require additional savings to be found. The assumed increases in Council Tax for the Adult Social Care Precept and inflation (the OBR forecast of CPI) are set out in the table below. It should be noted that currently CPI is running at 2.6%¹ and the Council awaits guidance from the Government on the council tax referendum threshold for 2018-19. The assumed council tax increases are of course 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, the budget assumes modest annual tax base increases of 0.5%.
- 2.4. The Medium Term Financial Strategy (MTFS) for 2017-20 agreed by Full Council in February 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**. Detail of these savings is shown in Appendix 1.

Latest forecast budget gap 2018-19

- 2.5. As reported to Service Committees in September, since the preparation of the Medium Term Financial Strategy, further pressures on the budget have been identified, resulting in changes to the Council's budget planning position. In September Service Committees also considered the budget planning principles for 2018-19. Alongside the assumptions about Council Tax, other key

¹ UK consumer price inflation: July 2017, published by the Office for National Statistics:
<https://www.ons.gov.uk/economy/inflationandpriceindices/bulletins/consumerpriceinflation/july2017>

assumptions within the Council's current budget model include:

- **That Revenue Support Grant will substantially disappear in 2020-21. This equates to a pressure of around £36m, 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);
- Use of additional Adult Social Care funding during 2017-18 and future years as agreed by Adult Social Care Committee 10 July 2017;
- 2017-18 growth in Children's Services is included as an ongoing pressure;
- Ongoing annual pressures will exist in waste budgets;
- Council tax increases are agreed (subject to annual decision by Full Council) as shown in the table above for 2018-19 to 2020-21 (including Adult Social Care precept in 2018-19) with no increase in council tax in 2021-22; and
- Moderate council tax base growth over the period of the MTFS.

2.6. The latest estimate of the budget gap for the four year planning period up to 2021-22 is **£100.000m**. The table below sets out the summary County Council forecast position. Further details of the budget planning changes as reported to Policy and Resources Committee are shown in the September report to this Committee.

Table 2: Norfolk County Council budget gap forecast

	2018-19	2019-20	2020-21	2021-22	Total
	£m	£m	£m	£m	£m
Gap as at MTFS February 2017	16.125	18.890	0.000	0.000	35.015
New pressures	13.135	-6.897	20.773	21.366	48.377
Funding changes	-11.612	5.998	42.343	0.000	36.729
Savings changes	0.878	0.535	-10.000	0.000	-8.587
Council tax increase (1.99% 2020-21, 0% 2021-22)	0.000	0.000	-7.657	0.000	-7.657
Council tax base growth (0.5%)	0.000	0.000	-1.914	-1.962	-3.877
Revised gap as at P&R July 2017	18.526	18.526	43.544	19.404	100.000
Reallocate year 4 saving to years 1-3 (split 20/60/20)	3.881	11.642	3.881	-19.404	0.000
Total new savings to find (in addition to savings in 2017-18 MTFS)	22.407	30.168	47.425	0.000	100.000
<u>Note: Budget planning assumes:</u>					
Forecast council tax	373.535	382.873	392.445	394.407	n/a
Forecast increase in council tax in budget planning (including ASC precept, council tax increase and council tax base growth)	14.723	9.338	9.572	1.962	35.595
Council tax increase	1.9%	2.0%	2.0%	0.0%	
Adult Social Care precept increase	3.0%	-	-	-	

2.7. The Council is already implementing a number of strategic 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 3 July 2017, the County Leadership Team has identified a number of corporate priorities (known as Norfolk Futures).

2.8. Norfolk Futures will focus on delivering the administrations manifesto priorities over the MTFS plan period and include:

Local Service strategy:

A new deal for families in crisis:

Promoting independence for vulnerable adults:

Smarter information and advice:

Towards a Housing Strategy:

Digital Norfolk:

Commercialisation:

2.9. The budget position and the associated assumptions are kept under continuous review, and will be updated to reflect any changes arising from the Government's Autumn Budget, or further information about the Council's funding position as it becomes available. Reports on the latest financial planning position will be presented to Policy and Resources Committee up until budget-setting by County Council in February.

2.10. The outline budget-setting timetable for 2018-19 is set out in Appendix 2 to this report.

Allocation of savings required

2.11. The following table sets out the indicative savings by department (excluding Schools and Public Health) as reported to the Committee in September.

Table 3 Allocation of new MTFS 2018-22 savings required by Committee

Allocation of new 2018-22 MTFS savings by Committee excluding Schools and Public Health	2018-19	2019-20	2020-21	2021-22	Total
	£m	£m	£m	£m	£m
Adult Social Care	-1.477	-11.480	-18.047	0.000	-31.004
Children's Services	-7.134	-6.369	-10.013	0.000	-23.516
Communities	-2.461	-2.197	-3.454	0.000	-8.112
Environment, Development and Transport	-6.663	-5.950	-9.353	0.000	-21.966
Policy and Resources	-3.553	-3.172	-4.987	0.000	-11.712
Business and Property	-0.362	-0.323	-0.507	0.000	-1.192
Digital Innovation and Efficiency	-0.757	-0.677	-1.064	0.000	-2.498
Total	-22.407	-30.168	-47.425	0.000	-100.000

3. Budget Strategy

- 3.1. There are a number of common themes across the proposals which seek to complement the thrust of Norfolk Futures, as set out in paragraph 2.8. We will continue to target our efforts on those Norfolk communities and residents who most need our support. Through better management, procurement of new contracts and income generation we will free up resource to protect services. We will also redesign our services to achieve the right balance between having sufficient capacity to meet anticipated need and providing the best value for money. In some instances we will make minor changes to realise savings or shift capacity to priority areas. In other instances, following the principles of Norfolk Futures, we will undertake a more fundamental review, in particular under the Local Service Strategy theme.

New 2018-19 Budget proposals

- 3.2. The new budget saving proposals for Communities Committee to consider are summarised in Table 4 below. It is useful to note that Communities Committee oversees services sitting across more than one Service Department. The table below includes proposals for the Registration Service, which forms part of the Managing Director's Department. All other proposals relate to the Community and Environmental Services Department.

Table 4: New 2018-19 Saving Proposals

Proposal Note: savings are shown as a negative figure	Saving 2018-19 £m	Saving 2019-20 £m	Saving 2020-21 £m	Saving 2021-22 £m	Total 2018-22 £m	Risk Assessment
Capitalisation of activities to release a revenue saving	-0.030				-0.030	
Changing back office processes and efficiency	-0.043				-0.043	
Vacancy management and streamlined management arrangements – museums and historic environment	-0.120				-0.120	
Vacancy management – customer services	-0.120	-0.050			-0.170	
Income generation – Norfolk Museums Service	-0.070		-0.400		-0.470	
Income generation – Norfolk Records Office	-0.030				-0.030	
Income generation – Norfolk Community Learning Services			-0.125		-0.125	
Income generation – Library and Information Service			-0.111		-0.111	
Reduction in Healthwatch grant	-0.189				-0.189	
Using Public Health Grant funding to support the delivery of Public Health activity throughout the Authority	-2.000	-1.000	-1.000	-1.000	-5.000	
Norfolk Community Learning Services – remodelling the staff structure, including	-0.150	-0.050	-0.050		-0.200	

Proposal Note: savings are shown as a negative figure	Saving 2018-19 £m	Saving 2019-20 £m	Saving 2020-21 £m	Saving 2021-22 £m	Total 2018-22 £m	Risk Assessment
staffing reduction						
Providing more joined up Library and Children's Centre Services			-0.500		-0.500	
Increase our income for the Registrars service by expanding the range and variety of services we charge for	-0.100	-0.100	-0.150		-0.350	

- 3.3. Further details of these new saving proposals are set out in Appendix 3. At this stage, the risk assessment rating is based on an officer view of deliverability of the proposed saving. Any proposals that progress will be subject to consultation (where appropriate) and equality and rural impact assessments, which will provide further information that can be used to better understand the risks associated with implementing the proposal.
- 3.4. Committee discussions about proposed new savings will be reported to Policy and Resources Committee in October 2017 and used to inform development of the Council's 2018-19 Budget to enable an overall assessment of the budget position to be made.
- 3.5. In addition to the savings proposals set out above, work is underway across the County Council on a number of corporate priorities (known as Norfolk Futures) to drive change and efficiencies. Work on these priorities is taking place on a corporate basis across all NCC services and will enable additional saving proposals to be identified. In particular, as part of the Local Service Strategy priority, the objective is to create modern, integrated services that are financially sustainable and work together coherently and effectively to meet the needs of local communities, while making best use of our property and maximising economies of scale. This will include considering how we can best place our Library and Information Service within this, for example by enabling libraries to transition to community hubs offering a wider range of services.

Delivery of some existing agreed 2018/19 savings

- 3.6. There are two savings which Members have previously agreed but have not yet been delivered. The Committee has previously discussed these savings and asked officers to do further work to look at how they can be delivered. These savings are already assumed as part of the existing budgets and the calculation of the budget gap. If these savings are not delivered, the budget gap set out in this report would increase.
- 3.7. Below is a summary of the proposed activities to deliver these two areas of agreed saving. Further detail is set out in Appendix 4 (Fire and Rescue Service) and Appendix 5 (Library and Information Service)

**Table 5: Delivery of agreed 2018/19 saving
CMM023 Fire and Rescue Service £0.490m**

Proposal Note: savings are shown as a negative figure	Saving 2018-19 £m	Saving 2019-20 £m	Saving 2020-21 £m	Saving 2021-22 £m	Total 2018-22 £m	Risk Assessment
Sharing headquarters and control room at Police HQ.	-0.120				-0.120	
Capitalisation of activities to release a revenue saving	-0.370				-0.370	
					-0.490	

**Table 6: Delivery of agreed 2018/19 saving
CMM022 Library and Information Service £0.622m**

Proposal Note: savings are shown as a negative figure	Saving 2018-19 £m	Saving 2019-20 £m	Saving 2020-21 £m	Saving 2021-22 £m	Total 2018-22 £m	Risk Assessment
Re-model the management and back office staffing structure	-0.236	-0.035			-0.271	
Improve efficiency of fines recovery processes	-0.012				-0.012	
Re-profile the rural service delivery (mobile libraries)		-0.200			-0.200	
Income generation	-0.139				-0.139	
	-0.387	-0.235			-0.622	

Potential to bring forward 2018/19 savings for early delivery

3.8. As reported to Committee in September, Officers reviewed the current agreed savings and, from an operational perspective, no suitable savings were identified with potential for early deliver. It was highlighted that:-

- Part of the strategy in the previous budget round was to deliver savings as early as possible, and the savings proposed were 'front loaded' for delivery in 2017/18 as far as possible (as can be seen in the profile at Appendix 4).
- Members already previously agreed to bring forward some savings from 2018/19 to 2017/18 so that they could be delivered early - £0.100m saving in customer services (Ref CMM018) and £0.110m of a total £0.600m saving for fire and rescue (Ref CMM023). In addition, one-off savings have been delivered in 2017/18 by fire and rescue (£0.090m - Ref CMM039) and the libraries service (£1.000m – Ref CMM040).
- The £0.622m saving relating to libraries self-service (Ref CMM022) was originally planned for delivery in 2017/18. Members previously agreed to push this back to 2018/19 due to concerns about the impact that the associated staffing reductions could have on the service. Details of how this proposal would be delivered are shown in table 6 above, and to mitigate the risks around delivery the service is planning to deliver this over 2018-19 and 2019-20.

3.9. Officers have reviewed the new proposed savings, as set out in Table 4 (and at Appendix 3) to consider whether early delivery of any of these may be possible. No suitable savings were identified that could be implemented during 2017/18 to provide an in-year saving. Key points to note are:-

- Work to maximise income generation across services is already underway, but the current focus is on delivering existing income targets and ensuring we are able to deliver a balanced budget for 2017/18 (CES is forecasting a balanced budget).
- A number of proposed savings require changes to staff structures and roles. Appropriate staff consultation needs to be carried out, and any staff implications properly managed. It will not be possible to do this in time to deliver an early saving.

3.10. Officers have not yet identified any savings proposed for 2019/20 that could be brought forward to 2018/19 to deliver early. It is also worth noting that the total saving set out in Table 4 has already been profiled over additional years.

2018-19 Budget proposals requiring consultation

3.11. Of the new budget proposals for 2018/19 set out in Table 4 above (and detailed in Appendix 3), officers consider the following requires public consultation.

- Providing a joined up Library and Childrens Service

3.12. In addition, the following 2018/19 proposal for the Library and Information Service set out in Table 6 above (and detailed in Appendix 5) will also require public consultation. Although a public consultation was carried out when these budget savings were originally agreed by Members, further work has since been carried out to redevelop the original proposals and further consultation is now needed on the following:-

- Re-profile rural service delivery (mobile libraries)

3.13. There will be more local consultation on some proposals, e.g. engaging directly with the relevant organisations/groups, for example we will engage directly with Healthwatch (this engagement has already started). Proposals with staffing implementations will be subject to staff consultation.

4. Financial implications

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

5. Issues, risks and innovation

5.1. 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).

5.2. Decisions about significant savings proposals with an impact on levels of service delivery will require public consultation. As in previous years, saving proposals, and the Council's Budget as a whole, will be subject to equality and rural impact assessments later in the budget-setting process.

5.3. In addition, a number of the proposals relate to changes in staffing/organisational structures and require staff consultation. The CES Department is planning to

commence a staff consultation on relevant 2018/19 proposals late October. Work will be undertaken to ensure that we are in a position to be able to implement changes ready for 1 April 2017 so that we can benefit from a full year saving.

- 5.4. 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.
- 5.5. 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.
- 5.6. 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.

6. **Background Papers**

- 6.1. 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, 3 July 2017, Item 9:

<http://norfolkcc.cmis.uk.com/norfolkcc/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/1359/Committee/21/Default.aspx>

Finance Monitoring Report Outturn, Policy and Resources Committee, 3 July 2017, Item 11:

<http://norfolkcc.cmis.uk.com/norfolkcc/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/1359/Committee/21/Default.aspx>

Additional Social Care Funding, Adult Social Care Committee, 10 July 2017, Item TBC:

Officer Contact

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

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Previously agreed MTFS savings 2017-20

Agreed MTFS savings 2017-20 by Committee

	2017-18	2018-19	2019-20	Total
	£m	£m	£m	£m
Adult	-11.213	-18.716	-10.000	-39.929
Children's	-1.854	-0.859	-0.535	-3.248
Communities	-1.906	-0.102	0.000	-2.008
EDT	-5.340	-0.605	0.000	-5.945
Policy and Resources	-23.646	9.100	0.290	-14.256
Business and Property	-1.710	-1.751	-1.000	-4.461
Digital Innovation and Efficiency	-2.105	-0.726	-0.059	-2.890
Total	-47.774	-13.659	-11.304	-72.737

Categorisation of saving	2017-18	2018-19	2019-20	2017-20
	£m	£m	£m	£m
A) Cutting costs through efficiencies	-32.813	8.967	-0.245	-24.091
(i) Efficiency savings	-32.531	9.589	-0.245	-23.187
(ii) Reducing service standards	-0.282	-0.622	0.000	-0.904
B) Better value for money through procurement and contract management	-1.161	-1.044	0.000	-2.205
(i) Efficiency savings	-1.161	-1.044	0.000	-2.205
C) Service Redesign: Early help and prevention, working locally	-8.978	-18.411	-10.000	-37.389
(i) Efficiency savings	-0.458	-0.950	-0.500	-1.908
(ii) Reducing service standards	-1.170	-7.199	-0.800	-9.169
(iii) Ceasing a service	-0.350	0.000	0.000	-0.350
(iv) Providing statutory services differently	-7.000	-10.262	-8.700	-25.962
D) Raising Revenue; commercial activities	-3.059	-1.561	0.000	-4.620
(i) Efficiency savings	-3.049	-1.561	0.000	-4.610
(ii) Reducing service standards	-0.010	0.000	0.000	-0.010
E) Maximising property and other assets	-1.763	-1.610	-1.059	-4.432
(i) Efficiency savings	-1.763	-1.610	-1.059	-4.432
Total	-47.774	-13.659	-11.304	-72.737

Further details of savings by Department can be found in the 2017-18 Budget Book.

2018-19 Budget Timetable

Activity/Milestone	Time frame
County Council agree recommendations for 2017-20 including that further plans to meet the shortfall for 2018-19 to 2019-20 are brought back to Members during 2017-18	20 February 2017
Spring Budget 2017 announced	8 March 2017
Consider implications of service and financial guidance and context, and review / develop service planning options for 2018-20	March – June 2017
Executive Director of Finance and Commercial Services to commission review of 2016-17 outturn and 2017-18 Period 2 monitoring to identify funding from earmarked reserves to support Children's Services budget.	June 2017
Member review of the latest financial position on the financial planning for 2018-20 (Policy and Resources Committee)	July 2017
Member review of budget planning position including early savings proposals	September – October 2017
Consultation on new planning proposals and Council Tax 2018-21	October to December 2017 / January 2018
Service reporting to Members of service and budget planning – review of progress against three year plan and planning options	November 2017
Chancellor's Autumn Budget 2017	TBC November / December 2017
Provisional Local Government Finance Settlement	TBC December 2017
Service reporting to Members of service and financial planning and consultation feedback	January 2018
Committees agree revenue budget and capital programme recommendations to Policy and Resources Committee	Late January 2018
Policy and Resources Committee agree revenue budget and capital programme recommendations to County Council	29 January 2018
Confirmation from Districts of council tax base and Business Rate forecasts	31 January 2018
Final Local Government Finance Settlement	TBC February 2018
County Council agree Medium Term Financial Strategy 2018-19 to 2020-21, revenue budget, capital programme and level of Council Tax for 2018-19	12 February 2018

2018-19 to 2021-22 New Saving Proposals

Proposal Note: savings are shown as a negative figure	Further information about the proposal	Saving 2018- 19 £m	Saving 2019- 20 £m	Saving 2020- 21 £m	Saving 2021- 22 £m	Total 2018- 22 £m	Risk Assessment
Capitalisation of activities to release a revenue saving	The ICT equipment used by the fire and rescue service is currently leased and the lease is due to expire. Rather than lease new equipment, we will purchase it, which is the approach already taken for the rest of NCC. The purchase of new equipment is a capital cost, which means we can free up our revenue budget for the lease costs as a saving. It will not reduce the amount of equipment that we have. We have separate arrangements in place for our control room, which is not affected by this proposal. [Total saving is £0.100m - £0.070m is included in the list at Appendix 4.]	-0.030				-0.030	
Changing back office processes and efficiency	This relates to the high volume print service in Customer Services. The lease for the high volume printers came to an end during 2017 and new arrangements have been procured. These are cheaper and so we can deliver a saving.	-0.043				-0.043	
Vacancy management and streamlined management arrangements – museums and historic environment	There are some vacancies in the Culture and Heritage portfolio. Rather than recruit to these, we are looking at how we could change arrangements to enable these posts to be deleted. They relate to the historic environment service where, for example, we are looking at closer working with the museums archaeology service.	-0.120				-0.120	
Vacancy management – customer services	This relates to the Customer Service Centre - reducing the number of posts by deleting some vacancies. The vacancies have arisen (and will continue to arise) because of efficiencies we have	-0.120	-0.050			-0.170	

2018-19 to 2021-22 New Saving Proposals

Proposal Note: savings are shown as a negative figure	Further information about the proposal	Saving 2018- 19 £m	Saving 2019- 20 £m	Saving 2020- 21 £m	Saving 2021- 22 £m	Total 2018- 22 £m	Risk Assessment
	been able to make due to increased digitisation. This will not impact on our service standards.						
Income generation – Norfolk Museums Service	The 2020/21 saving aligns to the programme/timetable for the Castle Keep development project. In addition, work is underway to identify other ways to increase income generation e.g. through other improvements to the customer offer.	-0.070		-0.400		-0.470	
Income generation – Norfolk Records Office	Looking at a number of different ways to achieve this. Reasonable confidence that we will be able to deliver this, but there are risks.	-0.030				-0.030	
Income generation – Norfolk Community Learning Services	The 2019/20 amount is about positioning NCLS so that they are able to support the delivery of apprenticeships, which will be additional funded activity. The 2010/21 amount relates to property exploitation and utilisation e.g. using fewer or cheaper buildings, improving the catering offer etc.		-0.020	-0.125		-0.145	
Income generation – Library and Information Service	Exploring other ways to generate income for the library service. Some existing income generation streams are already at risk and doing more of the same will not deliver a saving. We need to develop new ways to generate income.			-0.111		-0.111	
Reduction in Healthwatch grant	The Healthwatch grant provided by NCC is above the statutory minimum. This proposal means reducing the Healthwatch grant to the statutory minimum. Note that the statutory minimum amount of funding has been reduced by Government this	-0.189				-0.189	

2018-19 to 2021-22 New Saving Proposals

Proposal Note: savings are shown as a negative figure	Further information about the proposal	Saving 2018- 19 £m	Saving 2019- 20 £m	Saving 2020- 21 £m	Saving 2021- 22 £m	Total 2018- 22 £m	Risk Assessment
	year, and so there is a real-time reduction for Healthwatch of around £200k.						
Using Public Health Grant funding to support the delivery of Public Health activity throughout the Authority	We are currently looking for opportunities throughout the Authority that contribute to delivery of Public Health outcomes.	-2.000	-1.000	-1.000	-1.000	-5.000	
Norfolk Community Learning Services – remodelling the staff structure, including staffing reduction	This involves a detailed review of the staffing structure for Norfolk Community Learning Services to that resources can be better targeted to delivery of outcomes. It is anticipated that we can reduce overall numbers without any significant impact on service delivery.		-0.150	-0.050		-0.200	
Providing a joined up Library and Children's Centre Services	This will seek opportunities to align activity and buildings across Children's Centres and libraries - discussions with Children's Services are underway on this. This is a model already in place in other Councils.			-0.500		-0.500	
Registrars Service – external income	Increase our income by expanding the range and variety of services we charge for	-0.100	-0.100	-0.150		-0.350	

**Delivery of agreed 2018/19 saving
CMM023 – Fire and Rescue Service - £0.490m**

Proposal Note: savings are shown as a negative figure	Further information about the proposal	Saving 2018- 19 £m	Saving 2019- 20 £m	Saving 2020- 21 £m	Saving 2021- 22 £m	Total 2018- 22 £m	Risk Assessment
Sharing headquarters and control room facilities at Police HQ.	We have been moving out of the old fire HQ for some time, to a joint HQ with Norfolk Police in Wymondham. Plans are underway to move the remaining teams to Wymondham, including moving the control room to create a joint facility with the Police. The fire station will continue to be on site and will continue to operate. The move will enable savings in running costs e.g. rates, energy, maintenance etc. The closure of the building also means that we will no longer need a staff to look after the site.	-0.120				-0.120	
Capitalisation of activities to release a revenue saving	This proposal relates to capitalisation of some activity that is currently revenue funded, within the financial rules. There are two elements. £0.300m relates to capitalisation of leases for vehicles, which essentially means buying new vehicles rather than leasing them. There is a replacement programme over the next six years for around 34 vehicles. The remaining £0.070m relates to purchasing, rather than leasing, ICT equipment [the total ICT saving is £0.100m - £0.070m is included here, and £0.030m in the Table at Appendix 3].	-0.370				-0.370	
		-0.490				-0.490	

**Delivery of agreed 2018/19 saving
CMM022 – Library and Information Service - £0.622m**

Proposal Note: savings are shown as a negative figure	Further information about the proposal	Saving 2018- 19 £m	Saving 2019- 20 £m	Saving 2020- 21 £m	Saving 2021- 22 £m	Total 2018- 22 £m	Risk Assessment
Re-model the management and back office staffing structure	This will result in a reduction in the overall numbers of staff supporting the service, but is not expected to have a significant impact on front line service delivery. It includes consolidating activity to create a more empowered manager role who will be responsible for local service delivery and connecting with their communities, whilst the community librarian roles will be reduced in number there will be a full focus on policy and development of the 6 Universal offers (Reading/ Information/Digital/ Health/ Learning and Culture).	-0.236	-0.035			-0.271	
Improve efficiency of fines recovery processes	We are changing our process so that our current Customer Service staff can do this activity, e.g. during periods where call numbers are low, rather than commission the work externally as a cost. The process will be largely automated and delivered through the existing fulfilment team.	-0.012				-0.012	
Re-profile the rural service delivery (mobile libraries)	The current total spend on the mobile library service is £0.492m. This proposal would see us move away from just using mobile libraries to explore community based options – utilising exciting community/parish buildings. Some capital investment may be needed.		-0.200			-0.200	
Income generation	Exploring other ways to generate income for the library service. Some existing income generation streams are already at risk and doing more of the same will not deliver a saving. We need to develop	-0.139				-0.139	

Delivery of agreed 2018/19 saving
CMM022 – Library and Information Service - £0.622m

Proposal Note: savings are shown as a negative figure	Further information about the proposal	Saving 2018- 19 £m	Saving 2019- 20 £m	Saving 2020- 21 £m	Saving 2021- 22 £m	Total 2018- 22 £m	Risk Assessment
	new ways to generate income, for example renting out spaces and encouraging more partnership working.						
		-0.387	-0.235			-0.622	