

Policy and Resources Committee

Date: **Monday, 29 October 2018**

Time: **10 am**

Venue: **Edwards Room, County Hall, Norwich**

Persons attending the meeting are requested to turn off mobile phones.

Membership

Mr A Proctor (Chairman)

Mr B Borrett
Ms E Corlett
Mr S Dark
Mrs M Dewsbury
Mr T FitzPatrick
Mr S Morphew

Mr R Oliver
Mr G Plant
Mr D Roper
Mr E Seward
Mr B Stone
Mr M Wilby

**For further details and general enquiries about this Agenda
please contact the Committee Officer:**

Tim Shaw on 01603 222948
or email committees@norfolk.gov.uk

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Agenda

1. **To receive apologies and details of any substitute members attending**

2. **Minutes**

To agree the minutes from the meeting held on 24 September 2018

(Page 5)

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. **To receive any items of business which the Chairman decides should be considered as a matter of urgency**

5. **Public Question Time**

15 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 or 01603 223055) by **5pm on Wednesday 24 October 2018**. For guidance on submitting public question please view the Constitution at Appendix 10.

6. Local Member Issues

Fifteen minutes for local members 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 or 01603 223230) by **5pm on Wednesday 24 October 2018**. For guidance on submitting public question please view the Constitution at Appendix 10.

Section A – Items for Discussion and Decision/Action

- | | | |
|-----------|---|-------------------|
| 7 | Living Well-Homes for Norfolk
Report by Executive Director, Adult Social Care | (Page 18) |
| | Note: a large report went to the Adult Social Care Committee on 8 October 2018 and a weblink to it can be found within the executive summary of this covering report. The document is also accessible by clicking here - see item 12. | |
| 8 | Transforming the system for Special Educational Needs and Disability (SEND) in Norfolk
Report by Executive Director of Children’s Services | (Page 20) |
| 9 | Director of Public Health Annual Report 2018: A Health Profile for Norfolk
Report by Director of Public Health | (Page 42) |
| 10 | Finance Monitoring Report
Report by Executive Director, Finance and Commercial Services | (Page 62) |
| 11 | Delivering Financial Savings 2018-19
Report by Executive Director, Finance and Commercial Services | (Page 88) |
| 12 | Strategic and Financial Planning 2019 to 2023
Report by Strategy Director and Executive Director, Finance and Commercial Services | (Page 104) |
| 13 | Performance and Risk Management
a. Corporately significant vital signs performance management report
Report by Strategy Director | (Page 122) |

b. Risk Management

Report by Executive Director of Finance and Commercial Services

(Page 146)

14 Norse Group Annual Report 2017/18

Report by Managing Director of Norse Group

(Page 156)

15 Annual Review of the Enforcement Policy

Report by Executive Director of Community and Environmental Services

(Page 183)

Section B – Item for Report

16 Feedback from Members serving on Outside Bodies

To receive verbal reports (where appropriate) from Members serving on the following outside bodies:

1. LGA General Assembly
2. County Council Network
3. East of England Local Government Association.

Group Meetings

Conservative	9:00am	Conservative Group Room
Labour	9:00am	Labour Group Room
Liberal Democrats	9:00am	Liberal Democrats Group Room

**Chris Walton
Head of Democratic Services**

County Hall
Martineau Lane
Norwich
NR1 2DH

Date Agenda Published: 19 October 2018



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Policy and Resources Committee

Minutes of the Meeting Held on 24 September 2018

10:00am Edwards Room, County Hall, Norwich

Present:

Mr A Proctor (Chairman)

Mr B Borrett
Mrs M Dewsbury
Mr T FitzPatrick
Mr S Morphew
Mr R Oliver

Mr G Plant
Mr D Roper
Mr E Seward
Mr B Stone
Mr M Wilby

Substitute Member present:

Mr B Spratt for Mrs P Carpenter
Mrs C Walker for Ms E Corlett

1. Apologies for Absence

1.1 Apologies for absence were received from Mrs P Carpenter and Ms E Corlett.

2 Minutes

2.1 The minutes of the previous meeting held on 16 July 2018 were confirmed by the Committee and signed by the Chairman.

2.2 In reply to questions, the Executive Director of Community and Environmental Services said that there was no firm date for the update report on the delivery of the Broadland Northway. Discussions with the contractor were ongoing and these would need to conclude before the final cost could be established.

3 Declarations of Interest

3.1 Mr T FitzPatrick declared an "other interest" in item 10 (Pension Contributions-Payments in Advance) as a Member of the Pensions Committee.

4 Items of Urgent Business

4.1 Mr D Roper asked the Chairman for permission to table a motion that if agreed by the Committee would suspend public consultation on the document entitled "Early Childhood and Family Services-Transforming Our Children's Centres". He said

that the motion would enable the public consultation document to be rewritten in a way that in his opinion reflected more accurately the Council's proposals regarding children's centres.

- 4.2 In reply, the Chairman said that he was unwilling to use his discretion and give permission for a motion on this issue to be tabled as a matter of urgent business.

5 **Public Question Time**

- 5.1 The Committee received a public question from Mr Elliott about how many more Social Workers, support staff and interpreters were required to manage the needs of 100 refugees. The question and answer can be found at Appendix A to these minutes.

- 5.2 In response to a supplementary question from Mr Elliott about whether the County Council had sufficient staff to meet the refugees' needs, the Executive Director of Adult Social Services confirmed that the earmarked staffing resources were adequate.

6 **Local Member Issues**

- 6.1 There were no local member questions.

Section A – Items for Discussion and Decision/Action

7 **Finance Monitoring Report**

- 7.1 The annexed report (7) by the by the Executive Director of Finance and Commercial Services was received.
- 7.2 The Committee received a report by the Executive Director of Finance and Commercial Services that summarised the Period 4 (July 2018) forecast financial outturn position for 2018-19, to assist members to maintain an overview of the overall financial position of the Council. There had been no material net budget movements since the previous finance monitoring report.
- 7.3 The Executive Director of Finance and Commercial Services drew Members' attention to table 2 on page 22 of the agenda which showed that the RAG rating for Children's Services had changed to RED. The forecast overspend on Children's Services was in relation to costs associated with looked after children and children who had a high level of needs. The spend associated with this was an issue of concern to all County Treasurers across the country. In reply to questions the Director said that the forecast overspend was an issue which had more to do with identifying the resources required to meet the unrelenting increase in demand for Council services and less to do with the need to introduce updated forecasting techniques.
- 7.4 In reply to questions about the extent to which the Council relied on the use of reserves, the Executive Director of Finance and Commercial Services said that a reserve was defined as an amount set aside for a specific purpose in one financial

year and carried forward to meet expenditure in future years. The Council carried forward reserves and provisions which were anticipated at the time when the budget was set in January 2018 and information about the latest forecasts could be found in tables 3a and 3b on page 23 and 24 of the agenda.

- 7.5 In reply to further questions, the Executive Director of Finance and Commercial Services said that if the Committee was to agree to support the request from Norse Care Ltd for a capital loan, to refurbish and re-open a decommissioned residential care home for the elderly that focussed on dementia care for self-funding private payers whose financial resources were above threshold levels, then this would reduce the average cost of providing dementia care places for all Norse care users and increase the level of return to the County Council on money loaned to Norse Care Ltd.
- 7.6 Members spoke in support of the project to create a 50-acre Energy Park at South Denes in Great Yarmouth. The Deputy Leader said that the County Council was in discussions with the Borough Council about the best form of governance for this major project. He agreed to update Mrs Walker after the meeting on what governance was proposed.

7.7 **RESOLVED (with 4 abstentions)**

That the Policy and Resources Committee:

- 1. Note the period 4 forecast general fund revenue overspend of £5.634m (£5.356m), noting also that Chief Officers will take measures throughout the year to reduce or eliminate potential over-spends;**
- 2. Note the forecast General Balances at 31 March 2018 of £19.536m, before taking into account any over/under spends;**
- 3. Note the revised expenditure and funding of the current and future 2018-22 capital programme as set out in Appendix 3 of the report;**
- 4. Approve, subject to internal due diligence and agreed legal terms, the addition of £3m to the capital programme relating to a capital loan to Norse Care Ltd, for the refurbishment of a care home for the elderly focussing on dementia care as set out in Appendix 3 paragraph 3 of the report;**
- 5. Approve the addition of £2.75m to the capital programme to underwrite the acquisition of leases on priority sites at the Great Yarmouth Energy Park as set out in Appendix 3 paragraph 4 of the report;**
- 6. Approve the addition of £0.450m to the capital programme to meet farms capital projects, to be funded by future capital receipts as set out in Appendix 3 paragraph 5 of the report.**
- 7. Approve the addition of £2m to the Children's Services capital programme to replace revenue contributions which can be used to support the 2018-19 Children's Services revenue budget as set out in Appendix 3 paragraph 6 of the report.**

8 **Delivering Financial Savings 2018-19**

- 8.1 The annexed report (8) by the Executive Director of Finance and Commercial Services was received.
- 8.2 The Committee received a report by the Executive Director of Finance and Commercial Services that provided details of the forecast outturn position in delivering the savings of £29.999m for the year that were agreed by the County Council as part of the 2018-19 budget setting process. The report commented on the exceptions to successful delivery which were rated RED or AMBER.
- 8.3 In reply to questions about the reasons for the forecast overachievement from changes in the charges for DIY construction and demolition waste, the Executive Director of Community and Environmental Services said that the original figure was a conservative estimate which had been set before it was possible to fully assess the impact of the change in policy. The saving was due to a combination of the cost increase and a reduction in how much the County Council paid to get rid of DIY waste.

8.4 **RESOLVED**

That Policy and Resources Committee note:

- a. **the total projected shortfall of £5.264m in 2018-19, which amounts to 18% of total savings;**
- b. **the budgeted value of 2018-19 savings projects rated as RED of £1.042m, of which £0.214m are forecast to be delivered;**
- c. **the budgeted value of 2018-19 savings projects rated as AMBER of £14.645m, of which £9.989m are forecast to be delivered;**
- d. **the budgeted value of GREEN and BLUE rated projects of £14.312m, where we are forecasting to deliver £14.532m.**
- e. **the forecast non-delivery and delay of savings totalling £3.200m in 2019-20, £1.000m in 2020-21 and £0.500m in 2021-22, which have been reflected in budget planning.**

9 **Strategic and Financial Planning 2019-20 to 2021-22**

- 9.1 The annexed report (9) by the Executive Director of Finance and Commercial Services and the Strategy Director was received.
- 9.2 The Committee received a report by the Executive Director of Finance and Commercial Services and the Strategy Director that summarised the Council's current budget planning position, including details of issues and actions being taken by Service Committees to support the whole Council to set a balanced budget for 2019-20 and the Council's responses to two recent consultations, relating to the proposed CIPFA Financial Resilience Index and the Government's Technical Consultation on the 2019-20 Local Government Finance Settlement.

The report also provided an overview of the approach to developing savings for 2019-20 for the Policy and Resources Committee's own budgets ahead of the detailed proposals being presented in October.

- 9.3 The Executive Director of Finance and Commercial Services drew Members' attention to table 1 on page 66 of the agenda which explained the latest forecast budget gap for planning purposes for the period 2019-20 to 2021-22.
- 9.4 In reply to questions, the Executive Director of Finance and Commercial Services said that the County Council had a good track record of achieving planned savings, and was prudent in both its use of reserves, and the capital receipts flexibility offered by Government. Financial planning for 2019-20 to 2021-22 was being undertaken in the face of very substantial uncertainty at the national level about the level of local government funding and the distribution of funding between individual local authorities and changes in the mechanism used by Government to determine the provision of Council funding. The County Council's planning assumptions took account of inflation at 2% and an increase in council tax in 2021-22 of 1.99% as well as the plans that service committees had to transform the way in which services were provided.
- 9.5 Members said that they welcomed the initiative taken by the Norfolk Leaders to prepare an application for the Council to become a Business Rates Pilot in 2019-20, as set out in paragraph 6 of the report.
- 9.6 **RESOLVED**

That Policy and Resources Committee:

- 1. Note the revised MTFs forecast gap of £45.322m (table 1 of the report) for the period 2019-20 to 2021-22, which assumes that new savings can be identified at the required level of £22.089m for 2019-20;**
- 2. Note the Service Committee budget setting issues and pressures identified (section 5 of the report) and the implications for the Council's 2019-20 Budget, which have been reflected in the updated MTFs position set out in this report (section 2 and table 1 of the report);**
- 3. Agree the latest budget planning position and associated council tax assumptions, including that future year budget planning should be based on an increase in council tax of 1.99% in 2021-22, which will ultimately be subject to agreement by Full Council in the relevant year;**
- 4. In relation to the Committee's own budgets:**
 - a. Note the key areas of risk in relation to 2019-22 budget planning for the Committee's budgets, including any additional pressures and the robustness of existing planned savings as set out in section 3 of the report, noting that any changes may impact on the overall budget gap and will require additional offsetting savings to be found;**
 - b. Agree the proposed approach and key themes to focus on in developing savings proposals for 2019-20 to 2021-22, including how the principles of the Council's Strategy, Norfolk Futures,**

will inform and shape budget planning activity set out in section 3 of the report, having regard to the existing savings for 2019-20 and beyond which were agreed as part of the 2018-19 budget round (table 3 of the report); and

- c. Commission officers to develop detailed savings proposals to be presented to the Committee for consideration at the October meeting in order to help close the forecast 2019-20 to 2021-22 budget gap.
5. Note the implications of the technical consultation on the local government finance settlement 2019-20 and the outline terms of the response submitted by the Council (section 4 of the report);
6. Subject to discussions by Norfolk Leaders and, in the event that a bid is to be submitted, agree the principle of an application to become a Business Rates Pilot in 2019-20, delegating authority to the Executive Director of Finance and Commercial Services (in consultation with the Leader) to submit a bid in partnership with Norfolk district councils, noting the associated risks in the absence of a “no detriment” offer; and
7. Note the proposals for development of a Financial Resilience Index by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the response submitted by the Council (Appendix 1 of the report).

10 Pension contributions – Payments in advance

10.1 The annexed report (10) by the Executive Director of Finance and Commercial Services was received.

10.2 The Committee received a report by the Executive Director of Finance and Commercial Services that summarised a proposal to make an up-front payment of employer pension contributions to the Local Government Pension Scheme (LGPS). The effects of this would be to make a financial contribution to the authority’s general fund.

10.3 **RESOLVED**

That the Policy and Resources Committee:

1. Agree in principle the pre-payment of pension contributions for 18 months to March 2020 to realise savings set out in the report;
2. Delegate the actual amount to be pre-paid to the Executive Director of Finance and Commercial Services, following finalisation of the pension contribution rates due for the period by the actuary.

11 Joint Health and Wellbeing Strategy 2018-22

11.1 The annexed report (11) by the Director of Public Health was received.

11.2 The Committee received a report by the Director of Public Health that outlined the development by partners of the Joint Health and Wellbeing Strategy 2018-22. The Committee also received on the table copies of the strategy document for 2018-

22. The report sought the Committee's support and endorsement of the Strategy before it was put before Council in October 2018 for sign off.
- 11.3 In reply to questions about whether the objectives of the Joint Health and Wellbeing Strategy that were outlined in the strategy document were sufficiently robust, Mr Borrett, the Chairman of the Health and Wellbeing Board, said that the role of this document was to provide the Board's partner organisations with the strategic direction to enable them to fully support a single sustainable health and social care system (which focused on prioritised prevention, tackled health inequalities and integrated ways of working in the delivery of people-centred care) and the document fully fulfilled this purpose.
- 11.4 **RESOLVED to RECOMMEND to FULL COUNCIL:**
- That Policy and Resources Committee support the strategic direction of the Joint Health and Wellbeing Strategy 2018-22 and endorse it for submission to Council.**
- 12 **Council Tax Exemption for Care Leavers**
- 12.1 The annexed report (12) by the Executive Director of Children's Services was received.
- 12.2 The Committee received a report by the Executive Director of Children's Services that recommended the County Council be asked to support a council tax exemption for care leavers up to the age of 25 years that would help relieve some of the financial pressures of independent living for this particularly vulnerable group and was in keeping with the aims and aspirations stated in the Department of Education document 'Keep on Caring'.
- 12.3 **RESOLVED to RECOMMEND to FULL COUNCIL:**
1. **That a scheme be adopted as set out in the report to deliver a full council tax discount for all Norfolk care leavers living either in or out of Norfolk who are under the age of 25 and are solely responsible for payment of the bill, or who occupy a property with other Norfolk care leavers aged up to 25.**
 2. **Commission officers to undertake further work with the seven Norfolk District Councils and the Norfolk Police and Crime Commissioner to seek to agree that all authorities bear their share of the full discount and that a uniform scheme can be implemented across Norfolk.**
- 13 **Enterprise Zone Update**
- 13.1 The annexed report (13) by the Executive Director of Finance and Commercial Services was received.
- 13.2 The Committee received a report by the Executive Director of Finance and Commercial Services that provided details of legal agreements required to

facilitate the operation of the “Space to Innovate” Enterprise Zone sites, which needed to be agreed between the New Anglia Local Enterprise Partnership (the LEP), County Council, and relevant District Council.

13.3 The Executive Director of Finance and Commercial Services agreed to let Members know when the legal agreements were completed.

13.4 **RESOLVED**

That Policy and Resources Committee:

- 1. Delegate authority to the Executive Director of Finance and Commercial Services to agree the final terms of the legal agreements in relation to the Enterprise Zone sites at Scottow, Norwich Research Park and Nar Ouse Business Park (drafts appended to this report) for signature on behalf of Norfolk County Council.**
- 2. Delegate authority to the Executive Director of Finance and Commercial Services to sign the legal agreement in respect of the Enterprise Zone site at Egmere when it is available.**

14 **Local Government Association (LGA) Corporate Peer Review**

14.1 The annexed report (14) by the Managing Director was received.

14.2 The Committee received a report by the Managing Director that recommended Norfolk County Council should work with the Local Government Association’s Corporate Peer Review Team to conduct a Corporate Peer Review into how the County Council was transforming services and approaches for the people of Norfolk and gaining additional insights to inform future strategy. It was proposed that the Corporate Peer Review Team would come into the Council for four days beginning 26 November 2018.

14.3 In welcoming the County Council’s participation in a Corporate Peer Review, the Committee agreed to change the start time for its meeting on 26 November 2018 from 10 am to 2 pm.

14.4 **RESOLVED**

That Policy and Resources Committee:

- 1. Confirm that the County Council will work with the LGA to conduct a Corporate Peer Review in the last week of November 2018.**
- 2. Agree to change the start time for its meeting on 26th November 2018 from 10 am to 2 pm.**

15 **Annual Report of Compliments and Complaints**

15.1 The annexed report (15) by the Managing Director was received.

15.2 The Committee received a report by the Managing Director that considered formal

complaints and representations made by members of the public and Members of Parliament, received by Norfolk County Council's Complaints Team between 1 June 2017 and 31 May 2018. The report set out the main issues and trends by Department and the service improvements that had been implemented as a result. The report also formally reported to Members the annual letter from the Ombudsman.

15.3 **RESOLVED**

That Policy and Resources Committee:

- 1. Note the contents of the report and endorse the action proposed to improve performance set out in paragraph 1.4 of the report.**
- 2. Note the Ombudsman report and the actions to be taken in response.**

16 **Notifications of Exemptions Under Contract Standing Orders**

16.1 The annexed report (16) by the Executive Director of Finance and Commercial Services was received.

16.2 The Committee received a report by the Executive Director of Finance and Commercial Services that set out the exemptions that had been made up to 13 September 2018 under paragraph 9.11 of Contract Standing Orders and that were over £250,000 and therefore needed to be notified to the Policy and Resources Committee.

16.3 **RESOLVED**

That Policy and Resources Committee:

As required by paragraph 9.12 of the Council's Contract Standing Orders, note the exemptions that have been granted under paragraph 9.11 of Contract Standing Orders by the Head of Procurement and Head of Law in consultation with the Chairman of Policy and Resources Committee that are over £250,000.

17 **Limited Company Consents**

17.1 The annexed report (17) by the Executive Director of Finance and Commercial Services was received.

17.2 The Committee received a report by the Executive Director of Finance and Commercial Services that asked the Committee to recommend to the County Council the appointment of Directors to companies listed in Appendix A to the report.

17.3 The Executive Director of Finance and Commercial Services asked the Committee to agree to the following additional change in the appointment of directors:

Hethel Engineering Centre: Barry Stone to replace Keith Kiddie.

17.4 RESOLVED to RECOMMEND to FULL COUNCIL:

- 1. The appointment of directors to companies as detailed in appendix A to the report.**
- 2. The appointment of Mr B Stone to replace Mr K Kiddie as a director of the Hethel Engineering Centre.**

18 Recommendations from the Constitution Advisory Group meeting held on 4 September 2018

18.1 The annexed report (18) by the Chairman of the Constitution Advisory Group was received.

18.2 The Committee received a report by the Chairman of the Constitution Advisory Group that asked the Committee to recommend to the County Council the recommendations that arose from the CAG meeting on 4 September 2018 that were set out in the report.

18.3 **That in respect of the recommendations from the CAG meeting held on 4 September 2018 the Policy and Resources Committee RESOLVED to RECOMMEND to FULL COUNCIL:**

- a. Health and Wellbeing Board – Governance and Systems Leadership (report to CAG attached at Appendix A to the report)**

That Policy and Resources Committee recommends Council to amend the constitution accordingly to enable the changes below:

- 1. Agree that the Chair of the N&W Sustainability & Transformation Partnership (STP) and the N&W STP Executive Lead become full members of the HWB (para 2.3 of the report refers).**
- 2. Agree that the cabinet member for Community Health and Safety at Waveney District Council (or its successor authority) becomes a full member of the HWB (para 2.5 of the report refers).**
- 3. Agree that there should be provision for members of the public to ask questions in line with procedural rules (as outlined in Appendix B to the report).**

- b. Review of Financial Standing Orders (FSOs) and Consequential Amendments to the Constitution (report to CAG attached at Appendix B to the report).**

That Policy and Resources Committee recommends to Council the changes to Financial Regulations as set out in Appendix 1 of the report to CAG.

- c. Communities and Environmental Services – Trading Standards –**

Addition to Part 6.2 – Scheme of Delegated Powers to Officers (report to CAG attached at Appendix C to the report).

That Policy and Resources Committee recommends Council to amend Part 6.2 of the Constitution to include the additional provision as set out in the report to CAG.

- d. Appointment of Senior Officers (report to CAG attached at Appendix D to the report).**

That Policy and Resources Committee recommends to Council that the Director of Growth and Development be added to the list of posts set out in Part A of the Appendix to Part 6.4 of the constitution.

- e. Changes to the Scheme of Delegation for the determination of Planning Applications and the provision of Training for Members of the Planning (Regulatory) Committee (report to CAG attached at Appendix E to the report).**

That Policy and Resources Committee recommends to Council that the changes to the constitution are adopted as set out in the report and that the training requirements apply to all Members and Substitute Members sitting on the Committee.

- f. Order of Business at Council Meetings**

That Policy and Resources Committee recommends to Council that the order of business at Council meetings as currently set out in 2.1 of Part 3.2 of the constitution be amended so that motions under Standing Order 9 be considered after reports/recommendations from Committees and Member questions to Committee Chairmen.

Section B – Items for Report

19 Decisions taken under Urgency Powers

The Committee noted that the Managing Director had approved the following changes to Councillor Directors of Repton Developments following consultation with the Chairman and Vice Chairman of the Committee:

Barry Stone and Carl Smith replaced Keith Kiddie and Brian Iles.

20 Feedback from Members serving on Outside Bodies

20.1 No verbal update reports were received.

Appendix A

Public question from Mr Elliott

How many more Social Workers, support staff and interpreters will be employed to manage the needs of the 100 refugees, given that the existing 52 will have ongoing support needs (albeit diminishing) until their funding runs out after the end of 5 years and will public transport costs be met for the new cohorts, especially if they live in the Broadland area, as these costs bare heavily for families currently and can funding be found for a computer and lessons for each family from the start of their welcome here as IT skills are such an important part of society now?

Answer from Executive Director of Adult Social Services:

Staffing levels

At this stage, it is too early to predict how many social workers, support staff or interpreters will be needed to support the needs of 100 refugees. This is because the needs of refugee families who will be coming to Norfolk are not yet known, and it is also not yet known how many refugees will arrive at any one time. What we do know, however, is that the needs of the 52 Syrian refugees that arrived in Norfolk between 2016 and 2018 were comfortably met by a social work manager, 0.5 Social Worker and 1.0 Development Worker together with the staff more widely within the People from Abroad Team and in conjunction with the offers of help from volunteers and the local community.

To date, all staffing has been delivered within the grant funding that we receive.

Transport

Syrian families are rehoused in the greater Norwich area. The local authority does not provide travel permits for refugees unless there is an assessed need on the grounds of disability. Where a refugee is eligible for Personal Independence Payment, Blue Badge or a concessionary bus pass, the Council will support the refugee to apply. This is to ensure that no greater preference is given to refugees than other residents who are similarly in receipt of benefits. Where there are special circumstances the resettlement team will take these into account within their assessment.

Provision of computers

Under the terms of the funding provided by the Home Office for Syrian refugee resettlement, the Council is not permitted to provide computers to Syrian refugees. The Home Office has advised that:

“The [local authority] funding should not be used to procure luxury items: This means that Funding received should be used for food storage, cooking and washing facilities but should not include the provision of other white goods or brown goods, i.e. TV’s, DVD players or any other electrical entertainment appliances. This shall not preclude the Recipient from providing refugees with additional luxury, white or brown goods through other sources of funding.”

Therefore, if the Council were to purchase computers or provide broadband for the families it would be in breach of the terms of the funding. We are, however, able to report that a university has provided the project with a small number of reconditioned laptops and a focused short course of ESOL has been planned with our adult education service to enable the refugees to gain the necessary skills to

use the internet and on successful completion of the course, refugees will be given one of these reconditioned laptops. In common with other residents on welfare benefits, refugees are encouraged to budget efficiently so they are able to afford economically priced internet packages for themselves.

Computers for school children

Schools, academies, free schools and further education colleges who accept Syrian refugees from the relevant age groups are eligible for additional funding to meet the needs of these children in their school. In Norfolk, this equates to £800 per pupil per term (£600 for pre-school establishments) for three terms. Schools can access this funding by applying to the Council's People from Abroad team for payment of the grant. There is no restriction on how schools spend this funding and therefore if a child's school believes it would help the child to have a computer at home, there is no reason why the school could not choose to provide it. This funding is in addition to the English as an Additional Language payment made to schools and Pupil Premium funding.

The meeting concluded at 12.10 pm

Chairman

Policy and Resources Committee

Item No 7

Report title:	Living Well – Homes for Norfolk
Date of meeting:	29 October 2018
Responsible Chief Officer:	James Bullion, Executive Director Adult Social Care

Strategic impact

Norfolk County Council (NCC) is committed to a vision of supporting people to be independent, resilient and well. The ASC Promoting Independence strategy identified a requirement for a range of housing options to help people maintain their independence. Having appropriate supported housing available in the right locations, at the right time and with the right characteristics will go a long way to fulfil our vision of keeping people independent.

Extra care housing, which provides an independent living option for older people, is less expensive than residential care and is identified as an effective way of supporting people to remain independent in their local communities. Increasing provision of extra care housing to match future demand will deliver circa £4m gross revenue saving per year.

Executive summary

This report references the proposal and business case for accelerating the development of extra care housing in Norfolk that was agreed by Adult Social Services Committee on 8 October 2018. ASSC agreed the principles of the programme, which are contained [here](#), (page 60) and have recommended to the Policy and Resources Committee that NCC funds capital investment up to £29m over the life of the programme.

The creation of extra care units across the county is part of the overall vision for Norfolk expressed through the Council's Strategy 'Norfolk Futures' and will provide many older people with an alternative housing option that recognises their growing care needs and allow them to continue living independently in their local communities. The overarching housing strategy, as part of the Norfolk Futures programme, will drive change across three areas of common good to the County; one of which is the development of a mix of specialist accommodation provision for older people.

Extra care housing has been identified as a way of reducing unnecessary residential care admissions. Evidence has demonstrated that a significant proportion of residential care admissions in Norfolk are for people with relatively low care needs, suggesting that alternatives to residential care would have been appropriate. The current provision of extra care housing in the county is low. Demand analysis has shown that Norfolk requires 2,842 more extra care units by 2028.

Recommendations:

To agree the following decisions:

- a) That NCC funds capital investment up to £29m over the life of the programme**

1. Supporting Documentation

- 1.1 **Appendix 1** – Homes for Norfolk business case
- Appendix 2** – Living Well – Homes for Norfolk position statement
- Appendix 3** – Equality Assessment Findings and Recommendations
- Appendix 4** – Extra Care Housing strategy

2. Background information

- 2.1 **Appendix 5** – Solution Design Extra Care in Norfolk
- Appendix 6** – Housing benefit position statement
- Appendix 7** – Delivery model part one
- Appendix 8** – Assistive Technology position statement
- Appendix 9** – Care model for Extra Care in Norfolk

Officer Contact

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

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

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Policy & Resources Committee

Item No 8

Report title:	Transforming the System for Special Educational Needs & Disability (SEND) in Norfolk
Date of meeting:	29 October 2018
Responsible Chief Officer:	Sara Tough, Executive Director of Children's Services
Strategic impact We are requesting capital and revenue borrowing in the region of £120million to transform the system of support for children with special educational needs and disabilities (SEND) in Norfolk. This will be achieved through the creation of new specialist provision and a programme to dramatically support and challenge mainstream inclusion. This transformation programme, within a draft Area SEND Strategy, aligns directly to three of the four NCC priorities: <ul style="list-style-type: none">• Offering our help early to prevent and reduce demand for specialist services• Joining up our work so that similar activities and services are easily accessible, done well and done once• Using evidence and data to target our work where it can make the most difference	

Executive summary

We have developed an ambitious plan to expand and transform the landscape of provision for children with special educational needs in Norfolk.

This paper builds on the paper which came to Children's Services Committee in July 2018. The context described there will not be repeated in depth in this paper but is available here.

We are responsible for ensuring that every child has a school place. For children with Special Educational Needs and Disabilities there are additional duties on the local authority which mean we must ensure that appropriate educational provision is available to meet the child's educational needs. We are further responsible for planning for future demand in terms of places of the right type, in the right place across the county. The current trajectory indicates that there is likely to be further pressure on revenue funding for SEND places and specialist support, which will be challenging to meet, given the current level of provision across the county. We must therefore plan for more of the right kind of school places to meet SEND need, slow down the demand by meeting need earlier, and this could enable us to return the High Needs Block (HNB) to balanced position.

Norfolk currently identifies more children as having special education needs than the average for other authorities. However, in comparison we place a smaller proportion of children in state-funded maintained special schools and a greater proportion in independent / non-maintained schools. State-funded special schools are consistently judged by Ofsted as Good / Outstanding and are, on average, £23,000 per place per year cheaper than the average costs in the independent/non-maintained sector, where inspection outcomes are not as strong. This paper outlines the rationale for investment in more higher quality, lower cost provision.

Specifically, we have identified the need to develop up to 4 new special schools and 170 additional places within specialist resource bases (hosted by mainstream schools) and this will:

- Provide appropriate education closer to home and so reduce the time children spend travelling and the associated travel costs;
- Improve the quality of the education provision for children with special educational needs;
- Address current unmet need for pupils currently within mainstream schools who have been assessed as requiring special school placement;
- Plan appropriately for predicted future need
- Return the budget for children with High Needs (Dedicated Schools Grant High Needs Block) to balance

To achieve this, we require capital investment in order to secure local specialist provision. Alongside this Children's Services will work with stakeholders to transform the quality of provision, timeliness of assessments, culture and behaviour across the Norfolk SEND system.

We estimate that capital resources in the region of £120million are required. The programme would be delivered in 2 phases over 3 and 5 years respectively.

A 'do nothing' scenario has inherent risk for both individual children and young people and for Dedicated School Grant and NCC General Fund finance position.

Recommendations:

- 1. To support and agree that the County Council will make a step-change investment to transform the system for Special Educational Needs & Disability (SEND) in Norfolk;**
 - creating new and expanded provision to meet the needs of all children and young people with SEND
 - enabling children's needs to be met more locally and reducing travel time
 - improving the level of inclusion in mainstream education and supporting schools to achieve positive outcomes for children with special educational needs
- 2. To agree capital investment of up to £100million (Phase 1), implemented over a three-year period to establish new specialist provision and to enable plans to return to a balanced budget for High Needs Block and SEN Transport, plus a further estimated £20million for associated residential / outreach and early intervention services, including Preparing For Adult Life (Phase 2)**
- 3. To approve the initial investment of £4.8m of capital investment in the current financial year (2018/19) to allow the first phase 1 works detailed in paragraph 1.7 to commence as quickly as possible.**
- 4. To note the wider SEND transformation programme of work, to be reported in full to the CS Committee, to improve Education Health & Care Plan performance, mainstream school inclusion and raise overall parental confidence in Norfolk's SEND provision**
- 5. To note the specific location of a proposed new special school in the Great Yarmouth area**

- 6. To note the areas, across the County, for the location of up to 3 new special schools and in excess of 12 new specialist resource bases**
- 7. To note the 3-year programme for capital development of special schools, specialist resource bases and other relevant provision**

1. What do we need to do – the Proposal

1.1 In July Children’s Services Committee agreed, in principle, to an ambitious plan to expand the current state funded maintained school specialist provision across the County.

1.2 To deliver this we need to:

- Build up to 4 new special schools to accommodate 400 children in state-funded provision;
- Build suitable classroom/small group rooms across the county in order to expand specialist resource base places for an additional 170 children
- Explore the possibility of further school-based nurture provision and residential provision to meet social, emotional, mental health and specialist / complex needs.

If we do this we will ensure that specialist provision to meet need is high quality, value for money and local to children. Furthermore, we will bring the High Needs Block more into balance.

1.3 To do this we estimate that capital and revenue borrowing in the region of £120million is required, within a 2-phase programme. Phase 1 will run across years 1-3 of the programme and phase 2 will begin in year 2 and run to year 5. Phase 1 can begin as soon as capital becomes available. Feasibility for the first project is already under way, funded through the Schools Capital Programme. Early projects are being scoped out, locations for new builds are broadly agreed and aligned with the sufficiency plan. Phase 2 planning will begin immediately, however the implementation will start in year 2 of the programme.

1.4 The infrastructure transformation programme will focus on a mix of new build and refurbishment / reuse of existing buildings. The programme will include investment in mainstream schools to build capacity through infrastructure to meet the needs of children who may need light touch, or short term intensive intervention. The table below provides a high-level overview of the proposed investments. Clearly detailed business cases for these investments will flow from this strategic overview as the work progresses.

Draft Phase 1 plan

Alderman Swindell reuse – combination of remodelling of existing building and new build. 100+ place SEMH school (exploration of 4 place residential unit)	£12m (including potential for residential) construction and fees based on SLA £0m land
North Norfolk, site TBC. 100 place ASD school	£15m total project cost construction and fees based on SLA £0m land
2 X complex needs school developments: 100 place complex needs school and a 1x 170 place Special School (one with 16 place residential block)	£35m total project cost including construction, fees and land (assuming purchase at development value if required)
Specialist Resource Bases x 11 (combination of single unit (£800k) and double unit (£1.2m))	£14m
Refurb Complex Needs	£12m
Student Support Hubs	£4m

Mainstream school inclusion schemes e.g. nurture provision + contingency	£7m
Programme capitalised central costs 1%	£1m
Total	£100m

- 1.5 The nature of capital development and delivery results in the majority of expenditure occurring once construction is underway towards the end of the project. An indicative average spend profile against a usual 3-year programme is set out in the table below.

Year 1	Year 2	Year 3
5%	5%	90%
£5.000 m	£5.000 m	£90.000 m

However, due to the need to accelerate this programme and to take advantage of current government capital funding schemes for SEND and availability of sites in Norfolk (for example Alderman Swindell), we aim to adjust this spend profile to reflect the urgency of SEND provision. The profile could, therefore, reflect the following pattern:

Year 1 *	Year 2 *	Year 3 *
4.8%	35%	60.2%
£4.800 m	£35.000 m	£60.200 m

**this is an estimated, and high level, profile of capital spend to illustrate how we plan to balance pace within the SEND Transformation programme but with the reality of how capital programmes are likely to need adjustment as they progress; i.e. the majority of funding is in Year 3, however, we will report to committee regularly to adjust the profile of capital 'draw down' to reflect schemes as they progress through detailed feasibility and construction planning*

- 1.6 Within the overall programme there are three types of scheme that should be progressed immediately to ensure that current unmet pupil need is addressed and further pressure to the High Needs Block can be mitigated, these comprise:
- New Special School: Social Emotional Mental Health difficulties for 90 pupils on the Alderman Swindell Primary School site
 - Expansion of current special school estate: 4 additional class-bases within two of Norfolk's current Outstanding special schools (Sheringham & Norwich)
 - Additional Specialist Resource Bases: development of the initial wave of SRB's, hosted by mainstream schools, for Autism Spectrum Disorder (West Norfolk)
- 1.7 If supported, the majority of the total capital investment from 2019/20 onwards would be incorporated into the County Council's Business plan, profiled across the appropriate years of the capital programme and approved at Full Council. However, we want to begin this vital work as quickly as possible and so are seeking immediate approval from Committee for expenditure of £4.8m capital funding in 2018/19 to deliver a number of the initial schemes and the table below provides an overview of these first investments where immediate draw-down of funding is requested.

Scheme No.	Location	Number of Places		Total & Type	Target date		Capital Cost	Pro-rata FY 18/19 Capital	Pro-rata FY 19/20 Capital	Notes
		Day places	Residential places		Opening	Full Capacity				
1.	Great Yarmouth: site of previous Alderman Swindell Primary School	48	46	94 SEMH	April 2020	April 2022	£12.000 m	£3.000 m	£9.000m	Opening date reflects need to carry out refurbishment in a way that enables phased start dates for initial pupils prior to full occupancy
2.	Sheringham	20	n/a	20 Complex Needs	September 2019	January 2020	£2.000 m	£0.500 m	£1.500m	School have developed plans previously to add new classrooms, the scheme takes advantage of this to enable start date from next academic year
3.	Norwich	20	n/a	20 Complex Needs	September 2019``	January 2020	£2.000 m	£0.500 m	£1.500m	As above, Scheme 2.
4.	West	26	n/a	26 ASD	September 2019``	December 2019	£2.000 m	£0.800 m	£1.200m	Specialist Resource Bases, with the agreement of host mainstream schools, will be prioritised for capital development to enable start dates from next academic year.
			Totals	160		Totals	£18.000 m	£4.800 m	£13.200m	

1.8 We are clear that if we want to create a sustainable and effective model this major investment in sufficiency will need to be supported by an equally ambitious transformation of the system of support for children with special educational needs and the development of new approaches which achieve greater inclusion for young people in mainstream settings.

- 1.9 Like many local authorities we are seeing very significant increases in the levels of identified SEN need amongst the child population and a growing number of referrals for additional help via Education, Health and Care Plans, for special school places and for places at specialist high cost education settings. If these trends continue then there is a real danger that the new provision we create will be quickly filled and will only offer a temporary alleviation of the rising costs and capacity issues in the system. It is therefore vitally important that we take a systemic approach to these challenges and work with children, families and schools to change this pattern of demand and meet the needs of more children in mainstream settings.
- 1.10 To achieve that shift we are commencing a major new transformation programme with the sector which will run alongside the implementation of the capital and sufficiency schemes. The work will build on the existing SEN Strategy and will seek to identify new initiatives and ways of working to support schools to successfully meet the needs of children and young people with special educational needs.
- 1.11 It is likely that once these themes and ideas have been developed in more detail that they will be supported by an investment from the pot of transformation funding which has been set aside for Children's Services and as such will be supported and overseen as part of the overall Children's Services Transformation Programme.
- 1.12 We are absolutely clear in undertaking this work that the intention to achieve greater levels of inclusion and to change the pattern of demand does not imply any change to our thresholds for support or reduction in the level of help we offer to children, young people and their families. This will be about new ways of working to achieve positive outcomes.
- 1.13 Regular reporting on the scope of the programme will be progressed through the Children's Services Committee; initially on the prioritisation of capital schemes and then on the broader transformation elements to enhance mainstream inclusion. Thereafter we will report progress to members of both elements simultaneously.

2. Why do we need to do this?

- 2.1 The County Council has significant statutory duties for children and families that have SEND. We must ensure that there is sufficient appropriate provision to meet educational needs, where a place other than the local mainstream school is required. Furthermore, for those children who remain in mainstream, we have a duty to ensure that Education Health and Care Plans (EHCP) are supported financially where relevant, over and above the funding that mainstream schools must provide initially. This pressure on our High Needs Block funding is increasing year on year. This grant, provided by the government as part of the Dedicated Schools Grant, is used to support specialist provision, top up funding to mainstream schools and places in special/complex needs schools or alternative provision. The increased pressure is due to a rising number of children in the county, a rising proportion with an EHCP and increasing complexity of need, requiring very specialist provision. Demand has outstripped cost effective, high quality provision. The current trajectory indicates that this will worsen over time if we do not change the placement landscape and drive down demand by meeting need earlier. Our proposals support these aims.
- 2.2 The proposals also contribute to current NCC strategic priorities, namely
- Offering our help early to prevent and reduce demand for specialist services
 - Joining up our work so that similar activities and services are easily accessible, done well and done once
 - Using evidence and data to target our work where it can make the most difference
- 2.3 Children's Services Committee have received two reports this year (January and July) relating to Special Educational Needs & Disability (SEND). The reports focussed on the lack of sufficient specialist provision across the county and the need to transform our SEND 'offer' and quality of services to children, young people and their families.
- 2.4 Budget reports to Children's Services Committee and budget forecasts indicate that the High Needs Block funding, which is part of the Dedicated Schools Grant, is insufficient to meet current and forecast need. Furthermore, the Children's Services General Fund budget for transport of children with SEND is currently £13.6m. Building local provision will enable the current transport budget pressure (historically between £0.450m and £0.900m per year) to reduce to achieve a balanced budget.
- 2.5 The proposal for transformation through infrastructure development also delivers the NCC Children's Services Education Strategy objectives:
- Outcomes for children in line with high performing local authorities.
 - An inclusive education system where no child is excluded.
 - All children attending a good or better school, alternative or specialist provision.
 - Education Health and Care Plans and PEPs – high quality, meet needs and in timescale.
- 2.6 In summary there is a compelling case for demand management, through earlier specialist intervention and investment in more high quality, cost effective provision in order to alter the current trajectory and return the High Needs Block to a balanced position. In particular the key benefits are;

- We want pupils to be learning in high quality and more inclusive settings. This can be provided within Norfolk maintained special schools or stay on roll in mainstream schools and learn in additional specialist resource base provision. Educating children in these settings rather than within the independent / non-maintained sector will significantly reduce expenditure from the High Needs Block. New maintained special school provision has a unit cost of between £17-25k per pupil depending on the need and SRB places have an average unit cost of between £6-10k. These costs are dramatically lower than the £40-53k per pupil for independent school provision. The model assumes that the new special schools and SRB places would meet the clear majority of new complex needs demand, and so avoid the increasing spend on independent school places which is anticipated under a 'do nothing' scenario.
- By meeting social, emotional and mental health needs earlier we also have an opportunity to reduce the number of permanent exclusions in Norfolk, and reduce the number of children accessing alternative short stay provision. This has a unit cost of over £16k per child per year.
- If new specials schools are built in specified parts of the County we could dramatically reduce the number of children having to travel long distances to school and reduce the associated travel costs. Currently many pupils have travel times well over one hour, but the new provision would mean they only had a short local journey – with reduced transport costs, for children experiencing the longest journey times currently, from an average £21k per year to £6k per year.
- If we create the additional special school and SRB places we will be able to allocate provision according to need in a more timely manner. Children will be able to access the right setting more quickly and we will avoid many of the situations where the local authority and families end up in formal dispute. Quicker access to the right education and reduced stress for families are clearly hugely beneficial, and would also reduce the increasing associated legal costs – with an estimated annual saving of £60,000 being possible

2.7 These benefits represent broad ambitions, used for modelling purposes only and are not expressions of intent in relation to particular existing children and young people in provision. It is important to state that decisions on provision will always be made according the needs of the child.

3. The case for infrastructure transformation

3.1 The projections based on current trends would add the following additional financial pressure if we retain the current level of infrastructure to meet specialist need. Under a 'do nothing' scenario we might anticipate

- An additional cost of £21m per annum for placing these children in independent specialist and other out of county provision
- An ongoing additional cost of £0.170m for tribunals and LGO investigations (met by NCC budget, not High Needs Block) based on the current trajectory
- An additional cost of approx. £3m per annum in transport costs, though this is likely to rise due to placements being further away as a result of lack of provision

3.2 National trend data confirms our picture of:

- increased complexity of need 0 – 19 years
- increased proportion of pupils with an application for an EHC Plan
- increase in the number of pupils with an EHC Plan
- increased number of pupils with SEND through a rising demographic
- more SEND young people engaging in education post 16 following the raising of the participation age
- higher proportion of children being educated outside mainstream provision (LA responsibility)

3.3 Norfolk County Council has a legal duty to secure sufficient and suitable provision for all children with SEND and commission the necessary services and places to ensure that all identified need is met. There is also a statutory requirement on the Local Authority to conduct the assessment of special educational needs and disabilities in line with the provisions of the 2014 Children and Family Act. Either parents/carers or the school can request an Education Health Care Plan assessment. The demands for this process significantly increased compared to the previous statements of special educational needs:

- Plans must be completed within a 20-week period
- It must detail all educational, health and care needs based on evidence and formal diagnosis
- Plans must be child centred, so the voice of the child and family are at the centre (not just consultation)
- They need to be based on professional evidence (including Educational Psychology reports)
- Parents have a right to identify their preference in relation to the educational provision and the LA must meet this preference unless it can evidence to a tribunal that legal exceptions apply

3.4 The Local Authority has a duty to commission relevant provision and can utilise the Designated Schools Grant High Needs Block as a source of revenue funding for:

- Places in Specialist provision
- Places in Alternative Provision
- Services provided by the LA or other providers
- Providing top-up funding where the need of a child educated in a mainstream setting exceeds the notional funding available.

- 3.5 The Local Authority must offer a suitable place to each child with an EHC Plan. Where parents are dissatisfied with the provision for their child (regardless of whether this is in mainstream, specialist or independent specialist provision), they can seek redress via complaint (including through the Local Government Ombudsman), review of EHCP, appeal and ultimately a tribunal case. The LA must act on the rulings of the tribunal and meet any associated costs.
- 3.6 The current challenging situation in Norfolk has been outlined previously. There are approximately 170 children waiting for a specialist place with an assessment that identifies they do need one (and a further 80 cases being considered through the current special school admissions decision making process). A significant proportion of young people currently in alternative provision also require specialist provision and have needs that dictate they are unlikely to be able to return to mainstream provision.
- 3.7 Current trends indicate that 1000 EHC plan referrals per annum could become the norm if we do nothing. Of those on average 45% have an additional level of need which needs further funding.
- 3.8 Whilst a no change scenario has significant financial implications there are further risks to reputation if the council cannot meet its duties in terms of timely assessment, placement which is high quality and which meets need locally. The additional pressure of increasing demand, growing complexity and rising demographic leads to personal cost to individual children and families.
- 3.9 The trajectory of spend within the High Needs Block is also continuing to increase as children are permanently excluded from mainstream schools. The council has a duty to ensure that education provision is made for children by day 6 of being permanently excluded from a school. This provision is funded through the High Needs Block. For the last three years the numbers of children excluded has been double that of previous years. Whilst the reason for exclusion are complex and wide ranging we know that in some cases earlier intervention could have prevented permanent exclusion.

(Children's Services Committee received a report on Exclusions on October 16th 2018.)

4. Financial Implications & Financial Case

4.1 The current 2018/19 budgeted use of the High Needs block is set out in the table below:

All £m	Budget
Maintained special schools	30.500
Independent special schools	21.580
Specialist Resource Bases	3.042
Maintained mainstream or special outside Norfolk	0.750
Short Stay School for Norfolk	5.748
Alternative Provision	4.916
FE colleges High Needs places	5.517
All High Needs placements	72.053
SEN top up funding	5.569
Speech and language contract	0.774
Sensory support service	1.624
Youth Offending Team	0.290
CAHMS	0.250
Other LA posts in high needs services	0.774
Excluded pupil income	-0.900
Other services	0.336
Total Other Services	8.717
Total all High Needs	80.770

4.2 The use of the High Needs Block is determined by a combination of national finance regulations and locally determined prioritisation (via the statutory, annual, Fair Funding Consultation process); currently in Norfolk:

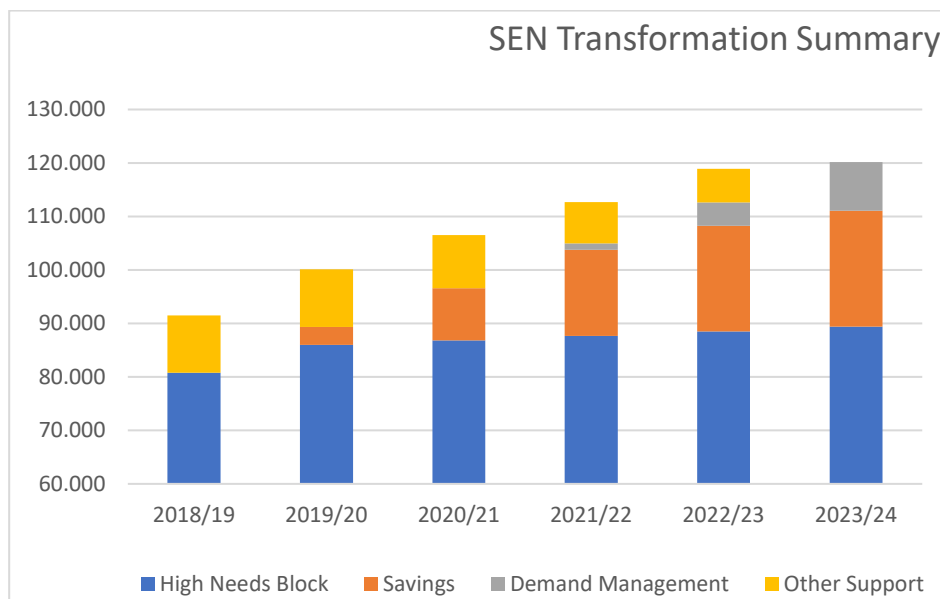
- Provision in maintained special schools is funded from the High Needs block in accordance with a banding system reflecting children's needs.
- Provision in independent special schools is also funded from the High Needs Block in accordance with individual school fee scales. This area of provision has increased rapidly in recent years due to a lack of maintained provision.
- Provision in a specialist resource base (hosted by mainstream schools) is funded from the High Needs Block at an average cost of £11,000 per pupil pa.
- Under the schools funding regulations provision in mainstream schools is funded up to £6,000 from the Schools block (in addition to £4,000 basic pupil amount). The High Needs Block provides a 'top-up' based on the needs of individual children
- Permanently excluded pupils must be provided with education from the 6th day following exclusion and the cost of this 'alternative provision' must be met by the local authority from the High Needs Block.
- There is a new responsibility to meet the cost of FE for children with EHCP. This has increased rapidly over the last three financial years.

4.3 The High Needs Block has overspent significantly in recent financial years. The authority must now address this, transparently and identify how the repayment will be for this position will be achieved.

4.4 With the annual consent of the Schools Forum up to 0.5% of the Schools Block can be transferred to the High Needs Block. By application to the Secretary of

State an additional transfer may be made with or without Schools Forum agreement. However, it is expected the total maximum agreed transfer would be in the region of 1%.

- 4.5 Any overspend on the High Needs Block may be met from other block underspends (Early Years Block & Schools Block) if available.
- 4.6 The NCC finance team have modelled the financial position over five years using SEN forecast data / funding which has been developed to collate the various factors that contribute to ongoing forecast pressure. In addition, they have factored in cost avoidance assumptions from the capital growth business case. It illustrates how the business case, alongside other actions, could lead to a more stable financial position which balances the High Needs Block. This is summarised in the table below.



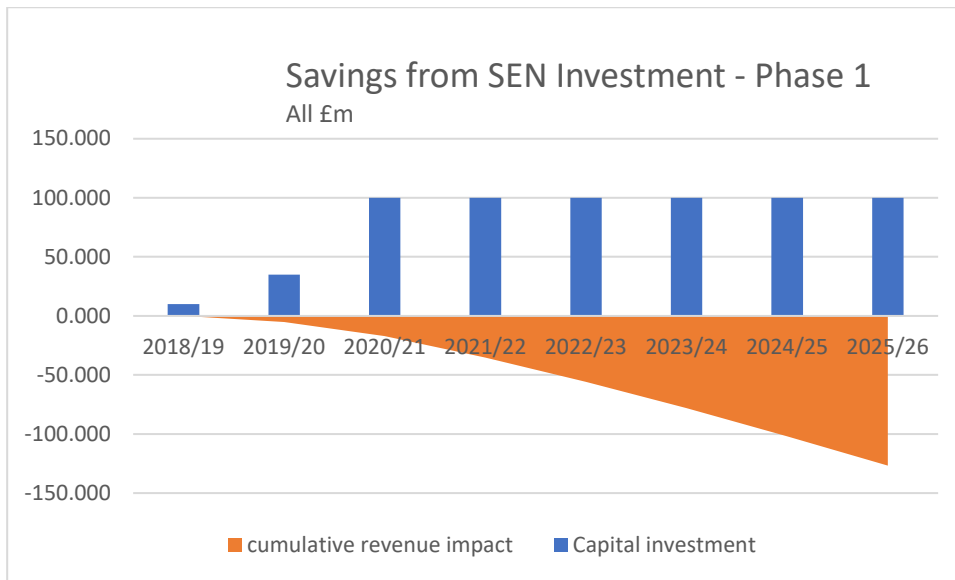
- 4.7 The model shows that if we were to ‘do nothing’ the total expenditure on children with special educational needs would rise dramatically – this is represented by the total of each column. The blue bars show the forecast amount of High Needs Block Funding we will have available, which is clearly not sufficient if we don’t act. The orange bars show the level of cost pressure which will be avoided by the successful implementation of these proposals and this clearly makes a significant contribution to closing the funding gap. In addition, the grey bars show the anticipated impact of the work we will do to manage the level of demand in the system, which in time will reduce the pressure. The yellow bars show the remaining level of funding shortfall, which is significant in this financial year, but tapers over time as a result of the success of this programme.
- 4.8 Cost avoidance of this magnitude represents a compelling case for investment and contributes significantly to the necessary reduction in spend on this budget area. However, there is significant complexity involved in this ‘invest to save’ strategy which requires cost avoidance / savings projections to take account of:
- The lead in time to build additional special schools is approximately two years
 - A new special school for 90 pupils would not open its doors on day 1 to the full cohort, a careful phased increased of staffing and pupils is required
 - Parental preference is central to the Children & Families Act statutory framework for SEND and NCC cannot guarantee that all children currently

placed in high cost independent provision will transfer to the new special schools

- Cost avoidance, for new placements, need to be part of the mix for new admissions
- Some of the highest cost independent placements combine residential provision and, therefore, low transport costs; transfer to day placement new special schools can increase transport costs for some placements therefore
- Pre-opening costs for new special schools and the need to meet current need whilst building new special schools means that the potential full savings will not occur until the end of the planned 5-year High Needs Block recovery plan

4.9 Given this level of complexity, it is important to be clear that further detailed business cases will be developed as the work progresses and covering the individual investments which flow from this strategic investment case.

4.10 The table below illustrates the revenue impact of capital investment



Noting that:

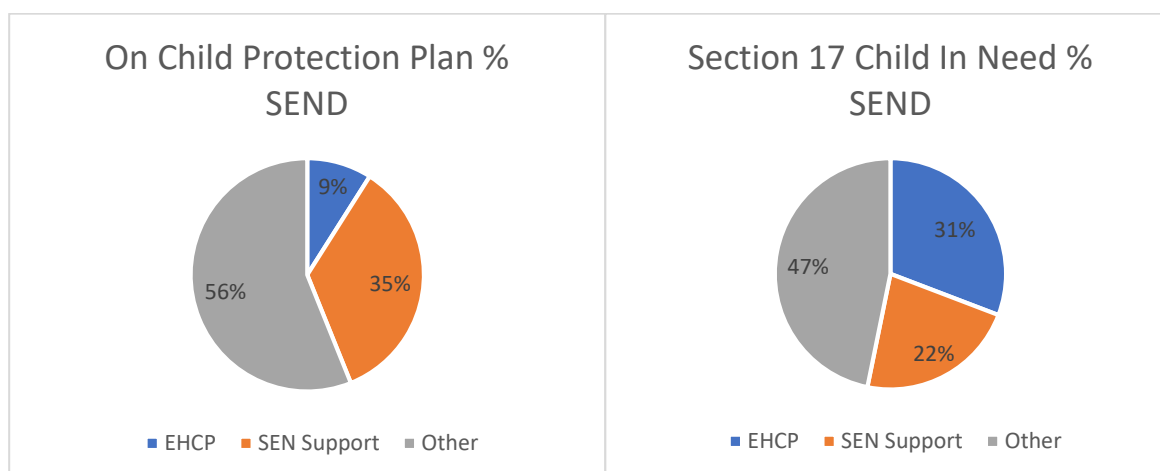
	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
	£m	£m	£m	£m	£m	£m	£m	£m
Total capital financing costs	0.000	0.281	2.222	5.352	5.273	5.194	5.115	5.036

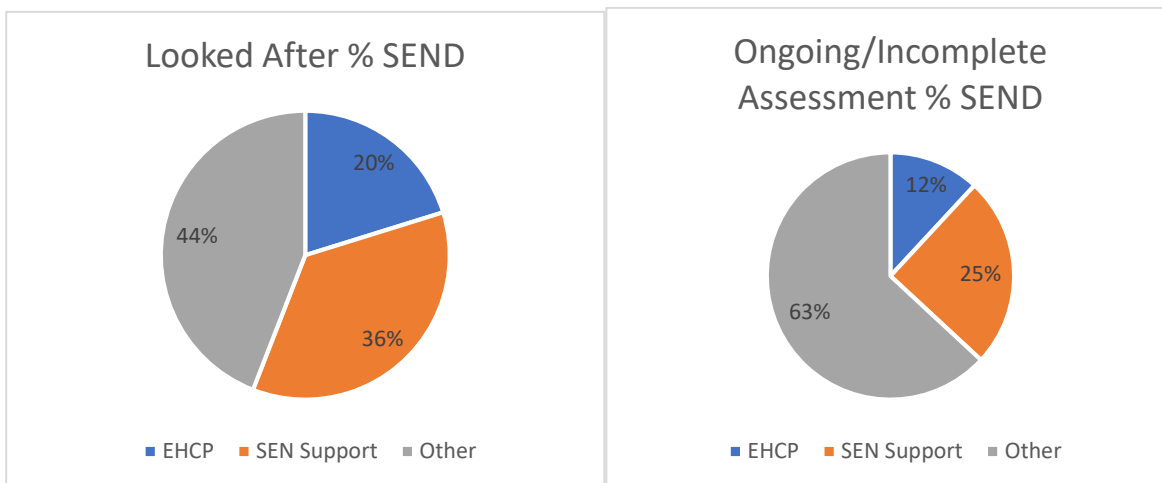
5. Governance and other SEND Improvements

- 5.1 The infrastructure transformation will be supported by a transformation programme to address the quality and consistency of provision across the county and to focus on culture and behaviour which is leading to high demand. This programme will be overseen by the Transformation Board and the Norfolk Futures Board. Stakeholders are currently participating in workshops to outline the transformation activity.
- 5.2 The overall SEND system is currently overseen by the Area SEND Leadership Board, a stakeholder Board, chaired by the Executive Director of Children's Services. This Board, which may be time limited, has been set up to ensure that there is a joint area strategy, which engages all key stakeholders involved in the system.
- 5.3 The SEND Infrastructure transformation programme will be monitored and governed by the Capital Priorities Group, which has stakeholder and member involvement.

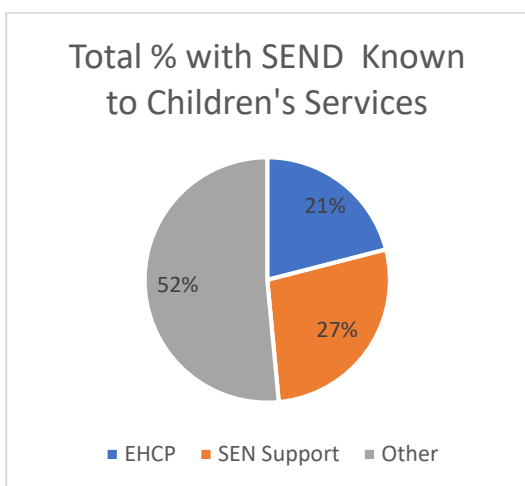
How else might this benefit Children's Services?

- 5.4 Children with SEND are over represented by being known to Children's Services in other ways. For example, 20% of children in care have an EHCP and a further 36% currently are identified at SEN Support. Whilst this report cannot explore the reasons why this is the case and whether one is exacerbating the other, there is a significant correlation with these cohorts of children.
- 5.5 It is important to recognise that there are significant inter-relationships with Children's Services general fund budget, because a significant proportion of the children and young people will be receiving support (and funding) from both and SEND perspective and from within the Children's Services social care model. Only by intervening effectively at the right point will we be able to unlock significant financial savings both for the High Needs Block and for the general fund. This programme of investment will be intertwined with the comprehensive transformation programme across Children's Services, Safe Children and resilient families and will follow the principles set out in the Norfolk Futures Strategy of offering our help early to prevent and reduce demand for specialist services.
- 5.6 The charts below show the percentage of children in each of the categories who have either an EHCP or are SEN Support.





5.7 Taking account of all categorisation of need nearly fifty percent of children known to Children’s Services social care also have SEND. Just over 20% have an EHCP and nearly thirty per cent are in mainstream schools at SEN Support.



5.8 A lack of early intervention to meet emerging needs in the local school can exacerbate a family’s capacity to cope. Children with poor mental health, and with learning and behavioural needs place significant pressures on the family and can undermine both resilience and stability. Extensive travel times for young children can be stressful for both children and families and lead to poor behaviour which becomes increasingly difficult manage in the home. Enabling families to cope with challenging children, by meeting needs earlier will prevent some families entering our services in other ways. It is unquantifiable at this stage, but there is significant potential to impact on other budgets.

6. Conclusion

- 6.1 A no change scenario is not possible if we are to meet the needs of children and families in relation to SEND, to deliver our statutory duties and to balance the High Needs Block. Investment needs to be significant and utilised over a short period of time so that the change to the landscape of provision goes hand in hand with cultural change. Stand alone, one off new build or expansion of existing provision increases costs both for revenue and transport and adds further pressure. To change the quality, accessibility and cost effectiveness of provision in Norfolk an ambitious programme of development is necessary. This will inevitably be based on many assumptions, which are as grounded in expectation and capacity to deliver as we can make them. There are risks associated with the financial modelling, which may mean that the return takes longer, if there are delays with land, building and so on, however the risks delivering the Local Authority duty, to meeting needs, to reputation and to the budget are greater if we do nothing.

7. Background

Officer Contact: Chris Snudden Assistant Director Children's Services

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

APPENDIX

1. Overview

The strategic approach set out in the P&R report has been evaluated using a financial model. This is summarised in the chart and table below.

The model assumes the development set out in sections 2, 3 and 4 below. The potential student hubs in Section 5 are excluded.

The model only covers the Needs Block

HN Budget Summary

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
High Needs Block	78.399	79.216	80.036	80.861	81.689	82.521
0.5% schools block transfer	2.365	2.388	2.412	2.436	2.460	2.485
Additional schools block transfer	0.000	4.380	4.380	4.380	4.380	4.380
Other Savings	7.511	10.768	9.886	7.712	6.309	0.000
DSG adjustments	3.250	0.000	0.000	0.000	0.000	0.000
Total resources	91.525	96.752	96.714	95.389	94.839	89.386
Placement Budget brought forward	0.000	85.376	88.603	88.567	86.241	84.691
Demographics and unmet demand	0.000	6.590	6.380	5.206	5.206	5.206
Demand Management	0.000	0.000	0.000	-1.234	-3.085	-4.751
Savings	0.000	-3.363	-6.417	-6.298	-3.671	-1.933
Placement Budget carried forward	85.376	88.603	88.567	86.241	84.691	83.213
Other High Needs Budgets	6.148	7.148	6.148	6.148	6.148	6.148
Repay overdrawn position	0.000	1.000	2.000	3.000	4.000	0.000
Total expenditure	91.524	96.751	96.715	95.389	94.839	89.361
Surplus (+)/Deficit (-)	0.000	0.000	0.000	0.000	0.000	0.025

2. Proposed new special schools

Scheme No.	Location	Number of Places		Total & Type	Target date		Capital Cost
		Day places	Residential places		Opening	Full Capacity	
1.	Great Yarmouth: site of previous Alderman Swindell Primary School	48	46	94 - SEMH	April 2020	April 2022	12.000
2.	North Norfolk	90	0	90 - ASD	April 2020	April 2022	15.000
3.	Norwich	152	18	170 - Complex Needs	Sept 2020	Sept 2024	17.500
4.	TBC *	TBC	TBC	90 - Complex Needs	TBC	TBC	17.500
			Totals	444		Totals	62.000

**we need to ensure that we do not over-commission specialist provision, therefore, a fourth special school development would only progress following a review of the impact of the first three schemes and a review of pupil need at that time*

3. Proposed expansion / refurbishment of current special schools

Scheme No.	Location	Number of Places		Type of SEND	Target date		Capital Cost
		Day places	Residential places		Opening	Full Capacity	£m
1.	Sheringham	20	n/a	20 - Complex Needs	Sep 2019	Jan 2020	2.000
2.	Dereham	40	n/a	40 - Complex Needs	Sep 2019	Jan 2020	4.000
3.	Norwich	40	n/a	40 - Complex Needs	Sep 2019	Jan 2020	4.000
4.	TBC / Reurbishment						2.000
			Totals	100		Totals	12.000

- ❖ SEMH = Social, Emotional & Mental Health difficulties
- ❖ ASD = Autistic Spectrum Disorder
- ❖ Complex Needs = Learning Difficulties (severe learning difficulties) often with associated other difficulties, for example physical disabilities

4. Proposed new specialist resource bases (hosted by mainstream schools)

Scheme No.	Location	No. & Type of SRB places		Target date		Capital Cost
		No.	Type	Opening	Full Capacity	£m
1.	West	26	ASD	Sep 2019	Apr 2020	2.000
		24	SEMH	Sep 2019	Apr 2020	2.000
		10	Learning	Sep 2019	Apr 2020	0.800
2.	North	8	ASD	Apr 2020	Jan 2021	0.800
		6	SEMH	Apr 2020	Jan 2021	0.800
3.	East	16	ASD	Apr2020	Jan 2021	1.200
		16	SEMH	Apr 2020	Jan 2021	1.200
4.	South	26	ASD	Sep 2020	Apr 2021	2.000
		6	SEMH	Sep 2020	Apr 2021	0.800
5.	Norwich	16	SEMH	Sep 2020	Apr 2021	1.200
6.	TBC / Reurbishment	16	TBC	Sep 2020	Apr 2021	1.200
Totals		170			Totals	14.000

5. Possible development of Student Support Hubs in partnership with Educate Norfolk Headteacher Association to reduce permanent exclusions (hosted by mainstream schools)

Scheme No.	Location	No. & Type of places		Target date		Capital Cost
		No.	Type	Opening	Full Capacity	
1.	West	10	Student Support Hub	September 2019	April 2020	£0.800k
2.	North	10	Student Support Hub	September 2019	April 2020	£0.800k
3.	East	10	Student Support Hub	September 2019	April 2020	£0.800k
4.	South	10	Student Support Hub	September 2019	April 2020	£0.800k
5.	Norwich	10	Student Support Hub	September 2019	April 2020	£0.800k
Totals		50			Totals	£4.000 m

6. Detailed financial analysis of The High Needs Block

6.1 The 2018/19 budgeted use of the High Needs block is set out in the table below

All £m	Budget
Maintained special schools	30.500
Independent special schools	21.580
Specialist Resource Bases	3.042
Maintained mainstream or special outside Norfolk	0.750
Short Stay School for Norfolk	5.748
Alternative Provision	4.916
FE colleges High Needs places	5.517
All High Needs placements	72.053
SEN top up funding	5.569
Speech and language contract	0.774
Sensory support service	1.624
Youth Offending Team	0.290
CAHMS	0.250
Other LA posts in high needs services	0.774
Excluded pupil income	-0.900
Other services	0.336
Total Other Services	8.717
Total all High Needs	80.770

6.2 The use of the High Needs Block is determined by a combination of national finance regulations and locally determined prioritisation (via the statutory, annual, Fair Funding Consultation process); currently in Norfolk:

- Provision in maintained special schools is funded from the High Needs block in accordance with a banding system reflecting children's needs.
- Provision in independent special schools is also funded from the High Needs Block in accordance with individual school fee scales. This area of provision has increased rapidly in recent years due to a lack of maintained provision.
- Provision in a specialist resource base (hosted by mainstream schools) is funded from the high needs block at a cost of £11,000 per pupil pa.
- Under the schools funding regulations provision in mainstream schools is funded up to £6,000 from the Schools block (in addition to £4,000 basic pupil amount). The High Needs Block provides a 'top-up' based on the needs of individual children
- Permanently excluded pupils must be provided with education from the 6th day following exclusion and the cost of this 'alternative provision' must be met by the local authority from the high needs block.
- There is a new responsibility to meet the cost of FE for children with EHCP. This has increased rapidly over the last three financial years.

6.3 The High Needs Block has overspent significantly in recent financial years. The authority must now transparently account for repayment of the overdraw position.

6.4 With the annual consent of the Schools Forum up to 0.5% of the Schools Block can be transferred to the High Needs Block. By application to the Secretary of State an additional transfer may be made with or without Schools Forum agreement. However, it is expected the total maximum agreed transfer would be 1%.

6.5 Any overspend on the High Needs Block may be met from other block underspends (Early Years Block & Schools Block) if available.

6.6 The High Needs Block allocation is announced annually by DfE. The components of the block are set out on the table.

High Needs Block Components					
All £m	2018/19 £m	Units	Unit Value £	Comments	
Basic Entitlement	6.820	1705	4,000	£4k for every special school place in a January census	
Historical Spend Factor	34.767	1	£34.767m	Also used to operate a cap and floor system. Neither applies to NCC	
Population Factor	18.856	161287	117	All these components will move over time with changing population, deprivation and educational achievement	
FSM Factor	3.352	14146	237		
IDAQI Band F Factor	0.434	12852	34		
IDAQI Band E Factor	0.438	9939	44		
IDAQI Band D Factor	0.512	8515	60		
IDAQI Band C Factor	0.409	6367	64		
IDAQI Band B Factor	0.623	8838	70		
IDAQI Band A Factor	0.291	3037	96		
Bad Health Factor	2.764	911	3,034		
Disability Factor	3.257	6140	530		
KS2 Low Attainment factor	3.401	2140	1,589		
KS4 Low Attainment Factor	2.373	1802	1,317		
Import/export adjustment	0.102	17	6,000		Directs resources so that sending authorities are able to pay for places in receiving authorities
Total	78.399				

Because of the structure of the high needs block there is likely to be no large increase in Norfolk's entitlement over the next few financial years. Some block components may increase with a rising population.

Each new special school place in the system invokes an additional £4k. This will not apply if a place in one part of the system is replaced with a place in another part. The £4k is a fraction of the cost of providing a new place.

Other high needs costs are required to be funded from the General Fund including Home to School Transport and the cost of EHCP assessment.

Policy and Resources

Item No. 9.

Report title:	Director of Public Health Annual Report 2018: A Health Profile for Norfolk
Date of meeting:	29th October 2018
Responsible Chief Officer:	Dr Louise Smith
Strategic impact This is the Annual Report of the Director of Public Health undertaken in accordance with NHS Act 2006 and the Health and Social Care Act 2012, and related regulations. The report is aimed at the public and provides useful information to a wide range of stakeholders considering the health and wellbeing of the population of Norfolk. It seeks to support the council to make good use of evidence and data across health and social care strategy.	

Executive summary

<p>The 2018 Annual Report provides a 'Health Profile for Norfolk' based on Public Health England's '<i>Health Profile for England</i>', presenting data that analyses trends in health needs and outcomes in Norfolk. (See Appendix 1)</p> <p>The report shows early indications of stalling healthy life expectancy in women, and overall life expectancy in men in Norfolk that are concerning. The gains in health we have seen over past half century may not continue over the next 20 years.</p> <p>Our population is ageing and we are seeing the total number of deaths in Norfolk increasing (although rates are falling). Most deaths are now in people aged 80+years. That the end of life has become so focussed in the very elderly, has significant implications for acute hospital care, and end of life services.</p> <p>Causes of death are changing: deaths rates due to heart disease, strokes, and cancer are falling markedly and deaths ascribed to dementia are now the leading cause of death in women. These changing patterns have implications for the way health care services are organised. Currently service provision is more heavily invested in cancer and heart disease, for example with cancer networks, and specialist cardiology units than in dementia care, or end of life pathways.</p> <p>Key risk factors for ill health are identified: challenges remain to reduce population levels of smoking, poor diet and alcohol intake that are the major preventable contributors to illness and health. These risk factors are clustered and strongly associated with deprivation. This would suggest that the current approach to health improvement services should be reviewed. Consideration should be given to a holistic approach (considering all risk factors together) that targets health improvement support to areas and individuals with the highest need, especially those living in poverty.</p> <p>Recommendations:</p> <ol style="list-style-type: none">1. Members note the main population health findings and trends identified in the Director of Public Health's Annual Report for 2018 and endorses it for submission to Council
--

1. Proposal

- 1.1 This year's report examines data for Norfolk and assesses trends in health outcomes, especially life expectancy, healthy life expectancy, the major causes of death and ill health, and the underlying causes of those illnesses. It is based on the approach taken in the Public Health England '*Health Profile for England*'.
- 1.2 The report is aimed at the public and provides useful and informative information to a wide range of stakeholders considering the health and wellbeing of the population of Norfolk.
- 1.3 Both this report and its underpinning analyses will contribute to the population health analytics work of the Sustainable Transformation Plan (STP), the Joint Strategic Needs Assessment, the Joint Health and Wellbeing Strategy and the council's local service strategy.

2. Evidence

- 2.1. Data has been drawn from a variety of sources including the Global Burden of Disease Study, Office for National Statistics, and Public Health England public health outcomes framework. Where available Norfolk data is used. Some data is presented for East of England as the Norfolk data is not yet available.
- 2.2. The report focuses on whether we are living longer, and whether the extra years are spent in good or bad health. It assesses the impact of risk factors on these health outcomes and summarises inequalities in outcomes.
- 2.3. Average life expectancy has increased for many years. However, in Norfolk we are now seeing that this has plateaued in men in Norfolk and in women healthy life expectancy has decreased slightly. For both men and women there is a significant period where people are living in poor health: 15.4 years for men and 19.4 for women. These early indications of reductions in healthy life expectancy in women and overall life expectancy in men in Norfolk are concerning, suggesting that gains in health we have seen of the past half century may not continue over the next 20 years.
- 2.4. In line with an ageing population the total number of deaths in Norfolk are rising and most deaths are now in people aged 80+years. That the end of life has become so focussed in the very elderly has a significant impact on hospitals where inpatient services are becoming dominated by the needs of the very elderly. Over recent decades we have seen a trend in healthcare toward increasing specialisation in individual diseases or body systems. The very elderly's needs are often multiple, and complex, and poorly met by organising services into separate highly specialised services.
- 2.5. Causes of death are changing with rates of deaths due to heart attacks, strokes, and cancer falling markedly. However, rates of deaths ascribed to dementia have notably increased making this the leading cause of death in women and the second leading cause of death in men. These changing patterns also have implications for the way health and social care services are organised. Currently service provision is more heavily invested in cancer and heart disease than in for example dementia, or end of life, services.
- 2.6. Smoking remains a leading risk factor for people in East of England. It is estimated to contribute to over 15% of deaths. Obesity and dietary risk factors together are responsible for most of years lived with a disability. Most of the top

risk factors for ill health are behavioural and modifiable, therefore most of the burden of ill health is potentially preventable.

- 2.7. Finally, the report considers inequalities in health in Norfolk. We see marked differences in life expectancy and healthy life expectancy between districts, strongly associated with deprivation. Analysis shows that prevalence of lifestyle risk factors, smoking, poor diet, and physical inactivity cluster with deprivation. This would suggest that the current approach to health improvement services should be reviewed to consider a holistic approach for the individual (considering all risk factors together) targeted to those living in deprivation.

3. Financial Implications

- 3.1. The cost for the production and publication of the report falls within the parameters of the Annual Budget agreed by the Council.

4. Issues, risks, and innovation

- 4.1. There are no significant risks resulting directly from the publication of this report. It does not in itself make formal recommendations although it identifies areas for policy and strategy consideration.
- 4.2. The Health and Social Care Act 2012, sets out a requirement for all Directors of Public Health to produce an annual independent report on the health of their local population and for their local authority to publish it.

5. Background

- 5.1. This is the Annual Report of the Director of Public Health undertaken in accordance with NHS Act 2006 and the Health and Social Care Act 2012, and related regulations. These set out a requirement for all Directors of Public Health (DPH) to produce an annual report on the health of their local population, and for their local authority to publish it. This requirement recognises the roles of the DPH as independent advocate for the health of the population; and to provide a professional statement about the health of local communities, based on epidemiological evidence, and interpreted objectively.
- 5.2. In previous years, the Annual DPH report has been presented to the Health and Wellbeing Board and published in the form of a presentation on the Joint Strategic Needs Assessment website rather than a report on the JSNA website. Thus, this approach of a formal report to a council committee is new.
- 5.3. In previous years the report has comprised a general profile of health outcomes followed by a more detailed analysis of a key theme: reducing inequalities (2014), public mental health (2015), a life-course perspective (2016) and a summary health and wellbeing index (2017).

Officer Contact

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

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Director of Public Health Annual Report

2018

A Health Profile
for Norfolk



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Welcome

Welcome to my Director of Public Health Annual Report for 2018. I am publishing this report to coincide with our publication of Norfolk's Joint Health and Wellbeing Strategy. This year's theme is a '**Health Profile for Norfolk**', providing a baseline health assessment to inform the way in which our health and social care services work together.

My report examines what we know about our Norfolk population and its health. Based on the Public Health England's *Health Profile for England*¹ it summarises and interprets current health trends in Norfolk- in particular life expectancy, causes of death and ill health, mental health, prevention and health inequalities.

I explore some key data about our population's health: the impact of risk factors on health, consider how Norfolk compares with the rest of England and provide some key messages for future planning.

Are we living longer?

It is concerning to report that our life expectancy is not continuing to increase as it has done previously and that we may be seeing early signs that the number of years spent in poor health is increasing.

What are we dying from?

We are seeing changes in patterns of death with an increasingly advanced age at death associated with frailty. This is changing the demand for health and social care services.

What's making us ill?

As our population ages, having several illness is becoming more common - making individuals' needs more complex.

Can we Be More Healthy?

Most of the top risk factors for ill health are behaviour-related, which means we have a chance to change how we behave to prevent us falling into ill health. Of concern are our rates of smoking, poor diet and alcohol consumption, that particularly lead to reduced life expectancy for those living in deprivation.

Looking forward

I hope that this report helps inform the actions we could take as a local system to respond to new patterns of need, with an increasing population health burden from extreme old age, frailty and people with more than one health condition. Our commitments in the Joint Health and Wellbeing Strategy to work together to integrate strategy and services will be important in our service planning.

Secondly, to prevent ill health, the data in this report suggests that we need to target health improvement support to areas and individuals with highest needs, especially those living in poverty.



Dr S.J. Louise Smith
Director of Public Health



¹ Public Health England, 2017, *Health Profile for England*
www.gov.uk/government/publications/health-profile-for-england

1 Are We Living Longer?

Our Population

The population of Norfolk is growing. Since 2001, Norfolk's population has grown by an estimated 200,000 people to 902,000 people. The population is forecast to increase by a further 110,000 over the next 20 years.

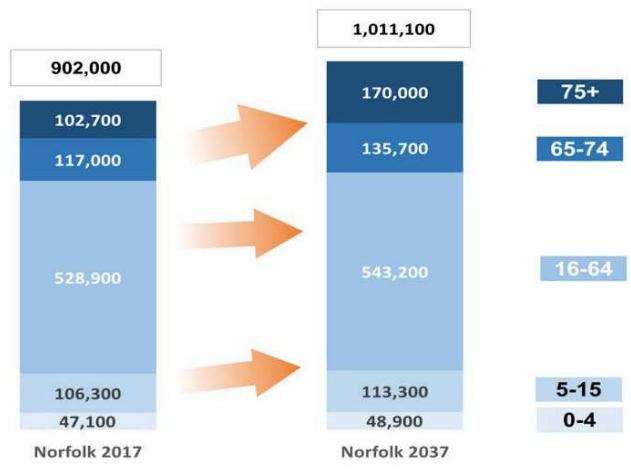
Most of the increase in population will be in the older age groups, with those aged 65+ increasing by 86,000. Over the next twenty years there will be an estimated:

- 40% increase in people aged over 65, mostly in those aged 75+
- 3% increase in people of working age
- 5% increase in children and young people

This increase in older people means that by 2037 the dependent population (those aged under 16 or over 65) will have increased by almost 95,000 whereas the working age population will have increased by just over 14,000. This means there will be fewer people of working age for every person under 16 or over 65.

Figure 1. Forecast change in the Norfolk population.

(Source: Office for National Statistics)



3 Office for National Statistics, 2018, *Is the growth in life expectancy coming to an end?*
blog.ons.gov.uk/2018/06/18/grinding-to-a-halt-is-life-expectancy-coming-to-an-end/

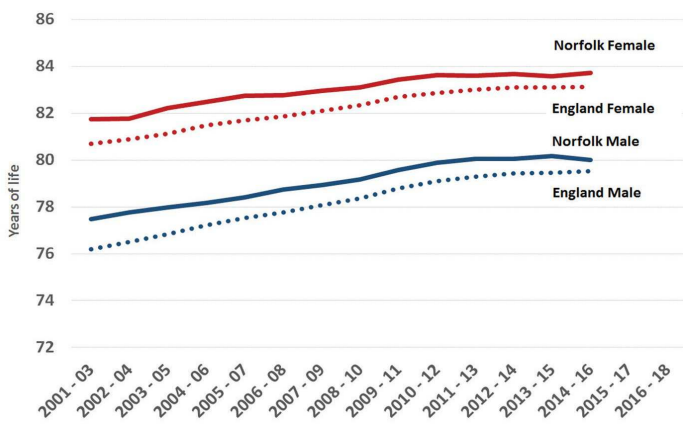
Life expectancy

Life expectancy in England and Norfolk has increased steadily for decades. In Norfolk, life expectancy at birth for men is 80.0 years: better than the England average of 79.5. For women it is 83.7 years compared to the England average of 83.1 years (Office for National Statistics. Life expectancy at birth and age 65 by sex across local areas in the UK, between 2001 to 2003 and 2014 to 2016).

However, in Norfolk the recent increase has levelled out for men and is not increasing as fast as the rest of England for both men and women. Nationally the Office for National Statistics is also asking *Is the growth in life expectancy coming to an end?*³

Figure 2. Trend in life expectancy for Norfolk compared to England.

(Source: Public Health England, Outcomes Framework)





Healthy life expectancy

Living a healthy life is as important as living a long life. 'Healthy life expectancy' is the average number of years that a person can expect to live in "full health".

In Norfolk on average this is 64.7 years for men and 64.4 years for women. Again this is better than the England average but it means men are living in poor health for an average 15.4 years and women 19.4 years. Of concern, the time spent in poor health for women has increased by almost a year over the past decade.



Figure 3. Healthy life expectancy in Norfolk, Men.

(Source: Public Health England, Outcomes Framework)

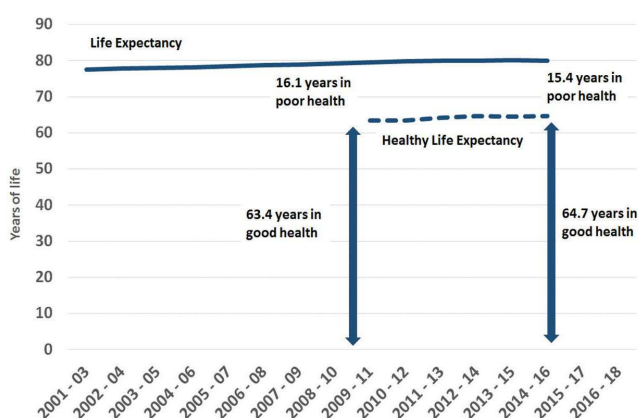
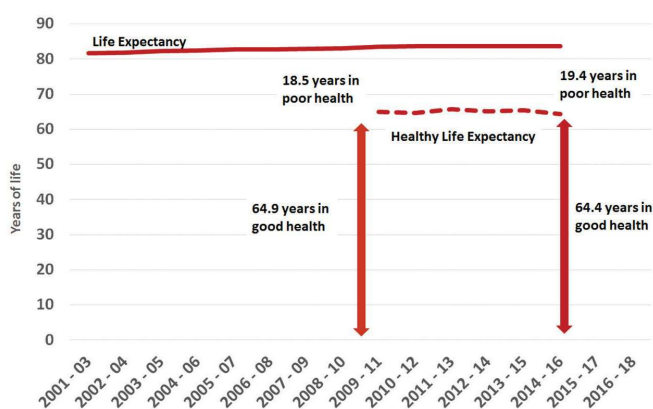


Figure 4. Healthy life expectancy in Norfolk, women.

(Source: Public Health England, Outcomes Framework)



Key messages

The total population of Norfolk is increasing and most of the increase in population will be in those aged 65 years or older.

Life expectancy has been rising, but recent increases may now be levelling off. There is a significant period of time where people are living in poor health and this has increased recently for women.

From the age of 65 years, on average people will spend about half of their remaining years in ill health.

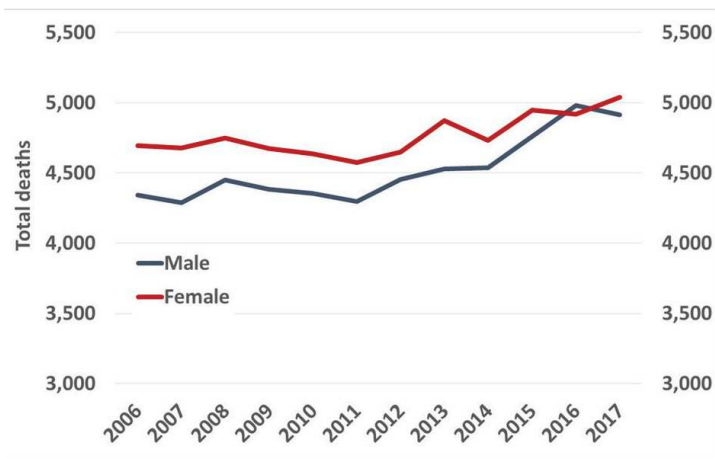
2 What are we dying from?

Death rates

With the improvements in life expectancy over past decades we have seen year on year reductions in death rates. However, as the number of people living in Norfolk increases and ages the actual number of people dying each year is increasing.

Figure 5. Total deaths in Norfolk 2006-2017.

(Source: Primary Care Mortality Database)

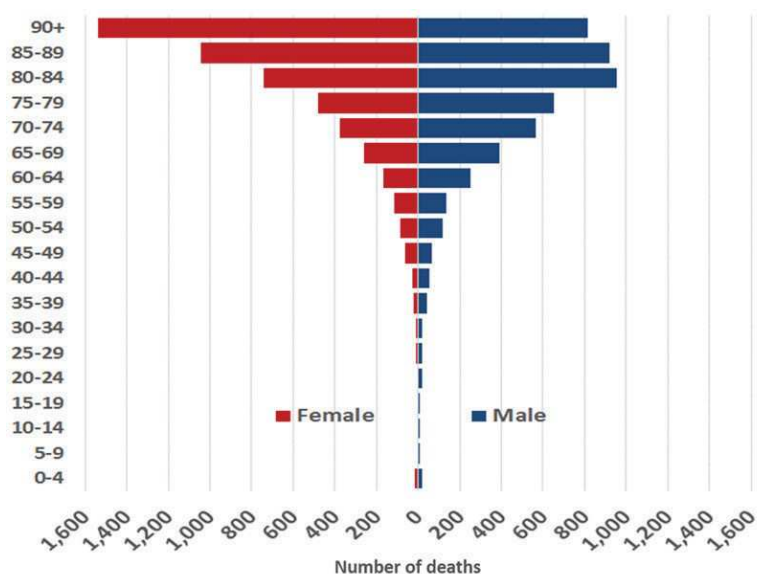


Most deaths are in older people, with very few deaths in younger age bands. For example, in 2016 the total number of deaths for those aged 5-29 was 66 (less than 1% of total deaths) and the most common age at which people died was 87.

This increase in total numbers of deaths and the increasing age at death, will impact on our health and social care services.

Figure 6. Deaths by age group and sex in Norfolk 2017

(Source: Office for National Statistics)



Cause of death

As we are living longer, the leading causes of death are changing. The death rates from heart disease and stroke, once clearly the most common causes of death, have reduced by almost half since 2006. Similarly death rates from some common cancers such as lung and breast have dropped. At the same time there has been a doubling of the death rate from conditions associated with extreme old age and frailty such as dementia.



Figure 7. Trends in the causes of death for males in Norfolk 2006 - 2016.

(Source: Primary Care Mortality Database)

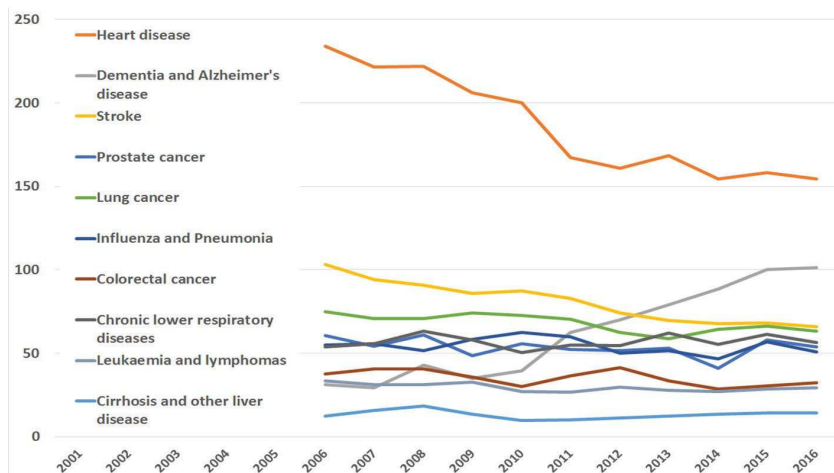
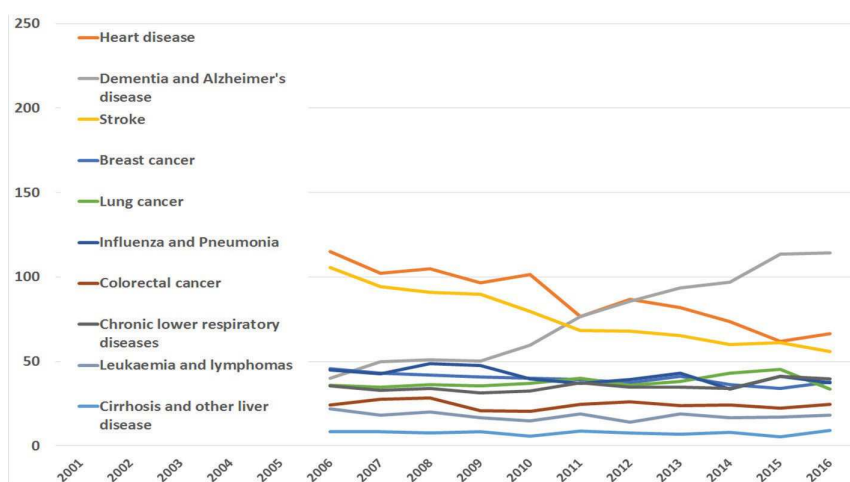


Figure 8. Trends in the causes of death for females in Norfolk 2006-2016.

(Source: Primary Care Mortality Database)



Key messages

As our population increases and ages, we are seeing drops in death rates but increases in the total number of deaths.

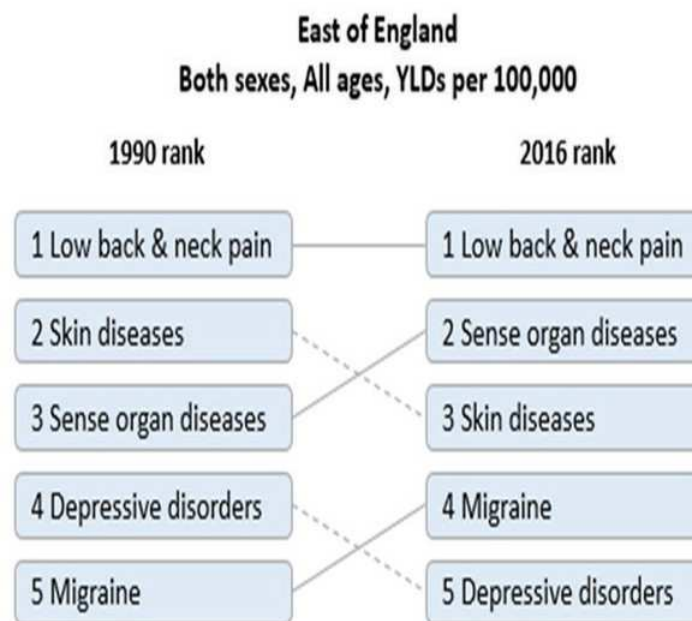
The most common causes of death are changing. We are seeing increases from conditions associated with frailty, such as dementia.

This changing pattern of health and care needs has significant implications for services.

3 What's making us ill?

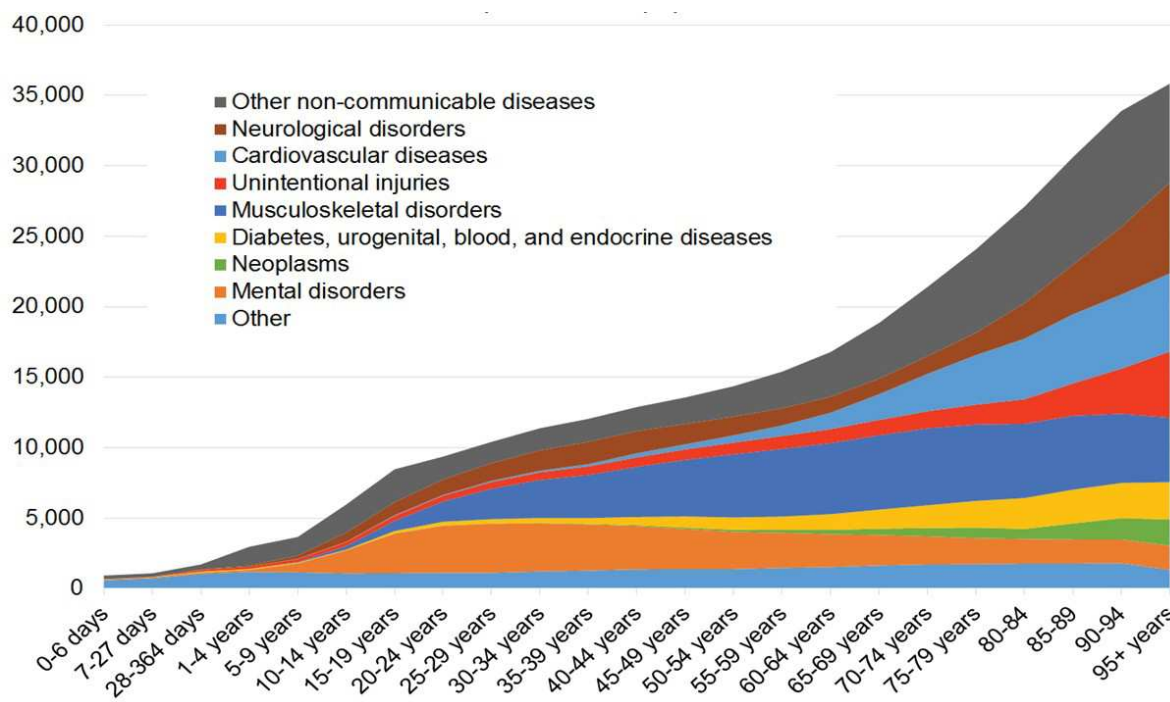
A large burden of ill health across our population is due to conditions that we live our life with. When we calculate the impact of these conditions we find that the highest burdens of ill health (or years lived with disability) are due to conditions such as back pain, hearing and eyesight difficulties, skin problems, migraine and depression.

Figure 9: Years life lived with disability, East of England.
(Source Global Burden of Disease 2016)



As we age, the type and number of health conditions that we experience changes. In children, skin conditions are the most common conditions, throughout working age low back pain dominates and in older old age we experience more problems with eyesight and hearing loss. Ill health increases with age, with rates for those in their 80s almost double the rates for those in their 60s, which are, in turn, double that of those in their 20s.

Figure 10: Years lived with disability (YLD) per 100,000, East of England.
(Source: Global Burden of Disease Study 2016)

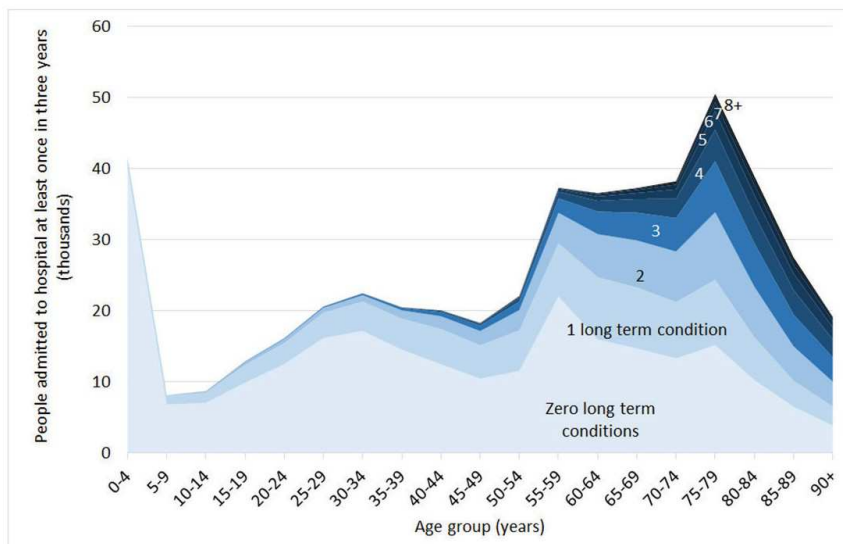


Multiple Conditions

It is increasingly common for people with a long-term health condition to have at least one other condition. The number of multiple illnesses increases with age, with older people more likely to have several long-term conditions.

Figure 11: Number of long term conditions across age groups in people admitted to hospital in Norfolk & Waveney 2013/14-2015/16.

(Source: Hospital Episode Statistics NHS Digital)

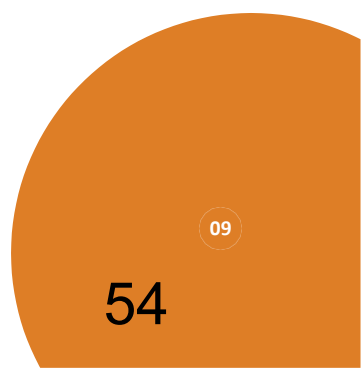
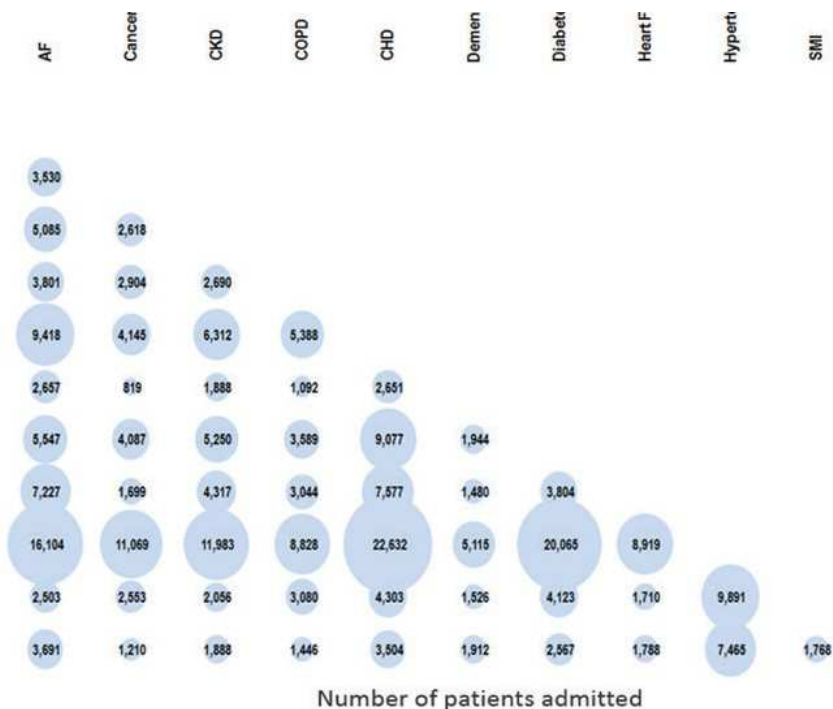


The most common combinations of conditions are high blood pressure along with heart disease or diabetes.

By 2036, there will be an estimated 40% increase in patients admitted to hospital with more than one health condition. The more health conditions a person has, the more complex their health and social care needs.

Figure 12: Common chronic conditions and comorbidity matrix, Norfolk & Waveney 2013/14 –2015/16.

(Source: Hospital Episode Statistics NHS Digital)



Mental Health

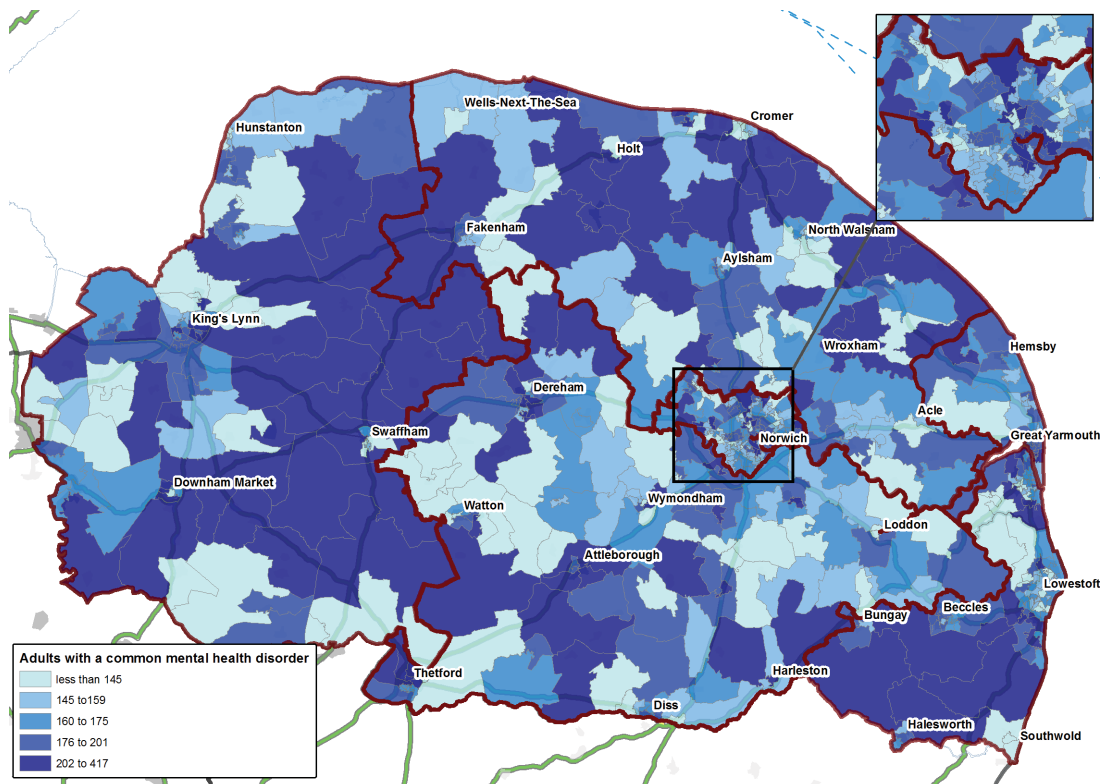
As a group of conditions, mental health disorders are a leading cause of ill-health. Taken together they cause more years lived with disability than the total burden of disease caused by heart disease, injuries, respiratory conditions and cancer. This reflects the fact that most mental health conditions start early in life, some of them are very common (e.g. depression and anxiety) and many have a major impact on quality of life.

It is estimated that more than one in six adults, or more than 89,000 people in Norfolk, have experienced a common mental disorder (CMD) in the past week.



Figure 13: Prevalence of common mental health disorders in Norfolk and Waveney.

Source: Adult Psychiatric Morbidity Study 2014 (APMS), NHS Digital, Office for National Statistics 2016)



Key messages

Leading causes of disability and ill health are back pain, eyesight and hearing problems, skin disorders, migraines and depression. These conditions constitute a significant proportion of health and care service needs.

Mental health conditions especially depression and anxiety constitute a significant burden of ill health.

As our population ages, having several illness is becoming more common - making care needs more complex.

4 Can we be healthier?



Risk factors for ill health

Trends in ill health are influenced by a broad range of factors. Some of these, like our genetics, age and sex, we are not able to influence. Other factors, particularly individual behaviour, can be changed. These individual lifestyle risk factors influence not just whether we become unwell, but also when we do and the impact of illness on our quality of life. These risk factors are preventable and changing lifestyles can reduce or prevent illness.

Healthy lifestyles in Norfolk

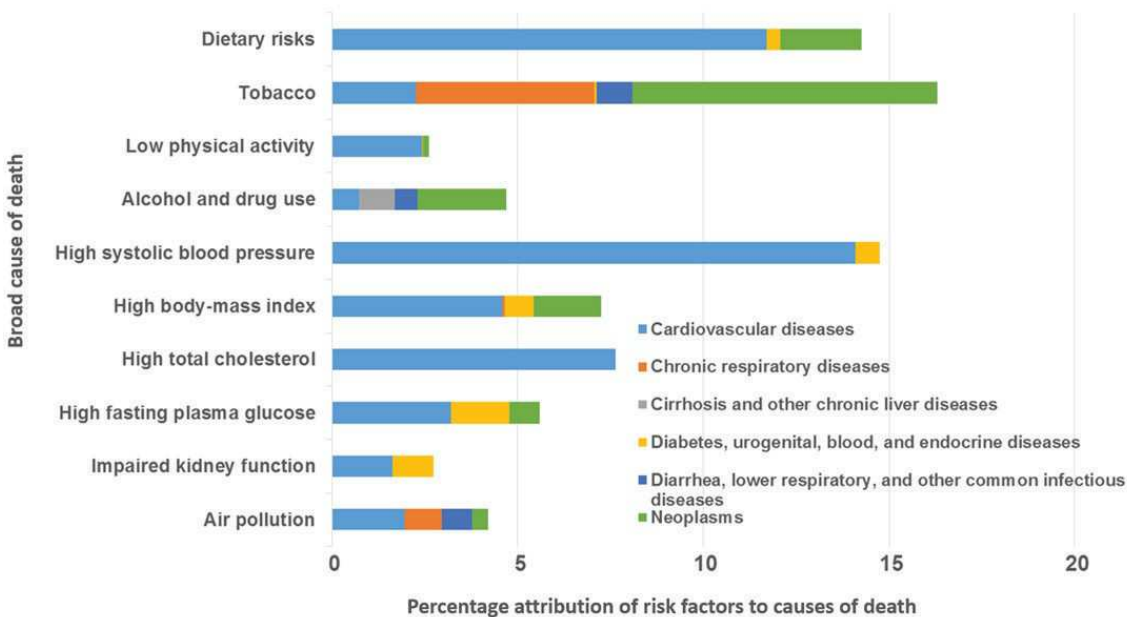
We don't have data specifically for Norfolk, but looking at data for the East of England, smoking remains the single largest risk factor contributing to deaths, a contributory factor in over one in six deaths.

About one in seven adults still smoke. There were about 4,500 deaths in Norfolk attributable to smoking in 2014-16. We also have a high rate of smoking-related hospital admissions compared to England average.

Poor diet is the leading preventable risk factor for ill health, contributing to heart disease, diabetes and cancer. In Norfolk about two in three adults are estimated to be overweight or obese.

Figure 14: Attribution of risk factors to causes of death in East of England, 2016.

(Source: Global Burden of Disease Study)



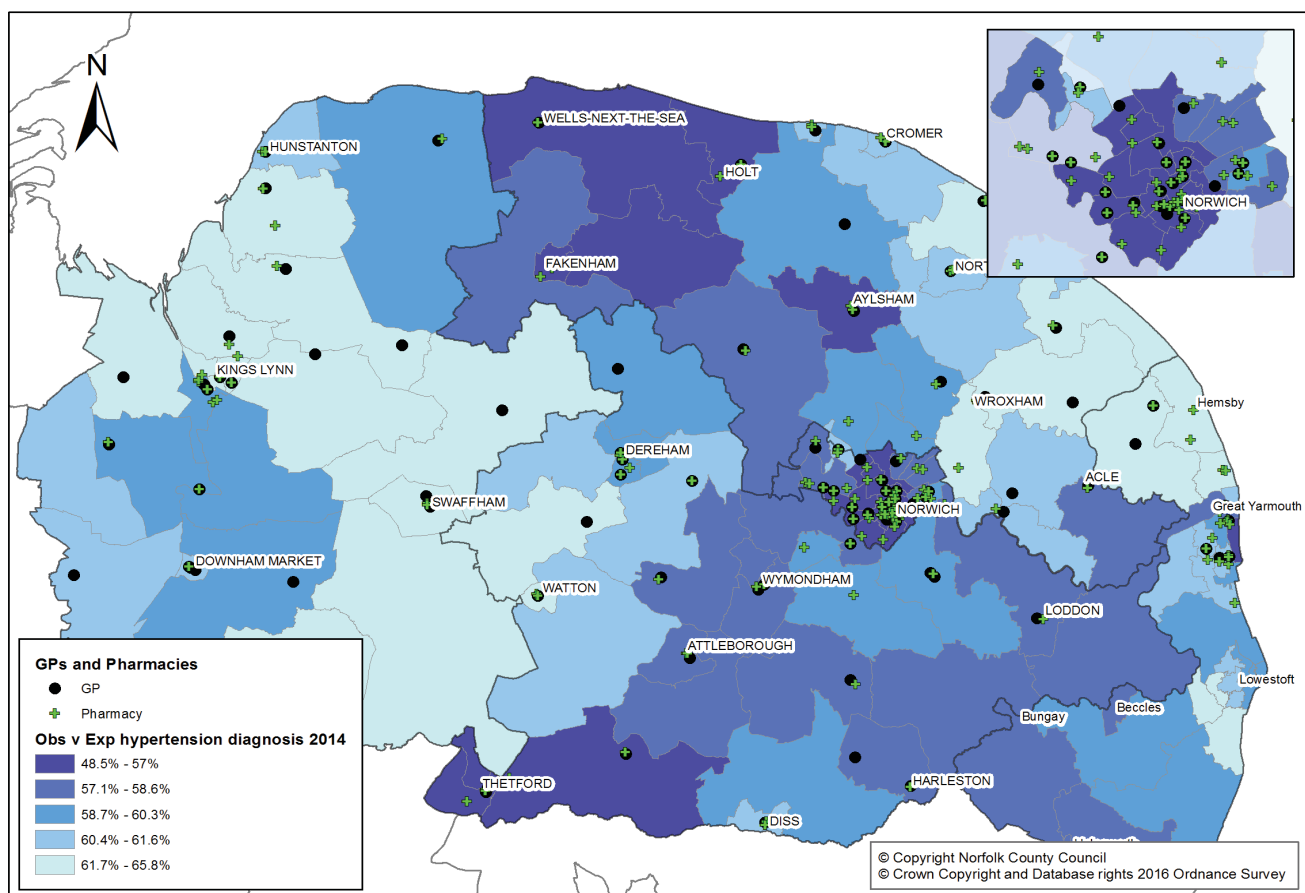
High Blood Pressure

High blood pressure is the third main risk factor after smoking and poor diet. It increases the risk of developing heart disease, stroke, kidney disease and dementia. An estimated 110,000 people in Norfolk are unaware that they have high blood pressure and are therefore at high risk of developing these diseases.



Figure 15: Observed versus expected diagnosis of hypertension in Norfolk.

(Source: Office for National Statistics 2017)

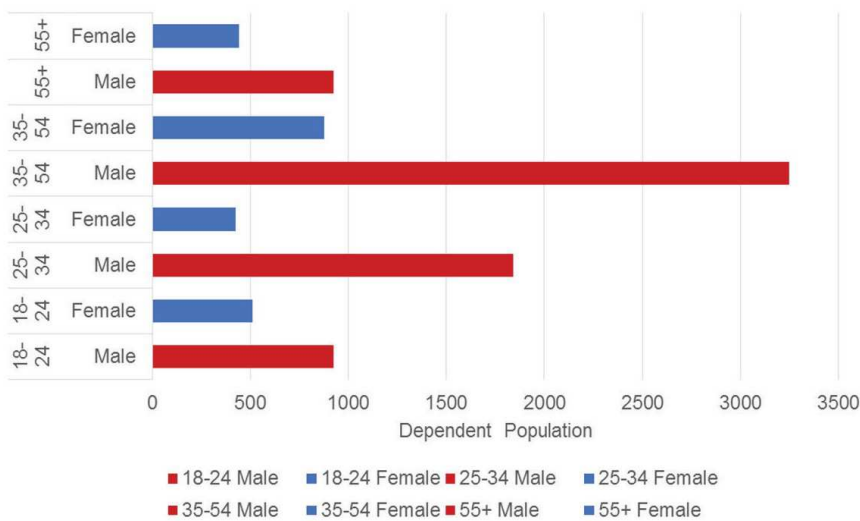




Alcohol and Drug Consumption

Alcohol consumption is the biggest risk factor of ill-health, premature death and disability for younger adults (aged 15-49 years). The rate of alcohol-related hospital admissions is higher in Norfolk than England at 6,020 admissions in 2016/17. Alcohol-related hospital admissions have increased throughout England, but Norfolk saw a particularly steep rise and it remains high. About one in ten of all adults in Norfolk are dependent upon alcohol.

Figure 16: Estimated Population dependent on Alcohol for Norfolk by age group and gender. APMS, NHS Digital, ONS 2016.



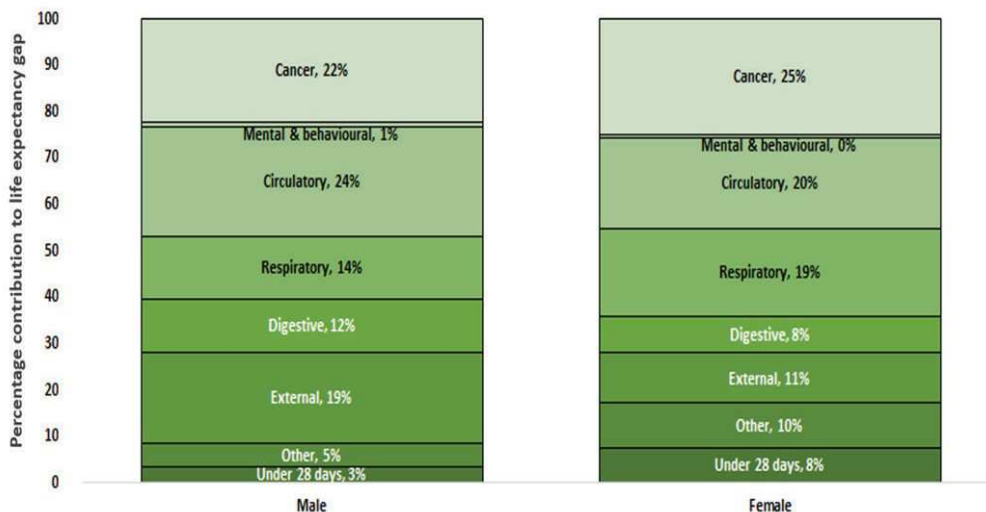
Inequalities in health

Life expectancy is lower in more deprived areas. In Norfolk there is nearly 14 years difference in life expectancy for women (between 77.7 years in areas of West Norfolk to 91.3 years in areas of Broadland) and just over 13 years difference for men (71.9 years in areas of Great Yarmouth to 85.1 years in areas of South Norfolk).

When we examine the data to understand why there is such a difference in life expectancy, with deprivation we see that the main causes are higher rates of cancer, respiratory disease and heart disease. In men we also see higher numbers of deaths linked to external causes such as trauma.

Figure 17: Breakdown of the life expectancy gap between the most deprived and least deprived quintiles, by broad cause of death for males and females, Norfolk, 2013 to 2015.

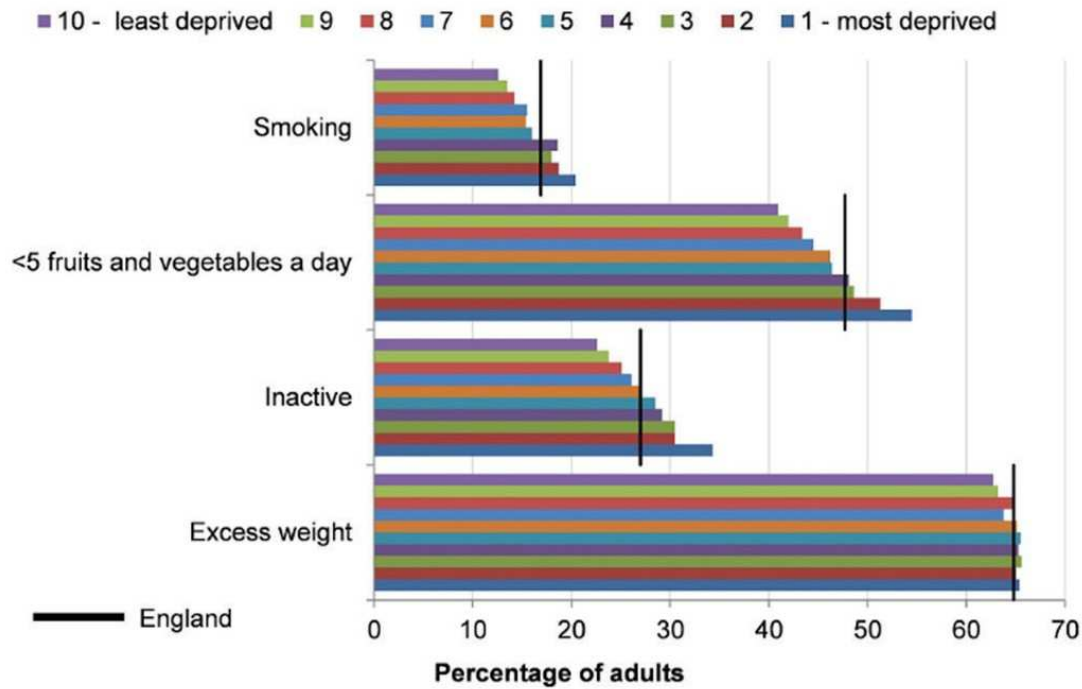
(Source: Primary Care Mortality Database)



As we have seen in earlier in this report, preventable risk factors linked to smoking, diet and alcohol consumption are the major risk factors for cancer, respiratory and heart disease. When we examine data on these behavioural risk factors there is a higher occurrence of these factors in the more deprived areas.

Figure 18: Prevalence of risk factors according to deprivation.

(Source: Public Health Outcomes Framework)



Key messages

Preventable behavioural risk factors such as smoking, poor diet and alcohol consumption have an important impact on ill health.

High blood pressure is the third leading risk for deaths and disability in Norfolk; an estimated 110,000 people in Norfolk are living with undiagnosed high blood pressure.

Lifestyle risk factors occur more in more deprived areas. This is one of the reasons why there are marked differences in life expectancy between affluent and deprived areas.

4 Looking Forward

We are seeing changes in our population's health and social care needs.

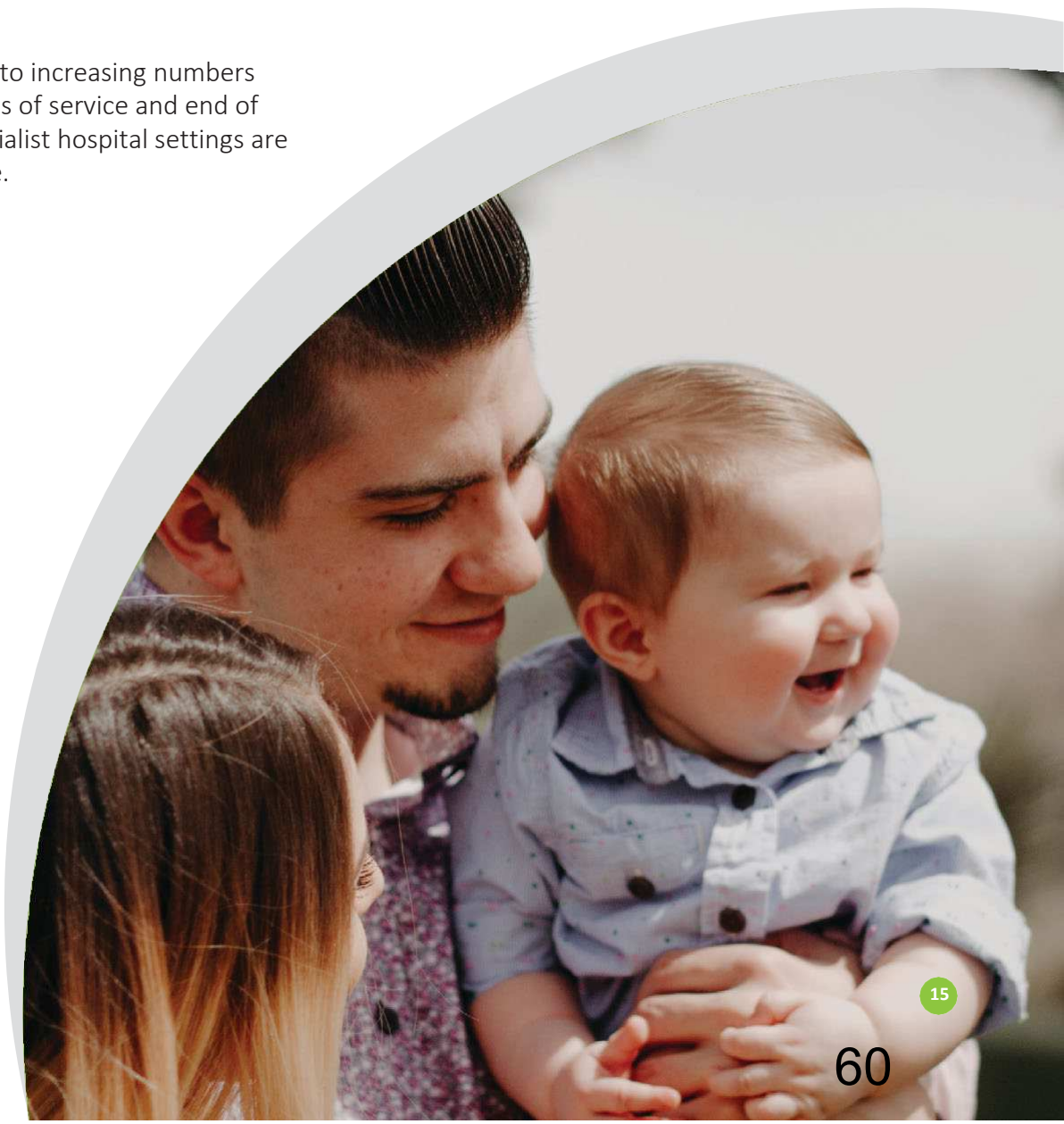
Decades of improvements in life expectancy and forecasts for future population growth mean that an increasing proportion of our population are elderly, have multiple illnesses and need care and support as they become frail in extreme old age. Common causes of death such as heart disease are decreasing and being replaced with conditions such as dementia.

The way current services are organised with emphasis on clinical specialisms are not well designed to deal with the complex needs of patients. Current service provision, quality improvement efforts and research are heavily invested in areas such as cancer and heart disease, rather than emerging priorities such as dementia and end of life care.

We will need to respond to increasing numbers of deaths. Current models of service and end of life care focussed in specialist hospital settings are unlikely to be sustainable.

At the same time, we may be seeing life expectancy stalling and healthy life expectancy decreasing. The major causes of ill health can be strongly influenced by behaviour risk factors, especially diet, exercise, smoking and alcohol consumption. Changing lifestyles can prevent the onset and reduce the severity of long term illnesses. Higher levels of risk occur more in deprived areas and there are differences in life expectancy of about 13 years across the county.

This suggests that health improvement services should be better targeted to provide a more holistic approach for an individual with multiple risk factors, focused in local areas of highest need.





Policy and Resources Committee

Item No 10

Report title:	Finance monitoring report P5: August 2018
Date of meeting:	29 October 2018
Responsible Chief Officer:	Executive Director of Finance and Commercial Services
Strategic impact The Annexes to this report summarise the Period 5 (31 August 2018) forecast financial outturn position for 2018-19, to assist members to maintain an overview of the overall financial position of the Council.	

Executive summary

This report gives a summary of the forecast position for the 2018-19 Revenue and Capital Budgets, General Balances, and related financial information.

Members are asked to:

- **note the period 4 forecast general fund revenue overspend of £5.696m (p4 £5.634m), noting also that Chief Officers will take measures throughout the year to reduce or eliminate potential over-spends;**
- **note the forecast General Balances at 31 March 2018 of £19.536m, before taking into account any over/under spends;**
- **note the revised expenditure and funding of the current and future 2018-22 capital programme as set out in Appendix 3;**
- **approve additional capital funding for HR & Finance Systems Replacement discovery phase (£0.530m) and Capitalisation of costs currently in revenue budgets (£1.500m) as set out in Capital Appendix 2 paragraph 3.**

1. Introduction

1.1 On 12 February 2018, the County Council agreed a net revenue budget of £388.799m. At the end of each month, officers prepare financial forecasts for each service including forecast expenditure and the planned impact on earmarked reserves.

2. Evidence

2.1 Three appendices are attached to this report:

Appendix 1 summarises the forecast revenue outturn position, including:

- Forecast over and under spends
- Changes to the approved budget
- Payments and debt performance

Appendix 2 summarises forecasts relating to services covered by this committee

Appendix 3 summarises the forecast capital outturn position, and includes

- Changes to the capital programme
- Future years capital programmes
- Capital programme funding
- Income from property sales

3. Financial Implications

3.1 As stated above, the forecast revenue outturn for 2018-19 is an overspend of **£5.696m** (p4 £5.634m).

3.2 The forecast assumes savings as reported separately to this Committee.

3.2 The Council's capital programme contains schemes approved by County Council on 12 February 2018, other capital funding secured and schemes re-profiled since budget setting.

4. Issues, risks and innovation

Risk implications - monitoring

4.1 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.

4.2 Risk management reports which include the corporate risk register are presented regularly to this Committee. A majority of risks, if not managed, could have significant financial consequences. The risks addressed include finance specific risks, for example of failing to generate income or to realise savings.

4.3 Chief Officers have responsibility for managing their budgets within the amounts approved by County Council. Chief Officers will take measures throughout the year to reduce or eliminate potential over-spends.

5. Background

5.1 Having set a revenue and capital budget 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, there is a requirement to regularly monitor progress so that corrective action can be taken when required.

5.2 The monthly forecasts in this report are based on detailed cost centre level data supplied by responsible budget officers after the end of each financial period. Moderation by chief officers is completed approximately 18-20 days after each month end.

Officer Contact

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

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Appendix 1: 2018-19 Revenue Finance Monitoring Report Month 5

Report by the Executive Director of Finance and Commercial Services

1 Introduction

This report gives details of:

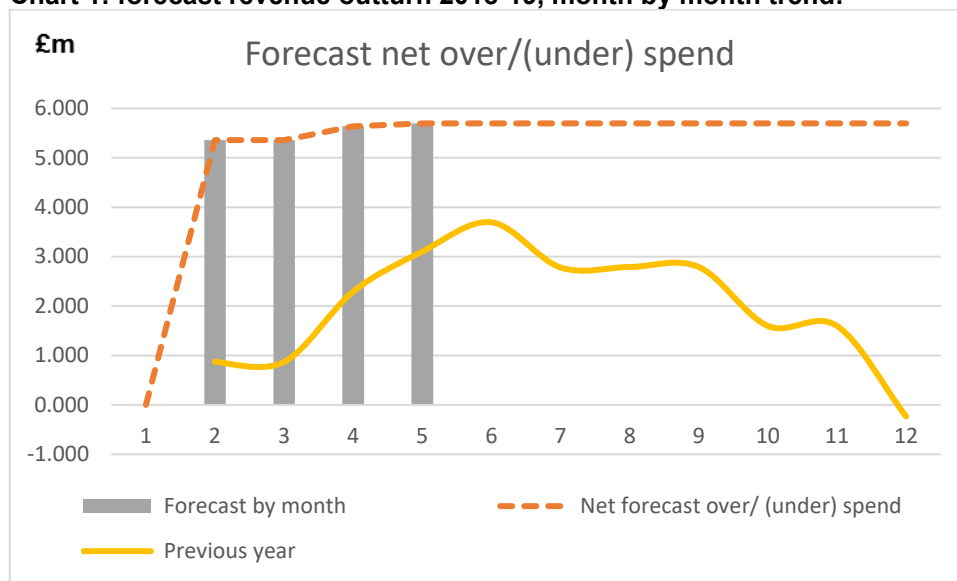
- the latest monitoring position for the 2018-19 Revenue Budget
- forecast General Balances and Reserves at 31 March 2019 and
- other key information relating to the overall financial position of the Council.

2 Summary of financial monitoring position

At the end of August 2018 (month 5):

An overspend of **£5.696m** (p4 £5.634m) is forecast on a net budget of £388.799m.

Chart 1: forecast revenue outturn 2018-19, month by month trend:



2.1 The main reason for the forecast overspend is cost pressures associated with looked after children, children leaving care and SEN high needs block cost pressures, and Purchase of Care costs within Adult Social Services.

2.2 Although there is a net forecast overspend, officers are examining ways of improving the position to minimise any impact on the general fund at the year end.

Agreed budget, changes and variations

- 2.3 The 2018-19 budget was agreed by Council on 12 February 2018 and is summarised by service in the Council's Budget Book 2018-22 (page 20) as follows:

Table 1: 2018-19 original and revised net budget by service

Service	Approved net base budget	Revised budget P4	Revised budget P5
	£m		
Adult Social Services	252.466	252.747	252.747
Children's Services	185.948	185.948	185.948
Community and Environmental Services	155.267	155.248	155.207
Managing Director's Department	8.449	8.484	8.484
Finance and Commercial Services	24.383	24.086	24.128
Finance General	-237.714	-237.714	-237.714
Total	388.799	388.799	388.799

- 2.4 During period 5 there has been only a minor reallocation of property budgets between departments. Overall, the Council's net budget for 2018-19 remains unchanged.
- 2.5 **Savings targets:** The key savings targets required for the delivery of a balanced 2018-19 budget are covered in a separate report to this Policy and Resources Committee.

Revenue outturn – forecast over/underspends

- 2.6 Chief Officers have responsibility for managing their budgets within the amounts approved by County Council. They have been charged with reviewing all of their cost centres to ensure that, where an overspend is identified, action is taken to ensure that a balanced budget is achieved for the year.
- 2.7 Details of all projected under and over spends for each service, together with details of areas where mitigating action is being taken, are shown as Revenue Annex 1 to this report, and are summarised in the following table:

Table 2: 2018-19 projected forecast (under)/over spends by service

Service	Revised Budget	Projected net (under)/ over spend	%	RAG
	£m	£m		
Adult Social Services	252.747	1.991	0.8%	A
Children's Services	185.948	6.079	3.3%	R
Community and Environmental Services	155.207	0.210	0.1%	G
Managing Director's Department	8.484	-0.014	-0.2%	G
Finance and Commercial Services	24.128	0.279	1.2%	G
Finance General	-237.714	-2.849	1.2%	G
Totals	388.799	5.696	1.5%	A

Notes:

- 1) the RAG ratings are subjective and take into account both the relative (%) and absolute (£m) impact of forecast overspends.
- 2.8 The forecast overspend at the end of P5 relates mainly to Children's Services budgets, due to forecasts in relation to costs associated with looked after children, children with a high level of need, and SEN high needs block cost pressures. (This is also a national issue, with many authorities reporting significant overspends). In addition, there are pressures on Purchase of Care costs within Adult Social Services.
- 2.9 Further details can be found in Revenue Annex 1 to this report, and in the finance monitoring reports to the 16 October 2018 Children's Services Committee, and the 8 October 2018 Adult Social Care Committee.
- 2.10 Additional Social Care Winter Money: In early October the Secretary of State for Health and Social Care announced that local authorities in England would receive £240m funding aimed at reducing delayed transfers of care and freeing up hospital beds. The funding for Norfolk has been confirmed as £4.178m. Officers are currently exploring how we will utilise this money and will report to Members in due course.

General balances and reserves

General balances

- 2.11 On 12 February 2018 Council agreed the recommendation from the Executive Director of Finance and Commercial Services for a minimum level of General Balances of £19.301m through 2018-19. The balance at 1 April 2018 was £19.536m. The forecast for 31 March 2019 is unchanged at £19.536m, assuming a balance budget is achieved.

Reserves 2018-19 – opening balances

- 2.12 The use of reserves anticipated at the time of budget setting was based on reserves balances anticipated in January 2018. Actual balances at the end of March 2018 were higher than planned, mainly as a result of grants being carried forward, and reserves use being deferred.

Table 3a: Increase in reserves and provisions b'fwd over budget book assumptions

Reserves and provisions by service	Budget book forecast balances 1 April 2018	Actual balances 1 April 2018	Increase in opening balances after budget setting
	£m	£m	£m
Adult Social Services	17.316	33.675	16.359
Children's Services (inc schools, excl LMS)	5.133	7.955	2.822
Community and Environmental Services	31.943	36.504	4.561
Managing Director's Department	2.021	2.517	0.496
Finance & Commercial Services	2.266	3.353	1.087
Finance General	14.592	16.532	1.940
Total reserves and provisions (excl LMS)	73.271	100.536	27.265

Reserves 2018-19 – forecast closing balances

- 2.13 The 2018-19 budget was approved on the basis of a forecast reduction in earmarked reserves (including schools) from £72.7m to £63.8m during 2018-19, a net use of £8.9m.

2.14 The following table sets out the latest forecast balances for each service.

Table 3b: Forecast reserves and provisions at 31 March 2019

Reserves and provisions by service	Budget book forecast March 2019	Latest P5 forecast March 2019
		£m
Adult Social Services	10.906	27.133
Children's Services (excl LMS)	4.241	4.756
Community and Environmental Services	29.566	34.193
Managing Director's Department	1.993	1.702
Finance & Commercial Services	1.841	1.117
Finance General	15.288	15.034
Reserves and provisions	63.835	83.935

Forecast reserves at 31 March 2019 are £20m in excess of budget book assumptions.

2.15 Provisions included in the figures above

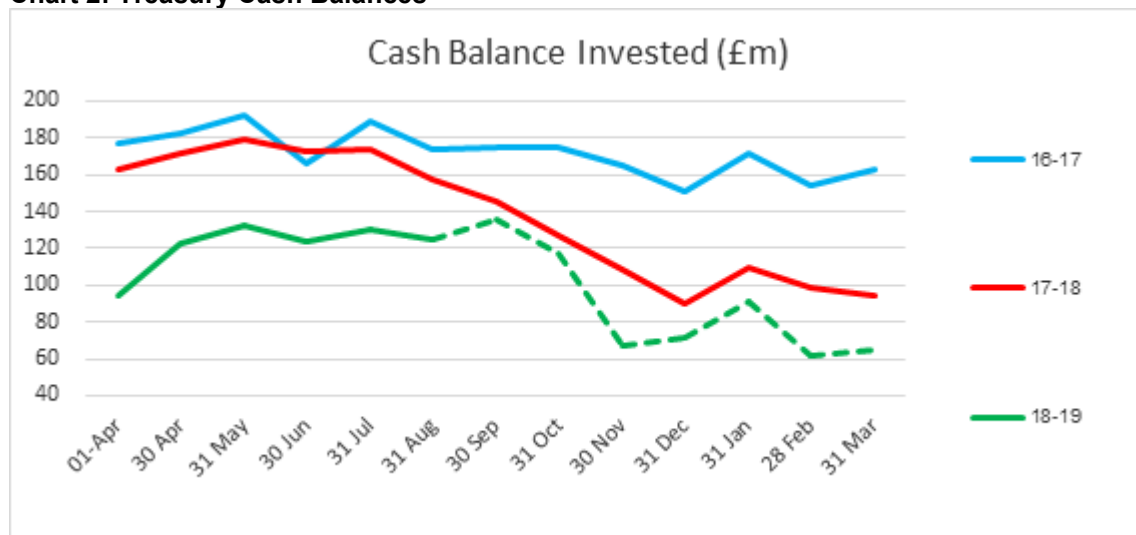
The table above include provisions of £30.3m at the start of the year. These comprise £11.0m insurance provision, £12.3m landfill provision, £6.5m provision for bad debts, and a small number of payroll related provisions.

The £12.3m landfill provision is required for accounting purposes and is included in the CES figures above. This provision is not cash backed and cannot be used to support revenue or capital expenditure.

3 Treasury management summary

- 3.1 The corporate treasury management function ensures the efficient management of all the authority's cash balances.
- 3.2 The graph below shows the level of cash balances over the last three years, and includes a forecast dashed green line to March 2019 based on projected cash receipts and expenditure at 31 August 2018.

Chart 2: Treasury Cash Balances



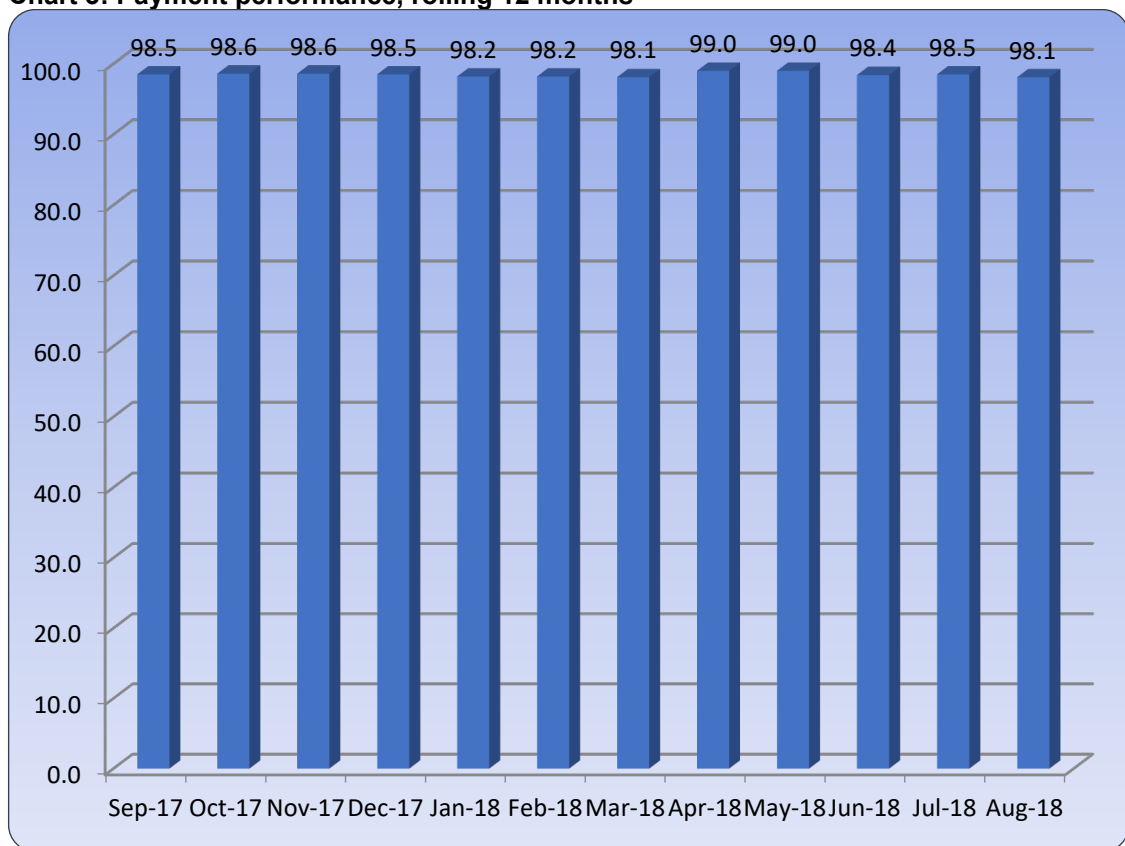
- 3.3 The balance shown above at the end of March 2017 (blue line) was inflated by the addition of £40m PWLB (Public Works Loan Board) debt into cash balances which was spent in 2017-18 as the NDR neared completion. The balances towards the end of 2017-18 (red line) include an additional £20m of new PWLB borrowing. Borrowing of £40m has been undertaken in the first 5 months of 2018-19 which is reflected in the graph. The projections reflect the annual pattern of known income streams.
- 3.4 An additional tranche of PWLB borrowing has been taken in September 2018: £10m at 2.44% repayable June 2068.
- 3.5 The impact of the Pension Fund pre-payment approved at the September meeting of this Committee has been built in to the forecast.
- 3.6 Given the reducing levels of projected cash balances and the current historically low interest rates, the Executive Director of Finance and Commercial Services is actively considering borrowing options. As a result, it is likely that some further borrowing will take place in 2018-19, and two further tranches of £10m, in addition to the £10m borrowed in September, are assumed in the forecast.
- 3.7 New borrowing will be applied to the funding of previous capital expenditure, effectively replacing cash balances which have been used on a temporary basis to avoid the cost of 'carrying' debt in the short term. The Council

continues to use cash balances for this purpose, and will continue to balance the long-term advantages of locking into favourable interest rates against the costs of additional debt.

4 Payment performance

- 4.1 This chart shows the percentage of invoices that were paid by the authority within 30 days of such invoices being received. Some 420,000 invoices are paid annually. Over 98% were paid on time in both June and July 2018. The percentage has not dropped below 98% in the last 12 months.

Chart 3: Payment performance, rolling 12 months



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

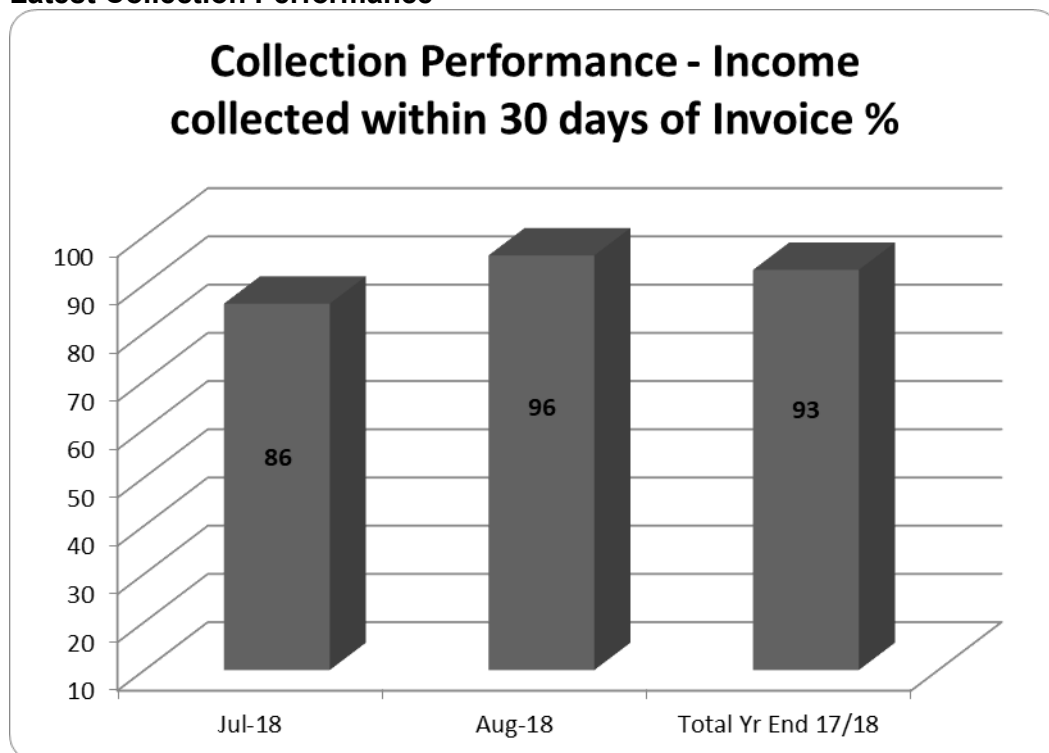
5 Debt recovery

5.1 **Introduction:** Each year the County Council raises over 150,000 invoices for statutory and non-statutory services totalling over £960m. 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. In 2017-18 93% of all invoiced income was collected within 30 days of issuing an invoice, and 97% was collected within 180 days.

5.2 Debt collection performance measures

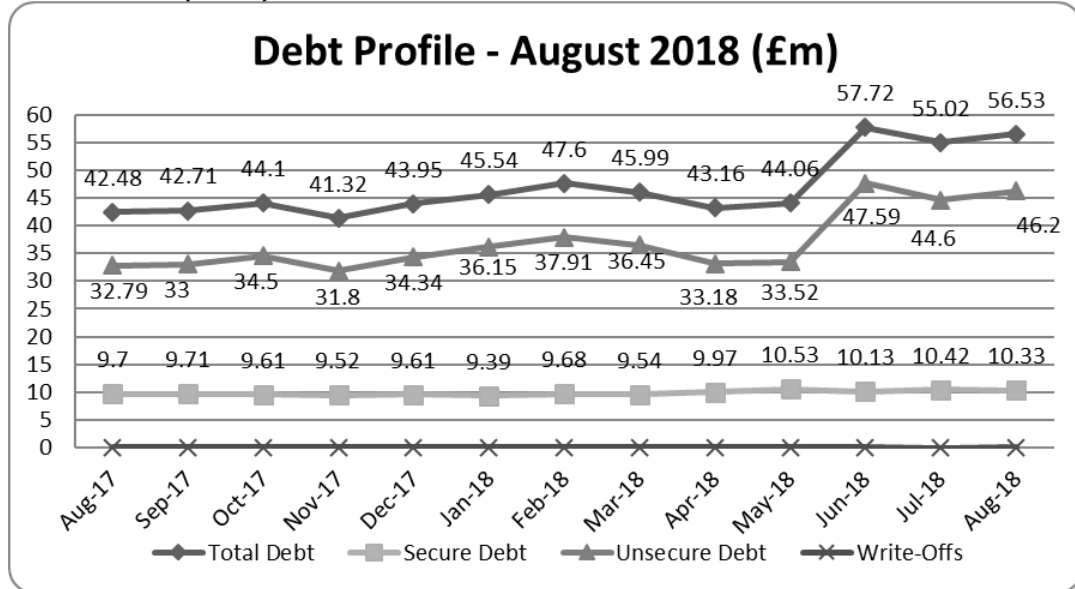
The proportion of invoiced income collected within 30 days for invoices raised in the previous month – measured by value – was 96% in August 2018.

Latest Collection Performance



5.3 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:

Debt Profile (Total)



The largest area of unsecure debt relates to charges for social care. Of the £30m unsecure social care debt at the end of August, £8.7m is under 30 days and £15.9m is debt with the CCG's, the majority of which is for shared care, Better Care Pooled Fund, continuing care and free nursing care.

Secured debts amount to £10.3m at the end of August 2018. Within this total £3.3m relates to estate finalisation where the client has died and the estate is in the hands of the executors.

- 5.4 **Debt write-offs:** In accordance with Financial Regulation and Financial Procedures, the Policy & Resources Committee 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.
- 5.5 Before writing off any debt all appropriate credit control procedures are followed. Where economically practical the County Council's legal position is protected by court proceedings being issued and judgment being entered. For a variety of reasons, such as being unable to locate the debtor, it is sometimes not appropriate to commence legal action.
- 5.6 Service departments are responsible for funding their debt write offs. Once the debt is written off the amount of the write off is reflected a) in the service department's budget through the reversal of the income or b) where a service has set up a bad debt provision, use of that provision.
- 5.7 For the period 1 April 2018 to 31 August 2018, 172 debts less than £10,000 were approved to be written off following approval from the Executive Director of Finance. These debts totalled £109,937.88. Since the 2017-18 outturn report, no debts over £10,000 have been written off.

5.8 **Benchmarking:** Norfolk County Council is a member of the Cipfa Debtors Benchmarking Club. The benchmarking is focused on local government and allows comparison of performance across authorities.

5.9 The results from the 2017-2018 survey look favourable for Norfolk against the club average with regards to the percentage of debt raised that has been successfully collected within 90 days

Measure - % invoices collected within 90 days	Norfolk	Average
	93%	83%

Measure - % debt collected within 90 days	Norfolk	Average
	95%	88%

Revenue Annex 1

Forecast revenue outturn

Projected revenue outturn by service

Table A1a: projected revenue over and (under) spends by service

Service	Revised Budget	Net total over / (under) spend	%	Forecast net spend
	£m	£m		
Adult Social Services	252.747	1.991	0.8%	254.738
Children's Services	185.948	6.079	3.3%	192.027
Community and Environmental Services	155.207	0.210	0.1%	155.417
Managing Director's Department	8.484	-0.014	-0.2%	8.470
Finance and Commercial Services	24.128	0.279	1.2%	24.407
Finance General	-237.714	-2.849	1.2%	-240.563
Forecast outturn this period	388.799	5.696	1.5%	394.495
Totals previous report	388.799	5.634	1.4%	394.433

Reconciliation between current and previously reported underspend

Table A1b: monthly reconciliation of over / (under) spends

	£m
Forecast overspend brought forward	5.634
Movements August 2018	
Adult Social Services	-
Children's Services	2.795
Community and Environmental Services	-0.121
Managing Director's Department	-0.001
Finance and Commercial Services	0.044
Finance General	-2.655
Forecast over/(under) spend P5	5.696

Corporate resources spend as a proportion of "front line" net expenditure

Table A1c: Corporate resources spend as a proportion of front line spend

Service	Budget £m	Forecast £m
Total "front line" services	593.662	593.902
Total corporate resources	32.852	32.612
Corporate resources as %age	5.5%	5.5%
Corporate resources as ratio	1/18	1/18

Revenue Annex 1 continued

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

Revenue budget outturn by service – detail

	Projected over spend	Projected under spend	Changes this period
	£m	£m	£m
Adult Social Services			
Business Development		-0.163	-0.027
Commissioned Services	1.148		1.063
Early Help & Prevention	0.173		0.070
Services to Users (net)	1.985		-1.204
Management, Finance & HR		-1.152	0.098
Forecast over / (under) spend	3.306	-1.315	0.000
	1.991		

	Projected over spend	Projected under spend	Changes this period
	£m	£m	£m
Children's Services			
Spending increases and reductions			
Social Work	5.452		0.617
Early Help & Prevention		-0.113	-
Performance & Challenge	0.088		0.008
Education	0.942		0.260
Resources (including capital charges)	-		
Use of reserves and balances		-0.411	-0.211
Schools capital funded by borrowing		-2.000	-
Dedicated schools grant			
Independent Special School places	3.786		1.939
Maintained Special School places	0.278		0.056
Mainstream School SEND Top-Up Funding	2.750		-
Post 16 FE High Needs Top -Up Funding	0.825		-
Alternative Education contracts	1.841		1.321
Personal Budgets	0.179		0.034
DSG adjustments		-3.270	0.016
Services that will be offset against DSG balances and recovered in future years		-4.268	-1.245
Forecast over / (under) spend	16.141	-10.062	2.795
		6.079	

Community and Environmental Services	Projected over spend	Projected under spend	Changes this period
	£m	£m	£m
Communities Committee			
Culture and Heritage	0.067		-
Director of Public Health		-0.046	-
Fire Service	0.539		0.099
EDT Committee			
Business Support and development		-0.130	-
Recycling and Closed landfill sites		-0.220	-0.220
Forecast over / (under) spend	0.606	-0.396	-0.121
	0.210		

Resources, Finance and Finance General	Projected over spend	Projected under spend	Changes this period
	£m	£m	£m
Managing Director's Department			
Intelligence & Analytics		-0.045	-0.012
Communications	0.179		-0.001
Strategic Delivery Unit			
Norfolk Futures			
Human Resources	0		
Democratic Services		-0.149	0.002
Nplaw	0.001		0.010
MD's Office			
Forecast over / (under) spend	0.180	-0.194	-0.001
		-0.014	
Finance and Commercial Services			
Finance (excl Fin Gen)			-
Property	0.268		0.033
Procurement			-
IMT (see Digital Innovation & Efficiency Committee Finance Monitoring report for breakdown)			-
Print & Phone Recharges	0.011		0.011
Forecast over / (under) spend	0.279		0.044
Finance General (see Revenue Annex 2 for further details)			
Section 31 Business rates cap compensation		-0.433	
Additional Local Services Support Grant - free travel		-0.162	
Satellite offices cost of lease surrender	0.536		
Member's allowances		-0.023	0.004
Audit fees		-0.041	0.003
Land drainage levy		-0.016	

Interest on balances		-0.060	-0.012
Capitalisation of costs currently in revenue budgets		-1.500	-1.500
Savings relating to pension fund pre-payment		-0.400	-0.400
Lower than anticipated costs of redundancy		-0.750	-0.750
Forecast over / (under) spend	0.536	-3.385	-2.655
		-2.849	

Norfolk County Council

Revenue Annex 2: Policy and Resources budget summary

1 Introduction

The Policy and Resources Committee is responsible for the oversight of the budgets listed in the table below, which also summarises the latest forecast outturn position.

2018 / 19	Current Budget	Forecast	Over / (Under) spend
	£m	£m	£m
Managing Director's Department			
Intelligence & Analytics	0.819	0.774	-0.045
Communications	0.786	0.965	0.179
Strategy & Delivery Unit	0.596	0.596	0
Norfolk Futures	0.500	0.500	0
Human Resources	3.314	3.314	0
Democratic Services	3.113	2.964	-0.149
Nplaw	-0.656	-0.656	0
MD's Office	0.336	0.336	0
Shared Services Contribution	-0.356	-0.356	0
Print Service Recharges	0.032	0.032	0
	8.483	8.496	-0.015
Finance and Commercial Services (note 1)			
Finance	6.133	6.133	-
Procurement	1.143	1.143	-
	7.276	7.276	-
Finance General			
Section 31 Business rates cap compensation			-0.433
Additional Local Services Support Grant			-0.162
Satellite offices cost of lease surrender			0.536
Member's allowances			-0.023
Audit fees			-0.041
Land drainage levy			-0.016
Interest on balances			-0.060
Capitalisation of costs currently in revenue budgets			-1.500
Savings relating to pension fund pre-payment			-0.400
Lower than anticipated costs of redundancy			-0.750
			-2.849
Total P&R Committee			-2.864

Note 1: this table excludes Corporate Property budgets (Business and Property Committee) and IMT budgets (Digital Innovation and Efficiency committee)

Note 2: this table may contain rounding differences.

The Finance General forecast underspend is explained below.

2 Finance General over and underspends

Explanations for the Finance General forecasts are as follows:

Section 31 Business rates cap compensation (forecast underspend £0.433m)

This forecast underspend relates to additional business rates income which will be confirmed when NNDR3 returns are completed.

Additional Local Services Support Grant - free travel (forecast underspend £0.162m)

This forecast underspend relates to additional unringfenced Local Services Support Grant relating to extended rights to free home to school transport.

Satellite offices costs of lease surrender (forecast overspend £0.536m)

A property strategy with the aim of reducing the number of Council offices and therefore running costs will result in staff being moved into County Hall.

Member's allowances (forecast underspend £0.023m)

Early estimate of underspend in member's allowances budget based on expenditure to date.

Audit fees (forecast underspend £0.041m)

Confirmation of reduction in external audit fees following Public Sector Audit Appointments Ltd (PSAA) appointment of Ernst Young as Norfolk County Council's external auditor.

Land drainage levy (forecast underspend £0.016m)

Environment Agency precept greater than expected.

Interest on balances (forecast underspend £0.060m)

The 2018-19 interest payable/receivable budget was prepared on the basis of a number of assumptions including cash flows, interest rates and the extent of actual borrowing. The cost and timing of borrowing has resulted in a forecast underspend.

Capitalisation of costs currently in revenue budgets (forecast underspend £1.500m)

During work being done in preparation for the 2019-20 capital programme, an opportunity to capitalise an additional £1.5m of work related to highways previously funded from revenue budgets.

Savings relating to pension fund pre-payment (forecast underspend £0.400m)

At the September meeting of this Committee, members agreed that the Council could make a pre-payment of contributions to the Norfolk Pension Fund, which is forecast to generate savings of approximately £1.2m over 18 months.

Lower than anticipated costs of redundancy (forecast underspend £0.750m)

Based on the latest projections, officer forecasts for 2018-19 suggest that spend on redundancy costs will be £0.750m lower than anticipated at the time of budget setting.

Norfolk County Council

Appendix 2: 2018-19 Capital Finance Monitoring Report

Report by the Executive Director of Finance and Commercial Services

1 Capital Programme 2018-19

- 1.1 On 20 February 2018, the County Council agreed a 2018-19 capital programme of £238.098m with a further £190.812m allocated to future years', giving a total of £428.910m.
- 1.2 Additional re-profiling from 2017-18 resulted in an overall capital programme at 1 April 2018 of £309m plus £164m of new grant funded highways schemes. Further in-year adjustments have resulted in the latest capital programme shown below:

Table 1: Capital Programme budget

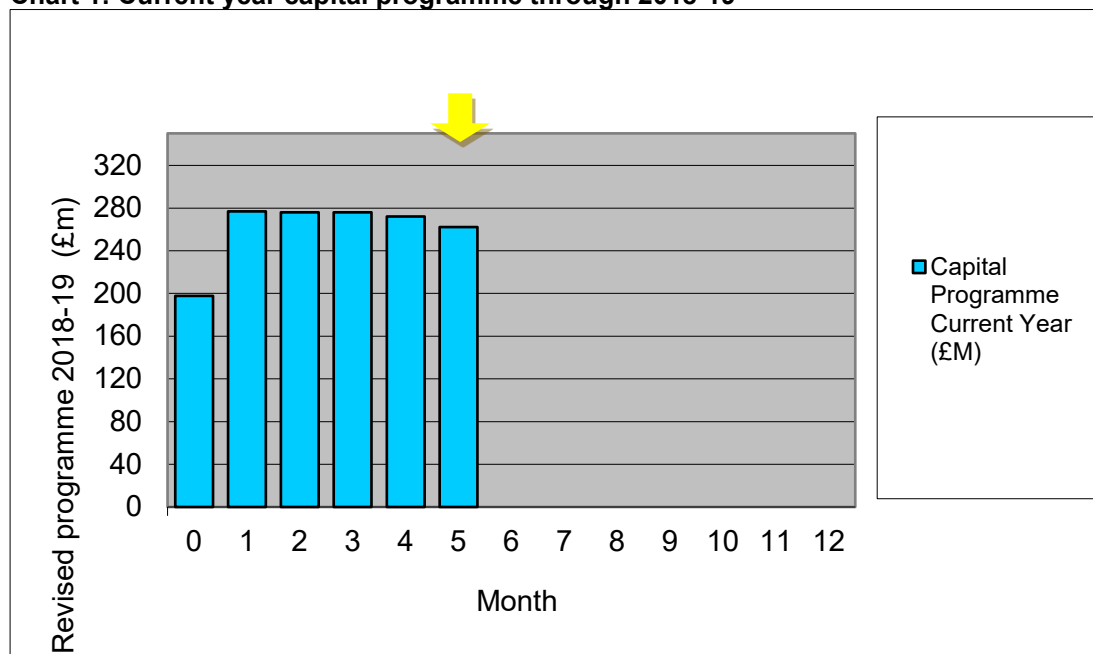
	2018-19 budget	Future years
	£m	£m
New schemes approved February 2018, funded from borrowing	114.976	122.411
Previously approved schemes brought forward	123.122	68.401
Totals in 2018-22 Budget Book (total £428.910m)	238.098	190.812
Deduct new externally funded highways schemes (see 1.2 above)	-79.118	-85.329
Schemes re-profiled after budget setting	31.884	4.086
Other Adjustments, including additional grants	8.360	
Capital Programme Outturn excl new highways (£308.794m)	199.224	109.569
Statutory accounting adjustment	-1.496	
Highways grant funded schemes, assumed to be added to programme as grant funding confirmed £164.447m	79.118	85.329
Revised opening capital programme (total £471.744)	276.846	194.898
Re-profiling since start of year	-21.602	21.602
Other movements – including addition of highways schemes	7.027	11.500
Capital programme budgets latest (total £490.271m)	262.271	228.000

Note: this table and the tables below contain rounding differences

Changes to the Capital Programme

- 1.3 The following chart shows changes to the 2018-19 capital programme through the year.

Chart 1: Current year capital programme through 2018-19



- 1.4 Month "0" shows the 2017-18 outturn future capital programme excluding new grant funded highways schemes, which are added in month 1. The arrow shows the latest position.
- 1.5 The current year's capital budget for each service is set out in the table below:

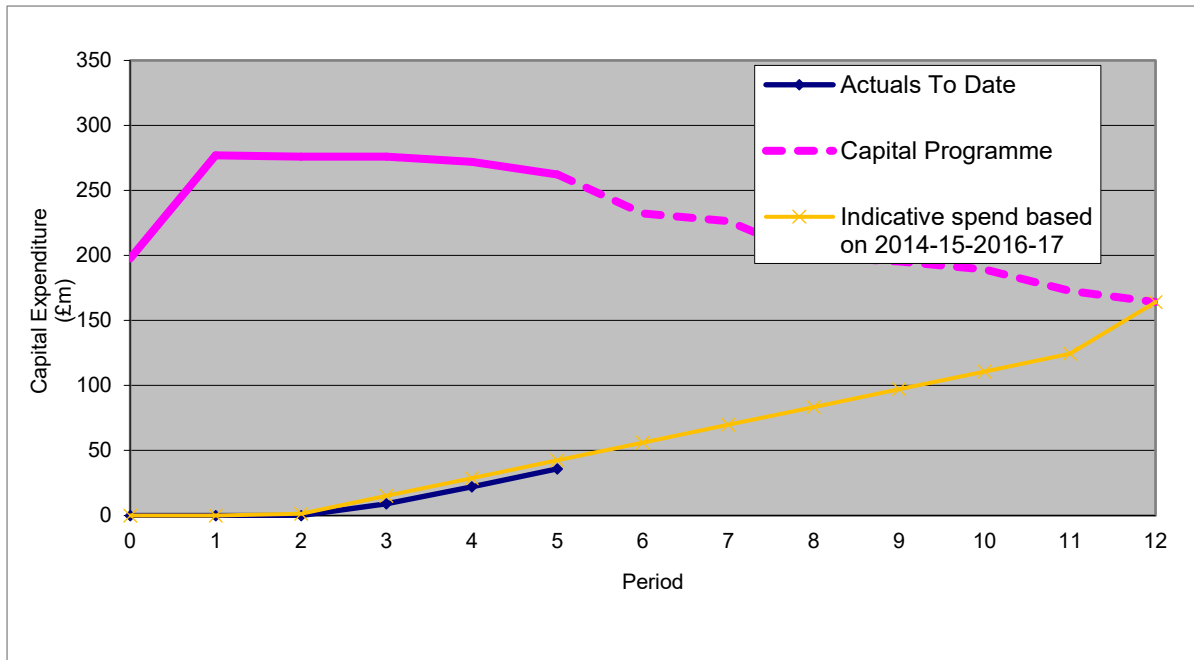
Table 2: Service capital budgets and movements 2018-19

Service	Revised opening programme	Previously reported programme	Reprofilng since last report	Other Changes since last report	2018-19 Current Capital Budget
	£m	£m	£m	£m	£m
Children's Services	87.764	93.880	-3.379	0.000	90.501
Adult Social Care	13.196	15.173	0.000	7.480	22.653
Community & Environmental Services	120.175	105.286	-1.270	0.008	104.024
Managing Director's Department					
Finance & Comm Servs	55.710	57.578	-12.486	0.000	45.093
Total	276.845	271.918	-17.135	7.487	262.271
				-9.648	

Note 1: this table may contain rounding differences

1.6 The trends within the current year's capital programme can be shown as follows.

Chart 1: capital programme indicative trends and progress



1.7 The chart shows actual expenditure (blue line) had not exceeded year end accruals at the end of period 2, with spend averaging approximately £12m per month since then. The pink and yellow lines show the projected budget movements and spend respectively. The current year's budget is expected to decrease as projects are re-profiled into future years when timing becomes more certain.

1.8 The revised programme for future years (2019-20 to 2021-22) is as follows:

Table 3: Capital programme 2019-22

Service	Outturn future capital programme £m	Previously reported future programme £m	Reprofilng since last report £m	Other Changes since last report £m	2018+ Future Capital Budget
Children's Services	45.424	49.848	3.379		53.227
Adult Social Care	7.284	7.284	0.000		7.284
Community & Environmental Services	37.213	134.110	1.270		135.380
Managing Director's Department		0			0
Finance & Comm Servs	19.648	19.623	12.486	0	32.109
Total	109.569	210.865	17.135	0	228.000
				17.135	

Note: 1) this table may contain rounding differences

Financing the capital programme

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

1.10 The table below identifies the funding of the capital programme:

Table 4: Financing of the capital programme

Funding stream	2018-19 Programme	Future Years Forecast
	£m	£m
Prudential Borrowing	102.941	80.906
Use of Capital Receipts		
Revenue & Reserves	0.207	
<i>Grants and Contributions:</i>		
DfE	55.993	48.811
DfT	40.149	87.029
DoH	14.200	
DCLG	0.359	
DCMS	0.699	3.580
Developer Contributions	24.761	2.532
Other Local Authorities	2.286	3.580
Local Enterprise Partnership	17.087	
Community Infrastructure Levy	0.977	1.500
National Lottery	0.195	
Other	2.417	0.060
Total capital programme funding £490.270m	262.271	227.999

Note: this table may contain rounding differences

1.11 Significant funding from capital receipts is anticipated over the life of the programme, which as and when realised will be used either to re-pay debt as it falls due, or to reduce the call on future prudential borrowing. For the purposes of the table above, it is assumed that all capital receipts will be applied directly to the re-payment of debt. Only capital receipts in excess of this will then be used to reduce the Council's future borrowing requirement.

1.12 The most significant sources of funding continue to be the major government capital grants for transport and schools, and the authority's prudential borrowing.

1.13 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).

2 Specific Schemes – funding secured after August reporting period

2.1 Great Yarmouth Third River Crossing

On 15 October 2018 the County Council confirmed its commitment to the delivery of the Great Yarmouth Third River Crossing. The impact of this will be to add a significant amount to the capital programme in line with the estimated expenditure as follows:

Third River Crossing	Total £,000
DfT funding requested	98,088
LA (NCC) contribution	20,565
LEP contribution	2,000
Total	120,653

On 5 September 2018, the Secretary of State confirmed a capital grant of £3.941m (part of the £98m in the table above) to be used specifically for the development of the business case or scheme preparation costs for the Third River Crossing scheme.

2.2 Norwich Castle: Gateway to Medieval England

As widely reported locally, Norfolk Museums Service has secured £9.2m from the National Lottery through the Heritage Lottery Fund (HLF) for the Norwich Castle: Gateway to Medieval England project.

3 Additions to the capital programme – to be approved

3.1 HR & Finance Systems Replacement discovery phase £0.530m

The County Leadership team has recommended the initiation of an HR and Finance Systems Replacement project. The discovery phase is intended to establish the options and business case for replacing NCC's core E-Business Suite and peripheral systems. It needs to be aspirational, thorough and evidence-based to ensure that decisions and subsequent actions are well-founded. The phase will culminate in a business case analysing the options open to NCC.

Benefits of the project will include reduced support service costs, better on-line services for employees, partners, providers and citizens, with improved overall productivity, information and flexibility.

3.2 Capitalisation of costs currently in revenue budgets £1.500m

As part of the in-year underspend in Finance General which is currently forecast for 2018-19, it is anticipated that the opportunity will arise to capitalise a further £1.5m of capital costs which are currently charged to revenue budgets. The main opportunities relate to highways activities. Additional borrowing of up to £1.5m will be required in order to fund this expenditure and to release this revenue underspend.

4 Capital Receipts

- 4.1 The Council's property portfolio has latent value and the estate needs to be challenged rigorously to ensure assets are only held where necessary so that capital release or liability reduction is maximised. This in turn will reduce revenue costs of the operational property portfolio.
- 4.2 The capital programme, approved in February 2018, demonstrated how asset sales can be a) used to reduce the borrowing requirement of the Council's capital programme in that year, (b) held to offset against future capital borrowing requirements or (c) used to repay existing borrowing. It included a table of potential property sales

Table 6a: Capital programme property disposal schedule estimates £m

Property sales potential	2018-19	2019-20	2020-21
	£m	£m	£m
General	3.517	0.017	0.740
Farms	0.946	1.885	1.460
Major development sites	3.650	3.600	
	8.113	5.502	2.200

- 4.3 The current revised schedule for disposals is now broken down by chance of sale within the year, as follows:

Table 6b: Disposals by chance of sale within year £m

Chance of sale	Potential receipt £m
Receipts secured (inc sales subject to contract)	1.175
High	1.162
Anticipated receipts 2018-19	2.337
Medium	0.690
Low	1.193
Major development sites	9.100
Maximum receipts potential	13.320

Following recent re-valuations after the original estimates were prepared, the forecast receipt from the major development sites has significantly increased.

Capital Annex 1 - changes to capital programme since last P&R Committee

Changes to capital programme since last P&R report			18-19	18-19	19-20+	19-20+	
Service	Project	Funding Type	Change (£m)	REPROFILE	Change (£m)	REPROFILE	Reason
Adult Social Care							
	Disabled Facilities Grant	External - Department of Health grant	7.480				Funding to provide adaptations to the homes of people with disabilities to help them live independantly
Total Adult Social Care			7.480	0.000	-	-	
Children's Services							
	A1 - Major Growth	External - DfE/Developers	-	0.500		0.500	Reprofiling Hillcrest (part): on site but will complete next financial year
	B1 - Special Education Needs	External - DfE	-	0.450		0.450	Reprofiling Fen Rivers Ph2 as at feasibility stage
	C2 - Major Capital Maintenance	External - DfE	-	0.429		0.429	Reprofiling Sites budget: likely to be needed next financial year
	A2 - Master Planning	External - DfE/Developers	-	1.000		1.000	Reprofile Costessey Infant/Junior amalgamation: on site but wont complete in year
	A3 - Area Growth & Reorganisation	External - DfE/Developers	-	1.000		1.000	Reprofile Hethersett Junior reorg: currently at feasibility stage
Total Children's services			0.000	-3.379	-	3.379	
Libraries							
	LL1040 - Library Building Improvements	Borrowing	-	0.470		0.470	Re-profile in line with likely spend
	LL1038 - Self Service Kiosk	Borrowing	-	0.800		0.800	Re-profile in line with likely spend
Highways	Gt Yarm Church Lane Roundabout	External - LEP	0.008				Increase in LEP funding, various schemes
Total CES			0.008	-1.270	-	1.270	
Offices - County Hall	County Hall Heating/Cooling Systems	Borrowing	-	0.068		0.068	
	Room Booking System Replacement	Borrowing	-	0.050		0.050	
Offices	Equality Act capital fund	Borrowing	-	0.255		0.256	
	County Hall refurbishment phase II	Borrowing	-	8.292		8.292	
	Corporate Offices Capital Maintenance	Borrowing	-	1.955		1.955	Offices capital programme reassessed and budgets reprofiled after review of the likely balance of anticipated spend in 2018/19 and 2019-20
	Corporate Maintenance - Fire Property	Borrowing	-	0.920		0.920	
	Whitegates Relocation/Fire Station Remodell	Borrowing	-	0.490		0.490	
	County Hall Refurbishment - ITS Relocation	Borrowing	-	0.200		0.200	
Minor Works		Borrowing	-	0.255		0.255	
Total Finance			0.000	-12.486	-	12.486	
Total			7.487	-17.135	-	17.135	

Policy and Resources Committee

Item No 11

Report title:	Delivering Financial Savings 2018-19
Date of meeting:	29 October 2018
Responsible Chief Officer:	Simon George – Executive Director of Finance and Commercial Services
Strategic impact	
<p>This report provides details of the forecast year-end position in respect of the delivery of the 2018-19 savings agreed by the County Council at its budget meeting 12 February 2018. The realisation of planned savings is central to the achievement of a balanced outturn position for the year and also impacts on planning for the 2019-20 Budget.</p>	

Executive summary

County Council agreed savings of £29.999m for the year as part of the 2018-19 budget setting process. This report provides Members with details of the forecast outturn position in delivering these savings.

The report particularly comments on the exceptions to successful delivery which have been rated RED or AMBER.

Members are recommended to consider:

- a) the total projected shortfall of £5.695m in 2018-19, which amounts to 19% of total savings;
- b) the budgeted value of 2018-19 savings projects rated as RED of £3.542m, of which £1.057m are forecast to be delivered;
- c) the budgeted value of 2018-19 savings projects rated as AMBER of £12.145m, of which £8.715m are forecast to be delivered;
- d) the budgeted value of GREEN and BLUE rated projects of £14.312m, where we are forecasting to deliver £14.532m.
- e) the forecast changes to assumptions and rescheduling of savings totalling £4.200m in 2019-20, £3.000m in 2020-21 and £2.500m in 2021-22, which have been reflected in budget planning.

1. Savings overview

1.1. The County Council, as part of setting its budget for 2018-19, agreed net savings of £29.999m. A summary of the total savings, including the savings identified for subsequent years of the Medium Term Financial Strategy agreed

as part of the 2018-19 budget process, is provided in this report. Full details of savings can be found in the [2018-19 Budget Book](#).¹

2. RAG ratings

2.1. The definition of RAG rating levels used during the year is set out in the table below.

Table 1: RAG ratings

Level	Descriptor
Red	Significant concern that the saving may not be delivered, or there may be a large variance in the saving (50% and above).
Amber	Some concern that the saving may not be delivered or there may be a variance in the saving (up to 50%).
Green	Confident that the saving will be delivered (100% forecast).
Blue	Saving already delivered and reversal of previous year savings.

2.2. The information in this report is informed by monitoring reports to Service Committees. The decision to rate a project as RED is based on the criteria shown above, which ensures that a common standard across all Service Committees is maintained in the monitoring for Policy and Resources.

2.3. As at Period 5 monitoring, the RAG status and forecast savings delivery is anticipated as shown in the table.

Table 2: 2018-19 savings by RAG status

RAG Status	Budgeted value of savings 2018-19	Percentage of total savings value	Previous forecast savings 2018-19 (Period 4)	Savings Outturn Forecast 2018-19 (Period 5)	Change in savings position	Savings shortfall 2018-19
	(a)	(b)	(c)	(d)	(c)-(d)	(a)-(d)
	£m	%	£m	£m	£m	£m
Red	-3.542	12%	-0.214	-1.057	0.843	-2.485
Amber	-12.145	40%	-9.989	-8.715	-1.274	-3.430
Green / Blue	-14.312	48%	-14.532	-14.532	0.000	0.220
Total	-29.999	100%	-24.735	-24.304	-0.431	-5.695

2.4. Four savings projects have been rated as RED, representing a budgeted total savings value of £3.542m. £1.057m of these savings are forecast to be

¹ <https://www.norfolk.gov.uk/-/media/norfolk/downloads/what-we-do-and-how-we-work/budget-and-council-tax/budget-book-2018-22.pdf?la=en>

delivered as set out in Table 2. This represents a shortfall of £2.485m (8.3% of total budgeted savings), which relates to RED rated projects.

2.5. Three savings projects have been rated as AMBER, representing a budgeted total savings value of £12.145m. £8.715m of these savings are forecast to be delivered. This represents a shortfall of £3.430m (11.4% of total budgeted savings), which relates to AMBER rated projects.

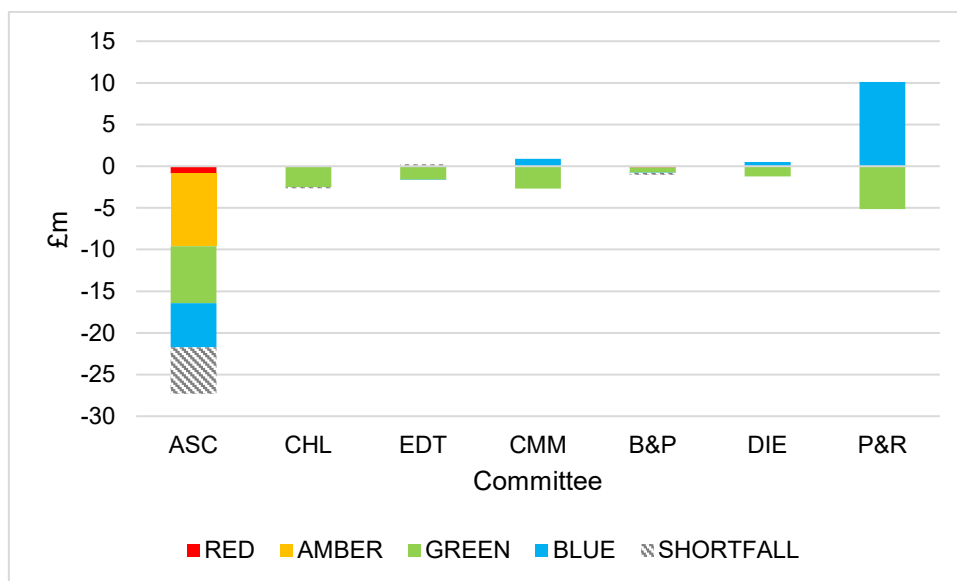
2.6. One saving rated as GREEN is forecast to be overachieved by £0.220m in 2018-19.

2.7. This results in a **total shortfall of £5.695m** forecast at year end.

Table 3: Committee analysis of 2018-19 savings forecast and RAG status

RAG status	Adults	Children's Services	EDT	Communities	Business and Property	Digital Innovation and Efficiency	Policy and Resources	Total
	£m	£m	£m	£m	£m	£m	£m	£m
Red	-0.893	0.000	0.000	0.000	-0.164	0.000	0.000	-1.057
Amber	-8.715	0.000	0.000	0.000	0.000	0.000	0.000	-8.715
Green / Blue	-12.145	-2.499	-1.660	-1.803	-0.651	-0.726	4.952	-14.532
Total	-21.753	-2.499	-1.660	-1.803	-0.815	-0.726	4.952	-24.304
Savings (shortfall) / over delivery	-5.537	-0.142	0.220	0.000	-0.236	0.000	0.000	-5.695
Total	-27.290	-2.641	-1.440	-1.803	-1.051	-0.726	4.952	-29.999

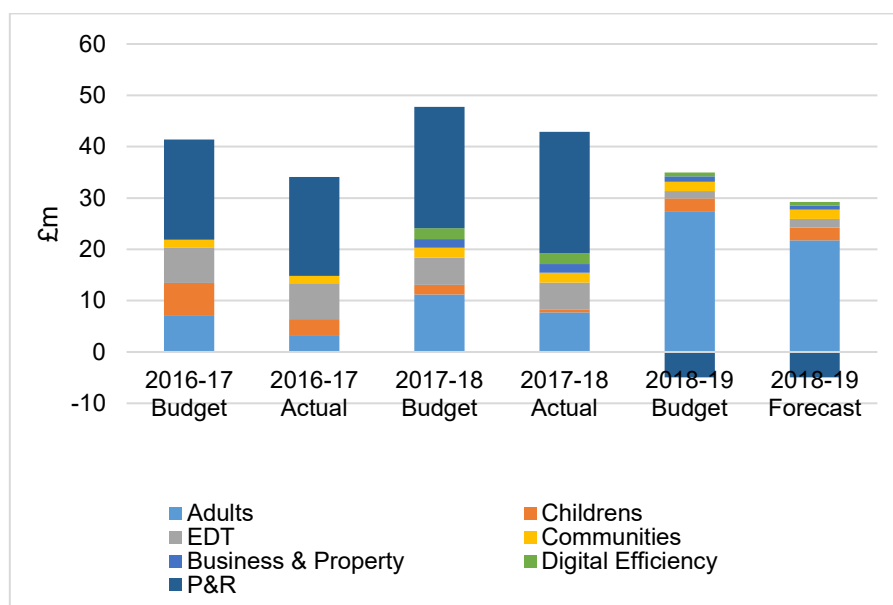
Figure 1: Committee analysis of 2018-19 savings forecast and RAG status



3. Delivery of savings

3.1. The graph below shows the delivery of savings against budget by Committee, with comparative data for 2016-17 and 2017-18.

Figure 2: Savings targets and actual / forecast delivery by Committee



3.2. The 2018-19 budget monitoring report elsewhere on this agenda sets out details of the forecast overall outturn position for the year. Actions may be required during the year within Service budgets to find offsetting savings to

mitigate any delay to the achievement of savings in this report. The non-delivery of savings in previous years, and a detailed review of the deliverability of planned savings, was taken into account during the preparation of the 2018-19 Budget, with the result that a number of savings were removed or delayed at budget-setting as shown in the 2018-19 Budget report to County Council. There remains a need for both Service Committees and Executive Directors to maintain the focus on the effective delivery of both the previous years' agreed savings and future planned savings in order to minimise risks to the Council's overall financial position and support the delivery of the 2018-19 Budget.

3.3. Wider actions that are being taken within each Committee to deliver savings will be reported to Policy and Resources Committee through the year.

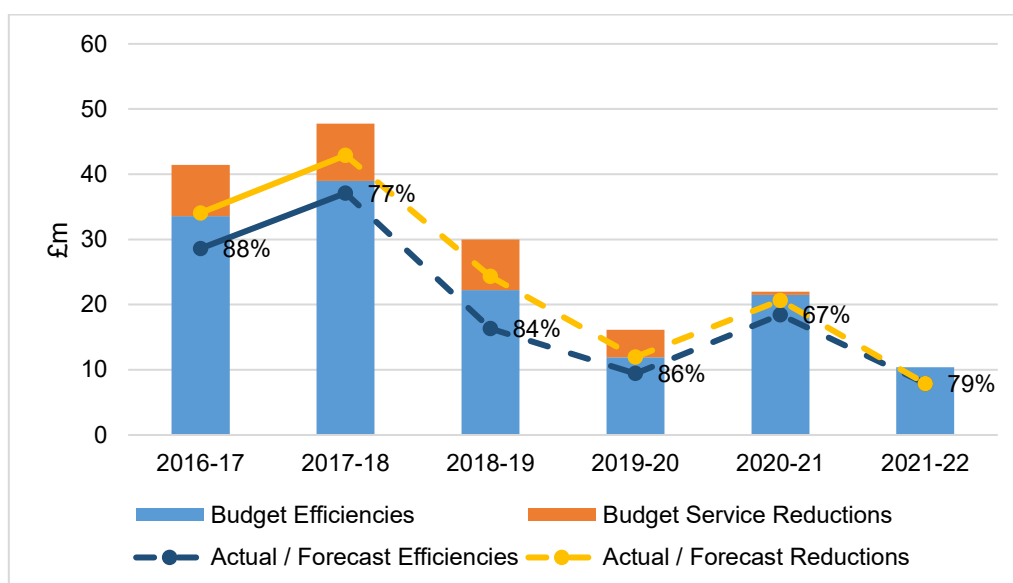
3.4. Planned savings for 2018-19 have been analysed to provide the split between back office savings and those with an impact on front line services as shown in the table below.

Table 4: Forecast delivery of savings by type

	2018-19	2019-20	2020-21	2021-22	2018-22 Total
	£m	£m	£m	£m	£m
Efficiency savings and increasing income	-6.259	-0.722	-8.473	-7.900	-23.354
Efficiency savings – providing statutory services differently	-10.059	-8.700	-10.000	0.000	-28.759
Reducing service standards and ceasing services	-7.986	-2.535	-2.200	0.000	-12.721
Forecast savings delivery	-24.304	-11.957	-20.673	-7.900	-64.834
(Shortfall) / over delivery	-5.695	-4.200	-1.300	-2.500	-13.695
Total planned savings	-29.999	-16.157	-21.973	-10.400	-78.529

3.5. The graph shows the share of savings delivered from support services compared to the front line, with comparative information since 2015-16. In 2018-19, 74% of savings are budgeted to be achieved through efficiencies.

Figure 3: Savings – support services compared to front line



4. Commentary on savings rated RED

4.1. Four savings have been rated as RED in respect of 2018-19, representing a savings shortfall of £2.485m within RED rated projects. Commentary on the RED rated savings is provided below.

Adults

- Saving ASC008 Promoting Independence – Housing with Care – shortfall **£0.450m**: The department is currently developing a robust business case and revenue model as part of the work of its newly formed Older People Housing Board. Through work between internal officers, consultants and external partners, such as the district and borough councils, we will look to develop a number of new units within Norfolk. This will provide older people in Norfolk a more independent alternative to residential care. The variance in savings delivery is the direct result of the time it takes to develop and build these new units.
- Saving ASC013 Radical review of daycare services – shortfall **£1.657m**: As part of the LD strategy, the department will have a revised Day Services offer for people with a Learning Disability. The focus will be on community participation, targeted support (with a skills and employment focus) and locality hubs for those with complex needs. To begin this transformation five providers will begin pilots lasting for the next 12 months to reshape the offer. The variance in savings delivery is the direct result of the time it takes to evolve these services and support and enable existing people accessing the services.

Children's

- Saving CHL042 Reduction in legal expenses – shortfall £0.142m: Forecast overspend on the budget due to high level of tribunal cases and other proceedings. It is expected the pressure can be reduced by increased focus on managing this spending area. This will include ensuring legal resource is not used for elements of case preparation that can be carried out more efficiently by other teams.

Business and Property

- Saving P&R027 Property savings – shortfall £0.236m: Progress has been made against the delivery of the savings targets for 2018–19 with planned exits from a number of key buildings including Vantage House. However, a more detailed assessment is being undertaken of the obligations and opportunities within the current budget and the outcome will be reported at a later Committee meeting.

5. Commentary on savings rated AMBER

- 5.1. Three savings have been rated as AMBER in respect of 2018-19, representing a savings shortfall of £3.430m within AMBER rated projects. Commentary on the AMBER rated savings is provided below.

Adults

- Saving ASC006/ASC011/ASC015 Promoting Independence for Younger Adults – shortfall £2.727m: The department has a structured programme of work to focus on our service offer for people with a Learning Disability (LD), which is held to account by an LD Steering Group and LD Partnership Board. This underpins the work required to implement the LD Strategy. The variance in savings delivery is the direct result of the time it takes to support and promote a person's independence when they have previously been receiving a different type or level of care services. Many of the people who access our services, may well have been in receipt of these services for a significant period. With people who are currently not receiving adult services, but may be supported by Children's or Education services, we are working with our colleagues in Children's services to develop a new Preparing for Adult Life service.
- Saving ASC006/ASC011/ASC015 Promoting Independence for Older Adults – shortfall £0.566m: The department is reformulating its social work offer, starting with its Community Care teams, by implementing a roll-out of the Living Well: 3 Conversations model of social work. The initial Community Innovation sites have seen promising results in terms of outcomes for people and delaying the need for formal care. The variance

in savings delivery is the direct result of the time it takes to fully imbed this model and begin to realise the full benefits of the new ways of working.

- Saving ASC034 Prevent carer breakdown by better targeted respite – shortfall £0.137m: Whilst we continue to review and enhance our support towards Carers, including the development of a Carers charter, we have presently been unable to recruit to a new key operational carers post that will be the lead in the development of our social care practice. The arrangements for driving forward this area of change are being considered as a result of the recruitment slippage, including a review of the grading for this post by HR Reward. The commissioned support provided by Carers Matters for unpaid carers are working in a preventative model with carers that promotes independence and ensures early support and advice for carers. Workshops with unpaid carers have been held in three sessions across the county as part of the work underway to shape the respite offer for unpaid carers going forward.

6. Commentary on overachieved savings

6.1. One saving is currently forecast to overachieve by £0.220m in 2018-19.

Saving EDT055 Change the construction and demolition waste concession at all recycling centres – overachievement of £0.220m: As part of setting the 2018-19 budget for the Recycling Centre service we expected to be able to deliver a £0.280m saving by changing the charges for DIY construction and demolition waste (and potentially more, once in operation and we could fully assess the impact). Based on the current information available we expect the reduction to be in the region of £0.500m. This overachieved saving is anticipated to be required to mitigate spending pressures in other areas of CES budgets in 2018-19.

7. 2019-20 to 2021-22 savings

7.1. Budget setting in 2018-19 saw the approval of £16.157m savings for 2019-20, £21.973m for 2020-21 and £10.400m savings for 2021-22. The assumptions relating to these are being reviewed as part of the 2019-20 budget process with the result that budget planning work has identified gross risks totalling **£4.200m for 2019-20, £3.000m for 2020-21 and £2.500m for 2021-22** as set out in the Strategic and Financial Planning report elsewhere on this agenda.

The following savings are therefore subject to changed assumptions and rescheduling, which is reflected in budget planning as set out in the Strategic and Financial Planning report elsewhere on the agenda.

- Property savings (£1.500m 2019-20, £1.000m 2020-21, £0.500m 2021-22) – **shortfall** in future year Property savings and income targets. A

detailed assessment is being undertaken of the obligations and opportunities within current budget plans. The outcome will be reported to a future Committee meeting.

- CHL041 (£1.700m 2019-20) – **delay** to part of the £3.000m saving from remodelling the Children’s Centre offer to 2020-21.
- CHL044 (£1.000m 2019-20, £2.000m 2020-21, £2.000m 2021-22) – **consolidation** of Looked After Children savings. Children’s Services LAC savings have been reviewed in budget planning for 2019-20, with these LAC savings now to be fully delivered through the Norfolk Futures Safer Children and Resilient Families Programme.

8. Summary

8.1. The forecast outturn savings position for planned savings shows shortfalls of £5.537m in Adult Social Care, £0.142m in Children’s Services and £0.236m in Business and Property. This is partially offset by the over delivery of £0.220m in Environment, Development and Transport. Service Committees continuing to maintain a strong focus on the delivery of savings will be critical to supporting the achievement of the Council’s budget plans for future years.

Background Papers

Budget Book 2018-19 <https://www.norfolk.gov.uk/-/media/norfolk/downloads/what-we-do-and-how-we-work/budget-and-council-tax/budget-book-2018-22.pdf?la=en>

Norfolk County Council Revenue and Capital Budget 2018-22 (Item 4, County Council 12 February 2018)

<http://norfolkcc.cmis.uk.com/norfolkcc/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/592/Committee/2/SelectedTab/Documents/Default.aspx>

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APPENDIX 1

Planned savings 2018-22 and 2018-19 forecast

Ref	Description	2018-19	2019-20	2020-21	2021-22	2018-19 Forecast
		£m	£m	£m	£m	£m
COM040/ ASC003	Transport savings including reducing provision and reducing any subsidy paid by the Council	-0.700	-1.000			-0.700
ASC006 /ASC011 /ASC015	Promoting Independence for Younger Adults - Customer Pathway	-5.630	-5.307	-5.000		-3.370
ASC006 /ASC011 /ASC015	Promoting Independence for Older Adults - Customer Pathway	-1.632	-3.393	-5.000		-1.434
ASC006 /ASC011 /ASC015	Promoting Independence for Younger Adults - Customer Pathway - savings required from reversal of one-off funding in 2017-18	-1.164				-0.697
ASC006 /ASC011 /ASC015	Promoting Independence for Older Adults - Customer Pathway - savings required from reversal of one-off funding in 2017-18	-3.033				-2.665
ASC007	Promoting Independence - Reablement	-0.500				-0.500
ASC008	Promoting Independence - Housing with Care	-0.500	-0.500			-0.050
ASC009	Promoting Independence - Integrated Community Equipment Service	-0.250				-0.250
ASC013	Radical review of daycare services	-2.500				-0.843
ASC016- 019	Building resilient lives: reshaping our work with people of all ages requiring housing related support to keep them independent	-3.400				-3.400
ASC020	Remodel contracts for support to mental health recovery	-0.275				-0.275
ASC029	Align charging policy to more closely reflect actual disability related expenditure incurred by service users	-0.230				-0.230
ASC032	Review charging policy to align to actual disability related expenses	-0.400				-0.400

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Ref	Description	2018-19	2019-20	2020-21	2021-22	2018-19 Forecast
		£m	£m	£m	£m	£m
ASC033	Accommodation based reablement	-0.550				-0.550
ASC034	Prevent carer breakdown by better targeted respite	-0.686				-0.549
ASC035	Investment and development of Assistive Technology approaches		-0.300	-0.500	-0.700	0.000
ASC036	Maximising potential through digital solutions	-0.049	-0.951	-2.000	-3.000	-0.049
ASC037	Strengthened contract management function	-0.300	-0.300	-0.200	-0.200	-0.300
ASC038	Procurement of current capacity through NorseCare at market value		-0.600	-1.000		0.000
ASC039	Capitalisation of equipment spend	-2.300				-2.300
ASC040	Reduction in funding for invest to save	-0.191				-0.191
ASC041	One-off underspends in 2017-18 to be used to part fund 2018-19 growth pressures on a one-off basis	-3.000	3.000			-3.000
Adults Total		-27.290	-9.351	-13.700	-3.900	-21.753
CHL013	Update our budget for retirement costs for teachers	-0.100				-0.100
CHL026	Keep all children's centres open and focus their work on supporting the families that need them most	-0.309				-0.309
CHL041	Remodel the children's centre service offer	-2.000	-3.000			-2.000
CHL042	Reduction in legal expenses	-0.142	-0.142			0.000
CHL043	Reduce the reliance on agency social workers through the improved permanent recruitment and retention		-0.200			0.000
CHL044	Reduced Looked After Children's costs through implementation of the Demand Management and Prevention Strategy transformation programme		-1.000	-2.000	-2.000	0.000
CHL045	Increased income received for Early Years training	-0.090				-0.090

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Ref	Description	2018-19	2019-20	2020-21	2021-22	2018-19 Forecast
		£m	£m	£m	£m	£m
Children's Total		-2.641	-4.342	-2.000	-2.000	-2.499
EDT027	Environment service - Redesign the environment service so that it operates at 75% of current budget and increases use of volunteers and interns	-0.200				-0.200
EDT028	Intelligent transport systems	-0.085				-0.085
EDT032	Waste Strategy - focussed on waste reduction and minimisation				-1.850	0.000
EDT040	Waste – efficiency savings through robust management of costs through open-book accounting	0.030				0.030
EDT045	One off saving - Further capitalisation of highways maintenance activities in 2016-17	1.500				1.500
EDT049	Succession of milder winters justifies a reduction in the winter maintenance budget	-0.400				-0.400
EDT050	Improved management of on-street car parking		-0.150	-0.350		0.000
EDT051	Re-profiling the public transport budget	-0.250				-0.250
EDT054	Reducing spend on non-safety critical highway maintenance	-0.200				-0.200
EDT055	Change the construction and demolition waste concession at all recycling centres	-0.280				-0.500
EDT056	Reduce waste reduction activity	-0.150				-0.150
EDT057	Further roll-out of street lighting LEDs	-0.160	-0.160			-0.160
EDT059	Changing back office processes and efficiency	-0.085				-0.085
EDT060	Capitalisation of activities to release a revenue saving	-1.065				-1.065
CMM049	Vacancy management and streamlined management arrangements – museums and historic environment	-0.095				-0.095
Environment, Development and Transport Total		-1.440	-0.310	-0.350	-1.850	-1.660

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Ref	Description	2018-19	2019-20	2020-21	2021-22	2018-19 Forecast
		£m	£m	£m	£m	£m
CMM022	Libraries and Information Service - re-model of service and income generation	-0.387	-0.235			-0.387
CMM023	Fire and Rescue Service - sharing headquarters and control room at Police HQ and capitalisation of activities to release a revenue saving	-0.490				-0.490
CMM036	Registration Service income generation - develop business opportunities within the service to generate additional income.	-0.080				-0.080
CMM039	One-off saving through re-setting budgets for leased equipment	0.090				0.090
CMM040	Capitalisation of library books 16-17	1.000				1.000
CMM042	Providing a joined up Library and Children's Centre Services			-0.500		0.000
CMM043	Income generation – Norfolk Museums Service	-0.070		-0.400		-0.070
CMM044	Income generation – Norfolk Records Office	-0.030				-0.030
CMM045	Income generation – Norfolk Community Learning Services			-0.125		0.000
CMM046	Income generation – Library and Information Service		-0.020	-0.111		0.000
CMM047	Registrars Service – external income	-0.120	-0.100	-0.150		-0.120
CMM048	Changing back office processes and efficiency	-0.043				-0.043
CMM049	Vacancy management and streamlined management arrangements – museums and historic environment	-0.025				-0.025
CMM050	Vacancy management – customer services	-0.120	-0.030			-0.120
CMM051	Norfolk Community Learning Services – remodelling the staff structure, including staffing reduction	-0.150	-0.050			-0.150
CMM052	Capitalisation of activities to release a revenue saving	-0.030				-0.030

APPENDIX 1

Ref	Description	2018-19	2019-20	2020-21	2021-22	2018-19 Forecast
		£m	£m	£m	£m	£m
CMM053	Reduction in Healthwatch grant	-0.189				-0.189
EDT058	Vacancy management and streamlined management arrangements	-0.159				-0.159
CMM054	Using Public Health Grant funding to support the delivery of Public Health activity throughout the Authority	-1.000		-1.500	-1.500	-1.000
Communities Total		-1.803	-0.435	-2.786	-1.500	-1.803
EDT020	Economic development match funding - Cease providing match funding to Hethel Innovation for European funding bids and seek alternative match funding opportunities.	-0.051				-0.051
P&R027 /P&R058 /P&R060	Property savings 2017-20 Budget	-0.400	-1.000	-0.650	-0.650	-0.164
B&P001	Property – return from property development company – Repton Property Developments Ltd		-0.500	-1.000	-0.500	0.000
B&P002	Property – further centralisation of existing property budgets	-0.400	-0.400	-0.400		-0.400
B&P003	Property – seeking opportunities to reduce fees paid to NPS	-0.100	-0.100			-0.100
B&P004	Property – reducing facilities management costs	-0.075	-0.075			-0.075
B&P005	Economic Development - Closer/joint working with New Anglia Local Enterprise Partnership	-0.025				-0.025
Business and Property Total		-1.051	-2.075	-2.050	-1.150	-0.815
EDT048	Use of Better Broadband Reserves	0.500				0.500
P&R050/ P&R062/ P&R063/ P&R064	2017-20 budget round savings relating to IMT (Finance and Commercial Services)	-1.226				-1.226
P&R082	Release ICT lease budget no longer required		-0.059			0.000

APPENDIX 1

Ref	Description	2018-19	2019-20	2020-21	2021-22	2018-19 Forecast
		£m	£m	£m	£m	£m
DIE001	IMT – various savings within IMT including: · Exit from the HPE contract · Restructuring and headcount reduction (management and technical support costs) · Income generation, particularly services for schools		-0.941	-0.700		0.000
Digital Innovation and Efficiency Total		-0.726	-1.000	-0.700	0.000	-0.726
P&R050 /P&R062 /P&R063 /P&R064	2017-20 budget round savings relating to Procurement (FCS)	-0.063				-0.063
P&R051	Raising revenue by an increased ESPO dividend	-0.100				-0.100
P&R052	Cutting costs through efficiencies: work across Teams to deliver reductions in cost and headcount over two years	-0.500				-0.500
P&R066	Second Homes income	-0.722				-0.722
P&R076	Insurance Fund contribution	1.350				1.350
P&R077	Implementation of Minimum Revenue Provision policy	0.136	0.290			0.136
P&R078	Remove use of capital receipts in 17-18 to fund MRP	4.000				4.000
P&R081	Remove one-off use of reserves to be identified in June 2017	5.813				5.813
P&R083	Nplaw services - external income	-0.100	-0.100	-0.150		-0.100
P&R084	Internal Audit - income generation	-0.010				-0.010
P&R085	Finance service - income generation	-0.050				-0.050
P&R086	Coroners relocation to County Hall		-0.042	-0.050		0.000
P&R087	Reduce the budget for the Equality and Diversity Team which is spent on supporting community events	-0.025				-0.025
P&R088	Coroners mortuary facilities	-0.025	-0.025			-0.025
P&R090	Finance Exchequer Services savings	-0.300	-0.060			-0.300

APPENDIX 1

Ref	Description	2018-19	2019-20	2020-21	2021-22	2018-19 Forecast
		£m	£m	£m	£m	£m
P&R091	Procurement - capitalisation	-0.050				-0.050
P&R092	Finance service - vacancy review	-0.100				-0.100
P&R093	Use of general capital receipts in 18-19 to fund MRP	-2.000	2.000			-2.000
P&R094	Use of airport deferred capital receipts in 18-19 to fund MRP	-0.840	0.840			-0.840
P&R095	Second homes council tax		-0.722			0.000
P&R096	Increased ESPO dividend	-0.200				-0.200
P&R098	Increased NORSE dividend	-0.250	-0.750			-0.250
P&R099	Managing Director's Department savings to be identified including use of one-off reserves in 2018-19	-0.574	-0.075	-0.187		-0.574
P&R100	Second Homes NIF	-0.438				-0.438
Policy and Resources Total		4.952	1.356	-0.387	0.000	4.952
Norfolk County Council Total		-29.999	-16.157	-21.973	-10.400	-24.304

Policy and Resources Committee

Item No 12

Report title:	Strategic and Financial Planning 2019-20 to 2021-22
Date of meeting:	29 October 2018
Responsible Chief Officer:	Executive Director of Finance and Commercial Services – Simon George Strategy Director – Fiona McDiarmid
Strategic impact The Council has a robust and well-established framework for strategic and financial planning which updates the Medium Term Financial Strategy (MTFS) position throughout the year to provide Members with the latest available financial forecasts to inform wider budget setting work across the organisation. This report forms part of that process. For 2019-20, the budget planning process is closely aligned with the Council's Strategy, Norfolk Futures. The report also sets out the latest information about the Council's overall budget planning position, including the forecast budget gap for 2019-20 to 2021-22, in support of the development of a robust, balanced budget for 2019-20.	

Executive summary

This report forms part of the strategic and financial planning framework for the Council. It provides Policy and Resources Committee with:

- an overview of the link between the Council Strategy, the Norfolk Futures transformation programme, and the development of transformation and savings plans;
- an update on Service Committees' detailed planning which has identified budget pressures and specific proposals for savings to support the Council's budget process for 2019-20;
- details of the specific proposals in respect of the budgets which are Policy and Resources Committee's direct responsibility; and
- an overview of the proposed consultation process in respect of the 2019-20 Budget.

Policy and Resources Committee is recommended to:

- 1) Note the content of this report and the continuing progress of change and transformation of the County Council strategy and Norfolk Futures;**
- 2) Note the Council's latest budget assumptions and pressures, and the resulting revised forecast budget gap of £45.980m, which has been updated by Policy and Resources Committee to reflect the latest available information and following Service Committee input in October (paragraph 3.4 and table 1);**
- 3) Consider and identify any further key areas of risk in relation to 2019-22 planning for the Council's budget, including any additional pressures and the robustness**

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of existing planned savings as set out in table 3, noting that any changes may impact on the overall budget gap and will require additional offsetting savings to be found;

- 4) Note the responsibilities of the Executive Director of Finance and Commercial Services under section 114 of the Local Government Finance Act 1988 and section 25 of the Local Government Act 2003 to comment on the robustness of budget estimates as set out in paragraph 3.13;
- 5) Approve the proposed savings relating to Policy and Resources Committee's own budgets to be included in budget planning totalling £3.505m for the 2019-20 to 2021-22 budget round as set out in table 4 and paragraph 5.2, and agree that none of these savings are considered to require consultation as set out in paragraph 5.14;
- 6) Consider the new 2019-20 to 2021-22 savings that have been recommended by Service Committees as detailed in table 4 and their contribution to the overall budget position;
- 7) Note the resulting level of savings assumed to be delivered in 2019-20 to 2021-22 based on the planned changes to assumptions and rescheduling of savings and the new savings proposed as set out in table 5;
- 8) Agree that public consultation on budget proposals, including the level of council tax for 2019-20, be initiated for those savings which require it as set out in paragraphs 5.4 to 5.14;
- 9) Note the budget planning timetable (section 6).

1. Introduction

- 1.1. The County Council agreed the 2018-19 Budget and Medium Term Financial Strategy (MTFS) to 2022 at its meeting 12 February 2018, at the same time as it agreed a new Strategy for the County Council, Norfolk Futures. In July 2018, Policy and Resources Committee considered how the 2019-20 budget planning process would be aligned with the Council's Strategy, Norfolk Futures. The Committee agreed budget assumptions, risks, budget planning principles and guidance for 2019-20, and commissioned Service Committees to develop savings proposals.
- 1.2. In September, Service Committees therefore began their detailed budget planning by discussing both their approach to savings development and any key risks for the Council's budget process. Following this, Policy and Resources Committee met on 24 September 2018 to consider the latest budget planning information. The Committee considered:
 - the Service Committee budget setting issues and pressures identified, and the implications for the Council's 2019-20 Budget;
 - the latest budget planning position and associated council tax assumptions, including the assumption that future year budget planning should be based on an increase in council tax of 1.99% in 2021-22 (subject to agreement by Full Council in the relevant year);

- the approach to developing savings for the Committee's own budget and any associated areas of budget risk and pressures; and
 - supporting information regarding national policy and other activities which could have a bearing on the Council's budget.
- 1.3. This report builds on the position reported to Service Committees in October and represents the next stage of the Council's budget planning process. Informed by the latest forecast position, Service Committees have now considered and recommended to Policy and Resources Committee their detailed savings proposals for 2019-20 and subsequent years. These are set out in this report in the context of the overall financial position to enable the Committee to take a whole Council view of the budget and the need for consultation.

2. County Council Strategy and Norfolk Futures

- 2.1. Caring for our County, the vision for Norfolk, was approved by members in February 2018 and outlines the Council's commitment to playing a leading role in:
- Building communities we can be proud of
 - Installing infrastructure first
 - Building new homes to help young people get on the housing ladder
 - Developing the skills of our people through training and apprenticeships
 - Nurturing our growing digital economy
 - Making the most of our heritage, culture and environment
- 2.2. The Council's Strategy for 2018-2021 – **Norfolk Futures** – will provide the mechanism to enable these ambitions for the County across all of its activities.
- 2.3. Norfolk Futures will deliver these transformation commitments in a context where demand for our services is driven both by demographics and social trends, and where increasingly complex and more expensive forms of provision are becoming prevalent.
- 2.4. Norfolk Futures is guided by four core principles that will frame the transformation we will lead across all our work:
- Offering our help early to **prevent and reduce** demand for specialist services
 - **Joining up** work so that similar activities and services are easily accessible, **done once** and **done well**
 - Being **business-like** and making best use of **digital technology** to ensure value for money, and
 - Using evidence and data to **target our work** where it can make the most difference.
- 2.5. These principles frame the transformation that we must lead across all our services and activities. Under the banner of Norfolk Futures we will deliver sustainable and affordable services for the people who need them most. The whole Council needs to change to keep up with increasing demands and ever better ways of working.
- 2.6. By 2021 the strategy and underpinning Service Plans will have moved the Council towards a more sustainable future with affordable, effective services. This means that we will have radically changed the ways we do some things. We will know our

citizens and manage their needs effectively using the best evidence to enable the most appropriate outcomes. We will be working jointly across the Council on our biggest challenges by default, and changing the way we work to reflect new technology and ways of working. This will enable us to work smarter, better and plan long term, to be the Council the county needs.

- 2.7. Service committees have oversight of individual Norfolk Futures priorities, and will already have received detailed progress reports. This report provides an overview of the significant areas of activity which move the transformation programme forwards and demonstrate how the transformation principles are informing the work undertaken.
- 2.8. Within Children's Services, the transformation programme aims to reduce the number of children becoming looked after and requiring specialist provision. It is driving forward projects within four broad themes:
- Prevention and early intervention
 - Effective social work
 - Edge of care support and alternatives to care
 - Children with special educational needs
- 2.9. As a result of targeted work, Children's Services will be:
- Launching a new foster carer recruitment campaign in November 2018, targeting people who hold strong values that best suit our children in care. The service has analysed services and the views of staff and carers to understand the type of carer we need to recruit, so the campaign should result in more enquiries from potential foster carers, convert more enquiries to approvals and retain more foster carers.
 - Launching a new MASH/front door model which now gives a dedicated telephone number for professionals to call a named social worker. The new model is expected to reduce the volume of unnecessary referrals by up to 30% and ensure that our resources are deployed in appropriate ways.
 - Providing family therapy to make families more resilient and keep them together. This is being funded by a social impact bond meaning payments to the provider are linked to reducing the number of days in care for vulnerable children.
- 2.10. To ensure that interventions are cost effective, the service is making capital investments to create additional semi-independent placements for care leavers, and investing in a new enhanced fostering service to reduce our reliance on costly external agencies.
- 2.11. Similarly in Adult Social Care, the Promoting Independence strategy seeks to prevent, reduce and delay the need for social care. When we do intervene, we want to do so in a cost effective way making the best use of technology, and ensuring a range of provision is available when people need support. We already offer over 4000 pieces of equipment to nearly 2000 social care clients, ranging from telecare to home activity monitoring and mainstream technology such as ring video calls, Echo Dot and use of other smart applications. The enabling workstream around

Digital Norfolk is supporting Adult Social Care in developing and implementing further assistive technology solutions and applications.

2.12. As part of their transformation plans, Adult Social Care have been able to deliver the following:

- Supported by the enabling priority “Towards a housing strategy” the service has converted Netherwood Green (on the County Hall site) into homes for people with learning disabilities. Netherwood is a stepping stone to more independent living, so tenancies will be short term in the anticipation that people will build skills and confidence and move on to other types of accommodation.
- The same priority has enabled the launch of the “Living Well – Homes for Norfolk” housing programme to develop of 2,842 extra care units across the county, with the first building expected to open in late 2020, with savings realised when the building is up to capacity in May 2021.
- Test the Living Well approach (a strengths-based, person-centred way of providing social care) and the three conversations way of working across seven Innovation Sites. These have shown that the Living Well approach helps reduce holding lists, improves staff satisfaction and reduces the total financial commitment for the purchase of care when compared to teams who aren’t using the approach.
- Open 3 new accommodation-based reablement units in Cromer, Great Yarmouth and the west of the county this year. These units help people regain skills and confidence when they leave hospital.

2.13. In delivering their strategies and transformation, Adult Social Care and Children’s Services are working across the whole health and social care system, be it on the Sustainability Transformation Plan (STP) or through integrated commissioning arrangements. Services have been joining up with local community groups, the voluntary sector, carers and families to provide support to people. A number of strategic partnerships such as the Children’s and Young People’s Strategic Partnership, the Learning Disabilities Partnership Board, the Older People’s Strategic Partnership Board, contribute to the shape of modern services and ensure that the voice of the people who use our services is heard.

2.14. Other strands of the transformation programme largely enable and support Children’s Services and Adult Social Care. For example, the “Smarter Information and Advice” priority has delivered an enhanced offer for online information, the [Norfolk Community Directory](#), with the aim to provide information on community services such as money and legal advice, family support for health and wellbeing, enabling them to make decisions that improve their independence and well-being, and reducing their reliance on health and local authority services. This way, we can connect people with support and information which they can access where they most need it, in their local communities, and help them to make the best use of their existing networks

2.15. We have worked with all the district councils to enable GPs, nurses and other primary care professionals to use the Directory as a resource to refer people to a range of local services. Many of our customers now prefer to contact us on-line,

and the Directory will help free up our customer service agents to concentrate on more complex and difficult enquiries.

- 2.16. To support the Norfolk Futures principles of making the best use of our digital technology and joining up our work, we have future proofed the Directory so that it will be able to link to other systems in the future.
- 2.17. Finally, we are striving to increase the use of our online services and resources in our interactions with citizens, and with the recent improvement in content, navigation and search engine optimisation, enabled by the Digital Norfolk priority, we are improving both the number of online contacts and also the levels of satisfaction from our users.
- 2.18. The Policy and Resources Committee has oversight for the Local Service Strategy priority, which is progressing. A fuller report on this priority will be brought to Committee on 26 November 2018.
- 2.19. Details of savings proposals relevant to Policy and Resources Committee's budget resulting from this work are set out in table 4 and paragraph 5.2.

3. 2019-20 Budget Planning

- 3.1. The Medium Term Financial Strategy (MTFS) was agreed in February 2018 including £78.529m of savings and with a remaining gap of £94.696m. Full details of cost pressures assumed in the Council's MTFS are set out in the 2018-19 [Budget Book](#).¹ The September report to this committee provided an update to the MTFS following feedback from Service Committees and incorporating additional corporate pressures. These changes were partially mitigated through changes in funding assumptions (particularly in relation to council tax, the tax base and collection fund), and plans around the application of capital receipts in future years.
- 3.2. Taking these changes into account, the gap position in September indicated a reduced forecast gap of £45.322m for the period 2019-20 to 2021-22 based on an assumption that collectively Service Committees would be successful in identifying savings at the indicative level required for next year (as identified in the July Policy and Resources report), which would have resulted in a small gap of £0.609m remaining to be closed in 2019-20. This report provides details of further changes in the Council's budget planning and an update on progress towards identifying savings at the level required to close the budget gap for 2019-20.

2018-19 budget position

- 3.3. The latest information about the 2018-19 budget position is set out in the budget monitoring report elsewhere on the agenda. Budget planning for 2019-20 is based on the assumption that the 2018-19 Budget is fully delivered (i.e. that all savings are achieved as planned and there are no significant overspends). Further

¹ <https://www.norfolk.gov.uk/-/media/norfolk/downloads/what-we-do-and-how-we-work/budget-and-council-tax/budget-book-2018-22.pdf?la=en>

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pressures in the forecast 2019-20 Budget have been provided for as detailed later in this report.

Latest forecast budget gap 2019-20 to 2021-22

3.4. As at October, the Council's overall budget planning position indicates a forecast gap for the period 2019-20 to 2021-22 of £45.980m, with a gap of £6.369m remaining to be addressed for 2019-20. This is based on the position reported to Committee in September with the following further changes:

- removing the savings target figure for 2019-20 (£22.089m) and replacing it with the actual new savings proposals identified by Committees (£19.079m);
- Recognising additional pressures in Looked After Children and other areas of the budget;

3.5. The latest detailed gap position is set out in the table below:

Table 1: Latest forecast budget gap 2019-20 to 2021-22

	2019-20	2020-21	2021-22	Total
	£m	£m	£m	£m
Forecast gap as reported to 24 September 2018 Policy and Resources	0.609	27.899	16.814	45.322
Remove indicative 2019-20 savings target	22.089	0.000	0.000	22.089
Additional Pressures				
Further Children's Services LAC pressures	2.000	0.000	0.000	2.000
Other miscellaneous budget pressures	0.750	-0.750	0.000	0.000
Total new pressures	2.750	-0.750	0.000	2.000
<u>New saving proposals 2019-20 Budget</u>				
Adult Social Care	-8.543	-1.557	-1.800	-11.900
Children's Services	-4.180	0.216	0.000	-3.964
Environment, Development and Transport	-2.703	-0.415	0.000	-3.118
Communities	-0.468	-0.216	0.000	-0.684
Digital Innovation and Efficiency	-0.060	0.000	0.000	-0.060
Business and Property	-0.200	0.000	0.000	-0.200
Policy and Resources	-2.925	-0.580	0.000	-3.505
Total savings proposals	-19.079	-2.552	-1.800	-23.431
Latest forecast gap for planning purposes (29 October 2018 Policy and Resources)	6.369	24.597	15.014	45.980

National Context

3.6. Policy and Resources Committee will receive a further update on the overall gap position for the County Council in November. The budget position and the

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associated assumptions are kept under continuous review, and will be updated to reflect any changes arising from the Government's Autumn Budget (due to take place 29 October 2018), or further information about the Council's funding position as it becomes available up until budget-setting by County Council in February.

- 3.7. Recent statements by the Prime Minister² have indicated that "Austerity is being brought to an end. What is not being brought to an end is fiscal responsibility". At this point the implications of this announcement for the County Council are not clear, but there may be a potential impact on budget planning for future years. Based on previous Government announcements, it would appear unlikely that the certainty allocations of funding for 2019-20 will change, and as such it would not be prudent to adjust the budget strategy until there is clarity about what is proposed, and whether it will be sufficient to ease the considerable funding and demand pressures that the Council faces. In addition, the current position is that a gap remains to be closed after the proposed savings for next year, so at this stage there is no scope to reverse currently planned savings without an alternative to replace them. Changes in government policy and any accompanying further investment in public services may however have an impact on the level of savings needing to be found in later years, particularly if the assumed complete loss of Revenue Support Grant (RSG) in 2020-21 does not occur.
- 3.8. Announcements³ have also been made regarding an additional £240m nationally of funding for Adult Social Care in 2018-19. Norfolk County Council can expect to receive £4.179m⁴ of this funding, which is aimed at reducing delayed transfers of care and has been allocated to councils based on the adult social care relative needs formula. Officers are currently exploring how we will utilise this money and will report to Members in due course.
- 3.9. The Council has submitted (in conjunction with Norfolk Districts) an application to participate in a Business Rates Pilot in 2019-20. This is forecast to be worth £7.759m to Norfolk as a whole. The outcome of this application is expected to be confirmed alongside the provisional Local Government Finance Settlement (likely to be published in December).

Assumptions

- 3.10. In view of the budget gap and the difficulty in identifying future year savings, Policy and Resources Committee in September agreed to incorporate a planning assumption that council tax in 2021-22 be increased by 1.99%. The level of council tax is ultimately subject to agreement by Full Council each year, and there will be an opportunity to consider the required level of council tax in light of any future Government announcements relating to the Fair Funding Review and Comprehensive Spending Review.

Key budget risks 2019-20

- 3.11. Uncertainties remain about a number of items **which have not currently been reflected in the budget planning assumptions**, but which could potentially result

² <https://hansard.parliament.uk/commons/2018-10-10/debates/B8AD9927-6283-4CD8-A8CD-7B9BD987E8B4/OralAnswersToQuestions>

³ <https://www.gov.uk/government/news/240-million-social-care-investment-to-ease-nhs-winter-pressures>

⁴ <https://www.gov.uk/government/news/regional-allocation-of-adult-social-care-winter-funding>

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in an increase in the overall gap. As a result, additional pressures, which have not currently been provided for, may arise in 2019-20 relating to:

- Further pressures arising within Service Committee budgets including:
 - SEN High Needs pressures (Children's) The pressures within certain areas of Children's Services are not abating. Instead they are continuing to rise in line with national trends. Whilst officers are presenting that budget pressure to the Secretary of State for Education and using all our vehicles outside of the local authority to contribute to the national agenda on this funding gap, it is necessary the potential impact to the County Council is highlighted. In January, it will be possible to report the options available to address the gap in light of the response from the Secretary of State.
 - Pressures relating to the Health system (Adults)
- Increasing the level of the General Fund reserve; and
- Changes in the forecast 2018-19 level of savings delivery to allow for any further mitigation of existing planned savings.

3.12. The risks and assumptions relating to the 2019-20 Budget will continue to be monitored and updated as budget planning activity proceeds.

3.13. The Executive Director of Finance and Commercial Services is required by section 114 of the Local Government Finance Act 1988 to report to Members if it appears that the expenditure the authority proposes to incur in a financial year is likely to exceed the resources available to it to meet that expenditure. In addition, duties under section 25 of the Local Government Act 2003 establish a requirement to report on the robustness of the estimates made for the purposes of the calculation of the precept (and therefore in agreeing the County Council's budget). These duties therefore require a professional judgement to be made by the Executive Director of Finance and Commercial Services as the officer ultimately responsible for the authority's finances. As a result, the Executive Director takes a view of the robustness of the Council's budget across the whole period covered by the Medium Term Financial Strategy and this will be reported to Members as part of the budget setting process. In view of this duty, and the considerable uncertainty about funding levels after the end of the current settlement, the Council will need to make plans for substantial, sustainable savings in 2019-20 in order to establish a solid platform for the development of a robust budget in future years.

4. Savings allocation

4.1. The following table sets out indicative savings that were identified as being required to close the forecast gap by Committee which were agreed by Policy and Resources Committee and reported to Service Committees in September. As set out above, there may be an opportunity for the level of savings required in 2020-21 and 2021-22 to be reduced in future years subject to Government decisions.

Table 2: Indicative savings by Committee

	2019-20 £m	2020-21 £m	2021-22 £m	Total £m	Proposed share of new savings %
Adult Social Care	-9.626	-19.527	-9.745	-38.898	41%
Children's Services	-5.726	-12.064	-6.037	-23.827	25%
Environment, Development and Transport	-2.820	-5.988	-2.962	-11.770	12%
Communities	-1.647	-6.262	-3.115	-11.025	12%
Digital Innovation and Efficiency	-0.369	-0.736	-0.373	-1.477	2%
Business and Property	-0.154	-0.180	-0.045	-0.379	0%
Policy and Resources ⁵	-1.747	-3.697	-1.875	-7.319	8%
Total	-22.089	-48.454	-24.153	-94.696	

4.2. Existing savings in the Council's MTFs are shown by Committee in the table below. These are the savings agreed as part of the 2018-19 (and earlier) budget process, and will need to be delivered **in addition** to any new savings proposed to close the remaining budget gap.

Table 3: Planned net recurring savings 2018-19 to 2021-22

Committee	2018-19 Saving £m	2019-20 Saving £m	2020-21 Saving £m	2021-22 Saving £m	Total Saving £m
Adult Social Care	-27.290	-9.351	-13.700	-3.900	-54.241
Children's Services	-2.641	-4.342	-2.000	-2.000	-10.983
Environment, Development and Transport	-1.440	-0.310	-0.350	-1.850	-3.950
Communities	-1.803	-0.435	-2.786	-1.500	-6.524
Business and Property	-1.051	-2.075	-2.050	-1.150	-6.326
Digital Innovation and Efficiency	-0.726	-1.000	-0.700	0.000	-2.426
Policy and Resources ⁶	4.952	1.356	-0.387	0.000	5.921
Grand Total	-29.999	-16.157	-21.973	-10.400	-78.529

5. 2019-20 Budget proposals

5.1. The table below sets out full details of the savings proposals which have been developed through the 2019-20 Budget process and which have been discussed by Service Committees in October. Further details about the Service Committee

⁵ Including Finance General

⁶ The net savings position for Policy and Resources Committee reflects the reversal of a number of significant one-off savings from 2017-18, such as the use of the Insurance Fund and the use of Capital Receipts totalling £11.299m. The gross savings to be delivered by Policy and Resources Committee budgets in 2018-19 are £6.347m.

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proposals can be found in the individual Service Committee reports. Further details of the proposals relevant to this Committee's budgets are set out following the table.

Table 4: New 2019-20 Saving Proposals

C'tee	Saving Title (Proposal) Note: savings are shown as a negative figure	2019-20	2020-21	2021-22	Total	Risk Assessment
		£m	£m	£m	£m	RAG
ASC	Extending accommodation based reablement offer	-1.000	0.000	0.000	-1.000	Green
ASC	Extension of home based reablement offer	-2.000	0.000	0.000	-2.000	Green
ASC	Extra care housing programme	0.000	0.000	-0.200	-0.200	Green
ASC	Full year effect of invest to save increasing support for people to claim welfare benefits and reduce the number of people that do not make a contribution towards their care	-1.400	0.000	0.000	-1.400	Green
ASC	Revise the NCC charging policy for working age adults to apply the government's minimum income guarantee amounts	-1.000	-1.000	0.000	-2.000	Green
ASC	Budget review – reprofile commitments and inflation	-1.000	0.000	0.000	-1.000	Green
ASC	Reducing staff travel costs	-0.100	0.000	0.000	-0.100	Green
ASC	Shift to community and preventative work within health and social care system – demand and risk stratification	-1.000	-1.000	-1.000	-3.000	Red
ASC	Reduction in demand due to social prescribing	0.000	-0.600	-0.600	-1.200	Amber
ASC	Adjustment to payment timescale for direct payment to improve cashflow in line with audit recommendations	-1.000	1.000	0.000	0.000	Green
ASC	One off use of repairs and renewals reserves no longer required	-0.043	0.043	0.000	0.000	Green
ASC	Adults sub-total	-8.543	-1.557	-1.800	-11.900	
CHL	More effective and efficient commissioning of mental health assessments	-0.750	0.000	0.000	-0.750	Amber
CHL	Cost efficiencies delivered by strategic partnership and joint commissioning with Mental Health Services	-0.300	-0.200	0.000	-0.500	Amber
CHL	Move to best practice model of parenting assessments	-0.500	0.000	0.000	-0.500	Amber
CHL	Reverse CHL044 'Reduced Looked After Children's costs' and combine with Norfolk Futures Safer Children and Resilient Families Programme below	1.000	2.000	2.000	5.000	Green
CHL	Norfolk Futures Safer Children and Resilient Families Programme: Better outcomes for children and young people and reducing demand for services	-3.630	-1.584	-2.000	-7.214	Amber
CHL	Children's sub-total	-4.180	0.216	0.000	-3.964	

C'tee	Saving Title (Proposal) Note: savings are shown as a negative figure	2019-20	2020-21	2021-22	Total	Risk Assessment
		£m	£m	£m	£m	RAG
EDT	Capitalisation of activities to release a revenue saving	-1.559	0.000	0.000	-1.559	Green
EDT	Further roll-out of street lighting LEDs	-0.050	0.000	0.000	-0.050	Green
EDT	Changing back office processes and efficiency	-0.103	0.000	0.000	-0.103	Green
EDT	Vacancy management	-0.294	-0.025	0.000	-0.319	Green
EDT	Household Waste Recycling Centres – reuse shops	-0.054	-0.050	0.000	-0.104	Green
EDT	Review and management of contracts in Highways and Waste	-0.158	-0.079	0.000	-0.237	Amber
EDT	Highways Commercialisation	-0.080	-0.161	0.000	-0.241	Red
EDT	Re-model back office support structure	-0.180	0.000	0.000	-0.180	Red
EDT	Highways Services	0.000	-0.100	0.000	-0.100	Amber
EDT	Income Generation	-0.225	0.000	0.000	-0.225	Green
EDT	Environment, Development and Transport sub-total	-2.703	-0.415	0.000	-3.118	
CMM	Norfolk Record Office – reduction in search room opening hours	-0.075	0.000	0.000	-0.075	Amber
CMM	Reduction in Strategic Arts Development Fund	-0.015	-0.010	0.000	-0.025	Amber
CMM	Vacancy management – removal of vacant posts	-0.050	0.000	0.000	-0.050	Green
CMM	Restructure of teams – Millennium Library	-0.060	0.000	0.000	-0.060	Green
CMM	Library service back office efficiencies	-0.110	-0.010	0.000	-0.120	Amber
CMM	Increased income – Trading Standards and library service	-0.050	-0.070	0.000	-0.120	Amber
CMM	Review of contract inflation assumptions	-0.006	-0.006	0.000	-0.012	Green
CMM	Restructure of teams – various changes to team structures (reduction in overall numbers of posts)	-0.102	-0.120	0.000	-0.222	Amber
CMM	Communities sub-total	-0.468	-0.216	0.000	-0.684	
DIE	Reduce IMT admin and licence budgets	-0.060	0.000	0.000	-0.060	Green
DIE	Digital Innovation and Efficiency sub-total	-0.060	0.000	0.000	-0.060	
B&P	Economic Development – additional contribution from Scottow Enterprise Park	-0.200	0.000	0.000	-0.200	Green
B&P	Business and Property sub-total	-0.200	0.000	0.000	-0.200	
P&R	Increase income from Equality and Diversity team by charging other public sector bodies for work undertaken on their behalf.	-0.005	0.000	0.000	-0.005	Green
P&R	Saving resulting from a review of Norfolk Futures budgets, risks, and assumptions to achieve a saving without a direct impact on delivery of the transformation programme.	-0.500	0.500	0.000	0.000	Green

C'tee	Saving Title (Proposal) Note: savings are shown as a negative figure	2019-20	2020-21	2021-22	Total	Risk Assessment
		£m	£m	£m	£m	RAG
P&R	Democratic Services	-0.050	0.000	0.000	-0.050	Amber
P&R	Deliver a saving by paying part of the Council's employer pension contributions to the Norfolk Pension Fund in advance so that it can generate increased investment returns.	-1.000	-1.000	0.000	-2.000	Green
P&R	Further review of the Council's Minimum Revenue Provision requirements and the potential for this to be funded from capital receipts.	tbc	0.000	0.000	0.000	Amber
P&R	Review of investment assumptions and borrowing requirements to achieve a saving.	-1.000	0.000	0.000	-1.000	Green
P&R	Increased income from ESPO dividend	-0.120	-0.080	0.000	-0.200	Green
P&R	Local Assistance Scheme saving - efficiencies from improved purchasing	-0.250	0.000	0.000	-0.250	Green
P&R	Policy and Resources sub-total	-2.925	-0.580	0.000	-3.505	
	County Council total new savings	-19.079	-2.552	-1.800	-23.431	

5.2. Further details about the proposed Policy and Resources Committee savings are set out below.

- **Increase income from Equality and Diversity team by charging other public-sector bodies for work undertaken on their behalf. -£0.005m 2019-20**

The Council has a small equality and diversity team within the CES department. Last year, the team refocussed some activity to enable income generation by providing specialist advice and support to public sector bodies. This work has been successful, and it is proposed that this income generation target is increased. This work does not impact on the resource needed to ensure the County Council meets its responsibilities, and in addition to income generation there are other benefits from closer working with other public-sector bodies.

- **Saving resulting from a review of Norfolk Futures budgets, risks, and assumptions to achieve a saving without a direct impact on delivery of the transformation programme. -£0.500m 2019-20 (one off)**

Following a review of Norfolk Futures budget provision alongside the associated risks and assumptions, it will be possible to deliver a one-off saving in 2019-20 without a direct impact on delivery of the transformation programme.

- **Democratic Services -£0.050m 2019-20**

Saving resulting from a further staffing review in Democratic Services arising from Business Support review across the Managing Director's directorate.

- **Deliver a saving by paying part of the Council's employer pension contributions to the Norfolk Pension Fund in advance so that it can generate increased investment returns. -£1.000m 2019-20, -£1.000m 2020-21**

The Council has the option of pre-paying employer pension contributions to the LGPS (Norfolk Pension Fund) due for the 18 months to 31 March 2020 as a lump sum to realise a significant one-off saving. Currently these contributions are paid over monthly. If contributions are paid up front, they will be invested

for a longer period and are therefore assumed to generate additional investment returns in the funding model used by the pension fund actuary to calculate employer contributions due. The actual saving ultimately realised will be subject to the next actuarial valuation and the performance of the Pension Fund.

- **Further review of the Council's Minimum Revenue Provision requirements and the potential for this to be funded from capital receipts. £tbc**

Options for a further reduction in the budget to the minimum requirement and/or application of capital receipts are being investigated.

- **Review of investment assumptions and borrowing requirements to achieve a saving. -£1.000m 2019-20**

Savings which can be achieved from a further review of the Council's treasury management and borrowing strategy, which is anticipated to enable a reduction in the budget held for interest payable on loans.

- **Increased income from ESPO dividend -£0.120m 2019-20, -£0.080m 2020-21**

The Council is a member, along with five other local authorities, of ESPO. The Council has no control over the day to day operations of ESPO, but as a member of the consortium receives a dividend based on a formula including current and previous usage of ESPO contracts. The proposal reflects the Council's latest forecasts for the dividend.

- **Local Assistance Scheme saving – efficiencies from improved purchasing -£0.250m 2019-20**

The council administers a Local Assistance Scheme which provides discretionary help for vulnerable residents. The majority of awards are made in the form of vouchers for household goods or pre-paid cards. Improvements in our purchasing approach are expected to deliver a saving in the costs of delivering the scheme.

5.3. The table below provides a summary of the total savings to be delivered currently assumed within current budget planning based on the savings brought forward, changes to previously planned savings and the new proposals set out in table 4.

Table 5: Total net savings to be delivered 2019-20 to 2021-22

	2019-20	2020-21	2021-22	Total	Share
	£m	£m	£m	£m	%
Adult Social Care	-17.894	-15.257	-5.700	-38.851	49%
Children's Services	-6.822	-3.484	-2.000	-12.306	16%
Environment, Development and Transport	-3.013	-0.765	-1.850	-5.628	7%
Communities	-0.903	-3.002	-1.500	-5.405	7%
Digital Innovation and Efficiency	-1.060	-0.700	0.000	-1.760	2%
Business and Property	-0.775	-1.050	-0.650	-2.475	3%
Policy and Resources	-1.569	-10.967	0.000	-12.536	16%
Grand Total	-32.036	-35.225	-11.700	-78.961	

2019-20 Budget proposals requiring consultation

- 5.4. Our budget proposals for 2019-20 assume that council tax will increase overall by 2.99%. As in previous years we are inviting comments on this approach via our consultation hub on Citizen Space.
- 5.5. Where any of our individual budget saving proposals require consultation we will publish them on the Council's consultation hub, Citizen Space. We will make any consultation documents available in other formats on request, make extra effort to find out the views of people who may be affected and carry out impact assessments. Our consultation will take place between November and the end of the year. Consultation feedback on both individual budget proposals and council tax will be available for Committees in January.
- 5.6. We will promote opportunities for people to have their say on budget proposals and council tax – through the Your Norfolk residents' magazine, news releases, online publications and social media.
- 5.7. As part of the 2019-20 budget planning process, it is considered that consultation will be required prior to a decision on the following proposals:

5.8. **Adults**

Public consultation is required in relation to the proposal to "Revise the NCC charging policy for working age adults to apply the government's minimum income guarantee amounts". This will involve both the corporate budget consultation and stakeholder consultation. All service users will be contacted about the proposals in order to seek the opinions of people more likely to be directly affected.

5.9. **Children's**

It is considered that none of the proposals require public consultation. However, consultation with relevant partners and agencies will take place where necessary.

5.10. **Environment, Development and Transport**

It is considered that none of the proposals require public consultation.

For some of the other proposals, although public consultation is not required, officers will discuss the proposals with relevant stakeholders during the consultation period.

For those proposals with staffing implications, the associated staff consultations will be carried out prior to the January Committee meeting, where possible.

5.11. **Communities**

Public consultation is required in relation to the proposal for a reduction in search room opening hours at the to Norfolk Record Office.

For some of the other proposals, although public consultation is not required, officers will discuss the proposals with relevant stakeholders during the consultation period.

For those proposals with staffing implications, the associated staff consultations will be carried out prior to the January Committee meeting.

5.12. **Digital Innovation and Efficiency**

It is considered that none of the proposals require public consultation.

5.13. **Business and Property**

It is considered that none of the proposals require public consultation.

5.14. **Policy and Resources**

It is considered that none of the proposals require public consultation.

For the Local Assistance Scheme proposal, although public consultation is not required, officers will discuss the proposals with relevant stakeholder organisations during the consultation period.

6. Budget Timetable

6.1. The Council's overarching budget setting-timetable for 2019-20 was agreed by County Council in February as part of the 2018-19 Budget. The timetable is updated as further information becomes available (for example about the timing of Government announcements). The latest version of the timetable is set out below.

Table 6: Budget setting timetable 2019-20 to 2021-22

Activity/Milestone	Time frame
County Council agree recommendations for 2018-22 including that further plans to meet the shortfall for 2019-20 to 2021-22 are brought back to Members during 2018-19	12 February 2018
Spring Statement 2018 announced	13 March 2018
Consider implications of service and financial guidance and context, and review / develop service planning options for 2019-22	February – June 2018
Member review of the latest financial position on the financial planning for 2019-22	July 2018
Development of savings proposals 2019-22	June – September 2018
Member review of service and budget planning position including savings proposals	Committees in October 2018
Chancellor's Autumn Budget 2018	29 October 2018
Consultation on new planning proposals and council tax 2019-22	November to December 2018
Provisional Local Government Finance Settlement	TBC December 2018
Service reporting to Members of service and financial planning and consultation feedback	January 2019
Committees agree revenue budget and capital programme recommendations to Policy and Resources Committee	Mid-January 2019
Confirmation of District Council tax base and Business Rate forecasts	31 January 2019
Final Local Government Finance Settlement	TBC February 2019
Policy and Resources Committee agree revenue budget and capital programme recommendations to County Council	28 January 2019
County Council agree Medium Term Financial Strategy 2019-20 to 2021-22, revenue budget, capital programme and level of council tax for 2019-20	11 February 2019

7. Financial implications

- 7.1. Potentially significant financial implications for the Committee's Budget are discussed throughout this report. Any implications of the Autumn Budget and the three changes (Comprehensive Spending Review, Fair Funding Review and 75% Business Rates Retention) expected to be implemented in 2020-21 will be reflected as far as possible in the Council's 2019-20 budget planning, and these impacts will need to be refined as further information is made available by Government.
- 7.2. 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).
- 7.3. Risks relating to budget setting are also detailed in the Council's budget papers. There is a risk in relation to the Comprehensive Spending Review and the Fair Funding Review that a failure by the Government to provide adequate resources to fund local authorities could lead to a requirement for further service reductions, particularly where the Fair Funding Review results in a redistribution between authority types or geographical areas.

8. Issues, risks and innovation

- 8.1. Significant risks, assumptions, or implications have been set out throughout the report.
- 8.2. Equality issues were considered in the Equality Impact Assessment of 2018-19 budget proposals. Decisions about significant savings proposals with an impact on levels of service delivery will require public consultation. As in previous years, new 2019-22 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.

Background Papers

Norfolk County Council Vision and Strategy

<https://www.norfolk.gov.uk/what-we-do-and-how-we-work/policy-performance-and-partnerships/policies-and-strategies/corporate/council-vision-and-strategy>

Norfolk County Council Revenue and Capital Budget 2018-22 (Item 4, County Council 12 February 2018)

<http://norfolkcc.cmis.uk.com/norfolkcc/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/592/Committee/2/SelectedTab/Documents/Default.aspx>

Norfolk County Council Budget Book 2018-22

<https://www.norfolk.gov.uk/-/media/norfolk/downloads/what-we-do-and-how-we-work/budget-and-council-tax/budget-book-2018-22.pdf?la=en>

Strategic and Financial Planning 2019-20 to 2021-22 (Item 10, Policy and Resources Committee, 16 July 2018)

<http://norfolkcc.cmis.uk.com/norfolkcc/Meetings/tabid/128/ctl/ViewMeetingPublic/mid/496/Meeting/1419/Committee/21/SelectedTab/Documents/Default.aspx>

Strategic and Financial Planning 2019-20 to 2021-22 (Item 9, Policy and Resources Committee, 24 September 2018)

<http://norfolkcc.cmis.uk.com/norfolkcc/Meetings/tabid/128/ctl/ViewMeetingPublic/mid/496/Meeting/1420/Committee/21/SelectedTab/Documents/Default.aspx>

Strategic and Financial Planning reports to Committees in October 2018

<http://norfolkcc.cmis.uk.com/norfolkcc/Meetings.aspx>

Officer Contact

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

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Policy and Resources Committee

Item No 13a

Report title:	Corporately significant vital signs performance management report
Date of meeting:	29th October 2018
Responsible Chief Officer:	Strategy Director, Fiona McDiarmid
<p>Strategic impact</p> <p>Robust performance management is key to ensuring that the organisation works efficiently to develop and provide services that represent good value for money, deliver the Council's priorities, and improve outcomes for Norfolk people.</p>	
<p>Executive summary</p> <p>This paper presents the current performance information for corporately significant vital signs. This report covers a revised set of corporately significant vital signs which were agreed by the committee in March 2018.</p> <p>Vital signs provide measurements of operational processes (internal) and strategic outcomes (external). Poor performance represents a risk to the organisation in terms of our ability to meet legal responsibilities, maintain financial health and meet the needs of our citizens.</p> <p>The Corporately Significant Vital Signs are:</p> <ul style="list-style-type: none"> • Aligned to the four principles underpinning the Strategy • Meaningful • Measurable <p>Each vital sign has a target which has been set based on the performance required for us to work within a balanced budget and meet statutory requirements. Where the measure relates to the delivery of services benchmarking data has also been used to assess our performance against that of our statistical neighbours.</p> <p>The P&R Committee is responsible for the vital signs which have been deemed to be 'corporately significant' vital signs, these focus on the more complex areas of the organisation with an emphasis on areas where improvement is required. In the current reporting period just under half of the vital signs are reporting as red, this not unexpected given the complexity of the measures</p> <p>The dashboard in Appendix 1 contains the current performance, historical performance and trends of the monthly and quarterly corporately significant vital signs. The data reported covers</p>	

the period to July/August 2018 and represents the latest data available for each of the vital signs.

Performance information is presented in appendices to this report as follows:

- Appendix 1 presents the dashboard of Corporately Significant Vital Signs performance indicators.
- Appendix 2 presents the individual report cards for vital signs which are reporting as Red.

Recommendation

1. Review and comment on the performance data and recommended action.

1. Introduction

- 1.1. This paper presents latest performance information for those 'vital signs' performance indicators that have been defined as 'corporately significant'. These were agreed by the committee in March 2018.
- 1.2. Vital signs provide measurements of operational processes (internal) and strategic outcomes (external). Poor performance represents a risk to the organisation in terms of our ability to meet legal responsibilities, maintain financial health and meet the needs of our citizens.
- 1.3. The Corporately Significant Vital Signs are also aligned with Norfolk Futures strategy and the four principles:
 - Offering our help early to **prevent and reduce** demand for specialist services
 - **Joining up** our work so that similar activities and services are easily accessible, **done well and done once**
 - Being **business-like** and making best use of **digital technology** to ensure value for money
 - Using evidence and data to **target our work** where it can make the most difference.
- 1.4. Each vital sign has a target, these have been set based on the performance required for us to work within a balanced budget, meet statutory requirements and deliver our services effectively. Where the measure relates to the delivery of services benchmarking data has been used to assess our performance against that of our statistical neighbours.
- 1.5. This covering paper highlights key issues for Members to note with more detail provided in the report cards.

2. Performance Commentary – vital signs

- 2.1. Individual service committees consider detailed performance of services within their remit. This report analyses a subset of these vital signs to help assess progress against the council's overall strategy.
- 2.2. The P&R Committee is responsible for the vital signs which have been deemed to be 'corporately significant' vital signs, these focus on the more complex areas of the organisation with an emphasis on areas where improvement is required.
- 2.3. In the current reporting period just under half of the vital signs are reporting as red, this not unexpected given the complexity of the measures.

3. Vital Signs and key actions being undertaken to address performance issues

- 3.1. Individual service committees consider detailed performance of services within their remit. This report analyses some specific vital signs to help assess progress against the council's overall strategy.
- 3.2. A summary of the performance areas which are currently Red rated is outlined below:
- 3.3. **Budget monitoring – Forecast v Budget (500)**
 - 3.3.1. Members set an affordable cash limited revenue budget each year: any net overspends will reduce already limited reserves. The current forecast is an overspend of £5.634m.
 - 3.3.2. The main reason for the forecast overspend is cost pressures associated with looked after children and children with a high level of need, and Purchase of Care costs within Adult Social Services.
 - 3.3.3. **Actions:** Chief Officers have responsibility for managing their budgets within the amounts approved by County Council and will take measures throughout the year to reduce or eliminate potential over-spends. Further information can be found in the separate Finance report.
- 3.4. **Savings targets by Committee (501)**
 - 3.4.1. In the current year, 2018-19, as at Period 5 (August), a shortfall of £5.695m is currently forecast against budgeted savings of £29.999m. Savings of £24.304m are forecast to be delivered (81% of planned savings).
 - 3.4.2. The main areas of non-delivery relate to Children's Services and delays in the achievement of Promoting Independence savings within Adults Services, which are ultimately expected to be delivered, although not in line with the original timescales
 - 3.4.3. **Actions:** Details of the shortfall in savings and mitigating actions are set out in the separate Finance report to P&R Committee.
- 3.5. **Savings – support services compared to front line (504)**
 - 3.5.1. This measure demonstrates to what extent savings that achieve efficiencies in systems and processes, and better use of resources and technology have been prioritised over those which impact on front line delivery (ceasing or reducing a service) to users, partners, and members of the public.
 - 3.5.2. The forecast position for 2018-19 (at Period 5), is a shortfall in savings of £5.695m, mainly relating to efficiencies. Forecasts for subsequent year savings have been adjusted to reflect the reversal and delay of savings included in budget planning.
 - 3.5.3. As at Period 5, the percentage savings from efficiencies in 2018-19 is forecast to be 67%, this is slightly below the budgeted percentage (74%).
 - 3.5.4. The non-delivery of planned efficiency savings mainly relates to delays in the achievement of savings, the savings are behind schedule but expected to be delivered.

3.5.5. **Actions:** Details of the shortfall in savings and mitigating actions are set out in the separate Finance report to P&R Committee.

3.6. **More People aged 18-64 live in their own homes (203)**

3.6.1. The rate of permanent admissions for younger adults continues to remain largely steady, although there are fluctuations month by month. Transformation of learning disability services is a priority for the department and the focus is on developing alternatives to permanent care which help people to 'step down' into more independent living.

3.6.2. Our priority focus has been to transform services for people with learning disabilities. This should see fewer people with learning disabilities in permanent residential and nursing care, because there will be wider choices of accommodation. In addition, we are shifting to an enablement approach which helps people to build independent living skills including cooking, managing money, and building friendships.

3.6.3. **Actions:**

- Development of "enablement centres" model for service users aged 18-64 to be helped to develop skills for independent living
- Reviewing how we strengthen and change our integrated assessment processes for discharging people from the acute and community hospitals will impact on this indicator.

3.7. **Delays in transfers of care (210)**

3.7.1. Staying unnecessarily long in acute hospital can have a detrimental effect on people's health and their experience of care. If they are not able to leave hospital to continue their recovery, older people particularly risk losing their mobility and ability to manage daily living tasks, increasing their level of care needs and impacting on their independence and quality of life.

3.7.2. The data for this indicator is not signed off by NCC and is provided directly by the NHS.

3.7.3. New targets have been set by the Department of Health and Ministry of Housing and Local Government. For Adult Social Services this means that on any day, there should be no more than 24.3 people delayed due to social services (which equates to a total of 755 days in August).

3.7.4. In August NCC was 62.9% above target for social care delays with 1,229 delayed days. This accounted for 51% of total delays in Norfolk. The main reason for social care delays was "Awaiting Residential Home Availability or Placement". Norfolk was ranked 94 out of 151 in August for total delays per population and 128 out of 151 for social care delays per population.

3.7.5. **Actions:** In July 2018, Adult Social Services organised a two-day system-wide event attended by over 80 people from across the system to look at what more can

be done by health and social care to ensure people ready to leave hospital can do so without unnecessary delay.

3.8. A set of improvement actions have been identified which will form part of a formal winter plan which includes:

- better liaison with care providers
- clear processes for identifying care home vacancies
- earlier involvement in discussions on wards.

3.9. **People Killed or Seriously Injured (KSI) on Norfolk's Road (301)**

3.9.1. Local authorities are required by statute to promote road safety, to undertake collision/casualty data analysis and devise programmes including engineering and road user education, training and publicity that will improve road safety.

3.9.2. The number of people killed and seriously injured on Norfolk's roads for June was 454 against a target of 344.

3.9.3. The member task and finish group on road safety has formulated some recommendations, which will be submitted to Communities Committee to consider in November 2018. This will include a basket of potential performance measures, a communications framework and the strategic approach.

3.9.4. **Actions:** Next steps include discussions with partners, and agreeing actions, all of which will inform the new road safety partnership strategy.

3.10. **On Call (Retained) Fire Station Availability (317)**

3.10.1. Responding quickly to an emergency can reduce the impact of the incident. To do this the service needs its response resources to be available. This measure records the combined availability of the first on call fire engine from each station. The aim is to have these available 90% of the time.

3.10.2. Monthly retained availability decreased from July's availability (85.7%) to 82.4%. However, retained availability has increased compared to previous years, potentially due to the success of several recruitment campaigns this year.

3.10.3. **Actions:**

- Currently recruiting on-call firefighters at a number of stations - a media campaign has recently been run with significant interest
- Outwell as an example has had significant issues with availability. As a result of publicity and efforts by local managers their performance has increased significantly from a low of less than 10%.

3.11. **Percentage of Education Health Care Plans (EHCPs) completed within the required timescales (416)**

- 3.11.1. The service successfully transferred the vast majority of SEN statements to EHCPs by the Department for Education (DfE) deadline; there were in excess of 4500 such plans that had to be fully assessed and transferred over a three year period. There were only 68 (out of 4500) still in draft form, due to parental requests for more time, and this was within DfE tolerance of less than 99 in draft by the end of March 2018. However, the timeliness of the production of new EHCPs is still a significant issue for the service.
- 3.11.2. Last full quarter performance was 14% for Norfolk with 3 quarters remaining to increase performance to 55%. Current performance, year to date, is within a range of 12.3% and 15.1% (including/excluding exceptions respectively).
- 3.11.3. **Actions** - the following actions are being taken:
- The Service recruited additional, fixed term, staff to achieve the transfer process success and these staff have been retained to focus on 20 week assessment performance improvement.
 - Ongoing business process improvement to ensure reduced duplication and increased efficiency
 - Working with the Strategy and Delivery Unit (SDU) to examine further the current barriers to performance improvement and identify further opportunities for improvement.
 - The Service continues to work with parent/carer groups and schools to address the high rates of referral (up from average 650 cases per year to 1000 per year) and to increase confidence that many pupil needs can be met without EHCP at 'SEN Support' through delegated funds and the new 'top-up' funding system introduced this year

Quarterly/Termly measures

3.12. Number of Apprenticeship starts (349)

- 3.12.1. Better qualified staff are a key first rung on the ladder to our twin goals of higher value jobs and a reduction in the gap between Norfolk's and England's average earnings (weekly gross pay).
- 3.12.2. Recently published data for the period August 2017- April 2018 shows 4,660 Apprenticeship starts in Norfolk, compared to 6,120 at this stage last year, a decline of 24%, compared to a national decrease of 33%. However, we are unlikely to reach our target of 8,816 for the year.
- 3.12.3. A breakdown of figures shows that the highest number of starts in Norfolk is in the 25+ (1,780) age range, followed by 19-24 (1,520) starts with under 19 (1,450) having the least. 25+ also has the highest amount of starts in the East of England, however, 19-24 age range has the lowest number. Note: these numbers are rounded up in government data therefore do not directly reconcile to the numbers that we collect.

3.12.4. **Actions:** Two apprenticeship advisers, funded through the NEACO project, will be supporting young people in schools and colleges to aspire to and access higher education through an apprenticeship route, aimed towards the under 19 age range.

3.13. **Rate of Looked After Children per 10,000 of the overall 0-17 population (410)**

3.13.1. The number of Looked After Children at the end of July was 1201. Whilst we know that LAC numbers did increase nationally between 15/16 and 16/17, Norfolk's rise in rate per 10k population of under 18s is significantly higher than that seen on a national & statistical neighbour level (62 per 10k to 65 per 10k in the same period and now 71.1) and is higher than our statistical neighbours (53.4).

3.13.2. Through detailed analysis we know that over the past year there have been very few months where LAC cease numbers are close to or exceed the number of starts for any sustainable period of time.

3.13.3. **Actions:** To fully understand the story behind the number of Looked After Children there continue to be a number of activities underway, including the weekly LAC tracker which is being further developed to allow for more robust scrutiny and challenge, and a monthly analysis of all LAC starts and ceases, age, exit routes from care and time spent in care.

3.13.4. This work, together with the review of our front door arrangements and a transformation programme work stream, is working tirelessly to understand why numbers are increasing, in what circumstances could alternative support to a family have prevented their child coming into care, and what resources are needed to secure safe care outside of being looked after for some children who are currently in our care.

4. **Recommendations**

4.1. Committee Members are asked to: Review and comment on the performance data and recommended actions.

5. **Financial Implications**

5.1. Financial implications relating to each vital sign are provided in the individual report cards.

6. **Issues, risks and innovation**

6.1. Risks, issues and innovations arising from the corporately significant vital signs are identified in the individual report cards.

7. **Officer contact**

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

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Appendix 1

Corporately Significant Vital Signs Dashboard – October 2018

Ref	Monthly	Bigger or Smaller is better	Sep 17	Oct 17	Nov 17	Dec 17	Jan 18	Feb 18	Mar 18	Apr 18	May 18	Jun 18	Jul 18	Aug 18	Target	Trend	Past Performance
500	{Finance} Budget monitoring – forecast vs budget at a County level	On plan	£3.96m	£2.79m	£2.79m	£2.78m	£1.6m	£0.0m	£0.0m	£0.0m	£5.36m	£5.36m	£5.63m	£5.7m	£0.0m	→	
501	{Finance} Savings targets delivered - by committee	Bigger	£42.72m	£42.72m	£42.51m	£42.51m	£42.51m	£42.51m	£42.9m	£30.0m	£24.75m	£24.75m	£24.74m	£24.3m	29.99m	↘	
502	{Finance} Capital programme tracker	Bigger	160.4%	168.3%	164.8%	161.9%	154.2%	151.3%	157.1%	59.1%	59.1%	59.1%	59.2%	59.2%	100.0%	↘	
503	{Finance} Ratio of corporate net expenditure compared to frontline net expenditure	Smaller	5.8%	5.8%	5.8%	5.8%	5.8%	6.7%	6.7%	5.8%	5.8%	5.8%	5.8%	5.5%	5.5%	→	
504	{Finance} Savings - support services compared to front line	Bigger	86.7%	86.7%	86.7%	86.7%	86.7%	86.7%	86.5%		68.6%	68.6%	67.7%	67.1%	74.0%	↘	
202	{ASC} % of people who require no ongoing formal service after completing reablement	Bigger	88.7%		61.9%	74.9%	68.1%	71.1%	74.4%	69.2%	70.2%	70.6%	67.3%		69.0%	↘	
203	{ASC} Decreasing the rate of admissions of people to residential and nursing care per 100,000 population (18-64 years)	Smaller	21.9	21.4	22.3	22.9	23.1	21.7	20.9	22.3	25.7	24.3	22.9		15.6	↗	
204	{ASC} Decreasing the rate of admissions of people to residential and nursing care per 100,000 population (65+ years)	Smaller	636	631	631	638	635	630	629	626	652.5	635.6	607.9		594	↘	
210	{ASC} Number of days delay in transfers of care per 100,000 population (attributable to social care)	Smaller	5.09	5.35	5.45	5.49	5.44	5.37	5.38	3.70	3.5	3.88	4.11	4.42	3.4	↘	
301	{PH} Number of people killed and seriously injured on Norfolk's roads	Smaller	421	407	419	421	425	434	430	446	466	454			343	↗	
317	On Call (retained) Fire Station Availability	Bigger	82.7%	83.2%	86.4%	82.9%	86.6%	86.1%	86.0%	86.8%	85.2%	83.3%	85.7%	82.4%	90%	↗	
402	{ChS} Percentage of Children Starting a Child Protection Plan who have previously been subject to a Child Protection Plan (in	Smaller	8.6%	8.4%	8.3%	8.1%	8.1%	8.2%	8.2%	7.5%	8.5%	7.9%	8.7%	8.7%	<15%	→	
414	{ChS} Percentage of all young people in EET	Bigger	84.6%	88.1%	91.6%	91.5%	91.1%	91.0%	90.8%	90.4%		93.9%	92.5%		92%	→	
416	{ChS} Percentage of Education, Health & Care Plans completed within timescale	Bigger	7.0%	6.0%	7.0%	9.0%	11.0%	14.0%	14.0%	14.0%	13.0%	12.0%	13.0%	13.0%	55%	↗	
417	{ChS} Percentage of Relevant and Former Relevant Care Leavers in EET	Bigger	62.9%	62.8%	62.6%	61.2%	59.2%	58.2%	58.3%	58.4%			55.8%	54.1%	53.6%	↘	
615	{HR} Sickness absence - percentage lost time	Smaller	3.69%	3.64%	3.57%	3.50%	3.51%	3.46%	3.34%	3.37%	3.45%	3.46%	3.44%		3.50%	↘	

Quarterly / Termly

Ref	Quarterly / Termly	Bigger or Smaller is better	Jun 16	Sep 16	Dec 16	Mar 17	Jun 17	Sep 17	Dec 17	Mar 18	Jun 18	Sep 18	Target		
331	{BBFN} % of Norfolk homes with superfast Broadband coverage	Bigger			86.0%	88.0%	89.0%	89.0%	90.0%			92.0%	90%	↗	
349	{PE} Number of apprenticeship starts	Bigger		7,670	2,440	3,830	6,120	6,580	2,100	3,240	4660		6,738	→	
403	{ChS} Percentage of Children Starting to be looked-after who have previously been looked-after	Smaller	17.6%	10.0%	9.0%	8.3%	7%	8%	5.30%	6.70%			<15%	↘	
410	{ChS} Rate of Looked-After Children per 10,000 of the overall 0-17 population	Smaller	62.6	62.8	65.5	65.8	65.7	66.2	66.5	69.7	71	71	63.2	↗	
411	{ChS} Increase the percentage of education establishments judged good or outstanding by Ofsted	Bigger	87%	87%	88%	88%	89%	89%	89%	89%	83%	83%	>86%	→	

Appendix 2 – Report cards

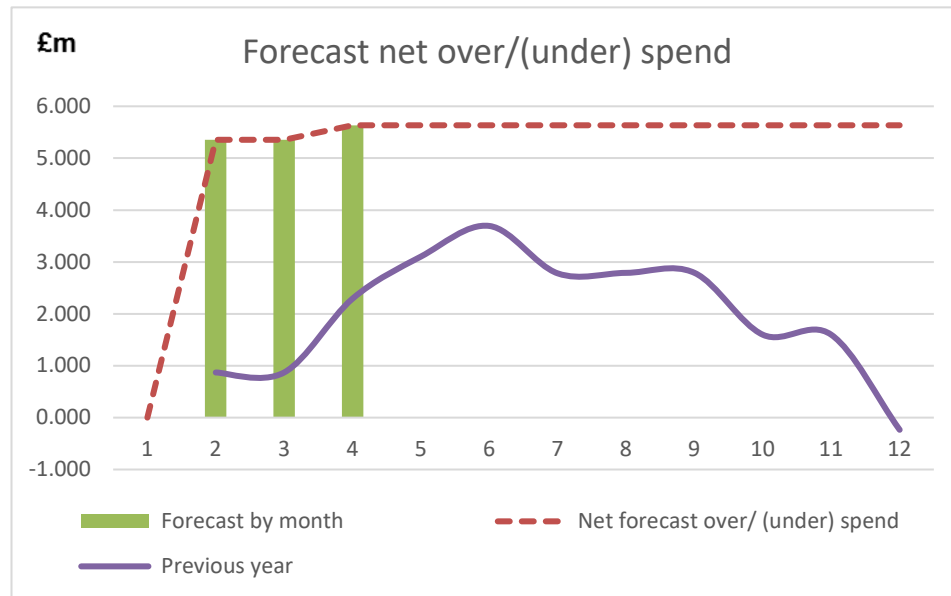
500: Budget monitoring – Forecast v Budget

Why is this important?

Members set an affordable cash limited revenue budget each year: any net overspends will reduce already limited reserves.

Performance

What is the background to current performance?



The forecast net overspend is a balance of areas of over and underspends.

The main reason for the forecast overspend is cost pressures associated with looked after children and children with a high level of need, and Purchase of Care costs within Adult Social Services.

The graph above shows a forecast overspend of **£5.634m** for 2018-19.

What will success look like?

- A balanced budget, with no net overspend at the end of the financial year.
- Where forecast overspends are identified, actions are put in place to mitigate and minimise these overspends.

Action required

- Chief Officers have responsibility for managing their budgets within the amounts approved by County Council.
- Chief Officers will take measures throughout the year to reduce or eliminate potential over-spends.

Responsible Officers

Lead: Harvey Bullen, Head of Budgeting and Financial Management

Data: Howard Jones, Corporate Accounting Manager

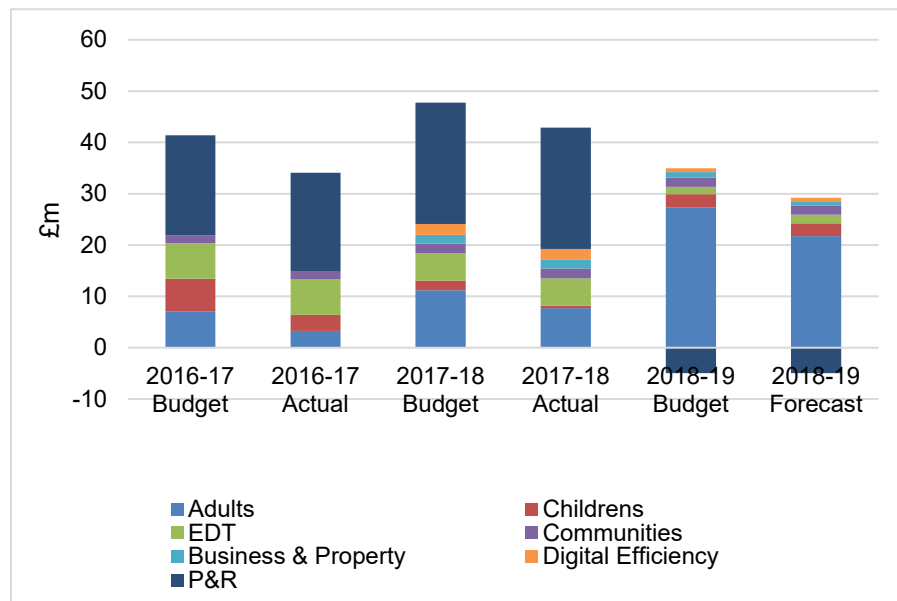
501: Savings targets delivered – by Committee

Why is this important?

Making savings is key to supporting delivery of a balanced outturn position and ensuring the Council maintains a robust financial position.

Performance

Budgeted Savings compared to Actual / Forecast by Committee



As at Period 5, the savings forecast for 2018-19 is £24.304m, this is 19% below budget.

What is the background to current performance?

- Historically the Council has a good record of achieving budgeted savings, delivering £223.222m of savings in the period 2011-12 to 2015-16, against budgeted savings of £244.576m (91%).
- In 2016-17, the shortfall in delivery was £7.339m, as £34.080m savings were achieved against plans of £41.419m (82%).
- In 2017-18 savings of £42.902m were delivered, a shortfall in savings of £4.872m, compared to budgeted savings of £47.774m (90%). The shortfall related to non-delivery of savings within Children's Services and Adults (in particular delays in delivering savings within the Promoting Independence work).
- In the current year, 2018-19, as at Period 5 (August), a shortfall of £5.695m is currently forecast against budgeted savings of £29.999m. Savings of £24.304m are forecast to be delivered (81% of planned savings). The main area of non-delivery relates to delays in the achievement of Promoting Independence savings, which are ultimately expected to be delivered, although not in line with the original timescales.

What will success look like?

- Planned levels of savings are achieved, supporting the Council to deliver a balanced outturn position for 2018-19.
- A robust financial position ensuring stability for the budget-setting process for future years.

Action required

- Actions to deliver individual saving plans are required in 2018-19.
- Details of the shortfall in savings is reported to P&R Committee and details of mitigating actions are set out in the separate report.

Responsible Officers

Lead: Harvey Bullen, Assistant Director – Finance
Data: Titus Adam, Financial Projects and Planning Manager

504: Savings – Support Services compared to Front Line

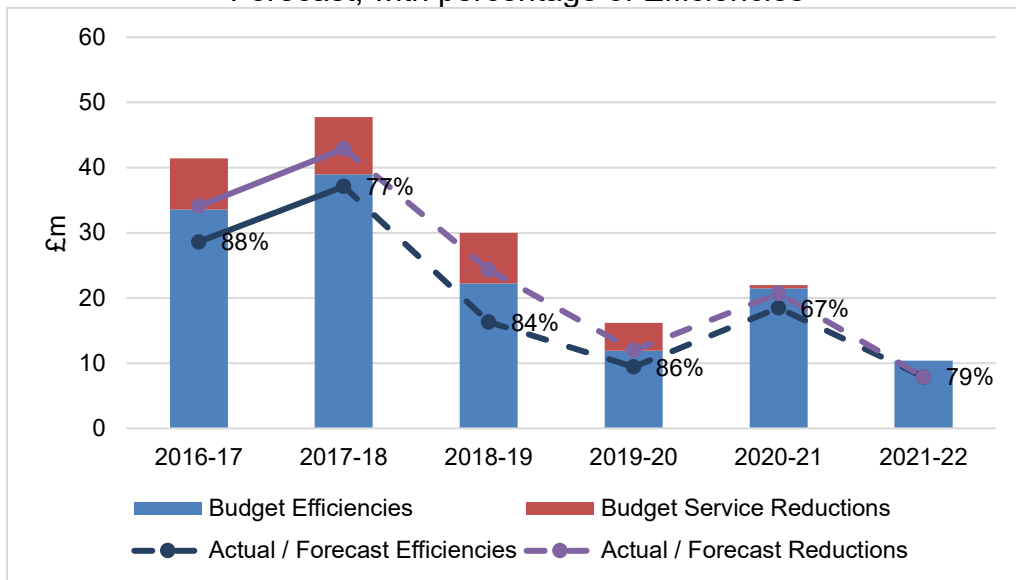
Why is this important?

Demonstrates to what extent savings that achieve efficiencies in systems and processes, and better use of resources and technology have been prioritised over those which impact on front line delivery (ceasing or reducing a service) to users, partners, and members of the public.

Performance

What is the background to current performance?

Budgeted Efficiencies and Service Reductions compared to Actual / Forecast, with percentage of Efficiencies



As at Period 5, the percentage savings from efficiencies in 2018-19 are forecast to be 67%, this is below the budgeted percentage (74%).

- The Council has a good track record of savings, with a focus on delivering efficiencies while minimising service reductions.
- In the period 2011-12 to 2015-16, against budgeted savings of £244.576m, £151.356m (62%) were planned to come from efficiencies. Actual savings achieved for the period saw £146.405m from efficiencies against total savings of £223.222m (66%)
- In 2016-17 £28.623m came from efficiencies out of total savings delivered of £34.080m (84%). There was however a shortfall in the overall delivery of savings in this year of £7.339m.
- In 2017-18 £37.106m came from efficiencies out of total savings delivered of £42.902m (86%). There was a shortfall in the overall delivery of savings in the year of £4.872m, mainly relating to front line savings.
- Savings of £29.999m have been budgeted for 2018-19 of which £22.233m are planned to be efficiencies (74%).
- The forecast position for 2018-19 (at Period 5), is a shortfall in savings of £5.695m, mainly relating to efficiencies. Forecasts for subsequent year savings have been adjusted to reflect the reversal and delay of savings included in budget planning.

What will success look like?

- Savings delivered in line with budget plans, with a focus on efficiency savings – 74% of total savings delivered from efficiencies.
- Council budget balanced with the impact on front line service delivery to the public minimised as far as possible.
- Improvements in support service effectiveness and efficiency achieved.

Action required

- Actions to deliver individual saving plans are required in 2018-19.
- Details of the shortfall in savings is reported to P&R Committee and any mitigating actions are set out in the separate report.
- The non-delivery of planned efficiency savings mainly relates to timing differences (delays in the achievement of savings).

Responsible Officers

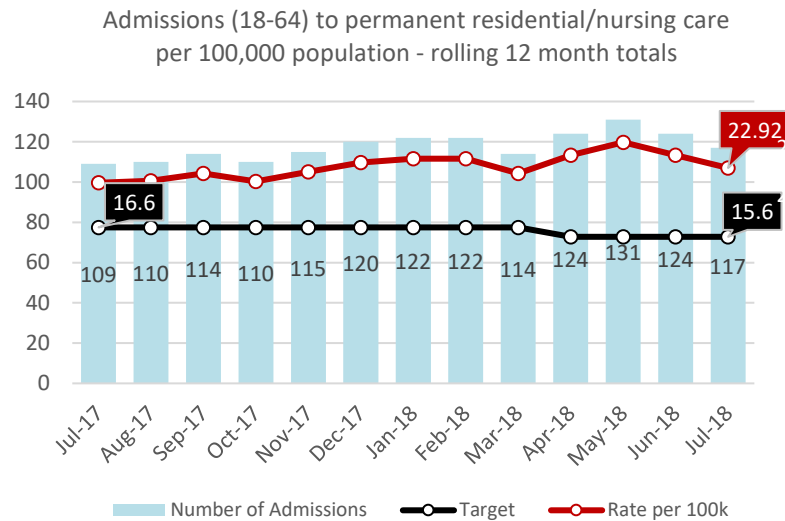
Lead: Harvey Bullen, Assistant Director – Finance
Data: Titus Adam, Financial Projects and Planning Manager

203: More people aged 18-64 live in their own homes

Why is this important?

People that live in their own homes, including those with some kind of community-based social care, tend to have better outcomes than people cared-for in residential and nursing settings. In addition, it is usually cheaper to support people at home - meaning that the council can afford to support more people in this way. This measure shows the balance of people receiving care in community- and residential settings, and indicates the effectiveness of measures to keep people in their own homes.

Performance



What is the background to current performance?

- Historic admissions to residential care for people aged 18-64 were very high in Norfolk at nearly three times the family group average.
- Improvements have seen year-on-year reductions but most recently, the rate has remained largely static
- Our priority focus has been to transform services for people with learning disabilities. This should see fewer people with learning disabilities in permanent residential and nursing care, because of wider choices of accommodation.
- In addition, we are shifting to an enablement approach which helps people build independent living skills – cooking, managing money, building friendships.
- These changes are in flight but may take some time to show impact on this indicator
- In parallel to this work, we have recognised the need to review the options that we have available for people with physical disabilities, and see what alternatives to residential care might be possible to develop

What will success look like?

- Admissions for levels at or below the family group benchmarking average (around 13 per 100,000 population)
- Subsequent reductions in overall placements
- Availability of quality alternatives to residential care for those that need intensive long term support
- A commissioner-led approach to accommodation created with housing partners

Action required

- September 2017 – new approach to strengths based social work first innovation site goes live
- Development of “enablement centres” model for service users aged 18-64 to be helped to develop skills for independent living
- Reviewing how we strengthen and change our integrated assessment processes for discharging people from the acute and community hospitals will impact on this indicator

Responsible Officers

Lead: Craig Chalmers, Director of Community Social Work

Data: Intelligence and Analytics Service

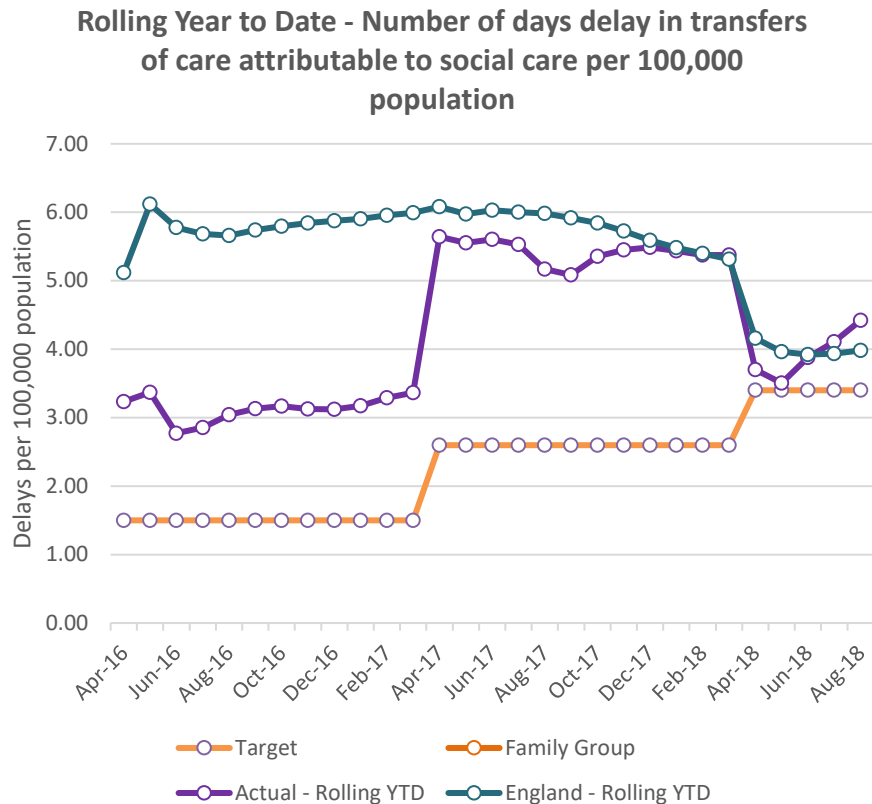
210: Delayed transfers of care

Why is this important?

Staying unnecessarily long in acute hospital can have a detrimental effect on people’s health and their experience of care. Delayed transfers of care attributable to adult social services impact on the pressures in hospital capacity, and nationally are attributed to significant additional health services costs. Hospital discharges also place particular demands on social care, and pressures to quickly arrange care for people can increase the risk of inappropriate admissions to residential care, particularly when care in other settings is not available. Low levels of delayed transfers of care are critical to the overall performance of the health and social care system. This measure will be reviewed as part of Better Care Fund monitoring.

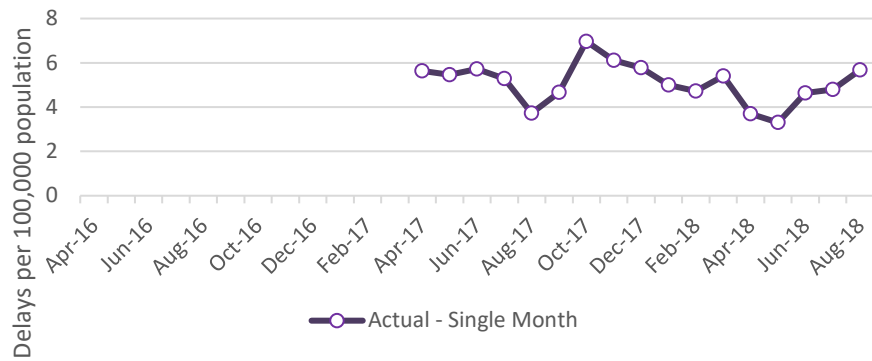
Performance

What explains current performance?



- Delays attributed to Adult Social Care have come down steadily since October 2017 – see graph bottom left.
- However, performance across the system still requires significant improvement
- New targets have been set by the Department of Health and Ministry of Housing and Local Government. For Adult Social Services this means that on any day there should be no more than 24.3 people delayed due to social services (which equates to a total of 755 days in August).
- In August NCC was 62.9% above target for social care delays with 1,229 delayed days. This accounted for 51% of total delays in Norfolk.
- The main reason for social care delays was “Awaiting Residential Home Availability or Placement”.
- Norfolk was ranked 94 out of 151 in August for total delays per population and 128 out of 151 for social care delays per population.
- We have a set of improvement actions, which will form part of a formal winter plan which includes better liaison with care providers; clear processes for identifying care home vacancies; earlier involvement in discussions on wards.

Monthly Figures - Number of days delay in transfers of care attributable to social care per 100,000 population



What will success look like?

Action required

- Low, stable and below target, levels of delayed discharges from hospital care attributable to Adult Social Care, meaning people are able to access the care services they need in a timely manner once medically fit.

- Engage with external support to strengthen and change our integrated assessment processes for discharging people from the acute and community hospitals

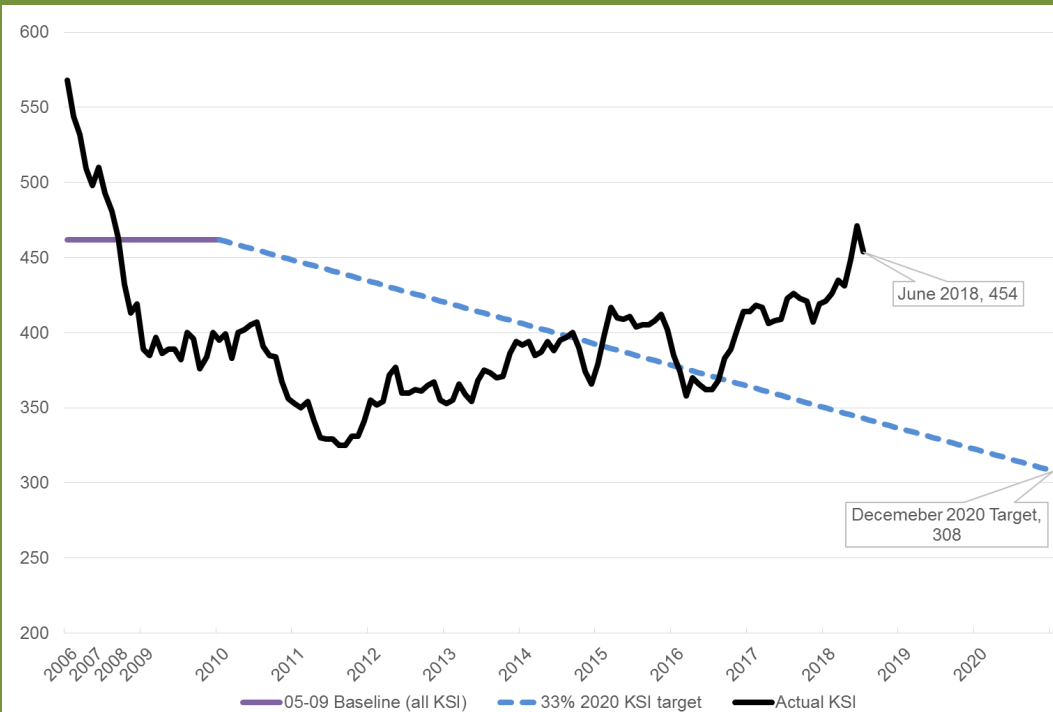
Lead: Craig Chalmers, Director of Community Social Work and Lorraine Barrett, Director of Community Health and Social Care. Data: Intelligence & Analytics

301: People Killed or Seriously Injured (KSI) on Norfolk's Roads

Why is this important?

In 2017, 30 people were killed and 391 were seriously injured in road collisions in Norfolk, representing a significant emotional and financial burden to local people and services. A target was set in 2010 to reduce Killed and Seriously Injured by a third – from 462 average in 2005-2009, by the end of 2020 to 308.

Performance



This graph represents the 12-month rolling figure for the number of KSI.

What is the background to current performance?

- Local authorities are required by statute to promote road safety, to undertake collision/casualty data analysis and devise programmes including engineering and road user education, training and publicity that will improve road safety.
- The vital sign reports the actual figure of killed and seriously injured, not performance measures for services. It is also not expressed as a rate.
- Factors which positively impact numbers include in-car safety standards, greater compliance with speed limits, and economic decline which suppresses casualty numbers by limiting access to certain modes of transport.
- The rise in the number of KSI 2011-2016 is greater than national figures: Norfolk KSIs rose 6.2% compared with 2.9% nationally (more recent figures are awaited nationally).
- Norfolk has a lower KSI rate per 100,000 people, and per billion vehicle kilometres than its statistical neighbour authority Lincolnshire, but is outperformed in both measures by other neighbours Somerset and Suffolk.
- Future performance cannot be accurately predicted due to the number of factors which influence collisions on the road.
- Changes to police accident recording methodology will mean that national 2016 data will include certain metrics will not be directly comparable to previous years, due to data quality issues.
- Norfolk ranked 6th (out of 31 peers) for Road Safety Education within the Highways and Transport survey

What will success look like?

- A downward trend in recorded KSI casualties against increases in vehicle kilometres and population increases;
- A saving to the local economy and local services of around £1.8 million per fatal casualty prevented, and around £206,000 for every serious casualty prevented.

Action required

- Continue with targeted local interventions and work with stakeholders
- Continue regular monitoring of sites which experience higher than expected collision numbers in order to identify remedial schemes
- Continue regular safety appraisal of new highway improvement schemes
- Member Task and Finish group to inform new strategy development

Responsible Officers

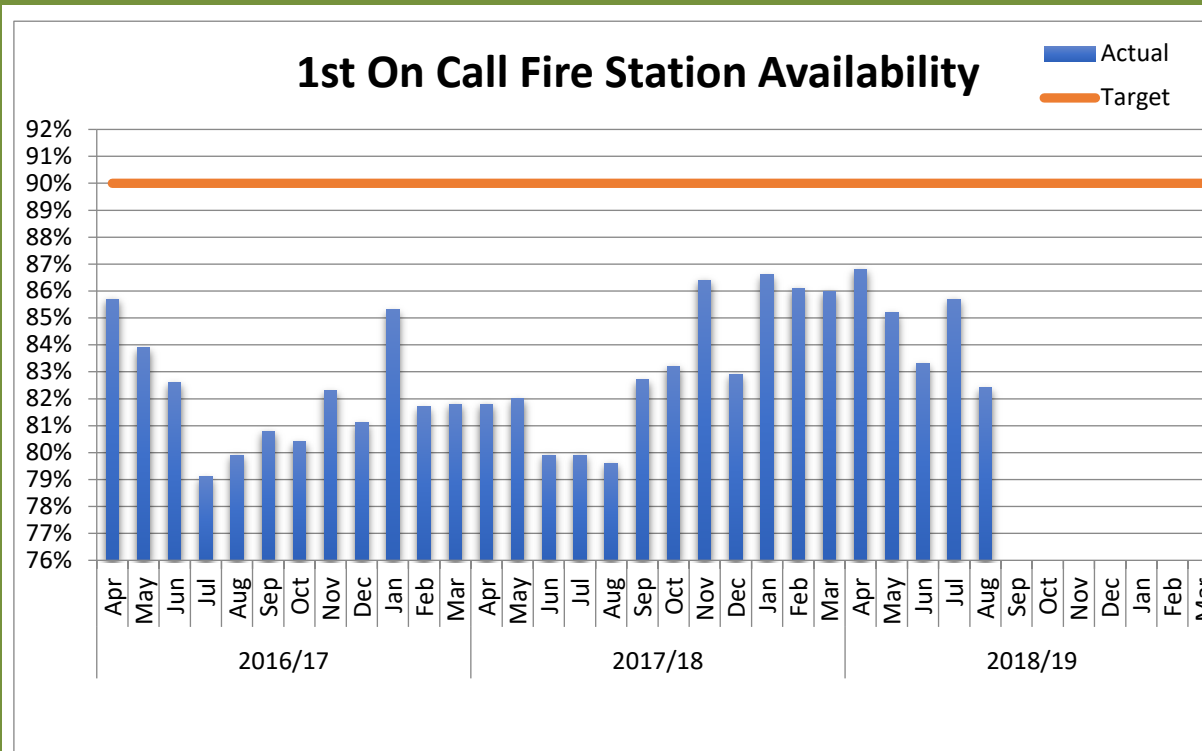
Lead: Diane Steiner (Public Health)
Data: Nile Pennington, Analyst Road Casualty Reduction

317: On Call (Retained) Fire Station Availability

Why is this important?

Responding quickly to an emergency can reduce the impact of the incident. To do this the service needs its response resources to be available. This measure records the combined availability of the first on call fire engine from each station. The aim is to have these available 90% of the time.

Performance



What is the background to current performance?

- On call (retained) firefighters are employed on a contract to provide a set number of hours “availability”. They must be located within 5 mins of their station and are paid to respond to emergencies. They often have alternative primary employment.
- Monthly Retained availability** decreased from July’s availability from 85.7% to 82.4%. However, Retained availability has increased compared to previous years, true for the 2018/19 financial year, and indeed the 2018 calendar year to date, potentially due to the success of several recruitment campaigns this year.
- If Outwell were excluded**, monthly figures increase as August availability improves by 1.2% from 82% to 83.2%.
- Challenges for RDS availability include recruitment and retention (finding people who are prepared to be firefighters and stay within 5 minutes of station and primary employment pressures). Efforts put into addressing these issues through a task and finish project are showing positive early signs with the overall establishment increasing.
- Annual Retained availability** has been steadily improving over the last three financial years as the service has been taking effective action to see improvements:

2013/14	88.0%	2016/17	82.1%
2014/15	85.4%	2017/18	83.1%
2015/16	86.1%	2018/19	84.7% (FYTD)
- If Outwell were excluded** FYTD availability increases by 0.6% to 85.3%.

Action required

- Consistent performance improvement to achieve the 90% target
- The first fire engine responds to an emergency when they are needed (avoiding the need to send the next closest available fire engine).
- Wholetime (full-time) firefighting resources are almost always available so they have not been included in this data. They provide a level of resilience and support for surrounding RDS stations.

- Currently recruiting on-call firefighters at a number of stations, a media campaign has recently been run with significant interest
- Outwell as an example has had significant issues with availability. As a result of publicity and efforts by local managers their performance has increased significantly from a low of less than 10%.
- Managers regularly review the availability provided by on call firefighters to ensure they comply with their contracted arrangements and performance manage this where required.

Responsible Officers

Lead: David Ashworth, Chief Fire Officer

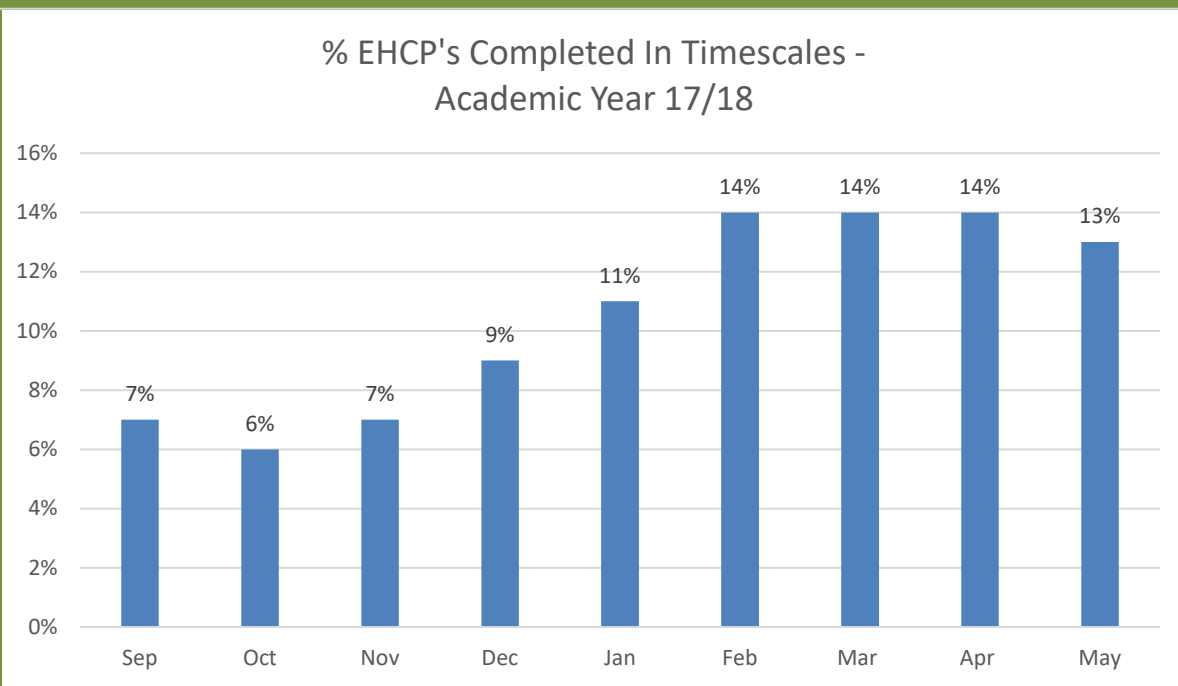
Data: Stephen Maxwell *Intelligence and Performance Analyst*

416: % of Education Health Care Plans (EHCP) completed within the required timescale

Why is this important?

Completion/conversion of the EHCP within required timescales in order to establish and secure best possible outcomes across education, health and social care. DfE requested all Statements of SEN to transfer to EHCP by 31st March 2018 for all Local Authorities (LA), Norfolk had 68 cases remaining of a total caseload of approximately 4500; i.e. Local Authorities' had 3.5 years to convert all cases and Norfolk started that time period with in excess of 4500 and converted 99%+ within timescale. Of the remaining 68 cases at end of March 2018 there is only 1 remaining case at end of August 2018.

Performance



What is the background to current performance?

- Although improved from performance in 2016 (5.8%), the %EHCPs completed within the 20 week timescale still lags significantly behind the national average.
- The number of EHCP plans issued has increased from 501 in 2016 to 726 in 2017 (calendar year)
- Referral rates have increased to over 1000 per year (previous years average referrals were 650)
- DfE targets for all LA's is 90% and the national average had been 55%. These are the interim (55%) and stretch (90%) targets for Norfolk, therefore.
- Last full quarter performance was 14% for Norfolk with 3 quarters remaining to increase performance to 55%. Current performance, year to date, is within a range of 12.3% and 15.1% (including/excluding exceptions respectively).

What will success look like?

- The percentage of EHCP completion/conversion continues to increase month by month so that by December 2018 55% are completed within the required timescale, average performance for the calendar year. With a 90% target starting January 2019.

Action required

- The Service recruited additional, fixed term, staff to achieve the transfer process success and these staff have been retained to focus on 20 week assessment performance improvement.
- Ongoing business process improvement to ensure reduced duplication and increased efficiency

- Working with the Strategy and Delivery Unit (SDU) to examine further the current barriers to performance improvement and identify further opportunities for improvement.
- The Service continues to work with parent/carer groups and schools to address the high rates of referral (up from average 650 cases per year to 1000 per year) and to increase confidence that many pupil needs can be met without EHCP at 'SEN Support' through delegated funds and the new 'top-up' funding system introduced this year

Responsible Officers

Lead: Michael Bateman, Head of Education High Needs SEND Service
Data: Jackie Goodson, Synergy Systems Officer, Education Achievement

349: Number of Apprenticeship starts

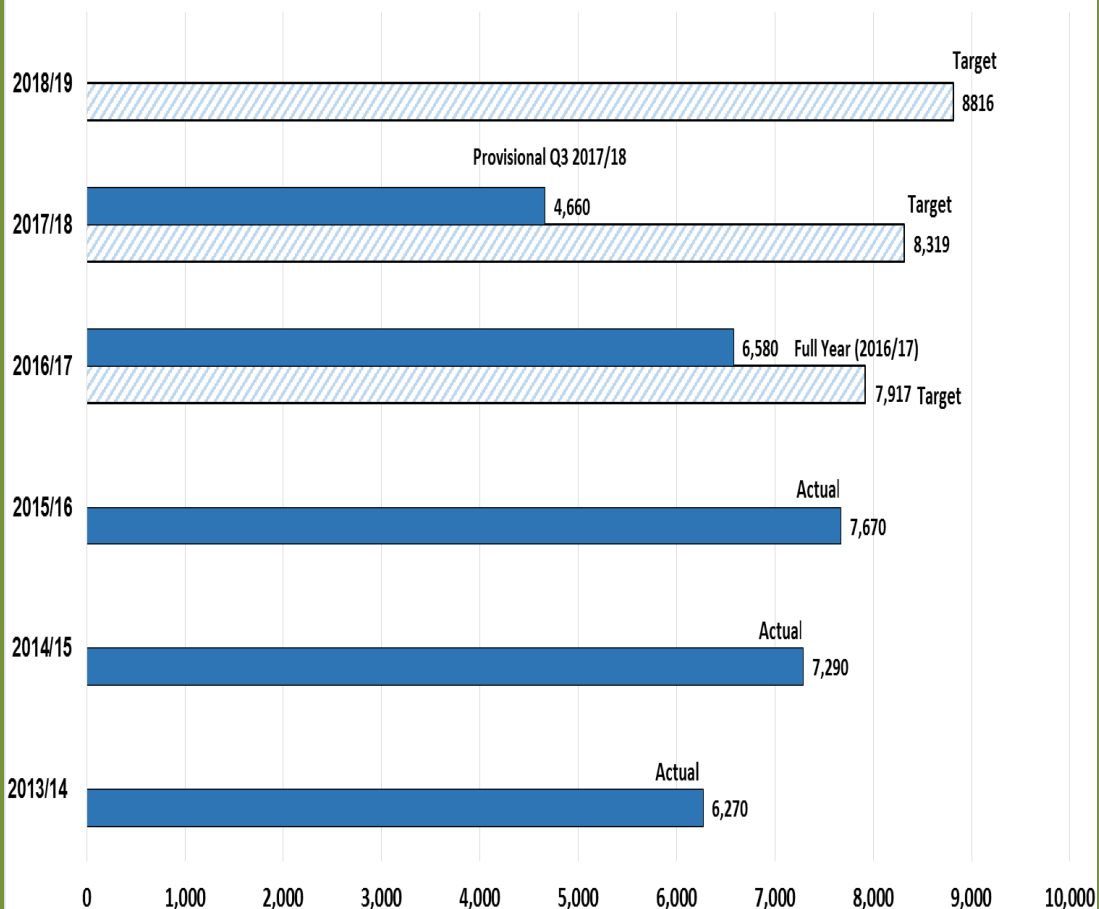
Why is this important?

Better qualified staff are a key first rung on the ladder to our twin goals of higher value jobs and a reduction in the gap between Norfolk's and England's average earnings (weekly gross pay). In turn, better paid jobs enable more people to get onto the housing ladder and have a better quality of life more generally. The New Anglia Local Enterprise Partnership Strategic Economic Plan (SEP) highlights the need to increase the number, level, range and quality of Apprenticeship delivery and generate 5000 additional Apprenticeships across Norfolk and Suffolk by 2019.

Performance

What is the story behind current performance?

Actual and Target for Number of Overall by Academic Year



Apprenticeship Starts	2013/14	2014/15	2015/16	2016/17	2017/18 (Aug-April)	2018/19
	Actual	Actual	Actual	Actual	Actual	Target
All starts – all levels/ages	6,270	7,290	7,670	6,580	4,660	8,816

During the 2016/17 year, Norfolk had 6,580 new Apprenticeship starts, against a target of 7,917. Nationally the number of starts fell due to the reforms and the introduction of the levy but the drop in Norfolk was greater. This was due to NHS (Norfolk's biggest Apprenticeships Employer) holding back starting apprentices until after the levy had started.

Recently published data for the period August 2017-April 2018 shows 4,660 Apprenticeship starts in Norfolk, compared to 6,120 at this stage last year, a decline of 24%, compared to a national decrease of 33%. However, we are unlikely to reach our target of 8,816 for the year.

A breakdown of figures show that the highest number of starts in Norfolk is in the 25+ (1,780) age range, followed by 19-24 (1,520) starts with under 19 (1,450) having the least. 25+ also has the highest amount of starts in the East of England, however, 19-24 age range has the lowest number.

We are aware that it looks like the figures don't add up, however, this is the way that the Government releases the data. When adding up

	each area, they round up to the next 10 (e.g. 61 starts would be rounded up to 70).
What will success look like	Action required
Success will be measured by the overall achievement of annual target whilst maintaining quality, level and range.	The two apprenticeship advisers who are now funded through the NEACO project will be supporting young people in schools and colleges to aspire to and access higher education through an apprenticeship route, aimed towards the under 19 age range. We will continue to work with colleges and training providers through the Apprenticeship Norfolk Network to develop strategies to increase the number of starts and to support the whole system.
Responsible Officers	Data: Kieren Buxton – 27/09/2018
Lead: Jan Feeney	

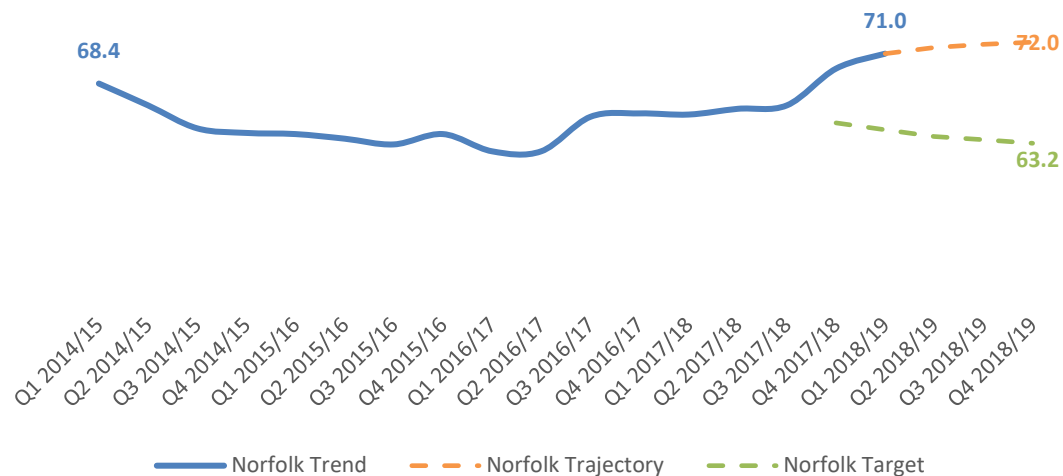
410: Rate of Looked-After Children per 10,000 of the overall 0-17 population

Why is this important?

Norfolk has many more LAC than its statistical neighbours and we have implemented a strategy to reduce the levels of LAC. LAC rate per 10k is a key indicator in assessing the success of that investment. The LAC rate also provides an indication of the success of the wider children's system.

Performance

Rate of Looked-After Children per 10,000 of the overall 0-17 population



What is the background to current performance?

- Historically Norfolk has had a high rate of LAC, and while numbers reduced between 2014 & 2016, increases have been seen over the past two years, to their current peak in March. Whilst there have been increases in LAC numbers across England leading to record numbers of LAC nationally. Closer examination of performance information would suggest that whilst our numbers of children coming in to care is not necessarily higher than other local authorities, our children seem to stay in care for longer – sometimes until they attain care leaving age.
- The number of Looked After Children at the end of at end of July was 1201. Norfolk's rise in rate per 10k population of under 18s is higher than that seen on a national & statistical neighbour level (62 per 10k to 65 per 10k in the same period and now 71.1) and is higher than our statistical neighbours (53.4). Through detailed analysis we know that over the past year there have been very few months where LAC cease numbers are close to or exceed the number of starts.
- Understanding and addressing our Looked After Children numbers remains a priority and a key element of our Transformation programme.

Action required

- Continue to strengthen Norfolk's Early Help offer to ensure families receive help as soon as it is required, working to enhance their strengths & overcome issues so they can remain together.
- Where appropriate and desired, work with current LAC and their families to enable them to have the skills & understanding to live together again.
- Where appropriate and in the best interests of the child, promote adoption and special guardianship as a means of securing permanence for children.
- For children who cannot be safely reunited with their families to ensure that they are properly matched with their long- term care givers and that this means of permanence is tested to ensure it is enduring.
- Continue with the monthly analysis of our LAC cohorts.
- To have oversight of plans for young people to return home

What will success look like?

- The rate of Looked-After Children per 10k 0-17s is in line with rates in other similar local authorities within England and our statistical neighbours.

Responsible Officers

Lead: Phil Watson Data: Andy Goff

Policy and Resources Committee

Item No. 13b

Report title:	Risk Management Report
Date of meeting:	29th October 2018
Responsible Chief Officer:	Executive Director, Finance and Commercial Services
Strategic impact The Policy and Resources Committee's role includes owning, and setting expectations for, the Council's corporate risk management. Strong risk management is key to ensuring that the organisation continues to achieve its' strategic objectives, and continues to manage the risks to the effective and efficient delivery of the Council's priorities, and services. There are risk management controls in place within the Council as per the Accounts and Audit Regulations 2015, and the Financial Regulations (part 4.3, of part 7.7) of the Council's Constitution .	

Executive Summary

This report provides the Committee with sight of corporate risks with significant changes since the last risk management report in July 2018, and other related matters, following the latest review conducted during September 2018. A detailed report will be presented to the next Committee.

Risk management is reported in its own right but the reporting is aligned with and complements the performance and financial reporting to the Committee.

The corporate risk register was last reported to the Audit Committee (for risk management assurance) in September 2018, to show the latest developments. Officers are working through suggestions from that Committee. A reconciliation of the main changes to corporate risks since the last Policy and Resources Committee (where Risk Management was reported) in July 2018 is shown at **Appendices A(i) and (ii)**.

Recommendations: Committee Members are asked to consider:

- a. The main changes to the corporate risk register since last report (**Appendices A(i) and (ii)**), and to accept these changes including;
- b. To accept risk **RM025 - Change of governance in the Fire and Rescue Service** onto the corporate risk register as recommended by the Communities Committee;
- c. To close risk **RM019 - Failure to deliver a new fit for purpose social care system on time and to budget** as proposed by the Adult Social Care Committee;
- d. the heat map with corporate risk index, plotting all current corporate risks (**Appendix B**)
- e. if any further action is required.

1. Proposal

- 1.1. In accordance with the Council's Risk Management Policy, and to be consistent with other Committees, this is the first in a series of highlight Risk Management reports to this Committee. It is proposed to alternate between a full Risk Management report and a highlight Risk Management report each quarter, with two full reports and two highlight reports presented per annum. The next Risk Management report to this Committee proposed for January 2019 will be a full report.

The County Leadership Team has been consulted in the preparation of the corporate risk register. Recommendations to Members can be found above in the Executive Summary.

- 1.2 Service Committees have oversight and provide recommendations to this Committee on the action to be taken with their corporate risks.

2. Evidence

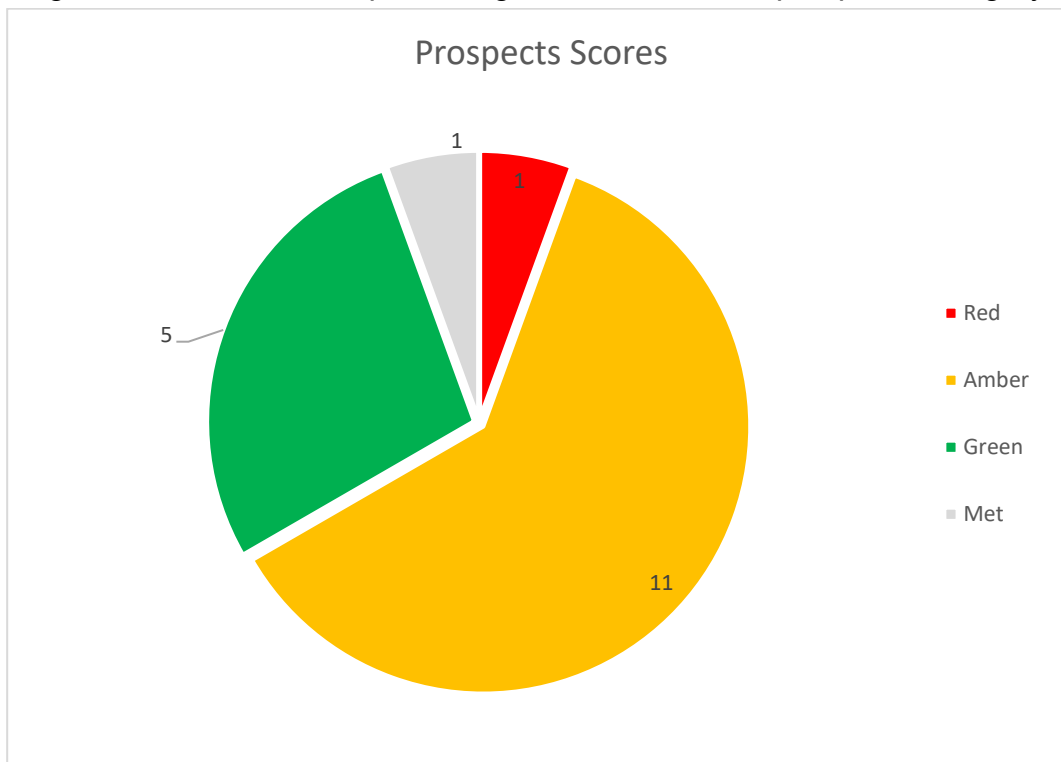
Direction

- 2.1 With the recently refreshed Norfolk County Council values, the Risk Management Function will continue to analyse what risks the Council faces in delivering the supporting strategy and vision, and develop these accordingly. This will be carried out by collaborating with the relevant business areas to understand both current and likely future risks.

Progress

- 2.2 A reconciliation to the July 2018 report is presented at **Appendix A(i)**, detailing the significant changes to corporate risks since that report.
- 2.3 The latest corporate risk register details 18 risks. For ease of reference, the risks have been plotted on a heat map in **Appendix B**, to illustrate each risk's relative position measured by likelihood and impact for their current risk score, and to show any score changes since the last report.

Fig. 1 below reflects the percentages of risks in each prospects category.



2.4 The one red prospects score is attributed to the new corporate risk on the potential change of governance in the Fire and Rescue Service (risk RM025). Further information on this risk can be seen in Appendix A(ii).

3. Risk Management Reporting to Committees

3.1. Risk management is reported separately to Financial and Performance Management at Committees, although there continue to be close links between financial, performance, and risk reporting.

3.2 The departmental reporting continues to be by exception, including full information for risks with a current risk score of 12 and above where the prospects of meeting the target score by the target date is reported as amber or red. Full departmental level risk registers are reported at least once per year to their respective Committees, detailing all of the Committee's departmental level and corporate risks for consideration. A risk report is presented to each Committee on a quarterly basis, at the same time as the Finance and Performance Reports.

4. Financial Implications

4.1 Whilst the likelihood of not delivering the Broadland Northway to its revised budget has significantly reduced, there remain project risks of not delivering the Broadland Northway to budget. This risk will remain open until the final account for the construction works is closed, which project officers are focussing on.

5. Issues, risks and innovation

- 5.1 There are no further corporate risks to report in addition to those already managed on the corporate risk register. Any corporate level issues arising from Council business continue to be addressed and managed by the County Leadership Team.

6. Background

- 6.1 The review of existing risks has been completed with responsible officers.
- 6.2 Explanations for the various scores and further terminology can be found in the new Risk Management procedures available to staff on the [Risk Management iNet Page](#) under the documents, forms and guidance section.

Officer Contact

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

Officer name : Adrian Thompson **Tel No. :** 01603 222784

Email address : adrian.thompson@norfolk.gov.uk

Officer name : Thomas Osborne **Tel No. :** 01603 222780

Email address : thomas.osborne@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 A(i) – Risk Reconciliation Report

Significant* changes to risks on the corporate risk register since the last Policy and Resources Committee Risk Management report was presented in July 2018.

New risk

RM025 - Change of governance in the Fire and Rescue Service

A new risk has been identified regarding the potential change of governance in the Norfolk Fire and Rescue Service. This risk has been presented to the August 2018 Communities Committee, who agreed a recommendation to ask this Committee to consider and agree management of this risk on the corporate risk register. Full details of this risk can be seen at **Appendix A(ii)**.

Change to risk title, mitigations, and scoring.

RM006 - The potential risk of failure to effectively plan how the Council will deliver services over the next 3 years commencing 2018/19 - 2021.

The risk title has been amended to reflect the progression from planning how the Council will deliver services to how the Council will deliver services over the next three financial years through to 2020-21.

The risk title has therefore been amended to the following;

RM006 - The potential risk of failure to deliver our services within the resources available over the next 3 years commencing 2018/19 to the end of 2020/21.

The risk mitigations and progress to date in managing these have also been amended to reflect the revised risk scope, along with the prospects score changing from Met to Green.

Closed risk

RM019 - Failure to deliver a new fit for purpose social care system on time and to budget.

The new social care system Liquid Logic has been delivered on time and to budget for Adults, Children's, and Finance & Commercial Services.

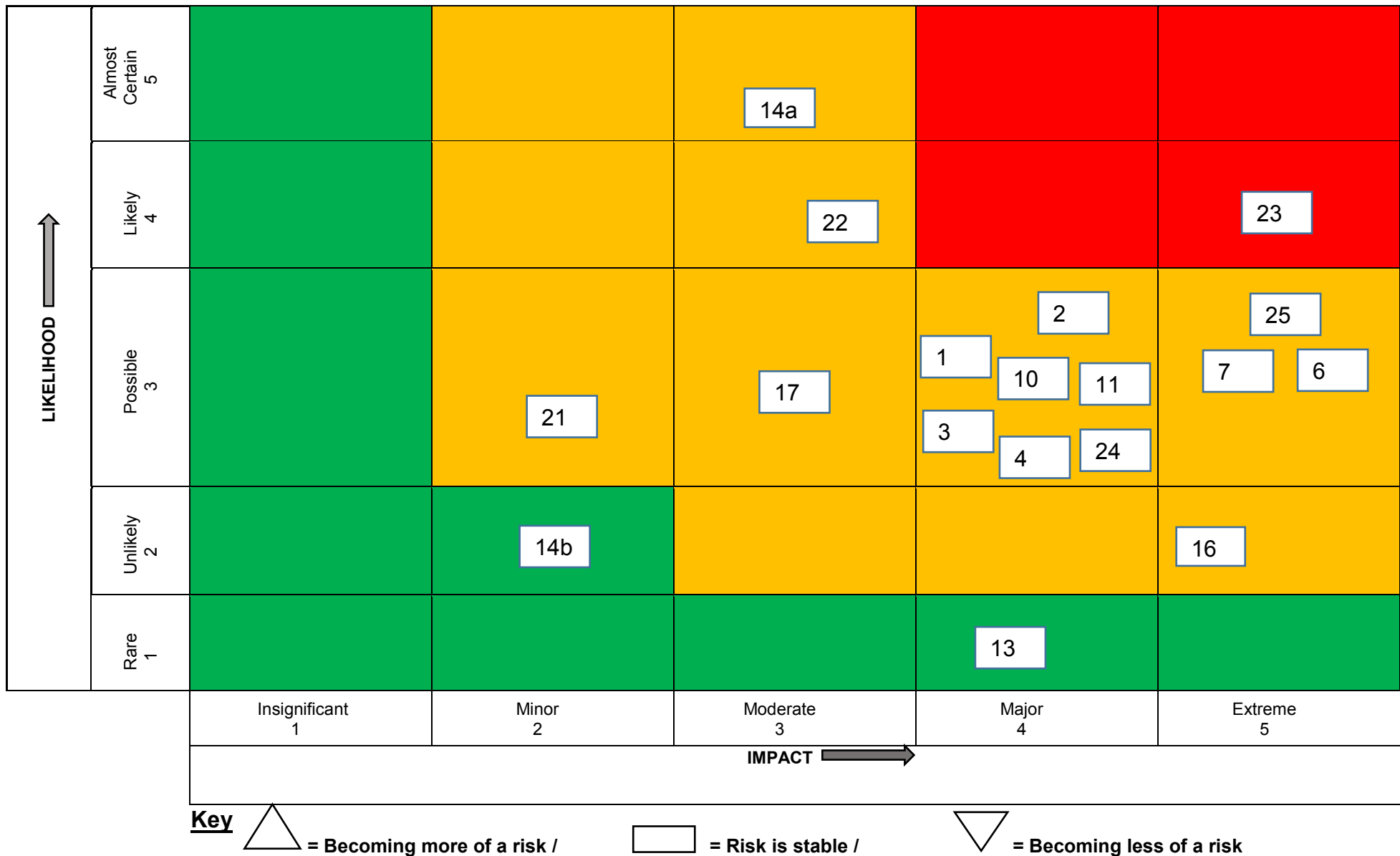
* A significant change can be defined as any of the following;

- A new risk
- A closed risk
- A change to the risk score(s)
- A change to the risk title, description or mitigations (where significantly altered).

Risk Number	RM006		Date of update	27 September 2018					
Risk Name	The potential risk of failure to deliver our services within the resources available over the next 3 years commencing 2018/19 to the end of 2020/21.								
Risk Owner	Wendy Thomson		Date entered on risk register	11 September 2018					
Risk Description									
The failure to deliver agreed savings or to deliver our services within the resources available, resulting in the risk of legal challenge and overspends, requiring the need for in year spending decisions during the life of the plan, to the detriment of local communities and vulnerable service users.									
Original		Current			Tolerance Target				
Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Target Date	Prospects of meeting Target Risk Score by Target Date		
2	5	10	2	5	10	1	5	Mar-19	Green
Tasks to mitigate the risk									
<p>1) Clear robust framework in place which drives the delivery of the overall vision and priority outcomes. The delivery of a council-wide strategy which seeks to shift focus to early help and prevention, and to managing demand.</p> <p>2) Delivery against the strategic service and financial planning, by translating the vision and priorities into achieved, delivered targets.</p> <p>3) A robust annual process to provide evidence for Members to make decisions about spending priorities.</p> <p>4) Regular and robust in-year financial monitoring to track delivery of savings and manage in-year pressures.</p> <p>5) Sound engagement and consultation with stakeholders and the public around service delivery.</p> <p>6) A performance management and risk system which ensures resources are used to best effect, and that the Council delivers against its objectives and targets.</p> <p>Overall risk treatment: Treat</p>									
Progress update									
<p>Regular budget monitoring reports to service committees set out how the Council is delivering against the 2018/19 budgets set for each of our services.</p> <p>The Council has a robust and established process, including regular reporting to members, which is closely linked to the wider Council Strategy, in order to support the development of future year budget plans taking account of the latest available information about Government funding levels and other pressures. This process includes reviewing service budgets and taking into account financial performance and issues arising in the current financial year as detailed in the budget monitoring reports.</p>									

Risk Number	RM025		Date of update		18 October 2018					
Risk Name	Change of governance in the Fire and Rescue Service									
Risk Owner	Tom McCabe		Date entered on risk register		20 August 2018					
Risk Description										
A change in governance for the Fire and Rescue service is proposed by the Police and Crime Commissioner (PCC). If this proposal, as currently written, was to go ahead it would create a number of issues which would lead to a less resilient service which is less able to address community risk and will impact on public safety:- 1) the service will be fully exposed to budget pressures and reductions in a way that they are not currently, and may need to make service reductions to manage these. 2) proposed changes to operations are not clearly articulated and have not been risk assessed, and could lead to inappropriate and unsafe practices being put in place. 3) a change in governance, if agreed, would take 14 months to implement and would require significant resource, which would distract resource from service operations and improvements. It would also cost around £1m, which would create an additional budget pressure. 4) there may be an impact on the morale of staff impacted by the change, and it is possible that there could be strike action.										
Original			Current			Tolerance Target				
Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Target Date	Prospects of meeting Target Risk Score by Target Date
3	5	15	3	5	15	2	4	8	Dec-18	Red
Tasks to mitigate the risk										
<p>1) Participate in the public consultation being carried out by the PCC until 05/09/2018 to ensure that the County Council's views and concerns can be understood, and taken into account.</p> <p>2) Keep affected staff updated on progress as and when there are further developments.</p> <p>3) Encourage Norfolk communities and other stakeholders to participate in the PCC's public consultation by 05/09/2018.</p>										
Progress update										
<p>1) A special meeting of the Communities Committee took place on 29 August to consider and agree the County Council's formal response to the consultation, and the agreed formal response was submitted to the PCC 4 September 2018. The Committee also agreed to recommend that this risk is managed at corporate level. It will now be considered by the Policy and Resources Committee at the October meeting.</p> <p>2) Regular messages sent to staff to keep them up to date on progress and how they can make their views known. Four staff sessions organised to enable the PCC to directly explain his business case and proposals. A further four staff sessions held to enable staff to hear directly from the Chair of the Fire and Rescue Authority about the County Council's views.</p> <p>3) Information on the County Council's views published on the Norfolk County Council website, along with information about how to respond to the PCC's public consultation. The public consultation closed on 5 September 2018. The responses are being reviewed and assessed by the OPCC. Having considered the consultation responses, the PCC will then decide whether he wishes to proceed with his proposal and, if so, submit a 'final business case' to the Secretary of State. If necessary, the OPCC is indicating that the submission would be made in Autumn.</p>										

Corporate Strategic Risks - Heat Map



No.	Risk description	No.	Risk Description
1	Infrastructure is not delivered at the required rate to support existing needs and the planned growth of Norfolk.	11	The potential risk of failure to implement and adhere to an effective and robust performance management framework.
2	The potential risk of failure to manage significant reductions in local and national income streams.	13	The potential risk of failure of the governance protocols for entities controlled by the Council, either their internal governance or the Council's governance as owner. The failure of entities controlled by the Council to follow relevant guidance or share the Council's ambitions.
3	Potential reputational and financial risk to NCC caused by failure to comply with statutory and/(or) national/local codes of practice relating to information compliance and information security.	14a	The increasing demand for SEND assessments coupled with the amount spent on home to school transport at significant variance to predicted best estimates.
4	The potential risk of failure to deliver effective and robust contract management for commissioned services.	14b	The savings to be made on Adult Social Services transport are not achieved.
6	The potential risk of failure to deliver our services within the resources available over the next 3 years commencing 2018/19 to the end of 2020/21.	16	Failure to adequately prepare for and respond to a major disruption to Norfolk County Council services.
7	Potential risk of organisational failure due to data quality issues.	17	Failure to deliver the Broadland Northway within agreed budget (£205m)
10	The risk of the loss of key ICT systems including: - internet connection; - telephony; - communications with cloud-provided services; or - the Windows and Solaris hosting platforms.	21	Failure of Estate Management.
		22	Potential changes in laws, regulations, government policy or funding arising from the UK leaving the European Union which may impact on Council objectives, financial resilience and affected staff ('Brexit').
		23	Failure to understand and act upon changes to demography, funding, and government policy, with particular regard to Adults Services.
		24	Failure to construct and deliver the Great Yarmouth 3rd River Crossing (3RC) within agreed budget (£121m), and to agreed timescales (construction completed early 2023).
		25	Change of governance in the Fire and Rescue Service.

Policy and Resources Committee

Item No 14

Report title:	Norse Group Annual report 2017/18
Date of meeting:	29th October 2018
Responsible Chief Officer:	Executive Director of Finance & Commercial Services – Simon George
Strategic impact In order to aid good governance P&R is tasked with reviewing the 2017/18 Annual report of the Norse Group.	

Executive summary

Policy and Resources Committee is recommended to:

- 1. Review the Norse Group annual report for 2017/18.**

1. Introduction

- 1.1 At its meeting on 21st March 2016, the Policy and Resources Committee agreed a series of recommendations regarding the governance of the Norse Group.
- 1.2 In line with these recommendations the Norse Group annual report for the period 2017-2018 is presented to the committee for review.

2. Background

- 2.1 The Norse Group brings together facilities management specialists Norse Commercial Services, property consultancy NPS Group and care provider NorseCare.
- 2.2 In 1988, Norfolk County Council established Norfolk County Services as a direct service organisation (DLO), initially supplying services such as cleaning, catering and grounds maintenance. Five years later, Norfolk Property Services (NPS) was similarly formed as a business unit of the County Council. The focus of NPS was property related and its activities included surveying, property design and asset management. In 2006, NCS and NPS were formally brought together as sister companies within the Norse Group. NCS subsequently changed its name to Norse Commercial Services Ltd. In 2010, Norse Care was created when the Norse Group took over the transfer and responsibility for 26 residential care homes and 13 day care centres across Norfolk from the County Council.

- 2.2 The Group has recently brought together NPS Property Consultants and Norse Commercial Services under the direction of one Managing Director. The purpose is to drive out efficiency, enhance profitability, improve the governance arrangements, and increase the return to the shareholder. The Managing Director of NorseCare sits separately and reports directly to the board.
- 2.4 The Norse Group currently provides a diverse range of services across the functions of facilities management, waste management, property related services and care provision.

3. Financial Implications

- 3.1. Financial implications for the Norse Group are set out in the attached Annual Report.
- 3.2. NCC derives a financial benefit from the Norse group via a dividend and other routes, as detailed in the Norse Value statement that this committee receives.

4. Resource Implications

- 4.1 There are no direct resource implications for Norfolk County Council as all staff, property and IT are provided directly by the Norse Group Ltd.

5.0 Other Implications

- 5.1 All the implications of which Members should be aware have been considered. Apart from those listed in this report, there are no other implications to take into account.

6.0 Equality Impact Assessment

- 6.1 The report is not directly relevant to equality in that it is not making proposals that will have a direct impact on equality of access or outcomes for diverse groups.

7.0 Section 17 – crime and Disorder Act

- 7.1 There are no direct implications of this report for crime and disorder reduction.

8.0 Issues, risks and innovation

- 8.1 The effective performance of the Norse group will have both financial and operational impacts on the county council.
- 8.2 The Board of the Norse Group Ltd receives regular reports which identify the significant business risks and the mitigation measures which have been put in place.

Officer Contact

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

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

Officer Name: Simon George **Tel No:** 01603 222400 **Email address:** simon.george@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.

Annual Report

For the year ended 31 March 2018



Norse Group at a glance



NPS Group

NorseCare

Norse
Commercial
Services

Turnover of
£279.9m

9,650
people directly employed
in the UK

Norse Group supports an
estimated Gross Value Added
of around
£286m

36
Joint Venture Partnerships

Total employment costs of
£164.3m

Adjusted Gross Profit Margin of
20.8%

Governance – the current Board of the Norse Group



Tom McCabe
Chairman of Norse Group
Board and Executive
Director at Norfolk
County Council



Dean Wetteland
Managing Director
of Norse Group



Karen Knight
Managing Director
of NorseCare

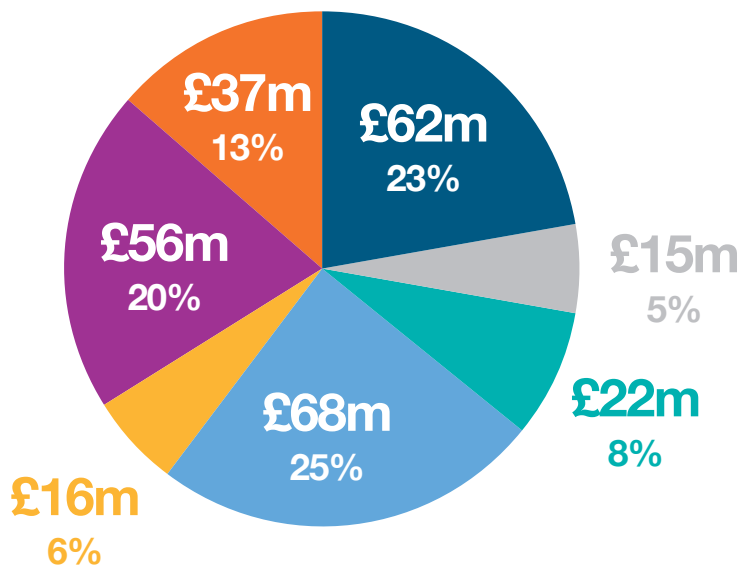


Andrew Jamieson
County Councillor
at Norfolk County
Council

Norfolk County Council has established a Shareholder Committee with cross-party representation which is able to:

- **Support the development of the Norse Group**
- **Ensure that the legal and commercial interests of the County Council as Shareholder are considered and protected**
- **Advise the Policy and Resources (P&R) Committee on County Council Shareholder issues**

Segmental analysis



Range of services



- Property Consultancy & Design
- Catering Services
- Transport Services
- Cleaning Services
- Facilities Management Services
- Waste Management
- Care Service

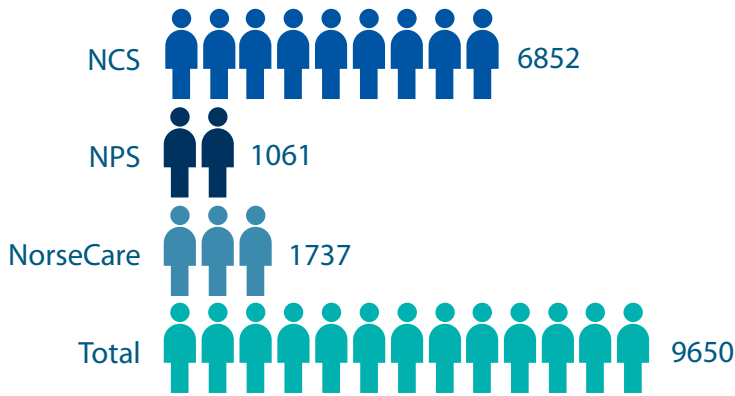
Norse Group location map



Economic Impact of Norse Group

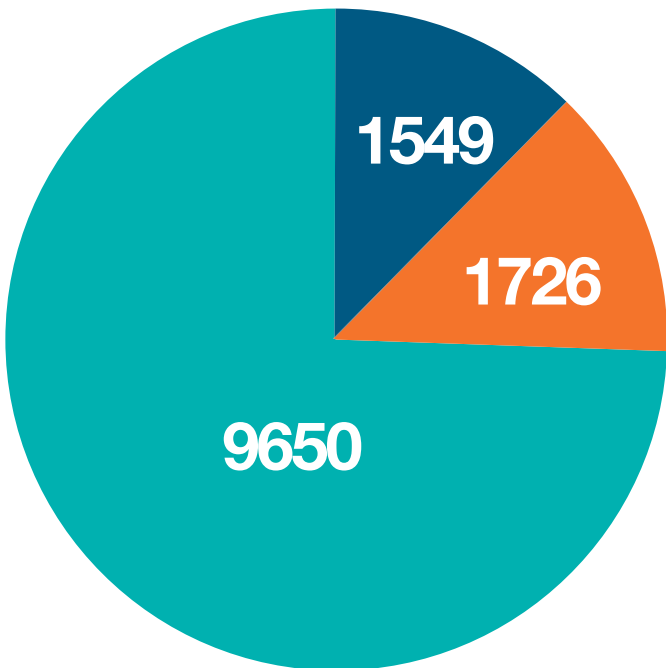
In total the Group directly employs

9,650 people in the UK



Including the supplier impacts and spending by employees, the Group supports the employment of an estimated

12,925 people in the UK



Total Jobs

- Direct Jobs
- Supplier Jobs
- Jobs supported by employee expenditure

Training



169

work placements supported



111

apprenticeships supported



£1M

put into our in-house training centre of excellence, in support of apprentices/Project Search



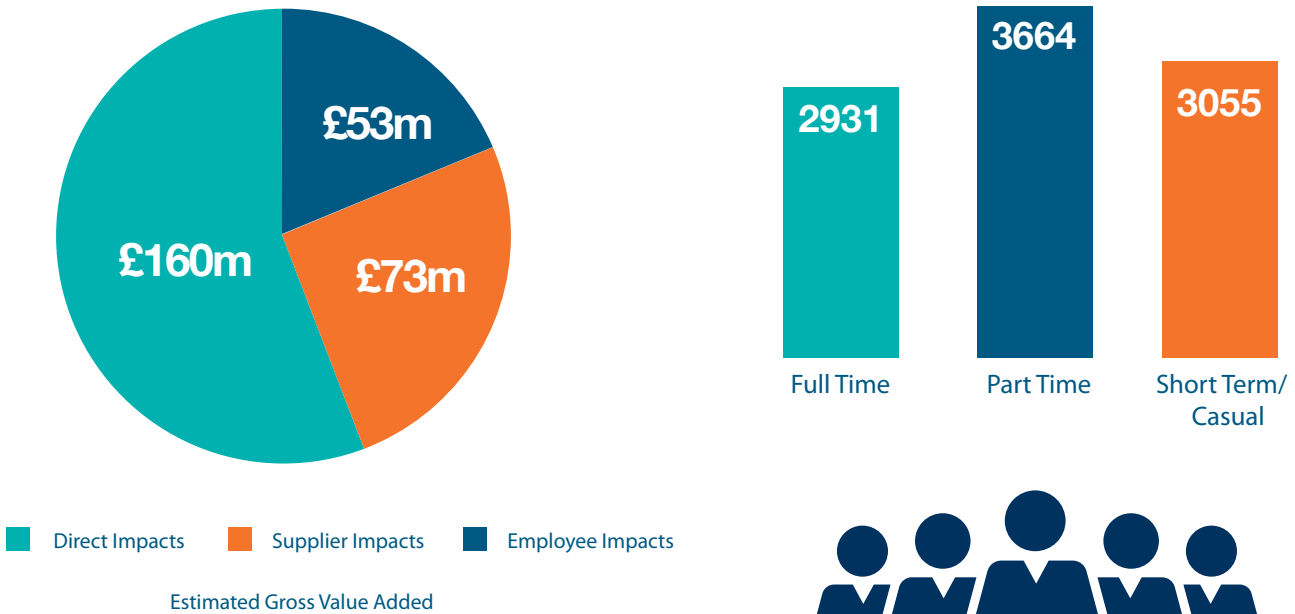
32%

of NPS staff are professionally qualified

Breakdown of direct employment

Norse Group supports an estimated Gross Value

Added of around **£286m** in the UK



Our Mission Statement

The Norse Group is seeking to be the market leader in the provision of facilities management, property and elderly care services in the UK. Our mission is to continually improve our services to meet our customers' needs and aspirations, allowing us to grow as a business and provide a return for our Shareholders.

Chairman's Statement



Tom McCabe
Chairman of Norse Group
Board and Executive Director
at Norfolk County Council

Summary

- Group employs **9,650** staff
- Sickness figures below national average
- **49%** of work outside of Norfolk with a total exceeding **13,000 jobs** supported nationally
- Overall customer satisfaction rate of **93%**
- Group targeting **10% annual growth**



Introduction

The Norse Group continues to be a well-known brand locally, regionally and nationally. Despite our national reach and strength, Norfolk remains central to Norse Group's thinking: supporting thousands of local jobs, investing in the local economy and making both a direct and indirect financial return to Norfolk County Council.

The Group has achieved sustained growth and profitability over the past ten years and continues to diversify its customer base and range of services. Much of this success has come from its unique public–public partnership joint venture model. There are now 36 joint venture companies, with 30 Local Authorities across England and Wales providing a wide range of services. The Group has also continued to win work in competition and develop new long-term income streams via a capital investment programme in waste recycling, care of the elderly, and renewable energy.

Amid challenging times for the public sector, Norse Group offers significant and attractive benefits to a growing number of Local Authority partners. These include:

- **Greater efficiency in service delivery**
- **Better economy of service**
- **Strong customer-focused service with committed staff**
- **Greater council influence and flexibility**
- **Shared profits**
- **Support for the local economy and community**
- **Speedy mobilisation – less costly to launch**
- **Freedom to trade in wider markets with a commercial approach**
- **Generation of long term savings.**

The Group also keeps employees informed of matters affecting them as staff and the financial and economic factors affecting the performance of the Group.

Benefiting our communities

Norse Group is a modern, forward-thinking and environmentally conscious business. We have been committed to corporate responsibility over the years by supporting our customers with initiatives that really make a difference. We pride ourselves on a commitment to sustainability in our ethos and across our increasingly green operations. We position ourselves as leaders in the field, with details of our performance highlighted on social media, our company websites, in press releases, company brochures, project sheets, tender bids and at exhibitions.

Our businesses, of course, play a significant role in local and regional economies. The Norse Group annual returns via rebates and dividends to Norfolk County Council help to boost public funds and reduce Council Tax bills.

Norse has created a large number of jobs in this county and beyond. When supplier impacts and spending by employees are taken into account, Norse Group supports the employment of an estimated 13,000 people in the UK.

Sourcing services, materials and goods locally is also central to Norse Group's commitment to working with the local business community. With significant annual purchasing power, Norse represents considerable economic benefit, providing trading opportunities for numerous businesses, suppliers and subcontractors wherever possible.

Improving our service quality

We are proud of our very high customer retention rate at Norse Group, with much of our work being repeat business through our Local Authority clients. Recent Group surveys have revealed 93% overall satisfaction with our services – and our challenge in the years ahead must be to maintain and improve such impressive statistics.

Norse has always been a customer-focused business, listening and responding to the views of customers and other service users. Our processes are regularly reviewed and modified to provide us with the best possible tools to meet objectives.



We believe that part of providing a quality service involves gaining as much customer feedback as possible, both positive and negative.

Norse Group has obtained ISO 9001, ISO 14001 and ISO 18001 accreditations and continuously reviews procedures to ensure that all areas of our business continue to meet these standards. We are committed to talking to our partners, listening and responding; focusing on what matters most to our people, Shareholders and business partners, and our approach to Corporate Responsibility under The Norse Way reflects this.

Our governance

Whilst the Company is not bound by the UK Corporate Governance Code, the Board is committed to maintaining high standards of corporate governance. Our governance structure has been developed over several years to meet the increasing span and complexity of our businesses. The defined roles and responsibilities at Board level are set out below.

The Board is responsible to Shareholders for creating and delivering sustainable Shareholder value through the management of the Group's businesses. The Board determines the strategic objectives and policies of the Group to deliver such long term value, providing overall strategic direction within a framework of risk appetite and controls. The Board's aim is to ensure that management strikes an appropriate balance between promoting long term growth and delivering short term objectives.

The Board is responsible for demonstrating ethical leadership and promoting the Company's values, culture and behaviours and for acting in a way that promotes the success of the Company for the benefit of the Shareholders. The Board is also responsible for ensuring that management maintains systems of internal control that provide assurance of effective and efficient operations, internal financial controls and compliance with laws and regulations. In addition, the Board is responsible for ensuring that management maintains an effective risk management and oversight process at the highest level across the Group.

In carrying out these responsibilities, the Board must have regard to what is appropriate for the Group's business and reputation, the materiality of the financial and other risks inherent in the business, and the relative costs and benefits of implementing specific controls. The Board is also responsible for deciding other matters of such importance as to be of significance to the Group as a whole because of their strategic, financial or reputational implications or consequences.

Specific key decisions and matters have been reserved for approval by the Board. These include decisions on the Group's strategy, approval of risk appetite, capital and liquidity matters, major acquisitions, mergers or disposals, Board membership, financial results and governance issues, including the corporate governance framework.

The non-executive Directors are required to be Members or Officers of Norfolk County Council. The non-executive Directors during the year were Andrew Jamieson and myself.

The voting rights of Directors are as follows:

- **Non-executive Directors - three votes each**
- **Executive Directors - one vote each**

As Chairman of the Board I have a casting vote in the event that an equal number of votes are cast.

Currently the Board has four members, two executive Directors and two non-executive Directors. One of the non-executive Directors is also the Chair. All Directors work for the long term success of the Company.

Particular Board responsibilities are referred to three standing Board Advisory Groups:

- **Investment Advisory Group**
- **Risk and Insurance Advisory Group**
- **Audit Advisory Group**

All three Groups are authorised to obtain outside legal or other independent professional advice if they consider it necessary.

This structure allows particularly detailed or complex matters to be given special scrutiny and oversight. Except where decisions are specifically delegated, each Group reports and submits recommendations back to the Board for its review and, where necessary, decision.

Each Group operates within clearly defined terms of reference, which are reviewed annually by the respective Groups and, if necessary, approved by the Board, to ensure they remain appropriate and reflect any changes in good practice and governance.

All the shares in the Norse Group are owned by Norfolk County Council and the Board is committed to a continuing dialogue with its Shareholder.

Shareholder Committee

As part of its governance of the Norse Group, Norfolk County Council appoints a Member to represent its interest as Shareholder. This Shareholder Representative attends all company board meetings as well as the Company's Annual General meeting and receives copies of all the Board papers.

In addition, the Group is monitored by a County Council Shareholder Committee which supports the development of the Group and provides feedback to the Council on decisions made by the Board.

Our five-year plan

Norse Group must build on its many successes and has identified five main business objectives. These are: sustainable and profitable growth; building a balanced client base; increasing the return to Norfolk County Council; improving, or at least maintaining, operating margins; and delivering a significant investment programme to generate long term revenue.

By building a balanced client base spread across a number of markets, Norse Group aims to reduce risk and increase resilience. The Local Authority market remains our most important client base.

Our objective is to secure new Joint Ventures over the course of the next 5 years. In 2018/19 a Joint Venture with Daventry Council has already been secured, with an annual value of £6m. In addition work with two other authorities worth a combined value of £18m, has been secured for 2019/20. New income levels generated by NorseCare will continue to grow, with a target of 10% in 2018/19. This additional income will enable the necessary capital investment in new and existing care facilities.

Norse Group will continue to bid for contracts in the competitive market when they are considered viable and likely to deliver a solid rate of return.

Through continued hard work, innovation, developing new business and adhering to our five-point plan, Norse Group is targeting an annual growth rate of 10% for the next five years.

Tom McCabe

Chairman
Norse Group



Norse Group MD's Report



Dean Wetteland
Managing Director
Norse Group

Summary

- Turnover of **£279.9m**
- Underlying profit **£2.039m**
- Group forward order book of **£3bn**
- **£10m** approved capital investment for 2016 – 2020
- Total rebates and dividend to Shareholder **£2.1m**
- Total equity **18.136m (2017: 16.439m)**



Business review

As we move into our 31st year of trading, the Norse Group continues to be one of the largest Local Authority Trading Companies in the UK. We are one of the UK's fastest growing service providers with an impressive portfolio including facilities management, multidisciplinary property and design services and specialist care facilities provider.

Providing commercial solutions that address current and future built environment challenges. We have 36 Joint Venture partnerships in England and Wales. We are looking to extend our geographic presence further in England and Wales, as well as establish a trading base in Scotland.

With circa 9,650 people directly employed by the Group, 44% of whom are based outside Norfolk, and over 30 offices spread across England and Wales, the Norse Group is a truly national offering. It has become a significant player, generating income from sales across the UK mostly via its very distinctive offering in the public sector.

Whilst overall Norse Group employment remains higher in Norfolk than the rest of the UK, primarily due to the business infrastructure being based at the Group HQ. In Norwich, it is interesting that the Group's spend with suppliers outside Norfolk is over 65% of the overall Group spend.

The Gross Value Added (GVA) of the Group is estimated to be in the region of £286 million across the UK, supporting 2,200 jobs nationally directly relating to the supply chain, and a further £97 million GVA. Also, employee expenditure supports further employment of 2,000 people UK-wide and the GVA relating to employee spend is £70 million. All in all, the Group supports approximately 13,000 jobs including employment in the Group, the supply chain and through direct employee spend.

The target for turnover growth for the Norse Group has been set at an average 10% a year up to 2020.

To secure this we aim to:

- **provide more services to existing clients**
- **win new work through competition**
- **explore the acquisition of additional companies (to enable diversification into new markets)**

- **explore more JV opportunities, particular in environmental and FM services**
- **develop new services e.g. rental housing portfolio**
- **expand the portfolio of Care Homes and private clients.**

The Norse Group has an aim to drive profitable, sustainable growth through organic growth, commercially won contracts and new joint venture partnerships with Local Authorities.

Group revenue for 2018 was £279.9m (2017: £281.3m). Despite the decline in revenue, adjusted gross profit and adjusted gross profit margin improved due to the achievement of more direct cost efficiencies.

The Underlying Profit for the financial year was £2.039m. The underlying trading position is after taking account of all rebates made to Local Authority partners, including Norfolk County Council. Interim dividends of £600k were paid during the year (2017: £513k).

Trading performance was adversely impacted in the first half of the year by changes in market conditions as clients adjusted to rising labour costs and economic uncertainty.

These factors resulted in reductions in higher margin project and contractual work from commercial markets and this, coupled with Local Government funding constraints which led to many capital projects being placed on hold or postponed in this financial year. In addition the restrictions on the commodity market in china, have resulted in a significant impact on the NEWS finances. This has resulted in both revenue and profit decline.

The Group suffered from non-recurring exceptional items, which decreased profits by £2.197m. The non-recurring costs include £0.5m redundancy costs, £1.1m legal claim, £0.4m legal costs. Other income relating to actuarial gains totalled £4.404m (2017: expense £15.688m) leading to a net consolidated income before dividends of £2.322m (2017: expense £13.922m). Of this amount, net consolidated income attributable to the owners of the parent is £2.322m (2017: £13.922m)

The KPIs for the year to 31 March 2018:

Revenue	279.9m
Adjusted gross profit	58.295m
Adjusted gross profit margin	20.8%
Underlying profit	2.039m
Underlying profit margin	0.7%
Average employee number	9,558

The decrease in employee numbers from the prior year (9,742) is representative of the efforts made to reduce costs, particularly in NPS.

A review on the cost base was undertaken by management during 2018, with a number of rebalancing measures introduced. The Group is confident that decisive actions taken will ensure the Company is positioned better to exploit its strengths, with a clear pathway to sustainable profitable growth.

Norse Commercial Services

Norse Commercial Services has grown turnover slightly in the year with an increase of £0.6m from financial year 2017. Security (largely delivered through Eventguard Ltd) and facilities management (FM) were the two areas of our Norfolk based activity which delivered the greatest growth in sales (up 29% and 15% respectively). FM is seen as an increasingly important core business area for Norse Commercial Services. Most of the joint venture partnerships delivered strong sales, with Medway Norse Limited in particular showing very solid growth (up 15%).

Revenue derived from school catering has been under pressure due to strong competition in the market place. The company is responding to this by increasing sales and bidding activity and reviewing the menu offering, and expects to see an improved position to reverse in the year ahead.

The underlying profit margin on much of Norse Commercial Services' core activity remains strong with many areas exceeding expectations in the year. Results in all the environmental services JV's were all on or ahead of business plan.

Unfortunately a major downturn in the market for recycled paper has significantly reduced the profitability of Norse Environmental Waste services. Turnover remained at last year's level despite increased tonnages being processed, and the processing cost per tonne increased as a result of the higher quality of output required to satisfy the market.

NPS Group

Revenue for 2018 was £87.8m (2017: 91.3m). A significant cost reduction programme has been undertaken, resulting in an improvement in gross margin, but one off costs associated with this programme, plus legal costs relating to a large historic claim have resulted in an increased operating loss. The loss before tax for the NPS Group is £3.735m (2017: £2.683m).

Trading performance was adversely impacted by a lack of large schemes for the Architectural services division – a common theme across the industry. Until further certainty comes into the market, either through easing of austerity measures, or more clarity about the post – Brexit economy, then the depressed market is likely to continue. However following the changes to management and restructure of business support functions the Group now has a more appropriate cost base, and therefore will be more competitive in the current tighter market.

NorseCare

NorseCare has focused on maintaining high levels of care and service quality whilst trading profitably. Attention has also been focused on reducing labour costs, increasing occupancy rates and maximising business support efficiencies to increase profitability. The vast majority of NorseCare's business remains with Norfolk County Council, but the company has also continued to increase private resident numbers, largely through bringing additional rooms into occupation. NorseCare has an excellent reputation for service quality and this is reflected within Care Quality Commission (CQC) compliance results.

The combined growth in private sales has helped to offset a further reduction in Norfolk County Council revenue. Revenue rose by 2% to £37.2m (2017: £36.45m) NorseCare net profit margin decreased to 1.9% from 2.6%. However this is primarily due to a large gain relating to an asset disposal included in the prior year.

Outlook

The economic and political landscape in financial year 2018.19 and to the end of this decade is a potentially turbulent mixture of global, European and national instability. However, we are confident that the Group can capitalise on the challenges ahead of us and positively build upon the successes of the past 30 years.

Despite the uncertainties within the UK economic climate and the continuing funding constraints within Local Authorities, the Board is confident that the diversity of sectors in which the Group operates places it in a strong position for 2018/19 and the medium term.

The Group continues to explore all available opportunities with Local Authorities to form new joint venture partnerships. With regard to existing joint venture partnerships, the priority is to pass all contract review gateways to ensure these continue into their next terms and, furthermore, offer additional services.

The Group currently has a large number of long-term joint venture partnerships with Local Authorities and Government bodies and therefore has a strong forward order book of £3bn.

Excluding the arrangements with Norfolk County Council, at the year-end the number of partnership trading companies was 36 and the remaining terms on these arrangements are as follows:

Less than 1 year	2
2-5 years	10
Greater than 5 years	24

The Group aims to strengthen its position by pursuing new partnership agreements and is already in discussion with a number of Authorities. The Group is also seeking ad-hoc commissions.

The last six months have seen many foundations laid, with numerous leads and strategic conversations already happening. I am confident that all this hard work will allow the Group to achieve its challenging five-year plan.

Everyone associated with the Group should be exceptionally proud of the role our business now plays nationally– creating jobs, underpinning economies and delivering consistently high standards of services across communities.

Our journey is far from complete and the amalgamation of both NCS and NPS is an exciting development for the Group, along with NorseCare extending its geographic presence in the East of England. Our ambitious growth strategy is expected to rise to £0.5billion in the next five years and increase returns to our shareholder.

I am confident that the Group will continue to go from strength to strength, not only in its Public Authority companies but I also envisage significant growth with our commercial contracts. These are truly exciting times for the Group.

Treasury management and capital investment

There will be a strong focus on managing cash to minimise the Group's borrowing requirements. The Group Treasury policy enables this along with the review of all investment decisions by the Investment Advisory Group.

For 2016-2020, £10m capital investment has been approved in our Care Homes to create more dementia bed capacity.

Despite the current economic climate, the outlook for the Group remains positive. The Group has a large number of long term partnership contracts with Local Authorities and Government bodies, and therefore a strong forward order book.

Dean Wetteland

Norse Group
Managing Director

Group Profit & Loss Account

The following three pages contain extracts from the consolidated financial statements for the Norse Group Limited and its subsidiary companies for the period ended 31 March 2018.

These unaudited extracts have been prepared by the Norse Group from the full financial statements audited without qualification by our external auditors PriceWaterhouseCooper LLP.

These accounts have been prepared in accordance with the Companies Act 1985 and generally accepted accounting principles for company reporting. The full financial statements have been approved by the Board of Directors and the Shareholder's Representative. Copies of the full financial statements are filed at Companies House and are available from the Company on request.

Consolidated statement of comprehensive income for the year ended 31 March 2018

	Note	31 March 2018 £000	31 March 2017 £000
(Loss) / Profit for the financial year		(2,082)	1,766
Other comprehensive income / (expense):			
Re-measurement of defined benefit liability	27	5,306	(18,538)
Deferred tax in respect of defined benefit pension scheme	17	(902)	3,152
Movement in deferred tax in respect of pension scheme arising from change in rates	17	–	(302)
Other comprehensive income / (expense) for the year, net of tax		4,404	(15,688)
Total comprehensive income / (expense) for the year		2,322	(13,922)
Total comprehensive income / (expense) for this year attributable to:			
Non-controlling interests		134	(829)
Owners of the parent		2,188	(13,093)
		2,322	(13,922)

None of the items included within other comprehensive income / (expense) will subsequently be reclassified to profit or loss.

Consolidated Balance Sheet 17/18

Consolidated statement of financial position as at 31 March 2018

	Note	31 March 2018 (Restated) £000	31 March 2017 (Restated) £000
Assets			
Non-current assets			
Goodwill	11	4,397	4,397
Other intangible assets	12	616	839
Property, plant and equipment	13	95,236	94,129
Investments accounted for using the equity method	14	97	45
Deferred tax asset	17	6,540	6,817
Trade and other receivables	19	11,470	11,561
		118,356	117,788
Current assets			
Inventories	18	2,865	2,934
Trade and other receivables	19	45,864	52,470
Current tax asset		115	814
Cash and cash equivalents	20	6,518	6,918
Assets held for sale	13	590	130
		55,952	63,266
Total assets		174,308	181,054
Liabilities			
Current liabilities			
Trade and other payables	21	(43,191)	(49,824)
Obligations under finance leases	23	(1,739)	(1,439)
Borrowings and overdrafts	24	(4,868)	(11,699)
Provisions	25	(602)	(3,200)
		(50,400)	(66,162)
Non-current liabilities			
Trade and other payables	21	(16,529)	(16,679)
Obligations under finance leases	23	(5,521)	(4,844)
Borrowings	24	(41,750)	(31,325)
Provisions	25	(873)	(1,119)
Deferred tax liabilities		(140)	(295)
Pensions and employee benefits obligations	27	(40,959)	(44,191)
		(105,772)	(98,453)
Total liabilities		(156,172)	(164,615)
Net assets		18,136	16,439

Consolidated statement of financial position as at 31 March 2018 (continued)

	Note	31 March 2018 (Restated) £000	31 March 2017 (Restated) £000
Equity			
Equity attributable to owners of the parent:			
Share capital	33	11,964	11,964
Revaluation reserve		682	682
Capital contribution reserve		16,200	16,200
(Accumulatted losses)		(9,714)	(11,349)
		19,132	17,497
Non-controlling interests	32	(996)	(1,058)
Total equity		18,136	16,439

Growing our Norse Way

Corporate Responsibility Strategy

Our Norse Way corporate social responsibility activities continue to expand; ensuring sustainability and corporate responsibility is embedded throughout our business.

The Norse Way applies to how we act as an employer, a contractor, a supplier, a business partner and as individuals. Our commitment as a socially responsible employer is at the core of what we do.

The Norse Way affects our everyday operations and our planning for the long-term, based on our values of Quality, Innovation, Respect and Trust and is a central part of our daily activities.

It is led by Dean Wetteland as Executive Owner, steered by a Strategy Team from across the Group

and enabled by Local Champions and Norse Way Advocates in our locations up and down the country.

Our approach is focussing on key areas we believe could have a long-term impact on our business and society such as: supporting older people; wellbeing and preventing obesity; regeneration; employment and youth opportunity; skills and employee development; environmental management; and building customer trust.

We were delighted in January when our Group HR Director, Tricia Fuller, architect of The Norse Way, received an MBE for services to the community in The Queen's New Year Honours.

Governance

Simple and strong governance is essential to ensure our programme's success. This includes leadership from the top through to champions at local level. We have Local Champions across the business to ensure the Norse Way is a fundamental part of our Norse culture. Champions reinforce key messages on the ground; tailoring and localising them to make them relevant and authentic and engaging the hearts and minds of the people that matter: employees, customers, business partners and our communities. An informal network of 60 or so Norse Way Advocates supports our CSR work.



Environmental management



Environmental management is a key commitment of the Norse Way. We are committed to driving down our emissions and reducing our waste and water consumption. The Board has set a 5% four-year target for reduction in energy use (after adjustment for business growth).

During the summer, we held a number of environmental initiatives, including a staff photographic completion linked to the World Environment Day theme of 'Connecting People to Nature' and held our first Norse Tidy Up in September, with litter picks at six Group locations.



Our communities and Care Homes will see increasing numbers of residents with dementia, so it affects us as a service provider and an employer. We continue to encourage staff to become Dementia Friends with the aim to have a Dementia Friends Champion in each key location or function, working with dementia specialists in NorseCare to benefit from their expertise and knowledge.

In recognition of this work, the Group was awarded the In Good Company Quality Mark Plus in March for its work tackling loneliness in Norfolk. Judges gave the Norse Group application a Plus mark, which is only given to organisations going the extra mile beyond their day-to-day work.

NorseCare Managing Director Karen Knight was presented the award on behalf of the then Norfolk County Council Deputy Leader Alison Thomas at an In Good Company Loneliness Summit in Norwich.

Judges were impressed by The Norse Way, and noted our support for Project Search, a national initiative that helps students with learning difficulties make the sometime difficult transition to work.



Supporting older people

The Group is committed to becoming a dementia-friendly workplace, building on Norfolk County Council's campaign for a Dementia Friendly Norfolk. The number of people with dementia is increasing and there will be individuals within our organisation that are developing symptoms themselves or supporting a family member.

Wellbeing

A healthy, engaged and resilient workforce is more productive and profitable in terms of efficiency, customer relations, loyalty, recruitment and retention. We continue to support staff to become healthier and look after their wellbeing. In June, we ran our second Wellbeing Week, highlighting different aspects of wellbeing each day and encouraging staff to get involved. Our New Year Challenge in January encouraged staff to make healthy choices and, in November, we highlighted Stress Awareness Day in the knowledge that this is an increasingly important area of concern.



Wherry Dragon Credit Union & Norse

As a responsible employer, we have been working with Wherry Dragon Credit Union for nearly 10 years.

During that time, almost 700 staff have become members, who save, as well as also being able to access ethical affordable loans, allowing them to make a major purchase such as a car or to provide help at a particular time of year - such as Christmas. Payroll deductions make savings and repayments as easy as possible.



Community Fund

As part of our commitment as a socially responsible employer, we have increased the size of our community fund and during the past year issued record levels of grants to good causes. All staff are encouraged to apply for support to a good cause that is close to their heart.

Applicants must be actively involved with the group, organisation or individual concerned, which must be a recognised, voluntary or charitable group. Grants are often in the region of £750 and successful applications can be anything from football clubs in need of a new kit or cub groups seeking new equipment. We also sponsor individuals who are often talented children of parents or grandparents of our staff.

Volunteering

Our staff can apply to take up to eight hours a year paid time off work to volunteer for a good cause. We are compiling a repository of corporately responsible related information to support bids and tenders. A Social Value Statement has also been developed and published on our Group website www.norsegroup.co.uk where Norse Way activities and policies are clearly displayed.

Alongside these Group-wide initiatives, staff continue to deliver projects in their communities in response to local need.

Here are just a few examples:

At Fifers Lane in Norwich, fund raising days have been held for the Alzheimer's Society and Football Shirt Friday for the Bobby Moore cancer charity.

Newport Norse and NPS South West worked together to design and deliver an environment that allowed stimulating, interactive, experimental play and learning opportunities at a school in Newport.

Staff from the Norse Skills Hub took advantage of the volunteering policy to help at the Bowthorpe Care Village in Norwich, with one of our staff entertaining residents with a karaoke session.

A team from Norwich Norse Building volunteered to renew two wooden footbridges and a section of boardwalk on the Norfolk Broads.

Medway Norse collected **77 boxes** as part of Operation Christmas Child.

In Barnsley, Dementia Champion Naomi Kelsey passed the 50 barrier in her continuing efforts to recruit Dementia Friends.

In 2018 NPS Barnsley held their fourth golf day raising **£5,500** for Barnsley Independent Alzheimer's and Dementia Support (BIADS).

After receiving funds from the Norse Way Community Fund, ten senior managers from NPS South West spent the day volunteering at the Dame Hannah Rogers Charity, painting and decorating one of the charity's specialist facilities.



new·u



Through Pro-help TEN Creative provided pro-bono services for New U, a community focused charity shop with a difference - instead of using money it works on a system of vouchers, donations, swapping and loans. The shop supports young adults (16-30) into work by lending them 'smart' clothing for interviews and other occasions. The TEN Creative team created a bold visual identity for New-U.



NPS Humber raised £7,000 for Viking FM's Cash for Kids campaign in 2017. Cash for Kids operates through a UK network of local charities using local radio to channel and deliver initiatives for sick, disabled and underprivileged children, to give them a better and brighter future. All the money raised stays locally to benefit local children.

Group recognition in 2017/2018

Norse Group

Year	Awarding organisation	Award Event	Status and category
2017	In Good Company		In Good Company Quality Mark Plus

Norse Commercial Services

Year	Awarding organisation	Award Event	Status and category
2017	Norwich for Jobs	Gold Awards	Winner For supporting unemployed 18 - 24 year olds move into work
2017	College of West Anglia	Apprenticeship Awards	Winner IT Apprentice of the Year

NorseCare

Year	Awarding organisation	Award Event	Status and category
2017	EDP	Business Awards	Finalist Customer Care
2018	Norfolk Care Awards	End of Life Care	Finalist
2018	Norfolk Care Awards	Learning and Development	Finalist

NPS Group

Year	Awarding organisation	Award Event	Status and category
2017	Norfolk Constructing Excellence	Norfolk Constructing Excellence Awards	Winner Project of the Year
2017	LABC	LABC South Yorkshire and Humber	Winner Community
2017	RTPI Borough of Waltham Forest	Waltham Forest Design Awards	Winner Best Civic Project
2017	European Women in Construction and Engineering	European Women in Construction and Engineering Awards	Winner Lifetime Achievement in Construction Winner Best Woman Interior Designer Winner Best Woman Young Architect
2017	RTPI	Awards for Planning Excellence	Winner Excellence in Planning to Deliver Housing
2017	RIBA	RIBA East Awards RIBA National Awards	Winner Best Building of the Year
2017	Housebuilder	Housebuilder Awards	Winner Best Sustainable Scheme Winner Best Design for Three Storeys or Fewer
2017	LABC	East Anglia Building Excellence Awards	Winner Best New Housing Development
2017	Housing Design	Housing Design Award	Winner DEFRA Award for Rural Housing
2017	LABC	West Yorkshire Building Excellence Awards	Winner Inclusive Design Award
2017	The Academy of Urbanism	Urbanism Awards	Winner Great Street Award
2017	LABC	Grand Finals	Winner Best High Volume New Housing Development
2017	Building	Building Awards	Winner Housing Project of the Year
2017	Design and Craftsmanship	Design and Craftsmanship Awards	Winner New Residential
2018	CIBSE	Building Performance Awards	Winner Collaborative Working Partnership

Report title:	Annual review of the Enforcement Policy
Date of meeting:	29 October 2018
Responsible Chief Officer:	Tom McCabe - Executive Director, Community and Environmental Services
Strategic impact	
<p>The Enforcement Policy provides a framework to ensure that we work in an equitable, practical and consistent manner in the way we deliver regulatory activities and law enforcement. Norfolk County Council is committed to the principles of better regulation, reducing burdens on business with proportionate responses and ensuring we act to protect and support residents, businesses and the environment.</p>	

Executive summary

<p>The Community and Environmental Services (CES) directorate is responsible for a range of regulatory functions, including Trading Standards, Planning enforcement (mineral and waste sites), Flood and Water (land drainage), Norfolk Fire and Rescue (fire safety) and Highways (networks, maintenance and blue badge enforcement). Each area of work uses different legislation to secure its aims and each has its own framework of regulations, codes of practice and guidance.</p> <p>The Policy, which is subject to annual review by members, has recently been reviewed and updated to reflect recent changes to legislation and guidance, and now includes a new enforcement protocol for Blue Badge Enforcement.</p> <p>Trading Standards continues to carry out the majority of our enforcement activity, and this year we have been working closely with Suffolk County Council Trading Standards towards a common enforcement policy, including for cross border crime.</p> <p>The revised policy has also been subject to a consultation process with key stakeholders, including representatives from local businesses and charities, those working in related enforcement fields and members of the public. Amendments have been made to the policy and Annex 4 in response to the feedback received.</p> <p>A revised CES Enforcement Policy (appendix 1) has been produced with all the proposed changes highlighted in yellow, supported by explanatory notes.</p> <p>The revised Policy, once adopted, will be published via the NCC web pages.</p> <p>Recommendation:</p> <p>The Policy and Resources Committee is asked to approve the attached CES Enforcement Policy (appendix 1) and its annex documents, and to agree to the ongoing review of the Policy on an annual basis.</p>

1. Proposal

- 1.1. The current Enforcement Policy (the Policy) was first developed as a cross-departmental policy in 2013. The Policy covers a range of regulatory functions, including Trading Standards, Planning enforcement (mineral and waste sites), Flood and Water (land drainage), Norfolk Fire and Rescue (fire safety) and Highways (networks, maintenance and blue badge enforcement). It does not try to capture all the detailed, complex and often changing background to enforcement, but instead seeks to summarise the overall approach to the use of enforcement powers; whether that is criminal prosecution at one end of the spectrum or informal warnings and advice at the other. The policy is supported

by detailed procedures for officers within each service area and, where necessary, additional protocols can be appended to the main policy. There are now five areas of work which appear as annex documents to the main policy; these relate to minerals and waste planning, flood and water management, the Norfolk Fire and Rescue Service, Highways Enforcement and Blue Badge Enforcement - see annexes 1 – 5 to the main Policy.

- 1.2. The current Enforcement Policy has recently been reviewed by CES regulatory services, and updated to reflect recent changes to legislation and guidance. Work has also been undertaken by our Trading Standards team and colleagues in Suffolk County Council Trading Standards, to better align our respective Enforcement Policies, in order to deliver a common approach to enforcement, and improve collaboration in areas such as cross border crime.
- 1.3. The revised Policy continues to seek to ensure that the application of any enforcement is:
 - proportionate to the offence and risks, and mindful of previous transgressions
 - transparent - in that any person affected understands what is expected of them, what they should expect from the local authority and the reasons for the action
 - consistent with the Equality Act 2010 and the Council's Equalities Policies
 - consistent in approach, and appropriate.
- 1.4. This year the revised policy has also been subject to a consultation process with key stakeholders, including representatives from local businesses and charities, those working in related enforcement fields and members of the public. The consultation responses and the resultant amendments made are detailed in section 2 below.
- 1.5. All the proposed changes to the Policy (appendix 1) are highlighted in yellow, and supported by explanatory notes.
- 1.6. The revised Policy, once adopted, will be published via the NCC web pages.
- 1.7. **Recommendation: The Policy and Resources Committee is asked to approve the attached CES Enforcement Policy (appendix 1) and its annex documents, and to agree to the ongoing review of the Policy on an annual basis.**

2. Evidence

- 2.1. A CES wide Enforcement Policy is considered to be the most effective way to demonstrate how CES intends to fulfil its regulatory/legal responsibilities. An alternative option would be for each service area within CES to produce its own enforcement policy. However as described in section 1.1 above there is need for consistency in overall approach. This draft policy does provide for additional (detailed) protocols where necessary or appropriate.
- 2.2. There were 22 respondents to the consultation, 15 of whom responded on behalf of local businesses. 77% of respondents agreed or strongly agreed with the Principles of Inspection and Enforcement and proposed use of Enforcement Actions. Only one respondent disagreed with the Principles of Inspection and Enforcement, and two (9%) disagreed with our proposed use of Enforcement Actions.
- 2.3. One member of the public commented that they found the Policy to be unnecessarily complicated and resource intensive, with too many options before legal action is even contemplated. Another respondent, who works in a related

enforcement area, commented that local government should be more robust in its enforcement, where it has appropriate powers, and considered that there are too many 'let's do nothing' options.

Conversely, a respondent on behalf of a community organisation considered the Policy seeks to change behaviour in the first instance and use the least action to achieve the best outcome and a business respondent considered the approach to be fair, pragmatic and thorough.

The Policy meets the requirements of the Regulators' Code in adopting a staged approach to enforcement, and the Code for Crown Prosecutors in respect of the need for legal action to meet the test for Public Interest. Therefore, we have not amended the draft Policy in light of these comments.

- 2.4. One respondent commented that, whilst they felt the complaints and appeals process to be clear, they had difficulty in finding a suitable telephone number as an alternative to using the email/online form provided. The County Council Compliments and Complaints Team has confirmed that the existing NCC process includes alternative access routes, and that NCC contact details are clearly displayed on each page of the NCC website. Accessibility adjustments are also available. However, we have decided to add the alternative access routes to the draft Policy itself for clarity, as a result of this feedback.

Another respondent commented that including the phrase in Section 5.1 'and will try and find a solution' implies that a complaint about the Service is valid. They go on to say that this may not be the case and this should be clear in the Policy to avoid unnecessary and costly complaint investigation. We have therefore amended the draft Policy to clarify this by amending the phrase to 'and will try and find a solution, if appropriate'.

- 2.5. One person, responding on behalf of a charity or community organisation, raised concerns about the enforcement of public rights of way, specifically that although mentioned in Annex 4, there is an absence of any detail around public rights of way, whereas detail is provided for other areas of enforcement. In most cases, the legal processes relating to Highways enforcement are well established, including those dealing with public rights of way issues under the Highways Act. We have provided more detail on enforcement processes for those areas where these are less well established, such as those relating to the enforcement of vehicles for sale on the highway. We have further amended Annex 4 for clarity, as a result of this feedback.

- 2.6. One person, responding on behalf of a business, commented 'I don't see anything in here about cybercrimes and what you are doing to enforce those who use technology for illegal purposes'. It is true that cybercrime is an increasing threat, and our Trading Standards Service, in its 2018-19 Service Plan sets out the following priorities:

- Protecting consumers and supporting legitimate businesses by tackling the most serious fraudulent, illegal and unfair trading, including e-crime
- Safeguarding vulnerable people by tackling rogue traders and scams

Put simply, cybercrime is crime committed online, usually involving misleading and/or fraudulent practices. As a result, cybercrime is considered seriously and will often result in immediate formal action for the most serious breaches, in line with paragraph 4.10 of the Enforcement Policy. In some cases, we will work with partners and internet providers/web hosting companies to arrange for the removal of a website where it is clear it is being used for illegal purposes. This has been added to the draft Policy as an example of an intervention we may take under Paragraph 4.21 of the Policy, as a result of this feedback.

3. Financial Implications

- 3.1. There are no immediate resource implications as a result of this proposal although there is the recognition in the policy that enforcement resources are not limitless and need to be targeted at areas where risk is highest. Higher performing, more compliant businesses require less resource, with regulators focusing their efforts on rogue and higher-risk businesses.

4. Issues, risks and innovation

- 4.1. There is a legal context to the deployment of enforcement powers. In 2014 the [Regulators' Code](#) (the Code) was published and seeks to provide a clear, flexible and principles-based framework for regulators to work to. It covers how we develop and implement items such as our service standards, policies and legal procedures, and sets out the type of information we must include in our Enforcement Policy. The Council has a legal obligation to have regard to the Code, including ensuring a consistent approach to enforcement. However, we are able to make changes to the Policy, if these would better explain or clarify the requirements arising from the Code.

In certain instances, officers may conclude that a provision in the Code is either not relevant or is outweighed by another provision. Officers will ensure that any decision to depart from the Code is properly reasoned, based on material evidence and documented. The Code requires the Council to publish its Enforcement Policy.

The Council must also have regard to The Code for Crown Prosecutors (CPS) guidance which requires extensive consideration of the evidence (for example is it admissible, substantial and reliable) before a decision is made to institute legal proceedings; with any decision also considering whether it is in the public interest to prosecute. This CES Enforcement Policy provides a clear framework and mitigates any risk of legal challenge regarding the delivery of the regulatory enforcement function within the directorate.

4.2. Human Rights

In carrying out its enforcement role, the directorate has regard to the Freedom of Information Act 2000, the Data Protection Act 2018, Regulation of Investigatory Powers Act 2000 and the Human Rights Act 1998 (e.g. in the latter context the right to a fair trial, right to respect for private and family life, prohibition of discrimination and protection of property).

4.3. Equality Impact Assessment (EqIA)

No significant changes to the Policy are proposed which would require an Equality Impact Assessment, however the stakeholder consultation process also sought feedback from the CES Equalities team, who has suggested a clarification that the use of interpreters at paragraph 4.6 should apply to both language and British Sign Language. The draft Policy has been amended as a result of this feedback.

4.4. Risks

This policy provides a clear framework and mitigates any risk of legal challenge regarding the delivery of the regulatory enforcement function within CES.

4.5. Health and Safety Implications

There are no health and safety implications of which to take account.

4.6. Environmental Implications

There are no direct environmental implications to take into account as part of this report. However, the Policy does provide for consideration of formal enforcement action where there is a significant risk to infrastructure or the environment. The

Policy also includes a specific enforcement protocol for Flood and Water Management, and for planning controls.

4.7. **Section 17 – Crime and Disorder Act**

CES, through its public protection and regulatory functions, has an important role to play dealing with crime and disorder. This Policy will support the directorate in protecting the public and the environment in a consistent, fair and transparent way, in line with both local and national priorities and legal requirements.

5. Background

5.1. CES regulatory activities are aimed at protecting the economic wellbeing and safety of Norfolk's residents and businesses and protecting the environment. How we carry out regulatory activities is key to supporting this aim.

5.2. Experience in regulatory enforcement shows that, in most cases, businesses and individuals comply with the law. Failure to do so generally stems from ignorance or carelessness, but sometimes from wilfulness or malice. A range of enforcement options is available to the Council but there is a need to discharge these in a consistent, fair and transparent way, as well as ensuring that the public or environment is adequately protected.

5.3. This Policy, once adopted, will be published via the NCC web pages.

Officer Contact

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

Officer name : Sophie Leney

Tel No. : 01603 224275

Email address : sophie.leney@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

Enforcement Policy

Community and Environmental Services



If you need this advice sheet in large print, audio, Braille, alternative format or in a different language please contact us on 0344 800 8020

September 2018



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1 Introduction


- 1.1 This document applies to the enforcement activities carried out by the Community and Environmental Services (CES) Directorate of Norfolk County Council, including Trading Standards, Highways, Planning and the Norfolk Fire and Rescue Service (Fire Safety).
- 1.2 Where appropriate, additional enforcement protocols or policy may be developed to support this policy, for example where there are national requirements regarding a particular enforcement process. These will be appended to this policy as required. When read in conjunction with Annex 1 this policy constitutes the Local Enforcement Plan **Norfolk County Council Planning Services**, as recommended by Paragraph 207 of the National Planning Policy Framework.
- 1.3 **Policy has been developed in conjunction with a range of stakeholders, including business representatives and is subject to annual review and approval.**
- 1.4 The purpose of this Policy is to provide a framework to ensure that local authority enforcement is delivered in an equitable, practical and consistent manner. This is in line with the principles of good enforcement, as set out in the Legislative and Regulatory Reform Act 2006, and regard has been given to the associated [Regulators' Code](#) (the Code) in the preparation of this policy. In certain instances it may be concluded that a provision in the Code is either not relevant or is outweighed by another provision. Any decision to depart from the Code will be properly reasoned, based on material evidence and documented.
- 1.5 Compliance with this Policy will ensure that we will strive to be fair, impartial, independent and objective. We are committed to ensuring that the decisions we take and the services we deliver take proper account of equality issues and, where necessary, put actions in place to address any barriers faced by protected groups.
- 1.6 Within the context of this Policy, 'enforcement' includes action carried out in the exercise of, or against the background of, statutory enforcement powers. This is not limited to formal enforcement action, such as prosecution or issue of notices, and so includes inspection to check compliance with legal or other requirements and the provision of advice to aid compliance.
- 1.7 For the purposes of this document 'formal action' **includes:** Prosecution, Simple Caution, **Injunctive Action**, Enforcement Order, Issue of Notices, Monetary Penalties, Seizure, Suspension, **Withdrawal**, **Recall**, Forfeiture, Revocation/Suspension of a licence, registration or approval, **Disqualification of weighing or measuring equipment**, Works in Default, **Criminal Behaviour Orders**, or any other criminal or civil/injunctive proceedings or statutory sanctions, applied either separately or in any other combination.
- 1.8 Where appropriate we will seek to recover our enforcement costs, including making formal applications for costs through the Courts.

2 Principles of Inspection & Enforcement

2.1 Proportionality

- 2.1.1 We are committed to avoiding the imposition of unnecessary regulatory burdens and will endeavour to minimise the cost of compliance by ensuring that any action taken, or advice offered, is proportionate to the seriousness of the breach, as well as the risk to people,  businesses, other organisations, animals, property, the community or the environment. In doing so we will choose approaches that are based on relevant factors including, for example, business size and capacity.
- 2.1.2 We will usually give notice of our intention to carry out routine inspection visits, unless we are required by law to visit unannounced, or we have a specific reason for not giving prior notice. For example, this would include where the identity of the person or premises is unknown, or where it would defeat the objectives of the inspection visit to give such notice. Similarly, routine or reactive inspections of the highway  blue badges are not normally subject to such notice.
- 2.1.3 As far as the law allows, we will take account of the circumstances of the case and attitude of the people involved when considering action. We will take particular care to work with businesses and individuals so that, where practicable, they can meet their legal obligations without unnecessary expense, to support and enable economic growth.
- 2.1.4 The most serious formal action, including prosecution, will be reserved for serious breaches of the law.

2.2 Accountability

- 2.2.1 We will actively work with businesses and individuals to advise and to assist with compliance and requests for help. Contact points and telephone numbers will be provided for business and public use.
- 2.2.2 We will aim to carry out visits and inspections at a reasonable time and where appropriate to do so.  most cases our staff will show their identification (and authority if requested) at the outset of every visit and explain the reason for the visit. However, so that we can see things from the point of view of a customer or ordinary member of the public, we may carry out informal visits or arrange to buy goods or services and not introduce ourselves. Where we have to use a young person to carry out work on our behalf, such as in attempting to purchase age-restricted products, we will always use the latest Code of Best Practice.
- 2.2.3 Out of hours contact for services will be provided where there is a need for an immediate response/risk to public health, safety or damage to property, infrastructure or the environment.
- 2.2.4 The whole range of enforcement activities will be dealt with as promptly and efficiently as possible in order to minimise time delays.
- 2.2.5 Where appropriate, feedback questionnaires will be used to gather and act upon information about the services we provide.

2.2.6 We will include information to highlight new legal requirements on our website, with letters sent after an inspection or visit; and by providing or signposting advice and information to help businesses and individuals keep up to date.

2.2.7 We will have regard to fairness and individuals' human rights in all of our enforcement work through conforming to the European Convention on Human Rights (as implemented by the Human Rights Act 1998).

2.3 Consistency

2.3.1 All officers are required to act in accordance with this enforcement policy and our published service standards.

2.3.2 We will carry out our enforcement and advisory functions in an equitable, practical and consistent manner. We will adopt and adhere to relevant policy and guidance and will ensure that our officers are suitably trained, qualified and authorised to undertake their enforcement duties, and understand the principles of good regulation.

2.3.3 Where appropriate, we will publish clear service standards providing information on:

- a) How we communicate and how we can be contacted
- b) Our approach to providing information, guidance and advice
- c) Our risk assessment methodology used to determine inspection activity, clearly setting out what can be expected from us at the time of visit
- d) Any applicable fees and charges; and
- e) How to comment or complain about the service provided and the routes to appeal.

2.4 Transparency

2.4.1 In most circumstances we will seek to ensure that people affected by formal action are informed of what is planned, and allow for discussion and time to respond before the action is taken. We will also give them a named officer's contact details. These arrangements must have regard to legal constraints and requirements.

2.4.2 When a notice is served it will say what needs to be done, why, and by when, and that in the officer's opinion a breach of the law has been committed and why the notice is necessary. We will also make a clear distinction between legal requirements and recommended works.

2.4.3 As part of our commitment to equality we will communicate in a clear, accessible, concise, format using media appropriate to the target audience, in plain language. Where businesses or the public do not have English as a first language we offer translations of correspondence on request.

2.4.4 This Enforcement Policy is published via the Norfolk County Council website and we may also publish further guidance about specific/technical areas, such as the use of civil sanctions.

2.4.5 The publicity generated by legal proceedings acts as a deterrent to others, and reassures the general public that we take a serious view of illegal behaviour. We therefore publish the outcome of court

proceedings, including undertakings; as part of this we include the name of the defendant(s), unless directed not to do so by the Courts.

2.4.6 [REDACTED] will routinely publish the names and trading addresses of traders subject to legal proceedings, including prosecutions, enforcement orders, undertakings or the administrative issue of penalties/fines.

2.4.7 [REDACTED] may also publish the names and trading addresses of traders who act in ways that represent a significant risk to consumers or the interests of legitimate businesses, subject to the following conditions:

- There is no risk of prejudice to legal proceedings or other formal enforcement action, and
- The evidence of unfair or illegal trading is conclusive, and
- It is in the public interest to do so, taking into account the personal circumstances of the offender and community cohesion, and
- To do so does not breach Human Rights or Data Protection Law, or the Children and Young Persons Act 1933.

2.4.8 Examples of the current published enforcement action is via the [Norfolk Trading Standards web pages](#).

2.5 Targeted (Intelligence and Risk Led) Enforcement

2.5.1 Enforcement will be primarily targeted towards those situations that give rise to the most serious risks, and against deliberate/organised crime. Other determining factors will include local priorities, Government targets and priorities, new legislation, national campaigns and public concerns.

2.5.2 By having a coherent and risk based intelligence system, effective strategies can be formed to enable and co-ordinate solutions to particular problems. This enables the identification of new, current and emerging issues, allowing provision of strategic and tactical direction on how the issues can best be tackled. [REDACTED] subject to the provisions of Data Protection and Human Rights Law, we may also refer cases and/or share information and intelligence with other law enforcement agencies.

2.6 Supporting the local economy

2.6.1 We recognise that a key element of our activity will be to facilitate and encourage economic progress against a background of protection.

2.6.2 Wherever possible, we will work in partnership with businesses and individuals, and with parish councils, voluntary and community organisations, to assist them with meeting their legal obligations without unnecessary expense.

2.7 Reducing enforcement burdens






2.7.1 If there is a shared enforcement role with other agencies, e.g. the Police, Environment Agency or other local authorities, we will consider co-ordinating with these agencies to minimise unnecessary overlaps or time delays and to maximise our overall effectiveness. We will also liaise with the other regulators to ensure that any proceedings instituted are for the most appropriate offence.

- 2.7.2 We will follow the principle of “collect once, use many times” and share information that we collect with other local authority regulatory services to minimise business impact.
- 2.7.3 When conducting farm visits, we will have due regard to the [Farm Regulators’ Charter](#), which makes sure visits are carried out consistently across regulators. The charter covers all inspection types and visits of agricultural and aquaculture activities carried out by Farm Regulators.

3 Primary Authority Partnerships


- 3.1 Primary Authority is a statutory scheme established by the Regulatory Enforcement and Sanctions Act 2008. It allows an eligible business to form a legally recognised partnership with a single local authority in relation to the provision of tailored advice, guidance and assistance relating to regulatory compliance. The single local authority (known as the “Primary Authority”) is registered with the [Office for Product Safety & Standards](#) (OPSS), via the Primary Authority Register.
- 3.2 The Primary Authority then acts as the single point of contact between its partner business and the local authorities that regulate it. The Primary Authority can issue assured advice upon which the business can rely and can also, where appropriate, devise inspection plans for businesses. The inspection plan can place specific requirements on other local authorities and can require feedback on their checks to be given to the Primary Authority.
- 3.3 Where an enforcing local authority is considering enforcement action against a business that has a Primary Authority it is required to make a statutory notification to the Primary Authority. In most cases, this notification must be made before the action can be taken. However, in certain circumstances the notification can be retrospective. These currently include:
- abatement notices the Environmental Protection Act 1990
 - emergency prohibition notices under specified food hygiene legislation
 - prohibition notices under the Regulatory Reform (Fire Safety) Order 2005
 - notices of emergency remedial action under the Housing Act 2004
 - emergency prohibition orders under the Housing Act 2004
 - enforcement action that is required urgently to avoid a significant risk of harm to human health, the environment or the financial interests of consumers; and
 - enforcement action where the ‘pre-notification’ requirements of the scheme would be wholly disproportionate.
- 3.4 If another local authority proposes enforcement action which the Primary Authority deems to be inconsistent with the assured advice, the Primary Authority may seek to block the enforcement action. Where this is the case but is disputed, or there is a need for further considerations, the matter would be referred to the [Office for Product Safety & Standards](#) (OPSS) for their consideration/determination.

4 Enforcement Actions

- 4.1 Nothing in this policy shall be taken to compel us to take enforcement action. In certain instances we may conclude that an enforcement response is not appropriate given the circumstances.
- 4.2 In deciding what enforcement action to take, we will have regard to the following aims:
- to change the behaviour of the offender
 - to eliminate financial gain or benefit from non-compliance
 - to be responsive and consider what is the most appropriate sanction for the particular offender and the regulatory issue concerned
 - to be proportionate to the nature of the offence and the harm/potential harm caused
 - to repair the harm caused to victims, where appropriate to do so
 - to deter future non-compliance.
- 4.3 Any decision to undertake formal enforcement action will be taken in the context of operational priorities, this policy and the [Council Constitution and scheme of delegations](#). Such decisions will include the use of intelligence in determining the nature of any response, as well as being subject to ongoing monitoring and review.
- 4.4 Where a right of appeal against a formal action exists other than through the courts, advice on the appeal mechanism will be clearly set out in writing at the time the action is taken.
- 4.5  Before it is necessary to carry out a full investigation, the case will be progressed without undue delay. All investigations into alleged breaches of legislation will be conducted in compliance with statutory powers, time limits and all other relevant legislation (and relevant Codes of Practice), including the requirements of:
- Police and Criminal Evidence Act 1984 (PACE)
 - Criminal Procedure and Investigations Act 1996 (CPIA)
 - Regulation of Investigatory Powers Act 2000 (RIPA)
 -  Investigatory Powers Act 2016 (IPA)
 - the Criminal Justice and Police Act 2001 (CJPA)
 - Human Rights Act 1998 (HRA).
- 4.6 As part of any criminal investigation process, persons suspected of having committed a criminal offence will, wherever possible,
- be formally interviewed in accordance with PACE
 - be given the opportunity to demonstrate a statutory defence
 - have the opportunity to give an explanation or make any additional comments about the alleged breach
 - be offered translation/interpretation services  guage and British  Sign Language) where English is not their first language
- 4.7  part of our enforcement function we may exercise a wide variety of powers, including the power to enter premises and inspect goods, to require the production of documents or records and, when necessary,





the power to seize and detain such material where they believe it may be required as evidence.

4.8 We may also take with us such other persons as may be necessary as part of our enforcement function. This may include Police Officers where there is the possibility of an arrest. In certain cases, we may exercise an entry warrant issued by a Magistrate in order to gain access to premises.


4.9  may also use investigation equipment whilst undertaking our their duties, including hand held and Body-Worn Video (BWV) cameras. BWV devices are capable of recording both visual and audio information and can provide a number of benefits to enforcement agencies, including a deterrent to aggressive, verbal and physical abuse towards officers, and in providing additional evidence to support investigations. BWV will usually be deployed on an overt basis for a specific purpose, and where it is necessary and proportionate to do so. Any decision to deploy BWV on a covert basis will be made in accordance with the Regulation of Investigatory Powers Act (RIPA), related legislation, Codes of Practice and associated Council Policy.


4.10 Immediate Formal Action

4.10.1 Whilst recognising that most people want to comply with legal requirements, we also recognise that some will operate outside the law (both intentionally and unintentionally). Where possible, a staged approach to enforcement will be adopted, with advice and informal action explored to resolve the matter in the first instance. However, we will consider taking immediate formal action for the most serious breaches, including any of the following circumstances:

-  are the infringement causes or is likely to cause actual or emotional damage, or substantial loss or prejudice to people, businesses or other organisations
- Where there is a significant risk to public health, safety or wellbeing, or damage to property, infrastructure or the environment.
- Fraud, ressive or eptive/misleading practices quipment, or practices seeking an unfair 'competitive advantage'.
- Illegal practices targeted at vulnerable people, including young people and the elderly.
- For matters where there has been recklessness or negligence, or a deliberate or persistent failure to comply with advice, warnings or other enforcement action.
- Where food fails food safety requirements.
- Any act likely to affect animal health or welfare, disease prevention measures, or the integrity of the food chain.
- Obstruction or assault (including verbal assault) of an officer in the execution of their duties.

4.11 Advice, Guidance and Support

4.11.1 We are committed to using advice, guidance and support as a first response to the majority of breaches of legislation, bject to any need to take immediate formal action for the most serious breaches (see paragraph 4.10 above).


4.11.2 Any initial requests for advice from individuals or businesses on non-compliance will not necessarily  themselves—directly trigger enforcement action. In such cases we will seek to assist in rectifying such breaches as quickly and efficiently as possible, where there is a clear willingness to resolve the matter.

4.11.3 Any correspondence will clearly differentiate between legal requirements and good practice, and indicate the regulations contravened and the measures which will enable compliance.

4.11.4 Follow up checks will be carried out on a risk and intelligence-led basis and where a similar breach is identified in the future, previous advice will be taken into account in considering the most appropriate enforcement action to take on that occasion.

4.12 Where more formal enforcement action has previously been taken, such as a simple caution or prosecution, we recognise that there is likely to be an ongoing need for compliance advice and support, to prevent further breaches.

4.13 **Verbal or written warning**

4.13.1 Compliance advice can be provided in the form of a verbal or written warning. In doing so we will clearly explain what should be done to rectify the problem, and how to prevent re-occurrence. Warnings cannot be cited in court as a previous conviction, but may be presented in evidence.  **Failure to comply with warnings or advice could result in more serious enforcement action being taken.**

4.14 **Statutory (Legal) Notices**

4.14.1 Statutory Notices are used as appropriate in accordance with relevant legislation. Such notices are legally binding. Failure to comply with a statutory notice can be a criminal offence and may lead to prosecution and/or, where appropriate, the carrying out of work in default.

4.14.2 A statutory notice will clearly set out actions which must be taken and the timescale within which they must be taken. It is likely to require that any breach is rectified and/or prevented from recurring. It may also prohibit specified activities until the breach has been rectified and/or safeguards have been put in place to prevent future breaches. Where a statutory notice is issued, an explanation of the appeals process for such notices will be provided to the recipient.

4.15 **Monetary penalties**

4.15.1 Fixed or variable monetary penalties may be issued where there is a specific power or delegated authority to do so and under the following circumstances:

- To provide an effective and visible way to respond to less serious crimes without going to court
- As a response to genuine problems or as part of a wider enforcement strategy.

4.15.2 Specific guidance for legislation, which includes the power to issue monetary penalties, may be produced to support this policy. Such guidance will be published alongside via our website. [Example of this is Norfolk County Council guidance for the enforcement of the Single Use Carrier Bags Charges \(England\) Order 2015, which is available here.](#)

4.15.3 Where the offender fails to discharge their liability resulting from any monetary penalty issued, alternative enforcement action will automatically be considered under this policy (including prosecution of the initial offence). Where prosecution is brought; an assessment will be made of other offences that may also have been committed in order that those charges may be considered at the same time.

Consideration will be given to the adoption of alternative remedies to the issue of a monetary penalty, such as those involving dedicated advice and training sessions, which aim to change the behaviour of the offender, whilst remaining proportionate to the nature of the offence and the harm/potential harm caused.

4.16 Licences, registrations and approvals

Local authorities have a role to play in ensuring that appropriate standards are met in relation to licences, registrations and approvals. We may [use to grant](#), seek to review, temporarily remove, suspend or revoke any licence, registration or approval if we are made aware that actions have been carried out which undermine scheme objectives and/or would be unlawful. This includes those issued by other agencies.

4.17 Seizure and Destruction

4.17.1 Some legislation permits our Officers to seize items such as goods and documents that may be required as evidence. When we seize goods, we will give an appropriate receipt [other record of seizure](#) to the person from whom they are taken. On some occasions we may also ask a person to voluntarily surrender and transfer ownership of illegal goods to us.

4.17.2 Where we seize food for failing food safety requirements, or animal feed for non-compliance with feed law, an application will be made to the Court for a condemnation order, for the illegal product to be destroyed. We will provide details of where and when this application will be made to allow interested parties to attend the hearing.

4.17.3 [Where products are found to present a serious risk we may seek to destroy or otherwise render them inoperable by virtue of EC Regulation 765/2008, the Regulation on Accreditation and Market Surveillance \(RAMS\).](#)

4.18 Detention

4.18.1 Where food is suspected of failing food safety requirements, or where animal feed does not comply with specified feed law, it may be detained to allow further investigation.

4.18.2 When food or animal feed is detained, a notice of detention will be provided, detailing the detention arrangements, including the location where the product(s) will be detained.

4.19 Forfeiture

4.19.1 Where an accused has not agreed to voluntarily surrender any infringing goods then, on successful conclusion of legal proceedings, forfeiture may be applied for.

4.19.2 Where illegal goods have been seized but there is insufficient evidence of a defendant's identity or other circumstances which do not justify any other course of action, proceedings may be instituted for the forfeiture of those goods. This action is by way of a complaint to the Magistrates Court.

4.19.3 This does not preclude us from taking forfeiture proceedings in their own right in any other appropriate circumstances. We may also seek to recover costs of forfeiture proceedings from the defendant(s).

4.20 Injunctive Actions, Enforcement Orders etc

4.20.1 We will consider formal civil enforcement action in pursuance of breaches of law which have a detrimental impact on the collective interests of consumers or businesses.

4.20.2 When considering formal civil enforcement action, an Officer will, where appropriate, first discuss the circumstances with those suspected of a breach and, through consultation, attempt to resolve any issues. Alternatively, we will look to redress detrimental practices via a range of enforcement actions. These include the following:

- informal and formal undertakings
- interim and other court orders
- contempt proceedings.

We may ask the Court to consider other remedies as part of any proceedings, including compensation for victims.

4.21 Other Sanctions or Interventions


4.21.1 We will consider other sanctions or interventions where legally available and appropriate to do so, including criminal behaviour orders under the Anti-Social Behaviour, Crime and Policing Act 2014, injunctions under the Local Government Act 1972 or equivalent orders to disrupt and/or prevent activities that may contribute to crime or disorder. This may also include arranging for the removal of websites where it is clear they are being used for illegal purposes.

4.22 Taking animals into possession/banning orders

4.22.1 Under the Animal Welfare Act 2006, if a veterinary surgeon certifies that 'protected animals' are suffering or are likely to suffer if their circumstances do not change, we will consider taking them into our possession and applying for Orders for re-imbursalment of expenses incurred and subsequent disposal. We may also look to other legislation where appropriate to ensure that similar standards of care and/or control



of animals is properly maintained. In some circumstances we will also consider applying to the Court to ban a person(s) from keeping animals.

4.23 Simple Cautions

4.23.1 In certain cases a simple caution may be offered as an alternative to a prosecution,  example for first time offending. The purpose of a simple caution is to deal quickly with less serious offences, to divert less serious offences away from the Courts, and to reduce the chances of repeat offences.


4.23.2 Officers will comply with the provisions of relevant Home Office Circulars. The following conditions must be fulfilled before a caution is administered:

- The offender has made a clear and reliable admission
- There is a realistic prospect of conviction
- It is in the public interest to offer a simple caution; and
- The offender is 18 years old or older at the time that the caution is to be administered.


4.23.3 A simple caution  appear on the offender's criminal record. It is likely to influence how we and other enforcement agencies deal with any similar breaches in the future, and may be cited in court if the offender is subsequently prosecuted for a similar offence. If a simple caution is issued to an individual (rather than a corporation) it may have consequences if that individual seeks certain types of employment,  wishes to travel or move to certain countries. Simple cautions will be issued with regard to Home Office and other relevant guidance.

4.24 Prosecution


4.24.1 We may prosecute in respect of serious or recurrent breaches, or where other enforcement actions, such as statutory notices have failed to secure compliance. The Council recognises that the decision to prosecute is significant and could have far reaching consequences on the offender.

4.24.2 Before a decision to prosecute is taken, the alleged offence(s) will be fully investigated, a report compiled by the Investigating Officer and the file reviewed by a Senior Manager  legal decision. A prosecution will only be considered if the sufficiency of the evidence and the public interest falls within the guidelines as laid down by the Attorney General and Crown Prosecution Service [Code for Crown Prosecutors](#).

4.24.3 Before making a decision whether or not to prosecute, consideration will also be given to:

- How well the prosecution supports our aims and priorities
- The factors contained in paragraphs 4.2 and 4.  of this policy
- Action taken by other enforcement agencies for the same facts
- The nature and extent of any harm or loss, including potential harm and loss, and any offer of redress made by the offender to victims
- The willingness of the alleged offender to prevent a recurrence of the infringement

- The likelihood of the alleged offender being able to establish a statutory defence
- The calibre and reliability of witnesses
- The probable public benefit of a prosecution and the importance of the case, e.g. the possibility of establishing legal precedent
- Cost effectiveness of a prosecution
- The scope for alternative routes for redress for ‘victims’ and their likelihood of success
- The impact of the intervention on small businesses in particular, to ensure action is proportionate.

A conviction  result in a criminal record and the court may impose a fine and, for particularly serious breaches, a prison sentence. The court may order the forfeiture and disposal of non-compliant goods and/or the confiscation of assets. Prosecution may also lead, in some circumstances, to the disqualification of individuals from acting as company directors (see 4.26 below).

4.25 **Proceeds of Crime Actions**

4.25.1 Where appropriate, we will seek to recover the benefit that the offender has obtained from their criminal conduct through financial investigation.

4.25.2 Financial investigations will be undertaken in accordance with the Proceeds of Crime Act 2002. Such investigations may include applications to the Court requiring financial information to be provided (production orders) or in serious cases applications to freeze and/or confiscate criminal assets (restraint and confiscation orders). Where appropriate, consideration will also be given to seek compensation for victim losses as part of this process.

4.26 **Directors**

On the conviction of a Director connected with the management of a company the prosecutor will, in appropriate cases, draw to the Court’s attention their powers to make a Disqualification Order under the Company Directors Disqualification Act 1986.

5 **Complaints, Compliments and Comments**

5.1 If you are unhappy with the service you have received, or we have failed to live up to our promises, managers are always willing to discuss with you the cause of your dissatisfaction, and will try to find a solution.

5.2 If you wish to make a complaint or send us a compliment or comment about our service please use our online procedure by going to:

www.norfolk.gov.uk/compliments and complaints

Complaints can also be submitted by telephone to 0344 800 8020 or in writing to the Compliments and Complaints Team, at:

Norfolk County Council
County Hall

Martineau Lane
Norwich, NR1 2DH

If you are still not satisfied, and feel you have been caused injustice, our complaints process explains how the matter will be escalated, including how to complain to the Local Government Ombudsman.

- 5.3 If you wish to appeal against any enforcement action taken or have any other comments about this policy, you should write to The Executive Director - Community and Environmental Services, using the address in 5.2 above.

6 Conflict of Interest in Enforcement Matters

- 6.1 Where a breach is detected in which the enforcing authority is itself the responsible operator, for example operating as a food business, the following protocol will be followed:

- Where a breach of law is sufficiently serious to warrant more than the provision of advice, information, assistance or a written warning, or where the response to remedy the breach is considered insufficient, an **Additional** authorised officer from another local authority will be requested to assist in the decision making process as to the action required. **Senior Managers of the** Council will be informed of serious breaches without delay.
- The additional officer's role is to assist and challenge the decision making process to ensure that appropriate, proportionate and consistent action is taken to remedy the breach, prevent re-occurrence and to minimise the risk of 'conflict of interest' for the enforcing authority. An auditable record of the additional officer's involvement will also be kept.

7 Where to get further **Information**

- 7.1 Copies of this document and other information/advice are available from by writing to the Trading Standards Service using the address in 5.2 above.
- 7.2 We will make this policy available on tape, in Braille, large type, or in another language on request.



LOCAL MONITORING AND ENFORCEMENT PROTOCOL

**For the Extraction and Processing of
Minerals, Waste Management Facilities and
for County Council Development under
Regulation 3 of the Town and Country
Planning General Regulations 1992**

in

Norfolk

September 2018

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1.0 BACKGROUND

- 1.1 This document provides supplemental guidance to the County Council's Enforcement Policy (Community and Environmental Services) and is provided in the context of specific requirements arising from planning legislation and the National Planning Policy Framework (NPPF).
- 1.2 The National Planning Policy Framework, March 2012 (NPPF) replaced previous Planning Guidance from Central Government, including PPG18 on Planning Enforcement. Paragraph 207 of the NPPF states, 'Effective enforcement is important as a means of maintaining public confidence in the planning system. Enforcement action is discretionary, and local planning authorities should act proportionately in responding to suspected breaches of planning control. Local Planning Authorities should consider publishing a local enforcement plan to manage enforcement proactively, in a way that is appropriate to their area. This should set out how they will monitor the implementation of planning permissions, investigate alleged cases of unauthorised development and take action where it is appropriate to do so.' In conjunction with the overarching CES Enforcement Policy, this Annex represents Norfolk County Councils Local Enforcement Plan for planning.
- 1.3 Schedule 1 to The Town and Country Planning Act 1990 as amended sets down the responsibilities for Town Planning within a two tier Planning Authority in England and Wales. Regulation 3 of The Town and Country Planning General Regulation 1992 authorises an authority to determine (subject to regulation 4), an application for planning permission by an interested planning authority to develop any land of that authority, or for development of any land by an interested planning authority or by an interested planning authority jointly with any other person, unless the application is referred to the Secretary of State under section 77 of the 1990 Act for determination by him.
- 1.4 The Development Plan for the County comprises the Norfolk Core Strategy and Minerals and Waste Development Management Policies Development Plan Document (DPD) 2010 -2016 (Adopted 2011), Norfolk Waste Site Specific

Allocations DPD, Norfolk Minerals Site Specific Allocations DPD (both adopted in 2013) and the adopted Borough and District wide Local Plans, including Development Plan Documents and Area Action Plans. Adopted Neighbourhood Plans which have been developed by local communities, also form part of the Development Plan. The County Council maintains an up-to-date list of local planning authority policy documents and Neighbourhood Plans.

2.0 GENERAL STATEMENT

- 2.1 Section 19 of The Waste (England and Wales) Regulations 2011 makes it a duty that where a Planning Authority has planning functions in relation to establishments or undertakings carrying on disposal or recovery of waste, the Planning Authority must ensure that appropriate periodic inspections of those establishments or undertakings are made.
- 2.2 There are two elements within this plan. The first being periodic inspections (Section 3.0), the second being the investigation and enforcement of planning breaches (Sections 4-8).
- 2.3 Planning breaches are normally not criminal offences and no sanction can usually be imposed. However, failure to comply with a formal notice is a criminal offence and making the person committing the breach liable to prosecution.
- 2.4 Where a planning breach occurs a Local Planning Authority (LPA - 'the Authority') is required to consider the expediency of formal enforcement action. Formal enforcement notices may be issued, including a Breach of Condition Notice, Enforcement Notice, Temporary Stop Notice, Stop Notice, Injunction, or Direct Action (following failure to comply with an Enforcement Notice). Enforcement action may result from any of the above or a combination of the above.
- 2.5 The Service of a Planning Contravention Notice constitutes formal action but does not in itself constitute enforcement. Rather it is a request for information relating to interests in the land and the nature of the alleged planning breach, although failure to comply with notice may lead to enforcement action as may the information contained in the response.

- 2.6 Similarly the serving of a notice requesting information on land ownership and occupation under Section 16 of Local Government (Miscellaneous Provisions) Act 1976 is not considered to be enforcement.
- 2.7 The taking of formal enforcement action is discretionary. The Authority may choose to take no action, but will need to justify any decision not to enforce, and equally, any decision to take proportionate enforcement action. Any decision will be taken in line with the County Council's Communities and Environmental Services policy on enforcement.

3.0 MONITORING INSPECTIONS

- 3.1 To ensure confidence in the planning control system it is essential that the public and operators are conscious of a fair and effective system of monitoring all authorised and unauthorised development.
- 3.2 Monitoring of permitted sites is an essential tool of controlling development and preventing problems from developing. It is this 'pro-active' approach that often enables officers to anticipate likely breaches of planning control arising before they occur. It enables them to take immediate action to ensure that deterioration in the situation does not arise.
- 3.3 There are currently 213 operational and active mineral and waste sites in Norfolk. As there are no reserves of hard rock in Norfolk recycling of concrete and other rubble is a significant source of sub-base and fill material. The scale of an operation being undertaken at a site is not an accurate yardstick for allocating resources; experience will often show that small recycling and waste transfer sites can give rise to more complaints and the need for more officer time, in comparison with large sites.
- 3.4 Following an inspection of the site and relevant planning permissions, a report shall be prepared and copied to the operator/owner usually within two weeks of such inspection taking place. The report shall amongst other matters detail any

breaches identified and specify timescales for compliance with conditions that have been breached.

- 3.5 The Monitoring and Control Team will be consulted on all proposals to permit development by the Development Control Team in particular they will be consulted on the planning conditions intended to be attached to the planning permission.

MONITORING FEES

- 3.6 On 6 April 2006 The Town and Country Planning (Fees for Applications and Deemed Applications) (Amendment) (England) Regulations 2006 came into force. This amendment, together with subsequent updates, enables Mineral and Waste Planning Authorities (MWPAs) to charge operators, where sites have planning permissions for mineral extraction and/or waste landfill, for the re-imbursement of the average costs calculated over all MWPAs providing a monitoring service.
- 3.7 The Authority has agreed a guidance note with minerals and waste operators on the charging regime for minerals and waste site inspections. The guidance note sets out the categories of sites and associated fees, the methodology for agreeing the number of site visits and the monitoring regime.

4.0 INVESTIGATION AND ENFORCEMENT

- 4.1 In seeking to secure the highest possible level of compliance with relevant legislation whilst conforming with The Human Rights Act 1998, The Police and Criminal Evidence Act 1984 (P.A.C.E.) the Enforcement Concordat, the Code for Crown Prosecutors the principal enforcement activities of the Authority are directed towards avoidance of infringements. It is nevertheless inevitable that breaches and offences will occur and the purpose of this protocol is to ensure that they are resolved in a consistent, transparent, balanced and fair manner.
- 4.2 Similarly, where an operator carries out development without complying with the conditions attached to a planning permission and this gives rise to problems leading to an unacceptable injury to amenity, the County Council's approach will be to seek to remedy the injury in the first instance by negotiation and persuasion.

- 4.3 All enforcement action, be it verbal warnings, the issue of written warnings, statutory notices, or prosecution, is primarily based upon assessment of risk to public health, public safety, harm to amenity, economic well being or the environment.
- 4.4 Where appropriate, this Authority will endeavour to recover money under the Proceeds of Crime Act 2002.
- 4.5 This Authority will ensure that all clients subject to any enforcement action are informed of what is expected and the procedures that will be followed. This is to aim to avoid any misunderstandings and ensure transparency of all enforcement action.
- 4.6 This Authority, in exercising its function of ensuring compliance with planning control will:
- where there is serious harm caused to the amenity, take immediate action against a breach of planning control to stop further damage;
 - in all other instances, seek to resolve any problems within a reasonable timescale by discussion and negotiation without the need to resort to legal action;
 - only take enforcement action where it is necessary to do so to protect the public interest or to protect the environment, people and transport systems and the amenity of the area in accordance with the provisions of the local development framework;
 - ensure that action is always commensurate with the breach of planning control;
 - Give due regard to current legislation, policy framework, instructions, appeal decisions and relevant judicial authority;
 - where appropriate take into account comments made by the general public and consultees;
 - enable acceptable development to take place, even though it may initially have been unauthorised;
 - maintain the integrity of sites having interests of acknowledged importance;
 - where appropriate maintain liaison and contact with the general public, and

mineral and waste operators.

5.0 THE RELEVANT ENFORCING AUTHORITY

- 5.1 There is often an overlap of enforcement of activities involving waste disposal and recycling between the Authority, the District and Borough Councils' Environmental Health Departments (EHO) and the Environment Agency (EA). Where the unauthorised activity results in, or has the potential to result in, pollution, the EA will normally be the lead Authority. Where the activities involve a statutory nuisance the District Council EHO may be better placed to take action. In all cases that potentially involve the above bodies, consultations and discussions will take place to see which Authority is in the better position to lead the investigation and if necessary, take action.
- 5.2 The Authority will have regard to the fact that unauthorised development and some breaches of planning conditions involving wastes may be a criminal offence under legislation enforced by the EA and the Authority will liaise with the EA accordingly. The EA may be in a stronger position to ultimately remedy harm to amenity by way of prosecution and enforcing cessation of the harmful activities. In cases where unauthorised development causes or has the potential for serious harm to human health the Authority will have regard to the fact that it may be more appropriate for the HSE to be the lead Authority and will liaise with them accordingly.
- 5.3 Norfolk County Council is a two-tier Authority with seven District, Borough and City Councils; King's Lynn and West Norfolk Borough Council, Breckland District Council; North Norfolk District Council; South Norfolk District Council; Broadland District Council; Norwich City Council and Great Yarmouth Borough Council. All of whom are also planning authorities. In addition to these councils the Broads authority also has planning responsibilities for the Norfolk and Suffolk Broads area.
- 5.4 It is the intention of the County Council to work closely with other regulatory bodies when investigating and remedying an alleged breach of planning control. The County Council in dealing with all complaints concerning an alleged breach of planning control will identify the authority responsible for taking action and redirect complaints to other regulating bodies where necessary.

6.0 GENERAL GUIDANCE

6.1 The County Council will have regard to the provisions of the Norfolk minerals and Waste development framework and relevant local plans and any other material considerations in the enforcement of planning control.

6.2 This Authority remains committed to fostering business enterprise and prosperity, provided that the necessary development can take place without unacceptable harm to local amenity. The regional 'Better Business for all' working group actively seeks to promote this aim. Whilst the Authority has a general discretion to take enforcement action when they regard it expedient, it does not condone wilful breaches of planning law. Moreover, in some cases effective enforcement action is likely to be the only appropriate remedy where a breach is causing unacceptable harm. The Authority will be guided by the following considerations:-

- (i) The Commissioner for Local Administration (the local ombudsman) has held, in a number of investigated cases, that there is "maladministration" if an Authority fails to take effective enforcement action which was plainly necessary or where an Authority fails to consider whether to take formal enforcement action or not and be able to show their reasoning for not initiating formal action, often resulting in an award of compensation payable to the complainant for the consequent injustice;
- (ii) The planning regulatory provisions are to ensure proper land use and to resolve breaches of planning control by removing unacceptable impacts on the environment and the amenity of the area. This ensures a 'level playing field' for legitimate businesses to develop and prosper.
- (iii) Enforcement action should always be commensurate with the breach of planning control to which it relates (for example, the Authority would usually consider it inappropriate to take formal enforcement action

against a trivial or technical breach of control which causes no harm to amenity in the locality of the site); and

- (iv) Where the Authority's initial attempt to persuade the owner or occupier of the site voluntarily to remedy the harmful effects of unauthorised development fails, negotiations will not be allowed to hamper or delay whatever formal enforcement action may be required to make the development acceptable on planning grounds, or to compel it to stop.

- 6.3 It is not an offence to carry out development without first obtaining planning permission for it. If the Authority's initial assessment indicates it is likely that planning permission would be granted for development which has already taken place, the person responsible will be asked to submit a retrospective planning application. However this initial assessment is not binding on the Authority's subsequent decision to grant or not grant planning permission.
- 6.4 While it is clearly unsatisfactory for anyone to carry out development without first obtaining the required planning permission, an enforcement notice will not normally be issued solely to "regularise" development which is acceptable on its planning merits, but for which permission has not been sought. This would only apply to development which would be granted without any planning conditions being attached to control the development.
- 6.5 The Authority will not normally invite an owner or operator to submit a planning application if the unauthorised development is contrary to development plan policies or if it appears that any actual or potential harm cannot be made acceptable by the imposition of planning conditions; however we cannot prevent a landowner who is determined to apply for permission retrospectively.
- 6.6 If an operator or owner submits a planning application that the Authority has requested, the Authority will not normally consider formal enforcement action whilst the application is being considered. If agreement can be reached between the operator and the Authority about the operation being reduced to an acceptable level (e.g. hours of operation, use of plant and equipment, routing of

vehicles etc) during any period between a planning application being submitted and its determination, and the person concerned honours the agreement, formal enforcement action may be avoided

- 6.7 Where the Authority considers that development has been carried out without the requisite planning permission, but the development could be made acceptable by the imposition of planning conditions the owner or occupier of the land will be invited to submit an application, and pay the appropriate application fee, voluntarily. However, if, after a formal invitation to do so, the owner or occupier of the land refuses or fails to submit a planning application in these circumstances within a reasonable timescale, the Authority will consider whether to take formal enforcement action.
- 6.8 Accordingly, where an owner or occupier of land refuses or fails to submit a planning application which would enable the LPA to grant conditional planning permission, the Authority will be justified in issuing an enforcement notice if, in their view, the unauthorised development has resulted in any harm, or has the potential to cause harm, which can only be satisfactorily removed or alleviated by imposing conditions on a grant of planning permission for the development.
- 6.9 If the location of the unauthorised development is unacceptable, but relocation is feasible, it is not the Authority's responsibility to seek out and suggest an alternative site to which the activity might be satisfactorily relocated. However, if an alternative site has been suggested, the Authority will make it clear to the owner or occupier of the site where unauthorised development has taken place that he is expected to relocate to the alternative site within a reasonable timescale. In such circumstances the Authority will usually agree a reasonable time-limit within which relocation should be completed.
- 6.10 What is reasonable will depend on the particular circumstances, including the nature and extent of the unauthorised development; the time needed to negotiate for, and secure an interest in, the alternative site; submit a planning application (if required) for the alternative site; consultation timescales; and the need to avoid unacceptable disruption during the relocation process. If the

owner or operator fails to provide justification for a suggested timescale, the Authority will set a timescale it considers reasonable. If a timetable for relocation is ignored, or it is evident that appropriate steps are not being taken to progress the relocation, the Authority will consider formal enforcement action. In that event, the compliance period in the notice will specify what the Authority regard as a reasonable period to complete the relocation.

- 6.11 Nevertheless if the unauthorised development is causing unacceptable harm to the environment or amenity, the Authority will consider issuing an Enforcement Notice and/or Stop Notice even if an alternative site has been identified and steps have been made towards relocation. The Authority considers that any difficulty or delay with relocation will not normally be a sufficient reason for delaying formal enforcement action to remedy unacceptable unauthorised development.
- 6.12 Where the Authority considers that unacceptable unauthorised development has been carried out, and there is no realistic prospect of its being relocated to a more suitable site, the owner or occupier of the land will be informed that the Authority is not prepared to allow the operation or activity to continue at its present level of activity, or (if this is the case) at all. If the development nevertheless provides valued local employment, the owner or occupier will be advised how long the Authority is prepared to allow before the operation or activity must stop, or be reduced to an acceptable level of intensity. If agreement can be reached between the operator and the Authority about the period to be allowed for the operation or activity to cease, or be reduced to an acceptable level, and the person concerned honours the agreement, formal enforcement action may be avoided. However the Authority will have regard to the possibility of intensification of the development after expiry of the statutory period for enforcement action. If no agreement can be reached, the issue of an enforcement notice will usually be justified, allowing a realistic compliance period for the unauthorised operation or activity to cease, or its scale to be acceptably reduced.

7.0 INVESTIGATION PRIORITIES

- 7.1 Investigating and remedying alleged breaches of control is labour intensive and the quality of the service is directly proportional to the resources available for regulating planning control. The resources allocated both in terms of staff and equipment (including noise monitoring equipment, topographical survey systems, IT and GIS based recording systems) for this purpose will, therefore, need to be reviewed on a regular basis as local circumstances change to take account of a fluctuating workload, advances in technology etc.

COMPLAINTS

- 7.2 A complaint/incident is an event or matter that is either brought to the Authority's attention or that monitoring and control officers may become aware of as part of their duty, and which may have a planning related impact. The type of complaints/incidents received by the Authority are split into 3 priorities:
- 7.3 Priority 1
Immediate or irreparable harm to the environment or immediate and substantial harm to amenity. Harm would be assessed in relation to impact on the environment. E.g. the impact of mineral, waste and Regulation 3 development would often be greater in an area close to residential amenities than it would be in the open countryside. The Authority will respond to the complainant within 24 hours and investigate the complaint within 3 working days.
- 7.4 Priority 2
On-going low-level harm to amenity or moderate and reparable impact on the environment. E.g. HGV's occasionally going in the wrong direction, and causing the road verge to break up. The Authority will respond to the complainant within 3 working days and investigate the complaint within 1 working week.
- 7.5 Priority 3
Occasional harm to amenity or the raising of long-standing issues leading to low level impact on the environment e.g. concerns about the permitted type of material (sand or waste) stored on a site with permission, but in the wrong place or slightly higher than the agreed height. The Authority will respond to the

complainant within 3 working days and investigate the complaint when the relevant officer is next in the area, but no later than one month of the receipt of complaint.

INVESTIGATION OF COMPLAINTS/INCIDENTS

- 7.6 A response to the complaint or incident will also require a record of the outcome of investigation. Where there is continued non-compliance and this results in further visits and investigation then these should additionally be recorded. (i.e. record as if they were new complaints/incidents). However, where the operator is taking known action to resolve the problem then this is classified as an ongoing event. It is not necessary to record this as a new complaint/incident.
- 7.7 Where separate members of the public report complaints/incidents about different issues relating to a site then these should be additionally recorded. Where multiple residents complain about the same incident then this is recorded as one complaint.
- 7.8 As part of our regular monitoring of planning permissions there are matters identified by officers that if reported to us separately would have been dealt with and recorded as a complaint/incident. These should now be recorded and information captured. The same applies as above in that, where there is continued non-compliance then this will be reported as a complaint/incident. However, where there is known action to resolve this then this would be considered an ongoing event and not separately recorded as a complaint/incident.
- 7.9 The Monitoring and Control Team will liaise with the Legal Services; Environment Agency; District Council or any other relevant Authority as necessary throughout the investigation.
- 7.10 When complaints about alleged breaches of planning control are received, they will be properly recorded and investigated. If the Authority decides to exercise its discretion not to take formal enforcement action it should be prepared to explain its reasons to the complainant, including where complaints are attributable to

repeated allegations from vexatious complainants and they have been previously proved unsubstantiated.

- 7.11 The Authority will ensure that anyone who does complain about a breach of planning control is dealt with in a polite, efficient and responsive way. All complaints that are received although confidential will be recorded and stored on a complaints register, which is an electronic and paper based system. The complaints register will enable the receiving officer to detail both the nature of the complaint and the action the Authority has taken to resolve it. Keeping a record of complaints will enable the Authority to assess and improve its overall service.
- 7.12 It may not always be necessary to visit sites to satisfactorily resolve a complaint. However, in most cases it may be necessary to establish whether there has been a breach of planning control by visiting the site. Where, following the investigation of a complaint, the Authority decides not to take formal enforcement action to resolve a substantive issue, the matter being satisfactorily resolved by other methods, the reason for this decision will be explained to the complainant. If, however, the Authority elects to instigate enforcement proceedings against the offender the complainant will be notified of the progress of that action.
- 7.13 The County Council in dealing with all complaints concerning an alleged breach of planning control within their responsibility will:
- treat them confidentially as far as practical;
 - ensure that they are acknowledged and actioned within the timescales prescribed in the priority rating;
 - deal with them expeditiously in a professional and efficient manner;
 - visit the site where necessary, and establish whether there has been a breach of planning control;
 - notify the complainant upon request of the progress of any action taken to resolve substantive matters forming the basis of the complaint;
- notify the complainant if the authority elects to commence enforcement action against the alleged breach of planning control and be prepared to explain the reason in the event formal enforcement action has not been taken.

8.0 PROSECUTIONS

8.1 Persons who fail to comply with a formal notice will normally be prosecuted if the non-compliance meets both of the following criteria:

(i) Evidential test i.e. where the evidence is sufficient for a realistic prospect of successful prosecution; and

(ii) Public Interest test i.e. where the prosecution is in the public interest.

9.0 MONITORING OF REGULATION 3 DEVELOPMENT

9.1 A procedure has been agreed between Norfolk County Council's Children's Services Department and the Monitoring and Control Team where by Schools development which falls within Regulation 3 of The Town and Country Planning General Regulation 1992 can be monitored and a fee levied.

9.2 The developments to be pro-actively monitored will fall into one or more of the following categories:

- Developments where planning permission was granted after 1 January 2009 and includes permanent external substantial building works.
- Major developments where planning permission was granted prior to 1 January 2009 and construction is still in progress.
- Developments where planning permission was granted prior to 1 January 2009, include permanent external substantial building works, and remain unlawful due to the failure to discharge pre-development conditions.

9.3 Prior to the inspection taking place, notification will be passed to the applicant informing them that an inspection will be scheduled for a given school. An initial list of developments has been agreed with Children's Services and notification of future inspections will be sent out to individual applicants.

9.4 Where a development has been permitted on an open school an appointment will be made prior to inspection. This generally ensures that the school will allow

the officer onto the site without issue and, if required, allocate a member of staff to accompany the officer. This will also allow the inspecting officer to check that work has begun prior to going on site.

- 9.5 Where a planning permission is found not to have been implemented it will be removed from the list and an invoice will not be raised. It is generally agreed that a single chargeable inspection will be required for smaller developments such as extensions, although a second non-chargeable visit may be required after completion of the development.
- 9.6 For major developments, such as new schools, two chargeable visits per year for the life of the construction phase will be required. A final chargeable visit to check completion and landscape implementation will also be required.
- 9.7 Failure to comply with all planning conditions could result in further chargeable visits being undertaken until full compliance is achieved. There will be a maximum of two chargeable visits per school in any one financial year.
- 9.8 Once the report has been completed, it will be sent to the applicant along with a copy of the planning permission and an invoice for payment.

10. MEMBER PROTOCOL

- 10.1 Local Norfolk County Council members will be informed when an Enforcement Notice is served in their division.
- 10.2 Members of the Council will be presented on a regular basis of not less than once per year with a report detailing the decisions made under delegated authority, performance statistics and enforcement update for the work of the Monitoring and Control Team.

September 2018

Norfolk County Council Flood and Water Management Enforcement Protocol

1.0 Introduction

This document provides supplemental guidance to Norfolk County Council's Community and Environmental Services (CES) Enforcement Policy, and is provided in the context of specific requirements arising from the Flood and Water Management Act 2010 and the Land Drainage Act 1991.

Norfolk County Council (NCC) is the Lead Local Flood Authority (LLFA) for the county. This role is fulfilled by the Flood and Water Management team.

This Protocol and guidance note has been adapted from best practice identified within local authorities in England. It is intended for use as guidance by Risk Management Authorities, developers and landowners.

2.0 Regulation of Ordinary Watercourses

The Lead Local Flood Authority has powers under the Land Drainage Act 1991 to exercise its regulatory powers in relation to watercourses outside of Internal Drainage Board areas and where they are not Environment Agency designated main rivers.

The Lead Local Flood Authority will take a risk-based and proportionate approach to exercising its regulatory powers under the Land Drainage Act 1991, taking into account the location and nature of any nuisance caused by;

- the failure to repair or maintain watercourses, bridges or drainage works
- un-consented works
- impediments to the proper flow of water

This approach will take into account whether the contraventions have or are likely to increase flood risk and what the consequences of any increase in risk may be. Where works are un-consented the Lead Local Flood Authority would require the landowner, person and/or Risk Management Authority responsible for the works to prove that the un-consented works would not cause a nuisance or increase flood risk.

With regards to the causes of the nuisances described above, the Lead Local Flood Authority has powers under Sections 21, 24 and 25 of the Land Drainage Act 1991 to serve notice on individuals who have caused contraventions.

In issuing a notice the Lead Local Flood Authority may set out the works required to resolve the contravention to an acceptable standard and the date by which the works should be completed.

If the works are not completed by the date set out in the notice, the Lead Local Flood Authority may take action to remedy the effect of the contravention or failure and seek to recover the costs incurred, as well as pursue any necessary prosecution.

3.0 Guiding Principles

Enforcement under the Land Drainage Act, 1991 will be carried out using the guiding principles as set out in the CES Enforcement Policy.

4.0 Process

a) Initial response

Where the Lead Local Flood Authority receives a complaint in relation to an ordinary watercourse, we will carry out an initial assessment to establish whether the actual or potential flood risk meets our threshold for intervention. We aim to complete this assessment within 21 days. However, there will be occasions when it is necessary to extend the period of assessment for more complex matters and/or to accommodate exceptional circumstances e.g. weather, flood conditions, etc. At the outset the complainant will be informed of the case officer who will follow up the enquiry and of the outcome of the assessment.

b) Initial assessment

The threshold for intervention will be based on the Lead Local Flood Authority's [impact criteria](#).

To assess the potential impact the initial assessment will consider the on-site conditions, any available historical data and high level indicators of potential risk, such as Environment Agency (EA) Flood risk maps for surface water flooding and flooding from rivers. It will also consider any other status of land e.g. conservation designations, common land etc.

To substantiate incidents of actual flooding as part of the initial assessment we will need to be provided with one or more of the following types of evidence:

- I. An insurance claim
- II. Records of emergency services and utility companies i.e. fire brigade attending to pump out a property
- III. Dated photos of the event
- IV. Written report from a Risk Management Authority

The evidence supplied will be determined in line with the guiding principles as set out in the CES Enforcement Policy.

The Lead Local Flood Authority may close an enforcement case file, where there is a lack of physical evidence to corroborate the impact of a flood event. If further relevant evidence was to come forward then the Lead Local Flood Authority may re-open the case file and undertake a further investigation.

C) Further Investigation

Where the initial assessment has identified an actual or potential risk of flooding that exceeds the adopted impact criteria, but where a site inspection has failed to identify the primary cause of the problem the authority may;

- consult with other organisations including other local authorities, Highway Authorities, Environment Agency, Natural England as appropriate.
- require or commission appropriate site surveys and inspections.

In deciding whether or not to carry out the above steps the LLFA will consider whether it is in the public interest to do so. Having regard to the actual and potential impacts of the flooding, the costs of carrying out the works and the likelihood of obtaining sufficient evidence to enable enforcement activity. Where the Lead Local Flood Authority is made aware of breaches of other legislation it will advise the appropriate authorities.

D) Outcome of initial assessment/Further Investigation

Once an initial assessment/further investigation has been carried out the complainant will be informed in writing as to the next course of action and this may include;

- I. Informing relevant party(s) of works that are required to be undertaken within the set timescale OR
- II. No further action by the LLFA and:
 - Providing advice to those affected on referral to the [First Tier Tribunal \(Property Chamber\), Agricultural Land and Drainage \(AL&D\)](#) or other relevant organisation, where appropriate
 - Informing relevant parties of their [riparian responsibilities](#)

Where it is considered that further action needs to be taken by the relevant landowner, person and/or Risk Management Authority responsible this will be explained within the letter that sets out the outcome of the initial assessment/further investigation. This will include the following:

- An explanation of the problem and the remedy required in accordance with the Land Drainage Act 1991.
- Depending on the nature of the problem we aim to ensure that remedial work is carried out within the timeframe specified in the letter (between 7 and 21 days of the date of the letter). However, there will be occasions when it is necessary to extend the period of compliance for more complex matters and/or to accommodate exceptional circumstances e.g. weather, flood conditions, etc. The time allowed will be reasonable in the circumstances. The extent of the work required will be proportionate to the scale of the problem.

- In certain circumstances practicalities may not allow for works to be done within the timeframe specified in the letter. The Lead Local Flood Authority will assess the circumstances with regards to enforcement and whether any works need to be deferred or amended to take into account the impacts of any works on wildlife. Examples where this may occur include:
 - Seasonal farming practices and Environmental Schemes can restrict access or time schedules to carry out works;
 - The nesting season for some birds occurs between the 1 March and 31 August and works might cause disruption if nests are present;
 - Presence of protected species will influence when it is most appropriate to carry out work.

Seeking resolution prior to serving notices

The Lead Local Flood Authority will seek to resolve the situation by means of negotiation with the person responsible and obtain compliance with a request to satisfactorily undertake the work required.

Serving notices under the Land Drainage Act 1991

If a positive response to the Lead Local Flood Authority's letter has not been received within the timescale specified and on inspection no work has been satisfactorily undertaken as required, a notice under the relevant section of the Land Drainage Act 1991 will be served. The notice will include the nature of the work to be carried out, the period within which it is to be carried out and any relevant right of appeal to a magistrates' court within 21 days of service of the notice (where applicable). A Notice under the Land Drainage Act 1991 is a legal document formally requiring specific work to be carried out within a set timescale.

A letter will accompany the notice and inform the responsible person that in the event of their failure to satisfactorily undertake the work, the Lead Local Flood Authority may carry out the work itself and recover from the person responsible the expenses reasonably incurred in doing so which will include recovering the costs of pursuing the case.

Enforcement of notices

Following service of the notice, one of four things will happen:-

- The responsible person will carry out the work to the satisfaction of the council.
- The responsible person may appeal the notice.
- The responsible person will fail to carry out the work to the satisfaction of the Lead Local Flood Authority and the Lead Local Flood Authority will seek to recover their expenses; and /or

- The Lead Local Flood Authority will, where appropriate, decide whether to take a prosecution against the responsible person, in addition to carrying out the work and seeking to recover the costs of that work.

Completion of proceedings

If the responsible person complies with the notice and completes the work to the satisfaction of the Lead Local Flood Authority, the Lead Local Flood Authority will write to the responsible person confirming the closure of the case and the end of the action.

No further action

The Lead Local Flood Authority may take no action where:

- there is no actual or potential risk to properties or infrastructure; and/or
- that the matter complained of is not the cause of the drainage problem; and/or
- the matter is trivial in nature

If this is the case, the complainant will be advised accordingly and a written communication will be sent to the complainant explaining the reason why no action is to be taken. The complainant will also be referred, where appropriate, to the [First Tier Tribunal \(Property Chamber\), Agricultural Land and Drainage \(AL&D\)](#) or other relevant organisation. The riparian owner will also be informed, as appropriate.

Examples of matters not requiring action may include minimal silting of the watercourse, slight vegetation overgrowth, the accumulation of a small quantity of debris etc

Advice

The Lead Local Flood Authority will provide basic information and advice to individuals of their riparian ownership responsibilities and of the route for appeal against other riparian owners where appropriate. The Lead Local Flood Authority may suggest that independent legal and/or technical advice is sought, where appropriate.

Data Protection

Information may be shared with [Risk Management Authorities](#) under Section 13 and 14 of the Flood and Water Management Act 2010 in order to exercise flood and coastal erosion risk management functions.

This information will be held securely and any processing will be performed in line with the requirements of the Data Protection Act 1998 and the General Data Protection Regulation from 25 May 2018. Norfolk County Council is registered as a Data Controller with the Information Commissioner's Office. Further details about how we process personal data can be found in our [Privacy Notice](#).

Further Information

Please consult the [Glossary of terms](#) document which supports this protocol.

Norfolk Fire and Rescue Authority

Fire Safety Policy Directive

ENFORCEMENT POLICY STATEMENT
(England and Wales)

Introduction

We are approachable and want to engage with and hear from you.

The following pages explain our enforcement policy. This document is supported by other documents required by the Regulators Code, namely our Service Standards and our Challenges, Appeals and Complaints procedure. This guidance has been produced in consultation with the Better Regulation Delivery Office (now Regulatory Delivery). This policy aims to explain our approach to our regulatory functions in relation to fire safety and public safety in our communities. It also explains the behaviours that business can expect receive from us and legal constraints and frameworks under which we operate.

Quick-guide

1. Introduction

The Norfolk Fire and Rescue Authority (the Service) (and its officers) will exercise its regulatory functions in accordance with the principles of better regulation and will comply with all relevant laws. Business should have a mainly positive experience of being regulated by the Service. To learn more, [click here](#).

2. Principles

The Service is tasked with seeing that people are safe in case of fire and believes that deaths and injuries caused by fire in regulated premises are preventable, if the right measures are taken. The Service and its officers will engage and work with business, in preference to enforcing fire safety standards. To learn more, [click here](#).

3. Regulation

The purpose of enforcement action is to bring about improvements in safety and in attitudes to providing safety. While the Service has laid down procedures for its officers, we will take each case on its merits. To learn more, [click here](#).

4. Helping Those We Regulate (Transparency)

The Service aspires to help regulated businesses and to work with them to resolve fire safety problems but will robustly enforce where the risk to people is highest and when those responsible refuse to help them. To learn more, [click here](#).

5. Targeting

The regulatory policy of the Service focuses on risk in case of fire and in places where we will be most effective in saving life. To learn more, [click here](#).

6. Accountability To Those We Regulate

The Service is accountable for its actions and is open to analysis and questioning of our regulatory work. To learn more, [click here](#).

7. Principles of Enforcement Action

A range of relevant factors will be considered before any enforcement action is taken by the Service. When action must be taken to improve safety, the Service will be clear about what is required. To learn more, [click here](#).

8. Our Enforcement Action

The Service would rather work with business to make places safe than enforce against them. When enforcement is needed; we will be clear about what must be done. Letters or notices may be sent to confirm what business needs to do to. All enforcement will be proportional to the risk. To learn more, [click here](#).

9. After Enforcement Action

The Service encourages dialogue and open communication during and after the enforcement process. Requirements for safety and how to challenge what we are asking for will be made clear. To learn more, [click here](#).

10. Failure to Comply With Requirements

When the Service makes an enforcement decision, there might be a route to appeal or challenge what we have said. How to do this (and how to complain about our behaviour) will be made clear. Business can talk to us. To learn more, [click here](#).

11. Simple Cautions and Prosecution

If an offence has been committed, it means the law has been broken and the Service can take the matter to court. In addition to going to court, there are other actions that the Service can take. To learn more, [click here](#).

12. Public Register

The Service must enter details of certain notices (called “relevant notices”) into a register to which the public have access. (In accordance with the Environment and Safety Information Act 1988). Further details are available on request or from the [CFOA public register web pages](#)

13. Other Duties of the Service

As well as ensuring that people are kept safe in case fire, the Service is also responsible for some other laws relating to public safety. To learn more, [click here](#).

14. Data Protection

The Service will comply with data protection laws. To learn more, [click here](#).

15. Freedom of Information

The Service is subject to the Freedom of Information Act, which provides a right of access to regulatory information held by the Service. To learn more, [click here](#).

-End-

More on the Introduction

1.1 This statement sets out the service that business and others being regulated by the Norfolk Fire and Rescue Authority (the Service) can expect from its regulatory and enforcement function and its appointed inspectors. It goes some way to satisfying the Regulators' Code by committing the Service and appointed inspectors to the principles of good enforcement with the assistance of effective procedures and clear guidance, which can be viewed by businesses and members of the public. [Procedures and Guidance](#)

1.2 This Enforcement Policy Statement has been prepared with regard to the following legislation and statutory guidance:

The Regulators Code - [\[more\]](#)

The Regulatory Enforcement and Sanctions Act 2008 - [\[more\]](#)

The Legislative and Regulatory Reform Act 2006 - [\[more\]](#)

The Legislative and Regulatory Reform (Regulatory Functions) Order 2007 - [\[more\]](#)

The Environment and Safety Information Act 1988 - [\[more\]](#)

The Regulatory Reform (Fire Safety) Order 2005 - [\[more\]](#)

The Licensing Act 2003 - [\[more\]](#)

The Explosive Regulations 2014 - [\[more\]](#)

The Petroleum (Consolidation) Regulations 2014 - [\[more\]](#)

1.3 The primary function of the regulatory part of the Service is to achieve safety in case of fire (in premise to which fire safety law applies).

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More on Our Principles

2.1 Fire safety regulation is founded on the principle that people should be kept safe in case of fire. We regulate to help secure this safety and through our regulation, we aim to provide a consistently high quality service to those we regulate. Our regulatory activity generally extends to premises in which there is a trade, business or other undertaking.

2.2 Non-compliance with fire safety law will mean that, in our view, people are at risk in case of fire. Where we identify people at risk in case of fire, we will respond

proportionately to that risk; taking account of the likelihood and severity of the risk, in line with our service standards.

2.3 The Service believes in firm but fair enforcement of fire safety standards. We aim to achieve this by:

- proportionally applying the law to secure safety;
- being consistent in our approach to regulation;
- targeting our resources and enforcement action on the highest risk;
- being transparent about how we operate and regulate; and
- being accountable for our actions.

2.4 We will have regard to the Regulators Code when developing the policies and procedures that guide our regulatory activities. We will encourage and promote fire safety while minimising the associated costs of providing safety from fire.

2.5 We believe that by fostering good relationships with our business community and by working with them, we can improve public safety, business resilience, and can remove any unnecessary burdens of complying with fire safety law.

2.6 The Service will endeavour to engage with the business community, to seek their views about our policies and practices. (Details of engaging with us are available on request and on our website)

2.7 In the most serious cases of danger in case of fire, we will take immediate and decisive action to secure safety, for example by serving a prohibition notice that can stop people from using the premises.

For more information see [\[CFOA fire safety law web pages\]](#).

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More on the way we approach regulation

3.1 In accordance with the Regulators Code, the Service takes enforcement action (and imposes sanctions and penalties) to:

- (a) change the behaviour of the offender;
- (b) change societal attitudes to the risks from fire;
- (c) eliminate financial gain or benefit from putting people at risk in case of fire;
- (d) exercise a proportionate response to the nature of the offence and the harm caused;
- (e) restore safety to premises where fire safety risks were found; and
- (f) encourage fire safety to be secured in future.
- (g) impose an appropriate sanction for the particular offender, which can include punishment through the courts (and the public stigma that should be associated with a criminal conviction);

[Click here for more information on the Regulators Code](#)

3.2 Avoiding fires is better than protecting people when fire occurs. Where fire is likely and / or the consequences of fire pose a hazard to people, it becomes necessary for us to take action (against the responsible person / duty holder) to reduce the risk. We have a wide range of enforcement action available to us.

The actions we may take include:

- (a) no action;
- (b) providing advice;
- (c) informal action;
- (d) formal action (including enforcement, alterations and prohibition notices);
- (e) taking samples of dangerous materials or extracts of recorded information; and
- (f) securing information to prepare for prosecutions.

3.4 The enforcement actions listed above are not written in an absolute order of escalation. Enforcement action taken by the Service is scalable and appropriate to the risk to people in case of fire.

3.5 When formal enforcement action is necessary, each case will be considered on its merits. All enforcement decisions will be fair, independent and objective. They will not be influenced by issues such as ethnicity or national origin, gender, religious beliefs, political views or the sexual orientation of the suspect, victim, witness or offender. Such decisions will not be affected by improper or undue pressure from any source.

3.6 All enforcement activities, including investigations and formal actions, will always be conducted in compliance with the statutory powers of the officer and all other relevant legislation, including but not limited to the Police and Criminal Evidence Act 1984, the Criminal Procedure and Investigations Act 1996, the Human Rights Act 1998, and the Regulation of Investigatory Powers Act 2000, and in accordance with any formal procedures and codes of practice made under this legislation so far as they relate to the regulatory activity of the Service.

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More on helping those we regulate

4.1 We will help those responsible for delivering safety in case of fire (responsible persons and duty holders) to understand what is expected of them and what they should expect from the Service. Legal requirements will be clearly distinguished from best practice or non-statutory fire safety advice. We will publish guidance in a clear, accessible, concise, format using media appropriate to the target audience, in plain language.

4.2 (Details are available on request and on our website).

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More on Targeting

5.1 Our policy on inspections will be to focus primarily on those whose premises and activities give rise to the most serious risk to life in case of fire. In making an assessment of risk, we will take into account the fire safety record of those we regulate and the current risks to people in case of fire.

5.2 We will maintain a strategy that will identify and evaluate risks in premises as well as to the wider community and allocate resources to carry out inspections accordingly. We want to see fire safety provided in buildings and may take action against those regarded as putting people at risk in case of fire.

5.3 Earned recognition may be awarded to businesses for assurance of safety, including for example external verification of safety systems / practices.

5.4 Our Service Standards and plans including details of our risk-based approach to risk and are available on request.

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More on our Accountability

6.1 The Service is accountable to its community for its actions. This means we must have policies and standards against which we can be judged, and an effective and easily accessible mechanism for dealing with comments and for handling complaints.

6.2 (Details are available on request and on our website [\[Complaints\]](#))

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More on the Principles of Enforcement Action

7.1 In assessing necessary and proportionate enforcement action, consideration will be given to (amongst other things):

- the safety history at the premises,
- the history of operational attendances and false alarms at the premises,
- safety referrals to the premises from other authorities / interested parties,
- any Primary Authority relationship that might be in place with the business,
- the adequacy of fire safety arrangements at the premises,
- the attitude of the responsible person / duty holder to providing safety,
- statutory guidance,
- codes of practice, and
- legal advice.

7.2 Certain enforcement action, such as the decision to use a Simple Caution and / or the decision to investigate for prosecution, is further and specifically informed by those matters set out below at section 11

7.3 In every case, when we require action to remedy unsafe conditions, we will explain the nature of the unsafe conditions to those responsible and will confirm the same in writing.

September 2018

7.4 Because, subject to any letter or notice we give, work must be done to improve or secure the safety of people in case of fire; we will agree reasonable timescales within which the work must be completed that are agreed with those responsible.

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More on Our Enforcement Action

8.1 The Service will offer duty holders information and advice both verbally and / or in writing. This will include an explanation of why any specified work is necessary and a time period within which the specified work should be completed. Educating, informing and advising responsible persons and duty holders about their duties under fire safety legislation will form a fundamental element of our enforcement regime. The Service will fulfil its obligation under section 6(2) of the Fire and Rescue Services Act 2004 to give on request, advice on fire safety free of charge.

8.2 Where we find risks to safety, we may deal with them by informal means or (where appropriate) we may take formal action by serving alterations, enforcement and / or prohibition notices. We may also issue Simple Cautions, and (in the most serious cases) may prosecute. Before formal enforcement action is taken, inspectors will provide the person responsible with an opportunity to discuss the circumstances of the case and, if possible, resolve points of difference without recourse to formal enforcement action (unless immediate action is required to reduce the risk to life or to prevent evidence from being destroyed).

8.3 In certain circumstances, after evaluating the safety at premises, no action may be required. This will be the case when the safety of people in case of fire has been adequately secured.

8.4 If the likelihood of fire is high and the consequences in case of fire are low, advice may be given on how the likelihood can be reduced. Advice may also be given where the consequences of fire might cause harm to people but can be simply avoided. Advice can also be given to point out good practice or to

signpost business continuity advice or other business protections, for example protection from flooding.

- 8.5 Where the likelihood of fire is low / medium or the consequences of a fire are slight, informal action will be taken. Informal action will take the form of a letter, pointing out that people are at risk in case of fire, where in the building they are located and what has led to them being put at risk as well as what should be done to provide safety and how to prevent the same danger from recurring. Informal action may also be taken, if those responsible have displayed clear intentions to undertake corrective action. Failure to respond to informal action can result in escalation to formal enforcement action.
- 8.6 Formal action will take the form of serving a Notice (alterations, enforcement, and / or prohibition notices). Formal action will be taken when the consequences of fire are such that people are likely to be harmed, suffer serious injury or death. It can require specific action to be taken or certain activities to cease.
- 8.6.1 Where a reasonable known change to premises or to the use of premises could result in a significant increase in the risks to people on the premises, we may serve an Alterations Notice, which requires the responsible person / duty holder to notify us, before making that known change.
- 8.6.2 Enforcement Notices require improvements in safety and will point out: that people are at risk in case of fire; where in the building they are located; and what has led to them being put at risk, as well as what should be done to provide safety and how to prevent the same danger from recurring. Enforcement Notices include a reasonable period of time for safety to be put in place. Failure to respond to a formal Notice can result in escalation to an investigation for prosecution.
- 8.6.3 Where immediate action is considered necessary to keep people safe from fire, a Prohibition Notice, which can prohibit or restrict the use of premises, can be served. An explanation of why such action is required will be given at the time and confirmed in writing. Whereas a Prohibition Notice requires action to remove imminent and immediate risks in case of fire, an Enforcement Notice might also be served to deal with less imminent risks in case of fire.

8.7 Fire Safety law gives power to warranted inspectors to take samples of dangerous materials or extracts of recorded safety information and documents. When we take materials or documents we will provide an appropriate receipt.

8.8 In the most serious of cases we will gather information and conduct an investigation to prepare for a prosecution. The decision to prosecute a case will be taken by those with authority to do so in accordance with our Scheme of Delegations.

8.9 All our members of staff that make enforcement decisions will be required to follow the Regulators Code.

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More about After Enforcement Action

9.1 When the Service takes enforcement action we will discuss what is required to achieve safety for relevant persons with the responsible person / duty holder (taking into account the circumstances of the case, if they have been explained to us).

9.2 The Service will clearly explain any advice, required actions or decisions taken at the time of our visit and will be willing to discuss such matters on any future occasion to ensure those responsible have clarity of what must be done.

9.3 Our letters and notices will provide details in writing of what must be done and how to appeal against any of our regulatory decisions. Our letters and notices will also explain what will happen next, especially if you do not undertake the work. Our web-site has details of how to complain about our conduct, if you should feel it necessary. [\[Complaints\]](#)

9.4 We encourage those responsible for providing safety in case of fire to contact us, especially if there are any questions or comments about our regulatory activity. We will also maintain regular communication (where required) until safety has been provided.

More on a Failure to Comply With Requirements

10.1 Rights of and routes to appeal will be clearly set out in writing and issued with our letters.

10.2 The failure to comply with an alterations, enforcement or prohibition notice constitutes an offence and may result in prosecution.

10.3 We can withdraw alterations, enforcement and prohibition notices at any time but they will generally be deemed to be in force until such time as the notice is complied with, withdrawn or cancelled by the court.

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More on Simple Cautions and Prosecution

11.1 There are a number of offences that can be committed under Fire Safety law.

Among the foremost of these are failure to comply with a formal notice and failing to provide safety in case of fire to such extent that one or more people are put at risk of death or serious injury in case of fire.

11.2 The Service can deal with offenders through prosecution and Simple Cautions.

These legal actions are important ways to bring to account those responsible for alleged legal offences. Where appropriate, we will use one of these measures in addition to issuing a formal notice.

11.3 A prosecution may be taken following full consideration of the many factors arising for the alleged breaches of the law. Penalties for offences are awarded by the courts and can include fines, imprisonment or both.

11.4 A Simple Caution will only be used where a prosecution could be properly brought and there is a realistic prospect of conviction. A Simple Caution includes a written submission from the person responsible that an offence has been committed.

11.5 A record of a Simple Caution will be kept on file for three years and if a conviction for a further offence is brought within that period, the written submission of the previous offence will be introduced to the court for consideration.

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More about the Other Duties of the Service

13.1 In addition to Fire Safety law the Service is also responsible for the following regulations.

- Licensing authority for the Petroleum Consolidation Regulations 2014
- The Explosive Regulations 2014.

13.2 The Service can request a review of a premises license under Section 51 of the Licensing Act 2003. The options available to the Licensing Committee are:

- i. Modification of the conditions of the Licence
- ii. Exclusion of Licensable activity from the scope of the Licence
- iii. Removal of the Designated Premises Supervisor
- iv. Suspension of the Licence for a period not exceeding three months
- v. Revocation of the Licence
- vi. Issue of a Warning Letter
- vii. No Action

13.3 The Service enforces the requirements of Explosive Regulations 2014 through application of the Health and Safety at Work (etc) Act 1974 and the serving of improvement notices and prohibitions orders. [Regulating and Enforcing Health and Safety](#)

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More on Data Protection

14.1 The Service will comply with the principles of the Data Protection Act 1998 governing the use of personal data received or obtained and will respect the rights and freedoms of those individuals when processing their details. The following document Information Management Strategy lays out our strategic

approach to meeting these legal requirements. (Details are available on request and on our website [\[Information Management Strategy\]](#))

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More on Freedom of Information

15.1 Under the Freedom of Information Act 2000, individuals are given 'a general right of access to information held by public authorities in the course of carrying out their functions subject to certain conditions and exemptions'. Under Section 19 of that Act, public authorities are required to produce a publication scheme setting out details of the information routinely published or made available, how the information is made available (in hard copy and on-line), and whether it is available free of charge or on payment.

15.2 Details of The Service's publication scheme are available on request and on our website [Publication Scheme](#).

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The Regulators Code

The Regulators Code is a statutory code of practice for regulators and makes six broad requirements:

- i. To carry out their activities in a way that supports those they regulate to comply and grow;
- ii. To provide simple and straightforward ways to engage with those they regulate and to hear their views;
- iii. To base their regulatory activity on risk;
- iv. To share information about compliance and risk;
- v. To ensure clear information, guidance and advice is available to help those they regulate meet their responsibilities to comply; and
- vi. To ensure their approach to regulatory activity is transparent.

The service has taken regard of the Regulators Code in producing this policy statement.

For the full version click here: [‘The Regulators Code’](#)

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The Regulatory Enforcement and Sanctions Act

The Regulatory Enforcement and Sanctions Act (The RES) established The Local Better Regulation Office (later renamed as the Better Regulation Delivery Office (BRDO)). It also imposed a duty on Regulators to: (a) have regard to any guidance issued by BRDO, (b) a duty to comply with guidance where the Regulator is directed to do so by BRDO, and (c) a duty to have regard to any list of enforcement priorities published by BRDO. As a listed Regulator, the Service is committed to these duties.

For the full version click here: [‘The Regulatory Enforcement and Sanctions Act’](#)

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Legislative and Regulatory Reform Act

Part 2 of the Legislative and Regulatory Reform Act, requires the Service to have regard to the Principles of Good Regulation. We recognise that our regulatory activities should be carried out in a way which is: (i) proportionate; (ii) accountable; (iii) consistent; (iv) transparent; and (v) targeted to situations which need action.

When we exercise a regulatory function, which for the Service includes: the Regulatory Reform (Fire Safety) Order, [\[The Petroleum \(Consolidation\) Regulations 2014, Explosives Regulations 2014 and the Health and Safety at Work \(etc\) Act\]](#) we have regard to the Regulators Code.

For the full version click here: [‘Legislative and Regulatory Reform Act’](#)

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The Legislative and Regulatory Reform (Regulatory Functions) Order 2007

The Legislative and Regulatory Reform (Regulatory Functions) Order imposes a duty on the Service to have regard to the Regulators' Code when determining general policies or principles. It requires that the regulatory activities of the Service are carried out in a way which is transparent, accountable, proportionate and consistent, as well as being targeted only at cases in which action is needed.

For the full version click here: '[Legislative and Regulatory Reform \(Regulatory Functions\) Order](#)'

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The Environment and Safety Information Act

The Environment and Safety Information Act requires the Service to make a publicly accessible record of formal enforcement action that we have taken.

For the full version click here: '[The Environment and Safety Information Act 1988](#)'

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The Regulatory Reform (Fire Safety) Order

The Regulatory Reform (Fire Safety) Order 2005 principally imposes a general duty on responsible persons and duty holders to take general fire precautions to keep people safe in case of fire and establishes enforcing authorities to enforce the provisions of the Order. The Service is an enforcing authority under the Order and is empowered to inspect premises and serve notices to improve safety standards (among others).

For the full version click here: '[The Regulatory Reform \(Fire Safety\) Order](#)'

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The Licensing Act 2003

The Licensing Act establishes the Service as a 'responsible authority' with whom the Licensing Authority must consult in connection with Licensable activities, including the sale or supply of alcohol or the provision of regulated entertainment or late night refreshment. The licensing objectives are to promote: the prevention of crime and disorder; public safety; the prevention of public nuisance; and the protection of children from harm.

For the full version click here: '[The Licensing Act](#)'

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The Explosive Regulations 2014

The Service is the local authority for the purposes of dealing with applications for registration or for a licence to store explosives (under certain prescribed conditions).

For the full version click here: [The Explosive Regulations 2014](#)

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The Petroleum (Consolidation) Regulations

The Service is the 'petroleum enforcement authority' and can grant 'storage certificates' for premises at which petrol is dispensed, and enforces The Petroleum (Consolidation) Regulations in premises to which those regulations apply.

For the full version click here: '[The Petroleum Consolidation Regulations](#)'

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Norfolk County Council Highways Enforcement Protocol

1.0 Introduction

The Highways area teams receive a significant number of customer complaints each year relating to enforcement matters. These range from trading on the highway, such as car sales on verges, caravans / motorhomes being parked on the highway, blocked public footpaths and trailer or van mounted advertising hoardings.

The CES enforcement policy is followed, although priority is given to highway safety matters. Increasingly, the teams work with District and Borough Councils and on a more local level with Town and Parish Councils to achieve successful outcomes.

In the majority of cases, the legal processes relating to enforcement are well established, such as dealing with public rights of way issues under various sections of the Highways Act. The following processes are less well established and have been the subject of recent Local Member interest.

2.0 Vehicles for sale on the Highway

When a complaint is received or issue identified, the Highways Area team will notify the owner and ask them to remove it immediately. A phone call will suffice provided that a record is kept of the time and date.

The Highways Area team will re-inspect the site at least twice within the next calendar month, taking photos and noting the date and time of the inspections. If the problem persists after 4 weeks, the Highway Engineer and Area Manager will assess situation and identify a way forward.

3.0 Advertising Boards and Trailers on the Highway

At joint authority meeting, which included NPLaw, it was concluded that the most appropriate way forward in addressing the issue of illegal advertising boards and trailers was to use the Town & Country Planning Act 1990 rather than the Highways Act 1980, as this offered the best chance of a successful prosecution combined with deterrent fines. In these cases, District and Borough Councils would take be the Lead Authority.

However, where a complaint is received and the issue identified is likely to cause a danger to other highway users, the Highways Area team will;

- Check whether route is subject to an advertising ban by-law (generally District/Borough Council imposed)
- Laminated notices can be attached to towable hoardings if they are found to be on Highway land, illegal and causing a safety issue for highway users.
- If the contact details for the trailer owner are known, they can be contacted direct to remove the trailer. This can be by either telephone or the use of letter
- If letter is sent or contact details are unknown, a formal notice must be attached to the advertising hoarding. All fees charged should recover all costs incurred including Officer time, administration costs and hoarding collection costs.
- Officers can request the removal of unauthorised A Boards. Photographic records can be taken and re-inspection may be required
- Request for removal, by formal letter, should be made to the offending party, in their absence, immediate removal can be arranged and cost recovered.
- If there is a significant problem with a particular shopping area, precinct or high street it may be helpful for the Highways Engineer to arrange a meeting with the traders, town Councillors or Town Centre Managers to explain the procedure and our Duty of Care for all highway users
- In exceptional cases Area Managers can consider whether offenders should be prosecuted in Magistrates Court.

1.0 Introduction

In November 2011 Norfolk was designated as a Civil Enforcement Area and, following the commencement of the Disabled Persons' Parking Badges Act 2013, local authority enforcement officers are now able to inspect and retain a blue badge without police presence, if they have reasonable grounds for believing that an offence has occurred.

Wrongful or misuse of a Blue Badge is a strict liability offence. The County Council employs a Blue Badge Investigator to carry out follow up investigations and prepare the evidence in support of enforcements – including giving written warning, or recommendations for formal prosecutions or simple cautions.

The Community and Environmental Services Enforcement Policy is followed, and this protocol is to be read in conjunction with that over-arching document. The Blue Badge Investigations service forms part of the Infrastructure and Development Section. There is a close working arrangement with Trading Standards, who process the legal disposals, and with the Customer Services Centre (CSC) who administer the Blue Badge Scheme.

There is close liaison with District Councils who employ Civil Enforcement Officers (CEO), including guidance on the policy requirements for evidence-gathering and operational arrangements.

The misuse of the Blue Badge Scheme can have serious consequences for legitimate users by denying them access to essential services and facilities. Norfolk County Council are committed to reducing the level of misuse and increasing compliance with the scheme in pursuit of our traffic management duties and aims, and to support vulnerable people in Norfolk.

2.0 Identifying Offences

Blue Badge Offences are identified in 3 ways –

- Reports by members of the public via the online form or the CSC
- Badge Inspections and seizures by CEOs as part of normal patrol duties.
- Badge Inspections and seizures by the Blue Badge Investigator during specific patrols.

The County Council publicised the commencement of work by the Blue Badge Investigator and continues to publish on its website the results of enforcement action where a person is taken to court.

<https://www.norfolk.gov.uk/care-support-and-health/disabilities/blue-badges/blue-badge-enforcements>

We have provided guidance to Civil Enforcement Officers who have the power to inspect and retain Blue Badges. This includes when and when not to inspect/retain badges, what offences are likely to have been committed. How they should interact with members of the public in what is a stressful situation and the type of questions to ask to gather evidence.

3.0 Investigation Process

All investigations into alleged offences are conducted in accordance with statutory powers, relevant legislation and codes of practice.

Persons suspected of committing an offence will always where possible be formally interviewed in accordance with Police and Criminal Evidence Act 1984 (PACE). This is undertaken in 3 ways –

- Roadside interview by the Blue Badge Investigator
- Interview in person with the Blue Badge Investigator
- Postal Interview

The method chosen is dependent on how the alleged offence was identified.

The opportunity to demonstrate a statutory defence and offer mitigating information is, where possible, always offered during the PACE interview. Unsolicited information may also be recorded and used as part of the decision making process. We will also give an additional opportunity to offer mitigation following a road side interview by writing to the alleged person providing them with a copy of their responses.

4.0 Disposal

We are committed to giving advice, guidance and support to all those persons suspected of committing an offence and will do so at all stages of an investigatory process. Mitigating information where supplied will be used during the decision making process but, a formal disposal may still be the likely outcome.

There are four methods of disposal available to use in relation to the misuse of a Blue Badge.

1. No further Action (NFA) – the alleged offence may fall outside our jurisdiction, there may be insufficient evidence or formal action not in the public interest.
2. Written warning – The alleged offence was within our jurisdiction but there is insufficient evidence or formal action would not be in the public interest.
3. Simple Caution – In certain cases a simple caution may be offered instead of prosecution. When offering a simple caution we will comply with relevant Home Office Circulars and the offender will be made aware of the impact the simple caution may have on their life.
4. Prosecution - We may prosecute using different pieces of legislation depending on what offences are alleged. The legislation we use is;
 - Section 115/117 of the Road Traffic Regulation Act 1981
 - The Fraud Act 2006
 - Forgery and Counterfeiting Act 1981
 - The Theft Act 1968
 - Proceeds of Crime Act 2002

A person could also be issued with a penalty charge notice for any parking contravention that occurs.

In cases where a badge holder lets a third party use a badge, the issuing local authority can withdraw the badge under regulation 9(2)(a) of the Disabled Persons (Badges for Motor Vehicles) (England) Regulations 2000 after a relevant conviction has been obtained.

In certain circumstances involving prolific offenders Courts are able to disqualify drivers for a period of time under section 46 of the Powers of Criminal Courts (Sentencing) Act 2000.