Norfolk County Council

Cabinet

Date:	**Monday 3 June 2024**
Time:	**10 am**
Venue:	**Council Chamber, County Hall, Martineau Lane, Norwich NR1 2DH**

Membership	**Role**
Cllr Kay Mason Billig	Chair. Leader and Cabinet Member for Strategy and Governance
Cllr Andrew Jamieson	Vice-Chair. Deputy Leader and Cabinet Member for Finance
Cllr James Bensly	Cabinet Member for Environment and Waste
Cllr Bill Borrett	Cabinet Member for Public Health and Wellbeing
Cllr Penny Carpenter	Cabinet Member for Children's Services
Cllr Margaret Dewsbury	Cabinet Member for Communities and Partnerships
Cllr Fabian Eagle	Cabinet Member for Economic Growth
Cllr Jane James	Cabinet Member for Corporate Services and Innovation
Cllr Graham Plant	Cabinet Member for Highways, Infrastructure and Transport
Cllr Alison Thomas	Cabinet Member for Adult Social Care

Advice for members of the public:

This meeting will be held in public and in person.

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

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

Current practice for respiratory infections requests that we still ask everyone attending to maintain good hand and respiratory hygiene and, at times of high prevalence and in busy areas, please consider wearing a face covering.

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

A g e n d a

1 To receive any apologies.

2 Minutes

To confirm the minutes from the Cabinet Meeting held on 8 April 2024 **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 Matters referred to Cabinet by the Scrutiny Committee, Select Committees or by full Council.

5 Updates from the Chairman/Cabinet Members

6 Public Question Time

Fifteen minutes for questions from members of the public of which due notice has been given. Please note that all questions must be received by the Committee Team (committees@norfolk.gov.uk) by 5pm Tuesday 28 May 2024. For guidance on submitting a public question, please follow this link: Ask a question to a committee - Norfolk County Council

Any public questions received by the deadline and the responses will be published on the website from 9.30am on the day of the meeting and can be viewed by clicking this link once uploaded: Click here to view public questions and responses

7 Local Member Issues/Questions

Fifteen minutes for local member to raise issues of concern of which due notice has been given. Please note that all questions must be received by the Committee Team (committees@norfolk.gov.uk) by 5pm on Tuesday 28 May 2024.

14 Reports of the Cabinet Member and Officer Delegated Decisions made since the last Cabinet meeting:

To note the delegated decisions made since the last Cabinet meeting.

Decision by the Cabinet Member for Adult Social Care:

- Kings Lynn Supported Living

Decision by the Cabinet Member for Highways, Infrastructure and Transport

- Long Stratton - Hill Farm Road area – double yellow line waiting restrictions

- Amendments and extension to the e-scooter trial in Norwich
- Great Ryburgh - C335 Fakenham Road/Station Road/Bridge Road – Traffic Regulation Order - Heavy Goods Vehicle Restriction

15 Norfolk's Devolution - Norfolk Brownfield Housing Fund **Page 230**

Report by the Executive Director of Strategy and Transformation

16 Exclusion of the Public

Cabinet is asked to consider excluding the public from the meeting under section 100A of the Local Government Act 1972 for consideration of the item below on the grounds that it involves the likely disclosure of exempt information as defined by paragraphs 3 of Part 1 of Schedule 12A to the Act, and that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

Cabinet will be presented with the conclusions of the public interest tests carried out by the report author and is recommended to confirm the exclusion.

17 Devolution - Norfolk Brownfield Housing Fund. Exempt appendix D

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

Date Agenda Published: 23 May 2024

Norfolk County Council

Cabinet
Minutes of the Meeting held on 08 May 2024
in the Council Chamber, County Hall, at 10am

Present:

Cllr Kay Mason Billig	Chair. Leader and Cabinet Member for Strategy and Governance
Cllr Andrew Jamieson	Deputy Leader and Cabinet Member for Finance
Cllr James Bensley	Cabinet Member for Environment and Waste
Cllr Bill Borrett	Cabinet Member for Public Health and Wellbeing
Cllr Margaret Dewsbury	Cabinet Member for Communities and Partnerships
Cllr Fabian Eagle	Cabinet Member for Economic Growth
Cllr Jane James	Cabinet Member for Corporate Services and Innovation
Cllr Graham Plant	Cabinet Member for Highways, Infrastructure and Transport

Deputy Cabinet Members Present

Cllr Shelagh Gurney	Deputy Cabinet Member for Adult Social Care

Executive Directors and Directors Present:

Titus Adam	Assistant Director of Finance
Paul Cracknell	Executive Director of Strategy and Transformation
Kat Hulatt	Director of Legal Services and Monitoring Officer
Tom McCabe	Chief Executive
Ceri Sumner	Director of Norfolk Fire and Rescue Service
Sara Tough	Executive Director of Children's Services

1 Apologies for Absence

1.1 Apologies were received from the Cabinet Member for Economic Growth, the Cabinet Member for Adult Social Care, and the Cabinet Member for Children's Services.

2 Minutes from the meeting held on 08 April 2024

2.1 Cabinet agreed the minutes of the meeting held on Monday, 08 April 2024 as an accurate record.

3 Declaration of Interests

3.1 No interests were declared.

4 Matters referred to Cabinet by the Scrutiny Committee, Select Committees or by full Council.

4.1 No matters were referred.

5 Update from the Chair/Cabinet Members

5.1 No updates were given.

6. Public Question Time

6.1 The questions received from members of the public and responses to them are published in appendix A of these minutes.

7 Local Member Questions/Issues

7.1 The questions received from Members and responses to them are published in appendix B of these minutes.

8. Council Delivery Plan 2024-5 and Annual Review 2023-4

8.1.1 Cabinet received the report presenting the Council Delivery Plan for 2024-5 as well as the Annual Review for 2023-4, the latter of which illustrated some of the key achievements of the Council during this period.

8.1.2 The Chair introduced the report to Cabinet:

- The Council Delivery Plan set out how the Council's ambitions would be realised.
- The Council's strategic priorities, set out in the Council Delivery Plan, were: achieve a vibrant and sustainable economy; better opportunities for children and young people; healthy, fulfilling, and independent lives; strong, engaged, and inclusive communities and; a greener, more resilient future
- Key activities, priorities and achievements were highlighted.
- The Delivery Plan was reviewed annually, but progress was considered quarterly.
- The Chair highlighted some of the Council's achievements over the past year:
  - Progressing the devolution deal to bring additional powers and funding to the county, ensuring the county could be at the forefront, and the first rural county to accept a devolution deal, if it was agreed by Council in July 2024.
  - Serving over 1.8 million visitors at the 47 libraries in Norfolk
  - Work to reduce carbon emissions by 15%, halving the 2016/2017 baseline.
  - Norfolk County Council's Climate Strategy received national recognition by Climate Emergency UK.
  - Work to improve digital connectivity, delivering ultra-fast broadband to over 6,900 premises and securing over £114m of funding to connect more properties.
  - Work to reduce the backlog of people waiting for care following a hospital stay by 93%.
- All the achievements of the past year had been delivered against the ongoing context of significant financial pressures and increasing demand, particularly for Children's Services and Adult Social Services. Despite these challenges, the local authority had agreed a balanced budget for the financial year 2024-25.
- The Chair said that her first year as Leader had been challenging and rewarding. She thanked Members for supporting her in her role and thanked Cabinet Members for their support.
- The authority had £2bn turnover and supported nearly one million people in Norfolk.

- The Corporate Delivery Plan set out how the Council would support and address challenges and outlined the intention to develop a new Economic Strategy for Norfolk, key infrastructure projects such as the Norwich Western Link, Long Stratton Bypass and improvements to the A47, work to improve digital connectivity and the rollout of project Gigabit. The council would continue to be a leader in flooding initiatives, with a summit at the end of May planned with interested parties.
- The Community Strategy would set out how assets could be used more effectively.
- The Chair thanked staff for all their work supporting residents, delivering value for money and providing an effective organisation.

8.2 The Cabinet Member for Public Health and Wellbeing noted that the council was on track to deliver its objectives despite the number of challenges experienced over the past years. Ready to Change would support residents to eat more healthily and become more active. The council had a leadership role in the Integrated Care System and a new Health Inequality Strategy would be brought to the Health and Wellbeing Board soon, aimed at creating conditions for people to live healthy lives. The Cabinet Member for Public Health and Wellbeing noted that the use of technology to support people was a key aspect in supporting the health and wellbeing of people in Norfolk.

8.3 The Vice-Chair noted the work being carried out to deliver strategies more cost effectively and that devolution would bring important funding to the council if agreed. In 2024-25, there was a focus on delivery of better quality of affordable and effective care, including more foster carers.

8.4 The Cabinet Member for Highways, Infrastructure and Transport discussed the increased demand experienced by services while the council worked towards reducing its carbon footprint. Implementing infrastructure projects such as the Norwich Western Link would help people travel freely, deliver housing now and in the future, increase economic development, and invest in technology which would support reducing carbon.

8.5 The Cabinet Member for Corporate Services and Innovation discussed the work on digital inclusion which would be expanded with funding from the Department for Levelling Up, Housing and Communities.

8.6 The Deputy Cabinet Member for Adult Social Care welcomed the report. She hoped that this could be circulated to town and parish councillors for wider awareness. The Chair **agreed** that an email should be sent to town and parish councils with a link to the documents.

8.7 The Chair agreed that improving water, road and housing infrastructure would be beneficial, balanced against protecting the countryside and environment. Bringing in new skills and jobs for young people would encourage people to stay in the county. The Chair had met with representatives from South Africa, Ukraine and Normandy who wanted to make links with Norfolk.

8.8 Cabinet **RESOLVED** to:

1. Approve the Council Delivery Plan for 2024-5
2. Agree that the Plan will form the basis of the next Annual Review to be published in May 2025

3. Agree the Annual Review for 2023-4

8.9 **Evidence and Reasons for Decision**

N/A

8.10 **Alternative Options**

N/A

9. His Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) Inspection of Norfolk Fire and Rescue Service (NFRS)

9.1.1 Cabinet received the report setting out the outcomes from the recent HMICFRS inspection of Norfolk Fire and Rescue Service (NFRS), highlighting the significant progress made, and outlining the subsequent Areas for Improvement (AFI) Action Plan in response to the inspection's findings.

9.1.2 The Cabinet Member for Communities and Partnerships introduced the report to Cabinet:

- Norfolk Fire and Rescue Service had recently been inspected and was now rated Good or Adequate in eight out of eleven categories. The service was no longer a cause for concern regarding prevention. This concern was highlighted during the Covid-19 pandemic when the service considered it unsafe to undertake home safety visits due to the risk of spreading Covid-19. There was no longer a backlog in this area.
- Positive feedback was highlighted around the following themes: prevention, which was now a high priority; values and Culture; finance, as the service was ensuring it was affordable now and, in the future, and; resilience of 24/7 fire safety cover.
- There would be regular reporting on progress towards points in the Action Plan, but it was recommended to do this via the Strategic Development Oversight Group before being brought to Cabinet.

9.2 The Cabinet Member for Environment and Waste recognised the hard work of Norfolk Fire and Rescue Service as a former fire cadet.

9.3 The Chair also recognised their work, noting the importance of the service. She raised the issue of the cost of Personal Protective Equipment for water rescues not being funded by Government; this was increasingly important with flooding increasing over the past years. The Chair had raised this with Government as an issue and that Fire Equipment should be funded appropriately to cover all requirements.

9.4 Cabinet **RESOLVED** to

1. Note the HMICFRS Inspection Report for NFRS (Effectiveness, efficiency and people 2023–25: An inspection of Norfolk Fire and Rescue Service) and acknowledge the improvements made.
2. Approve the AFI Action Plan and commit to formal reporting of progress into the Strategic Development Oversight Group (Appendix 1 of the report).
3. Endorse the requirements outlined to address the AFI Action Plan: with the 2024/25 cost being funded from Fire reserves, and 2025/26 requirements

considered as part of the 2025/26 Budget process (set out in section 6.1 of the report).

4. Acknowledge the progress made against the HMICFRS culture and values recommendations set out at Appendix 2 of the report.

9.5 **Evidence and Reasons for Decision**

HMICFRS now requires the Fire and Rescue Authority either to commit to making improvements in all areas identified as Areas for Improvement or provide a rationale for not addressing them.

Additional funding is required for capacity, technology upgrades, and addressing Areas for Improvement to drive improvement.

9.6 **Alternative Options**

An option is not to address Areas for Improvement or aim to meet within existing resources.

Norfolk Fire and Rescue Service are actively addressing the Areas for Improvement where possible. However, redirecting existing resources will strain already significant workloads and may require deprioritising routine tasks or compromise operations. This could potentially expose Norfolk Fire and Rescue Service to operational and organisational risks. Grey book staff have operational responsibilities that consume a substantial part of their time.

The inability to move forwards ten Areas for Improvement over 3 inspection periods demonstrate the need to properly plan and resource these areas.

10. Climate Action Plans - Tranche 3

10.1.1 Cabinet received the report setting out the third tranche of climate action plans associated with the Norfolk County Council Climate Strategy.

10.1.2 The Chair welcomed Cllr James Bensly to his new role as Cabinet Member for Environment and Waste and thanked Cllr Eric Vardy for his work in this role.

10.1.3 The Cabinet Member for Environment and Waste introduced the report to Cabinet:

- The Cabinet Member for Environment and Waste thanked Cllr Proctor for his previous appointment as Vice Chair of Infrastructure and Development Committee and thanked Cllr Mason Billig for now appointing him as the Cabinet Member for Environment and Waste. He thanked Cllr Eric Vardy for the work he had done when he was in the role.
- The Norfolk County Council Climate Strategy had been taken to Infrastructure and Development Committee and, following approval by Cabinet in May 2023, two tranches of the climate action plans had been approved and published on the Council’s website.
- This report introduced the third and final tranche of actions covering commercial and industrial sectors, climate adaptation, transport, council companies and staff and a range of activities from development of the seaweed industry, and bus connectivity to underserved areas.

- The list of actions set out information on how each one would be funded to make clear the commitment to pursuing a financially stable approach.
- Actions would be refreshed annually to give ongoing sight of delivery of the strategy and council could build on its successful approach to climate change which had been recognised in the National 2023 Council climate action scorecard where Norfolk County Council was independently ranked second among UK county councils for its climate action.

10.2 The Cabinet Member for Highways, Infrastructure and Transport noted the initiatives set out in the action plan which would reduce the County's carbon footprint such as the seaweed industry, clean hydrogen strategy, and industrial decarbonisation, among others. The council had been successful in receiving government support in the Local Transport Partnerships and through its own initiatives to achieve funding for transport schemes, such as the upgrade of the Norwich bus station with first bus and the walking wheeling and cycling strategy.

10.3 The Vice Chair welcomed the report. The work to reduce carbon was well explained including nature recovery and cost effectiveness was a clear criterion in the cost analyses of the projects.

10.4 The Chair discussed that this report showed how the council was leading by example to reduce its carbon footprint cost effectively. She thanked Cllr Vardy who had worked hard on this project over the past years. Norfolk had the largest offshore wind energy sector in the country and there were opportunities for hydrogen production.

10.5 Cabinet **RESOLVED** to approve the third tranche of actions as set out in this report.

10.6 **Evidence and Reasons for Decision**

Please see section 4 of the report.

10.7 **Alternative Options**

Cabinet could decide to not publish a third tranche of actions, but this would be inconsistent with the previous decisions to publish three tranches. Cabinet could also decide to omit particular items from the plan.

11. Local Nature Recovery Strategy, Biodiversity Net Gain and Pollinator Action Plan

11.1.1 Cabinet received the report setting out proposals to help Norfolk County Council achieve key outcomes for the Council's Climate Strategy and the County Council's key priorities by increasing biodiversity and helping the environment be more resilient to climate change for the benefit of wildlife, people, and the economy.

11.1.2 The Cabinet Member for Environment and Waste introduced the report to Cabinet:

- The Environment Act 2021 set out new legislation to require the production of new spatial strategies for nature recovery called Local

Nature Recovery Strategies. Norfolk County Council was the 'Responsible Authority' for the Local Nature Recovery Strategy in Norfolk.

- The Act also required new developments to mitigate loss of biodiversity by creating a net increase of biodiversity created either within development sites or elsewhere, called Biodiversity Net Gain.
- Norfolk County Council was working in partnership with Suffolk County Council by virtue of shared designated areas of natural environment and landscape such as the Broads, Breckland and Coast, as well as shared stakeholders, to produce Local Nature Recovery Strategies by Summer 2025.
- The Strategy would set out the current state of key nature in the county as well as prioritise areas with potential for nature recovery. The Strategy would be used to guide developers or providers of Biodiversity Net Gain to priority places.
- The Local Nature Recovery Strategy and the statutory delivery tool of Biodiversity Net Gain, along with other tools, would create Norfolk's contribution to a National Nature Recovery Network.
- The Norfolk County Council Pollinator Action Plan was one way in which the Council could support and promote biodiversity in the county by contributing to nature recovery.
- The proposals in the report today would help the Council to achieve key outcomes for the Council's Climate Strategy and the County Council's key priorities by increasing biodiversity and helping the environment be more resilient to climate change for the benefit of wildlife, people, and the economy.

11.2 The Deputy Cabinet Member for Adult Social Care declared a non-pecuniary interest as a member of the Norfolk Beekeeping Association. She felt that small or hobby beekeepers and the Norfolk Beekeeping Association should be involved in discussions related to this strategy, for their role in supporting pollination.

11.3 The Vice Chair noted the importance of bees in pollination and **agreed** to take up the Deputy Cabinet Member for Adult Social Care's point. This report was focussed on what could be done practically by the council. Biodiversity net gain should be considered in all decision making and highlighted the landscape recovery pilot schemes in the county. There were three new environmental landscape management schemes, one of which was found alongside the A149 in north Norfolk, "wild wetter better for nature". This was a practical organisation, lead by farmers and land managers and supported by a cross sector of private and public partnership.

11.4 The Vice Chair **moved** an amendment to recommendation 4 to add "and other partners" after "Norfolk Wildlife Trust" at 3.4 in the actions.

11.5 The Cabinet Member for Highways, Infrastructure and Transport discussed that the council were responsible for 6000 miles of roadways. Roadsides were less trimmed than they used to be to encourage pollinators, alongside a revised weed-killer use policy. Maintenance of trails and greenways to maintain their potential to support pollinators would be reviewed as well. There was a responsibility to keep them clear.

11.6 The Cabinet Member for Corporate Services and Innovation noted that the report included recognition for County Farms highways; at a recent interview for prospective tenants, she was pleased to hear that there was recognition given for the need to let the countryside grow and recover. There was also information in the strategy for what individuals could do to encourage pollinators in their own gardens and spaces.

11.7 The Cabinet Member for Environment and Waste encouraged people to get in touch if there was a dangerous situation, but that, as a rule, verges would be left uncut to encourage pollinators.

11.8 The Chair recognised that some people were in favour of not cutting verges while others were not, but it was key to try to keep areas safe while leaving plants for pollinators. She discussed that beekeepers had been advertising for bee swarms for their bee hives and encouraged anyone who saw one to be in touch with a relevant organisation.

11.9 Cabinet **RESOLVED** to

1. Agree with the timescale to produce the Local Nature Recovery Strategy
2. Agree the role of Norfolk County Council in providing new habitat which can be counted as biodiversity net gain
3. Approve the production of an environment strategy in 2024 that will outline potential for biodiversity net gain uplift as a matter of policy beyond the statutory minimum
4. Agree the adoption of the Pollinator Action Plan by the Council, with the addition of “and other partners” after “Norfolk Wildlife Trust” at 3.4 in the actions.

11.10 **Evidence and Reasons for Decision**

Both the Local Nature Recovery Strategy and Biodiversity Net Gain are statutory requirements upon the County Council.

The Pollinator Action Plan was developed using the best available scientific evidence and subject to further scrutiny from European experts. The Action Plan is based on sound science and can be implemented by the County Council on its own property holdings and other landowners and land managers.

11.11 **Alternative Options**

There is no alternative option for producing Local Nature Recovery Strategy or Biodiversity Net Gain.

There is no alternative for the Pollinator Action Plan that would result in the same outcomes.

12. Regulation of Investigatory Powers Act 2000 and Investigatory Powers Act 2016 Annual Report

12.1.1 Cabinet received the report setting out details of the use of RIPA (Regulation of Investigatory Powers Act) and the IPA (Investigatory Powers Act) by the Council in 2023 and seeking approval of the current policies, which had been reviewed and slightly amended.

12.1.2 the Cabinet Member for Communities and Partnerships introduced the report to Cabinet:

- This was an annual report to Cabinet.
- Compliance with the legislation ensured that the Council's use of investigatory powers was in accordance with the Human Rights Act 1998.
- This legislation had only been used once in connection with the sale of underage vapes and tobacco.
- In August 2023 a "paper" inspection of the Council's use of the legislation was undertaken by the Investigatory Powers Commissioner's Officer. In a letter from the Investigatory Powers Commissioner to the Chief Executive dated 24 August 2023 he stated that he was "satisfied that your reply provides your assurance that ongoing compliance with RIPA 2000 and the Investigatory Powers Act 2016 will be maintained. As such, your Council will not require further inspection this year."

12.2 The Chair was pleased that the sale of underage vapes to young people was being investigated as this was an issue which needed addressing.

12.3 The Cabinet Member for Environment and Waste highlighted the work that teams had been doing to address underage vaping. The Cabinet Member for Communities and Partnerships added that the trading standards team was working with schools to address this issue.

12.4 The Cabinet Member for Public Health and Wellbeing discussed that while vaping was healthier for those who already smoked as an aid to stop smoking, it should not be encouraged for those who did not smoke. The full health implications of vaping were not fully understood as vaping had not existed for long enough; nicotine found in vapes was highly addictive.

12.5 Cabinet **RESOLVED**

1. To note the use of RIPA and the IPA by the Council in 2023, as set out in Appendix A of the report; and
2. To approve the revised policy documentation provided at Appendices B and C of the report.

12.6 **Evidence and Reasons for Decision**

The two Acts, the associated Regulations and Codes of Practice set out expectations for local authorities in relation to the oversight of RIPA authorisations for directed surveillance and CHIS and for the acquisition of communications data under the IPA. The recommendations set out in this report meet the requirements of the legislation. There are no other reasonably viable options to the recommendations above.

12.7 **Alternative Options**

These corporate policies were considered to be the most effective way to ensure the Council fulfils its legal responsibilities, when using covert investigatory techniques to gather intelligence for the purposes of one of its regulatory functions.

13. Strategic and Financial Planning 2025-26

13.1.1 Cabinet received the report setting out the framework for how the Council will approach budget setting for 2025-26

13.1.2 The Vice-Chair introduced the report to Cabinet:

- As in previous years this report was the start of setting the budget for the upcoming financial year, 2025-26. The process had begun a month earlier than last year so the final outturn for 2023-24 was not available.
- A balanced budget had been delivered in 2023-24 despite making £60m savings and dealing with in-year cost pressures of over £45m. The Vice-Chair thanked the Director of Strategic Finance and his team for this.
- At £45m, this year's savings target would be difficult and would be found through two rounds of budget challenge to be held in June or July and September 2024. A third round was needed in 2023 due to funding announcements in the autumn statement and reduction in the Services Grant, mitigated by a one-off allocation of £10m from Government in January 2024.
- A rise in demand and cost had been seen in Adult Social Services and Children's Services. In Children's Services this was caused by an increase in cost of external residential and supported care and high demand for social care services, and an increase in parents seeking Education Health and Care Plans for their children had caused an increase in the cost of home to school transport and special school placements.
- In Adult Social Services there had been upward pressure in the price of care packages, especially for adults with learning disabilities.
- The Government settlement for 2024-25 was for one year only and assumptions behind increased pressures for 2025-26 were based on this context.
- Last year, £25m was held centrally to be bid for by savings departments; this was useful and would be repeated this year along with stringent challenge of pressures assumed by departments. Service departments would be asked to deliver savings outside the front line such as transformation and efficiencies. Transformative changes would continue to be delivered such as integration of departments.
- This year, control of procurement and contract management would be a focus, and the Vice-Chair would chair the capital review board to limit the capital programme to a maximum of £50m new borrowing per year.
- Previous savings had been recognised when setting targets for 2025-26, and table 9 showed how £56m would be needed if £12m savings had not already been identified in previous budget rounds. This was particularly demonstrated in Children's Services where the financial result of the multi-year strategy was shown. The Vice-Chair set out his aim to have a greater proportion of future year savings identified by the end of the Medium-Term Financial Strategy.
- The Medium-Term Financial Strategy ran to 2028-29 and included an overall saving requirement of £221.5m once previously identified savings were included, which was a savings requirement of over £50m per year.
- The Council would need Government to deliver multi-year local government finance settlements to increase the funding available for Local Authorities as longer-term funding was needed for robust decision making. A large proportion of Government funding was provided through one-year settlements and one-off grants making long-term planning difficult. Ongoing reliance on Council Tax and Adult Social Services

precept and their increases were unsustainable and Council Tax made up 56% of spending power for local authorities.

- It was important to have a sustainable and fair funding system, addressing historic funding gaps, distribution of funding on assessed need, and council tax reform to address inequalities such as rural residents paying more but receiving less services, and delivering business rates reform. Adult Social Services funding needed to be reformed and funding all new burdens including the national living wage which led to an increase in the council's budget of £11m. Urgent action was needed address issues in Children's Services which lead to an increase in cost and demand of services. It was also important for Government to fund all local government services.
- The Council's devolution deal would allow the Council to grow the economy and provide more jobs for Norfolk.

13.2 The Chair noted that the council budget increased every year, but the Council could not overspend, and were required to provide a balanced budget. The Council provided services that people in Norfolk valued. A three-year settlement from Government would give the Council a chance to plan and with the devolution deal, if agreed, the Council would be able to tailor services that the people of Norfolk want. The Chair thanked staff for their work on developing the budget.

13.3 Cabinet **RESOLVED**

1. To note the overall budget gap of £135.908m included in the Medium Term Financial Strategy (MTFS) set by Full Council in February 2024, and agree:
    a. the gap of £44.722m to be closed for 2025-26; and
    b. the extension of the MTFS by a further year (to 2028-29), adding a further £52.744m to the gap and resulting in additional pressure assumptions to be addressed and leading to an overall gap for planning purposes of £188.652m over the next four years. (Section 2 of the report).
2. To note the key budget risks and uncertainties as set out in this report. (Section 10 of the report).
3. To note the principles of the proposed approach to budget setting for 2025-26, noting that there may be a need for flexibility within both the process itself and the assumptions applied, and agree:
    a. the process and indicative timetable set out in Section 3 of the report, including the proposed consultation process for 2025-26.
    b. that there should be a detailed review of cost pressures and growth already provided within the Budget against actual costs experienced to identify any opportunities for budget reduction.
    c. the minimum savings targets allocated to each Department to be found (Table 8 of the report), and that these will be kept under review throughout the budget process.
4. To approve the initial budget virements for 2024-25 as set out in Appendix 1 of the report, reflecting budget transfers for whole services between departments as a result of the Employment Committee of 18 March 2024, while noting the virements do not change the overall Council Budget.

13.4 **Impact and Reasons for Decision**

Please see section 5 of the report.

13.5 **Alternative Options**

Please see section 6 of the report.

14. Decisions made since last meeting

14.1 Cabinet noted the delegated decisions which had been taken, as set out in the agenda

The meeting ended at 11:10

Chair of Cabinet

Cabinet
8 May 2024
Public & Local Member Questions

	Public Question Time
6.1	**Question from Richard Adcock**
	The W.H.O Treaty is fast approaching to be signed next month by the government on the 26th of May 2024. If the government signs the W H O treaty what impact does the council think this will have on the residents of Norfolk. Will it affect our sovereignty, freedoms, democratic rights & the way councils implement their decisions towards us? As Mr Andrew Bridgen M P suggests.
	Response from the Leader and Cabinet Member for Strategy and Governance
	No, it'll have no impact on Norfolk County Council democratic processes.
	Supplementary question from Richard Adcock
	There are many things wrong in the world today. In a democratic society at least at this moment in time the residents of Norfolk can ask questions of our elected representatives, will this STOP If the Government signs the W H O treaty. As Mr Andrew Bridgen M P suggests?
	Response from the Leader and Cabinet Member for Strategy and Governance
	No, the process of allowing members of the public to contact members of Norfolk County Council's Cabinet will stay in place.

Cabinet
8 May 2024
Public & Local Member Questions

	Local Member Question Time
7.1	**Question from Cllr Catherine Rowett**
	Does the Cabinet have any strategy to address the problem of damage to rural roads and verges by the increasing numbers of very large agricultural vehicles, where farmers have to access their fields via narrow country lanes, given that market pressures encourage farmers to invest in larger machinery to cut costs?
	Response from the Cabinet Member for Highways, Infrastructure and Transport
	The Council recognises the concerns raised relating to large vehicles using the highway network especially in rural areas and the damage they can cause. However, it is national legislation that sets out the size of machinery that can legally use the highway network. The Council has previously raised with government similar concerns relating to the weight and size of agricultural machinery using the highway network and how this impacts on the asset. However, in Norfolk, supporting the agriculture industry is also essential. The Council's teams continue to identify and prioritise defects as part of their routine highways inspections in line with the Transport Asset Management Plan (TAMP). In addition, the Council also has an ongoing programme of proactive highway maintenance and improvements to ensure the network in Norfolk is safe and well maintained, both now and for the future.
7.2	**Question from Cllr Jamie Osborn**
	The proposed changes to the Dereham Road / Grapes Hill junction are due to be funded through money earmarked for sustainable transport (via the BSIP). The consultation on the proposals showed that the only group who were in favour of the changes were motorists. Cyclists and pedestrians were unhappy with the proposals, and bus users were neutral, according to the consultation. Does the Cabinet Member think that a scheme that only motorists support and which does not have the support of bus users, pedestrians, or cyclists is a good use of sustainable transport money?
	Response from the Cabinet Member for Highways, Infrastructure and Transport
	This project is funded by the Bus Service Improvement Plan, which is primarily focused on providing improvements for bus users and was initially identified as a key network improvement by the bus operators. This scheme will improve bus journey times and reliability by enabling the bus to get into the bus lane safely and get to the head of the junction ready for its right turn up Grapes Hill. The scheme provides better lane discipline making the environment safer for all users, including people who cycle, and doesn't remove any of the existing cycle facilities. For pedestrians, the minor narrowing of the footpath is offset by relocating existing highway signage to give more usable pavement space at pinch points.

	Local Member Question Time
	The consultation gave an opportunity for all those potentially affected by the scheme to respond. Of the 63 people who responded, 7 said they predominantly cycled through the area, and 12 said they walked through. These respondents did highlight concerns and we have considered these as part of finalising the proposals. Whilst the majority of the respondents to the consultation said they drove through the area and were in favour of the scheme, this does not imply that the scheme does not have the support of those using the bus, walking or cycling, as very few of those network users replied. Bus passengers, and non-bus users, tell us that reliability is the key thing they want from a bus service and this proposal will reduce bus journey times and improve bus journey reliability, representing an excellent use of this sustainable transport funding.
7.3	**Question from Cllr Colleen Walker**
	Now the worst of the storm season has hopefully passed residents in Hemsby and along much of the Norfolk coastline will be counting the cost and wondering if there will be any help for them before next autumn or whether they will be forgotten until the next headlines of serious loss and damage. Has the Leader yet had any response from the Secretary of State to her letter of 30 January and what other urgent steps is she taking to stop residents suffering the consequences of erosion from feeling abandoned?
	Response from the Leader and Cabinet Member for Strategy and Governance
	There has been no response to this letter. We are chasing for a response to this.
7.4	**Question from Cllr Terry Jermy**
	The corporate plan and report from last year is long on narrative but short on detail of what targets were set, what progress was actually made against those targets, the reasons for any shortfall and what that means for service standards and delivery. Without those, Norfolk residents have to rely on the administration’s version rather than objective measures. Will the Leader correct that omission by publishing data on targets and measurable achievements against those targets?
	Response from the Leader and Cabinet Member for Strategy and Governance
	Our Council Delivery Plan and Annual Review – both published annually - are a way to provide a narrative update on our priorities and activities for our residents in a concise and accessible way. Our priorities and plans stem from department strategies aligned to our corporate strategy Better Together, for Norfolk. As you know delivery is measured through our Corporate Vital Signs, which are reviewed by Cabinet quarterly and published with all other papers for anyone to read.
	Supplementary question from Cllr Terry Jermy
	Residents in Thetford have really noticed the County Councils reduced efforts to tackle weeds across the town. Thetford is also very often one of the last places to get our now sole weed spray for the year. Can the Cabinet Member for Highways, Infrastructure and Transport reassure Thetford residents that this issue that blights our communities is a priority and that Thetford will not be left until last again?

	Local Member Question Time
	Response from the Cabinet Member for Highways, Infrastructure and Transport
	Following a public consultation concerning reducing weed treatments from two treatments to one in December 2022, the Council agreed to implement a reduction from 2023. The reduction has two main benefits: environmental improvements by contributing towards the Council's glyphosate policy by halving the amount of product used on the highway network. With regard to weed treatment in Thetford, the programme will be reviewed to establish whether the treatment can be completed earlier in the weed growing season, although to be fully effective, the weedkiller needs to be applied when there is some weed growth present.
7.5	**Question from Cllr Brenda Jones**
	In the light of the revelation there are 1800 care vacancies, the administration has not been able to keep up with demand, and the demand for care services continues to grow, will the Leader reconsider the proposals put by Labour to February's budget Council to tackle the workforce crisis and structural flaws in the way the council commissions care services?
	Response from the Cabinet Member for Adult Social Care
	Thank you for your question. Just to be clear Norfolk County Council vacancies in this area are currently about 40. As we know, there are still significant workforce challenges in the care industry both locally and nationally. I am working in partnership with key stakeholders including Norfolk Care Association, Norfolk and Waveney's Integrated Care Board, and local Higher and Further Education institutions, as we continuously seek to respond to local and national challenges both in the long and short term. The Norfolk Care Careers Team has recently been strengthened to improve both workforce capacity and quality. The team supports individual members of the workforce and adult social care providers with recruitment, retention, well-being and skills. They also champion the professionalism of the sector, promote the career pathways available, and seek to recognise and act upon opportunities for integration within the wider system.
7.6	**Question from Cllr Julie Brociek-Coulton**
	Residents and I were pleased to see that gutters around the Angel Road Junior School building were cleared recently. Could the Cabinet Member for Corporate Services and Innovation advise whether there is a schedule of maintenance in place for the empty site to stop the building from falling into complete disrepair and preventing the site from being developed into a SEND school?
	Response from the Cabinet Member for Corporate Services and Innovation
	The Evolution Academy Trust (EAT) is still responsible for this site. The site tidy that took place recently was organised by that organisation, who are still the leaseholders for the site.

	Local Member Question Time
	At present maintenance remains with this Responsible Body and it is not appropriate for NCC to put anything in place until such time as it is surrendered back. We continue to work with EAT in the meantime.
	Supplementary question from Cllr Julie Brociek-Coulton
	Next month will see the third anniversary of Angel Road Junior School closing and being relocated. Why has the process of returning the school back to the Council taken so long?
	Response from the Cabinet Member for Children's Services
	The Secretary of State, in approving the disposal, conditioned the return to coincide with the renewal of the lease for the Infant School.
7.7	**Question from Cllr Mike Sands**
	Another road scheme in the city overruns bringing disruption to road users and business. Rather than just claiming all is well and he knows best, will Cllr Plant now put his hands up and admit those who know the city ought to have a bigger voice in our roads and traffic management schemes and bring back a public facing joint body councillors and the public can engage with instead of having decisions that aren't working imposed on them from behind closed doors?
	Response from the Cabinet Member for Highways, Infrastructure and Transport
	The County Council has a strong, national reputation as being a local authority that delivers on the ground, at pace, through strong, collaborative relationships with transport providers and a wide range of stakeholders. Our success in delivery of the Transport for Norwich programme has acted as a springboard to securing significant funding from government for initiatives such as zero emission buses and our Bus Service Improvement Plan, all of which strongly support our Local Transport Plan, Environment Policy and Norfolk Climate Strategy. We consult on all our transport proposals and this feedback is shared with County and District (including City) Council members who are invited to fully participate in discussions. The governance we have in place for transport issues in Norwich involves County and District (including City) Council councillors and lead officers working together on a Steering Group in a way that enables open and frank discussions to be held, allowing the best possible transport solutions and strategies to be developed. Discussions that take place will clearly and transparently inform the subsequent decisions I take on highway matters as the Cabinet Member.
	Supplementary question from Cllr Mike Sands
	Can the Cabinet Member for Highways, Infrastructure and Transport confirm the number of highways compensations for the most recent financial year and compare them against historical numbers and explain why the numbers have gone up so far so quickly?
	Response from the Cabinet Member for Highways, Infrastructure and Transport

	Local Member Question Time
	The volume of highway compensation claims vary depending on several factors including the weather. Although not as cold as many previous years, the past year has seen a number of significant storm events (11 named storms so far compared with 2 for the previous year). This has led to an increase in the number of claims received by the Council. In total, 841 highway claims were received in 2023/24, compared with 557 for the year before. To date, 690 of the 2023/24 claims have been denied, with 428 from the year before being denied.
7.8	**Question from Cllr Alison Birmingham**
	New checks brought in under the UK's Brexit trade agreement will cost businesses in Norfolk through higher overheads and prices passed on to consumers. Has the Cabinet Member for Growing the Economy made an assessment of the impact of these increases on local businesses and the cost of living crisis?
	Response from the Cabinet Member for Economic Growth
	It is of course a matter for National Government. However, our economic development team, including the Growth Hub, will work with businesses using best practice from businesses we have been working with. We are also developing a new Economic Strategy for Norfolk to support local businesses meet challenges and take advantage of opportunities.
7.9	**Question from Cllr Mike Smith-Clare**
	Although it is disappointing there was no bid for Wensum Lodge from a community interest group, the scale of the task makes that unsurprising. However that does not mean Wensum Lodge should be lost to the community. Will the administration join with Labour county councillors in committing to ensuring Wensum Lodge remains in public or community ownership and is used for arts, cultural and educational purposes?
	Response from the Cabinet Member for Communities and Partnerships
	As Cllr Smith-Clare notes **no** community group put in a proposal during the ‘moratorium’ period, during which information on the condition and running costs of the site were provided to interested parties. The site is now being formally marketed and Norfolk County Council will consider any bids from community groups, alongside commercial offers. As such, NCC is willing to consider offers form public sector or voluntary groups for the site. However given the importance of the site, will need to have confidence that they have sufficient finance and structures in place to manage a large and complex site.
7.10	**Question from Cllr Matt Reilly**
	Recent discussion about rail services in Norfolk have once again highlighted Haughley Junction and Ely as requiring investment. However the Trowse swing bridge that acts as a bottleneck into Norwich station is not getting much of a mention despite an upgrade being crucial to improving services from Norwich. Will the Cabinet Member for Highways, Infrastructure and Transport confirm Trowse remains

	Local Member Question Time
	one of the key priorities of the county council as the strategic transport authority for rail investment in the region and update us on what steps are being taken to secure the investment needed?
	Response from the Cabinet Member for Highways, Infrastructure and Transport
	I can confirm that Trowse remains one of the key priorities of the county council. The county council has a long history of working with national, regional and local partners to secure investment into the railways. Over the last few years, officers and I have worked very closely with organisations including Transport East, train operators, government and Network Rail. This work has led to some very significant investment. This includes complete renewal of all the train fleet operated by Greater Anglia, the first time the fleet for a whole franchise has been renewed. In Norfolk this covers the Norwich to London, Cambridge, Sheringham, Great Yarmouth and Lowestoft services. As Cabinet Member, as well as representing the county on local groups, I represent the council on Transport East and – together with officers – the various task forces that Transport East or other regional bodies lead: East West Rail Mainline Partnership Board and Eastern Section Board; Great Eastern Mainline Partnership; Ely Task Force; and the Rail Leadership Meeting that brings together these strands of work, which is held in Westminster and to which MPs are invited. There is a lot of activity seeking improvements to rail for Norfolk, which is achieving positive results. At the end of last year, there was government commitment to the much-needed improvements at Haughley Junction and Ely area enhancements. These now need pushing over the line to secure final funding awards. The opportunity to secure investment is a live issue now for these schemes and we don't want this to be missed, hence the increased coverage at this time. I will continue to represent the county's interests across the various rail groups highlighted, and Trowse will remain a priority. I look forward to working with Network Rail on their forthcoming Norfolk and East Suffolk area study, which will provide additional evidence around constraints to improved rail services and – I anticipate – a step towards securing investment to overcome bottlenecks such as Trowse.
7.11	**Question from Cllr Chrissie Rumsby**
	Whatever happened to proposals for a country park that was supposed to make good some of the shortfall for the commitment unanimously agreed by council in 2024 that we would increase trees by a million by the end of 2024 – that is a million after discounting those that have been lost for other reasons or not survived once planted, a target that will be missed by a considerable margin?
	Response from the Cabinet Member for Environment and Waste
	The case for woodland creation in Norfolk is a strong one, not only to help fulfil our commitment to plant 1 million trees across the county but to help provide important benefits such as carbon storage, biodiversity, and areas for recreation. The Country Park proposals put to Infrastructure and Development Committee last year is

	Local Member Question Time
	currently under review to explore new funding models and to look at various partnerships and new approaches which could help NCC fulfil this aim. NCC is committed to planting more trees and we are continually looking for ways to do this. A good example of this, is our Expression of Interest for DEFRA's Forest for the Nation Competition, for the second National Forest to be situated in Norfolk and Suffolk. This expression of interest was submitted in March and the result of the first round is expected soon. It has been well reported that in the early years of the 1 Million Trees for Norfolk initiative we suffered from the impacts of COVID and Since the commitment was made in November 2019 there have been 4 planned planting seasons and the numbers of trees planted by NCC and partners has increased year on year with the total currently sitting at over half a million and set to rise further this year as partner's planting figures from this planting season are to be added. We are collecting all possible data and engaging with old and new stakeholders. The delivery of this important programme will be considered fully and further through discussions at the relevant committees and ultimately by Cabinet.
7.12	**Question from Cllr Ben Price**
	What action does the Cabinet plan to take against their consultants WSP, in relation to what appears to have been poor quality research, surveys and advice concerning the bat colonies in the area of the proposed NWL road, and what recompense will be sought for the wasted £47m that's been spent on the basis of their inadequate advice?
	Response from the Cabinet Member for Highways, Infrastructure and Transport
	Extensive bat surveys over several years along with expertise and advice from bat specialists have given us a good understanding of the area and are informing our proposals for the Norwich Western Link. The project team have had regular contact with Natural England over a number of years and their input has helped to shape the approaches that have been taken. The county council and Natural England are committed to continuing to discuss the issues with the aim of finding a solution and we believe we can provide further information for Natural England to consider in support of this.
	Supplementary question from Cllr Ben Price
	In the event that the answer to the above question is no action and no recompense, we assume that the Cabinet takes personal liability for the loss, so will the Leader and Highways member resign?
	Response from the Leader and Cabinet Member for Strategy and Governance
	We will continue to work with Government and Natural England to deliver the Norwich Western Link as promised in our Manifesto and for the majority of Norfolk residents who support it.
7.13	**Question from Cllr Brian Watkins**

	Local Member Question Time
	With the Council moving towards a change of governance and the endorsement of the County Deal in July, most Norfolk people still know little or nothing about its likely implications. When the Council backed the 'in principle agreement' in December, you acknowledged that much work needed to be done to improve the level of public understanding. People want to know what changes and what benefits they will see if the deal happens. As things stand now, what would you tell someone at a public meeting who asked you, 'How is this going to help me and my family?
	Response from the Leader and Cabinet Member for Strategy and Governance
	It is our intention to resume our engagement around devolution to strengthen our residents' understanding of what it means for them once Council has voted in July. If that is passed, we will then increase our public awareness programme even further in support of the May 2025 election of the Directly Elected Leader. Devolution can help people in many different ways: Having the adult education budget means we can help boost local skills providers to offer education that is needed and supports our local businesses. Growing our economy and creating better jobs means our young people can remain in the county and earn more, instead of having to move to get good work because wages are higher elsewhere. Funding to unlock housing sites will help with building more affordable homes in places where they're much needed but where developers would struggle alone. Investment in transport, better routes and infrastructure can make the difference between a young person being able to access college or an apprenticeship, or older people connecting with services they need. These are changes that individually may not always be felt on a day to day basis, but together combine to improve people's lives significantly.
	Supplementary question from Cllr Brian Watkins
	A new Care Leavers' Fund has recently been launched nationally to support young people about to leave local authority care. It will provide match funding for local projects aimed at helping them to make the best start in life. Whilst the Council is already working hard to provide a good range of support for care leavers, its ability to drive the scale of change needed is limited. Can the Cabinet member detail how the Council intends to take advantage of this new programme to help transform the life chances of our county's care leavers as they transition into adulthood?
	Response from the Cabinet Member for Childrens Services
	We fully support the Governments additional support for care leavers, and we look forward to working with the Norfolk Community Foundation (NCF). NCF have been awarded funds that will be focused on two existing areas of the foundation's care leaver support, as well as setting up a new Independent Living Fund that supports care leavers to live independently and grow self-esteem. This is in addition to and complements our already strong local offer to Care Leavers which supports our care experienced young people on a range of fronts to thrive and succeed in adult life.

	Local Member Question Time
	We welcome working alongside NCF given our long-standing relationship with them and have been in contact with them about how we can work in collaboration on progressing this work.
7.14	**Question from Cllr Rob Colwell**
	After hearing of the costs associated with other directly elected leader/mayors elsewhere in the country, residents have been in contact with me about the potential cost to this council in introducing our own DEL? Can the leader outline the potential expense of introducing this new role into our governance?
	Response from the Leader and Cabinet Member for Strategy and Governance
	Unlike Mayoral Combined Authorities who have their own staff (e.g. Chief Executive, Monitoring Officer, support structures) and running costs, Norfolk's devolution deal does not require us to create a new local authority and an additional layer of governance in Norfolk. A directly elected leader would be supported by the County Council's existing officers and systems. As stated in the report to Full Council on 1 December 2023, a 2025 Election would cost the Council an additional c.£190,000 for the additional polling cards, postal voting papers and ballot papers. As part of negotiating the devolution deal, Government has committed £750,000 of capacity funding which will contribute to the costs. All other costs associated with the County Council elections are accounted for as part of the four-year County Council Election cycle.
	Supplementary question from Cllr Rob Colwell
	With the announcement that an academy trust is thinking of scrapping the teaching assistant role, and fear others might follow, teachers telling me they're quitting because of the lack of TA support in growing class sizes. Additionally, many classes have significant numbers of students with special educational needs, due to a lack of specialist places in the county making the job without TAs even more difficult. What reassurance can be given to teachers across the county that you are taking the SEN crisis in our schools seriously.
	Response from the Cabinet Member for Children's Services
	It is, of course, for individual schools and multi-academy trusts to determine how they organise their SEND provision and teaching assistants are an important part of that provision alongside whole school training for SEND and the support of other professionals. The commitment of the council to SEND and AP (Alternative Provision) provision and support has been significant and sustained over the past five year period, initially through the councils £120million capital investment to build special schools and specialist resource bases and most recently with the announcement last year of further capital funding agreed with the DfE for two more special schools and also a joint DfE / NCC revenue investment of £100million+ to support greater inclusion in local mainstream schools through our Local First Inclusion programme (LFI). LFI has already in its first year developed a new School & Community Team working across our 15 school and community zones to support schools and families for children at 'SEN Support', with these teams complementing the support that schools provide directly from their delegated £39million annual funding for SEND and also

	Local Member Question Time
	the 'top up' from the High Needs Block of £30million+. We will continue to work alongside schools to provide funding and advice and guidance to ensure that best practice is shared to ensure county-wide consistency.
7.15	**Question from Cllr David Sayers**
	Could the Cabinet Member please clarify the extent to which Norfolk County Council is taking responsibility for ensuring walkways and pavements comply with December 2021 Department for Transport best practice for making walkways inclusive of all? Additionally, what measures is this council implementing to address any existing barriers and ensure that pedestrian infrastructure across Norfolk is truly inclusive and accessible to all members of the community?
	Response from the Cabinet Member for Highways, Infrastructure and Transport
	Developer Services / Major Developments have been aware of Inclusive Mobility since the original document was published in 2002, and the design standards used by developers for new footways and cycle paths are in accordance with that document. The 2021 revision, it does not appear to have made any fundamental changes to the key chapters related to our area of work. Additionally, cycle paths on new developments would be expected to be designed in accordance with the principles of LTN1/20. Our Infrastructure Development and Highways Project Teams complete Equality Impact Assessments (EQIA's) for their schemes and undertake consultations when changes to the highway are proposed with stakeholders including representative groups for walking, cycling and those people with health conditions or impairments. We have removed barriers on footway/cycleways in Kings Lynn as part of the town deal project and we have a feasibility underway to remove barriers across Norwich following a cargo bike audit. Norfolk County Council's Walking, Wheeling and Cycling Strategy (2024) which was adopted by Cabinet on 8 April 2024, sets out the Council's commitment to removing barriers to provide a network that is accessible, inclusive and considers the needs of all users. (there are more details on p36 and p37 of the document) https://www.norfolk.gov.uk/media/33439/Walking-Wheeling-and-Cycling-Strategy-2024_Accessible/pdf/mpWalking__Wheeling_and_Cycling_Strategy_2024_Accessible.pdf?m=1712670313813
	Supplementary question from Cllr David Sayers
	In light of recent remarks by experts following announcements to potential cuts to sickness benefits for individuals with depression or anxiety, what proactive steps is the council taking to counteract the potential detrimental impact on vulnerable members of our community? Additionally, how does the council plan to assert its voice against such callous policies, ensuring the welfare of those with mental health conditions remains a priority despite the Conservative government's apparent disregard?
	Response from the Cabinet Member for Public Health and Wellbeing

	Local Member Question Time
	We believe the Government is putting in place appropriate support for people with these conditions.
7.16	**Question from Cllr Steffan Aquarone**
	Consultations are a vital tool in reaching out to our residents on important issues. However, residents are reporting the inaccessibility and difficulty in navigating consultations, which only serves to limit responses. A resident has contacted me about their experience answering the savings consultation noting its pages upon pages of background information making it difficult to make a considered response, they also noted the lack of advertising the consultation seemed to have. Why are this council's consultations a source of constant frustration for members of the public and what is being done to ensure we are using the best practice possible in our outreach efforts?
	Response from the Leader and Cabinet Member for Strategy and Governance
	As a member of the Consultation Institute, we follow best practice and our consultation materials are accessible and produced in different formats such as Easy Read, home print and large print. We also produced videos in British Sign Language posted on the landing page of our digital consultation platform. Residents can email HaveYourSay@norfolk.gov.uk or call our customer service centre to request Braille, alternative format or different languages. • We promoted three Community & Environmental Services (CES) which ran from Thursday 15 February to 22 March and two Adult Social Care (ASC) consultations launched on Monday 19 February and continue until 17 May. Our promotional methods include print, media and digital channels covering: • Press releases to all media partners and channels across Norfolk • Email briefing to members of our Norfolk Resident's Panel • Social media promotion through paid Facebook advertisements and organic posts on X (previously known as Twitter), Facebook, and Nextdoor • Posters displayed at all 19 recycling sites along with leaflets for staff to share with customers • Letters and copies of the survey posted to those individuals directly impacted by our Adult Social Care proposals, along with a dedicate phone helpline and a number of drop-in events in libraries across the county • Members briefing to all NCC councillors • Letters sent to key stakeholders • Letter to 520 Parish Councils, and promotion via Norfolk Association of Local Councils • NCC Managers Briefing • Information on the staff intranet and staff newsletters (including Friday Takeaway) • Information on the Council's website www.norfolk.gov.uk including the landing page and links to service areas on the site
	Supplementary question from Cllr Steffan Aquarone

	Local Member Question Time
	In considering reductions in the opening hours of household waste recycling centres, what measures have been taken to limit the impact on the take home pay of our loyal and helpful staff at the centres, and what evidence can be provided to show these measures have worked?
	Response from the Cabinet Member for Environment and Waste
	The decision on the opening hours of household recycling centres has not been made.

Report to Cabinet

Item No. 8

Report Title: Annual Treasury Management Outturn Report 2023-24
Date of Meeting: 3 June 2024

Responsible Cabinet Member: Cllr Andrew Jamieson (Deputy Leader and Cabinet Member for Finance)
Responsible Director: Harvey Bullen (Director of Strategic Finance)

Is this a Key Decision? No

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

Introduction from Cabinet Member

In accordance with regulatory requirements, this report provides information on the Treasury Management activities of the County Council for the period 1 April 2023 to 31 March 2024.

Executive Summary

This report and the attached annex provides details of the 2023-24 treasury activities and highlights compliance with policy and strategy previously approved by Members in relation to treasury management

The Council's Treasury Management Panel has discussed and endorsed the recommendations in this report on 16 May 2024.

Recommendations:

1. **To approve the actual 2023-24 prudential and treasury indicators in the report as set out in Annex 1**
2. **Endorse and recommend to County Council the Annual Treasury Management Outturn Report 2023-24 as set out in Annex 1**

1. Background and Purpose

1.1. This Annual Treasury Management Outturn Report forms an important part of the overall management of the Council's financial affairs. The regulatory environment places responsibility on Members for the review and scrutiny of treasury management policy and activity.

2. Proposals

2.1. The report at Annex 1 provides details of the 2023-24 treasury activities and highlights compliance with policy and strategy previously approved by Members in relation to treasury management.

3. Impact of the Proposal

3.1. The Annual Treasury Management Outturn Report demonstrate that during 2023-24, the Council's treasury management operations have been carried out in accordance with best practice and in compliance with legislative and regulatory requirements.

4. Evidence and Reasons for Decision

4.1. **Annual Treasury Management Outturn Report**
The annex attached to this report sets out details of treasury management activities and outcomes for 2023-24, including:

- Investment activities
- Borrowing strategy and outcomes
- Non-treasury investments
- Prudential indicators.

4.2 The Council's Treasury Management Panel has discussed and endorsed the recommendations in this report.

5. Alternative Options

5.1. In order to achieve treasury management in accordance with the Council's treasury management strategy, no viable alternative options have been identified to the recommendation in this report.

6. Financial Implications

6.1. At 31 March 2024, the Council's external gross borrowing was £860.045m (£893.399m in 2022-23) and its investments totalled £177.248m (£293.142m in 2022-23).

Long-term borrowing rates rose at the start of this financial year as the Bank of England continued its policy of utilising interest rates to reign in the inflation rate. The Council has solely utilised internal borrowing to fund the capital programme in 2023-24 and avoided engaging in any new borrowing whilst interest rates were rising.

6.2. The report covers the period to 31 March 2024 and reflects on the impact of the Bank of England's decisions to uplift the base lending rate incrementally over the financial year beginning in April 2023 at 4.25% and ending at 5.25% in March 2024. Operationally, the treasury and banking team have mitigated the risks of rising interest rates by not borrowing and utilising internal cash balances first. All treasury and banking functions have been performed successfully by staff through a combination of remote working and occasional attendance in the office.

6.3. During 2023-24, the Council's treasury management operations have been carried out in accordance with best practice and in compliance with legislative and regulatory requirements.

7. Resource Implications

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

8. Other Implications

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

8.2. **Human Rights implications**
None identified.

8.3. **Equality Impact Assessment**
In setting the 2023-24 budget, the council has undertaken public consultation and produced equality and rural impact assessments in relation to the 2023-24 Budget. An overall summary Equality and rural impact assessment report is included on page 341 of the Tuesday 21 February 2023 Norfolk County Council agenda. CMIS > Meetings

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

8.4 **Data Protection Impact Assessments (DPIA)**
DPIA is not required as the data reported in this paper does not drill down to the personal data level.

9. Risk Implications/Assessment

9.1. Corporate risks continue to be assessed and reported on a quarterly basis to both Cabinet and the Audit Committee. The Council's key financial based corporate risk (RM002 - The potential risk of failure to manage significant reductions in local and national income streams) has been reviewed and refreshed in February 2023 to incorporate the 2023/24 budget and Medium-Term Financial Strategy 2023 - 2027 being set. Key risk mitigations include amongst others regular (monthly) financial reporting to Cabinet, working to the Medium-Term Financial Strategy and setting robust budgets within available resources.

9.2. More specifically, the Council's Annual Investment and Treasury Management Strategy sets parameters for the selection and placing of cash balances taking into account counterparty risk and liquidity. The strategy also sets out how the Council manages interest rate risks.

10. Select Committee comments

10.1. None

11. Recommendation

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

12. Background Papers

12.1. The Annual Investment and Treasury Management Strategy 2032-24, approved at County Council on 21 February 2023

Officer Contact

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

Officer name: Joanne Fernandez Graham **Tel No.:** 01603 306228

Email address: j.fernandezgraham@norfolk.gov.uk

IN TRAN communication for all

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.

ANNEX 1
Norfolk County Council

Annual Treasury Management Outturn Report 2023-24

Report by the Director of Strategic Finance

1. Purpose

1.1 The Council is required by regulations issued under the Local Government Act 2003 to produce an annual treasury management review of activities and the actual prudential and treasury indicators for 2023-24. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management, (the Code), and the CIPFA Prudential Code for Capital Finance in Local Authorities, (the Prudential Code).

1.1 Treasury management activities are defined as ‘the management of the Council's cash flows, its banking, money market and capital market transactions; the effective management of the risks associated with those activities and the pursuit of optimum performance consistent with those risks’.

1.2 During 2023-24 the minimum reporting requirements were that the full Council should receive the following reports:

- an annual treasury strategy in advance of the year (Council 21/02/2023)
- a mid-year, (minimum), treasury update report (Cabinet 04/12/2023)
- an annual review following the end of the year describing the activity compared to the strategy, (this report).

In addition, Members have received monthly treasury management updates on the prudential and treasury indicators within the finance monitoring report to Cabinet.

1.4 The regulatory environment places responsibility on Members for the review and scrutiny of treasury management policy and activities. This report is therefore, important in that respect as it provides details of the outturn position for treasury activities and highlights compliance with the Council's policies approved by members.

1.5 This Council confirms that it has complied with the requirement under the Code to give prior scrutiny to all of the above treasury management reports by the Treasury Management Panel before they were reported to the full Council. Member training on treasury management issues was undertaken during the year on 2 November 2023 in order to support members' scrutiny role.

2. Executive Summary

2.1 During 2023-24, the Council complied with its legislative and regulatory requirements. The key actual prudential and treasury indicators detailing the impact of capital expenditure activities during the year, with comparators, are as follows:

Table 1: Prudential and Treasury Indicators

Prudential and treasury indicators	31.3.23 Actual £m	2023/24 TM Strategy £m	31.3.24 Actual £m
Capital expenditure • Non-HRA	217.273	251.054	244.865
Capital Financing Requirement: • Non-HRA	996.457	1029.268	1013.779
Gross borrowing	893.399	975.118	860.045
External debt	848.917	935.045	818.795
Investments • Longer than 1 year • Under 1 year • Total	 0 293.142 **293.142**	 0 218.203 **218.203**	 0 177.248 **177.248**
Net borrowing	600.257	756.915	682.797

2.2 Other prudential and treasury indicators are to be found in the main body of this report. The Director of Strategic Finance also confirms that borrowing was only undertaken for a capital purpose and the statutory borrowing limit, (the authorised limit), was not breached.

3. Introduction and Background

3.1 This report summaries the following:

- Capital Activity during the year;
- Impact of this activity on the Council's underlying indebtedness – the Capital Financing Requirement
- The actual prudential and treasury indicators;
- Overall treasury position identifying how the Council has borrowed in relation to this indebtedness and the impact on investment balances;
- Summary of interest rate movements in the year
- Detailed debt activity and
- Detailed investment activity

4. The Council's Capital Expenditure and Financing

4.1 The Council undertakes capital expenditure on long-term assets. These activities may either be:

- Financed immediately through the application of capital or revenue resources (capital receipts, capital grants, revenue contributions, etc) which has no resultant impact on the Council's borrowing need; or
- If insufficient financing is available, or a decision is taken not to apply resources, the capital expenditure will give rise to a borrowing need.

4.2 The actual capital expenditure forms one of the required prudential indicators. The table below shows the actual capital expenditure and how this is financed.

Table 2: Capital Expenditure Financing

£m General Fund	31.3.23 Actual	2023/24 Strategy	31.3.24 Actual
Capital expenditure	**217.273**	**251.054**	**244.865**
Financed in year *	58.322	81.317	52.152
Financed by external funding	**158.951**	**169.737**	**192.713**

* *Financed in year includes external borrowing and internal borrowing*

5. The Council's Overall Borrowing Need

5.1 The Council's underlying need to borrow for capital expenditure is termed the Capital Financing Requirement (CFR). This figure is a gauge of the Council's indebtedness. The CFR results from the capital activity of the Council and resources used to pay for the capital spend. It represents the 2023-24 unfinanced capital expenditure (see above table), and prior years' net capital expenditure which has not yet been paid for by revenue or other external funding sources.

5.2 Part of the Council's treasury activities is to address the funding requirements for this borrowing need. Depending on the capital expenditure programme, the treasury service organises the Council's cash position to ensure that sufficient cash is available to meet the capital plans and cash flow requirements. This may be sourced through borrowing from external bodies, (such as the Government through the Public Works Loan Board (PWLB), or the money markets), or utilising temporary cash resources within the Council.

5.3 **Reducing the CFR** – the Council's underlying borrowing need (CFR) is not allowed to rise indefinitely. Statutory controls are in place to ensure that capital assets are broadly charged to revenue over the life of the asset. The Council is required to make an annual revenue charge, called the Minimum Revenue Provision – MRP, to reduce the CFR. This is effectively a repayment of the borrowing need. This differs from the treasury management arrangements which ensure that cash is available to meet capital commitments. External debt can also be borrowed or repaid at any time, but this does not change the CFR.

5.4 The total CFR can also be reduced by:

- the application of additional capital financing resources, (such as unapplied capital receipts); or
- charging more than the statutory revenue charge (MRP) each year through a Voluntary Revenue Provision (VRP).

5.5 The Council's 2023-24 MRP Policy, (as required by DLUHC Guidance), was approved as part of the Treasury Management Strategy Report for 2023-24 on 21/02/2023.

5.6 The Council's CFR for the year is shown below and represents a key prudential indicator. It includes PFI and leasing schemes on the balance sheet, which increase the Council's borrowing need. No borrowing is actually required against these schemes as a borrowing facility is included in the contract

Table 3: Capital Financing Requirement (CFR)

CFR (£m): General Fund	31.3.23 Actual	2023/24 Strategy	31.3.24 Actual
Opening balance	970.756	987.695	996.457
Add financed capital expenditure (as above)	58.322	77.837	52.152
Other financing adjustments (Landfill Provision)	-0.093		
Less MRP/VRP*	-32.528	-36.264	-34.830
Closing balance	**996.457**	**1029.268**	**1013.779**

Note the MRP / VRP will include PFI / finance lease annual principal payments

Borrowing activity is constrained by prudential indicators for gross borrowing and the CFR, and by the authorised limit.

5.7 **Gross borrowing and the CFR** - in order to ensure that borrowing levels are prudent over the medium term and only for a capital purpose, the Council should ensure that its gross external borrowing does not, except in the short term, exceed the total of the capital financing requirement in the preceding year (2023-24) plus the estimates of any additional capital financing requirement for the current (2024-25) and next two financial years. This essentially means that the Council is not borrowing to support revenue expenditure. This indicator allowed the Council some flexibility to borrow in advance of its immediate capital needs in 2023-24. The table below highlights the Council's gross borrowing position against the CFR. The Council has complied with this prudential indicator.

Table 4: Gross Borrowing and the CFR

£m	31.3.23 Actual	2023/24 Strategy	31.3.24 Actual
Gross borrowing position	893.399	975.118	860.045
CFR	996.457	1,029.268	1013.779
Under / (over) funding of CFR	103.058	54.150	153.734

The authorised limit - the authorised limit is the "affordable borrowing limit" required by s3 of the Local Government Act 2003. Once this has been set, the Council does not have the power to borrow above this level. The table below demonstrates that during 2023-24 the Council has maintained gross borrowing within its authorised limit.

The operational boundary – the operational boundary is the expected borrowing position of the Council during the year. Periods where the actual position is either below or over the boundary are acceptable subject to the authorised limit not being breached.

Actual financing costs as a proportion of net revenue stream - this indicator identifies the trend in the cost of capital, (borrowing and other long term obligation costs net of investment income), against the net revenue stream.

Table 5: Prudential Indicators 2023-24

Prudential Indicator 2023/24	**2023-24 £m**
Authorised Limit	1082.735
Maximum Gross Borrowing position during the year	893.399
Operational Boundary	1029.268
Average Gross Borrowing position	864.064
Financing Costs as a proportion of net revenue stream (£880.030m)	7.96%
Capital Financing Requirement	1013.779

6. Treasury Position as of 31 March 2024

6.1 The Council's treasury management debt and investment position is organised by the treasury management service in order to ensure adequate liquidity for revenue and capital activities, security for investments and to manage risks within all treasury management activities. Procedures and controls to achieve these objectives are well established both through member reporting detailed in the summary, and through officer activity detailed in the Council's Treasury Management Practices. At the end of 2023-24 the Council's treasury, (excluding borrowing by PFI and finance leases), position was as follows:

Table 6: Debt Portfolio

DEBT PORTFOLIO (£m)	31.3.23 Principal	Rate/ Return	Average Life yrs	31.3.24 Principal	Rate/ Return	Average Life yrs
Fixed rate funding:						
-PWLB	£757.273	3.73%	27.8	£741.023	3.70%	27.4
-Market	£42.250	4.75%	21.2	£31.000	4.75%	20.9
-PWLB – Annuity Loans	£49.394	1.83%	16.5	£46.772	1.83%	15.6
Total debt	**£848.917**	**3.67%**		**£818.795**	**3.63%**	
CFR	**£996.457**			**£1013.779**		
Over / (under) borrowing	**(£147.538)**			**(£194.984)**		
Total Treasury investments	**£293.142**			**£177.248**		
Net debt	**£555.776**			**£641.547**		

The maturity structure of the debt portfolio was as follows:

Chart 1:Debt Maturity Profile

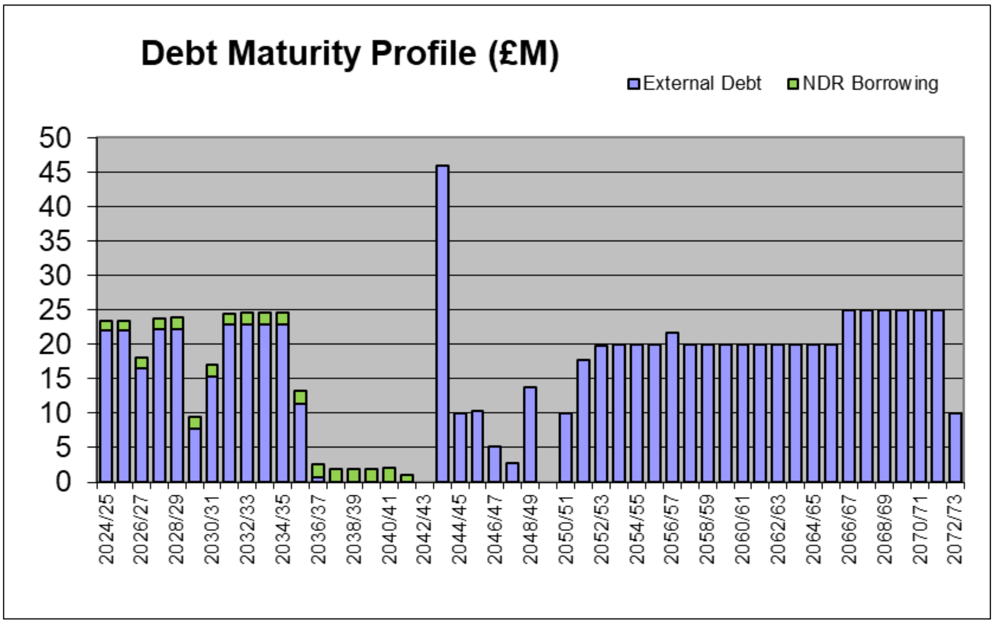


Table 7: Debt Maturity Structure

	31.3.23 actual	2023/24 original limits	31.3.24 actual
Under 12 months	2.2%	0% - 10%	2.9%
12 months and within 24 months	2.8%	0% - 10%	2.9%
24 months and within 5 years	7.7%	0% - 10%	8.0%
5 years and within 10 years	11.7%	0% - 20%	12.2%
10 years and within 20 years	10.0%	0% - 30%	11.6%
20 years and within 30 years	15.9%	10% - 30%	13.4%
30 years and within 40 years	23.7%	10% - 30%	24.6%
40 years and within 50 years	25.9%	10% - 40%	24.4%

The original limits of the maturity structure provide some flexibility for the Council to structure its debt maturity in a way that smooths the repayment profile over the future years.

** All Treasury Investments are managed in house by the Treasury & Banking team*

Table 8: Investment Portfolio

INVESTMENT PORTFOLIO	31.3.23 Actual £m	31.3.23 Actual %	31.3.24 Actual £m	31.3.24 Actual %
Treasury investments*				
Banks	150.641	51.4%	131.476	74.2%
Local authorities	20.230	6.9%	11.930	6.7%
Money Market Funds	122.271	41.7%	33.842	19.1%
TOTAL TREASURY INVESTMENTS	293.142	100%	177.248	100%

Treasury investments	293.142	77%	177.248	68%
Non-Treasury investments	86.367	23%	82.496	32%
TOTAL OF ALL INVESTMENTS	379.509	100%	259.744	100%

The maturity structure of the investment portfolio was as follows:

	31.3.23 Actual £m	31.3.24 Actual £m
Investments		
Longer than 1 year	100.511	78.095
Up to 1 year	278.998	180.649
Total	379.509	259.744

7. The Treasury Management Strategy 2023-24

7.1 Investment strategy and control of interest rate risk

Chart 2: Investment Benchmarking Data – Sterling Overnight Index Averages (Term) 2023-24

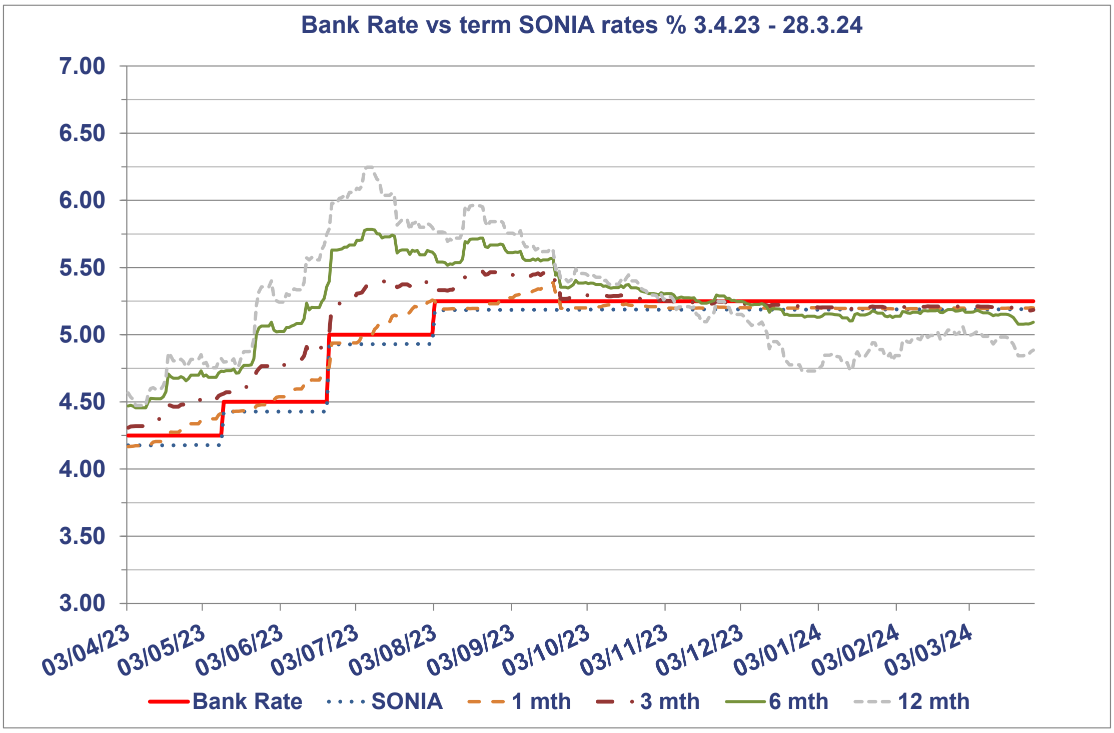


Table 9

FINANCIAL YEAR TO QUARTER ENDED 28/03/2024						
	Bank Rate	**SONIA**	**1 mth**	**3 mth**	**6 mth**	**12 mth**
High	5.25	5.19	5.39	5.48	5.78	6.25
High Date	03/08/2023	28/03/2024	19/09/2023	30/08/2023	07/07/2023	07/07/2023
Low	4.25	4.18	4.17	4.31	4.46	4.47
Low Date	03/04/2023	04/04/2023	03/04/2023	03/04/2023	06/04/2023	06/04/2023
Average	5.03	4.96	5.02	5.13	5.23	5.25
Spread	1.00	1.01	1.22	1.17	1.33	1.77

Chart 3: Investment Benchmarking Data – Sterling Overnight Index Averages (Backward-looking) 2023/24

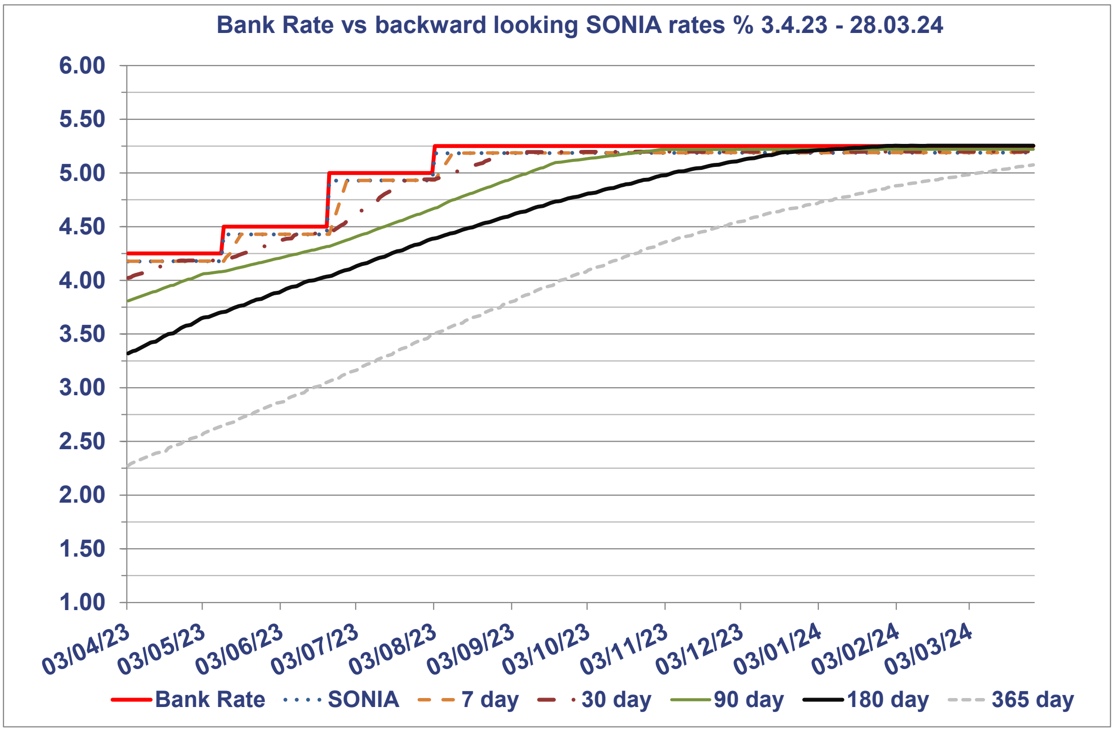


Table 10

FINANCIAL YEAR TO QUARTER ENDED 28/03/2024	Bank Rate	SONIA	7 day	30 day	90 day	180 day	365 day
High	5.25	5.19	5.19	5.20	5.22	5.25	5.08
High Date	03/08/2023	28/03/2024	28/03/2024	26/03/2024	25/03/2024	22/03/2024	28/03/2024
Low	4.25	4.18	4.18	4.02	3.81	3.32	2.27
Low Date	03/04/2023	04/04/2023	11/04/2023	03/04/2023	03/04/2023	03/04/2023	03/04/2023
Average	5.03	4.96	4.96	4.93	4.84	4.64	3.93
Spread	1.00	1.01	1.01	1.18	1.41	1.94	2.80

7.2 Investment returns picked up throughout the course of 2023/24 as central banks, including the Bank of England, continued to respond to inflationary pressures that were not transitory, and realised that tighter monetary policy was called for. Starting April at 4.25%, Bank Rate moved up in stepped increases of either 0.25% or 0.5%, reaching 5.25% by August. By the end of the financial year, no further increases were anticipated. Indeed, the market is pricing in a first cut in Bank Rate in either June or August 2024.

7.3 The upward sloping yield curve that prevailed throughout 2023/24 meant that local authorities continued to be faced with the challenge of proactive investment of surplus cash, and this emphasised the need for a detailed working knowledge of cashflow projections so that the appropriate balance between maintaining cash for liquidity purposes, and "laddering" deposits on a rolling basis to lock in the increase in investment rates as duration was extended, became an on-going feature of the investment landscape..

7.4 With bond markets selling off, UK equity market valuations struggled to make progress, as did property funds, although there have been some spirited, if temporary, market rallies from time to time – including in November and December 2023. However, the more traditional investment options, such as specified investments (simple to understand, and less than a year in duration), have continued to be at the forefront of most local authority investment strategies, particularly given Money Market Funds have also provided decent returns in close proximity to Bank Rate for liquidity purposes. In the latter part of 2023/24, the local authority to local authority market lacked any meaningful measure of depth, forcing short-term investment rates above 7% in the last week of March.

7.5 While the Council has taken a prudent approach to investing surplus monies, it is also fully appreciative of changes to regulatory requirements for financial institutions in terms of additional capital and liquidity that came about in the aftermath of the Global Financial Crisis of 2008/09. These requirements have provided a far stronger basis for financial institutions, with annual stress tests by regulators evidencing how institutions are now far more able to cope with extreme stressed market and economic conditions.

7.6 As interest rates remained higher than the Council's borrowing threshold of 3.65%, the Council refrained from taking on any new borrowing in 2023-24. The investment balances have decreased by £116m during 2023-24. Investments placed in the financial markets remained within the approved counterparty list as set out in the Treasury and Investment Strategy for 2023-24 thus reducing counterparty risk exposure.

8 Borrowing Strategy and Control of interest rate risk

8.1 During 2023-24, the Council maintained an under-borrowed position. This meant that the capital borrowing need, (the Capital Financing Requirement), was not fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow was used as an interim measure. This strategy was prudent as although near-term investment rates were equal to, and sometimes higher than, long-term borrowing costs, the latter are expected to fall back through 2024 and 2025 as inflation concerns are dampened.

8.2 The Council has sought to minimise the taking on of long-term borrowing at elevated levels (>4%) and has focused on a policy of internal borrowing, as appropriate.

8.3 The policy of avoiding new borrowing by running down spare cash balances continues to provide a prudent basis for managing the Council's interest rate risk. However, this was kept under review to avoid incurring higher borrowing costs in the future when this authority may not be able to avoid new borrowing to finance capital expenditure and/or the refinancing of maturing debt. At the end of March 2024 the Council is forecasting sufficient cash reserves to internally fund the capital programme until 2025.

8.4 Against this background and the risks within the economic forecast, caution was adopted with the treasury operations. The Director of Strategic Finance therefore monitored interest rates in financial markets and adopted a pragmatic strategy based upon the following principles to manage interest rate risks:

- if it had been felt that there was a significant risk of a sharp FALL in long and short-term rates, (e.g., due to a marked increase of risks around a relapse into recession or of risks of deflation), then long term borrowings would have been postponed, and potential rescheduling from fixed rate funding into short term borrowing would have been considered.

- if it had been felt that there was a significant risk of a much sharper RISE in long and short-term rates than initially expected, perhaps arising from the stickiness of inflation in the major developed economies, then the portfolio position would have been re-appraised. Most likely, fixed rate funding would have been drawn whilst interest rates were lower than they were projected to be in the next few years.

8.5 Interest rate forecasts initially suggested further gradual rises in short, medium and longer-term fixed borrowing rates during 2023/24. Bank Rate had initially been forecast to peak at 4.5% but it is now expected to have peaked at 5.25%. By January 2024 it had become clear that inflation was moving down significantly from its 40-year double-digit highs, and the Bank of England signalled in March 2024 that the next move in Bank Rate would be down, so long as upcoming inflation and employment data underpinned that view. Currently the CPI measure of inflation stands at 3.4% but is expected to fall materially below 2% over the summer months and to stay there in 2025 and 2026. Nonetheless, there remains significant risks to that central forecast, mainly in the form of a very tight labour market putting upward pressure on wages and continuing geo-political inflationary risks emanating from the prevailing Middle East crisis and the Russian invasion of Ukraine.

8.6 Forecasts at the time of approval of the treasury management strategy report for 2023/24 were as follows: -

Table 11

Link Group Interest Rate View	19.12.22												
	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25
BANK RATE	3.50	4.25	4.50	4.50	4.50	4.00	3.75	3.50	3.25	3.00	2.75	2.50	2.50
3 month ave earnings	3.60	4.30	4.50	4.50	4.50	4.00	3.80	3.30	3.00	3.00	2.80	2.50	2.50
6 month ave earnings	4.20	4.50	4.60	4.50	4.20	4.10	3.90	3.40	3.10	3.00	2.90	2.60	2.60
12 month ave earnings	4.70	4.70	4.70	4.50	4.30	4.20	4.00	3.50	3.20	3.10	3.00	2.70	2.70
5 yr PWLB	4.20	4.20	4.20	4.10	4.00	3.90	3.80	3.60	3.50	3.40	3.30	3.20	3.10
10 yr PWLB	4.30	4.40	4.40	4.30	4.10	4.00	3.90	3.80	3.60	3.50	3.40	3.30	3.30
25 yr PWLB	4.60	4.60	4.60	4.50	4.40	4.20	4.10	4.00	3.90	3.70	3.60	3.50	3.50
50 yr PWLB	4.30	4.30	4.30	4.20	4.10	3.90	3.80	3.70	3.60	3.50	3.30	3.20	3.20

During the course of 2023-24, the interest rate forecasts have continued to rise in line with the graph below

Chart 4: PWLB RATES 2023-24

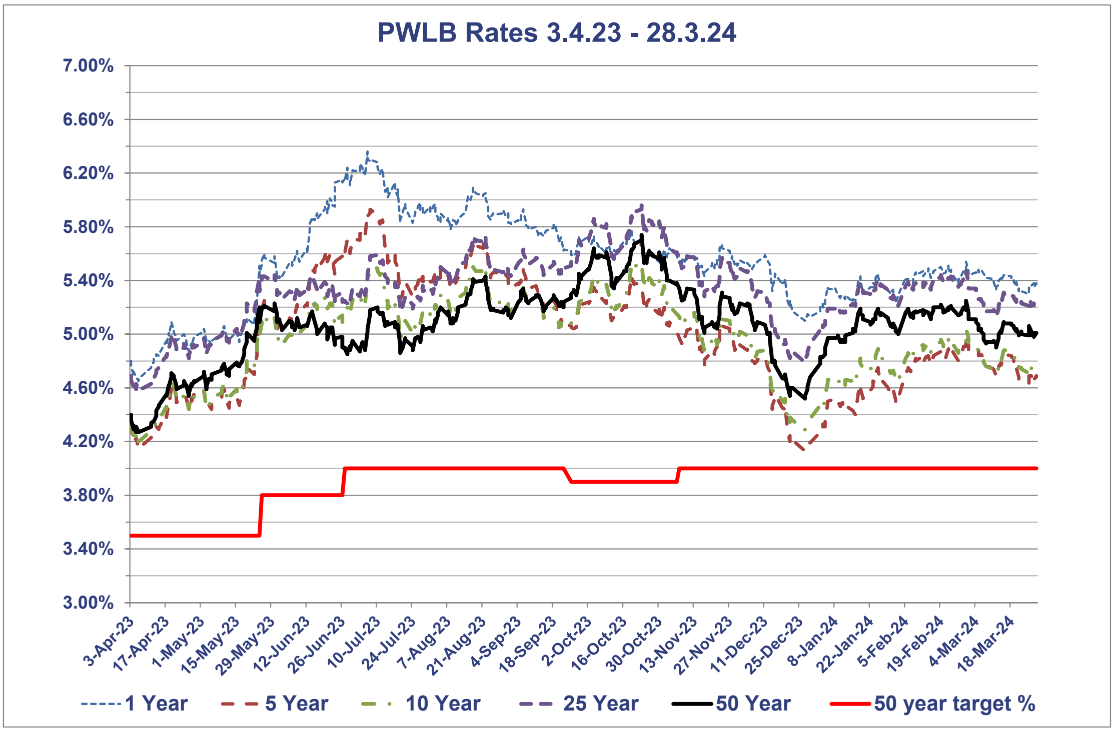


Chart 5: PWLB Certainty Rate Variations

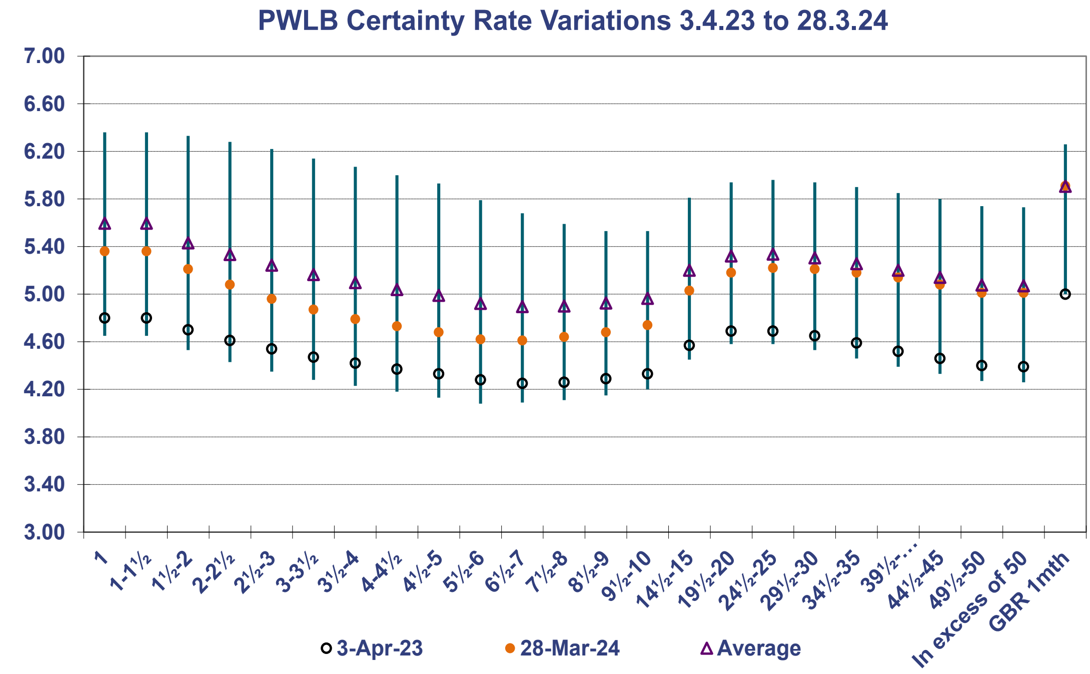


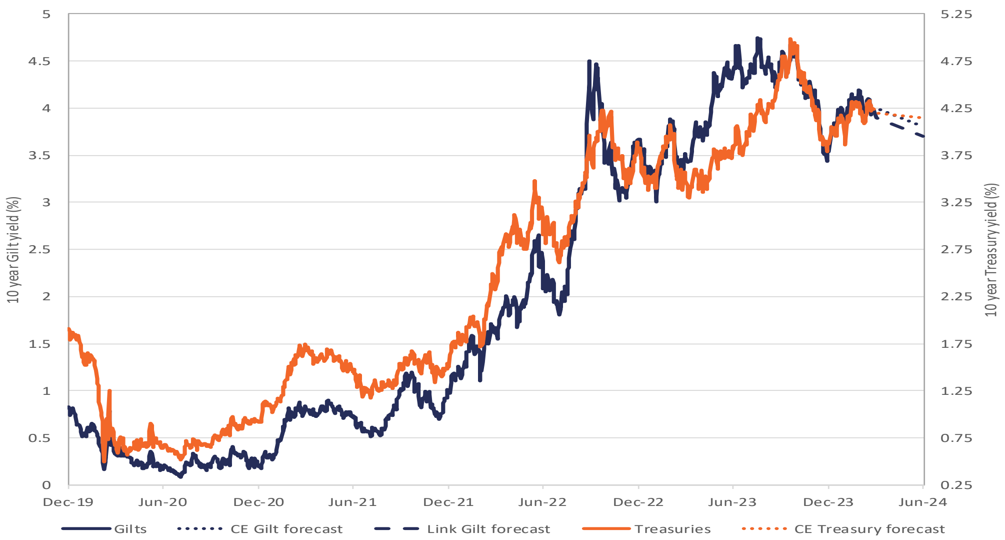
Table 12: HIGH/LOW/AVERAGE PWLB RATES FOR 2023/24

	1 Year	5 Year	10 Year	25 Year	50 Year
Low	4.65%	4.13%	4.20%	4.58%	4.27%
Date	06/04/2023	27/12/2023	06/04/2023	06/04/2023	05/04/2023
High	6.36%	5.93%	5.53%	5.96%	5.74%
Date	06/07/2023	07/07/2023	23/10/2023	23/10/2023	23/10/2023
Average	5.54%	4.99%	4.97%	5.34%	5.08%
Spread	1.71%	1.80%	1.33%	1.38%	1.47%

8.7 PWLB rates are based on gilt (UK Government bonds) yields through HM Treasury determining a specified margin to add to gilt yields. The main influences on gilt yields are Bank Rate, inflation expectations and movements in US treasury yields. Inflation targeting by the major central banks has been successful over the last 30 years in lowering inflation and the real equilibrium rate for central rates has fallen considerably due to the high level of borrowing by consumers: this means that central banks do not need to raise rates as much now to have a major impact on consumer spending, inflation, etc. This has pulled down the overall level of interest rates and bond yields in financial markets over the last 30 years. Indeed, in recent years many bond yields up to 10 years in the Eurozone turned negative on expectations that the EU would struggle to get growth rates and inflation up from low levels. In addition, there has, at times, been an inversion of bond yields in the US whereby 10-year yields have fallen below shorter-term yields. In the past, this has been a precursor of a recession.

8.8 However, since early 2022, yields have risen dramatically in all the major developed economies, first as economies opened post-Covid; then because of the inflationary impact of the war in Ukraine in respect of the supply side of many goods. In particular, rising cost pressures emanating from shortages of energy and some food categories have been central to inflation rising rapidly. Furthermore, at present the FOMC, ECB and Bank of England are all being challenged by levels of persistent inflation that are exacerbated by very tight labour markets and high wage increases relative to what central banks believe to be sustainable.

Chart 6: Graph of 10-year UK gilt yields v. US treasury yields (inclusive of Link's and Capital Economics' forecasts)



8.8 Gilt yields have generally been on a continual rise since the start of 2021, peaking in the autumn of 2023. Currently, yields are broadly range bound between 3.5% and 4.25%.

8.9 At the close of the day on 28 March 2024, all gilt yields from 1 to 50 years were between 3.81% and 4.56%, with the 1 year being the highest and 6-7 years being the lowest yield.

8.10 Regarding PWLB borrowing rates, the various margins attributed to their pricing are as follows: -

- PWLB Standard Rate is gilt plus 100 basis points (G+100bps)
- PWLB Certainty Rate is gilt plus 80 basis points (G+80bps)
- Local Infrastructure Rate is gilt plus 60bps (G+60bps)

8.11 There is likely to be a fall in gilt yields and PWLB rates across the whole curve over the next one to two years as Bank Rate falls and inflation (on the Consumer Price Index measure) moves below the Bank of England's 2% target.

8.12 As a general rule, short-dated gilt yields will reflect expected movements in Bank Rate, whilst medium to long-dated yields are driven primarily by the inflation outlook. The Bank of England is also embarking on a process of Quantitative Tightening. The Bank's original £895bn stock of gilt and corporate bonds will gradually be sold back into the market over several years. The impact this policy will have on the market pricing of gilts, while issuance is markedly increasing, and high in historic terms, is an unknown at the time of writing.

9 Borrowing Outturn

9.1 Delaying borrowing and minimising the level of investment balances can reduce the County Council's exposure to investment counterparty risk, and there is a short-term cost of carrying debt when the cost of new borrowing exceeds short term investment returns.

9.2 However, delaying borrowing also exposes the costs of managing short term borrowing to maintain working capital, and the unknown costs of long term borrowing to fund capital expenditure which has already been committed. While the Council continues to delay an element of borrowing, the current borrowing environment has given the authority the chance to lock into historically low interest rates.

9.3 Taking the above factors in to account, no borrowing was undertaken in 2023-24

9.4 At 31 March 2024, the Council's external borrowing (principle only outstanding) totalled £818.795m (£848.9m at 31 March 2023) including the Council's most recent borrowing of:

Table 13: Council Borrowing in recent years

Year	Amount Borrowed (£m)	Average Interest Rate (%)
2016/17	33	2.02
2017/18	0	0.00
2018/19	100	2.34
2019/20	87	1.99
2020/21	50	1.77
2021/22	110	1.78
2022/23	10	3.56
Total	**390**	**1.97**

The weighted life of the Council's current maturity debt at the point it was taken is 38.3 years. The weighted average time to maturity of current fixed term debt is 26.8years.

9.5 The Council has not borrowed more than, or in advance of its needs, purely in order to profit from the investment of the extra sums borrowed.

9.6 No rescheduling was done during the year as the average 1% differential between PWLB new borrowing rates and premature repayment rates made rescheduling unviable.

9.7 On 18/09/23 the Council repaid £11.25m of Debt with Commerzbank which going forward would have incurred an interest rate of 6.31%, this was done using investment balances.

9.8 Interest paid on external borrowings in 2023-24 was £31.102m (2022-23 £31.393m). Management of the debt portfolio resulted in a fall in the average interest rate of 0.04%, representing net General Fund savings of £2.24 p.a

9.9 Appendix B shows debt maturities for the current year and next 3 years, including the amount of debt repaid, the rate of interest and interest savings, and Appendix C shows ratios of interest to principal and income.

9.10 In addition to the £818.795m borrowing above, £41.250m of the CFR is funded through Other Long-Term Liabilities (PFI and leasing) giving a (provisional) total debt of £860.045m. The County Council maintained its total gross borrowing level within its 2023-24 Authorised Limit for debt of £1,082.735m. The Authorised Limit being the 'affordable borrowing limit' required by section 3 of the Local Government Act 2003.

9.11 The Council's Capital Financing Requirement at 31 March 2024 is (provisionally) £1,013.779m (compared to an estimate in the 2023-24 Treasury Strategy of £1,029.268m). Based on the other assumptions in the strategy, the lower CFR results in under-borrowing of £194.984m as at 31 March 2024.

9.12 The PWLB provides a facility to restructure debt, including early repayment of loans. This can result in net savings in overall interest charges. No early repayments were made in 2023-24.

10. Investment Outturn

10.1. **Investment Policy** – the Council's investment policy is governed by DLUHC investment guidance, which has been implemented in the annual investment strategy approved by the Council on 21 February 2023. This policy sets out the approach for choosing investment counterparties and is based on credit ratings provided by the three main credit rating agencies, supplemented by additional market data, (such as rating outlooks, credit default swaps, bank share prices etc.).

10.2. During February 2024 following recommendation from Link we suspended Close Brothers from our Authorised Counterparty List. This was on the basis of the sharp fall in their equity price and until such time as we have further clarity on the FCA probes and any potential implications for the bank. At that time they did hold a £5m Treasury investment from us, but this was repaid with interest on its maturity date of 5th April 2024.

10.3. The investment activity during the year conformed to the approved strategy, and the Council had no liquidity difficulties.

10.4. **Resources** – the Council's cash balances comprise revenue and capital resources and cash flow monies. The Council's core cash resources comprised as follows:

Table 14: Balance Sheet Resources

Balance Sheet Resources (£m)	31.3.23	31.3.24
Working Capital Balances	**114.608**	**72.408**
Earmarked reserves	**123.538**	**57.827**
Provisions	**33.049**	**33.296**
Usable capital receipts	**21.947**	**13.716**
Total	**293.142**	**177.248**

10.5. **Investments held by the Council**

- The Council maintained an average balance of £260m of internally managed funds.
- The internally managed funds earned an average rate of return of 4.97%.
- The comparable performance indicator is the average SONIA O/N rate of 4.96%.
- Total net investment income was £6.348m higher compared to budget.

11. Non-treasury investments

11.1. Following updates to Treasury Management reporting requirements from 2021-22 under the revised CIPFA Code, local authorities have to report more information on their non-treasury investments. Appendix D lists non-treasury investments held by the authority and capital loans outstanding with these subsidiaries at 31 March 2024, with a short narrative and explanation of the objectives for each one.

12. Leasing

12.1. In 2023-24 we took out new leases for 27 Gritters and 1 Library Truck, total cost of goods £3.396m spread over 7-year and 10-year leases. In general, where lease finance is used it is arranged by Link Asset Services Ltd and relates primarily to extensions or replacements to vehicle leases.

13. Performance Measurement

13.1 One of the key requirements in the Code is the formal introduction of performance measurement relating to investments, debt and capital financing activities. Whilst investment performance criteria have been well developed and universally accepted, debt performance indicators continue to be a more problematic area with the traditional average portfolio rate of interest acting as the main guide, *(as incorporated* *in the table in section 3).* The Council's prudential indicators were set out in the annual Treasury Management Strategy Statement.

14. The Economy and Interest Rates

14.1. **UK. Economy.** Against a backdrop of stubborn inflationary pressures, the Russian invasion of Ukraine, and war in the Middle East, UK interest rates have continued to be volatile right across the curve, from Bank Rate through to 50-year gilt yields, for all of 2023/24.

14.2. Markets have sought an end to central banks' on-going phase of keeping restrictive monetary policy in place on at least one occasion during 2023/24 but to date only the Swiss National Bank has cut rates and that was at the end of March 2024.

14.3. UK, EZ and US 10-year yields have all stayed stubbornly high throughout 2023/24. The table below provides a snapshot of the conundrum facing central banks: inflation is easing, albeit gradually, but labour markets remain very tight by historical comparisons, making it an issue of fine judgment as to when rates can be cut.

Table 15:Comparison of key international indicators

	UK	Eurozone	US
Bank Rate	5.25%	4%	5.25%-5.5%
GDP	-0.3%q/q Q4 (-0.2%y/y)	+0.0%q/q Q4 (0.1%y/y)	2.0% Q1 Annualised
Inflation	3.4%y/y (Feb)	2.4%y/y (Mar)	3.2%y/y (Feb)
Unemployment Rate	3.9% (Jan)	6.4% (Feb)	3.9% (Feb)

14.4. The Bank of England sprung no surprises in their March meeting, leaving interest rates at 5.25% for the fifth time in a row and, despite no MPC members no longer voting to raise interest rates, it retained its relatively hawkish guidance. The Bank's communications suggest the MPC is gaining confidence that inflation will fall sustainably back to the 2.0% target. However, although the MPC noted that "the restrictive stance of monetary policy is weighing on activity in the real economy, is leading to a looser labour market and is bearing down on inflationary pressures", conversely it noted that key indicators of inflation persistence remain elevated and policy will be "restrictive for sufficiently long" and "restrictive for an extended period".

14.5. The UK economy has started to perform a little better in Q1 2024 but is still recovering from a shallow recession through the second half of 2023. Indeed, Q4 2023 saw negative GDP growth of -0.3% while y/y growth was also negative at -0.2%

14.6. But it was a strange recession. Unemployment is currently sub 4%, against a backdrop of still over 900k of job vacancies, and annual wage inflation is running at above 5%. With gas and electricity price caps falling in April 2024, the CPI measure of inflation - which peaked at 11.1% in October 2022 – is now due to slide below the 2% target rate in April and to remain below that Bank of England benchmark for the next couple of years, according to Capital Economics. The Bank of England still needs some convincing on that score, but upcoming inflation and employment releases will settle that argument shortly. It is noted that core CPI was still a heady 4.5% in February and has not fallen significantly in March 2024 .

14.7. Bank Rate crept up incrementally in 2023-24, starting at 4.25%, peaking at 5.25% and remaining at 5.25% in the last quarter of the financial year.

14.8. Shoppers largely shrugged off the unusually wet weather in February, whilst rising real household incomes should support retail activity throughout 2024. Furthermore, the impact of higher interest rates on household interest payments is getting close to its peak, even though fixed rate mortgage rates on new loans have shifted up a little since falling close to 4.5% in early 2024.

14.9. From a fiscal perspective, the further cuts to national insurance tax (from April) announced in the March Budget will boost real household disposable income by 0.5 - 1.0%. After real household disposable income rose by 1.9% in 2023, Capital Economics forecast it will rise by 1.7% in 2024 and by 2.4% in 2025. These rises in real household disposable income, combined with the earlier fading of the drag from previous rises in interest rates, means GDP growth of 0.5% is envisaged in 2024 and 1.5% in 2025. The Bank of England is less optimistic than that, seeing growth struggling to get near 1% over the next two to three years.

14.10. As for equity markets, the FTSE 100 has risen to nearly 8,000 and is now only 1% below the all-time high it reached in February 2023. The modest rise in UK equities in February was driven by strong performances in the cyclical industrials and consumer discretionary sectors, whilst communications and basic materials have fared poorly.

14.11. Despite its performance, the FTSE 100 is still lagging behind the S&P 500, which has been at an all-time high for several weeks.

14.12. **USA Economy.** - Despite the markets willing the FOMC to cut rates as soon as June 2024, the continued resilience of the economy, married to sticky inflation, is providing a significant headwind to a change in monetary policy. Markets currently anticipate three rate cuts this calendar year, but two or less would not be out of the question. Currently, policy remains flexible but primarily data driven.

14.13. In addition, the Fed will want to shrink its swollen $16 trillion balance sheet at some point. Just because the $ is the world's foremost reserve currency (China owns over $1 trillion) does not mean the US can continually run a budget deficit. The mix of stubborn inflation and significant treasury issuance is keeping treasury yields high. The 10 year stands at 4.4%.

14.14. As for inflation, it is currently a little above 3%. The market is not expecting a recession, but whether rates staying high for longer is conducive to a soft landing for the economy is uncertain, hence why the consensus is for rate cuts this year and into 2025.

14.15. **EZ Economy** - Although the Euro-zone inflation rate has fallen to 2.4%, the ECB will still be mindful that it has further work to do to dampen inflation expectations. However, with growth steadfastly in the slow lane (GDP flatlined in 2023), a June rate cut from the current 4% looks probable.

15. **Other Issues**

15.1 **IFRS 9 Fair Value of Investments** - Following the consultation undertaken by the Department of Levelling Up, Housing and Communities [DLUHC] on IFRS 9, the Government has extended the mandatory statutory override for local authorities to reverse out all unrealised fair value movements resulting from pooled investment funds to 31st March 2025. Local authorities are required to disclose the net impact of the unrealised fair value movements in a separate unusable reserve throughout the duration of the override in order for the Government to keep the override under review and to maintain a form of transparency.

15.2 Risk management will need to take account of the 2018/19 Accounting Code of Practice proposals for the valuation of investments. Whilst for many authorities, this may not be a significant issue, key considerations are included in our Technical Release, (TRA14, 29 August 2017), including:

- Expected credit loss model. Whilst this should not be material for vanilla treasury investments such as bank deposits, this is likely to be problematic for some funds e.g., property funds, (and also for non-treasury management investments dealt with in the capital strategy e.g., longer dated service investments, loans to third parties or loans to subsidiaries).
- The valuation of investments previously valued under the available for sale category e.g., equity related to the “commercialism” agenda, property funds, equity funds and similar, will be changed to **Fair Value through the Profit and Loss (FVPL).**

15.3 **IFSR 16 Lease Accounting** - Following its emergency consultation on exploratory proposals for changing the Code of Practice on Local Authority Accounting in the United Kingdom, CIPFA/LASAAC Local Authority Accounting Code Board (CIPFA/LASAAC) confirmed its decision to defer the implementation of IFRS16 for local authorities for a further two years until 2024-25. The decision to defer IFRS16 is a pragmatic response due to the severe delays in the publication of audited local authority financial statements in England.

15.4 Local Authorities have been granted the flexibility to adopt IFRS16 from 1 April 2022. The Council has compiled the necessary information on all leases and contracts granting a “right of use” asset to enable the implementation of IFRS16 from 1 April 2024. The estimated net present value of current lease contracts at 1 April 2024 is £18.915m and this is included in the 2024-25 Capital Strategy (approved by Council on 20 February 2024). The associated lease payments outstanding for each financial year within the MTFS is set out above. The difference in Asset and Liability valuation is attributed to the peppercorn lease properties which have no financial liability but are valued at £4.972m at 1 April 2024.

Appendix A

Outstanding Deposit Profile @ 31st March 2024

Counterparty Name	Deal Date	Maturity Date	Interest Rate %	Principal £M
Barclays Bank				
Barclays Bank Call Account	Instant Liquidity		4.45*	5
				5
Close Brothers				
Close Brothers	05-Oct-23	05-Apr-24	5.90	5
				5
DBS Bank Ltd (Singapore)				
DBS	11-Apr-23	10-Apr-24	4.76	10
DBS	27-Apr-23	26-Apr-24	5.03	10
DBS	19-Jun-23	18-Jun-24	5.60	10
				30
DNB (Norway)				
DNB	05-Jul-23	04-Jul-24	6.565	10
DNB	11-Jul-23	10-Jul-24	6.62	10
				20
Federated				
Federated Money Market Fund	Instant Liquidity		5.29*	33.842
				33.842
Hethel Innovation Limited				
Hethel Innovation Limited	Callable Deposit		7.85*	0.43
				0.43
National Westminster				
National Westminster Bank	14-Apr-23	12-Apr-24	4.71	10
National Westminster Bank	21-Apr-23	19-Apr-24	5.00	10
National Westminster Bank	05-May-23	03-May-24	4.90	10
National Westminster Bank	15-May-23	14-May-24	4.90	10
National Westminster Bank	19-May-23	17-May-24	4.95	10
National Westminster Bank	07-Jun-23	06-Jun-24	5.41	10
				60
Norse Group				
Norse Group	21-Dec-23	20-Dec-24	5.75	10
Norse Group	28-Mar-24	11-Apr-24	7.85	1.5
				11.5

Toronto-Dominion Bank				
Toronto-Dominion Bank	18-Oct-23	17-Oct-24	5.75	10
				10

Total Deposits	**175.772**

* Latest rates as at 31st March 2024

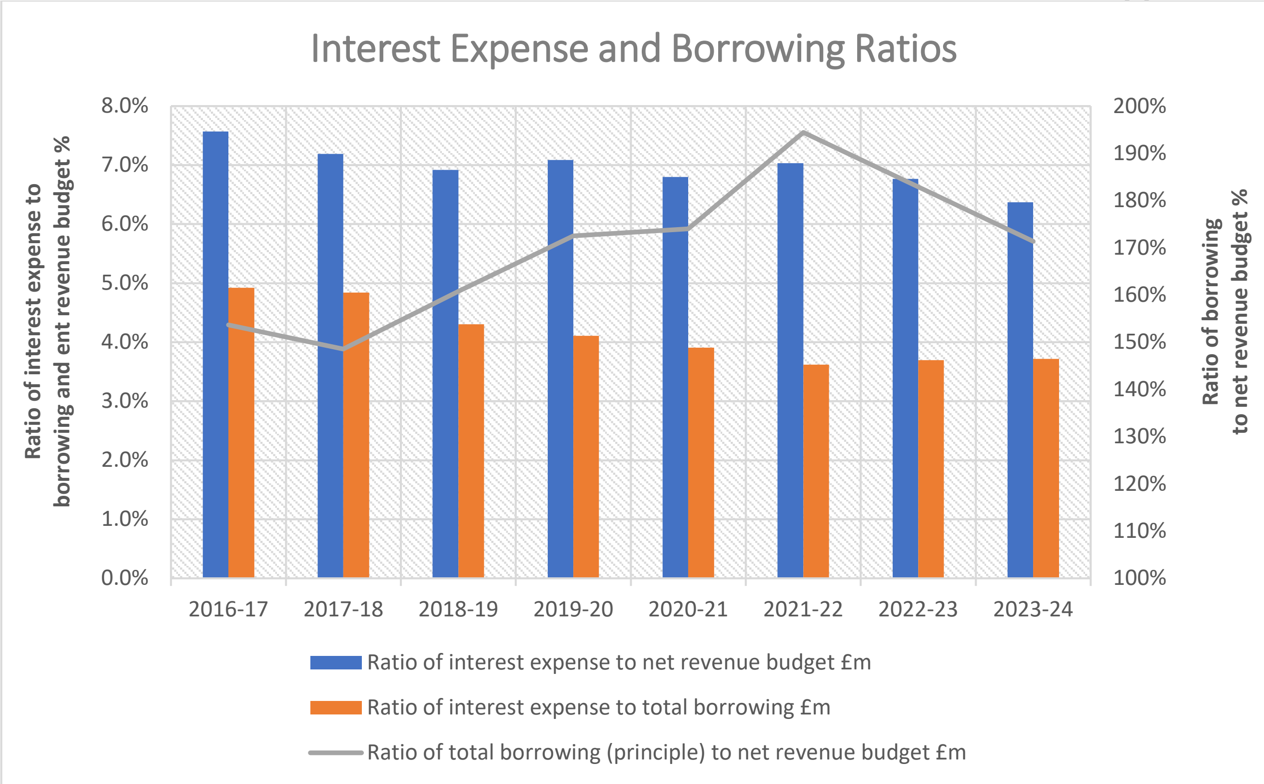
In addition, deposits of £17.159m were held on behalf of other bodies:
Norfolk Pension Fund, Norse Group and Independence Matters.

Appendix B

Debt Maturities 2023-24 to 2026-27			
Maturity Date	Amount Repaid	Rate	Full Year Interest Saving
11-Apr-23	£1,000,000	4.55%	£45,500
11-Apr-23	£2,000,000	4.50%	£90,000
15-Jun-23	£2,750,000	4.63%	£127,188
30-Sep-23	£2,500,000	5.50%	£137,500
11-Oct-23	£2,250,000	4.50%	£101,250
15-Dec-23	£3,000,000	6.38%	£191,250
31-Mar-24	£2,750,000	4.63%	£127,188
15-Jun-23	£152,182	1.79%	£2,724
15-Jun-23	£152,685	1.74%	£2,657
15-Jun-23	£203,092	2.22%	£4,509
15-Jun-23	£203,377	2.20%	£4,474
01-Sep-23	£593,954	1.47%	£8,731
15-Dec-23	£153,544	1.79%	£2,748
15-Dec-23	£154,014	1.74%	£2,680
15-Dec-23	£205,346	2.22%	£4,559
15-Dec-23	£205,614	2.20%	£4,524
01-Mar-24	£598,319	1.47%	£8,795
2023-24	£18,872,127		£866,277
11-Apr-24	£1,500,000	4.50%	£67,500
11-Apr-24	£1,000,000	4.63%	£46,250
15-Jun-24	£1,000,000	4.60%	£46,000
15-Jun-24	£1,250,000	4.50%	£56,250
15-Jun-24	£1,000,000	4.63%	£46,250
30-Sep-24	£2,500,000	4.80%	£120,000
30-Sep-24	£2,500,000	5.50%	£137,500
11-Oct-24	£1,500,000	4.50%	£67,500
11-Oct-24	£1,000,000	4.63%	£46,250
15-Dec-24	£3,000,000	6.38%	£191,250
31-Mar-25	£2,000,000	4.65%	£93,000
31-Mar-25	£1,778,000	5.25%	£93,345
31-Mar-25	£722,000	5.13%	£37,003
15-Jun-24	£154,918	1.79%	£2,773
15-Jun-24	£155,354	1.74%	£2,703
15-Jun-24	£207,626	2.22%	£4,609
15-Jun-24	£207,876	2.20%	£4,573
01-Sep-24	£602,717	1.47%	£8,860
15-Dec-24	£156,305	1.79%	£2,798
15-Dec-24	£156,705	1.74%	£2,727
15-Dec-24	£209,930	2.22%	£4,660
15-Dec-24	£210,163	2.20%	£4,624
01-Mar-25	£607,147	1.47%	£8,925
2024-25	£23,418,741		£1,095,350

Debt Maturities 2023-24 to 2026-27 cont.			
Maturity Date	Amount Repaid	Rate	Full Year Interest Saving
11-Apr-25	£1,000,000	4.75%	£47,500
11-Apr-25	£3,000,000	4.50%	£135,000
15-Jun-25	£3,000,000	4.75%	£142,500
30-Sep-25	£1,000,000	4.65%	£46,500
30-Sep-25	£2,500,000	5.50%	£137,500
11-Oct-25	£1,000,000	4.75%	£47,500
11-Oct-25	£624,000	4.63%	£28,860
11-Oct-25	£1,876,000	4.75%	£89,110
15-Dec-25	£3,000,000	6.38%	£191,250
31-Mar-26	£1,000,000	4.65%	£46,500
31-Mar-26	£1,000,000	4.60%	£46,000
31-Mar-26	£1,250,000	4.50%	£56,250
31-Mar-26	£500,000	4.63%	£23,125
15-Jun-25	£157,704	1.79%	£2,823
15-Jun-25	£158,069	1.74%	£2,750
15-Jun-25	£212,261	2.22%	£4,712
15-Jun-25	£212,475	2.20%	£4,674
01-Sep-25	£611,610	1.47%	£8,991
15-Dec-25	£159,115	1.79%	£2,848
15-Dec-25	£159,444	1.74%	£2,774
15-Dec-25	£214,617	2.22%	£4,764
15-Dec-25	£214,812	2.20%	£4,726
01-Mar-26	£616,105	1.47%	£9,057
2025-26	£23,466,212		£1,085,714
11-Apr-26	£1,000,000	4.60%	£46,000
11-Apr-26	£2,000,000	4.50%	£90,000
15-Jun-26	£2,325,000	4.50%	£104,625
15-Jun-26	£2,500,000	5.25%	£131,250
30-Sep-26	£1,000,000	4.65%	£46,500
30-Sep-26	£2,500,000	5.50%	£137,500
11-Oct-26	£1,000,000	4.65%	£46,500
15-Dec-26	£1,700,000	6.38%	£108,375
15-Dec-26	£1,200,000	6.38%	£76,500
15-Jun-26	£160,539	1.79%	£2,874
15-Jun-26	£160,831	1.74%	£2,798
15-Jun-26	£216,999	2.22%	£4,817
15-Jun-26	£217,175	2.20%	£4,778
01-Sep-26	£620,633	1.47%	£9,123
15-Dec-26	£161,976	1.79%	£2,899
15-Dec-26	£162,230	1.74%	£2,823
15-Dec-26	£219,408	2.22%	£4,871
15-Dec-26	£219,564	2.20%	£4,830
01-Mar-27	£625,195	1.47%	£9,190
2026-27	£17,989,551		£836,254
2023-2027	**£83,746,631**		**£3,883,595**

Appendix C



Interest expenses relate to external loans and for the purposes of this graph do not include accounting adjustments in respect of leases and notional financing arrangements.

Borrowing in recent years to fund the capital programme, including;

- £100m in 2017-18;
- £87m in 2019-20;
- £50m in 2020-21;
- £110m in 2021-22;
- £10m in 2022-23
- NIL in 2023-24

has meant that the ratio of borrowing to the net revenue budget (grey line) has decreased significantly over the last 3 years. This is due to the ambition of the capital programme, combined with MRP adjustments and the long-term benefits of borrowing at low interest rates.

Despite significant additional borrowing in the previous four years, low interest rates have meant that the ratio of interest expenses to the net revenue budget (blue bars) has remained stable, and fallen in 2022-23 and 2023-24 following the decision to postpone borrowing.

Taking advantage of low interest rates in the last 6 years has meant that the ratio of interest paid to total borrowing (red bars) continues to reduce.

Appendix D: Non-treasury investments

Non-treasury investments

Non-treasury investments - Capital loans and similar arrangements including objectives and context

Capital loans are not classed as a treasury management activity but have an impact on cash flows, and interest received, and are included as part of Treasury Management reporting as a result of recent revisions to the CIPFA Code. Current capital loans are as follows:

Capital Loans	**Balance 31 March 2024**	**Authority / Objectives**	**Funding and other notes**
	£m		
Infrastructure related loans			
GNGB/CIL support for NDR ("Broadland Northway")	30.296	Formal arrangements between GNGB members, allocated CIL receipts to support £40m costs of the NDR, was agreed 21 October 2015. Rather than a loan as such, the arrangement is long term loan repayment support.	Payments allocated from CIL receipts match the interest and repayments due on a £40m PWLB loan taken out by Norfolk County Council in 2016-17 to part fund construction of the NDR. The arrangement is treated as a long-term debt in the financial statements, and has first call on CIL receipts.
NDR Radar Loan	2.194	NCC Cabinet 2 September 2013 agreed to part fund relocation of the Norwich International Airport radar as a compensatory element of the NDR project. A legal agreement for the funding of the	The airport will contribute to the cost of the radar through financing arrangements from years 9 to 20 at an agreed commercial rate. The first repayment was received in 2023-24

		radar was agreed with Norwich Airport Limited on 18 October 2013. Repayments will start 2023 when the previous radar would have been replaced.	
Local infrastructure Fund loans to developers	1.355	The GNGB area City Deal resulted in the establishment of a Local Infrastructure Fund to provide loans to developers for site specific help to enable development sites to be delivered quickly. The fund is now managed directly by Norfolk County Council and is no longer open.	There were five loans and four have been fully repaid. The final loan has been partially repaid and discussions are on-going with the developer on the timing of the repayment of the remaining balance.

Investment and Loans to Subsidiaries	Investment	Balance 31 March 2024	Authority / Objectives	Funding and other Notes / status
Loans to Norse Group		£m		
Norse Group	11.964	1.308	As part of the Mid-Year Treasury Management Monitoring Report 2015-16 to Policy and Resources Committee and then County Council, members approved the extension of the existing Norse Group short-term loan arrangements by a further £15m for specific longer-term loans, with the loans being approved for inclusion within the County Council's capital programme. The first loan was for Norse Energy capital investment, and the second to fund replacement of Norse's existing asset portfolio.	Loan agreement dated 14 February 2018, based on fixed commercial rate for 5 years, with option to increase the interest rate if LIBOR increases. Twice yearly repayments of principal and interest started August 2018, with increased principal repayments in 2024 and 2025. Loan will be fully repaid by February 2025.
Norse Project One		4.000	New loan agreed with Norse Group to fund the investment in the new HR and Finance System for the whole group.	
NPS Aviation Academy		5.436	On 20 July 2015, Policy and Resources Committee authorised a loan of £6.25m to the Norse Group, to create a physical location for the Norwich International Aviation Skills Academy. Norse continues to occupy and use the property.	Annuity loan repayable in 29 equal annual instalments to August 2046.
NEWS		0	Loan agreement between Norfolk County Council and Norfolk	Twice yearly repayments of capital and interest, rate based on PWLB

			Environmental Waste Services Limited dated 28 March 2001, for the construction of a materials recycling facility and the purchase of associated vehicles and equipment in Norfolk.	20-25 year rate at time of agreement. Capital repaid in equal instalments. Original loan £2.44m, has been repaid in full in March 2024.
NorseCare		2.345	Loan agreement dated 4 March 2019 between Norfolk County Council and Norse Care for the re-modelling, refurbishment and extension of the Mountfield residential home in Norwich.	Annuity loan repayable in 15 equal annual instalments to March 2034.
Other NCC wholly owned companies				
Hethel Innovations		7.122	On 23 May 2012 Cabinet agreed to approve 60% match funding estimated at £3.77m, via a loan to Hethel Innovation Limited, for the construction of an Advanced Manufacturing Facility at Hethel. The final revision of the loan agreement is dated May 2015 for £3.26m. In addition, the company borrowed £2.132m in 2018-19 to purchase the remainder of its site and buildings from NCC. Then on 31 March 2021 it borrowed a further £1.572m to purchase the adjacent land from Lotus and a further £428k was borrowed in March 2022 to complete the land purchase. In February 2024 the Council agreed a repayment holiday for first repayment scheduled for Hethel Innovations for March 2024 and have	Six monthly equal repayments, capital and interest calculated on an annuity basis. Interest rates fixed based on PWLB rates at the date of the loans. The final instalment date for both loans is September 2049.

			deferred the first repayment to December 2026	
Repton	3.500	9.000	In 2021, Cabinet agreed to approve a £35m loan facility for Repton to drawdown as needed to develop surplus NCC land and other suitable land with the view to delivering high-quality housing in Norfolk. The £1.8m was used to purchase additional land for this purpose and a further £10.35m was drawn down in 2022 to facilitate the purchase of 2 plots to develop high-quality housing.	Twice yearly repayments of capital and interest, rate based on PWLB 20-25 year rate at time of agreement. Capital repaid in equal instalments. £3.55m was repaid in 2023-24
Total capital loans and Investment	**15.466**	**63.058**		

During the financial year to date, interest and principal has been repaid in accordance with the individual loan agreements. During 2023-24 one new loans were agreed as follows:

- Norse Group - £10m drawdown facility for Project One to implement the new HR and Financial System. To date £4m has been drawdown against this facility.

- Hethel Innovation - £0.305m to roll over the interest payable due on the repayments which were deferred this year

Loan repayments of £7.489m were received by the authority.

Financing
Financing for the Broadland Northway (formerly NDR) arrangement shown above has been provided through a £40m PWLB annuity loan. The finance for all new capital loans is provided initially from Norfolk County Council surplus cash balances and ultimately PWLB loans or capital receipts.

Relevant powers

- The local authority has the power to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of their functions [a] (whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or right).
- The local authority has a general power of competence just like individuals generally [b].
- The local authority may borrow money for any purpose relevant to its function or for the purposes of the prudent management of its financial affairs [c].
- Where the local authority is running a purely commercial or trading activity then it must do it through a company [b].

Sources *[a]: Local Government Act 1972 s 111(1); Egan v Basildon Borough Council 2011.*
[b]: Localism Act 2011 s 1 and s4
[c]: Local Government Act 2003 s 1

Non-treasury investments – Investment properties as defined for statutory accounting purposes

For statutory accounting purposes, investment properties are assets which are used solely to earn rental income and/or capital appreciation, rather than in the production or supply of goods or services, for administrative purposes, or for sale in the ordinary course of operations. Four properties are classed as investment properties in the Council's statutory accounts, of which the following two make up the majority of the value:

Investment property	Norwich Airport Industrial Estate**			Agricultural and other land with development potential		
Note	Owned jointly with Norwich City Council 60:40					
Reason for ownership:	Rental income			Capital appreciation		
Financial year	**2023-24**	**2022-23**	**2021-22**	**2023-24**	**2022-23**	**2021-22**
	£m	£m	£m	£m	£m	£m
Net rental income £m	(0)	(0.453)	0.376	n/a		
Fair value £m	0**	0**	21.021	15.498	15.488	14.635

**The councils sold the Norwich Airport Industrial Estate in August 2022 and the Council received a net capital receipt of £21.047m for its share of the sale proceeds.

Investment property is re-valued each year by NPS Property Consultants.

The apparent variations in rental income are due to the maturing of the outstanding capital maintenance loan from the City Council and other site expenditure resulting from the disposal of the site.

Non-treasury investment – Equity Instruments held at Fair Value

The Council holds shares in two other companies associated with the Norwich Airport (Legislator 1656 and Legislator 1657) which originated through a policy initiative with other authorities to promote economic generation and tourism. The investment is held as a longer-term policy initiative

Equity Instrument	Legislator 1656		
Reason for ownership:	Longer term policy initiative		
Financial year	**2023-24**	**2022-23**	**2021-22**
	£m	£m	£m
Fair value £m	4.306	5.095	4.684

Report to Cabinet

Item No. 9

Report Title: Finance Monitoring Report 2023-24 Outturn

Date of Meeting: 3 June 2024

Responsible Cabinet Member: Cllr Andrew Jamieson (Deputy Leader and Cabinet Member for Finance)
Responsible Director: Harvey Bullen (Director of Strategic Finance)

Is this a Key Decision? No

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

Introduction from Cabinet Member

This report gives a summary of the outturn position for the 2023-24 Revenue and Capital Budgets, General Balances, and the Council's Reserves at 31 March 2024, together with related financial information.

At Full Council in February 24, I forecasted a balanced budget for 2023/24: I am pleased to confirm that this is the case. Indeed, we have marginally underspent against the net budget of £493.707m. We did so while managing an in-year pressure in Children's Services of £12.3m and Adult Social Services of £23.5m, furthermore, have taken steps to mitigate its impact in 2024-25, as I said we would when announcing the 24-25 budget.

Executive Summary

On a net budget of £493.707m, the revenue outturn for 2023-24 is **a balanced budget after transferring £0.076m to the general fund**, taking into account the demand led and inflationary cost pressures highlighted in the Appendix 1. Details of these pressures and savings achieved and the impact on 2024-25 are addressed in the detail of this report.

General Balances have increased from **£24.410m to £25.486m** at 31 March 2024 following the transfers of £1.076m from a contribution to General Balances and underspends at the end of 2023-24 to reserves. Service reserves and provisions (excluding the Dedicated Schools Grant reserve) are **£172.636m,** subject to any final year end audit adjustments**.**

Recommendations:

1. **To recognise that the revenue outturn for 2023-24 is a balanced budget after transferring £1.076m to the general fund;**

2. **To recognise the saving shortfall of £1.845m; being 97% savings delivery in 2023-24, as described in Appendix 1 paragraph 6, which has been offset by other savings;**

3. **To recommend to Full Council that the General Balances at 31 March 2024 be increased to £25.486m after a transfer of £1.076m from a contribution to General Balances and underspends in Finance General.**

4. **To note the £244.864m capital expenditure and funding for 2023-24 and the revised current and future 2024-29 capital programmes, including the reprofiling of £43.027m from 2023-24 into 2024-25 and the addition of £23.635m to the capital programme to address the capital funding requirements from various external and internal sources as set out in summary in Appendix 3, paragraph 1.3 and detailed in Appendix 3 Annex 1.**

1. Background and Purpose

1.1. This report and associated annexes summarise the forecast financial outturn position for 2023-24, to assist members to maintain an overview of the overall financial position of the Council.

2. Proposals

2.1. Having set revenue and capital budgets at the start of the financial year, the Council needs to ensure service delivery within allocated and available resources, which in turn underpins the financial stability of the Council. Consequently, progress is regularly monitored, and corrective action taken when required.

2.2. General Balances are maintained to cover financial risks faced by the Council. This report proposes an increase in the general balances from £24.410m to £25.486m as a result of transferring the £1.076m contribution to General Balances and revenue underspend to the general fund.

3. Impact of the Proposal

3.1. The impact of this report is primarily to demonstrate where the Council is anticipating financial pressures not forecast at the time of budget setting, including the implications of the cost-of-living crisis, inflation and rising interest rates, together with a number of other key financial measures. A balanced budget has been achieved in 2023-24

3.2. The additional proposals cover a range of financial matters which will support good governance and robust financial management.

4. Evidence and Reasons for Decision

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

Appendix 1 summarises the revenue outturn position, including:

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

Appendix 2 summarises the key working capital position, including:

- Treasury management
- Payment performance and debt recovery.

Appendix 3 summarises the capital outturn position, and includes:

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

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

5. Alternative Options

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

6. Financial Implications

6.1. As stated above, the revenue outturn for 2023-24 is a **balanced budget,** linked to a 97% savings delivery. The outturn for service reserves and provisions is **£172.636m** and the general balances after transferring **£1.076m** from Finance General contribution to General Balances and underspends is **£25.486m**.

6.2. Where possible service pressures have been offset by underspends or the use of reserves. A narrative by service is given in Appendix 1.

6.3. The Council's capital programme is based on schemes approved by County Council in February 2024, including previously approved schemes brought forward and new schemes subsequently approved.

7. Resource Implications

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

8. Other Implications

8.1. **Legal Implications**

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

8.2. **Human Rights implications**

None identified.

8.3. **Equality Impact Assessment**

In setting the 2023-24 budget, the council has undertaken public consultation and produced equality and rural impact assessments in relation to the 2023-24 Budget. An overall summary Equality and rural impact assessment report is included on page 341 of the Tuesday 21 February 2023 Norfolk County Council agenda. CMIS > Meetings

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

8.4 **Data Protection Impact Assessments (DPIA)**

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

9. Risk Implications/Assessment

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

9.2. Unlike many other parts of the public sector such as the NHS, local authorities are required by law to set a balanced budget. As part of their duties, the Director of Strategic Finance has a responsibility to report to members if it appears to him that the authority will not have sufficient resources to finance its expenditure for the financial year. At this stage the Director of Strategic Finance has taken mitigating action to release reserves to offset the forecast overspends in services and ensure that a balanced budget is achieved in 2023-24.

10. Select Committee comments

10.1. None

11. Recommendation

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

12. Background Papers

12.1. Summary Equality and rural impact assessment CMIS > Meetings page 341

Officer Contact

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

Officer name: Joanne Fernandez Graham **Tel No.:** 01603 306228

Email address: j.fernandezgraham@norfolk.gov.uk

IN TRAN communication for all

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

Norfolk County Council Finance Monitoring Report 2023-24

Appendix 1: 2023-24 Revenue Finance Outturn Report

Report by the Director of Strategic Finance

1 Introduction

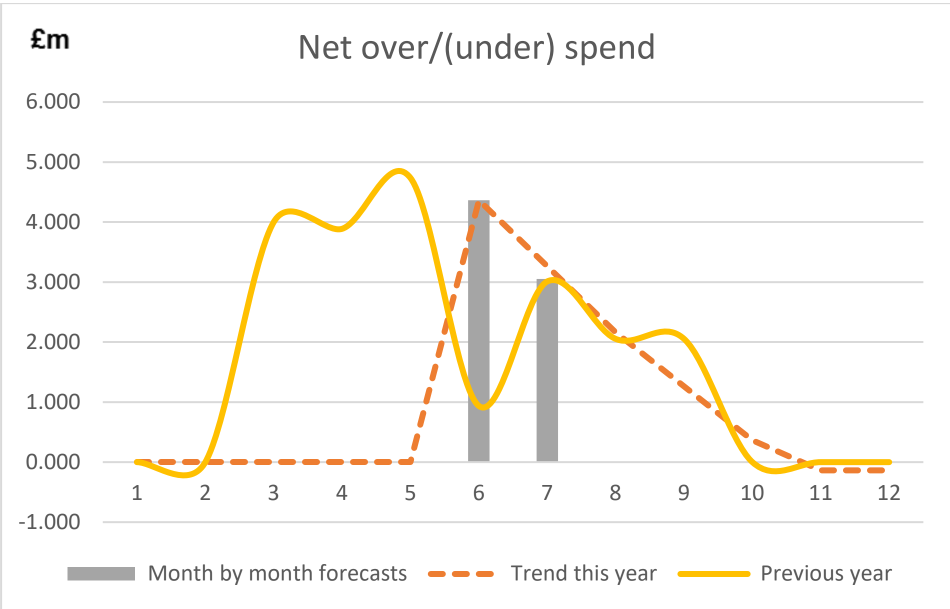
1.1 This report gives details of:

- the outturn position for the 2023-24 Revenue Budget
- additional financial information relating one-off funding, cost pressures and delivery of savings initiatives
- forecast General Balances and Reserves as at 31 March 2024 and
- other key information relating to the overall financial position of the Council.

2 Revenue outturn – over/(under)spends

2.1 **At the end of March 2024,** the outturn position shows an underspend of £1.076m against a net budget of £493.707m.

Chart 1: actual revenue outturn 2023-24, month by month trend:



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

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

Table 1: 2023-24 outturn (under)/overspends by service

Service	Revised Budget	Cost Pressures	(Under spends/ Savings)	Earmarked Reserves & Provisions Utilised	Net (under)/ overspend	%	RAG
	£m	£m	£m	£m	£m		
Adult Social Care	263.877	23.506	(13.744)	(7.841)	1.921	0.73%	A
Children's Services	241.712	12.320	(0.406)	(1.000)	10.914	4.5%	R
Community and Environmental Services	241.243	3.727	(3.982)	0.000	(0.255)	-0.1%	G
Strategy and Transformation	54.931	4.058	(3.970)	(0.088)	0.000	0%	G
Chief Executive's Office	4.421	0.236	(0.459)	0.223	0.000	0%	G
Finance	(317.477)	0.055	(12.711)	0.000	(12.656)	4.1%	G
TOTAL	**493.707**	**43.902**	**(35.272)**	**(8.706)**	**(0.076)**	-0.02%	G

Notes:

1) The RAG ratings are subjective and account for the risk and both the relative (%) and absolute (£m) impact of overspends.
2) Planned use of Earmarked reserves and provisions set aside in 2022-23, in order to meet and fund additional pressures in 2023-24, are built into the revised budget. The table above highlights the use of reserves over and above the plan.

2.4 **Children's Services:** The outturn for 2023-24 is a £10.914m overspend, partially mitigated by (£1m) use of ear-marked reserves. The CS cost pressures have been offset by underspends in other services areas as set out in Table 1.

2.5 The CS overspend for social care placements and support remains at c. £4.931m primarily due to the increase in average cost for external residential and supported accommodation and continued high demand for social care services. There has been an increase in demand for community short-break provision, reflecting the additional pressures that families are experiencing in the current economic climate.

2.6 The number of children being looked after (excluding separated migrant children) has remained relatively stable for much of the financial year, following a small increase in the latter quarter of last financial year, but has recently shown signs of a small, but sustained reduction. This continues to remain counter to the experience of many other local authorities and an outcome of the significant transformation in recent years from the front door and community & partnership teams, through family support and into social work teams. Our in-house residential services have been supporting some young people with very complex needs and additional costs have had to be incurred to meet these needs and to support staff to undertake their roles safely.

2.7 The Home to School Transport outturn for the year is c. £5.994m overspend, despite the additional budgeted resources provided for 2023-24. The primary cause of cost pressures is a combination of fuel inflation, cost of vehicles and National Living Wage rises, alongside insufficient supply and competition. The average cost of transport per child has significantly increased year-on-year, with this percentage increase being similar for both SEND (Special Educational Needs and Disabilities) and mainstream cohorts. On the demand-side we can see some specific trends linked to areas of school admissions pressures. Action is under way to positively impact both the demand-side and the supply-side factors.

2.8 Norfolk is not alone in continuing to see cost pressures despite significant investment in the Children's Services budget in recent years. Nationally, many local authorities are reporting very significant overspends for their Children's Services for the same 3 key reasons – increased demand for social care placements and home to school transport, wage and cost inflation and the adverse impacts of the COVID lockdown on child mental health and well-being. The overspend in Norfolk remains lower than the level experienced in other local authorities due to the level of growth built into the 2023-24 budget. resources available to the department to meet pressures for 2023-24 that the overspend position in Norfolk remains at a lower level than many others are facing.

2.9 An analysis of national trends was published in October 2023 and has been reported on in previous Finance Monitoring Reports to Cabinet - Document.ashx (cmis.uk.com)

2.10 Children's Services continues to undertake a substantial transformation programme to both improve outcomes for children and young people as well as delivering financial savings. These aim to mitigate risks and pressures that emerge and accompanies management action within the department that continues to be taken to reduce these risks and cost pressures wherever possible.

2.11 **Adult Social Services:** The outturn for 2023-24 is a £1.921m overspend. With Adult Social Care (ASC) being a demand led service, the budget to provide it always operates under a degree of uncertainty. The ASC service delivered 95% of its savings target through its transformation agenda inthis financial year. In addition, within its recovery programme there is a significant emphasis on reducing the backlogs that had developed during the COVID pandemic. We are pleased to have seen reductions in a number of these areas, with success in reducing our interim care list from 700 to 100 people in the last 12 months. The financial position for the department has been materially impacted by new demand emerging and the clearance of backlogs.

2.12 Our Purchase of Care budget is experiencing overspends in several places:

- Learning Disabilities has experienced significant price increases, contributing to the overspend, with further details noted in paragraph 2.16.

- Savings related to Physical Disabilities have not been delivered as described in paragraph 6.7,

- Older People care budget is experiencing financial pressure due to increased demand for support.

  Previously these overspends were being offset by wider underspends within the department. However, the increase in recent periods outstripped the underspends leading to a net overspend of £1.921m.

2.13 As over 70% of the ASC budget is spent with independent providers, it is only right to acknowledge the continued financial risk the current economic conditions place on these care markets. Whilst the Council was able to invest £30m into the market as part of its 2023/24 fee uplift, the continued economic uncertainty had destabilising impact on individual providers. We have experienced upward cost pressure on price, in particular, those care packages supporting people with a Learning Disability in Residential Care. We continue to work with our care providers and the Care Association to understand the steps required to provide sustainability and quality improvement, including our work on both the Market Position Statement and the Market Sustainability Plan. Our Operations and Commissioning teams, especially those supporting the Learning Disabilities market, are actively working with a number of providers to determine viability and future market intentions. Our ability to find alternative placements for those care providers exiting the market is becoming limited and therefore replacement services are coming at a price premium.

2.14 The department continues to work with its partners in the Integrated Care System (ICS) to manage system pressures around hospital discharge both from acute hospital and the wider Transforming Care Programme (TCP). Whilst supporting discharges under TCP is required, it does create an additional financial pressure for the Council with care packages in the community often exceeding £4,000 per person, per week. We work robustly with the Integrated Care Board (ICB) to ensure we collectively support these discharges into cost effective placements and only pay the fair share of our costs. The ICS itself continues to operate in a challenging financial environment, with the ICB having to undertake a significant reduction in operating costs.

2.15 Both internally to the department, and within the wider care sector, availability of staff continues to be a challenge. Internally we have had more success recently in recruiting and retaining certain types of roles. Equally, a number of vacancies have been removed via the Strategic Review and therefore it is unlikely that the department will see the level of staff underspends that it has had in previous years. However, there are certain qualified roles that remain hard to fill at scale and therefore it is important we deliver on our longer-term workforce plan.

2.16 Whilst recognising the uncertainties described above, the level of ASC departmental reserves to manage the majority of these risks in the short term remain strong. £7.841m in reserves has been deployed to bring down the underlying overspend. This mitigates the in-year risks but will impact on the department's ability to deliver on its 2024/25 reserve commitments. The underlying deficit in 23/24 has been considered when setting the 24/25 budget with a balance of growth and wider compensatory savings added to the Medium-Term Financial Strategy (MTFS). The national landscape of Social Care remains uncertain with elements of its reform delayed until at least October 2025, a newly introduced inspection/assurance regime, and no long-term funding settlement.

2.17 **CES:** The outturn position for 2023-24 is an underspend of £0.255m.

2.18 There were pressures faced by Corporate Property primarily related to utilities, the overspend for the service was £1.049m. This primarily relates to a £1.2m overspend on utilities. Whilst significant inflationary uplifts were applied to the budgets for 2023-24 these were insufficient given the sustained price increases in both electricity and gas.

2.19 Culture and Heritage finished the year in an overspend position (£1.330m) driven primarily by Norfolk Museums Service as the main income streams whilst improved compared to last year, fell short of target given the sustained reduced offer at Norwich Castle whilst the renovations are completed.

2.20 These forecasted overspends are being offset primarily by Highways, Waste and Transport. Waste volumes at Recycling Centres and kerbside collections have been highly volatile over the last two years. Waste finished the year with a £1.883m underspend driven by residual waste volumes. New legislation with regards to DIY waste came into effect from 31 December 2023. This requires the Council to give householders a free allowance for a given amount of DIY waste at a given frequency. Given this change is unfunded, it is expected to create an annual pressure of around £1m per annum. The pressure related to 2023-24 was managed within the original budget allocation.

2.21 For Highways and Transport, the reported underspend position was a £2.099m underspend, driven by a reduced insurance premium, higher street works income and increased level of staff capital recharges.

2.22 The other services within CES continued to be challenged by the level of inflation which places greater risk on achieving the budget across all services. These services combined reported a net overspend of £1.348m.

2.23 **Corporate services:** The Strategy and Transformation directorate has achieved a balanced position outturn making use of reserves and underspends. The Chief Executive Office has also reported a balanced position, meeting extra costs of by-elections and pay award with, reserves, extra income and vacancy management from within the service.

2.24 **Finance:** Finance outturn is an underspend of £12.656m. Forecast underspends are due to interest payable costs being £2.307m less than budgeted due to the timing of borrowing and sustained low interest rates on borrowing undertaken in 2022-23. The same higher interest rates and cash holdings has contributed to an increased interest receivable forecasted of £6.348m over budget for treasury and £1.693m interest receivable on non-treasury investments held. In addition, the Minimum Revenue Provision for 2023-24 is £0.928m lower planned due to Capital Programme slippage from 2022-23 and this is offset by £0.055m of miscellaneous cost pressures. There is also £1.1m accumulated surplus business rates returned to local authorities as part of the distribution of the 2022-23 Pool Funds and a release of £0.335m Business Rates Reserves to offset service area cost pressures noted above.

2.25 Further details are given in Appendix 1: Revenue Annex 1.

3 Approved budget, changes and variations

3.1 The 2023-24 budget was agreed by Council on 21 February 2023 and is summarised by service in the Council's Budget Book 2023-24 (page 19) as follows:

Table 2: 2023-24 original and revised net budget by service

Service	Approved net base budget	Revised budget P12
	£m	£m
Adult Social Care	249.526	263.877
Children's Services	232.593	241.712
Community and Environmental Services	191.754	241.243
Strategy and Transformation	22.941	54.931
Chief Executive's Office		4.421
Finance	(203.107)	(312.477)
Total	**493.707**	**493.707**

Note: this table may contain rounding differences.

3.2 During P12 and the subsequent closedown P13, there were a number of large capital accounting budget adjustments between Finance General and the other Services. These have not affected service budgets and the Council's net budget for 2023-24 remains unchanged.

4 General balances and reserves

General balances

4.1 At its meeting on 21 February 2023, the County Council agreed a minimum level of general balances of £25.340m in 2023-24. The balance at 1 April 2023 was **£24.410m and** following transfers of £1.076m from savings and Finance General underspends at the end of 2023-24 the outturn for 31 March 2024 is **£25.486m.**

4.2 Movements during the year are as follows:

	£m
General Balances – opening balance 1 April 2023	24.410
Transfer of contribution to General Balances and Finance General underspends	1.076
General Balances – closing balance 31 March 2024	**25.486**

4.3 The transfer of related Finance General underspends to General Balances is consistent with the County Council decision on 21 February 2024 which agreed the principle of seeking to increase the general fund balances as part of closing the 2023-24 accounts.

Reserves and provisions 2023-24

4.4 The use of reserves anticipated at the time of budget setting was based on reserves balances anticipated in January 2023. Actual balances at the end of March 2023 were higher than planned, mainly as a result of grants being carried forward, including Safety Valve and COVID-19 grants and reserves use being deferred.

4.5 The 2023-24 budget was approved based on closing reserves and provisions (excluding DSG reserves) of £162.995m as at 31 March 2023. This, and updated Reserves and Provisions outturns are as follows.

Table 3: Reserves budgets and forecast reserves and provisions

Reserves and provisions by service	**Actual balances 1 April 2023**	**Increase in March 2023 balances after budget setting**	**2023-24 Budget book forecast 1 April 2023**	**Latest forecast balances 31 March 2024**
	£m	**£m**	**£m**	**£m**
Adult Social Services	56.058	10.860	45.198	23.145
Children's Services (inc schools, excl LMS/DSG)	13.951	7.533	6.418	8.574
Community and Environmental Services	65.691	13.179	52.512	65.745
Strategy and Transformation	5.669	0.204	5.465	11.808
Chief Executive's Office				2.453
Finance	44.235	11.460	32.775	45.844
Schools LMS balances	16.078	-4.549	20.627	15.067

Reserves and Provisions including LMS	**201.682**	**38.687**	**162.995**	**172.636**
DSG Reserve (negative)	**(45.877)**	**27.736**	**(73.613)**	**(81.513)**

4.6 Covid grants and other grants and contributions brought forward at 31 March 2023 resulted in reserves and provisions being £38.687m higher than had been assumed at the time of budget setting. The majority of these reserves have been used to mitigate risks to planned service provision during 2023-24. The net total for reserves and provisions at 31 March 2024 has decreased by £29.046m when compared with the opening balance at 1 April 2023, down to £172.636m.

4.7 **Dedicated Schools Grant (DSG)**: The DSG Reserve outturn is based on the Dedicated Schools Grant (DSG) Recovery Plan combined with the latest information available. This includes amendments for the timing of opening of new provision as school organisation processes have progressed, along with revised costings as a result of teacher and support staff pay increases and inflationary pressures for HNB funded provision and continued demand increasing the level of support to enable mainstream schools to effectively meet need and to reduce escalation to specialist provision.

4.8 The DSG reserve movement in-year is a deficit of c. £43.136m is forecast, which is £15.4m above the budgeted deficit of £27.736m, which is partially offset by contributions from NCC and DfE through the Safety Valve agreement. In 2023-24, NCC's general fund contribution will be (£5.5m), while the DFE contribution received to date is (£2m). The DSG Reserve at 31 March 2024 stands at (£81.513m), much of which is due to the invest to save initiatives put in place in 2023-24 to deliver significant savings (and subsequently a balanced in-year budget) in future years.

4.9 The forecast has increased by a further c. £2.101m since P11 due to additional demand for medical needs provision and section 19 provision for those not currently on a school roll. Demand remains very difficult to predict due to the nature of the drivers, such as the medium-term effect of the pandemic and difficulties for young people accessing timely mental health and wellbeing provision, exacerbating pressures already underlying in the system. Similar patterns are seen across the country and substantiated by our external strategic partner who is a member of the DfE alternative provision steering group.

4.10 Costs for independent places remain high, with schools experiencing the same inflationary pressures as other parts of economy. Whilst there has been a small increase in the volume of independent places, the overall volume has remained relatively in line with expectations.

4.11 The focus on increasing the number of children and young people with high needs SEND to be supported to remain in mainstream provision is a key part of Local First Inclusion (LFI). A key intention of the strategic DSG recovery plan is to make additional resources and funding available to mainstream schools to help them meet needs without the need for a referral to specialist settings. As such, the LFI model incorporates an additional strategic investment in funding for mainstream schools to expand Specialist Resource Bases (SRBs). Schools are engaging well with this plan allowing for an acceleration within the model for future years to reflect the greater deployment of this resource which supports positive outcomes for children and remains considerably more cost-effective than specialist provision. It is also promising from the viewpoint of preventing further increases in demand in future years.

4.12 Given the scale of the challenge, the LFI programme is a complex portfolio of 80 individual projects across five over-arching workstreams. The programme started formally in April 2023 and significant progress has been achieved across the programme. However, as would be expected with a six-year programme of activity the benefits, to children and young people and to the budget, are planned to accrue throughout the period 2023 to 2029 and in the short-term the pressures continue. Indeed, the referrals for Education Health & Care Plans are continuing to rise at record levels. Additionally, inflation levels have been significantly higher than expected bringing additional cost pressures throughout the education system, as seen elsewhere.

4.13 All elements of the DSG budget will continue to be kept under close review given the demand-led nature of these budgets. In addition, further work is underway to seek additional mitigations to minimise the impact of additional pressures above the budgeted deficit into future years. Significant work continues to take place between NCC, Norfolk Schools Forum, groups of school leaders and the wider system to reshape the system in Norfolk to ensure that the right specialist provision is in the right place to meet needs (i.e. the capital investment), whilst also progressing work to transform how the whole system supports additional needs within mainstream provision.

4.14 NCC reports the forecast position to the Norfolk Schools Forum, in line with DfE expectations and feedback from the Forum continues to be sought. In addition, NCC reports regularly to the DfE in relation to progress with the Local First Inclusion programme. Norfolk has entered into a period of enhanced monitoring and support with the DfE (from October 2023 to March 2024) to ensure that our overall plan remains on track. We are currently undertaking a 'stock-take' of all activity across the programme to review the future years' modelling alongside a comprehensive programme refresh that will identify new initiatives and mitigations that will revise the trajectories and introduce new initiatives with the aim of bringing the plan back on track to ensure that the joint DfE and NCC investment continues to address the needs of children and young people and addressing the underlying budgetary pressures.

4.15 **Provisions included in the table above**

The table above includes forecast provisions of £33.296m comprising:

- £12.143m insurance provision,
- £14.971m landfill provision (this provision is not cash backed),

- £4.036m provisions for bad debts,
- £1.837m business rates appeals provision, and
- £0.310m - a small number of payroll related provisions.

5 New / confirmed funding

5.1 **Supported Accommodation Reforms:** On 28 April 2023 the government introduced new requirements for providers of supported accommodation for looked after children and care leavers aged 16 and 17. This new legislation will require all providers of supported accommodation to be registered and regulated by OFSTED from 28 October 2023. The Minister of State for Education announced an extra £14.550m funding to support local authorities in delivering these new requirements. Norfolk County Council's share of this funding is £0.787m, to be received in 4 quarterly instalments of £0.196m.

5.2 **Sustainability and Improvement Fund:** On 28 July 2023 the Minister of State for Care announced the allocation for the Market Sustainability and Improvement Fund which provides additional support to local authorities to make tangible improvements to Adult Social Care to increase the social care capacity and retention of workforce to reduce waiting times and increase fee rates paid to social care providers. Norfolk County Council's share of this funding is £6.355m. Additional funding is also anticipated for 2024-25 and was reflected in the budget process.

5.3 **Disabled Facilities Grant (DFG):** On 7 September 2023, DLUHC announced £102m additional funding for the DFG split across 2023-24 (£50m) and 2024-25 (£52m). This capital funding is aimed at providing home adaptations to help eligible older and disabled people to live independently and as safely as possible in their homes. With the express agreements of the district councils, this funding can also be used for wider social care capital projects. In accordance with the Better Care Fund policy, Norfolk's share of this funding is £0.799m, and it will be passed on to the District Councils to deliver the small scale adaptations required.

5.4 **Wraparound Childcare Programme :** On 15 March 2023, the government announced an investment of £289m for a national wraparound programme to achieve their ambition of supporting all families who need to access wraparound childcare. The Department of Education (DfE) announced an allocation of £7.421m to Norfolk to build a self-sustaining programme and develop flexible ways of providing childcare. In addition, Norfolk has been awarded £1.579m Childcare Expansion Capital Grant Funding

6 Budget savings 2023-24 summary

6.1 In setting its 2023-24 Budget, the County Council agreed net savings of £59.703m. Details of all budgeted savings can be found in the 2023-24 Budget Book. A summary of the total savings delivered is provided in this section.

6.2 The final savings delivery totalled £57.858m at year end.

6.3 The final savings delivery is as shown in the table below:

Table 4: Analysis of 2023-24 savings outturn

	Adult Social Services	Children's Services	Community and Environmental Services	Strategy and Transformation	Finance	Total
	£m	£m	£m	£m	£m	£m
Budget savings	28.040	12.517	10.904	2.542	5.700	**59.703**
Final savings outturn	26.540	12.462	10.614	2.542	5.700	**57.858**
Savings shortfall (net)	1.500	0.055	0.290	0.000	0.000	**1.845**

Commentary on savings risk areas

6.4 The outturn savings for 2023-24 is £57.858m against a budgeted savings target of £59.703m. A shortfall of £1.500m has been reported in Adult Social Services, £0.055m in Children's Services and £0.290m in Community and Environmental Services. Some saving programmes have highlighted risk areas which will need to be kept under review as they impact the delivery of a balanced budget in 2024-25 and will need to be mitigated in the 2025-26 budgets.

Adult Social Services

6.5 Adult Social Services had a significant £28.040m savings target in 2023/24 comprising additional benefits from existing savings initiatives such as the Connecting Communities Programme (ASS030), delivering market utilisation efficiencies through contract performance management (ASS031), continued implementation of the Learning Disabilities transformation programme (ASS032), ongoing benefits from use of Assistive Technology and substantial further use of reserves.

6.6 Our major departmental transformation Programme “Connecting Communities” continues to work at pace to embed the new ways of working across the service and to ensure that the benefits are sustainable.

6.7 As flagged in previous monitoring reports, it is now necessary to identify an element of forecast non-delivery within the Adults Savings Programme relating to prior year savings targets. The non-delivery of these savings directly impacts the revenue forecast but is not included in Table 4.

6.8 **Norse Care**
Our Norse Care contract has had a multi-year savings target to deliver a wholesale transformation of the offer and ensure it is fit for the future types of demand we expect to face. Due to significant delay to the transformation programme it won’t be possible for recurrent savings to be achieved this year. The service is working towards one off partial mitigation but a £1m shortfall in savings delivery is now being forecast for 23/24 relating to a prior year savings target.

6.9 **Physical Disability Service**
£1.5m savings associated with the Physical Disability service was not achieved this year. This is in part due to the delay of the creation of an 18-65 operational service which would have provided increased resource in this area. At the same time, we have seen an adverse underlying movement in cost due to increased numbers of people requiring our support and increased unit costs of care packages. A recovery plan is being put in place in order to try to bring down the overspend as much as possible.

Partly as a result of these shortfalls in savings, Adults Social Care has an £1.924m overspend in 2023-24.

Children’s Services

6.10 It The 2023-24 budgeted savings within Children’s Services were delivered in 2023-24 as an overall programme, except for S2324CS035 Post 16 transport: remove option to pay a daily fare (currently only available on local buses which charge fares) £0.055m saving was not delivered.

6.11 Additionally, there is a saving that was partially delayed from 2022-23 (CHS014 £0.1m) that was expected to be delivered within 2023-24 but is now not expected to be delivered until 2024-25. This saving relates to the development of a joint initiative with Norfolk ICB and NSFT, including capital development, co-location of services and additional service offer for young people on the edge of Tier 4 mental health provision. Feasibility work is ongoing for the capital works, funded by NHS England, and the work is complex. All partners are committed to delivering the project and the work will continue.

Community and Environmental Services

6.12 Unless stated separately, all budgeted savings within Community and Environmental Services were delivered in 2023-24. One of the savings (S2324FCS021) relates to further income from commercialisation of property assets including County Hall. Given the new tenants were not utilising the space from 1 April there was a shortfall against the saving in 2023-24 of £0.190m due to rent not being charged for the full year.

6.13 An increased income target had been applied to Adult Learning over the past two years linked to the development of a creative hub at the Wensum Lodge site. This project is not progressing as it is no longer viable, and as the service will also be withdrawing from the site, the 2023-24 saving of £0.100m is no longer achievable (S2021CES001).

2024-25 to 2026-27 savings

6.14 Budget setting in 2023-24 saw the approval of further investment in essential services through both the removal of previously planned savings and the recognition of cost pressures. As such, the savings plan assumes an increase in budget of £6.197m for 2024-25 followed by savings of £0.669m for 2025-26 and £2.285m savings in 2026-27. The deliverability of these savings, including any 2023-24 savings that are permanently undeliverable, has been considered as part of the budget setting process for 2024-28.

Revenue Annex 1

Revenue Outturn

Revenue outturn by service

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

Revenue budget outturn by service – detail

	Revised Budget	Overspend	Under spend	Outturn net spend
		£m	£m	
Adult Social Services				
Purchase of Care		22.458		
Director of Assurance & Commissioning			(1.799)	
Director of Communities, Prevention and Partnerships			(0.280)	
Director of Community Health & Social Care		0.932		
Director of Community Social Work			(1.093)	
Director of Strategy & Transformation		0.116		
Public Health		0		
Management, Finance & HR			(10.572)	
Use of Reserves			(7.841)	
Net total	**263.877**	**23.506**	**(21.606)**	**265.798**
			1.921	
Children's Services				
Sufficiency, Planning & Education Strategy (including Home to School Transport)		5.994		
Family Help & High Needs (including Client Placements)		4.931		
Partnership, Inclusion & Practice		1.395		
Management, Finance and HR			(0.406)	
Use of Reserves			(1.000)	
Net total	**241.712**	**12.320**	**(1.406)**	**252.626**
			10.914	
Community and Environmental Services				
Cultural and Heritage cost pressures		1.330		
Highways and Transport underspends and additional income			(2.099)	
Waste underspends and additional income			(1.883)	

Corporate Property Utilities inflation cost pressure		1.049		
Other CES cost pressures		1.348		
Net total	**241.243**	**3.727**	**(3.982)**	**240.988**
			(0.255)	
Strategy and Transformation				
I&A net underspend			(0.090)	
Communications net overspend		0.185		
HR net overspend		0.318		
SDD underspend			(0.534)	
IMT Digital Services net overspend		0.147		
Growth and Investment net overspend		0.062		
Use of reserves			(0.088)	
Net Total	**54.931**	**0.712**	**(0.712)**	**54.931**
			0	
Chief Executive's Office				
Elections			(0.325)	
Dem services			(0.134)	
NPlaw cost pressures		0.236		
Use of reserves		0.223		
Net Total	**4.421**	**0.459**	**(0.459)**	**4.421**
			(0)	
Finance				
Interest Payable – savings secured on borrowing undertaken in 22-23 at lower interest rates			(2.307)	
Interest Receivable on Capital Loans - savings			(1.693)	
Minimum Revenue Provision – 22-23 capital slippage			(0.928)	
Interest Receivable			(6.348)	
Miscellaneous cost pressures and underspends		0.055		
Business Rates release of prior year pool			(1.100)	
Business Rates Risk Reserve			(0.335)	
Net total	**(312.477)**	**0.055**	**(12.711)**	**(325.133)**
			(12.656)	
TOTAL	**493.707**			**493.631**

Revenue Annex 2 – Dedicated Schools Grant Reserve

Dedicated schools grant	**Reserve as at 31 Mar 23**	**Budgeted Reserve as at 31 Mar 23**	Forecast Spend (B)	Forecast Reserve as at 31 Mar 24
High Needs Block			43.136	
DfE Safety Valve funding			-2.000	
NCC Safety Valve contribution			-5.500	
Increase in net deficit to be carried forward			**35.636**	
Forecast (over) / under spend				
Net deficit (DSG Reserve)*	**(45.877)**	**(73.613)**		**(81.513)**

*The Budget Reserve of (£73.613m) was set before the Safety Valve Agreement was confirmed and therefore does not include the £28m received from the Department for Education in March 2023.

Norfolk County Council Finance Monitoring Report 2023-24

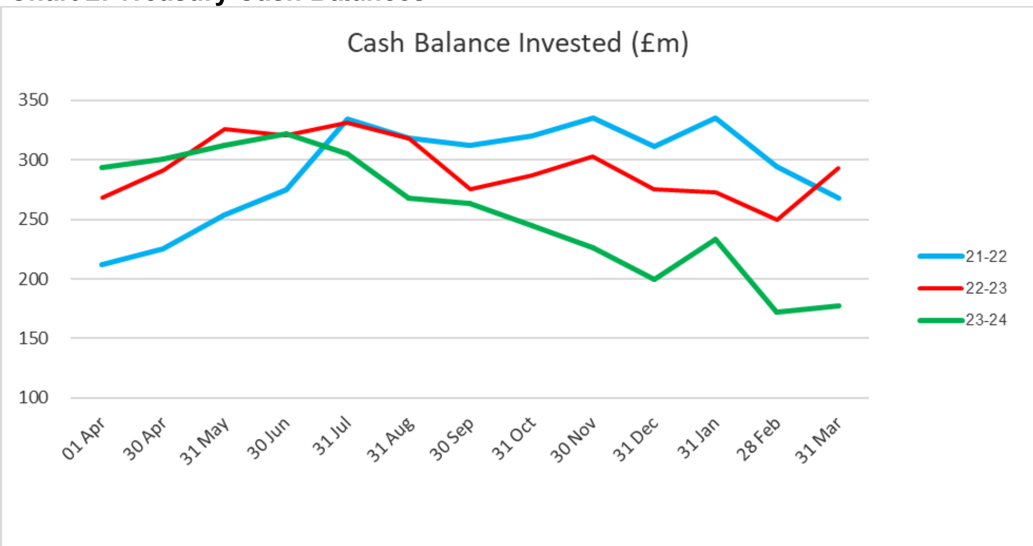
Appendix 2: 2023-24 Balance Sheet Finance Monitoring Report Month 11

Report by the Director of Strategic Finance

1 Treasury management summary

1.1 The corporate treasury management function ensures the efficient management of all the authority's cash balances. The graph below shows the level of cash balances over the last two financial years to 31st March, and projections to March 2024.

Chart 2: Treasury Cash Balances



1.2 The Council's Treasury Strategy allowed for £65m new borrowing in 2023-24 to fund capital expenditure in year. However, following the review of the Mid-Year Outturn at the Treasury Management Panel meeting in December 2023, the decision was taken to delay the planned borrowing to 2024-25. The cash flow above takes into account the current capital expenditure through the year, resulting in a closing cash balance of approximately £167.221m.

1.3 The Council has healthy cash balances for the immediate future with cash balances of £177.248m as at 31 March 2024, £115.9m down from March 2023. The Interest receivable from treasury investments held by the Council is £7.429m; which is a £6.348m saving against the revenue budget. The interest receivable from non-treasury investments and capital loans is £2.233m which resulted in an underspend of £1.692m. The interest received from non-treasury investments and capital loans was lower than planned due to the early repayment some capital loans and is compensated by the increased interest earned on treasury investments.

1.4 PWLB and commercial borrowing for capital purposes was £818.794m at the end of March 2024. The associated annual interest payable on existing borrowing is £31.102m.

1.5 The interest payable for 2023-24 is a £2.307m saving against budget. There was no new borrowing in 2023-24.

1.6 In accordance with the guidance set out in the Prudential Code 2021 (139) and the Treasury Management Code 2021(1.6), the Council sets out its current and full year forecast Prudential and Treasury Management Indicators in Table 1 below.

Table 1: CFR and Net Borrowing Indicators

Prudential and treasury indicators	2023/24 TM Strategy £m	31.3.24 P12 Outturn £m
Capital expenditure	251.054	244.865
Capital Financing Requirement:	1,029.268	1,013.799
Gross borrowing	975.118	860.045
External debt	935.045	818.795
Investments	**218.203**	**177.248**
Net borrowing	756.915	682.797

1.7 To date the Council has not increased its PWLB borrowing and has repaid £23.055m of its external debt. As such the Gross Borrowing and External Debt balances are below the 23-24 TM strategy estimates set out in Table 2:

TABLE 2

Prudential Indicator 2023/24	**2023-24 outturn £m**	**2023-24 Strategy £m**
Authorised Limit	1082.735	1,082.735
Maximum Gross Borrowing position during the year	893.399	934.618
Operational Boundary	1013.779	1,029.268

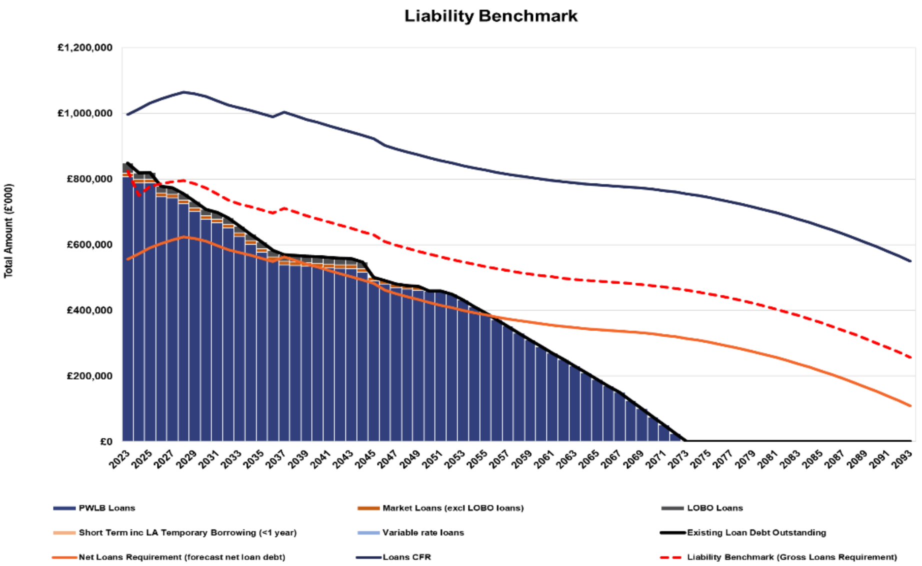
Average Gross Borrowing position	864.064	891.835
Financing Costs as a proportion of net revenue stream (£880.030m)	7.96%	9.12%
Capital Financing Requirement	1013.779	1,029.268

1.8 The Prudential Indicators in Table 2 takes into account the 2023-24 Capital Programme outturn, including the reprofiling of existing projects such that the Council did not utilise the £65m borrowing limit set out in the Treasury Management Strategy in 2023-24. Service Managers are actively working on rephasing their capital projects out to the future years 2024-2029 to ensure that the Council remains within the Operational Boundary Limit of £1,051.502m as set out in the 24-25 Treasury Management Strategy on 21 February 2024.

1.9 The Liability Benchmark (LB) as set out in Chart 3 is a new prudential indicator for 2023/24. As noted in the Treasury Management Strategy for 2023-24, this prudential indicator will be reported to Cabinet at the end of each quarter. Chart 3 has been updated to reflect the current capital forecast and the current borrowing profile. It shows a net under-borrowed position against the CFR until 2042. This indicator provides a useful snapshot of the Council's current debt and will be updated each month as the Council's capital programme and borrowing profile changes.

1.10 The Authority is required to estimate and measure the LB for the forthcoming financial year and the following two financial years, as a minimum. The LB below remains consistent with the TM strategy as the Prudential Indicators Forecast in Table 2 remains below the TM limits.

Chart 3: Liability Benchmark



1.11 There are four components to the LB: -

- Existing loan debt outstanding: the Authority's existing loans that are still outstanding in future years.

- Loans CFR: this is calculated in accordance with the loans CFR definition in the Prudential Code and projected into the future based on approved prudential borrowing and planned MRP.

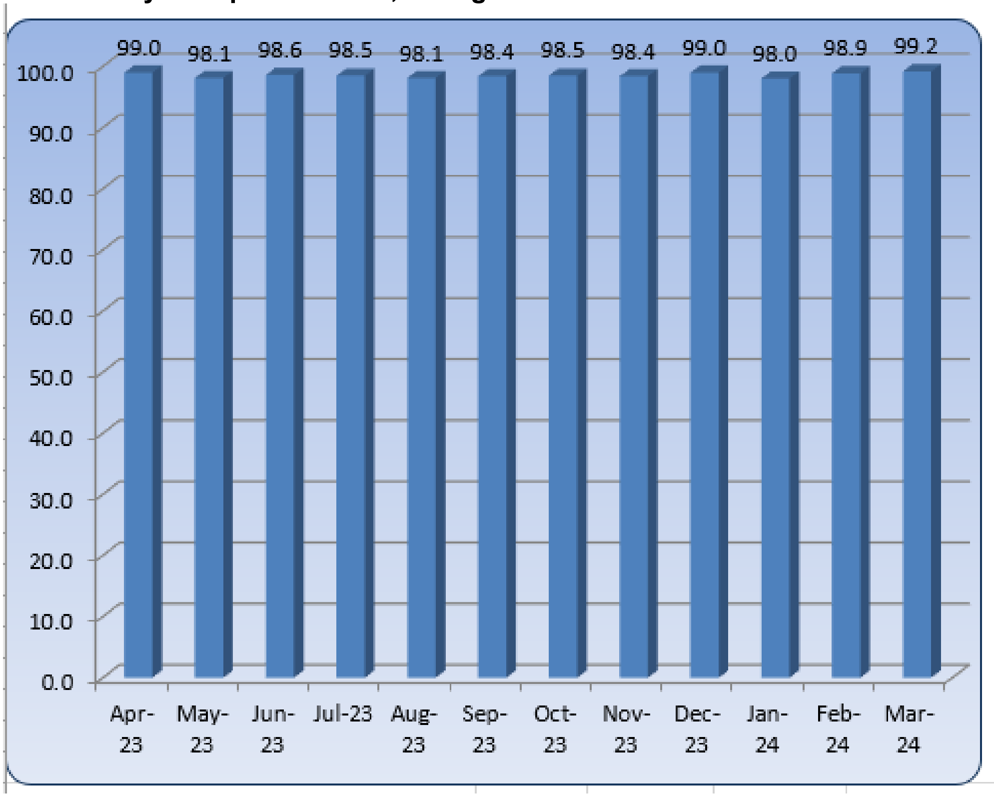
- Net loans requirement: this will show the Authority's gross loan debt less treasury management investments at the last financial year-end, projected into the future and based on its approved prudential borrowing, planned MRP and any other major cash flows forecast.

- Liability benchmark (or gross loans requirement): this equals net loans requirement plus short-term liquidity allowance.

2 Payment performance

2.1 This chart shows the percentage of invoices that were paid by the authority within 30 days of such invoices being received. Some 470,000 invoices are paid annually. 99.2% were paid on time in March 2024 against a target of 98%. The percentage has remained above the target of 98% since February 2023.

Chart 4: Payment performance, rolling 12 months



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

3 Debt recovery

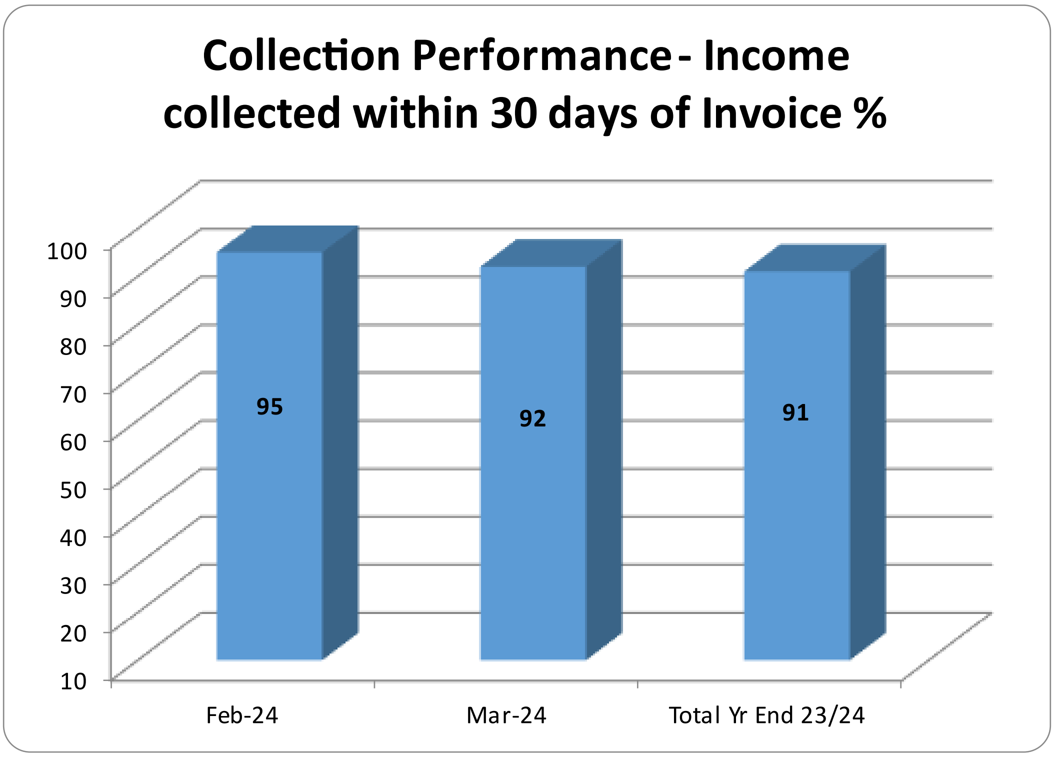
3.1 **Introduction**: In 2023/24 the County Council raised over 158,591 invoices for statutory and non-statutory services. These invoices total an amount in excess of £1.954bn.

3.2 In 2023/24 91.6% of all invoiced income was collected within 30 days of issuing an invoice, and 97% was collected within 180 days.

Debt collection performance measures – latest available data

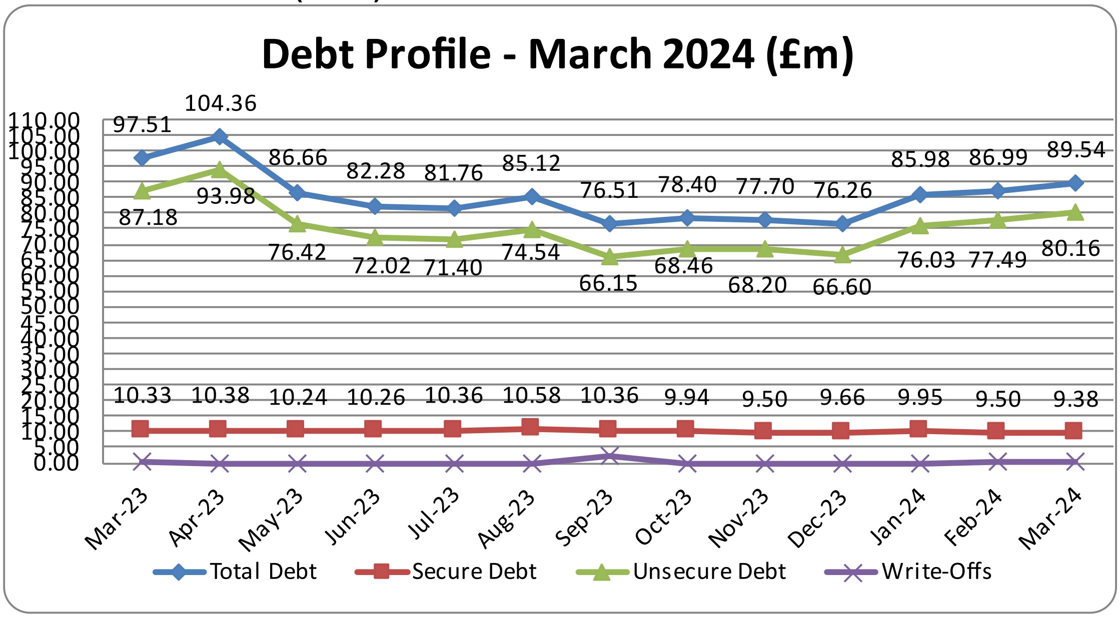
3.3 The proportion of invoiced income collected within 30 days for invoices raised in the previous month – measured by value – was 92% in March 24.

Chart 5 : Latest Collection Performance



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

Chart 6: Debt Profile (Total)



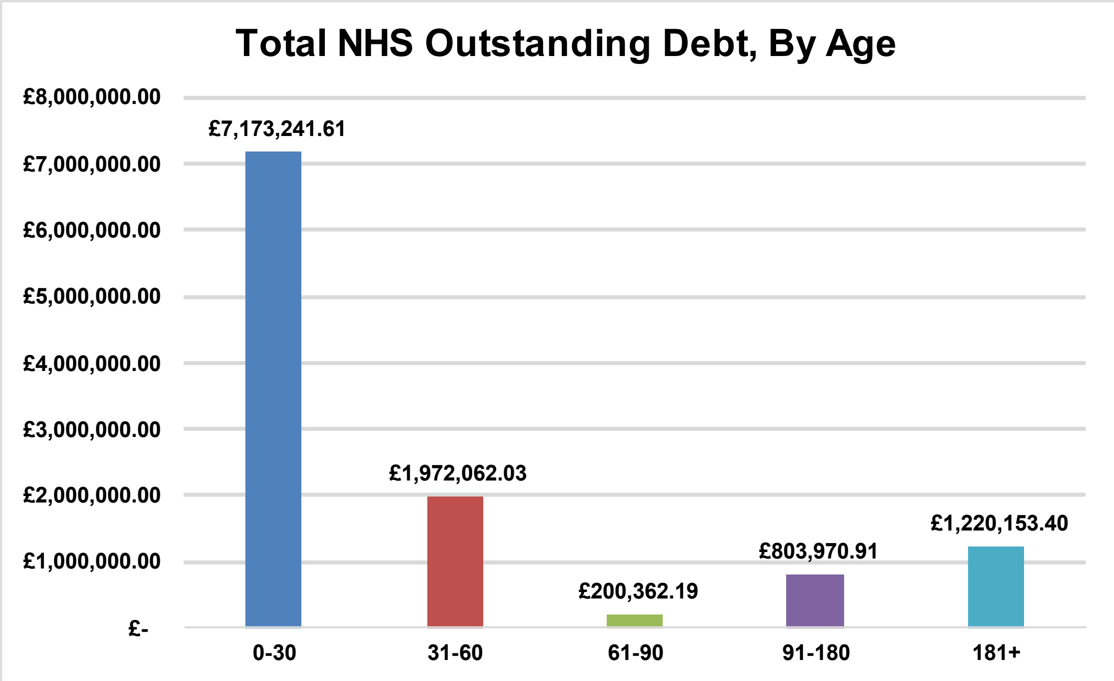
3.5 Secured debts amount to £9.38m at 31 March 2024. Within this total £2.82m relates to estate finalisation where the client has died, and the estate is in the hands of the executors.

3.6 The overall level of unsecure debt increased by £2.67m in March 2024. Of the £80.16m unsecure debt at the end of March 24; £21.03m is under 30 days, £2.15m has been referred to NPLaw, £1.14m is being paid off by regular instalments and £14.77m is awaiting estate finalisation.

3.7 The largest area of unsecure debt relates to charges for social care, £62.22m, of which £12m is under 30 days and £11.37m is debt with the Norfolk and Waveney ICB (formerly Norfolk CCG's) for shared care, Better Care Pooled Fund, continuing care and free nursing care. The overall debt with the ICB has decreased by £2.99m in March 24 and the level of ICB debt under 60 days has decreased by £1.33m whilst the level of debt over 60 days has decreased by £1.66m.

3.8 **<u>Norfolk and Waveney ICB Debt</u>**

Chart 7 below shows the debt aging profile of the remaining ICB debt 31 March 2024



The Council received the ICB net payment of £4,826,974 relating to the Historic Payables and Receivables arrangement agreed at Cabinet in September 2023. Work is now progressing between the organisations to complete the wider elements included within the agreement. This includes:

- An end to end process review of both parties collective payments processes
- A focus on recovery of newer debt
- Formal written agreements for some key areas of transactions

3.9 **Debt write-offs**: In accordance with Financial Regulations and Financial Procedures, Cabinet is required to approve the write-off of debts over £10,000. The Director of Strategic Finance approves the write-off of all debts up to £10,000. For the period of 1st April 2023 to 31st March 2024, 8 Debts over £10,000 totalling £122,025.21. There were an additional 10 debtors totalling £179,034.14 which were approved by Cabinet for write off in April 2024 and these will be actioned in due course, bringing the total debtors over £10,000 written off to £301,059.35.

3.10 Service departments are responsible for funding their debt write-offs. Before writing off any debt all appropriate credit control procedures are followed.

3.11 For the period 1 April 2023 to 29th February 2024, 421 debts less than £10,000 were approved to be written off following approval from the Director of Strategic Finance. These debts totalled £633,606.85. In addition, the Director of Strategic Finance has in March 2024 approved the write off of a further 111 debtors accounts each less than £10,000 totalling £326,128.53.

3.12 Following the agreement reached between Norfolk County Council and NHS Norfolk and Waveney ICB, Cabinet approved the write off for £2.4m.

Norfolk County Council Finance Monitoring Report 2023-24

Appendix 3: 2023-24 Capital Finance Monitoring Report

Report by the Director of Strategic Finance

1 Capital Programme 2023-27+

1.1 On 21 February 2023, the County Council agreed a 2023-24 capital programme of £351.054m with a further £605.917m allocated to future years', giving a total of £956.971m. This was based on a forecast outturn for 2022-23 of £283.583m

1.2 The Capital Programme was increased by £62.938m in March 2023 following the receipt of various sources of external funding. The bulk of this additional funding was reprofiled into 2023-24 leaving a Capital Outturn of £217.273m for 2022-23 as reported to Cabinet on 5 June 2023.

1.3 £125.940m was moved from 2022-23 into 2023-24 and future years resulting in an overall capital programme at 1 April 2023 of £1,085.104m. This prompted a review of the capital programme – Review Round 1, to address the viability of delivering a £462.690m capital programme in 2023-24. Further in-year adjustments have resulted in the capital programme shown below:

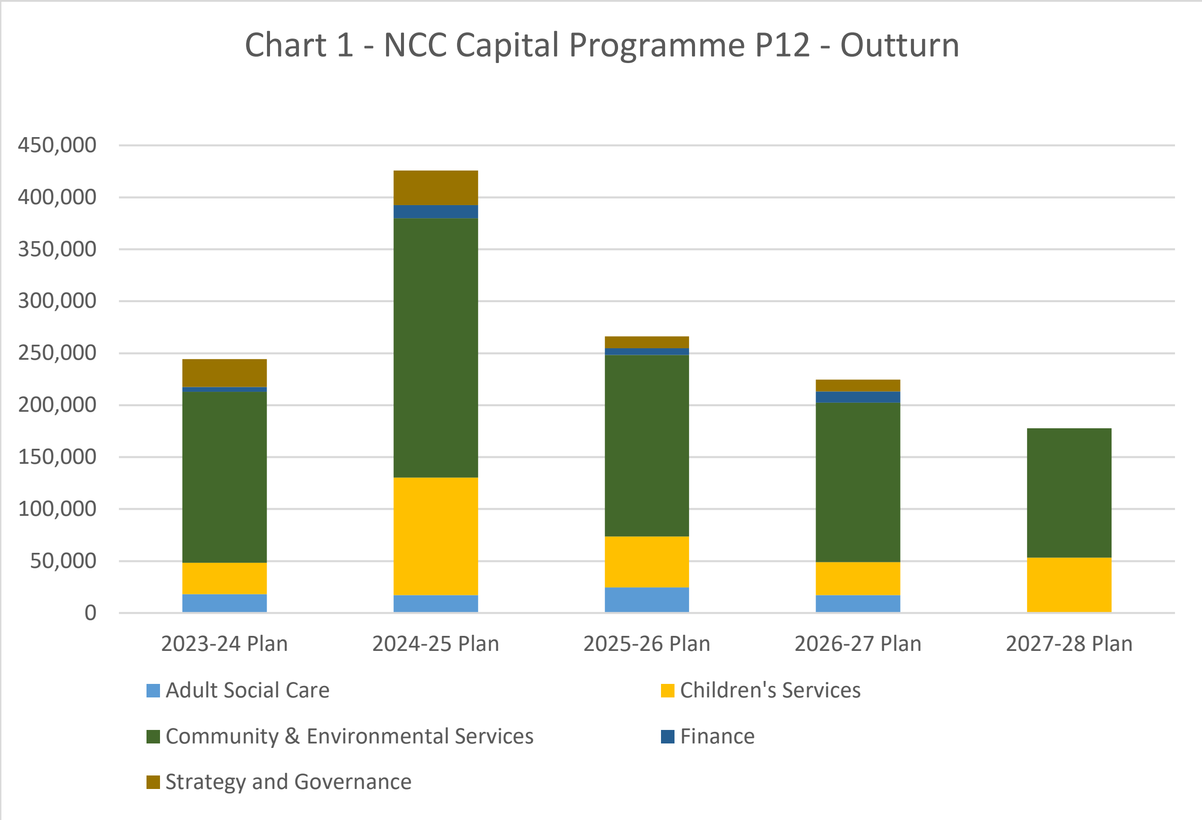
Table 1: Capital Programme budget

	2023-24 budget	Future years
	£m	**£m**
Uplifts to existing schemes approved in February 2023	1.219	4.548
New schemes approved in February 2023	13.685	20.737
Previously approved schemes brought forward	336.150	580.632
Totals in 2022-27+ Budget Book (total £956.971m)	**351.054**	**605.917**
Schemes re-profiled after budget setting (£125.940m)	109.443	16.497
New schemes approved after budget setting including new grants received	2.193	
Revised opening capital programme (total £1,085.104m)	**462.690**	**622.414**
Net Re-profiling since start of year	-261.853	261.853
Other movements including new grants and approved schemes	44.027	209.572
Total capital programme budgets (total £1,338.703m)	**244.865**	**1,093.839**

Note: this table and the tables below contain rounding differences

1.4 The P12 outturn takes into account the progress to date resulting in a net reprofiling total from 2023-24 into future years of £261.53m. The review also adjusted for changes in NCC borrowing required and updates for grant funded projects resulting in a net increase of £23.635m in P12, made up of the following changes:

- £10.495m High Needs Provision and £2.716m Basic Need Provision Capital funding uplift from the Department of Education for future years
- £1.220m S106 funding increase from interest earned for future years
- £1m uplift in NCC Capital Receipts allocation for the Adult Social Care Transformation programme in 2024-25
- £0.122m uplift in the programme for the donation of land for Blofield
- £2.5m allocation of capital receipts for the flexible use of Children's Services Transformation programme, previously approved by Cabinet in March 2024
- £0.738m external grants and £0.179 revenue and reserves funding received for Brancaster £0.637m, the Treescape Fund £0.22m and £0.064m
- £2.265m allocation of NCC Borrowing to fund the Landfill Provision
- £0.160m increase in NCC Borrowing and Revenue and Reserves contributions for County Farms and Access Road projects
- £0.064m increase in revenue and reserve contributions for Critical equipment replacement programme
- (£1.144m) reduction in various Highways projects including £1.088m NCC borrowing required for the West Winch Bypass project, £0.162m reduction in external funding for Local Highway Improvements and £0.194m reduction in S278 funding for Wymondham-Bovis.
- (£1.091m) reduction to the Castle Keep Museum external funding to be replaced by NCC borrowing and a £0.839m increase in NCC Borrowing to fund costs incurred to date
- £0.420m increase in Corporate Property funding from Capital Receipts to fund the acquisition of School House, Sedgeford
- (£0.346m) reduction in NCC Borrowing for various Corporate Property projects
- £0.316m increase in revenue and reserves contribution to the Technology Improvement programme offset by various virements and realignments of funding for Schools and Academy IT refresh programmes and a £0.044 reduction in external funding for the Local Full Fibre Network and the LoRaWan network
- £3.398m increase in rebate funding for the Better Broadband for Norfolk project
- 0.225m increase in external funding for Capital Programme Management
- £0.148m increase in NCC Borrowing to reflect the lease of the Mobile Library



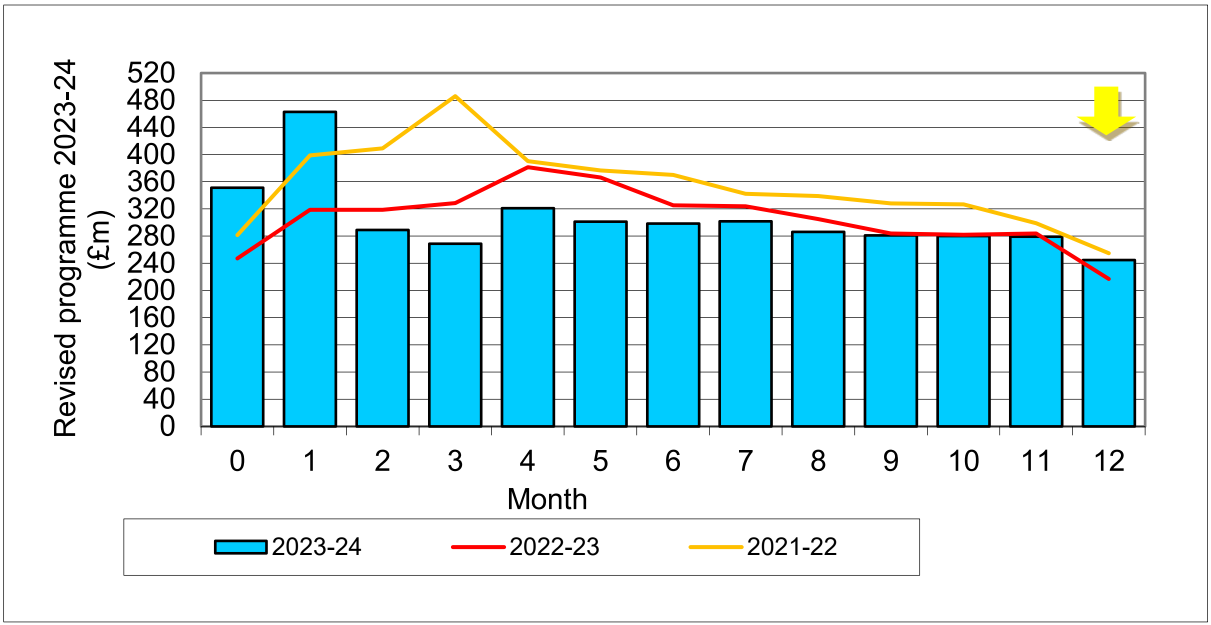
1.5 Chart 1 shows the continued reprofiling efforts to address the “spike” in 2024-25 budgets bringing it closer to the average run-rate of the Council’s annual capital programme. The outturn has resulted in a further £43.027m (16%) being reprofiled into 2024-25 in P12. Therefore the 24-25 Capital Strategy seeks to address this by further reprofiling into future years to bring the 2024-25 capital programmes down to a sustainable run rate of around £260m per annum.

1.6 The reprofiling of capital budgets reflects the Council’s endeavours to maximise the use of external capital grant funding received in 2023-24 prior to utilising NCC Borrowing. A full breakdown of these movements in capital budget is highlighted in note 1.3 and set out in Capital Annex 1 below.

Changes to the Capital Programme

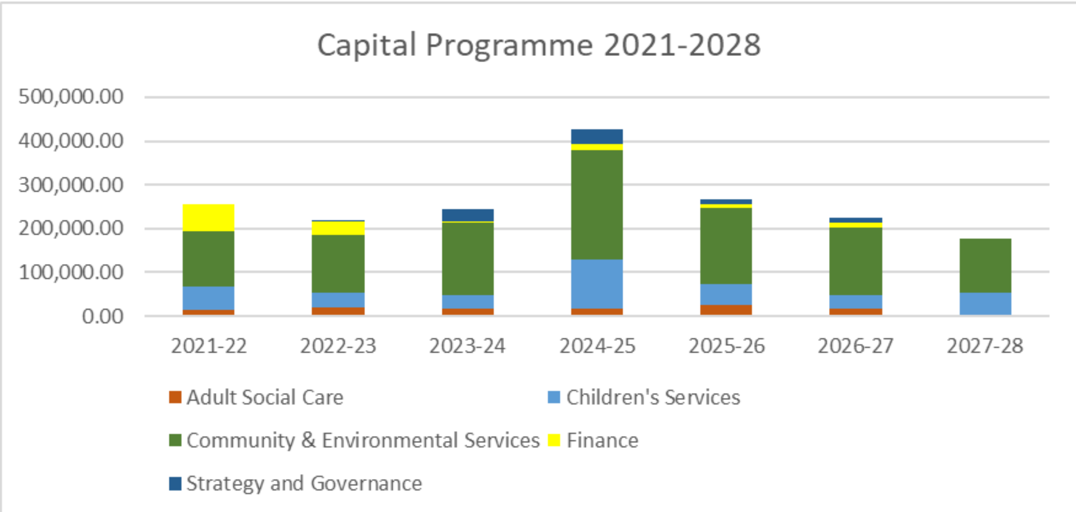
1.7 The following chart shows changes to the 2023-24 capital programme through the year. The current year capital programme is following the same trend of building up in the first half of the year as the Council receives notification of central government capital grants and then gradually settles down to a sustainable delivery level as projects are profiled and reprofiled as schemes develop.

Chart 2: Current year capital programme through 2023-24



1.8 Month “0” shows the 2023-25 capital programme at the time of budget approval, with schemes reprofiled after budget setting shown in month 1, followed by the most up to date programme. The current year programme was adjusted as additional funding was secured, and when schemes were re-profiled to future years as timings were finalised for the outturn position.

1.9 The 23-24 Capital Programme outturn of £244.465m is at a similar level to the capital programme delivered in 2021-22, but higher than the capital programme delivered in 2022-23 (£217.0m – 22-23 and £254.87m – 21-22). As a result of re-profiling from 2023-24 into future years there is a significant “hump” in 2024-25 that needs to be addressed in 2024-25.



1.10 In P12 the Council capital budgets were matched the actual expenditure incurred by projects in year resulting in the reprofiling of £43.027m into 2024-

25. The Council is in the process of reviewing its plans for 2024-28 to determine further reprofiling and ensuring viable budgets are set for future years.

1.11 The 2023-24 capital budget is as follows:

Table 2: Service capital budgets and movements 2023-24

Service	Previous reported Current Year Budget	Reprofiling since previous report	Other Changes since previous report	2023-24 latest Capital Budget
	£m	£m	£m	£m
Adult Social Care	17.267	0.870	0.000	18.137
Children's Services	36.206	-8.752	2.613	30.067
Community & Environmental Services	191.673	-28.000	0.951	164.625
Finance	3.401	1.354	0.373	5.128
Strategy & Transformation	30.741	-8.099	4.266	26.908
Total	**279.288**	-42.627	8.204	**244.865**

Note: this table may contain rounding differences.

1.12 The revised programme for future years (2024-25 to 2027-28) is as follows:

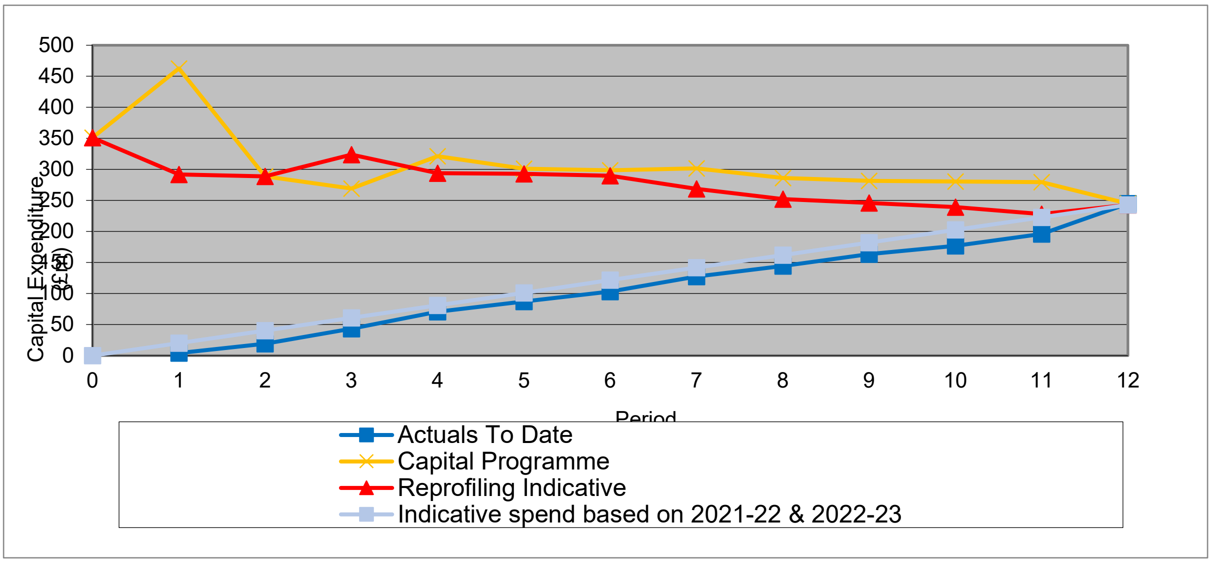
Table 3: Capital programme future years 2024+

Service	Previously reported future programme	Reprofiling since previous report	Other Changes since previous report	2024+ Future Capital Budget
	£m	£m	£m	£m
Adult Social Care	59.071	-0.870	1.000	59.201
Children's Services	223.685	8.752	14.432	246.869
Community & Environmental Services	674.618	28.000	0.000	702.617
Finance	30.666	-1.354		29.311
Strategy & Transformation	47.742	8.099	0.000	55.841
Total	**1,017.959**	**43.027**	**15.432**	**1,093.839**

Note: this table contains rounding differences

1.13 Chart 3 below shows the movement on the current year capital budget and year to date capital expenditure:

Chart 3: Actual Capital Expenditure to date



1.15 The graph shows that actual year to date capital spend was behind the forecast which was based on the opening capital programme and an indicative calculation based on previous years' expenditure. It also shows that the reprofiling of budgets to future years as the progress on projects becomes clearer. The Capital outturn for 2023-24 is £244.856m which is £22.3m higher that the P11 forecast of £222.536m

1.16 Whilst the forecast took into account the historical tendencies for capital slippage, it did not fully reflect recent inflationary cost pressures in the costs of construction, particularly in the Castle Keep refurbishment project and the major Highways projects. The Council will continue to monitor this risk and review the potential pressures on the capital programme. The impact of cost pressures on the capital programme will be an increase in reliance on NCC Borrowing to subsidise any shortfall in external funding for capital projects. There is a limit to the amount of borrowing each year that the council can financially sustain and it will need to ration the £50m borrowing target each year accordingly.

1.17 Actual expenditure in 2023-24 is as follows:

Table 4: Actual expenditure to date

Service	**Expenditure 2021-22**	**Expenditure 2022-23**	**Expenditure 2023-24**
	£m	**£m**	
Children's Services	52.379	33.210	30.067
Adult Social Care	14.817	19.501	18.137
Community & Environmental Services	126.466	131.552	164.625
Finance	61.207	32.866	5.128
Strategy and Governance		0.144	26.908
Total to date	**254.869**	**217.273**	**244.865**

The rate of capital spend has averaged approximately £18.835m per month.

The overall programme is ambitious and a significant amount of re-profiling of schemes into 2024-25 and future years has taken place in the final months of 2022-23 to reflect the actual timing of schemes.

1.18 The increased rate of spend in 2023-24, reflects the significant projects progressed through the year such as the Great Yarmouth Third River Crossing and the Castle Keep. In addition, the Council has been forecasting rising costs of construction due to 25-30% increases in construction costs which has significantly challenged the Council's purchasing power and ability to manage its cost pressures.

1.19 This has prompted the Council to proactively defer some schemes in 2023-24, particularly those funded by NCC borrowing, contributing to the £262.253m capital budgets slippage in year. There have also been delays in construction due to raw materials shortages and the fuel shortages.

Ongoing schemes include schools' improvements, the refurbishment of Norwich Castle Keep, Better Broadband and Highways capital maintenance.

2 Financing the capital programme

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

Table 4: Financing of the capital programme

Funding stream	2023-24 Programme	Future Years Forecast
	£m	£m
Prudential Borrowing	52.152	464.643
Supported Borrowing		
Use of Capital Receipts	15.438	1.001
Revenue & Reserves	2.521	3.077
Grants and Contributions:		
DfE	18.715	94.592
DfT	112.881	466.734
DoH	10.168	0.000
DLUHC	0.000	0.330
DCMS	(0.021)	0.000
DEFRA	0.442	0.059
Developer Contributions	5.429	48.745
Other Local Authorities	1.373	2.273
Local Enterprise Partnership	1.375	0.000
Community Infrastructure Levy	3.547	2.530
National Lottery	3.525	0.000

Academies		
Commercial Contributions	3.980	0.000
Business rates pool fund		
Other	13.339	10.256
Total capital programme	**244.865**	**1,094.239**

Note: this table may contain rounding differences

2.2 For the purposes of the table above, it is assumed that capital receipts will be applied to short-life assets and through the flexible use of capital receipts as set out in section 3 below and will be applied in line with the Council's Minimum Revenue Provision Statement.

2.3 Developer contributions are funding held in relation to planning applications. Section 106 (Town and Country Planning Act 1990) contributions are held in relation to specific projects: primarily schools, with smaller amounts for libraries and highways. The majority of highways developer contributions are a result of section 278 agreements (Highways Act 1980).

3 Capital Receipts

3.1 The Council's property portfolio is constantly reviewed to ensure assets are only held where necessary so that capital receipts or rental income can be generated. This in turn reduces revenue costs of the operational property portfolio.

3.2 The capital programme, approved in February 2023, gave the best estimate at that time of the value of properties available for disposal in the four years to 2026-27, totalling £18.744m.

Table 5a: Disposals capital programme forecast

Financial Year	Property sales forecast £m
2023-24	3.678
2024-25	4.640
2025-26	6.641
2026-27	3.785
	18.744

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

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

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

Capital receipts 2023-24	£m
Capital receipts reserve brought forward	21.947
Loan repayments – subsidiaries forecast for year	6.229
Loan repayments – LIF loan repayments to date	1.131

Capital receipts to date	
Capital receipts in year	6.362
Capital Receipts forecasted for asset disposals subject to contract	0
Secured capital receipts to date	**6.362**
Potential current year farms sales	0.000
Potential current year non-farms sales	0.000
Potential development property sales	0.000
Potential capital receipts	**0.000**
Forecast available capital receipts	**35.796**
Forecast use of capital receipts	
Maximum flexible use of capital receipts to support transformation costs (ASC £2.25m, Strategy & Transformation £1.571 and CS £2.5m)	6.321
Repayment of CIL supported borrowing and Capital Loans	7.360
To fund short-life assets – IT and VPE	8.198
Total Capital Receipts Utilisation	**21.879**
Capital Receipts Reserve to carry forward	13.790
Norwich Western Link Reserve	5.016
Remaining Capital Receipts Unutilised	**8.774**

3.4 The table details the capital receipts that have been secured to support the use of capital receipts to support transformation costs, short-life capital expenditure and the Norwich Western Link project, previously approved by County Council.

3.5 Further sales will contribute to the capital receipts reserve which can be used to reduce the external borrowing requirement, fund debt repayments, flexible use of capital receipts or to directly fund capital expenditure, thereby reducing the Capital Funding Requirement (CFR).

3.6 On 10 February 2021, the DLUHC announced that the flexibility granted to local authorities to utilise capital receipts to support transformation costs has been extended for a further 3 years. Table 5b includes £6.267m earmarked for this in 2023-24, of which:

- £2.25m has been utilised within the Adult Social Care Transformation Programme in P8
- £1.517m has been allocated to the Strategy & Transformation Programme in P10
- £2.5m has been utilised within the Children's Services Transformation Programme in P11

4 New capital budget in the pipeline

4.1 There are no further new capital budget adjustments proposed for the 2023-24 financial year. Any adjustments to the future years of the capital programme will be actioned in the new financial year after 1 April 2024.

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

Department	Subcommittee	Project code	Project Description	Funding Type	Sum of 23-24 reduction	Sum of 23-24 increase	Sum of Reprofile 23-24	Sum of Reprofile FY	Sum of FY movement
Adult Social Services (Dire	Adult Social Care.	SC8120	**Social Care unallocated**	External Funding			226,270	-226,270	
		SC8172	**OP Estate Transformation (Norse Care)**	External Funding			-4,000	4,000	
				Total External			**222,270**	**-222,270**	
		SC8170	**Supported Living Programme**	NCC Borrowing and Capital Receipts			10,830	-10,830	
		SC8120	**Social Care unallocated**	NCC Borrowing and Capital Receipts			136,270	-136,270	
		SC8153	**ICES Equipment**	NCC Borrowing and Capital Receipts			-1,840	1,840	
		SC8156	**Independent Living Programme**	NCC Borrowing and Capital Receipts			-800	800	
		SC8172	**OP Estate Transformation (Norse Care)**	NCC Borrowing and Capital Receipts			531,200	-531,200	
		SC8175	**ASC Transformation Programme**	NCC Borrowing and Capital Receipts					1,000,000
		SC8211	**NFR CM System**	NCC Borrowing and Capital Receipts			-28,260	28,260	
	Adult Social Care. Total			**Total Borrowing and Capital Receipts**			**647,400**	**-647,400**	**1,000,000**
Adult Social Services (Directorate) Total							**869,670**	**-869,670**	**1,000,000**
Children's Services (Direct	**Children's Services**	EC3812	**Watton Developer cont**	External Funding			18,000	-18,000	
		EC3820	**Harleston Developer cont**	External Funding			9,990	-9,990	
		EC3826	**Loddon Developer contribution**	External Funding			-36,270	36,270	
		EC4349	**CM - Blofiled Primary Masterplan**	External Funding			18,170	-18,170	
		EC4945	**Hethersett High Masterplan Refresh**	External Funding			-1,190,170	1,190,170	
		ECAPAA	**SCHOOL BASED PROJECT**	External Funding	-20,860		-119,580	119,580	
		ECAPFM	**CAPITAL FORMULA**	External Funding			597,220	-597,220	
		EC2403	**Feasibility Studies**	External Funding			-55,770	55,770	
		EC2412	**Sites 2011/12**	External Funding			-45,730	45,730	
		EC3899	**CS S106 Interest in year**	External Funding					1,220,350
		EC4142	**Looked After Children**	External Funding		11,060	-40,770	40,770	
		EC4268	**Early Years Environment**	External Funding			-10,210	10,210	
		EC4293	**AC - Academy Conversions**	External Funding			-21,830	21,830	
		EC4397	**FN - Sheringham Woodfields Sch led project**	External Funding			-1,560	1,560	
		EC4596	**AC - Gayton Primary**	External Funding			-69,910	69,910	
		EC4695	**Basic need**	External Funding			-427,200	427,200	2,716,180
		EC4719	**Children's Services SLA**	External Funding			-61,050	61,050	
		EC4746	**CS - John Grant Expansion**	External Funding			-17,490	17,490	
		EC4822	**Condition Funding**	External Funding			-497,620	497,620	
		EC4841	**CM - condition wks for BMP Schemes**	External Funding			-122,720	122,720	
		EC4845	**Swaffham New Complex Needs School**	External Funding			-660,380	660,380	
		EC4859	**AC - Ormiston Academy Costessey**	External Funding			-26,470	26,470	
		EC4862	**AC - North Lynn, Lynnsport**	External Funding			1,330	-1,330	
		EC4873	**CM-Sprowston New Primary**	External Funding			-19,360	19,360	
		EC4874	**CM - Hethersett New Primary**	External Funding			-17,640	17,640	
		EC4882	**CM - Silfield New Primary**	External Funding			-216,230	216,230	

Department	Subcommittee	Project code	Project Description	Funding Type	Sum of 23-24 reduction	Sum of 23-24 increase	Sum of Reprofile 23-24	Sum of Reprofile FY	Sum of FY movement
		EC4889	**New - North Norwich High**	External Funding			- 5,000	5,000	
		EC4893	**CM - Holt Primary**	External Funding			133,250	- 133,250	
		EC4907	**CM - Hethersett Junior Reorg**	External Funding			- 133,460	133,460	
		EC4908	**CM - Poringland Phase 3**	External Funding			- 240,280	240,280	
		EC4911	**VC - Bradwell New Primary**	External Funding			- 391,610	391,610	
		EC4913	**CS - Clare School Mobile replacement**	External Funding			- 61,850	61,850	
		EC4914	**AC - Kings Lynn Academy masterplan**	External Funding			- 407,930	407,930	
		EC4917	**Churchill Park**	External Funding			- 71,910	71,910	
		EC4920	**CM - Cringleford New Academy**	External Funding			244,030	- 244,030	
		EC4926	**CM - Loddon Junior**	External Funding			- 6,040	6,040	
		EC4931	**Urban School Design**	External Funding			- 6,820	6,820	
		EC4934	**Drake Primary SRB (SEMH)**	External Funding			- 33,150	33,150	
		EC4935	**Attleborough High Expansion**	External Funding			- 40,580	40,580	
		EC4937	**Holly Meadows Modular Replacement**	External Funding			- 41,190	41,190	
		EC4939	**Wymondham High Masterplan**	External Funding			- 118,330	118,330	
		EC4944	**White House Farm - ICT Works**	External Funding			- 8,780	8,780	
		EC4946	**Hunstanton Primary Classbase extension**	External Funding			- 160,040	160,040	
		EC4953	**Tilney St. Lawrence mobile**	External Funding			51,570	- 51,570	
		EC4957	**Decarbonisation of Schools**	External Funding			- 200,790	200,790	
		EC4959	**Hunstanton Re-Roofing**	External Funding			- 7,280	7,280	
		EC4962	**John Grant Modular Two Classbase**	External Funding			- 61,230	61,230	
		EC4964	**Stalham Childrens Centre SRB**	External Funding			- 10,750	10,750	
		EC4965	**Watton Junior SRB**	External Funding			- 60,170	60,170	
		EC4966	**Alderman Peel High SRB**	External Funding			25,080	- 25,080	
		EC4967	**Complex Needs School Great Yarmouth**	External Funding			- 28,420	28,420	
		EC4968	**Early Years BMP**	External Funding			- 50,000	50,000	
		EC4970	**Acle Academy SRB**	External Funding			25,160	- 25,160	
		EC4973	**Development of existing SRB?s**	External Funding			- 57,010	57,010	
		EC4978	**Watton Junior Academy classroom conversion?**	External Funding			- 15,460	15,460	
		EC4980	**LED Lighting Scheme**	External Funding			- 84,410	84,410	
		EC4981	**North Walsham New SRB**	External Funding			- 3,370	3,370	
		EC4983	**Sprowston Inf SRB expansion**	External Funding			- 12,310	12,310	
		EC4985	**Downham Market New ASD Special School**	External Funding			97,400	- 97,400	
		EC4987	**Special Condition surveys rolling programme**	External Funding			- 132,000	132,000	
		EC4988	**BMP5 Scheme**	External Funding			- 356,470	356,470	
		EC4989	**Reffley Academy - SRB**	External Funding			- 60,560	60,560	
		EC4990	**High Needs Provision Capital**	External Funding			- 140	140	10,495,150
		EC4992	**Manor Field Infant Internal SRB**	External Funding			- 79,810	79,810	
		EC4993	**Fred Nich Former Head Teachers House Demolitic**	External Funding			- 24,290	24,290	
		EC6001	**Aylsham Learning Federation**	External Funding			225,170	- 225,170	

Department	Subcommittee	Project code	Project Description	Funding Type	Sum of 23-24 reduction	Sum of 23-24 increase	Sum of Reprofile 23-24	Sum of Reprofile FY	Sum of FY movement
		EC6002	**Bluebell SRB**	External Funding			- 34,440	34,440	
		EC6003	**Ormesby Junior Internal Alterations**	External Funding			- 93,070	93,070	
		EC6006	**Oil leak investigations**	External Funding			- 10,000	10,000	
		EC6008	**Hempnall Primary - SRB**	External Funding			- 34,490	34,490	
		EC6009	**Redcastle Family School - SRB**	External Funding			- 45,500	45,500	
		EC6010	**Falcon Junior - SRB**	External Funding			- 95,810	95,810	
		EC6011	**Lionwood Infant - SRB**	External Funding			- 31,390	31,390	
		EC6012	**Lionwood Junior - SRB**	External Funding			- 46,450	46,450	
		EC6013	**St. Williams Primary - SRB**	External Funding			- 11,190	11,190	
		EC6014	**Toftwood Junior - SRB**	External Funding			- 11,780	11,780	
		EC6015	**Sprowston Junior - SRB**	External Funding			- 9,820	9,820	
		EC6016	**Winterton Primary Academy - SRB**	External Funding			- 6,130	6,130	
		EC6017	**Holly Meadows Primary - SRB**	External Funding			- 32,280	32,280	
		EC6018	**Kenninghall Primary - SRB**	External Funding			- 50,000	50,000	
		EC6019	**Necton Primary - SRB**	External Funding			- 12,530	12,530	
		EC6020	**The Bridge School outside play equipment**	External Funding			- 20,000	20,000	
		EC6021	**Condition Windows and Doors**	External Funding			- 100,000	100,000	
		EC6022	**Chapel Green Hydrotherapy Pool Maintenance**	External Funding			- 13,660	13,660	
		EC6023	**Roydon Primary School - SRB**	External Funding			- 8,150	8,150	
		EC6024	**Fred Nicholson 6th Form Remodelling**	External Funding			- 50,000	50,000	
		EC6025	**Downham Market Academy Trust Lead Expansion**	External Funding			190,480	- 190,480	
		EC6026	**Kings Park Infant Academy - SRB**	External Funding			- 12,070	12,070	
		EC6027	**Edward Worlledge Academy SRB**	External Funding			- 39,260	39,260	
		EC6047	**Watton Junior S106 Classrooms Academy**	External Funding			1,560	- 1,560	
		ECAPDV	**DEVELOPER CONTRIBUTIONS**	External Funding			- 18,740	18,740	
		ECAPFE	**CAP FURNITURE & EQUIPMENT**	External Funding			- 38,080	38,080	
		EC6049	**Blofield Donated Asset**	External Funding		122,000			
				Total External Funding	**- 20,860**	**133,060**	**- 5,815,830**	**5,815,830**	**14,431,680**
		ECAPAA	**SCHOOL BASED PROJECT**	NCC Borrowing and Capital Receipts			- 577,590	577,590	
		EC4142	**Looked After Children**	NCC Borrowing and Capital Receipts			- 53,380	53,380	
		EC4279	**CS Sufficiency Strategy**	NCC Borrowing and Capital Receipts			- 128,380	128,380	
		EC4422	**Easton Land Acquisition**	NCC Borrowing and Capital Receipts			- 1,200	1,200	
		EC4660	**COMPUTERS FOR PUPILS**	NCC Borrowing and Capital Receipts			- 7,460	7,460	
		EC4695	**Basic need**	NCC Borrowing and Capital Receipts			- 617,030	617,030	
		EC4729	**AC - Greyfriars Academy SRB**	NCC Borrowing and Capital Receipts			- 37,570	37,570	
		EC4745	**CS-Great Yarmouth SEMH School**	NCC Borrowing and Capital Receipts			- 40	40	
		EC4747	**CM - SEND**	NCC Borrowing and Capital Receipts			- 388,530	388,530	
		EC4758	**Temp Classroom Movements**	NCC Borrowing and Capital Receipts			- 59,570	59,570	
		EC4822	**Condition Funding**	NCC Borrowing and Capital Receipts			- 65,780	65,780	
		EC4850	**Solo Dual SEND Residential Homes**	NCC Borrowing and Capital Receipts			- 19,810	19,810	

Department	Subcommittee	Project code	Project Description	Funding Type	Sum of 23-24 reduction	Sum of 23-24 increase	Sum of Reprofile 23-24	Sum of Reprofile FY	Sum of FY movement
		EC4913	**CS - Clare School Mobile replacement**	NCC Borrowing and Capital Receipts			- 181,010	181,010	
		EC4915	**CS - Sidestrand Hall Mobile replacement**	NCC Borrowing and Capital Receipts			- 510	510	
		EC4917	**Churchill Park**	NCC Borrowing and Capital Receipts			- 60,000	60,000	
		EC4924	**Springwood CWD LAC residential**	NCC Borrowing and Capital Receipts			- 38,120	38,120	
		EC4928	**Fire Risk Assessment**	NCC Borrowing and Capital Receipts			- 7,580	7,580	
		EC4932	**SEND Children's Homes provision**	NCC Borrowing and Capital Receipts			- 50,000	50,000	
		EC4937	**Holly Meadows Modular Replacement**	NCC Borrowing and Capital Receipts			- 28,620	28,620	
		EC4940	**Redcastle heating pipes**	NCC Borrowing and Capital Receipts			- 3,280	3,280	
		EC4948	**Millfield SRB expansion**	NCC Borrowing and Capital Receipts			- 220	220	
		EC4950	**Edmund de Moundeford Primary**	NCC Borrowing and Capital Receipts			- 64,900	64,900	
		EC4954	**St. Mary's, Beetley modular replacement**	NCC Borrowing and Capital Receipts			- 42,630	42,630	
		EC4958	**Swaffham SEN Land**	NCC Borrowing and Capital Receipts			- 216,540	216,540	
		EC4960	**Sheringham Woodfield expansion**	NCC Borrowing and Capital Receipts			- 5,870	5,870	
		EC4964	**Stalham Childrens Centre SRB**	NCC Borrowing and Capital Receipts			- 46,460	46,460	
		EC4967	**Complex Needs School Great Yarmouth**	NCC Borrowing and Capital Receipts			- 17,790	17,790	
		EC4973	**Development of existing SRB?s**	NCC Borrowing and Capital Receipts			- 10,000	10,000	
		EC4982	**Sheringham Woodfields Land Acquisition**	NCC Borrowing and Capital Receipts			- 94,230	94,230	
		EC4995	**CM - Hubs New Road Implemetation**	NCC Borrowing and Capital Receipts			- 37,610	37,610	
		EC4998	**CS Transformation Programme**	NCC Borrowing and Capital Receipts		2,500,000			
		EC4999	**CM - Retaining Children's Centres**	NCC Borrowing and Capital Receipts			- 42,610	42,610	
		EC6007	**Safety Valves SRB's**	NCC Borrowing and Capital Receipts			- 30,220	30,220	
		EC6040	**Secondary AP Dereham**	NCC Borrowing and Capital Receipts			- 1,670	1,670	
		EC6041	**Secondary AP Stalham**	NCC Borrowing and Capital Receipts			20,050	- 20,050	
		EC6042	**Secondary AP Attleborough**	NCC Borrowing and Capital Receipts			9,460	- 9,460	
		ECAPDC	**VA SCH BASED CAPITAL PROJ**	NCC Borrowing and Capital Receipts			- 29,710	29,710	
				Total Borrowing and Capital Receipt	**-**	**2,500,000**	**- 2,936,410**	**2,936,410**	**-**
		ECAPAA	**SCHOOL BASED PROJECT**	Revenue and Reserves	- 760				
		ECAPDC	**VA SCH BASED CAPITAL PROJ**	Revenue and Reserves		1,710			
	Children's Services Total			**Total Revenue and Reserves**	**- 760**	**1,710**	**-**	**-**	**-**
Children's Services (Directorate) Total					**- 21,620**	**2,634,770**	**- 8,752,240**	**8,752,240**	**14,431,680**
Community & Environmen	**Environment**	PQ7016	**1 Million Trees**	External Funding			- 23,850	23,850	
		PQ7010	**Natural Capital**	External Funding		1,360			
		PQ7011	**Planning and Advice**	External Funding		26,810			
		PQ7018	**Local Authority Treescape Fund**	External Funding		216,290	- 19,440	19,440	
		PQ7021	**eCargo Bike Library for Business**	External Funding			- 55,660	55,660	
		PQ7022	**Brancaster**	External Funding		493,300			
				Total External Funding		**737,760**	**- 98,950**	**98,950**	

Department	Subcommittee	Project code	Project Description	Funding Type	Sum of 23-24 reduction	Sum of 23-24 increase	Sum of Reprofile 23-24	Sum of Reprofile FY	Sum of FY movement
		PQ7009	**Capital Maintenance Fund**	NCC Borrowing and Capital Receipts			36,280	- 36,280	
		PQ7016	**1 Million Trees**	NCC Borrowing and Capital Receipts			- 375,490	375,490	
		PQ7000	**Greenways to Greenspaces**	NCC Borrowing and Capital Receipts			- 72,130	72,130	
		PQ7003	**Tree Safety**	NCC Borrowing and Capital Receipts			- 22,410	22,410	
		PQ7004	**Experience Targetted Tourism**	NCC Borrowing and Capital Receipts			- 480	480	
		PQ7005	**Environmental Policy**	NCC Borrowing and Capital Receipts			- 20,310	20,310	
		PQ7006	**Gressenhall Access to Nature**	NCC Borrowing and Capital Receipts			- 236,770	236,770	
		PQ7007	**Data Management-Natural Norfolk Environment I**	NCC Borrowing and Capital Receipts			- 47,970	47,970	
		PQ7008	**Norfolk Windmills Trust - Review**	NCC Borrowing and Capital Receipts			- 48,000	48,000	
		PQ7010	**Natural Capital**	NCC Borrowing and Capital Receipts			- 214,800	214,800	
		PQ7011	**Planning and Advice**	NCC Borrowing and Capital Receipts			- 48,470	48,470	
		PQ7012	**HER Planning & Advice**	NCC Borrowing and Capital Receipts			- 4,420	4,420	
		PQ7015	**Jubilee Trails**	NCC Borrowing and Capital Receipts			- 444,240	444,240	
				Total Borrowing and Capital Receipts			**- 1,499,210**	**1,499,210**	
		PQ7016	**1 Million Trees**	Revenue and Reserves		35,440			
		PQ7022	**Brancaster**	Revenue and Reserves		143,910			
				Total Revenue and Reserves		**179,350**			
	Environment Total					**917,110**	**- 1,598,160**	**1,598,160**	
	Highways	PAA003	**PAA003 : Norwich - Transforming Cities bid**	External Funding			- 1,528,770	1,528,770	
		PBA026	**PBA026 : Countywide ZETC Business Case - Bus Inf**	External Funding			- 4,460	4,460	
		PBA036	**PBA036 : Countywide BSIP Programme Resources**	External Funding			- 301,140	301,140	
		PJA059	**PJA059 : West Winch, A10 Main Road**	External Funding		30			
		PK5090	**PK5090 : Costessey Longwater Lane/Dereham Roa**	External Funding			- 176,060	176,060	
		PKA024	**PKA024 : Long Stratton - Long Stratton Bypass**	External Funding			- 1,338,190	1,338,190	
		PKA132	**PKA132 : Countywide Local Electric Vehicle Infrast**	External Funding			- 47,780	47,780	
		PM9999	**PM9999 : Other Highways Schemes Budget & Fore**	External Funding	- 4,726,970				
		PRA016	**PRA016 : S278 HADBA RNGC A1067 - Persimmon 9,**	External Funding		120			
		PBA025	**PBA025 : Norwich ZEBRA - Bus Infrastructure Sche**	External Funding			573,990	- 573,990	
		PKA018	**PKA018 : GT YARM THIRD RIVER XING**	External Funding			- 320	320	
		PKA069	**PKA069 : King's Lynn, Southgates Roundabout Stu**	External Funding			217,490	- 217,490	
		PKA122	**PKA122 : Gt Yarmouth, Harfreys Roundabout Impr**	External Funding			- 119,440	119,440	
		PKA123	**PKA123 : Countywide Active Travel Fund 3**	External Funding			16,800	- 16,800	
		PKA131	**PKA131 : Countywide Active Travel Fund 4**	External Funding			- 205,390	205,390	
		PEA063	**PEA063 : Kings Lynn Old Meadow Rd -Upgrade sha**	External Funding	- 377,090				
		PF3041	**PF3041 : Local Highway Improvement**	External Funding	- 162,030				
		PHA026	**PHA026 : Gt Yarmouth, Nottingham Way Ped Xing**	External Funding		20			
		PHA059	**PHA059 : Trowse Rail Underpass Feasibility Study**	External Funding	- 118,500				
		PJA084	**PJA084 : Norwich, Sprowston Rd (Magdalen Rd-De**	External Funding		50,020			
		PJA113	**PJA113 : Colney Watton Road Healthshare Sign**	External Funding		130			
		PKA096	**PKA096 : Attleborough, Station Road**	External Funding		20			
		PM4374	**PM4374 : SOUTH AREA C ROAD**	External Funding		15,180			
		PMB282	**PMB282 : Great Yarmouth, Hawthorne Road**	External Funding		30			
		PRA023	**PRA023 : S278 HADBA Wymondham - Bovis 9/7/11**	External Funding	- 194,360				
				Total External Funding	**- 5,578,950**	**65,550**	**- 2,913,270**	**2,913,270**	-

Department	Subcommittee	Project code	Project Description	Funding Type	Sum of 23-24 reduction	Sum of 23-24 increase	Sum of Reprofile 23-24	Sum of Reprofile FY	Sum of FY movement
		PGA066	**PGA066 : Countywide ANoC11 - Countywide LED r**	NCC Borrowing and Capital Receipts			- 1,614,420	1,614,420	
		PK1002	**PK1002 : Ringland A47-A1067 Western Link Road**	NCC Borrowing and Capital Receipts		532,660	- 5,522,000	5,522,000	
		PLA941	**PLA941 : West Winch Main Road - Ped Crossing**	NCC Borrowing and Capital Receipts			- 251,700	251,700	
		PM9999	**PM9999 : Other Highways Schemes Budget & Fore**	NCC Borrowing and Capital Receipts	- 1,826,780		- 1,527,010	1,527,010	
		PMB389	**PMB389 : Additional Surface Dressing funding fro**	NCC Borrowing and Capital Receipts			- 1,588,160	1,588,160	
		PN9999	**PN9999 : Default Project code for CES schemes**	NCC Borrowing and Capital Receipts			- 171,830	171,830	
		PKA018	**PKA018 : GT YARM THIRD RIVER XING**	NCC Borrowing and Capital Receipts			- 115,550	115,550	
		P00008	**P00008 : New Weigh Bridges**	NCC Borrowing and Capital Receipts			- 8,810	8,810	
		P00010	**P00010 : Weather Station**	NCC Borrowing and Capital Receipts			- 79,010	79,010	
		P00011	**P00011 : Highways Depot Improvements**	NCC Borrowing and Capital Receipts			- 113,840	113,840	
		PGA061	**PGA061 : Caister on Sea Caister bypass Local Safet**	NCC Borrowing and Capital Receipts			- 34,790	34,790	
		PKA015	**PKA015 : Stradsett A1122/A134 Junction Improver**	NCC Borrowing and Capital Receipts			- 33,780	33,780	
		PKA021	**PKA021 : West Winch Bypass - Local Road Scheme**	NCC Borrowing and Capital Receipts			680,000	- 680,000	
		PMA202	**PMA202 : Strumpshaw, Norwich Road - Drainage**	NCC Borrowing and Capital Receipts			- 329,050	329,050	
		PMA259	**PMA259 : North Walsham - Market Town Drainage**	NCC Borrowing and Capital Receipts			- 225,380	225,380	
		PMB172	**PMB172 : Nch, Bracondale/King St - traffic signal r**	NCC Borrowing and Capital Receipts			- 9,780	9,780	
		PMB380	**PMB380 : Countywide - Mileage Capital 21-22 - Re**	NCC Borrowing and Capital Receipts			- 30	30	
		PMB383	**PMB383 : Countywide - Ash Dieback**	NCC Borrowing and Capital Receipts			79,290	- 79,290	
		PMB536	**PMB536 : Countywide, Highway Bus Sup - Resurfa**	NCC Borrowing and Capital Receipts			- 110,110	110,110	
		PT6000	**PT6000 : Norwich Bus Station - Roof Replacement**	NCC Borrowing and Capital Receipts			- 5,020	5,020	
				Total Borrowing and Capital Receipt	**- 1,826,780**	**532,660**	**- 10,980,980**	**10,980,980**	**-**
		PKA024	**PKA024 : Long Stratton - Long Stratton Bypass**	NCC Temporary borrowing		3,830,530	350,960	- 350,960	
		PM9999	**PM9999 : Other Highways Schemes Budget & Fore**	NCC Temporary borrowing		1,826,780			
		PKA021	**PKA021 : West Winch Bypass - Local Road Scheme**	NCC Temporary borrowing	- 1,088,850		- 2,711,150	2,711,150	
				Total Temporary Borrowing	**- 1,088,850**	**5,657,310**	**- 2,360,190**	**2,360,190**	
		PEA077	**PEA077 : Norwich Citywide Cargo Bike Access Aud**	Revenue and Reserves		1,660			
		PGA075	**PGA075 : Countywide VAS Replacements**	Revenue and Reserves	- 23,360				
		PJA097	**PJA097 : Norwich Christchurch Rd - Traffic Manage**	Revenue and Reserves		4,530			
		PK1002	**PK1002 : Ringland A47-A1067 Western Link Road**	Revenue and Reserves		698,170			
		PLA941	**PLA941 : West Winch Main Road - Ped Crossing**	Revenue and Reserves	- 32,400				
		PJA087	**PJA087 : Old Hunstanton - Side Streets TRO/speec**	Revenue and Reserves		2,340	19,400	- 19,400	
		PM4374	**PM4374 : SOUTH AREA C ROAD**	Revenue and Reserves		151,050			
		PJA062	**PJA062 : Trowse Newton, The Street/Devon Way**	Revenue and Reserves	- 6,960				
		PJA105	**PJA105 : Alexandra Rd Area Restricted Zone Exper**	Revenue and Reserves	- 9,870				
		PJA118	**PJA118 : Brancaster & Brancaster Staithe CPE/TRO**	Revenue and Reserves	- 10,000				
		PJA119	**PJA119 : Cringleford Colney Ln Instal Pay & Displa**	Revenue and Reserves	- 10,000				
		PLB100	**PLB100 : Bradwell 3schools Advisory 20mph wig w**	Revenue and Reserves		17,840			
		PLB101	**PLB101 : Gt Yarmth Magdalen sqre Waiting restric**	Revenue and Reserves		4,280			
		PLB102	**PLB102 : Gt Yarmth Magdalen Connaught Ave Wai**	Revenue and Reserves		2,750			
		PLB103	**PLB103 : Gt Yrmth Grlstn Advisory 20mph with wig**	Revenue and Reserves		7,520			
		PRA010	**PRA010 : S278 Cromer Road, Hunstanton - Bennett**	Revenue and Reserves		160			
				Total Revenue and Reserves	**- 92,590**	**890,300**	**19,400**	**- 19,400**	**-**
	Highways Total				**- 8,587,170**	**7,145,820**	**- 16,235,040**	**16,235,040**	**-**

Department	Subcommittee	Project code	Project Description	Funding Type	Sum of 23-24 reduction	Sum of 23-24 increase	Sum of Reprofile 23-24	Sum of Reprofile FY	Sum of FY movement
	Libraries	LL0675	S106 Long Lane, S H Cross POR	External Funding			-100	100	
		LL0681	S106 George Lane, Loddon LOD	External Funding			-850	850	
		LL0705	S106 Brandon Road, Swaffham SWA	External Funding			-17,780	17,780	
		LL0726	S106 White House Farm, Blue Boar Ln, Sprowston	External Funding			-10,760	10,760	
		LL0734	S106 School Grounds, Sewell Park College Nwch N	External Funding			-180	180	
		LL0737	S106 Former Gas Works, 115 Bury Rd, Thetford TH	External Funding			300	-300	
		LL0738	S106 Hillgate Nurseries, Downham Mkt DOW:MO	External Funding			-20	20	
		LL0739	S106 Bramcote Hse, Lynn Rd, Stoke Ferry DOW:M(	External Funding			-20	20	
		LL0742	S106 Land at Mundesley Rd, Overstrand CRO	External Funding			-320	320	
		LL0745	S106 Three Score Care Village (Phase2) NML	External Funding			-6,600	6,600	
		LL0746	S106 Lodge Farm, Dereham Road, Costessey. COS	External Funding			-930	930	
		LL0758	S106 Priory Cresent Binham	External Funding			-200	200	
		LL0774	S106 Land to the South of Kings Drive, Bradwell	External Funding			-90	90	
		LL0776	S106 Cedar Rise, Mattishall	External Funding			-2,110	2,110	
		LL0780	S106 Oak Tree Caravan Park, Attleborough	External Funding			-3,520	3,520	
		LL0784	S106 Brick Kiln Farm, Roudham Stile Lane Fakenha	External Funding			2,820	-2,820	
		LL0787	S106 West Octagon Farm, Bungay Road, Bixley	External Funding			850	-850	
		LL0788	S106 Cromer Road/Grove Lane, Holt (Site b)	External Funding			-280	280	
		LL0798	S106 London Rd/Hillsend Rd, Attleborough	External Funding			-12,390	12,390	
		LL0806	S106 Church Field, Hoveton, WRO	External Funding			-120	120	
		LL0807	S106 Cromer Road/Grove Lane, Holt (Site c)	External Funding			-610	610	
		LL0812	S106 Kerrison Road - Riverside Site	External Funding			-13,750	13,750	
		LL0814	S106 Land off Dereham Road, Mattishall, EDE	External Funding			-4,070	4,070	
		LL0821	S106 Thetford Road, Watton. WAT	External Funding			-14,360	14,360	
		LL0823	S106 Foxley Park, Westfield Road, Dereham, EDE	External Funding			-8,970	8,970	
		LL0825	S106 Repps Road (north of), Martham. MAR	External Funding			-1,300	1,300	
		LL0828	S106 Land north of Norwich Road, Watton. WAT	External Funding			-3,700	3,700	
		LL0830	S106 Norwich Road, Swaffham. SWA	External Funding			-3,880	3,880	
		LL0833	S106 FormerClaydonHighSchool, BecclesRd/Burgh	External Funding			-30	30	
		LL0837	S106 Former Grampian Food Site, Buckenham Rd,	External Funding			2,570	-2,570	
		LL0839	S106 Land at Greenfields Road, Dereham. EDE	External Funding			-24,150	24,150	
		LL0843	S106 Land west of Etling View, Dereham. EDE	External Funding			-4,330	4,330	
		LL1040	Library Building Improvements	External Funding			-53,120	53,120	
							-182,000	182,000	
		LL1037	Library Book Stock	NCC Borrowing and Capital Receipts			-11,180	11,180	
		LL1056	Creation of meeting room space for hire	NCC Borrowing and Capital Receipts			18,580	-18,580	
		LL1060	Electric Mini-Mobile	NCC Borrowing and Capital Receipts			-108,290	108,290	
				Total Borrowing and Capital Receipts			-100,890	100,890	
	Libraries Total						-282,890	282,890	

Department	Subcommittee	Project code	Project Description	Funding Type	Sum of 23-24 reduction	Sum of 23-24 increase	Sum of Reprofile 23-24	Sum of Reprofile FY	Sum of FY movement
	Waste	PQ3002	**KINGS LYNN HWRC IMPROVE**	External Funding			- 40,100	40,100	
		PQ3032	**LPSA - WASTE MINIMISATION**	External Funding			- 2,640	2,640	
				Total External Funding			**- 42,740**	**42,740**	
		PQ3034	**H W R C Equip And Vehicle**	NCC Borrowing and Capital Receipts			- 37,240	37,240	
		PQ3036	**HWRC - Mid All Corridor**	NCC Borrowing and Capital Receipts			215,030	- 215,030	
		PQ3038	**HWRC Sheringham Improvements**	NCC Borrowing and Capital Receipts			- 106,440	106,440	
		PQ3040	**Caister Transfer Station**	NCC Borrowing and Capital Receipts			- 652,110	652,110	
		PQ3041	**Kings Lynn Transfer Station**	NCC Borrowing and Capital Receipts			- 237,110	237,110	
		PQ3042	**Recycling Centre Site Equipment**	NCC Borrowing and Capital Receipts			- 94,710	94,710	
		PQ3043	**North Walsham Recycling Centre**	NCC Borrowing and Capital Receipts			- 8,330	8,330	
			Landfill Adjustment	NCC Borrowing and Capital Receipts		2,265,190			
				Total Borrowing and Capital Receipts		**2,265,190**	**- 920,910**	**920,910**	
		PQ3035	**Replacement HWRC Norwich**	Revenue and Reserves		1,090			
		PQ3037	**HWRC North A11/South Norwich**	Revenue and Reserves		170			
				Total Revenue and Reserves		**1,260**			
	Waste Total					**2,266,450**	**- 963,650**	**963,650**	
	Adult Learning	LA9007	**Wensum Lodge Development**	NCC Borrowing and Capital Receipts			15,120	- 15,120	
	Adult Learning Total						**15,120**	**- 15,120**	
	Communities and Customer Se	PQ6003	**Social Infrastructure Fund**	NCC Borrowing and Capital Receipts			- 68,020	68,020	
	Communities and Customer Services Total						**- 68,020**	**68,020**	
	County Farms	CB0051	**Land Drainage Schemes**	NCC Borrowing and Capital Receipts			- 282,860	282,860	
		CB0075	**Stow - Hill & Poplar Farm - Roadway Construction**	NCC Borrowing and Capital Receipts			- 1,500	1,500	
		CB0079	**Burlingham - Newport Farm - New GP Building**	NCC Borrowing and Capital Receipts			- 14,460	14,460	
		CB0085	**Nordelph - Straw Hall - New GP Building**	NCC Borrowing and Capital Receipts			- 121,390	121,390	
		CB0086	**Outwell - Mendham Farm - New GP Building**	NCC Borrowing and Capital Receipts			- 7,350	7,350	
		CB0088	**Stow - Newlings Farm - New GP Building**	NCC Borrowing and Capital Receipts			- 25,290	25,290	
		CB0089	**Terrington - FH Fern Farm - New GP Building**	NCC Borrowing and Capital Receipts			- 18,180	18,180	
		CB0090	**Terrington - GM Greenmarsh - New GP Building**	NCC Borrowing and Capital Receipts			- 14,770	14,770	
		CB0091	**Thurne - Abbey Farm - New GP Buiilding**	NCC Borrowing and Capital Receipts			- 14,700	14,700	
		CB0092	**Burlingham - Harefen Farm - New GP Building**	NCC Borrowing and Capital Receipts			- 13,230	13,230	
		CB0099	**Mautby - Paston Fram - Concreting**	NCC Borrowing and Capital Receipts			- 35,340	35,340	
		CB0102	**Stow & Marshland - New Road Farm - House Refu**	NCC Borrowing and Capital Receipts			- 83,400	83,400	
		CB0104	**Septic Tank Replacement Schemes**	NCC Borrowing and Capital Receipts			- 12,990	12,990	
		CB0107	**Hilgay Fen & Ten Mile Bank - New Access Tank**	NCC Borrowing and Capital Receipts			- 1,430	1,430	
		CB0109	**Stow & Marshland - White City Road - Roadway Ir**	NCC Borrowing and Capital Receipts			- 2,760	2,760	
		CB0112	**Haddiscoe - Clinks Care Farm - Cattle Barn**	NCC Borrowing and Capital Receipts			- 24,260	24,260	
		CB0113	**Nordelph - Neatmoor Hall - Fendale Fm - Concreti**	NCC Borrowing and Capital Receipts			- 1,100	1,100	

Department	Subcommittee	Project code	Project Description	Funding Type	Sum of 23-24 reduction	Sum of 23-24 increase	Sum of Reprofile 23-24	Sum of Reprofile FY	Sum of FY movement
		CB0115	**Asbestos Removal**	NCC Borrowing and Capital Receipts			- 2,730	2,730	
		CB0116	**Mautby - Upper Wood Farm - Concreting**	NCC Borrowing and Capital Receipts			- 3,060	3,060	
		CB0117	**Burlingham - Harefen Farm - Extension to House**	NCC Borrowing and Capital Receipts			- 17,680	17,680	
		CB0118	**Outwell - Menham Farm - House Refurb & Extn**	NCC Borrowing and Capital Receipts			- 23,450	23,450	
		CB0120	**County Farms Statutory Compliance**	NCC Borrowing and Capital Receipts			- 150,000	150,000	
		CB0121	**Outwell Est-Acquis Land Pingle Bridge-Sieley Trus**	NCC Borrowing and Capital Receipts			- 1,090	1,090	
		CB0123	**Yard Concreting**	NCC Borrowing and Capital Receipts			- 167,410	167,410	
		CB0124	**Agricultural Building Construction**	NCC Borrowing and Capital Receipts			- 32,160	32,160	
		CB0125	**Access Roads Constructions**	NCC Borrowing and Capital Receipts			- 332,290	332,290	
		CB0126	**Farmhouse Refurbishments**	NCC Borrowing and Capital Receipts			- 307,860	307,860	
		CB0127	**Rplacement Fossil Fuel Heating Systems**	NCC Borrowing and Capital Receipts			- 152,020	152,020	
		CB0128	**Statutory Protected Asset Maintenance**	NCC Borrowing and Capital Receipts			- 114,620	114,620	
		CB0129	**Estate Developments**	NCC Borrowing and Capital Receipts			385,100	- 385,100	
		CB0130	**Creek Farm Bridge Repalcement**	NCC Borrowing and Capital Receipts			- 100,000	100,000	
		CB1000	**County Farms: Unallocated funding**	NCC Borrowing and Capital Receipts		92,180	- 3,030	3,030	
				Total Ncc Borowing and Captial Rece	**-**	**92,180**	**- 1,697,310**	**1,697,310**	**-**
		CB0125	**Access Roads Constructions**	Revenue and Reserves		67,840			
				Total Revenue and Reserves		**67,840**			
	County Farms Total					**160,020**	**- 1,697,310**	**1,697,310**	
	Fire	CF0380	**MTFA equipment HO grant**	External Funding			- 20,680	20,680	
				Total External			**- 20,680**	**20,680**	
		CF0208	**Real Fire Traing Unit**	NCC Borrowing and Capital Receipts			- 11,550	11,550	
		CF0221	**Equalities Improvements to on call fire stations**	NCC Borrowing and Capital Receipts			- 44,750	44,750	
		CF0386	**NFRS Compressor Room Maintenance**	NCC Borrowing and Capital Receipts			- 146,200	146,200	
		CF0387	**Thetford FS maintenance**	NCC Borrowing and Capital Receipts			- 448,970	448,970	
		CF0388	**West Walton FS maintenance**	NCC Borrowing and Capital Receipts			- 50,510	50,510	
		CF0390	**Fire Portable cabin/office**	NCC Borrowing and Capital Receipts			- 16,140	16,140	
		CF0393	**Sprowston FS - Accessibility**	NCC Borrowing and Capital Receipts			- 1,600	1,600	
		CF0397	**Emergency response Vehicles- Replacing Lease V**	NCC Borrowing and Capital Receipts			- 250,000	250,000	
		CF0400	**Replacement Operational Support Van**	NCC Borrowing and Capital Receipts			- 40,000	40,000	
		CF0506	**Fire vehicle replacement program.**	NCC Borrowing and Capital Receipts			- 1,187,130	1,187,130	
		CF0507	**Critical equipt replacement program.**	NCC Borrowing and Capital Receipts			- 247,440	247,440	
		CF0511	**Fire Cadet Uniforms**	NCC Borrowing and Capital Receipts			- 8,300	8,300	
				Total Borrowing and Capital Receipts			**- 2,452,590**	**2,452,590**	
		CF0507	**Critical equipt replacement program.**	Revenue and Reserves		64,140			
				Total Revenue and Reserves		**64,140**			
	Fire Total					**64,140**	**- 2,473,270**	**2,473,270**	
	Museums	MM0550	**HLF Castle Keep Delivery Phase**	External Funding		- 1,090,750			
		MM0561	**Museum Estate & Development Fund**	External Funding			- 46,170	46,170	
				Total External Funding		**- 1,090,750**	**- 46,170**	**46,170**	

Department	Subcommittee	Project code	Project Description	Funding Type	Sum of 23-24 reduction	Sum of 23-24 increase	Sum of Reprofile 23-24	Sum of Reprofile FY	Sum of FY movement
		MM0538	**Strangers Repl Lighting CERF**	NCC Borrowing and Capital Receipts			- 1,860	1,860	
		MM0546	**Norwich Castle Critical M&E Services**	NCC Borrowing and Capital Receipts			- 26,200	26,200	
		MM0550	**HLF Castle Keep Delivery Phase**	NCC Borrowing and Capital Receipts			478,000	- 478,000	
		MM0552	**Gressenhall Playground**	NCC Borrowing and Capital Receipts			- 22,470	22,470	
		MM0553	**Gateway to Medieval England Project Manageme**	NCC Borrowing and Capital Receipts					
		MM0555	**GFW Building Improvements**	NCC Borrowing and Capital Receipts			- 4,400	4,400	
		MM0557	**Support for Key Care of Bldgs & Collections**	NCC Borrowing and Capital Receipts			- 30,260	30,260	
		MM0558	**Develop GFW as an Environmental Hub for Nfk**	NCC Borrowing and Capital Receipts			- 8,940	8,940	
		MM0559	**GFW Environmental Landscape Mgmt project**	NCC Borrowing and Capital Receipts			21,810	- 21,810	
		MM0560	**Gressenhall Museum Fabric Maintenance**	NCC Borrowing and Capital Receipts			- 56,950	56,950	
				Total Borrowing and Capital Receipts			**348,730**	**- 348,730**	
	Museums Total					**- 1,090,750**	**302,560**	**- 302,560**	
	Offices	CA2311	**Multi Use Community Hub - Kings Lynn Library**	External Funding			- 507,810	507,810	
		CA2312	**Chapel Road LINGWOOD BLRF Funding**	External Funding			- 330,000	330,000	
				Total External Funding			**- 837,810**	**837,810**	
		AA0400	**Corporate Minor Works Pot**	NCC Borrowing and Capital Receipts			- 39,140	39,140	
		CA2202	**DSBLD DISCRM ACT 00**	NCC Borrowing and Capital Receipts			- 705,500	705,500	
		CA2232	**VARIOUS:FIRE SFTY REQUIRE**	NCC Borrowing and Capital Receipts			- 173,160	173,160	
		CA2234	**Old - Asbestos Survey & Removal**	NCC Borrowing and Capital Receipts			2,420	- 2,420	
		CA2248	**Corporate Offices Capital Maintenance**	NCC Borrowing and Capital Receipts			- 175,420	175,420	
		CA2252	**Norfolk One Public Estate Programme**	NCC Borrowing and Capital Receipts			- 8,330	8,330	
		CA2253	**SPACE 2019**	NCC Borrowing and Capital Receipts	- 265,390				
		CA2255	**County Hall Heating/Cooling Systems**	NCC Borrowing and Capital Receipts			- 6,080	6,080	
		CA2256	**County Hall Forecourt - Remedial Works**	NCC Borrowing and Capital Receipts			- 3,000	3,000	
		CA2257	**County Hall Refurbishment - Phase II**	NCC Borrowing and Capital Receipts	- 900				
		CA2262	**Whitegates Relocation/Fire Station Remodelling**	NCC Borrowing and Capital Receipts			- 267,090	267,090	
		CA2266	**Accommodation Rationalisation Programme 2019**	NCC Borrowing and Capital Receipts			- 25,710	25,710	
		CA2267	**Annex Car Park 2019-20**	NCC Borrowing and Capital Receipts	- 75,000				
		CA2268	**Car Park Resurfacing 2019-2021**	NCC Borrowing and Capital Receipts			- 72,440	72,440	
		CA2270	**Corporate Minor Works - Other (20/21)**	NCC Borrowing and Capital Receipts			- 223,320	223,320	
		CA2272	**Kings Lynn Museum (20/21)**	NCC Borrowing and Capital Receipts			- 128,410	128,410	
		CA2286	**CPT Capitalisation of staff costs (20/21)**	NCC Borrowing and Capital Receipts			- 52,000	52,000	
		CA2289	**Energy Related Project (20/21)**	NCC Borrowing and Capital Receipts			- 27,780	27,780	
		CA2290	**Flexible Workspace Desk Monitors (20/21)**	NCC Borrowing and Capital Receipts			- 8,200	8,200	
		CA2291	**CH Monorail & Priory Hse Lift Replace (20/21)**	NCC Borrowing and Capital Receipts			- 20,000	20,000	
		CA2292	**New - Asbestos Survey & Removal**	NCC Borrowing and Capital Receipts			54,850	- 54,850	
		CA2298	**CPT - Museums Property Structural Repairs**	NCC Borrowing and Capital Receipts			- 3,600	3,600	
		CA2299	**CPT - Museums Capital Maintenance**	NCC Borrowing and Capital Receipts			- 36,140	36,140	
		CA2301	**County Hall South Wing Cladding & other**	NCC Borrowing and Capital Receipts	- 5,000				
		CA2303	**Norfolk Museums Shirehall Repairs 2021**	NCC Borrowing and Capital Receipts			- 154,140	154,140	
		CA2306	**Elizabeth House Dereham - Office Alterations 22-**	NCC Borrowing and Capital Receipts			- 138,720	138,720	
		CA2307	**Shrublands Gorleston - Feasibility Study 2022-23**	NCC Borrowing and Capital Receipts			- 347,210	347,210	
		CA2308	**Gypsy and Traveller site improvements**	NCC Borrowing and Capital Receipts			- 100,440	100,440	
		CA2311	**Multi Use Community Hub - Kings Lynn Library**	NCC Borrowing and Capital Receipts			- 239,000	239,000	
		CA2313	**Electric Vehicle Charging Points**	NCC Borrowing and Capital Receipts			- 135,390	135,390	
		CA2316	**Records Office Heating System Replacement**	NCC Borrowing and Capital Receipts			- 24,970	24,970	
		CA2318	**Estate Buildings Decarbonisation**	NCC Borrowing and Capital Receipts			- 356,000	356,000	
		CA2319	**Hunstanton Library redevelopment**	NCC Borrowing and Capital Receipts			70,940	- 70,940	
		CA2320	**Acquisition of School House, Sedgeford**	NCC Borrowing and Capital Receipts		419,500			
				Total Borrowing and Capital Receipt	**- 346,290**	**419,500**	**- 3,342,980**	**3,342,980**	
	Offices Total				**- 346,290**	**419,500**	**- 4,180,790**	**4,180,790**	

Department	Subcommittee	Project code	Project Description	Funding Type	Sum of 23-24 reduction	Sum of 23-24 increase	Sum of Reprofile 23-24	Sum of Reprofile FY	Sum of FY movement
	Planning	PQ7020	Planning Service Advice	NCC Borrowing and Capital Receipts			- 54,710	54,710	
	Planning Total						**- 54,710**	**54,710**	
	Property - Fire	CA2259	Corporate Maintenance - Fire Property	NCC Borrowing and Capital Receipts			- 310,060	310,060	
		CA2275	NFRS Changing & Assoc Facil - Cap Maint (20/21)	NCC Borrowing and Capital Receipts			980	- 980	
		CA2284	NFRS - Replacement of Training Towers (20/21)	NCC Borrowing and Capital Receipts			- 3,520	3,520	
		CA2294	CPT - NFRS Drill Yard Capital Maintenance	NCC Borrowing and Capital Receipts			- 21,100	21,100	
		CA2297	CPT - Carrow FS Damp Proofing and Tanking	NCC Borrowing and Capital Receipts			- 66,810	66,810	
		CA2305	Hethersett Fire Station improvements 2022-2023	NCC Borrowing and Capital Receipts			- 3,000	3,000	
		CA2310	NFRS One Store (Trans. From Fire project)	NCC Borrowing and Capital Receipts			- 137,450	137,450	
		CA2315	NFRS Introduction of LEV Systems	NCC Borrowing and Capital Receipts			- 147,460	147,460	
		CA2317	NFRS Fire Station Accessibility Improvements	NCC Borrowing and Capital Receipts			- 50,000	50,000	
	Property - Fire Total						**- 738,420**	**738,420**	
	Trading Standards	CTS002	T Stds Weighing Instrument- Calibration Lab	NCC Borrowing and Capital Receipts			- 25,000	25,000	
		CTS004	T Stds Calibration Centre Relocation	Revenue and Reserves		2,460			
	Trading Standards Total					**2,460**	**- 25,000**	**25,000**	
Community & Environmental Services (Directorate) Total					**- 8,933,460**	**9,884,750**	**- 27,999,580**	**27,999,580**	
Strategy and Transformatio	Digital Services	KT2660	Schools ICT Refresh 19-23	External Funding		167,850	- 82,320	82,320	
		KT2661	Academy ICT Refresh 19-23	External Funding		81,520			
		KT2680	Local Full Fibre Network (LFFN)	External Funding	- 21,010				
		KT2690	LoRaWAN Innovation Network	External Funding	- 23,280				
				Total External Funding	**- 44,290**	**249,370**	**- 82,320**	**82,320**	-
		KF0088	NCC - HR & Finance Systems Replacement	NCC Borrowing and Capital Receipts			- 275,840	275,840	
		KT0120	ICT Transformation Project	NCC Borrowing and Capital Receipts			- 159,430	159,430	
		KT2610	Technology Improvement	NCC Borrowing and Capital Receipts			523,140	- 523,140	
		KT2611	Digital Transformation	NCC Borrowing and Capital Receipts			- 86,620	86,620	
		KT2613	Future Network Project	NCC Borrowing and Capital Receipts			- 501,800	501,800	
		KT2620	LAN & WiFi Refresh	NCC Borrowing and Capital Receipts		4,990			
		KT2650	NCLS ICT Transformation Project	NCC Borrowing and Capital Receipts			- 246,320	246,320	
		KT2660	Schools ICT Refresh 19-23	NCC Borrowing and Capital Receipts	- 47,990				
		KT2662	Schools ICT Refresh 23-24 to 26-27	NCC Borrowing and Capital Receipts	- 200,000				
		KT2690	LoRaWAN Innovation Network	NCC Borrowing and Capital Receipts	- 22,070				
		KT2701	Fire Service Command and Control contributions	NCC Borrowing and Capital Receipts			- 335,930	335,930	
		KT2705	Fire Service - Mobile Device on Fire Engine	NCC Borrowing and Capital Receipts			- 71,510	71,510	
		KT2706	Fire Service Station End Equipment Refresh	NCC Borrowing and Capital Receipts			- 425,000	425,000	
		PQ6000	CES - Customer Services Strategy	NCC Borrowing and Capital Receipts			23,500	- 23,500	
		PQ6001	E-Commerce Digital Development	NCC Borrowing and Capital Receipts			- 91,960	91,960	
		SC8147	Social Care Information System Reproc	NCC Borrowing and Capital Receipts			24,770	- 24,770	
				Total Borrowing and Capital Receipts	**- 270,060**	**4,990**	**- 1,623,000**	**1,623,000**	-
		KT2610	Technology Improvement	Revenue and Reserves		316,130			
		KT2660	Schools ICT Refresh 19-23	Revenue and Reserves		29,630			
				Total Revenue and Reserves		**345,760**			
	Digital Services Total				**- 314,350**	**600,120**	**- 1,705,320**	**1,705,320**	

Department	Subcommittee	Project code	Project Description	Funding Type	Sum of 23-24 reduction	Sum of 23-24 increase	Sum of Reprofile 23-24	Sum of Reprofile FY	Sum of FY movement
	Better Broadband for Norfolk	KT0004	**Next Generation Access Broadband Contract**	External Funding		3,980,410			
	Better Broadband for Norfolk Total					**3,980,410**			
	Growth and Investment	PU2918	**GY O&M Campus**	NCC Borrowing and Capital Receipts			- 5,147,220	5,147,220	
		PU2920	**Hethel Improvement Commission**	NCC Borrowing and Capital Receipts			- 102,750	102,750	
	Growth and Investment Total						**- 5,249,970**	**5,249,970**	
	Legal Services	KA0002	**Nplaw IT System**	NCC Borrowing and Capital Receipts			- 10,650	10,650	
	Legal Services Total						**- 10,650**	**10,650**	
	Scottow Enterprise Park	PU0010	**SEP Capital General**	NCC Borrowing and Capital Receipts			- 152,940	152,940	
		PU0011	**Scottow Enterprise Zone**	NCC Borrowing and Capital Receipts			- 980,110	980,110	
	Scottow Enterprise Park Total						**- 1,133,050**	**1,133,050**	
Strategy and Transformation Directorate Total					**- 314,350**	**4,580,530**	**- 8,098,990**	**8,098,990**	
Finance Directorate	**Capital Programme Managemen**	CPM001	**Capital Programme Management**	External Funding		225,000			
				Total External Funding		225,000			
		CPM005	**Cap loans facility subsidiary companies**	NCC Borrowing and Capital Receipts			1,390,340	- 1,390,340	
				Total Borrowing and Capital Receipts			1,390,340	- 1,390,340	
	Capital Programme Management Total					**225,000**	**1,390,340**	**- 1,390,340**	
	Finance	KF0075	**CFAT Case Management System**	NCC Borrowing and Capital Receipts			610	- 610	
		KF0077	**Card Payment System**	NCC Borrowing and Capital Receipts			- 29,470	29,470	
				Total Borrowing and Capital Receipts			- 28,860	28,860	
		KF0079	**DPSS Payroll PaaS system upgrade**	Revenue and Reserves			- 7,030	7,030	
				Total Revenue and Reserves			**- 7,030**	**7,030**	
	Finance Total						**- 35,890**	**35,890**	
	Finance (Leasing)	CFL070	**Mobile Libr 73CUJ**	NCC Borrowing and Capital Receipts		148,000			
	Finance (Leasing) Total					**148,000**			
Finance Directorate Total						**373,000**	**1,354,450**	**- 1,354,450**	
Grand Total					**- 9,269,430**	**17,473,050**	**- 42,626,690**	**42,626,690**	**15,431,680**

Cabinet

Item 10

Report Title: Company Director appointments

Date of meeting: 3 June 2024

Responsible Cabinet Member: Cllr Kay Mason Billig (Leader and Cabinet Member for Strategy & Governance)

Responsible Director: Harvey Bullen, Director of Strategic Finance

Is this a Key Decision? No

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

Executive Summary

Limited companies owned by the County Council require the consent of the Cabinet before they can make certain decisions including the appointment of directors.

Recommendations

Cabinet is asked to:

1. Note the resignations of directors listed in table 1 (section 2); and
2. Approve the company director appointments set out in table 1 (section 2).

1. Background and Purpose

1.1 The delegation of authority to senior officers to act on behalf of the County Council requires the consent of the County Council before they can make certain decisions including the appointment of directors, and the County Council's Financial Regulations confirm that (5.10(f)) "*The appointment and removal of directors to companies, trusts and charities in which the County Council has an interest must be made by Cabinet, having regard to the advice of the Director of Strategic Finance.*"

1.2 Following the retirement of the Finance Director of Independence Matters Group, and the resignation of the Chief Executive of Hethel Innovation, the successors to these roles require appointment to the Boards of the respective companies. In addition, a new Member appointment to the Hethel Innovation Board is proposed.

2. Proposed appointments and resignations

2.1 The previous Chief Executive of Hethel Innovation Ltd resigned from the company in December 2023 to take up a new opportunity. Following an extensive recruitment process undertaken through Q3 2023-24, which included shareholder input, Chris Sargisson has been appointed as the new Chief Executive and took up the post in January 2024. He has extensive knowledge and experience in growth and innovation gained in both start-up businesses, and through leadership roles in established organisations. It is proposed that he should be appointed as a Director of the company, subject to Cabinet approval in June in line with the Council's Financial Regulations.

2.2 Following notification of the Independence Matters Group Finance Director's intended retirement on the 31st of March 2024, a comprehensive recruitment process was undertaken during late 2023, including input from the Norfolk County Council Board representative. As a result of this successful process, Zaliha Williamson has joined the Independence Matters Group as Chief Finance Officer and Group Company Secretary, and will take over the HMRC Senior Accounting Officer role. She is a qualified accountant with management experience in both the corporate and charity sectors. It is proposed that she formally join the Independence Matters and Home Support Matters Boards, subject to Cabinet approval in June.

2.3 Following consideration of vacancies in Norfolk County Council appointed directors, the Director of Strategic Finance has reviewed the appointments detailed here (and summarised in the table below) and advises that they are suitable. The proposed Director appointments have also been considered by the Council's Owned Companies Governance Panel in May 2024. The Director of Strategic Finance therefore recommends the following appointments to Cabinet for approval. These appointments will support to ensure the continued effective management and oversight of the limited companies owned by the County Council.

2.4 Changes in company director appointments are proposed as set out in the following table.

Table 1: Changes in director appointments

Company	Resign	Appoint
Independence Matters CIC (08530621)	Glen Reynolds	Zaliha Williamson
Home Support Matters CIC (06879295)	Glen Reynolds	Zaliha Williamson
Hethel Innovation Ltd (07534401)	Alice Reeve	Chris Sargisson
Hethel Innovation Ltd (07534401)	Cllr Daniel Elmer	Cllr Fabian Eagle

3. Impact of the Proposal

3.1 The proposals will ensure the continued effective governance of limited companies owned by the County Council and reflect changes in personnel.

4. Evidence and Reasons for Decision

4.1 As set out in this report.

5. Alternative Options

5.1 Cabinet could propose alternative Director appointments, however it is recommended that the individuals listed in table 1 should be appointed as a result of the roles they undertake within the respective companies.

6. Financial Implications

6.1 The appointment of directors will enhance the effective management and oversight of the limited companies owned by the County Council and secure its financial interests.

7. Resource Implications

7.1 **Staff:** No other implications have been identified.

7.2 **Property:** No other implications have been identified.

7.3 **IT:** No other implications have been identified.

8. Other Implications

8.1 **Legal Implications:** No other implications have been identified.

8.2 **Human Rights Implications:** No other implications have been identified.

8.3 **Equality Impact Assessment (EqIA) (this must be included):** No other implications have been identified.

8.4 **Data Protection Impact Assessments (DPIA):** No other implications have been identified.

8.5 **Health and Safety implications (where appropriate):** No other implications have been identified.

8.6 **Sustainability implications (where appropriate):** No other implications have been identified.

8.7 **Any Other Implications:** No other implications have been identified.

9. Risk Implications / Assessment

9.1 No other risks or implications have been identified.

10. Select Committee Comments

10.1 The proposed appointments have been considered by Company Governance panel and were recommended to Cabinet as set out in this report.

11. Recommendations

Cabinet is asked to:

1. Note the resignations of directors listed in table 1 (section 2); and
2. Approve the company director appointments set out in table 1 (section 2).

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

Officer name: Titus Adam
Telephone no.: 01603 222806
Email: titus.adam@norfolk.gov.uk

IN TRAN communication for all

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

Cabinet

Item No: 11

Report Title: Planning Obligation Standards 2024

Date of Meeting: 3 June 2024

Responsible Cabinet Member: Cabinet Member for Highways, Infrastructure and Transport (Cllr Graham Plant)

Responsible Director: Chris Starkie (Director of Growth and Investment)

Is this a Key Decision? Yes

If this is a Key Decision, date added to the Forward Plan of Key Decisions: 2 May 2024

Executive Summary / Introduction from Cabinet Member

Norfolk County Council is a statutory consultee on housing and other commercial planning applications, which are determined by District Councils, as local planning authorities. The County Council as a statutory consultee can seek to secure necessary infrastructure and services needed to directly mitigate the impact of any proposed new development, through planning obligations.

Planning obligations provide a clear and effective mechanism for securing developer funding towards infrastructure needed to support and mitigate the impact of new residential development. The Planning Obligation Standards focus on developer funding towards County Council infrastructure such as education, library, green infrastructure, and fire service provision (fire hydrants secured through planning condition) required as a consequence of new residential development. These obligations are only sought for housing development of 20 dwellings or over.

Since 2000 the Planning Obligation Standards (the Standards) have supported the County Council in securing over £189 million in developer contributions to fund the delivery of necessary infrastructure, which includes new primary schools, school extensions and improvements, new libraries, new stock and equipment for libraries, new footpaths, and improved connectivity to existing green infrastructure.

The Standards are updated annually, and the 2024 amendments include:

1. To secure a new obligation for home to school transport

2. An increased cost per place for education
3. An increased amount sought for libraries
4. An increased amount sought for monitoring fee.

The home to school transport contribution is sought by Suffolk County Council, so seeking this contribution brings Norfolk County Council in line with neighbouring authorities.

Recommendations:

1. **To approve the 2024 Planning Obligation Standards.**

1. Background and Purpose

1.1. Norfolk County Council is a statutory consultee on housing and other commercial planning applications determined by District Councils. The County Council as a consultee can seek to secure necessary infrastructure and services needed to mitigate the impact of any proposed new development.

1.2. Planning obligations provide a clear and effective mechanism for securing funding from housing developers to fund infrastructure needed to support and mitigate the impact of new residential development. Planning obligations are agreed under section 106 of the Town and Country Planning Act 1990, Section 106 (S106) agreements are legally binding and run with the land.

1.3. The purpose of this report is to consider proposed amendments to the Standards, which were first introduced in 2000 and have been subsequently updated on an annual basis thereafter. The Standards primarily focus on developer funding towards County Council infrastructure such as education, library, green infrastructure, and fire service provision (fire hydrants secured through planning condition) required as a consequence of new residential development. Highway and transport infrastructure while referred to in the Standards are not directly covered by any standard costs as they are negotiated on a site-by-site basis, by the Highway Authority, and generally use different legislation to secure developer funding towards transport infrastructure (Section 278 of Highways Act 1980).

1.4. The obligations sought must meet the three tests as set out in the National Planning Policy Framework (NPPF) (2023) paragraph 57 these tests are:

a) necessary to make the development acceptable in planning terms;
b) directly related to the development; and
c) fairly and reasonably related in scale and kind to the development.

1.5. The County Council has two methods to secure mitigation towards County Council infrastructure, these are S106 agreements and the Community

Infrastructure Levy (CIL). The Standards set out the obligations that the County Council can seek to be secured through S106 agreements, CIL is applied separately through either the Greater Norwich Growth Board or the Borough Council of King's Lynn and West Norfolk. But land for schools and libraries (plus other services) can be secured in CIL areas through S106 agreements. Also, strategic sites in King's Lynn and the unparished area of King's Lynn are exempt from CIL so S106 can be sought in these areas.

1.6. S106 Local Planning Authorities include:
- Breckland District Council
- Great Yarmouth Borough Council
- North Norfolk District Council

1.7. The Strategic Planning Team has signed 483 S106 agreements since 2000 securing almost £190 million in planning obligations since 2000, see table 1, below.

Table 1 Total Value of Obligations Secured Since 2000

Education	Library	Green Infrastructure	Monitoring Fees	Total Secured
£182,347,589.68	£5,011,002.00	£1,338,867.62	£132,950.00	£189,830,409.30

1.8. Fire hydrants are secured through planning condition, some 1,094 fire hydrants have been secured since 2000.

1.9. The County Council has received planning obligation contributions totalling almost £89 million since 2000, see table 2 below. The majority of the payments received are for education.

Table 2 Total Contributions Paid Since 2000

Education	Library	Green Infrastructure	Monitoring Fees	Total Paid
£86,574,599.93	£1,911,264.11	£432,756.10	£35,170.30	£88,953,790.44

1.10. The County Council has also secured land for new schools and new libraries through S106 agreements, since 2001 24 new primary school sites have been secured through S106 agreements and to date 10 new primary schools have been built, with contributions through S106 agreements. A further 13 primary schools have been delivered through other organisations or funding sources.

1.11. Housing developers are aware of these obligations, the S106 agreements are often signed prior to the house builder purchasing the development site. The contributions sought are necessary as they enable the County Council to provide access to school places, libraries, and green infrastructure provision to current and new residents of Norfolk. These obligations are only sought on developments of over 20 dwellings or more.

Update from 2023 Planning Obligation Standards

1.12. Special education needs and disabilities (SEND) obligations have been sought since 2023, the I&D Select Committee and subsequent Cabinet agreed the previous year's updates to the Planning Obligation Standards 2023. Since Children's Services have been able to seek obligations for SEND places. Children's Services has sought SEND obligations for 12 sites totalling £391,831.60 in obligations. One S106 agreement has been signed which has secured SEND obligations, in addition to other education and library obligations. This SEND obligation enables Children's Services to reduce the shortfall in SEND funding, ensuring that high quality education facilities are provided for all Norfolk pupils.

2. Proposal

2.1. Officers have been reviewing government guidance and comparing our obligations with other County Councils. Other County Councils in the region seek home to school transport contributions and higher monitoring fees, therefore, Norfolk County Council contributions should be increased to align with those sought throughout the region.

2.2. The following changes are proposed to be made to the Standards 2024:
- To secure a new obligation for home to school transport
- An increased cost per place for education
- An increased amount sought for libraries
- An increased amount sought for monitoring fees, seeking the monitoring per trigger secured.

2.3. No changes are proposed to be made to the fire hydrant requirements or the green infrastructure costs sought.

Home to School Transport

2.4. The County Council has not previously sought obligations for home to school transport. But due to increasing costs in transporting pupils to school the County Council has assessed this as a viable option to reduce the deficit in the public transport budget.

2.5. Paragraph 45 of the securing developer contributions for education guidance document (2023) states that home to school transport contributions can be sought where there is no suitable solution for sustainable access to school.

The document also states that ‘It remains our preference for new school places arising from housing development to be created only in sustainable locations, accessible either via a safe active travel route or by public transport’ which is also the preference of the County Council.

2.6. Home to school transport contributions cannot be used to make a proposal for the new housing development that is in an unsustainable location sustainable, it will always be the County Council’s priority to support sites which are proposed in sustainable locations with safe walking routes to schools. The home to school transport contributions is a method to recoup additional costs incurred by the County Council if a housing development outside of the safe walking distances to schools is approved by the local planning authority.

2.7. Norfolk County Council is required to provide home to school travel under The Education Act 1996, as amended by Part 6 of the Education and Inspections Act 2006, which places a duty on Local Authorities to make suitable travel arrangements free of charge for eligible children. Eligibility is based on if a child is attending a qualifying school (normally the nearest or nearest catchment school) and if they live more than the statutory walking distance from that school.

2.8. Statutory walking distances are set out in the travel to school for children of compulsory school age statutory guidance for local authorities document. If a child lives within the statutory walking distance, then they are not automatically eligible for free home to school transport. But if the child lives over the statutory walking distances, as set out below, the County Council is required to provide home to school transport:

a) A child under the age of 8 is eligible for free travel to their nearest catchment or nearest suitable school if it is more than 2 miles from their home.
b) A child aged 8 years or over is eligible for free travel to their nearest catchment or nearest suitable school if it is more than 3 miles from their home, or if they are on low income this is reduced to 2 miles.
c) A child who requires transportation to a special educational needs and disabilities (SEND) school, if eligible.
d) A child from a family on low income is also eligible for free travel if they are attending one of three appropriate schools closest to their home where that school is more than 2 but less than 6 miles away.

2.9. The statutory walking distances are measured by the shortest available walking route. An ‘available route’ is one which a child, accompanied as necessary, may walk with reasonable safety to school.

2.10. The presumption would be that all pupils arising from a proposed new development will be able to access schools within safe walking distances which will minimise the length and number of journeys, however this is not always going to be the case, particularly for high school children.

2.11. Where a new housing development is proposed and such walking routes are not available, Norfolk County Council may seek additional developer contributions to mitigate the impact of additional school-aged children living in an area, that in school transport terms is deemed unsustainable.

2.12. Contributions may be required to reduce travel distances and/or improve safety and/or provide transport where:

- There is not a safe walking route within the statutory walking distance.
- A development is located over the statutory walking distance.
- The catchment school does not have places in the interim, and children will have to be transported to surrounding schools.
- Children need to attend an alternative school due to their needs (e.g., a SEND school)

2.13. The obligation sought will extend for the life of the child place in the phase of education to which it relates. For primary phase it will be charged annually for 7 years and for secondary phase charged annually for 5 years.

School Transport Calculation

2.14. The school transport obligation is calculated using the average cost for transporting pupils in the previous financial year multiplied by the number of children generated (see table 3). Contributions will be assessed on a site-by-site basis and will be sought for Primary, Secondary and SEND pupils.

2.15. The contributions sought are set out in table 3 below.

Table 3 Home to School Transport Cost per Pupil

School Sector (age range)	Average Cost per Pupil per Year (2023)	Average Daily Cost (2023)	Cost per Pupil Generated (2023)
Primary (4-11)	£2,751.28	£14.48	£19,258.40
Secondary (11-16)	£1,066.18	£5.61	£5,329.50
SEND (5-16)	£8,857.26	£46.62	£88,578

The average cost per pupil will be reviewed on an annual basis and is based on the home to school transport costs from the previous financial year.

2.16. The calculation of school transport contributions is based on 190 days per year over 7 years for primary school children, and 190 days per year over 5 years for secondary school children, and 190 day per year over 10 years for SEND pupils.

2.17. A school transport obligation may be sought on the following:

1. Housing developments that are further than the statutory walking distance from their nearest or nearest catchment school
2. Housing developments that are less than the statutory walking distance from their nearest or nearest catchment school but there is no available walking route.

2.18. It should be noted that seeking a school transport contribution is not a mechanism to make new housing developments sustainable and in the first instance the County Council will support development proposals which are sustainably located and offer safe walking routes to school for any additional pupils. In the event a development proposal is permitted that cannot provide this the County Council would then utilise the option to seek school transport contributions to ensure children can get to and from school in a sustainable way.

2.19. An example of the amount of income this obligation could bring into the County Council is approximately £1m per annum, from 2026. This covers all the sites currently allocated/permitted where the charge could apply so is the absolute maximum. This calculation used a 10% build out rate per year and allowing that sites may take a couple of years for children to occupy the dwellings.

Libraries

2.20. Libraries obligations sought were last increased last year in the 2023 Standards, since then new guidelines have been produced.

2.21. New guidance on seeking and securing developer contributions for library and archive provision in England was published by the Arts Council England in November 2023, stating new calculations to be used when seeking S106 contributions for libraries.

2.22. Library colleagues have utilised this guidance to update the amounts sought for libraries in Norfolk. When applying the Norfolk population data and following the calculations as set out in the guidance.

2.23. We have also updated the project titles to align with the guidance.

2.24. The following amounts are increased, see table 4:

Table 4 New Library Project Names and Costs Sought

Previous Library Project Name	Old Cost Sought	New Cost Sought
A new library and stock	To be negotiated	To be negotiated

Library extension and fitting out	£320	£520
Major Capital Project to existing library	£320	£520
Upgrading of existing library facilities and/or fitting out extension	£130	£215
Equipment and/or stock	£100	£185

Monitoring Fees

2.25. Monitoring Fees were sought between 2010 and 2014, and again from 2019. These fees are secured to fund the monitoring of sites ensuring payments are received on time, spent on the specified project, spent on time, and chasing up outstanding payments.

2.26. Monitoring fees have been sought by the County Council since 2019, The rate was initially set to £500 per obligation sought, indexed linked. The amount secured has not been increased since 2019. When assessing the amounts sought compared with other County Councils in the region the County Council falls below the regional average, as most other County Councils secures monitoring fees on a per trigger basis, rather than a per obligation basis as is currently sought by the County Council.

2.27. On average since 2019, we have signed 31 S106 agreements which secure monitoring fees, totalling £102,750.00 (this includes the £60,000 which was secured for the Attleborough SUE). Without the Attleborough SUE monitoring fee we secured £42,750.00 in monitoring fees since 2019.

2.28. Based on an average of 6 S106 agreements signed which secured monitoring fees since 2019. We secured on average £17,125.00 in monitoring fees (including the Attleborough SUE) per annum. And £7,125.00 per annum in monitoring fees (excluding the Attleborough SUE).

2.29. There are 58 planning applications which are yet to be determined that the County Council has sought monitoring fees for which totals £65,500.

Monitoring Fee Amount Increase

2.30. Using a standard example of the County Council seeking education contributions for primary and secondary schools, to increase the capacity of the schools, and contributions to increase the capacity of a library.

2.31. Under the new proposals this would be dependent on how many triggers were used in the S106 agreement. Usually, education triggers are payable at 25% and 75% of occupations and therefore each education obligation secured would garner a monitoring fee of £1,000. Library obligations usually only have one trigger, due to the amount being smaller than for education contributions, this would therefore usually be a monitoring fee of £500.

2.32. If an obligation was secured for two different school sectors based on the above would garner a monitoring fee of £2,000 total. And libraries would be a monitoring fee of £500.

2.33. Therefore, based on the scenario above the monitoring fees amount sought would be increase by £500-£1,000 per S106 agreement signed. Which based off of the average amounts sought since 2019 factoring in the increase equals increase to £15,000 per annum.

3. Impact of the Proposal

3.1. The proposed amendments will ensure that S106 contributions continue to be sought effectively to address the impacts on County Council services arising from new development. The new home to school transport obligations will support the public transport team to deliver home to school transport and aid the County Council in meeting the public transport budget deficit. Increased education cost per place will continue to enable Children's Services to improve education facilities across Norfolk. The increased monitoring fee obligation will enable the planning obligations team to deliver its functions. And the increased libraries obligations will enable the library service to continue to deliver improved provision in the climate of increased costs.

3.2. The amendments provide greater certainty and clarification surrounding what obligations the County Council could seek from new development of 20 dwellings or more.

4. Evidence and Reasons for Decision

4.1. The new home to school transport obligation and the increased monitoring fee obligation, are deemed to be fair and reasonable, and align with government guidance and costs sought by County Councils from across the region. The increased library obligations are in line with guidance, supported by government.

5. Alternative Options

5.1. The alternative option would be to continue with the County Council's existing Planning Obligations Standards (2023) however if the evidence-based costs for education and libraries are not increased there is a risk that the required infrastructure in Norfolk may not be able to be delivered.

6. Financial Implications

6.1 The proposed amendments will ensure that S106 contributions continue to be sought effectively in order to address the impacts on County Council services arising from new housing developments.

7. Resource Implications

7.1 Staff: None identified

7.2 Property: None identified

7.3 IT: None identified

8. Other Implications

8.1 Legal Implications: Contributions sought in S106 agreements must be compliant with the legal tests set in Reg 122 of the CIL Regulations (2010). The Standards are considered to be compliant with these tests and specific reference to them is made in the Standards.

8.2 Human Rights Implications: None

8.3 Equality Impact Assessment (EqIA) (this must be included): No EqIA issues have been identified.

8.4 Data Protection Impact Assessments (DPIA): None identified

8.5 Health and Safety implications (where appropriate): None identified

8.6 Sustainability implications (where appropriate): None identified

8.7 Any Other Implications: None identified

9. Risk Implications / Assessment

9.1 The proposed amendments to the County Council's Planning Obligations Standards are required to ensure that S106 contributions continue to be sought effectively to address the impacts on County Council services arising from new development.

10. Select Committee Comments

10.1 Select Committee supported the 2024 Planning Obligation Standards progressing to cabinet.

11. Recommendations

1. **To approve the 2024 Planning Obligation Standards.**

12. Background Papers

- Appendix A Draft Planning Obligations Standards 2024
- Norfolk County Council Planning Obligations Standards 2023

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

Officer name: Naomi Chamberlain
Telephone no.: 01603 638422
Email: naomi.chamberlain@norfolk.gov.uk

IN TRAN communication for all

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

Draft Planning Obligation Standards

April 2024

Contents

1.0 Introduction

1.1. The purpose of this document is to set out the planning obligations requirements the County Council may seek in association with new housing developments.

1.2. These standards apply to the following County Council services:

- Children's Services (Education)
- Library Service
- Norfolk Fire and Rescue Service
- Community Services – Adult Care
- Green Infrastructure and Public Rights of Way
- A monitoring fee may also be sought

1.3. The highway and transport infrastructure and services directly required from new development will continue to be negotiated on a site-by-site basis, by the Highways Authority (see section 9).

1.4. Other infrastructure and service requirements will be sought by District Councils for affordable housing, play space, and open space etc. In addition, other service providers, such as the Police and the various Health Bodies may also seek developer contributions towards improvements to their services directly.

2.0 National Guidance

2.1. All infrastructure requirements must be compliant with the legal tests set out in Regulation 122 of the Community Infrastructure Levy (CIL) Regulations 2010 (as amended) and be:

- Necessary to make the development acceptable in planning terms
- Directly related to the development
- Fairly and reasonably related in scale and kind to the development.

2.2. The Community Infrastructure Levy (Amendment) (England) (No. 2) Regulations 2019, came into force on 1 September 2019. The key amendments were:

- Lifting of the pooling restrictions on Section 106 (S106)
- The introduction of monitoring fees
- Allowing the use of both S106 agreements and the CIL to fund the same infrastructure
- Introducing the requirement to produce an Infrastructure Funding Statement.

2.3. These reforms have been included within the CIL Regulations 2010 (as amended). The County Council's Planning Obligations Standards reflect the lifting of the pooling restrictions and the clarification regarding monitoring charges. The County Council is also working closely with all District Councils on other aspects of the CIL reforms.

2.4. The County Council will continue to provide a detailed justification/explanation of any contributions it seeks. The Standard Charges detailed in this document illustrate the range of contributions, which may be expected from developers as a consequence of new housing development. Developers will be expected to enter into a Section 106 legal agreement (S106 agreement) with the County Council regarding the contributions sought or will be obliged through a planning condition to deliver the on-site infrastructure requirements.

2.5. The Planning Obligations Standards are revised annually considering:

- Changes in national guidance/standards
- Inflation – where cost have changed
- Any other material considerations.

2.6. The following national guidance has been considered:

- National Planning Policy Framework (December 2023)
- The Planning Act (2008) – this provides ministers with the power to make the CIL Regulations.

2.7. The Government ran a consultation on the proposed Infrastructure Levy in 2023. Proposing reforms to the existing system of developer contributions, including S106 agreements and CIL. The County Councils Standards remain valid until any new regulations/legislation are formally adopted.

Community Infrastructure Levy

2.8. The County Council will provide comments on the Local Planning Authority (LPA) CIL Charging Schedules and rates as required. In the meantime, the County Council will continue to use the Standards until the respective CIL Charging Schedules are implemented. Even when CIL is implemented there may still be a need for the County Council to use S106 agreements:

- To secure infrastructure which is not identified as being entirely funded through CIL and/or
- To deal with the transfer of land (e.g., land may be required for a new school).

2.9. In addition, the CIL Regulations 2010 (as amended) allow authorities to use funds from both CIL and S106 agreements to fund the same piece of infrastructure.

2.10. Therefore, in those LPAs areas where CIL has been introduced which includes Norwich City Council, South Norfolk District Council, Broadland District Council, and King's Lynn, and West Norfolk Borough Council, the Standards below would not normally be applied except where:

- There is agreement with the LPA to use both CIL and an S106 agreement for the same piece of infrastructure;
- The site is in a zero-rated CIL location, and is reliant on S106 to deliver necessary infrastructure; or
- The contribution relates to the transfer of land.

2.11. The County Council will expect to be consulted at the application stage on planning applications likely to have an impact on County Council infrastructure and services by those LPAs who have adopted CIL Charging Schedules.

2.12. The County Council is working closely with those LPAs who have adopted CIL, as well as those intending to develop CIL, to ensure that necessary County Council infrastructure is secured and delivered through CIL.

3.0 County Advice

Dealing with Major Urban Regeneration Sites

3.1. The County Council recognises that there will be occasions when not all the infrastructure and services required by the development will be able to be provided by the developer. This may be the case on major urban regeneration sites where there may be exceptional costs associated with site clearance and possibly decontamination.

3.2. In such circumstances it may be appropriate for the local authority and other public sector agencies to assist and facilitate in the development coming forward. This may involve a reduction in the level of contributions normally sought. This would in practice mean the County Council or other service providers being required to fund in part the infrastructure and services needed.

3.3. However, in such circumstances the County Council would need clear evidence that:

- The economics of the site do not allow for all contributions to be met. The County Council would want to see the viability assessment (VA) produced and would need to be satisfied with the VA before waiving any contribution sought; and

- The development is in the wider public interest i.e., will provide a wide range of community benefits such as the removal of derelict land and will provide local services (e.g., schools and healthcare provision) accessible to the community as a whole.

In the event contributions are waived or reduced on viability grounds the County Council will work closely with the District Council and Developer to ensure any future increase in funding available is directed towards these contributions originally sought.

Use of Bonds

3.4. The County Council may seek from developers, where appropriate, the use of bonds to act as a guarantee where large contributions have been negotiated through the S106 process towards for example, schools, travel planning and transport schemes.

Phasing of payments

3.5. Agreed planning obligations contributions will typically be paid to the County Council in a series of phased payments.

Indexation

3.6. All obligations secured will be subject to indexation to account for inflation, usually using the Building Cost Information Service (BCIS) All-in Tender Price Index. Indexation normally runs from the date set out in the S106 agreement until the date of invoice.

Potential Claw-back of Payments

3.7. Where contributions have been made, the County Council will normally be expected to use the sum of monies received for the purposes agreed within 5 years of final occupation. However, for some large-scale developments the period may be extended. If the County Council has not spent the money in this time, then some or all of the contributions will be returned to the developer as agreed in the S106 agreement.

Legal Charges

3.8. The developer will be required to pay the County Council's legal fees for drafting and negotiating the S106 agreement and a solicitor's undertaking must be supplied to the County Council's legal team before any legal work is carried out.

Monitoring Charges

3.9. The County Council seeks a charge towards the administration of S106 agreements to cover the administration costs incurred in the preparation and monitoring of the obligations secured (i.e., covering monitoring of S106 agreements, invoicing, the production of an Infrastructure Funding Statement, and chasing up any outstanding payments).

3.10. The charge will generally be levied at a rate of £500 per trigger and be indexed linked. For example, two different trigger points for the same infrastructure project due at different stages of the development, i.e., 25% and 75% of occupations, would attract a monitoring fee of £1,000.

3.11. On more complex sites the charge will be levied at a rate of 1% of the County Council's total obligations up to a maximum of £10,000 per agreement.

3.12. On major strategic housing sites (typically over 1,000 dwellings), the monitoring fee will be negotiated on a site-by-site basis reflecting any potential complexities associated with the S106 agreement and the additional work involved in monitoring the agreement over a lengthy time period.

3.13. The monitoring charge will be payable prior to the commencement of the development.

3.14. The County Council will closely monitor the contributions secured and ensure that monies are collected on time and are spent in accordance with the S106 agreement.

3.15. In relation to S106 Travel Plan monitoring fees (see section 9.0) these will be based on separate cost figures, details of which are provided in the County Council's Travel Plan Guidance.

4.0 Education

4.1. The County Council has a statutory responsibility to ensure there are sufficient school places in the county for children between the ages of 4 and 16 years old. The County Council works with partners to ensure a sufficient supply of 16-19-year-old places many of which are integrated in 11-19 year schools. In addition, the County Council has a statutory duty to ensure a sufficient supply of Early Education and Childcare places, for children aged three and four. There is also a duty to ensure there are sufficient funded childcare places for eligible two-year olds. Contributions for Early Education provision may be required either for existing Early Education provision or purpose-built new facilities on a separate site, possibly shared with a school. To enable this, primary phase schools are now able to extend their age range to encompass two and three-year-olds.

4.2. The Education Act 2006 gives the County Council the duty to secure sufficient places in its area. Subsequent legislation has created a platform for the development of a more diverse and more locally accountable school system, supported by a wider range of providers than in the past, particularly through multi-academy trusts.

4.3. In addition to the County Council's statutory obligation to provide sufficient school places to meet the needs of the population, it also has a statutory duty to provide suitable education placement for children and young people with Special Education Needs and Disabilities (SEND) to all aged 0-25.

4.4. National Planning Policy Guidance (NPPG) states the importance that there are a sufficient choice of school places available to meet the needs of existing and new communities. Local planning authorities should take a proactive, positive and collaborative approach to meeting this requirement, and to development that will widen the choice of education. They should:

- Give great weight to the need to create, expand or alter schools through preparation of plans and decisions on applications; and
- Work with school promoters, delivery partners and statutory bodies to identify and resolve key planning issues before applications are submitted.

4.5. NPPG confirms the expectation that as well as securing developer contributions towards mainstream and early years education, local authorities should also ensure they secure contributions towards additional cost of providing facilities for children and young people with SEND.

4.6. The County Council maintains (funds) community schools, voluntary controlled schools, and community special schools. Statutory regulation ensures that governing bodies have delegated authority to run schools. The County Council and the Department for Education (DfE) have the right and duty to intervene where a school is at risk of failing. The County Council acts as admissions authority for community and voluntary controlled mainstream schools and co-ordinates "applications and offers" for all mainstream schools, including free schools and academies. This co-ordination ensures a fair process for parents and their children, offers an accessible school place to all applicants, and seeks to meet parental preference as far as possible.

4.7. The County Council acts as a champion for all Norfolk residents, in respect of all children and young people and their parents/carers. In a diverse educational context, it will broker partnerships to support governors, school leaders, and providers in securing the best for the community they serve. Its partnership, school improvement and school intervention activity are exercised in pursuit of the highest quality school provision in all schools in Norfolk.

4.8. The DFE’s Basic Need grant, free school programme and other capital funding do not negate housing developers’ responsibility to mitigate the impact of their development on education. The County Council would expect land and contributions to be received in order to support education place making.

4.9. The County Council is also, under the Education Act 2006, as amended by the Academies Act 2010, a commissioner rather than a provider of new schools. It has the power to set out the characteristics of a school needed for a new community in order that providers may identify their capacity to provide that school. All new schools commissioned in this way will be established as Free schools (in law academies). The County Council must provide the site and funds for such a school, although these will usually be expected to come from the developer contributions. The County Council will procure the school building through the Major Construction Works compliant contractor framework and will provide the new building for the successful free school sponsor (multi-academy trust) to occupy.

4.10. New Free schools can also be approved by the Secretary of State. These can add to the supply of places but also can increase the diversity of provision in an area. Where they meet a shortfall of places, they would be supported by the County Council.

4.11. To assess the number of new children likely to arise from a new development the County Council undertook an analysis of development in the county in 2022 this data was cross checked with Health Authority and School Census data. This analysis produced the following pupil generation figures (based on expected children per 100 dwellings), see table 1. This data is checked annually and remains valid.

Table 1 Pupil Generation Figures

Age range	No. years cohorts	Type of school	Multiplier (no. of Children) *based on a 100-dwelling development*	No. of Children Generated Per Dwelling
2 - 4	2	Early Education	8.0	0.08
4 - 7	3	Infant	12.9	0.129
7 - 11	4	Junior	15.2	0.152
4 - 11	7	Primary	28.1	0.281
11 - 16	5	High	14.5	0.145
16 - 18	2	Sixth Form	1.5	0.015
0 - 25	14	SEND	6.0	0.06

4.12. For the avoidance of doubt the above multipliers have been generated as an average child yield across the whole of Norfolk and will be used to calculate developer contributions for all residential developments. The County Council reserves the right to use more “local multipliers” if the evidence is available to show that the multipliers are more likely to provide an accurate prediction of pupil numbers in the school system.

4.13. The SEND multiplier has been based on the proportion of pupils with an Education Health and Care Plan (EHCP) against that of the number of children in mainstream school from January 2023.

The following allowances are:

- No children are assumed on developments comprising of 1-bed accommodation, student accommodation, sheltered housing, or care homes where there is an age-related occupancy condition e.g., restricted to the over 50s. In these circumstances no education contributions will be sought.
- For flats, apartments, and maisonettes the above multipliers are discounted by a factor of 50% reflecting the fact that fewer children are likely to arise from these types of dwellings.

Catchment Schools

4.14. The County Council will plan on the basis that pupils generated from any new development would attend the catchment school as set out in its statutory admissions documentation. However, if the catchment school is at full capacity, the County Council may, at its full and sole discretion, consider the next nearest school with places providing:

1. The school lies within the statutory maximum distance a child would be expected to travel (i.e., 2 miles for pupils aged 4-8 and 3 miles for pupils aged 8-16)
2. The school, if primary phase, is within the same high school designated area as set out in the statutory admissions documentation
3. There will be no adverse impact on the pupils affected in terms of splitting peer groups or siblings
4. Existing and planned investment in local schools is not compromised
5. The route to the school is adequate and safe. Where there is inadequate access the County Council may seek developer contributions towards safe routes to school
6. The developer addresses the impact of those children having to commute further to school e.g., through the provision of cycle storage and/or contributions towards safe routes to school (see 5 above).

Types of Infrastructure Projects

4.15. New housing development will typically put additional pressure on existing schools, which may require the developer to provide funding towards one of the following school projects listed below. It should be noted that the list of projects below is not exhaustive.

4.16. These projects will need to demonstrate that they satisfy and are compliant with the CIL Regulations 2010 (as amended). Developer funding will be sought for the following types of infrastructure project at a named catchment school/s, or the school/s serving the development:

- New self-contained class block
- Extension to provide additional classroom(s)
- Internal remodelling to provide additional class places
- Additional toilet provision
- Additional group room provision
- Additional curriculum support space
- Additional staff accommodation
- New/extended hall space
- New/extended sports hall
- Multi use games area (MUGA)

- Improvement/extension to outdoor learning space/classroom
- Playground extension
- Provision or extension of changing rooms and/or cloakroom
- New/extended dining capacity
- Kitchen facilities
- Extension or adaptation of science laboratory
- Extension or adaptation of technology rooms
- Additional car parking; and/or cycle storage facilities
- Extension or refurbishment of early years provision
- Specialist accommodation for children with additional needs by extension or adaptation.

4.17. The County Council will not typically identify the precise project at the named catchment school/s, or school/s serving the development. It is expected that the S106 agreement will indicate that contributions will be spent at a specific school in order to increase pupil capacity.

Costs of Infrastructure Projects

4.18. The charges for both extension and new build works (e.g., new classrooms) are derived from a “basic need average cost” produced by the DfE. The DfE costs are based on building cost information received from local authorities across the country. The figures consider regional variations in prices.

4.19. The costs produced which reflect the different school phases of education and age range have been translated into a charge per dwelling (see table 2 below), pupil forecasts information will also be considered.

4.20. The secondary school basic need charge is based on the primary rate but uplifted by the DfE by 30% to reflect the higher costs associated with creating secondary school places, this will be evidenced in the overall cost to deliver a larger school having a higher number of cohorts. The DfE also uplifts funding rates by 10% to support costs associated with achieving improved sustainability standards. These sustainability standards are essential to meet the councils target of carbon zero by 2030, biodiversity net gain and the need to manage a more efficient and well-equipped school estate for the future.

4.21. The cost of providing a SEND place is greater than that of a mainstream schooling place, but this will depend on the type of need to be met. The average cost for SEND places is taken from the National School Delivery Benchmarking Report highlighted in 2024 the significant increase in pupils eligible and in receipt of EHCP’s. A direct result is the SEND provision across the County must improve and increase to accommodate what is expected to be a continuous need at a higher rate, which the County Council must try to manage.

4.22. The cost per place as set out in table 2 indicates a total of the standard charge per dwelling. When responding to applications the County Council assesses the capacity at each school sector and will only seek contributions for those sectors that are deemed to be at full capacity. The cost per place is comparable to neighbouring County Councils.

Table 2 Cost Per Place

School Sector (age range)	Cost Per Pupil Place (2024)	Standard Charge per dwelling (2024)
Early Education (2-4)	£25,065	£2,005
Infant (4-7)	£25,065	£3,233
Junior (7-11)	£25,065	£3,810
Primary School (4-11)	£25,065	£7,043
High School (11-16)	£32,584	£4,725
Sixth Form (16-18)	£32,584	£489
SEND (0-25)	£96,806	£5,808

New School Requirements

4.23. The building of a new school or Early Education facility will be sought where there is a significant number of new houses proposed.

4.24. When building a new school, the County Council will consider the wider community use of both the school buildings and playing fields, but the use of these facilities will be for the Governing Board or Academy Trust to determine.

4.25. Developer contributions towards a new school will be sought when:

- The existing catchment area school cannot be expanded any further (e.g., insufficient usable land area); and/or
- The proposed residential development is of a scale that a new school can be justified. For the purposes of a new primary school the typical threshold needed to sustain a new 1FE (and pro rata) school is around 750 new dwellings. For a high school the level is considerably higher 5,000 – 6,000 new dwellings.

4.26. If the scale of proposed development falls below the critical threshold to deliver a 100% developer funded school the County Council will seek a pro-rata contribution towards the new build costs where appropriate. However, the County Council would, in such circumstances, need to carefully examine the proposed development in the context of the Local Plan to ensure that the wider objectives of delivering a sustainable community are met.

Table 3 Indicative Size of New School Sites

Provision	Minimum (Hectare)	Maximum (Hectare)
2 FE (420) Primary with Nursery (52 place) and SRB	2.3	2.6
3 FE (630) Primary with Nursery (52 place) and SRB	3.3	3.7
8 FE (1200) Secondary with SRB	9.6	10.8
10 FE (1500) Secondary with SRB	11.7	13.2

4.27. Table 3 sets out the indicative size of new school sites that may be sought, including the allowance for biodiversity net gain. The costs of a new school will need to be negotiated on a site-by-site basis and will reflect type of school, either primary or secondary, the size of school, whether 2 Form Entry or more is required, and the site constraints.

4.28. A new school site must be free of contamination, compaction and cleared of any previous land use, especially if the site was largely industrial land. The cost of all archaeological surveys and remedial work will be met by the developer. Design aims for a new school site will include rectangular in shape, on level ground and located on a gyratory road (i.e., not a cul-de-sac) near to the centre of the development and close to the other community facilities.

New Primary School Requirement

4.29. In the case of a new Primary School, the County Council's preference is for a 420-place school (2 forms of entry) with Early Years provision. With the significant increase in SEND places required across the county a school site may be needed to provide for an element of Special Resource Base (SRB) as part of the development. The County Council will review each project as part of the specific need in the local community. The County Council would expect the free transfer of a suitable site but will make provision for return of some of this land if the school does not need to accommodate the number of places identified.

4.30. New Primary School sites are designed in accordance with the DfE Building Bulletin 103: Area Guidelines for Mainstream Schools. The County Council would also seek the full cost of construction, including early education and SEND provision (where required).

New High School Requirements

4.31. The same principle above will apply to a new High School and the land requirement will be in accordance with DfE Building Bulletin 103.

SEND Provision

4.32. Any contributions received for the provision of SEND places will be pooled to improve or enhance facilities at the most appropriate provision. This may not be the provision closest to the development as pupils with SEND are often transported to the facility best able to provide for their needs, as confirmed in their EHCP.

School Capacity

4.33. It should be noted that existing unfilled capacity in the school system will not automatically be credited to developers, except where there is a significant existing unfilled capacity at the recipient school. The County Council in assessing unfilled capacity in the catchment area will also consider:

- Schools that have been expanded but are filling from their lower year groups
- Other permitted development in the area
- Those sites allocated in the Local Plan
- Capacity at local schools is taken from the County Council's records at the time of the formal application and is based on the most recent pupil count at the school.

4.34. School capacity will be assessed on a site by site basis and will consider a range of factors such as the total number of pupil places, permitted development within the area, numbers on roll and aligns with the DfE expectations allowing for surplus places in case of in year pressure not counted as part of any census date submission, as set out in the 2013 National Audit Office report (on behalf of DfE)

Capital Funding for New School Places. A buffer of 5% may be applied to the capacity of the school on a site-by-site basis (i.e., some schools will be deemed as being full at 95% capacity being filled).

4.35. It should be noted that relocatable classrooms (temporary mobiles) will not be counted towards the net capacity of the school. Therefore, those schools where there are relocatable classrooms present will normally be considered as being at, or over capacity, and as such developer contributions will be sought.

4.36. Modern Modular Unit Classbases with permanent Planning Consent, installed to either increase school capacity or as replacements for relocatable classrooms (temporary mobiles) will be counted towards the net capacity of the school.

4.37. Net capacity is the single data set used by Local Authorities to inform the DfE of changes in the maintained school estate as part of the statutory School Capacity Return (SCAP) each year. NCC will report updates in school operational net capacity to the DfE as changes to buildings or operational models occur.

4.38. Academies capacity on conversion is included in their Funding Agreement, The Net Capacity assessment used by the local authority for maintained schools is no longer applicable. In becoming an academy a school then becomes its own admission authority which will determine its operating planned admission number, which is at the discretion of the academy, which may impact the ability for the academy to respond to growth in an area.

Education/Children's Services Contributions arising from Affordable Housing

4.39. The approach set out below applies to both housing schemes where affordable housing forms a component part of a larger market housing development and to those schemes which are 100% affordable housing.

4.40. The County Council's approach is that it will seek, for the most part, education contributions on the whole housing site including any component of the proposal which may be developed for affordable housing. The reasons for seeking such contributions are:

- Affordable housing may involve a variety of tenure types, for example rented, shared equity or discounted market housing, and these tenures are as likely, if not more so, to be occupied by families containing children than market housing; and
- Those families moving into new affordable developments will almost certainly have vacated a home elsewhere, which could in turn be occupied by another family containing children. This means the new development could lead in net terms to more families in the area and more children attending local schools.

4.41. However, the County Council does accept that there may be some instances where new affordable housing will not lead to additional children in the area, for example:

- Where the families being housed are from a shared household (i.e., sharing with a family member). Therefore, once they move to the new affordable home the original home reverts back to a single household; or
- The family being housed live in a nearby bed and breakfast, hostel or other such accommodation provided by the LPA thereby not freeing-up any housing stock; or
- Where there is an occupancy condition precluding children (i.e., accommodation for the elderly).

4.42. Even in these circumstances (points 1 and 2 above) there may still be some justification for the County Council to seek education contributions if the family containing children move between school catchment areas (i.e., leading to children transferring schools and placing greater pressure on the recipient school). Therefore, it will only be in very exceptional cases that no education contribution, or reduced contributions, are sought in connection with affordable housing proposals. In such cases it will be up to the applicant together with the LPA to clearly demonstrate to the County Council that the affordable housing proposed will not lead to a net increase in the number of children in the respective school catchment area.

Affordable Housing – Claw Back provision

4.43. The County Council recognises that there is an issue surrounding the payment of education contributions for the affordable housing element of a new development.

4.44. The practical solution would be for a legal agreement to allow for an element of claw-back by the applicant where it can be demonstrated that the provisos set out above are satisfied. The detailed wording of such a claw-back clause will be a matter for respective solicitors to agree, although the principle should be acceptable, as this is consistent with the current Government guidance. The County Council will continue to monitor the implementation of this approach and review the situation when the standards are updated.

5.0 Home to School Travel Contribution

5.1. Norfolk County Council is required to provide home to school travel under The Education Act 1996, as amended by Part 6 of the Education and Inspections Act 2006, which places a duty on Local Authorities to make suitable travel arrangements free of charge for eligible children. Eligibility is based on if a child is attending a qualifying school (normally the nearest or nearest catchment school) and if they live more than the statutory walking distance from that school.

5.2. Statutory walking distances are set out in the travel to school for children of compulsory school age statutory guidance for local authorities document. If a child lives within the statutory walking distance, then they are not automatically eligible for free home to school transport. But if the child lives over the statutory walking distances, as set out below, the County Council is required to provide home to school transport for:

a) A child under the age of 8 is eligible for free travel to their nearest catchment or nearest suitable school if it is more than 2 miles from their home.
b) A child aged 8 years or over is eligible for free travel to their nearest catchment or nearest suitable school if it is more than 3 miles from their home, or if they are on low income this is reduced to 2 miles.
c) A child who requires transportation to a special educational needs and disabilities (SEND) school, if eligible.
d) A child from a family on low income is also eligible for free travel if they are attending one of three appropriate schools closest to their home where that school is more than 2 but less than 6 miles away.

5.3. The statutory walking distances are measured by the shortest available walking route. An 'available route' is one which a child, accompanied as necessary, may walk with reasonable safety to school.

5.4. The presumption would be that all pupils arising from a proposed new development will be able to access schools within safe walking distances which will minimise the length and number of journeys, however this is not always going to be the case, particularly for high school children.

5.5. Where a new housing development is proposed and such walking routes are not available, Norfolk County Council may seek additional developer contributions to mitigate the impact of additional school-aged children living in an area, that in school transport terms is deemed unsustainable.

5.6. Contributions may be required to reduce travel distances and/or improve safety and/or provide transport where:

- There is not a safe walking route within the statutory walking distance.
- A development is located over the statutory walking distance.
- Where the catchment school does not have places in the interim, and children will have to be transported to surrounding schools.
- Children need to attend an alternative school due to their needs (e.g. a SEND school)

5.7. The contribution sought will extend for the life of the child place in the phase of education to which it relates. For primary phase it will be charged annually for 7 years, for secondary phase charged annually for 5 years, and for SEND it will be for 10 years.

School Transport Costs

5.8. Home to School transport costs the County Council on average £14.48 per day for Primary School pupils, £5.61 per day for Secondary School pupils, and £46.62 per day for SEND pupils (figures based off 2022/23 data). The costs will be reviewed on an annual basis.

School Transport Calculation

5.9. The school transport contribution is calculated using the average cost for transporting pupils in the previous financial year multiplied by the number of children generated. Contributions will be assessed on a site-by-site basis and will be sought for Primary, Secondary and SEND pupils.

5.10. The contributions that may be sought, per pupil, are set out in table 4 below.

Table 4 Home to School Transport Cost per Pupil

School Sector (age range)	Average Cost per Pupil per Year (2023)	Average Daily Cost (2023)	Cost per Pupil Generated (2023)
Primary (4-11)	£2,751.28	£14.48	£19,258.40
Secondary (11-16)	£1,066.18	£5.61	£5,329.50
SEND (5-16)	£8,857.26	£46.62	£88,578

The cost per pupil will be reviewed on an annual basis and is based on the home to school transport costs from the previous financial year.

5.11. The calculation of school transport contributions is based on 190 days per year over 7 years for primary school children, 190 days per year over 5 years for secondary school children, and 190 day per year over 10 years for SEND pupils.

5.12. Table 4 sets out the cost per pupil place generated which may be sought - the calculation is (average daily cost) x 190 (number of school days per year) x (number of years).

5.13. A school transport contribution may be sought on the following:
1. Housing developments that are further than the statutory walking distance from the nearest or nearest catchment school
2. Housing developments that are less than the statutory walking distance from their nearest or nearest catchment school but there is no available walking route.

5.14. It should be noted that seeking a school transport contribution is not a mechanism to make developments sustainable and in the first instance the County Council will support development proposals which are sustainably located and offer safe walking routes to school for any additional pupils. In the event a development proposal is permitted that cannot provide this the County Council would then utilise the option to seek school transport contributions to ensure children can get to and from school in a sustainable way.

SEND and Post 16 Explanation

5.15. SEND schooling is from 0-25 years, however the County Council can only quantify the number of places generated for SEND places between the ages of 5-16.

Therefore, SEND home to school transport costs will only be sought on SEND places for pupils aged 5-16.

5.16. The County Council is not obliged to provide free home to school transport for Post 16, so this is not factored in.

6.0 Library

6.1. The County Council under the Public Libraries and Museums Act (1964) has a statutory responsibility to provide a comprehensive and efficient library service. New housing development will put a strain on existing library provision, which may require developer funding towards one of the following library projects listed below. It should be noted that the list of projects is not exhaustive.

6.2. These projects will need to demonstrate that they satisfy and are compliant with Regulation 122 of the CIL Regulations 2010 (as amended). Arts Council England (ACE) have published "Guidance on seeking and securing developer contributions for libraries and archive provision in England" in September 2023. The calculations contained in that document have been used as the basis for the project requirements below.

These projects are:

- **A new library building**, including new fixtures and stock - The provision of a new library is only likely to be sought on major new housing sites/allocations of 3,000 dwellings or more. However, each case will depend on an assessment of the particular requirements in that area and the likely impact of the new development on current provision. The cost of a new library will need to be negotiated on a site-by-site basis.

- **A library extension** - The cost associated with these works The "Guidance on seeking and securing developer contributions for libraries and archive provision in England" recommends 30 sqm per 1,000 population. Based on BCIS costs adjusted Norfolk County with an average household size of 2.27occupants this gives a figure of £520 per dwelling.

- **Major Capital Project** to an existing library facility - this might include provision of new toilets etc. The cost associated with this work is £520 per dwelling.

- **Upgrading of existing library facilities** - This may include one or more of the following projects:
  - Refurbish library – including improved decoration and new flooring
  - Reconfigure internal space (new layout) to increase lending capacity
  - Refurbish toilet facilities
  - Improved visitor access to library facility i.e., allowing easier access for those with young children or with mobility issues
  - External works – for example improved parking; cycle racks etc. The costs associated with this work is £215 per dwelling.

- **IT Equipment, Furniture and Stock** - This may include one or more of the following projects:
  - Provision of books at the named library or mobile service
  - Provision of audio books, DVDs, and other leisure materials
  - Provision of self-service facilities and other potential IT equipment to increase the opening times and capacity of the library.
  - Provision of furniture e.g., bookshelves, tables, and chairs to increase visitor numbers
  - Provision of computers and computing equipment - including tables

- Provision of learning equipment / play equipment for younger children
- The costs associated with the above items is **£185 per dwelling**.

6.3. The County Council will not typically identify the precise project at the named library until it has sufficient pooled contributions to put together a deliverable / viable project. It is expected that the legal agreement (S106) will indicate that contributions will be spent at a specific library or libraries in order to increase lending capacity.

Table 4 Summary of Library Provisions

Type of Library Provision	**Standard Charge per dwelling**
A new library and stock	To be negotiated
Library extension and fitting out	£520
Major Capital Project to existing library	£520
Upgrading of existing library facilities and/or fitting out extension	£215
Equipment and/or stock	£185

6.4. The above costs relate to any dwelling (e.g., houses, bungalows, and flats). However, contributions will not be sought in relation to elderly accommodation, including residential care homes and housing with care, library contributions will also not be sought for student accommodation.

7.0 Adult Social Care and Public Health

Affordable Housing

7.1. The County Council aims to support people who have or may develop care and support needs to be supported in their own home for as long as possible. This means that housing needs to be "future proofed" in terms of being suitable or readily adaptable to that end as a general principle. In addition, affordable housing is a key issue for people of all ages and disabilities who use Norfolk County Council services, and this must be accessible and integrated, taking account of access to public transport in terms of location within a site.

7.2. A proportion of affordable and market housing should be built to Accessible and Adaptable Standards as set out in the Building Regulations Standards (M4(2)) and Wheelchair User Dwelling Standards as set out in the above Standards (M4(3)). Which would assist in meeting the populations changing needs.

Accessible Housing

7.3. An increasing proportion (25%) of the population is over 65 or disabled. This places pressure on supported accommodation such as sheltered housing, Independent Living (extra care housing), residential care homes, and supported living and means there is increased demand for more older peoples housing options in the future.

7.4. The County Council is committed to reducing residential care home and nursing home dependency for the elderly where they can be supported to remain more independent in their own homes or a housing based supported accommodation setting. It aims to provide care in:

- Peoples own homes
- Rented accommodation in ordinary housing
- Housing with care / Independent Living (extra care housing) (i.e., with residents living in own accommodation as tenants)
- Sheltered accommodation with warden provision in those where absolutely necessary.

7.5. The County Council also recognises that there will be a need for enhancing care homes and nursing homes, in line with population growth. The overall site size and minimum units are likely to be similar to extra care provision.

7.6. With regard to working age adults with special needs, the County Council is moving away from over reliance on residential care homes and instead is moving towards supported living i.e., housing with care (with residents living in their own accommodation as tenants) and single unit accommodation with floating support.

7.7. Therefore, on larger housing proposals, and on smaller sites where the cumulative effect on services is similar to a larger site, the County Council may seek developer contributions to develop care services, for example:

- To upgrade, expand or convert care homes to supported living accommodation
- To provide new build Independent Living (extra care housing) for the elderly to support housing moves for older people into appropriate housing as care needs increase and their homes become unsuitable

- To provide new or supported living to meet the needs of new residents to be near their extended family
- To provide single unit accommodation in general housing with floating support.

7.8. This will not be a fixed charge but will be negotiated on a site-by-site basis, and in the case of care homes or extra care may be based on a land contribution. Any contributions sought will need to meet the policy tests set out in CIL Regulations 2010 (as amended).

7.9. In addition, the County Council would support the LPA in seeking contributions towards:

- Housing with Care / Independent Living (Extra Care Housing) Provision for elderly
- Sheltered Accommodation for the elderly
- Supported Living (housing with care) for working age adults with special needs.

Public Health

7.10. The County Council in its Public Health role will consider whether proposed new development requires any contributions towards the general improvement of health. In general, it is unlikely that public health will require any contribution, although it may seek to influence the design and make-up of the development in order to encourage healthier living through for example encouraging walking, cycling and the use of public transport, and providing good access and links to local services.

7.11. It should be noted that under the agreed Norfolk Strategic Planning Framework sit a series of agreements including a County-wide Health Protocol (Agreement 20), which commits LPAs, as determining authorities, to engage with all the relevant health care and social care partners; commissioning bodies; as well as the County Council on relevant planning applications.

7.12. It will ultimately be up to the respective LPA in consultation with the Integrated Care Board to decide upon seeking any developer funding to specific health care projects such as contributions towards new doctor’s surgery / medical facility.

7.13. Such contributions towards capital schemes will not resolve workforce shortages within the NHS or other services. It may however enable surgeries and other services to expand their physical capacity, thereby making recruitment and retention easier in the longer run.

8.0 Fire

8.1. Developers will be required to provide fire hydrants to the relevant potable water supply infrastructure. At least one hydrant is required for every 50 dwellings to provide adequate firefighting water supply, depending on site layout and existing provision in the locality. The cost of provision of a fire hydrant fitted on no less than 90 mm mains would be the current cost levied by the water authority or other supplier dependent on who the developer engages. The minimum cost of provision of a fire hydrant fitted on no less than 90 mm mains is £1235.13.

8.2. Fire hydrants may also be sought in respect of commercial development and the cost would be the current cost levied by the water authority or other supplier dependent on who the developer engages. The number of hydrants required will need to be assessed on a site-by-site basis, in line with the Building Regulations Approved Document B Volume 2 Sections 15 & 16, British Standards 9990 and the 'National guidance document on the provision of water for firefighting'.

8.3. Given that the provision of a fire hydrant will in most cases be on site, the County Council would expect that they are delivered through a planning condition. The fire hydrants ought to be installed at the same time as the rest of the water infrastructure, ahead of any dwellings being occupied, in order to avoid any excessive costs to the developer. The location of the hydrant must be agreed with the Norfolk Fire and Rescue Service prior to installation. The developer will be expected to initiate the installation of the hydrant through contact with the Water Company and will incur all costs associated with the hydrant and its installation. The following conditions will be sought:

- **Condition 1 Residential Development:**
  - No development shall commence on site until a full or phased scheme has been submitted to and agreed by the Council, in consultation with Norfolk Fire and Rescue Service. The condition requires the provision of at least one fire hydrant, connected to the potable water supply, for every 50 dwellings forming part of the development (or part thereof to provide adequate firefighting water supply, dependent on-site layout). No dwelling shall be occupied until the hydrant(s) serving the property or group of properties has been provided to the satisfaction of the Council in consultation with Norfolk Fire and Rescue Service; and/or

  - No development shall commence on site until a full or phased scheme has been submitted to, and agreed by the Council in consultation with Norfolk Fire and Rescue Service, for the provision of at least one fire hydrant (served by mains water supply) for every 50 dwellings (or part thereof to provide adequate firefighting water supply, dependent on-site layout) forming part of the development and no dwelling shall be occupied until the hydrant(s) serving the property or group of properties has been provided to the satisfaction of the Council in consultation with Norfolk Fire and Rescue Service; and/or

- **Condition 2 Commercial Development:**
  - No development shall commence on site until a scheme has been submitted for the provision of a minimum of 0.75 fire hydrants per hectare dependent on layout (served by a 150 - 180mm main water supply depending on the mix and type of commercial uses) for the benefit of the commercial development in a location agreed with the

Council in consultation with Norfolk Fire and Rescue Service and should meet the requirements of Building Regulations Approved Document B Volume 2 Sections 15 &16 (Fire Hydrants/Water Supplies and Vehicle Access), British Standard 9990
and the 'National guidance document on the provision of water for firefighting'. The commercial development buildings shall not be occupied until the hydrants have been provided to the satisfaction of the Council in consultation with the Norfolk Fire and Rescue Service.

The commercial development buildings shall not be occupied until the hydrants have been provided to the satisfaction of the Council in consultation with the Norfolk Fire and Rescue Service.

Informative

8.4. With reference to Conditions 1 and 2, the developer will be expected to meet the costs of supplying and installing the fire hydrants.

Reason for Condition

8.5. Condition is needed to ensure adequate water infrastructure provision is made on site for the local fire service to tackle any property fire.

8.6. Developers may also be asked to contribute towards additional off-site facilities made necessary by the proposed development. For any off-site requirements the County Council would expect these to be dealt with through a S106 agreement.

8.7. The delivery of on-site fire hydrants should therefore be dealt through the use of planning condition rather than within a S106 agreement.

8.8. Fire hydrant condition/s will be sought for any application in line with advice set out in Paragraph 55 of the National Planning Policy Framework. The County Council will normally seek such a condition/s in respect of an outline application, rather than relying on separate conditions imposed at the reserved matters stage, in order to:

- Ensure that the hydrants are properly planned across the development as a whole
- Avoid any potential "gaps" in provision
- Reduce any cost burden on the development industry through avoiding unnecessary duplication.

9.0 Green Infrastructure

9.1. The County Council, in partnership with LPAs, expects developers to contribute towards the provision of green infrastructure in line with requirements in the National Planning Policy Framework (NPPF) and local plan policies. Contributions towards green infrastructure should not be confined to monetary obligations but should be considered within the overall design of development and its context.

9.2. The principle of green infrastructure is to provide landscape connectivity for people and wildlife as well as, where appropriate, assisting in the protection of designated sites. The County Council therefore expects that green infrastructure provision is considered and secured through on-site open space provision with appropriate connections to the wider off-site green infrastructure network. This can be achieved, for example, through strategic highway planting, enhancements to the Public Rights of Way (PROW) network and effective use of sustainable urban drainage systems as multifunctional assets.

9.3. The County Council's green infrastructure responsibilities include PROW, Norfolk Trails, Habitat Regulation Assessment, and ecological networks.

Public Rights of Way

9.4. Norfolk County Council has a duty to sign and maintain 3,750 km PROW. New developments may directly affect routes by:

- Requiring existing PROW be moved or adopted
- Creating the need for new PROW
- Requiring existing PROW to be improved.

9.5. Where detached routes are proposed it is in the public benefit that they be dedicated as PROW. Increased use will be made of off-site routes requiring enhanced maintenance incurring cost to the County Council.

Norfolk Trails

9.6. Where development is near to one of the Norfolk Trails, a contribution may be sought to help bring social and economic benefits to the local community with regards to connectivity with the trail infrastructure.

9.7. Therefore, where proposed development is likely to have an impact on PROW, the County Council will seek to negotiate a contribution which is consistent with Regulation 122 of the CIL Regulations 2010 (as amended).

Habitat Regulation Assessment and ecological networks

9.8. In terms of the Conservation of Species and Habitat Regulations 2010 (as amended), new and enhanced Green Infrastructure can be used as mitigation for impacts from recreational disturbance on internationally designated wildlife sites as a result of new development. Therefore, the County Council, in partnership with LPAs, expects developers to contribute towards the provision of a coherent and connected green infrastructure network.

9.9. In addition, LPAs have a general duty to protect biodiversity. The County Council, in partnership with the respective LPA, may seek contributions towards improving areas of green space and/or the creation of new habitats to maintain, enhance, restore, or add to biodiversity interests, where they relate to new housing development as required by the NPPF. Such contributions towards biodiversity interests will assist local authorities to discharge their responsibilities under the Section 40 of the Natural Environment and Rural Communities Act (2006). Contributions will only be sought where they can be justified in terms of the tests set out in Regulation 122 of the CIL Regulations 2010 (as amended) for example where residents from an individual proposed development site are reasonably likely to adversely impact a County Wildlife Site through increased footfall and where mitigation measures are necessary to address this.

10.0 Highways & Transport and other Potential Contributions

Highway and Transport

10.1. The County Council, through its role as Highways & Transport consultee, supports development where it can be clearly demonstrated that it meets the requirements of the NPPF in being safe and sustainable. With this in mind, developers may be required to provide transport related mitigation to address transport impacts of development. The mitigation measures secured by obligation can take the form of travel planning, public transport provision including infrastructure, measures to improve road safety/capacity, or facilities to enable non-motorised users of the highway.

10.2. This can be delivered through financial contributions or physical works within the highway and will be dealt with by both the Planning (S106) and Highways (S278 of the 1980 Highways act) legislation. Highways and Transport contributions/works are assessed on a site-specific basis.

10.3. Early engagement with Highway Developer Services officers is actively encouraged prior to submission of any planning application.

Travel Planning

10.4. Where it has been identified that a travel plan is required, Norfolk County Council's Travel Plan Guidance sets out the requirements including the travel plan surety bonds/contributions and monitoring fees.

10.5. The following two options are available to all developers.

- A travel plan can be delivered by the developer or their 3rd party contractor with the surety bond payable to the County Council
- The County Council can deliver the travel plan for an agreed fee through the S106. This travel plan would be delivered by the AtoBetter project.

10.6. Both options will require to pay the travel plan monitoring fee to the County Council in respect of monitoring and evaluation of their travel plans.

Household Waste Recycling Facilities (HWRF)

10.7. Norfolk County Council, as a Waste Disposal Authority, has a statutory duty under the Environmental Protection Act (1990) to provide facilities at which residents may deposit their household waste. Each facility must be situated either within the area of the authority or so as to be reasonably accessible to persons resident in this area.

10.8. Planned housing growth in Norfolk will place further pressures on existing facilities and will require a combination of new or improved facilities in order to meet future demand. Contributions may be sought to deal with the cumulative impact of a series of both small and large developments. The removal of Reg123 pooling restrictions provides for greater opportunities for seeking developer funding towards HWRF providing this is in line with the statutory legal tests set out in Regulation 122 of the CIL Regulations 2010 (as amended). This will not be a fixed charge but will be negotiated on a site-by-site basis.

Historic Environment

10.9. Developers will be required to meet the costs of protecting or examining and recording the historic environment generally including archaeological remains, historic buildings and other landscape feature through planning conditions or legal agreement.

Climate Change

10.10. Government is encouraging the use of the planning system to reduce the impacts linked with increasing the levels of carbon emission that exacerbate climate change. In due course this may involve contributions to abate these impacts; however, at this stage the precise figure has not been calculated and would not be implemented until consultation has occurred with the LPAs as part of any CIL preparation.

Norfolk County Council is the local authority for Norfolk. We provide a wide range of services for people who live, work, do business or visit here. They include education, social services, highway maintenance, waste disposal, libraries, museums, fire and rescue, economic development, and trading standards. For further details visit www.norfolk.gov.uk

Community and Environmental Services
Norfolk County Council
County Hall
Martineau Lane
Norwich
Norfolk
NR1 2DH

General Enquiries: 0344 800 8020 or information@norfolk.gov.uk

Published: April 2024

IN TRAN communication for all

If you need this document in large print, audio, Braille, alternative format or in a different language please contact planobs@norfolk.gov.uk and we will do our best to help.

Cabinet

Item No: 12

Report Title: Norfolk's Devolution – Local Assurance Framework

Date of Meeting: 3 June 2024

Responsible Cabinet Member: Leader of the Council Cllr Kay Mason-Billig (Leader and Cabinet Member for Strategy & Governance**)**

Responsible Director:

Paul Cracknell, Executive Director for Strategy & Transformation

Katrina Hulatt, Director of Legal Services

Chris Starkie, Director of Growth and Investment

Executive Summary

On 8 December 2022, Norfolk County Council ('the Council') signed an 'in-principle' Level 3 devolution County Deal for Norfolk which, if agreed, will provide Norfolk with new powers, devolved funding and additional investment to help us boost our economy through jobs, training and development, improve our transport network and support our environment.

As part of this deal, Norfolk County Council would receive a £20m Investment Fund annually for 30 years. The purpose of this funding is to drive economic growth across the county, providing an opportunity for generational change.

With devolution powers and funding comes specific governance arrangements, outlined in the English Devolution Accountability Framework, intended to ensure transparency and accountability, close working with local businesses, value for money and the maintenance of strong ethical standards. As Norfolk County Council is an existing authority, many of these arrangements are already in place, with strong governance and scrutiny functions.

The Local Assurance Framework is an annex of the English Devolution Accountability Framework and relates to the governance of devolved funding, particularly the new Investment Fund. Norfolk County Council must develop a draft Local Assurance Framework for submission to DLUHC in June 2024 to assure government that it would be ready to receive these funds if Full Council decides to proceed with the necessary governance arrangements for devolution in July 2024.

Recommendations

Cabinet is asked to:

1. Approve the draft Local Assurance Framework, (including the Boards information) as part of a devolution deal from government and agree to submit to the Department for Levelling Up, Housing & Communities on behalf of Norfolk County Council for a full and formal review.
2. Delegate authority to the Director for Growth & Investment to make minor amends, following feedback from the Department for Levelling Up, Housing & Communities, and agree that any material changes should be brought back to Cabinet.

1. Background and Purpose

1.1. 'County Deals' are part of the Government's levelling up agenda (as set out in the 2022 Levelling Up White Paper) "to spread opportunity equally across the UK" through greater devolution of powers and funding.

1.2. The Government set a mission that, by 2030, every part of England that wants one will have a devolution deal offering powers and funding over issues like transport, skills and economic support and with a strong emphasis on the importance of high profile, directly elected local leadership. Norfolk, along with Suffolk, is one of the areas invited to negotiate a County Deal, when the Levelling Up White Paper was launched in February 2022.

1.3. The County Deals offer a significant opportunity to unlock long-term funding and gain greater freedom to decide how best to support businesses to grow, meet local needs and create new opportunities for the people who live and work in Norfolk.

1.4. On 8 December 2022, the Secretary of State for Levelling Up, Housing and Communities announced that the Government was "minded to" enter into a County Deal for Norfolk, under which the County would benefit from £600m of new Government investment over the next 30 years and an additional £12.9m during the current Spending Review period to fund local priorities to produce growth. In addition, the Deal will also devolve a number of powers, as well as provide the Council with an additional £1.632m capacity funding over 2023/24 and 2024/25 to support implementation.

1.5. On 12 December 2023, the Council resolved that the Deal should be accepted and agreed that the election for the Directly Elected Leader should be held alongside the county council elections in May 2025 to enable the widest possible engagement with the electorate. Council also agreed that the resolution adopting the new governance arrangements should be brought to the Full Council Meeting on 23 July 2024 to facilitate that election date.

1.6. The Government and Norfolk County Council both recognise that devolution is a journey, not a one-off event. This agreement would be the first step in a process of further devolution and will pave the way for future conversations as part of an ongoing dialogue with Government.

1.7. The purpose of this report is to update cabinet on the development of a Local Assurance Framework (LAF), required by Government as a condition for the Investment Fund and other devolved funds. Cabinet may then decide whether to allow submission to central government of the draft LAF.

1.8. Cabinet is reminded that as this is a Level 3 deal, Norfolk County Council would be required to change its governance model to that of a directly elected leader. Elements of the deal such as the Investment Fund, the Brownfield Housing Fund and the Integrated Transport Settlement are only available at Level 3. A decision to change governance model is being taken by the Full Council on 23rd July 2024.

2. Proposal - Norfolk Investment Fund and Local Assurance Framework

2.1. Investment funds are long-term grants agreed by government. Norfolk's Investment Fund is £600m over 30 years, consisting of 40% capital and 60% revenue. There are significant benefits attached to the investment fund, including:

- Local control over how economic policy is implemented and the flexibility to prioritise what is right for the county.
- Direct investment to address the needs and meet the demands of Norfolk's businesses and people – enabling us to be agile and responsive.
- Long term funding is available without the need for costly and resource intensive bidding to Government. In addition, it does not preclude Norfolk's local authorities from accessing other funds that are currently available or will become available in the future.
- The ability to leverage in tens of millions of pounds of other funding streams from sources such as the National Lottery Heritage Fund, Sport England or the National Infrastructure Bank. For example, central government outlines in the 'Greater Manchester Combined Authority Trailblazer Deeper Devolution Deal' paper how they are supporting the authority to leverage greater private investment to help deliver retrofit and energy efficiency measures. [Title] (publishing.service.gov.uk)
- Investment outcomes are direct and highly visible for residents and businesses, contributing to better outcomes and offering pride of place.
- The Investment Fund enables stakeholders across all sectors to work together to shape investment projects, helping to move Norfolk forward in partnership.

2.2. The Investment Fund is ringfenced for the purpose of economic growth and will be subject to 5-year independent gateway review to assess the impact investment funds have made in the local area on economic growth and trigger the release of the next 5-year tranche of funding.

2.3. In line with the ethos and policy of devolution, Norfolk will have the autonomy to shape the Investment Fund in order to address Norfolk's Investment priorities for economic growth. This provides all of Norfolk stakeholders, including local business, district councils and other relevant partners, a real opportunity to shape Norfolk's future and provide a shift change in employment, sustainable growth, productivity, and skills.

2.4. Subject to the Council vote on changing governance to a directly elected leader on 23 July 2024, the Investment Fund design will be presented to Cabinet for endorsement, accompanied by the Local Assurance Framework once agreed with Government.

2.5. The Government requires areas in England with devolution deals to produce, submit and publish a Local Assurance Framework, setting out how all devolved and awarded funding and powers, and specifically the Investment Fund, will be administered.

3. Evidence and Reasons for Decision

3.1. Local Assurance Frameworks are a requirement under the English Devolution Accountability Framework. They set out how areas with devolution deals will use public money responsibly, make robust and lawful decisions, achieve best value for money and act in an open and transparent manner. They outline the governance structures in place for making decisions, the policies and procedures that support decision-making, summarise how investments and interventions will be appraised and managed, and how the authority will publish information.

3.2. The English Devolution Accountability Framework sets out a range of expectations for Local Assurance Frameworks:

- Confirm Accountable Body arrangements for funding received from government through devolution deals.
- Confirm that the use of resources is subject to the usual local authority checks and balances – including the financial duties and rules which require authorities to act prudently in spending, which are overseen and checked by the responsible Chief Finance Officer (the Section 151 Officer) and to ensure that annual accounts are published.
- Confirm, where applicable, that investment decisions using public funds will be made with reference to statutory requirements, conditions of the funding, and local objectives (e.g. Norfolk's Economic Strategy, which is currently in draft but is intended to be presented to the Council for adoption prior to May 2025).
- Describe the arrangements for enabling effective and meaningful engagement of local partners and the public to inform key decisions and future strategy development.

- The Local Assurance Framework should set out the key roles and responsibilities in decision making. In particular, it should set out which body (or bodies) has the authority to set strategy, budgets, and individual investment decisions.

3.3. The draft Assurance Framework attached at Appendix A has been developed in accordance with the HM Treasury Green Book (November 2022) to ensure good practice when deciding how to spend the Investment Fund and the English Devolution Accountability Framework (issued in March 2023).

3.4. Cabinet is asked to note a number of points:

- This Assurance Framework has been drafted in such a way to establish the authority to draw down its first allocation of resources, make robust decisions, and be well placed to build upon to bid for further devolved powers and funding where available.

- The Assurance Framework confirms that the Council's governance model is at the heart of decision making. It also seeks to recognise the pivotal role that key partners and stakeholders have in delivering devolution for Norfolk.

- Whilst it is intended that the Assurance Framework will be reviewed annually, at this stage there will be subsequent amendments required throughout 2024-2025 to incorporate the assurance approach towards forthcoming functions and responsibilities for the Adult Education Budget which will be informed by further Statutory Instruments.

4. Impact of the Proposal

4.1. For Norfolk, as the Devolution deal is between Government and Norfolk County Council, the Council is the accountable body for the deal, and the decision-making process, as well as scrutiny of decisions, will be made in line with the Council's constitution.

4.2. Recognising the pivotal role of district councils, business, the voluntary sector, and education in the growth of the County, the Local Assurance Framework outlines the governance model and partnership engagement that will ensure the effective and meaningful engagement of all partners in implementing the current deal, as well as their ongoing contribution to the shaping of future deals and strategy.

4.3. The Local Assurance Framework is also set firmly in the context of the emerging Economic Strategy for Norfolk, which has been developed with hundreds of partners and stakeholders in Norfolk.

5. Alternative Options

5.1. The production and agreement of a Local Assurance Framework is a government requirement and a condition that must be met before any part of the Investment Fund is devolved to Norfolk. As part of a Level 3 deal, the

Investment Fund is contingent upon a County Council resolution to change the current leader and cabinet executive governance model to a 'directly elected leader and cabinet' governance model on 23 July 2024.

5.2. If Council do not agree to change the model of governance, then the effect would be that the Council will not proceed with a Level 3 agreement. In that case, the Investment Fund would not be available to Norfolk and the Local Assurance Framework would not be required. Therefore, therefore there are no alternatives to producing this document.

6. Financial Implications

6.1. Approval of the Assurance Framework is required by Government to release devolved funds. Failure to submit the Assurance Framework will lead to delays in the receipt of those funds.

7. Resource Implications

7.1. Staff: No additional staff are required specifically for the local assurance framework. Activities will be embedded into business-as-usual practices for officers working on devolved funding stream activities.

7.2. Property: n/a
7.3. IT: n/a

8. Other Implications

8.1. Legal Implications: The Local Assurance Framework sets out the Assurance systems and processes that the Council will apply to the Investment Fund and other funding streams. It forms a commitment to transparent and accountable decision-making by NCC, demonstrating proper custodianship of those funds. Although not statutory, the Framework has the force of a contract. Any changes or variations must not be undertaken unilaterally and ongoing narrative will be key.

8.2. Human Rights Implications: None
8.3. Equality Impact Assessment (EqIA) (this must be included):

A comprehensive range of evidence was gathered and analysed, to enable the Council to develop a sound equality impact assessment about the likely impacts of the Deal on people with protected characteristics. This involved reviewing data about people and services that might be affected, contextual information and commissioned research about local areas and populations.

The equality impact assessment conducted as part of the public consultation on the County Deal, identified that the Deal has the potential to significantly enhance access for disabled and older people in Norfolk - and equality of opportunity for people with other protected characteristics. This will continue to be relevant to all aspects of the work to implement the County Deal and to inform implementation plans.

The full equality impact assessment is included in the Cabinet papers for 5 June 2023, see section 13 below.

8.4. Data Protection Impact Assessments (DPIA): None
8.5. Health and Safety implications (where appropriate): None
8.6. Sustainability implications (where appropriate): None
8.7. Any Other Implications: None

9. Risk Implications / Assessment

9.1. Norfolk County Council will ensure that risks to the delivery of its priorities are appropriately managed in accordance with the Council's Risk Management Framework in order to fulfil the Financial Regulations, as set out in the Council's Constitution, the Policy and Procedures will comply with the Accounts and Audit (England) Regulations 2015 (Part 2, Internal Control 3(c)) and the Public Sector Internal Audit Standards.

9.2. The programme will adhere to the NCC Risk Management Policy which sets out the definition of risk, the roles and responsibilities within risk management, the approach taken to risk management within Norfolk County Council, the monitoring and audit of the Policy, and its review.

9.3. Investment fund will be released in five-yearly tranches and will only be released subject to satisfactory gateway reviews.

10. Select Committee Comments

10.1. Having offered thoughts and feedback on the current draft and proposed next steps as outlined in the report, the Committee recognised the work carried out by all of Norfolk's councils to develop a collaborative model of stakeholder governance to oversee the development of investment proposals for Norfolk.

10.2. The Select Committee made the following recommendation to cabinet: For student representatives to be involved on the Education Board and union and worker representatives be involved on the Business Board.

11. Recommendations

11.1. Cabinet is asked to:

1. Approve the draft Local Assurance Framework, (including the Boards information) as part of a devolution deal from government and agree to submit to the Department for Levelling Up, Housing & Communities on behalf of Norfolk County Council for a full and formal review.
2. Delegate authority to the Director for Growth & Investment to make minor amends, following feedback from the Department for Levelling Up, Housing & Communities, and agree that any material changes should be brought back to Cabinet.

12. Appendices

12.1. Appendix 1 – Local Assurance Framework
12.2. Appendix 2 – Boards – Local Assurance Framework

13. Background Papers

13.1. 2022 Levelling Up White Paper

13.2. Norfolk Devolution Deal

13.3. Cabinet Agenda 5 June 2023 – A County Deal for Norfolk – Public Consultation and Equality Impact Assessment

13.4. Full Council Agenda 12 December 2023 Consideration of a County Deal for Norfolk

13.5. Infrastructure & Development Select Committee agenda 15 May 2024

13.6. Infrastructure and Development Select Committee Minutes 15 May 2024

Officer Contact

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

Officer name: Katrina Hulatt / Markella Papageorgiou

Email: Katrina.hulatt@norfolk.gov.uk / markella.papageorgiou@norfolk.gov.uk

IN TRAN communication for all

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 - Norfolk Assurance Framework - Draft

Contents

1. Introduction

1.1. Context

On 8 December 2022, Norfolk County Council ('the Council') signed an 'in-principle' Level 3 devolution County Deal for Norfolk which, if agreed, will provide Norfolk with new powers, devolved funding and additional investment to help us boost our economy through jobs, training and development, improve our transport network and support our environment.

Norfolk's devolution will bring greater independence to local decision-making and priority setting. The Investment Fund, available through a Level 3 deal, will bring an additional £600m over 30 years. Devolution of this fund is subject to the development of a Local Assurance Framework, agreed by the Department for Levelling Up, Housing and Communities.

1.2. The Local Assurance Framework

Norfolk County Council as a Local Authority is subject to the Local Government Accountability Framework. This framework is understood to be part of the broader Local Government Accountability Framework which is largely represented through the Council's own Code of Corporate Governance. Code of Corporate Governance - Norfolk County Council

This Assurance Framework explains the arrangements for Norfolk County Council (NCC) to:

- Appraise projects and allocate funding
- Demonstrate that arrangements are in place to ensure accountable and transparent decision making, and
- Monitor and evaluate projects to ensure that they achieve value for money, and projected outcomes in accordance with the elected Leader and Cabinet's priorities.

It has been written to set out Norfolk County Council's working arrangements meeting the requirements of the English Devolution Accountability Framework as published by the Department for Levelling Up, Housing and Communities, published in March 2023.

This Assurance Framework has also taken note of the publication of the Treasury Green Book in November 2022.

As with all public sector bodies, elected officials and officers of English institutions with devolved powers are expected to uphold the Seven Principles of Public Life (the Nolan Principles). Norfolk County Council already operates within these principles in the framework described below. All Boards that support the devolved functions will also operate to these high standards.

The Devolution Deal agreed between NCC and HM Government provides the area with greater local control, flexibility and responsibility over funding streams and their outcomes, particularly over the management of the Investment Fund, Brownfield Housing Fund, and the Adult Education Budget (AEB). The Investment Fund approach to funding is a significant fiscal agreement in devolution deals which reduces ring fences and consolidates funding lines for which NCC is the accountable body.

In performing its role, NCC ensures that it acts in a manner that is lawful, transparent, evidence-based, consistent and proportionate. This Assurance Framework provides a robust framework to enable NCC to maximise the impact of the Devolution Deal and is applicable to any funds devolved to NCC, including, for example, the Brownfield Housing Fund.

1.3. Scope of the Local Assurance Framework

NCC is establishing an Investment Fund through which it will administer the Investment Fund allocation from Government, alongside any other local and national funding sources which may subsequently be included. The Investment Fund provides the opportunity to combine funding to maximise economic impacts. All programmes or projects funded through the Investment Fund are subject to the agreed prioritisation, appraisal, and monitoring and evaluation framework, including value for money assessments tailored to the nature and scale of the proposed investment.

The details within this Assurance Framework document are predominantly in relation to assurance for the Investment Fund which comprises the £20 million per year allocation of funding, for 30 years, which will be subject to a five-yearly Gateway Review by Government. In line with the Devolution Deal this is in the control NCC, working with the Norfolk elected Leader. Any additional funding that is included in the Investment Fund will be subject to this Assurance Framework.

This Assurance Framework will be reviewed annually and updated in line with the Norfolk County Council Code of Corporate Governance, the NCC constitution, relevant policies and procedures as well as any Government updates to the English Devolution Accountability Framework guidance to ensure that it remains fit for purpose. Furthermore, where interests are aligned, should other funding sources be subsequently aligned with the Investment Fund to ensure that an integrated, comprehensive and strategic approach to promoting growth and an inclusive economy within Norfolk is adopted; this framework will be updated accordingly. Where there are significant changes to the framework from the approved document, or when wholly new funding streams are added to the Investment Fund, revisions will be agreed with the Department for Levelling Up, Housing and Communities (DLUHC).

This Assurance Framework and the Investment Fund will be managed in accordance with the usual local authority checks and balances, including the financial duties and rules which require local authorities to act prudently in spending. This provides assurance to DLUHC and to Parliament as to how wider funding routed through local government is allocated and that there are robust local systems in place to ensure resources are spent with regularity, propriety and value for money.

1.4. Amendments to the Assurance Framework

The Assurance Framework will be reviewed periodically to ensure it reflects any new practices and governance models. Substantial changes to the Assurance Framework will be tabled for confirmation at an Investment Board meeting, with a decision to propose to the directly elected leader if the board agrees to the suggestion. Following this, the directly elected leader will review the proposal, and if agreed will seek to agree the change with the Department for Levelling Up Housing & Communities. Updates to programme rules, manuals and processes as a result of changes to the Assurance Framework will be carried out by officers. Minor amendments and administrative changes (such as changes to the names of roles) to the Assurance Framework will be signed off by the Director of Growth and Investment.

All changes to the Assurance Framework and associated programme rules, manuals and processes will be published on the NCC website (*insert link here once pages completed)* for potential applicants and the public to view, and communicated to internal NCC staff, the Investment Board, DEL and DLUHC accordingly via email following the agreement of changes.

1.5. Best Value Standards

Norfolk County Council will adhere to the statutory guidance on best value standards in terms of both the overarching principles and the themes. Principles and themes will be embedded within the assurance framework and embodied within the culture of the programme staff and Governance functions via the agreed Terms of Reference.

The principles are:

- **Local accountability** - Accountability should primarily be to local residents and businesses. Statutory intervention will only be used when there are significant and extensive indications of failure and authorities are not delivering to the high standards which their local communities have a right to expect.
- **Continuous improvement** - Every best value authority must make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
- **Openness to challenge and support** - This includes being open to external challenge and scrutiny, including in the form of regular peer challenges and participating in the broad range of formal and informal improvement initiatives available to authorities. It also means being responsive to challenge from the press, public and local communities more generally.
- **Expectations** - Government should be clear in its expectations of an authority to demonstrate it is securing best value in key areas such as governance, culture, finances and statutory services.
- **Prevention** - Local authorities should take responsibility for identifying early warning signs and act appropriately to address potential failures at the earliest opportunity by participating in the sector-led improvement initiatives available to them
- **Meeting the cost of failure** - Local authorities are responsible for taking all reasonable steps to meet the financial cost of failure locally.

The best value themes are:

- Continuous improvement
- Leadership
- Governance
- Culture
- Use of resources
- Service delivery
- Partnership and community engagement

2. Governance and Decision Making

2.1. Norfolk County Council Governance Structure

2.1.1. Accountable Body Statutory Officers

NCC is a local authority for the purposes of the Local Government Act 1972 and is the Accountable Body for public expenditure that supports the Devolution Deal, facilitating collective decision making between constituent partners in economic development and regeneration.

NCC has appointed a statutory Chief Finance Officer under section 151 of the Local Government Act 1972 and a statutory Monitoring Officer under section 5 of the Local Government and Housing Act 1989. The Chief Finance Officer role (Section 151 Officer) ensures that resources are used legally and appropriately and that they will be subject to the usual checks and balances by making sure there is a sound system in place for financial management. The Monitoring Officer role ensures that all legal responsibilities are adhered to. More details on these roles can be found within the Norfolk County Council Code of Corporate Governance.

NCC will comply with the audit and scrutiny requirements set out in the 2009 Act and NCC will ensure that it acts in a manner that is lawful, transparent, evidence based, consistent and proportionate. Please refer to the NCC Constitution (Approved 28 March 2023) for further detail.

2.1.2. Governance overview

Norfolk County Council's governance structure is enshrined in full in the Council's Constitution. The NCC Constitution is owned by Full Council and is reviewed annually.

Norfolk County Council uses the Leader model whereby all executive powers and functions are vested in the leader, who can take a decision on and executive function, or exercise powers through a cabinet, cabinet member or officer of the Council via delegation.

The Scrutiny Committee is a key part of the democratic checks and balances of the Leader and Cabinet system of governance. The role of the Scrutiny Committee is both to look proactively at the work of the executive and provide positive scrutiny and support to the executive as it undertakes its functions. Scrutiny also oversees the statutory 'call in' process, which allows Members to intervene when they feel a decision made by the executive needs to be revisited.

As part of the scrutiny structure, Select Committees assist in the development of policy in their specific areas, and provide scrutiny and advice on policy at various stages prior to consideration by the Executive. There are three Select Committees: People and Communities, Infrastructure and Development, and Corporate. Their role and responsibilities are outlined in the NCC Constitution.

There is currently a review of Scrutiny ongoing which will be completed prior to May 2025. However, prior to the completion of the review scrutiny will take place, either in the scrutiny committee or the Select Committees where spend as part of the devolution deal will be scrutinised in a public forum.

As with any executive system, a number of functions are reserved to the Full Council and others are discharged through Council Committees.

Of equal importance with regard to the Accountability Framework, a key Committee is the Audit and Governance Committee. With its remit of financial and governance oversight, including the oversight of the Annual Governance Statement, accounts and Code of Corporate Governance, the Assurance Framework will be presented to that Committee for their comments and input into the overall Assurance system. They will be briefed on their role in respect of the oversight of the Accountability Framework.

2.1.3. Audit and Governance

NCC has an established Audit and Governance Committee, whose remit and operations are set out in the NCC Constitution (Approved 28 March 2023). This committee is a key component of the NCC's corporate governance arrangements and an important source of assurance about the organisation's arrangements for; governance, internal audit, risk management, anti-fraud and corruption, the annual statement of accounts, treasury management, external audit and supports the proper conduct of the Council's business by members. Membership comprises of seven Members of the Council, on a politically balanced basis. Cabinet members may not be members of this Committee.

The audit functions of the Audit and Governance Committee are to review, report and make recommendations on:

- Annual Governance Statement
- Internal Audit and Internal Control
- Risk Management
- Anti-Fraud and Corruption
- Annual Statement of Accounts
- External Audit
- Norfolk Pension Fund
- Treasury Management

NCC, through Norfolk Audit Services, obtains internal audit services to provide a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. The internal audit provision will conform to the Public Sector Internal Audit Standards which are intended to promote further improvement in the professionalism, quality, consistency and effectiveness of internal audit across the public sector.

The annual external audit of the NCC's statement of accounts is undertaken by Ernst and Young, a registered external local auditor under the Local Audit and Accountability Act 2014.

The external auditors will undertake the audit of the NCCs statement of accounts and value for money arrangements in line with the Code of Audit Practice issued by the National Audit Office (https://www.nao.org.uk/code-audit-practice/) in line with the requirements set out in the Local Audit and Accountability Act 2014 and the Accounts & Audit Regulations 2015.

Norfolk Audit Services (NAS) will carry out audits on Investment Fund programmes and programme processes. NCC and NAS will work together to identify the areas in which yearly audits will take place, and NCC will ensure that regular reviews of audit recommendations and actions are shared with stakeholders and board members as necessary.

A yearly audit report will be created by NCC, covering activity and recommendations, which will be presented to the Norfolk Investment Board annually.

2.1.4. Scrutiny

NCC has an established Scrutiny Committee and three Select Committees which together constitute the Council's overview and scrutiny arrangements pursuant to section 21 of the Local Government Act 2000. The remit and operations are set out in the NCC Constitution (Approved 28 March 2023), and which has the power to monitor or scrutinise decisions made, or other action taken in accordance with:

a) any functions which are the responsibility of the Executive, including decisions made/actions taken directly by the Executive itself and those decisions/actions delegated to Chief Officers and individual members of the Executive; and

b) any functions which are not the responsibility of the Executive.

The Authority is currently reviewing its scrutiny arrangements in light of the Scrutiny protocol and will update its document, when that review is complete. The constitution is also under review pending the introduction of a Directly Elected Leader but will, as the Council does now, allow for questions by the public to the Leader at Council and Cabinet meetings.

2.1.5. Transparent decision making

It is important that all decisions taken regarding devolved funds are accountable, open and transparent. Transparency will be maintained through the existing NCC arrangements and by adhering to the Local Government Transparency Code (2015).

Internally, there will be clear separation of duties when administering funds; for example, the person responsible for scrutinising applications and business cases will not be the same person who either applies for funding or is responsible for delivery.

2.1.6. Publication of Decisions

NCC will publish a record of all decisions and meeting minutes relating to devolved funding made by the DEL and by the boards shown above, on its website, as it does currently with council and cabinet meetings. This is to make decisions available to the public and allow for public accountability.

Performance Reports will be presented to cabinet and made available as part of the minutes and will therefore be open to public scrutiny. NCC will collate and publish a yearly overview of programmes to include a review of the approved projects, outputs and outcomes achieved, project spend to date, forecasted future spend, and set the priorities for the coming year.

2.2. Other Policies and Procedures

2.2.1. Freedom of Information

As a public body, NCC is responsible for holding the official record of Investment Fund proceedings and Investment Fund documents and will ensure compliance with the Freedom of Information Act 2000 and the Data Protection Act 2018, which includes the General Data Protection Regulation (GDPR). Full details of the NCC's Freedom of Information requests procedures can be found here Freedom of Information - Norfolk County Council

2.2.2. Publication of Annual Accounts

The annual statement of accounts is published on the Norfolk County Council: Statement of accounts - Norfolk County Council. This includes the declaration by responsible financial officer, the draft statement of accounts for the financial year and the draft annual governance statement.

2.2.3. Conflict of Interest

Any individual should report any conflict of interest with an item on the agenda of any meeting to the Programme Management and the Chair of any meeting. It is expected that the individual will not participate in decision making on any issue for which they have a conflict of interest. The concerned individual should leave the room during discussions and decision making. The Chair will both request and inform the meeting of declared conflict of interests at each meeting.

2.2.4. Members' Code of Conduct

NCC has a code of conduct for members and a code of conduct for officers which set out clear procedures for dealing with any conflicts of interest which may arise when carrying out the business of NCC. The code of conduct can be found in the NCC Constitution (Approved 28 March 2023). For members it is based on the Seven Principles of Public Life, also known as the Nolan Principles. The Constitution also explains the role of the Audit and Standards Committee in considering complaints about Member Conduct.

All Councillors are expected to register and declare interests so that the public, local authority employees and fellow Councillors know which of your interests might give rise to a conflict of interest. The register also protects a councillor by allowing them to demonstrate openness and a willingness to be held accountable.

The Council's Monitoring Officer has established, and maintains, a register of the interests of the Members and co-opted Members of the County Council, as required by Section 29 of the Localism Act 2011. This register contains details of Members' Disclosable Pecuniary Interest (DPIs). The register is open to inspection by the public. Members' interests are published on the County Council's website unless the Monitoring Officer has agreed that the interest if disclosed, could lead to the Member being subject to violence or intimidation (Section 32 of the Localism Act 2011).

The Code of Practice on Local Authority Accounting requires that the County Council must disclose in its annual accounts details of all transactions between the Council and individual Councillors, members of their close families or of the same household, and companies, partnerships, trusts or other entities in which they or their close family or members of their household have a controlling interest. To facilitate this process, the Director of Strategic Finance writes annually to all Councillors asking them to disclose any relevant transactions.

2.2.5. Codes of Conduct

The Council's Conduct and Behaviour Policy is designed to ensure that the Council meets the highest standards of openness, integrity and accountability. They include expectations on employees to declare details of any gifts and hospitality they receive in the course of their work and of certain pecuniary and personal interests.

The Conduct and Behaviour Policy sets out the circumstances in which employees may and may not accept offers of gifts and hospitality. If in the course of their work, an employee receives any gift or hospitality, they must declare it in the register which is held by Democratic Services. The declaration must include the details and circumstances of the gift/hospitality and the name of the person/organisation providing it.

There is a separate code of conduct for elected members which is detailed in our constitution.

Codes of Conduct for board members who are neither NCC employees or elected members are shown in our Boards Appendix.

2.2.6. Complaints Policies and Procedures

NCC has a rigorous set of complaints policies and procedures that can be found here [Complaints policies and procedures - Norfolk County Council]

The objectives of our Compliments and Complaints Policy are to:

1. Provide a framework which is simple for customers to use and is equally accessible to all
2. Deal with problems as close to their source and as quickly as possible
3. Give customers confidence that their comments are listened to and their complaints are being dealt with effectively
4. Ensure action is taken to solve problems and generate a positive attitude to feedback
5. Learn from feedback and prevent the recurrence of problems
6. Generate a consistent approach to compliments and complaints throughout the County Council
7. Protect the reputation and resources of the County Council
8. Ensure that compliments are shared with the officers concerned to recognise their contribution

All staff employed by NCC are made aware of the complaints policy

2.2.7. Whistleblowing

NCC has a Whistleblowing policy and associated documents covering the context, scope, examples and action required to raise a concern.

All staff employed by NCC are made aware of the whistleblowing policy.

All programme staff are protected by the whistleblowing policy of Norfolk County Council, issued as Appendix 4F to the NPLaw practice manual. This document is made available on the Finance page on MyNet which can be accessed by all staff. This document is written with regard to the requirements of the Public Interest Disclosure Act 1998 and associated government guidance.

The programme will have a clear statement of no tolerance towards fraud on its website, and will make it clear that it welcomes whistleblowing, and will establish a whistleblowing email address. All reports will be investigated by the project officers, reported to programme management and appropriate action taken.

2.2.8. Anti-Fraud, Bribery and Corruption

Norfolk County Council has a corporate Anti-Fraud, Bribery and Corruption Policy (*insert policy link*) that all members of staff adhere to. As part of this strategy, all staff employed by NCC undertake Fraud awareness training and this forms part of the induction process for new staff. As part of the Fraud Risk Assessment, additional training will be considered if it is required for staff.

The NCC Anti-fraud, Bribery and Corruption Policy sets out that Employees are required to report suspicions of fraud. The programme will use their right to refuse payment of a claim until such time as they are assured that it is an ‘eligible and legal use of the budget’, as set out in our contracts.

NCC will promote the Anti-Fraud, bribery and corruption Policy among all Programme stakeholders and will be shared on our website here *(insert link)*.

Any reporting of suspected fraud concerning NCC staff or NCC resources will follow the NCC Antifraud, bribery and corruption policy with direct notification to:

- Call the Whistleblowing hotline on 01603 22 44 33
- Use the Whistleblowing email: reportconcerns@norfolk.gov.uk
- Email Chief Internal Auditor *insert link*
- Email Chief Legal Officer *insert link*

2.2.9. Equality Diversity and Inclusion

Norfolk County Council is committed to promoting equality of opportunity, eliminating unlawful discrimination, harassment and victimisation, and promoting good relations.

We value everyone in our diverse county, irrespective of age, disability, sex, gender reassignment, gender identity, pregnancy, maternity, race (which includes colour, nationality and ethnic or national origins), sexual orientation, religion, belief, or whether someone is married or in a civil partnership.

We also have a responsibility to ensure that organisations we commission, to provide services on our behalf, deliver the same approach.

Equality diversity and inclusion policy - Norfolk County Council

This policy affects elected members and all workers including employees, consultants, temporary workers, agency staff and other third parties working on behalf of Norfolk County Council. It also applies to suppliers, sub-contractors and agencies in our supply chain.

2.3. Stakeholder Governance

2.3.1. Norfolk Leadership Board

Since 2020, Norfolk has benefited from a Public Sector Leaders' Board, which has brought together local system leaders to try and address issues that affect the county as a whole. Norfolk's devolution deal has presented a further opportunity to review the role, make-up and function of this board and, building on its past collaboration, create a **Norfolk Leadership Board.**

It is intended that this will bring together leaders from across the public and voluntary, and also private sector to consider issues of strategic importance to Norfolk, where collectively leaders can have the greatest impact, and together shape and drive the strategic agenda locally, and with central government.

Among other matters, the Board will promote the ongoing benefit of devolution for Norfolk, shaping recommendations on the development of future deal strategies and reviewing annual progress of the current deal.

2.3.2. Stakeholder Boards

The devolution deal is an agreement between Government and Norfolk County Council, with Norfolk County Council as the Accountable Body. All decisions relating to the implementation of the deal, will ultimately sit with the Council's Executive. The involvement of district councils, local businesses and other key partners, however, is pivotal to the success of the Deal.

A governance structure will be established to engage partners as expert advisors to inform, steer and support decision-making. This structure has been developed in partnership with District Councils and other partners, and will include:

- **A Norfolk Investment Board** that will include the directly elected leader, an additional member from Norfolk County Council and all District Leaders. The Board will help shape and endorse the structure and criteria of the Norfolk Investment Fund and its funding streams, as well as assess proposed projects and proposals to be funded through the Investment Fund and the Brownfield Housing Fund. The Investment Board will provide strategic insight and recommendations to the Norfolk County Council Executive, who will make the final decisions on all Investment Fund activity, in accordance with constitutional rules. Where appropriate, consultation on the Investment Fund will be sought from the Employment and Skills Board or the Business Board before the Investment Board makes its recommendations to Norfolk County Council Executive. This situation may arise where calls for proposals are technical and would benefit from localised input from specialists.
- **A Norfolk Business Board** which will be a partnership between business, education and local government to enable sustainable growth in Norfolk, focussed on the provision of business support, inward investment, innovation, sector and supply chain development. A fundamental element of the Board's role is to ensure a strong, independent, and diverse local business voice is reflected into the decision-making processes with any newly integrated business voice function playing an active role in partnerships such as Town Deal Boards, and with those partnerships formerly undertaken by the New Anglia Local Enterprise Partnership for Norfolk and Suffolk. The Board is a requirement from Government as part of the LEP integration plan, which is separate from the implementation of the County Deal and will build on the successes of the existing LEP Business Board.
- **A Norfolk Employment and Skills Board** which will be a partnership of local government, the Department of Work and Pensions, voluntary sector and business representatives focussed on developing a portfolio of activity to strengthen skills levels, shape the Adult Education landscape and ensure businesses have the right skills to enable their growth.

Terms of Reference for each of these Boards, can found in our NCC Boards Appendix, which includes codes of conducts for Board members who are not NCC employees or members.

The interaction of the Boards with each other and the Norfolk County Council system of governance, can be seen in Figure 1.

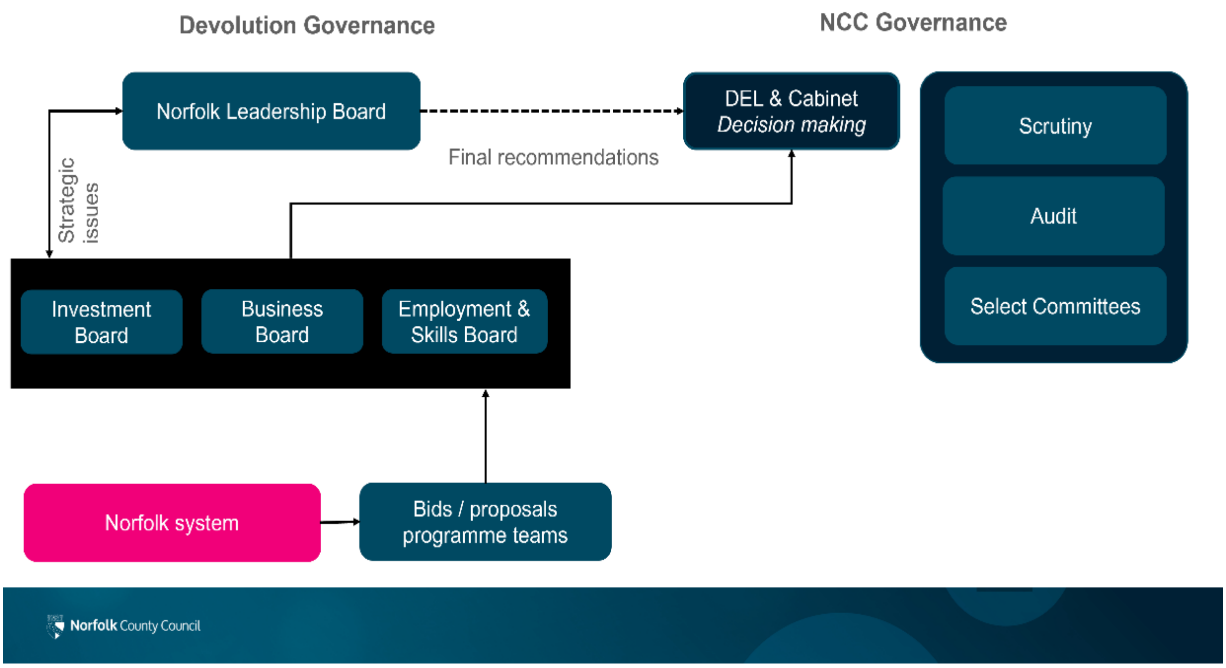


Figure 1: Interaction of Boards and NCC system of governance

Each of these boards will have responsibility for a number of areas, as outlined in the Terms of References for the boards.

3. Devolved Fund Assurance

3.1. Overview

This section outlines how the assurance process will be applied in the development and delivery of all project and programme investments. It is set in the wider context specified in sections one and two of this local assurance framework. It is important to note that as an existing authority receiving devolved funding, NCC will continue to apply the governance and assurance good practice that it already utilises, evolving this good practice to encompass new funds and to develop new practices where appropriate. It also draws on current national good practice outlined in documents such as HM Treasury Green Book, DfT TAG and DLUHC Appraisal Guidance.

NCC will continue to take its evidence-based approach, using local and national data and information, as well as independent local stakeholder voices, to shape fund usage. A robust evidence base was used to shape the emerging Norfolk Economic Strategy, which involved the use of data and metrics as well as input from over 200 key stakeholders across the county, particularly those of Norfolk districts, to inform strategic priorities for people and place, skills, economic growth, and infrastructure. These priorities will inform funding decisions for use of devolved funds, such as the Investment Fund. These priorities are also reflected in Norfolk's Strategic Skills Plan that will shape spending decisions for flexibilities in devolved Adult Skills Funding.

The context of assurance for Norfolk is connected priorities that inform decision-making to assure devolved funding is focused where it is needed most.

4. Investment Fund

4.1. Investment Fund Approach and Methodologies

NCC will publish Investment Fund project criteria and the associated application process on the NCC website from September 2024 when the fund launches. It will contain information about the funding available for different types of projects and invite project applications. This invite may often be issued via a call for proposals. This call will outline the strategic context and specify any project requirements.

Investment Fund priorities align, as outlined above, to the themes of the emerging Norfolk Economic Strategy as this is based on a detailed and robust evidence base and developed with engagement from stakeholders across the county. A link to this will also be available on the NCC website (*insert link)*.

The NCC approach is based on the [The Green Book: appraisal and evaluation in central government - GOV.UK (www.gov.uk)] to ensure good practice when deciding how to spend the Investment Fund. This provides NCC with the assurance that projects are delivering value for money in terms of their breadth or 'scope', the options chosen, as well as how it delivers, monitors, and evaluates activities. This is based around the 'five-case' model that includes:

- The **strategic case** – a compelling case for change that explains how the project fits with Norfolk's economic priorities, as well as any relevant regional or national strategic priorities.
- The **economic case** – which describes how the project represents the best public value in meeting Norfolk's economic and inclusive economy objectives.
- The **commercial case** – demonstration that the deal is attractive to the market, can be compliantly procured and is commercially viable.
- The **financial case** – confirms that the project is affordable and financially sustainable.
- The **management case** – confirms that the capacity is available and proportionate to the delivery requirements and that the project is deliverable, achievable and adequately planned.

An iterative approach will be taken to project and programme development using expressions of interest to develop projects for the Investment Fund Pipeline. Pipeline projects will then be supported to develop a detailed application to the fund.

For all projects, NCC will use Green Book guidance when assessing the evidence provided to determine:

- **Strategic Fit** – An intervention's contribution to the priorities and headline measures set out in the NCC Corporate Plan or call for proposals will be a key consideration. NCC is aiming to support interventions that contribute to a range of distinct but related objectives and individual applications will be appraised and prioritised in the context of a programme of activities so that a balanced approach and cumulative impact is achieved.
- **Rationale for intervention** – an explanation of why the existing prevailing market mechanism alone is failing to achieve economic efficiency or specified unmet need or demand that the intervention is designed to address and the demonstrable beneficial change that will occur as a direct consequence of the intervention.

- **Benefits** – the direct, measurable outputs or outcomes associated with the investment or intervention including additional jobs, private investment, productivity, learner outcomes, business turnover, increased activity rates, housing units, increased land values, etc that can be attributed to the intervention with associated monetary values and timings.
- **Additionality** – all gross benefits will be adjusted to take into account displacement, deadweight and leakages, to provide a true measure of the output and outcomes that have occurred because of an intervention and would not have happened in the absence of the intervention.
- **Time Period** – consideration of the life span of the cost and benefits to be delivered and measured.
- **Value for Money –** the cost evidence provided by applicants will be scrutinised to ensure that the costs provided in the application are robust. Verified cost figures will used to provide a valuation of benefits to be delivered using Net Present Value (NPV) and Net Present Social Value (NPSV) and a Benefit Cost Ratio (BCR). The resultant BCR will be compared to relevant benchmarks to provide an objective basis on which projects can be compared and prioritised.
- **Deliverability and Risk –** appropriate consideration of deliverability, compliance and risk, as well as appropriate mitigating action, and its associated costs.

NCC may also use national departmental guidance where appropriate or local methodologies for the purposes of appraisal. For details of transport project appraisal, see section 4.4. For Brownfield, please refer to section 5.

Though good BCR will usually drive decision-making around projects, NCC may select projects that are not the best BCR because there is a more localised, yet measurable benefit. Each project will include a high-level overview of how this will be approached.

NCC will take a risk-based approach, based around the 'five-case' model, requiring projects to provide an increased level of detail on application in proportion to risk and value. Higher risk and higher value projects will also be subject to increased levels of governance and sign-off as outlined in the project management framework in section 4.2. This will ensure that the level of assessment is proportionate to the funding allocated and expected risk.

NCC may use an element of the Investment Fund to commission projects and programmes where there is an identified gap or evidence of need. Commissioned activity will be governed by the existing NCC corporate processes and will not be part of the project management framework outlined in section 4.2. This will be undertaken in line with NCC Commissioning Strategy.

There will be a separation of functions between those who support applicants to develop projects in the Facilitation team and those who assess applications in the Appraisal team. This is to protect the integrity of internal recommendations and appraisal.

4.2. Project Management Framework

Applications for funding will usually move through the full NCC project management framework:

- **Phase 1** – Expression of Interest
- **Phase 2** – Detailed Applications
- **Phase 3** – Approval
- **Phase 4** – Spend and Monitoring Stage
- **Phase 5** – Evaluation and Close

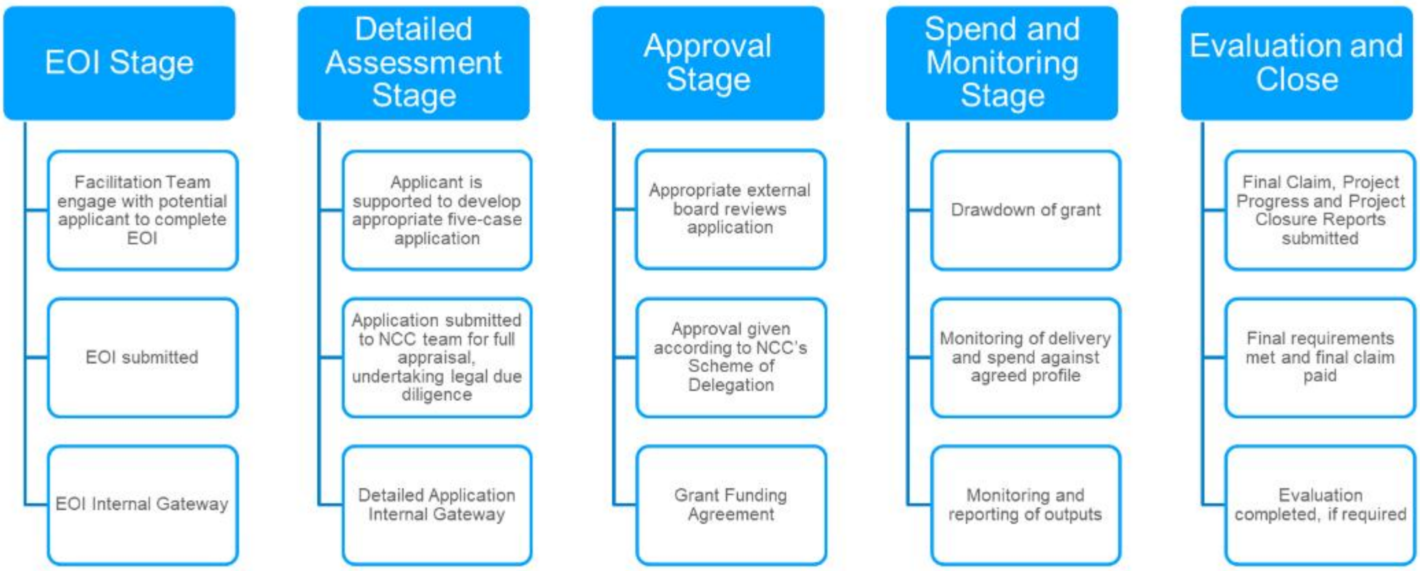


Figure 2: Investment Fund Project Management Framework

4.2.1. Phase 1- Expression of Interest

Most projects will be required to complete an Expression of interest form before completing an application. Applicants can access support from the dedicated Investment Fund Facilitation Team at any stage of the project prior to submission. By using expressions of interest prior to application, NCC can develop an iterative approach to project development that also support applicants by early identification of support needed to progress to a detailed application phase. As the EOI is also Green Book based, it allows applicants to build on this to develop later applications.

Some projects may not be required to complete a full Expression of Interest (EOI) form. This must be agreed in advance with the Investment Fund Working Group (please see below) and will be an exception to usual practice.

At Gateway 1, a long list of EOIs for projects will be reviewed by NCC's Investment Fund Working Group (IFWG). This will be led by the Director of Growth and Investment or their nominated deputy.

Any projects that are not successful at this Gateway will receive full feedback. If it is felt the expression of interest has potential for additional development, applicants will be offered support from the facilitation team to revisit their project for re-submission.

4.2.2. Phase 2 – Detailed Applications

Successful EOIs will then build a detailed application for submission and a proportionality principle will be applied at this stage. Using the Green Book methodology, NCC will take a risk-based approach to funding allocations for projects. The level of detail required for each project application will be proportionate to the value of the funding request, scale, and complexity. This will be reflected in the relevant application form that projects are required to complete and all will be based on the five-case model. NCC reserves the right to ask any applicant to provide greater levels of detail.

Suitable projects will then complete a business case and provide associated supporting documentation as part of the application process (see 'Project Management Cycle' below).

Completed applications will be submitted to NCC by sending the completed paperwork to *(insert email address)*.

NCC's appraisal team will then review individual applications using the Green Book guidance to assess the evidence provided to determine the project's alignment with the criteria listed above in section 4.1. This is a transparent process and is detailed in the Guidance for Applicants available here *(insert weblink).*

Completed appraisals will be peer assessed and reviewed by managers for consistency.

At Gateway 2, completed and internally appraised Business Cases, all following the five-case model, will be reviewed by the IFWG. This will include consideration of both project quality and appraisal quality.

Dependent on funding levels, complexity, risk levels or project type, successful projects will be passed to the appropriate Board for the next stage of approval.

If a project does not meet the Gateway requirements of project quality against the five-case model, full feedback will be provided to the applicant. If it is believed that the project has the potential for future viability, the application will be returned to the facilitation team to provide further support.

If NCC believes that there is an issue with the appraisal quality, it will be returned to the manager of the appraiser to ensure NCC's internal standards are met without compromising the credibility of the individual project.

4.2.3. Phase 3 – Final Recommendations and Approval

At this phase, projects will be reviewed by one of the three external boards to ensure that diverse, independent local voices shape investment fund decision making. Boards may also receive high-level details of rejected projects at Gateway 2.

Typically, these boards will handle applications as outlined below:

- **Investment Board** – Projects that:
  - Are of higher value.
  - Have a place-based focus.
  - Or are for Brownfield funding.

- **Business Board**
    - Projects to support businesses including grants, loans, and equity investments.

- **Employment and Skills Board**
    - Projects with a skills focus.
    - AEB recommendations.

Recommended projects will follow NCC's governance process in line with the constitution for final decision by the Elected Leader and/or Cabinet or the appropriate scheme of delegation. All decisions are subject to NCC's Scrutiny protocols and practices.

Once approved, the appraisal team will liaise directly with the successful applicants to organise grant funding agreements.

4.2.4. Phase 4 – Monitoring and Spend

NCC will assure delivery by monitoring spend and outputs of projects against profile. This will be completed using an effective monitoring and evaluation plan for projects which will guide data collection to ensure it is proportionate but effective in assessing the impact of investing public funds.

Monitoring will be proportionate to project risk or value or to risks associated with a particular point in a project's lifecycle. It will include monitoring of performance, particularly in terms of work package delivery, milestones, spend, outputs and benefit realisation. It will also ensure that data necessary for internal or external reporting is captured regularly.

Contact will be maintained with projects throughout the duration of their lifecycle and will be determined by the complexity of the project, including value, benefits and risk. The aim is to act as a critical friend and ensure progress is maintained against plans.

At times, it may be relevant to make changes to the Grant Funding Agreements (GFAs) that have been agreed with individual projects. This can range from slight changes of timeline and budget to full scale reworkings of project outputs, outcomes, and delivery. In order for changes to be made in an appropriate timeframe, projects should contact the appraisal team on *insert email* who will support this process using a variation matrix for decision-making.

Concerns about projects will be acted upon swiftly and NCC reserves the right to withhold funding whilst performance concerns are addressed. Details of this will be shown in individual grant funding agreements.

4.2.5. Phase 5 – Evaluation and Close

As projects draw to a close, NCC project monitoring officers will work with projects to ensure a smooth close. This will involve submission of final claims and project closure reports that will be completed within three months of the final payment following project completion. Once any final requirements are completed, the final claim will be paid.

All project closures will have a form of evaluation. It will include a review of the outputs set out in a project's benefits realisation plan to ensure value for money, share lessons learnt and realise benefits for Norfolk. These individual evaluations will be compiled and analysed to build a picture of the programme's overall performance.

Some projects may be required to complete a formal evaluation. Projects will be advised of this individually.

4.3. Programme Management

4.3.1. Programme Monitoring and Evaluation

At a programme level, performance monitoring and evaluation will take a strategic approach linking to the effectiveness of delivery against the priorities of Norfolk's Economic Strategy, the Assurance Framework, and administrative processes. Stakeholder feedback will be sought to inform programme monitoring and evaluation.

Geographical data will be used to monitor investment balance across Norfolk e.g. Districts, rural / urban, coastal areas etc. Business size, type and sector will also be monitored to ensure a spread of support is being delivered through the fund in the way that best supports the achievement of strategic priorities for the county as identified in the emerging Norfolk Economic Strategy.

These principles will be embedded in our approach to programme facilitation and administration. We also expect to use ongoing monitoring and evaluation to inform and evolve approaches to programme delivery where necessary.

Evaluation of the programme will align with information, including metrics, that form part of the National Evaluation Framework.

NCC will be subject to five-yearly Gateway Reviews to assess the impact of devolved funds and will include an independent evaluation to assess the impact of its expenditure. NCC will collate and make available the relevant data and information required of government, and will ensure consistent data collection and reporting processes, to allow for improved data monitoring and comparative analysis across projects and the programme as a whole.

4.3.2. Risk Management

Norfolk County Council will ensure that risks to the delivery of its priorities are appropriately managed in accordance with the Council's Risk Management Framework in order to fulfil the Financial Regulations, as set out in the Council's Constitution, the Policy and Procedures will comply with the Accounts and Audit (England) Regulations 2015 (Part 2, Internal Control 3(c)) and the Public Sector Internal Audit Standards

The programme will adhere to the NCC Risk Management Policy which sets out the definition of risk, the roles and responsibilities within risk management, the approach taken to risk management within Norfolk County Council, the monitoring and audit of the Policy, and its review.

The programmes will undertake quarterly risk reporting at a project/programme level as well as preparing an annual risk report as part of wide organisational audit and governance arrangements. The use of NCC's standard risk management approach to evaluate risk will be used and the link is available here (*insert link)*.

4.4. Transport projects

NCC is already a Local Transport Authority currently exercising power over transport networks locally.

Transport projects will be subject to proportionate requirements on value for money assessment and will usually be appraised in line with DfT's appraisal guidance (TAG), although for smaller schemes (for example, less than £5 million) it may be appropriate to take a more proportionate approach, to be decided by NCC. For these purposes a 'transport scheme' is defined as any scheme that significantly changes the transport network infrastructure, whatever its objectives.

Transport business cases will be expected to follow Value for money published guidance here: [National local growth assurance framework (publishing.service.gov.uk)]

However, the same principle from section 4.1 applies to transport projects. NCC may select projects that are not the best BCR because there is a more localised, yet measurable benefit or clear alignment with strategic priorities. Each project will include a high-level overview of how this will be approached.

The DfT's appraisal guidance is available at:

[Transport analysis guidance - GOV.UK (www.gov.uk)] and provides a comprehensive guide to transport modelling and appraisal to ensure value for money. Scheme promoters will be expected to apply this proportionately to an application. They are also expected to consider updates to national guidance or policy announcements when completing applications.

5. Brownfield Projects

5.1. Overview and Conditions of the Fund

Devolved funding for housing for Norfolk is currently £6.9m of Brownfield funding and decision making will be governed by the practices outlined in our constitution. It is expected that future rounds of housing funding would be administered in the manner outlined below and adapted to meet any specific criteria associated with further funding.

NCC recognise the specialist nature of Brownfield funding, including the specific conditions that are set, so projects proposed must:

- Be "green book" compliant with a Benefit to Cost Ratio (BCR) floor of 1. This means that the benefit of the project should at least match the cost of developing it.
- Present the best possible Value for Money opportunities.
- Have an evidenced market failure.
- Satisfy that they could not happen without financial support from the fund.
- Contribute the most additional benefits such as unlocking economic growth or having a housing design that helps sustainability and carbon reduction.
- Start on site by 31 March 2026.

NCC must satisfy the necessary monitoring and reporting requirements to be outlined by the Department for Levelling Up, Housing and Communities.

5.2. Approach

NCC recognises where the use of specialist knowledge and skills to inform the use of devolved funds, such as Brownfield, is appropriate. NCC will undertake a procurement exercise to appoint a skilled, specialist contractor to design and support an independent and rigorous evaluation of proposed sites, to ensure that these meet Brownfield Land Release Fund criteria. The role of this experienced external partner is to provide strategic programme design to the work, give independent assurance on scheme applications and offer expert support for our partners in developing their expressions of interest.

5.3. Norfolk Brownfield Housing Fund Project Management Framework

Though activities will be tailored to Brownfield funding, the outline project management framework reflects the same five-stage approach seen above for the Investment Fund:

- **Stage 1** – Expression of Interest
- **Stage 2** – Detailed Applications
- **Stage 3** – Approval
- **Stage 4** – Spend and Monitoring Stage
- **Stage 5** – Evaluation and Close

An overview of activities for each phase is shown in the figure below.

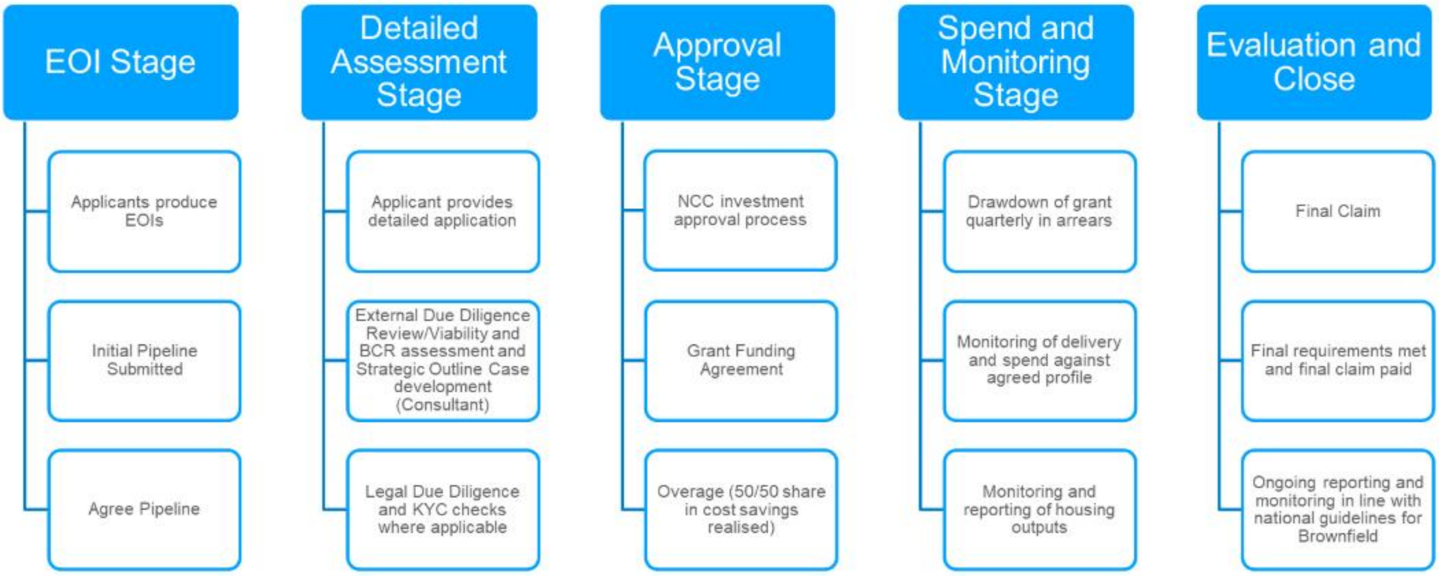


Figure 3: Norfolk Brownfield Housing Fund Project Management Framework

5.3.1. Stage 1 – Expression of Interest

All projects will be required to complete an Expression of Interest (EoI) form before completing an application. By using expressions of interest prior to application, NCC can develop an iterative approach to project development that also supports applicants by early identification of support needed to progress to a detailed application phase.

These EoIs will be used to create an initial pipeline of projects that will then undergo a first evaluation with NCC and the procured specialist. Criteria will include a light-touch evaluation of a project's ability to meet Brownfield criteria plus any specific criteria associated with the funding round e.g. start on site dates. This will be used to agree a pipeline.

This pipeline will be agreed with the relevant NCC cabinet member and also with the Investment Board, where appropriate.

5.3.2. Stage 2 – Detailed Application

Applicants will then be invited to provide a detailed application based on the five-case Green Book model. There are baseline levels of information required to support the development of applications which will be shared with applicants at this stage by the specialist evaluator. This information will include key evidence such as planning consent/position, ownership, Red Book valuations/evidence of land value etc.

The specialist evaluator who, with a focus on the funding need (viability case) and value for money (benefit cost ratio), will review the scheme, providing:

- External due diligence review
- Viability Assessment
- BCR assessment
- Risk
- Advice around levels of funding once schemes are evaluated

This specialist insight at the detailed application phase allows NCC to be confident that detailed project applications are strong enough to meet central government tests around eligibility for Brownfield funding. NCC will then undertake legal due diligence and Know Your Customer checks, where appropriate.

5.3.3. Stage 3 – Approvals

Projects will then move to approval stage. Where the initial pipeline has not been reviewed with the Investment Board, they would be shared with them at this stage. The Investment Board will shape recommendations for Brownfield sites for Norfolk. Decision making will be undertaken in line with Norfolk's constitution and projects will also require approval by cabinet if they meet the NCC constitutional criteria to do so.

However, recognising that projects may progress at different rates through the detailed application phase, in order to respond in an agile manner to best release affordable housing benefits for Norfolk, the NCC Cabinet Member responsible for Brownfield, will approve individual projects according to the NCC Scheme of Delegation. **Subject to agreement to this approach by cabinet*

Grant Funding Agreements will then be completed, as developed with our legal team at NPLAW. This is likely to include an overage clause in most instances and, where working with district partners, is likely to include a 50/50 share in cost savings realised.

5.3.4. Stage 4 - Spend and Monitoring

For Brownfield funding, there will be a claim from applicants that will be processed internally by NCC to draw down funding from central government. This will be quarterly in arrears, subject to the appropriate information, including satisfactory evidence requirements, provided to NCC.

All activity in this stage will be subject to monitoring by NCC of delivery, spend, and housing outputs against profile.

5.3.5. Stage 5 - Evaluation and Close

At completion, a final claim will be submitted and, subject to final requirements being met, the last claim will be paid. Schemes will then fall into the overall reporting and monitoring cycle in line with national guidance for Brownfield.

6. Adult Education Budget

6.1. Overview

This section outlines NCC's approach to compliance with the central government guidance given in the English Devolution Accountability Framework [English Devolution Accountability Framework - GOV.UK (www.gov.uk)](www.gov.uk). It has been developed in the context given in 3.1, with skills priorities from the Strategic Skills Plan, informing funding decisions for flexibilities in devolved Adult Skills Funding. The Strategic Skills Plan also defines the purpose of NCC's Adult Education Budget usage and objectives.

The statutory duties relating to adult education and training which have been transferred to NCC under Statutory Instruments that are currently in scope are:

- Adult Skills funding
- Tailored Learning
- Free Courses for Jobs programme.

Statutory entitlement to education and training of adults living in Norfolk are outlined in the NCC Funding Rules, Rates and Formulas 2025/26 submitted to DfE as part of readiness condition preparation and available on the NCC website (see section 5.4 below and *insert link here*).

NCC's approach to policy entitlements, reflecting statutory and non-statutory guidance, can also be found in the above document, including guidance on learner support and entitlements.

Devolved funding priorities are aligned with national priorities, for example DfE's Accountability Agreements with providers, through close engagement with providers across the region as outlined in section 5.5 below. Here are also further details on how Local Skills Improvement Plans are incorporated into NCC's approach to use of devolved funds, in addition to provider delivery plans and budget considerations.

Governance and Assurance for devolved skills funding that includes Adult Education Budget, is set within the wider assurance framework of NCC's constitution, policies and processes outlined in sections one and two of this document. Additional processes required to administrate the fund and maximise its impact for Norfolk are detailed in the following sections.

6.2. Adult Skills - Audit and Transparency

In addition to the audit arrangements shown in section 2, the internal audit and governance committee are aware of their responsibilities in regard to devolved adult skills funding. AEB will feature in the Internal Audit Strategy and Plan 24-25 onwards. It is also included in the organisational risk register, following an internal review of processes and procedures in readiness to meet national requirements for receipt of devolved funds from DfE.

NCC will appoint an external auditor going forward to undertake the audit of NCC's Adult Skills Statement of Accounts and Value for Money arrangements. This will be in line with the Code of Audit practice issued by the National Audit Office in accordance with the Local Audit and Accountability Act 2014.

In addition to the processes outline for transparent decision making and publication of decision making, for Adult Skills Funding, NCC will publish all grant allocation and contract award decisions on its website. Additionally, NCC will publish its annual performance report to the DfE on the NCC website. The first of these will be after January 2027 once a full year of AEB audit and evaluation has been completed. This is in line with DfE guidance.

Investment decisions on the use of the Adult Education Budget will be made with full consideration to the statutory entitlements outlined in the NCC Funding Rules, Rates and Formula submitted to DfE as part of NCC's readiness conditions.

6.3. Commissioning and Grant Allocation

Details of NCC's approach to grant allocation and the commissioning of contracts is included within the NCC Commissioning Strategy, in addition to the Provider Management Framework. This information is available on our website *(link to be inserted)*.

6.4. Funding Rules, Rates and Formula

This has been developed to reflect the statutory provision entitlements for those aged 19+ and link to the skills priorities identified within the Norfolk Economic Strategy and Strategic Skills Plan. The Funding Rules, Rates and Formula are available on our website *(insert weblink here).*

6.5. Assuring local and national alignment of devolved skills' funding priorities and spend

NCC commitment to being evidence based extends beyond the use of local and national data and metrics. Whilst there will continue to be a strong focus on evidence based decision-making, there is a recognition that adult skills is a more nuanced and complex landscape in which to effect change. To ensure this is effective, NCC recognises the importance of a breadth of approaches to engage the diverse local voices to inform and assure its activities.

Local and national partners have been engaged with the development of AEB through activities involved in the production of the Norfolk Economic Strategy and Strategic Skills Plan.

In addition to this, a local provider network is established through which NCC have engaged and consulted on the development and design of AEB processes.

This includes the New Anglia Provider Network who meet quarterly. NCC also have ongoing engagement with the New Anglia Colleges Group who meet bi-monthly and current AEB grant holders. In direct co-development of the fund, NCC have established the AEB Principals' Forum which includes the four largest AEB providers with senior representation. These groups meet with support from the NCC Skills and Adult Skills Teams who use this local provider voice to inform decision making.

Outputs from this broad provider network will be shared with the Employment and Skills Board to ensure that provider voice is heard and responded to. Providers are not part of this board to avoid conflict of interest when decision making. The valued role these groups provide, ensures a diverse and expert local voice is represented in the ongoing development and delivery of devolved Adult Skills Funding.

To ensure continued co-design and development activities, as well as alignment with good practice, NCC also meet regularly with national MCAs and other devolved and devolving authorities. NCC is particularly keen to assure consistency for providers that operate across local borders and the skills system in the region.

NCC also conducts significant engagement with employers to ensure a diverse local business voice is also represented when decision making. The authority takes particular reference to the Local Skills Improvement Plan and continue to respond to this in both system alignment and curriculum design.

Employer Representative bodies are members of the Employment and Skills Board to ensure both large and micro, small and medium employers (who form the majority of Norfolk's business demographic) needs are considered when developing adult skills provision, including the development of future programmes.

NCC also link in with employer engagement services across Norfolk to access a varied employer voice. These include a range of employer-led sector skills groups, industry councils and employer engagement services within FE Colleges.

The Employment and Skills Board recognises that adult skills and the health and wellbeing of residents are mutually reinforcing. They are intrinsically linked to wellbeing and work and membership of the board reflects this to ensure a breadth of thinking when it comes to the use of devolved skills funding to address Norfolk challenges.

The establishment of the boards structure ensures a flow of information to shape the development of adult skills funding based upon evidenced business need.

Importantly, resident voice is a key component of NCC's ongoing co-production of adult skills services and provision. This is gathered through the establishing of an Adult Skills Learner Forum who will meet termly, an annual learner survey and, in addition, the focused use of NCC's 1300+ resident panel members.

6.6. Monitoring and Evaluation

NCC will submit an Annual Assurance Report following the end of each academic year of adult skills funding delivery. NCC will report on the previous academic year findings to date by the end of every January using a standard template, referencing the most up to date publicly available data at that point in time. The report will include:

- Norfolk's strategy and priorities for adult skills (subject to any further powers devolved in future).
- Spend – including the amount spent on skills programmes vs allocation, and the amount spent on related administrative costs.
- Analysis of Norfolk delivery - drawing on published data from DfE and use of other data where necessary.
- Impact –the impact devolved skills funding has had upon skills in Norfolk (including alignment with Local Skills Improvement Plan), as well as against national priorities.

To support local transparency, this will be published on NCC's website and will be provided in addition to the policy specific assurance arrangements over the use of funds allocated to providers (e.g. the Adult Education Budget assurance statement). NCC during delivery will regularly collect appropriate levels of data to effectively inform performance management monitoring which will be available to the DfE as part of area-level information on key delivery outcomes and metrics.

NCC will also support an annual skills stocktake to understand the strengths, challenges, and opportunities in that area to improve skills outcomes. This will be informed by the information provided via the Annual Assurance Report and the outcomes data and metrics.

NCC Boards

Local Assurance Framework - Draft

Section 1

Norfolk Investment Board

Terms of Reference *(DRAFT)*

Introduction

The Terms of Reference for the Norfolk Investment Board is described in the following sections:

1. Overview and governance context
2. Functions
3. Operating practice
4. Operating protocols
5. Membership
6. Conflicts of Interest

1. Overview and governance context

1.1 Norfolk County Council has established an Investment Fund through which it administers the Norfolk Investment Fund from HM Government, alongside any other local and national funding sources which may subsequently be included.

1.2 The Norfolk Investment Fund and any additional funding that is included in the Investment Fund is subject to an Assurance Framework [insert link]. The Assurance Framework sets out the arrangements to:

i. Ensure accountable and transparent decision making;

ii. Appraise projects and allocate funding:

iii. Monitor and evaluate projects to ensure that they achieve value for money and projected outcomes.

1.3 The Norfolk Investment Fund allocation of funding comprises the £20 million per year allocation of revenue and capital funding, for 30 years, which is subject to a five-yearly Gateway Review by Government. In line with the Devolution Deal, Norfolk County Council is the accountable body for these funds.

1.4 The Norfolk Investment Fund provides the opportunity to maximise economic impacts. All programmes or projects funded through the Investment Fund are subject to the agreed prioritisation, appraisal, and monitoring and evaluation framework, including value for money assessments tailored to the nature and scale of the proposed investment.

1.5 The Norfolk Investment Board will provide strategic insight and recommendations to the Norfolk County Council Leader, or any person/body with the powers delegated to them, who will make the final decisions on all Investment Fund activity, in accordance with constitutional rules.

1.6 Where appropriate, consultation on the Norfolk Investment Fund will be sought from the Employment and Skills Board and/or the Business Board. This situation may arise where calls for proposals are technical and would benefit from localised input from specialists.

2. Functions

2.1 The Board will support Norfolk County Council, as accountable body, in the development and delivery of the Norfolk Investment Fund. The Norfolk Investment Board's decisions will take the form of recommendations that will be subject to approval via the formal decision-making processes of Norfolk County Council.

2.2 The Board will support Norfolk County Council:

i. In the development of the structure and criteria of the Norfolk Investment Fund and make formal recommendations to the Norfolk County Council Executive.

AND

ii. Make recommendations on the strategic fit, deliverability and prioritisation of calls, proposals and applications as relevant.

iii. Advise on the management and performance of the Norfolk Investment Fund.

iv. Support the development of the pipeline of future projects.

2.3 The Board will receive for comment and recommendation the annual business plans for the Business Board and Employment and Skills Board.

2.4 An audit report, created by Norfolk County Council, will be presented to the Norfolk Investment Board annually.

2.5 Substantial changes to the Local Assurance Framework will be tabled for confirmation at the Investment Board, with a decision to recommend to the Norfolk County Council Directly Elected Leader, if the Board agrees to the suggestion.

2.6 In addition to the above, the Board will:

i. Support Norfolk County Council, as accountable body, with recommendations on the management and delivery of other funds as relevant, e.g. Brownfield Funding.

ii. Act as a conduit for proposed Mayoral Development Corporations.

3. Operating Practice

3.1 The Board will be chaired by the Elected Leader of Norfolk County Council (prior to May 2025 elections this will be the Leader of the Council).

3.2 The Vice-Chair will be a district council representative, to be elected on an annual basis.

3.3 The Board will meet up to 6 times a year, with any urgent items agreed by written procedure if supported by the Chair.

3.4 The meetings of the Board will, wherever possible, take place immediately prior to or following the meetings of the Norfolk Leaders' Group.

3.5 Meetings will take place in-person or virtually, as agreed by the Chair.

3.6 The recommendations of the Board shall be made by consensus. Where a vote is required to put forward a recommendation, a simple majority will apply, with one vote per member. The notes of the meeting will record any members that do not agree with the recommendations.

3.7 The quorum for a meeting of the Board will be half the number of members, rounded up to the next whole number, to include: the Chair or Vice-Chair.

4. Operating Protocols

4.1 All members will be expected to abide by the seven principles of public life ('the Nolan Principles'), demonstrating high standards of integrity. They should support the Chair to embed a culture of professionalism, transparency and accountability for decision making.

4.2 All members will be subject to the high standards of behaviour laid out in their respective authorities' Councillor Code of Conduct.

4.3 Membership of the Board is set out in section 5.

4.4 An appointed Member may nominate a substitute, with voting rights, to attend a meeting, if the appointed Member cannot do so. The secretariat should be notified in advance of the attendance of a substitute at a forthcoming meeting.

4.5 The Board will be supported by:

ii. Norfolk County Council's Growth and Investment Team providing reports such as appraisals to the Board, as well as annual performance reports.

iii. the Norfolk Chief Executives' Group providing advice to the Board on funding calls, proposals / applications, and performance.

4.6 The secretariat function will be provided by Norfolk County Council.

4.7 Observers and technical experts/subject specialists are allowed by invitation only and are allowed to participate in the discussion but do not form part of the quorum for the meeting and will not have voting rights.

4.8 The meetings are private, but recommendations of the Board will be made public to ensure transparency on investment decisions.

4.9 The Board shall review its terms of reference and membership on an annual basis.

5. Membership

5.1 Members of the Board will include:

Elected Leader of the Council *(prior to the May 2025 County Council elections this will be the Leader of the Council)*	Norfolk County Council
Cabinet Member representative *(selected by the Elected Leader or, prior to the May 2025 election, by the Leader of the Council)*	Norfolk County Council
Leader of the Council	Borough Council of King's Lynn and West Norfolk
Leader of the Council	Breckland Council
Leader of the Council	Broadland District Council
Leader of the Council	Great Yarmouth Borough Council

Leader of the Council	North Norfolk District Council
Leader of the Council	Norwich City Council
Leader of the Council	South Norfolk Council

6. Managing Conflicts of Interest

6.1 All members of the Board will be expected to register and declare conflicts of interest, as per their respective authorities' Councillor Code of Conduct.

Section 2

Employment & Skills Board

Terms of Reference *(DRAFT)*

1. Purpose

1.1 A partnership between representatives of business, voluntary sector, public sector, and local government to deliver skills provision which is aligned to meet the needs of Norfolk people, places, businesses, and employers.

1.2 This will be achieved by using the Board's collective expertise to shape strategic thinking, steer programme design/delivery, and influence, both locally and nationally.

1.3 This board will provide a strong, independent, and diverse local voice to Norfolk County Council and other public sector partners now and as a devolved authority, to inform decision making about employment and skills. This includes the development and implementation of adult skills programmes, such as the Adult Education Budget (AEB), and other devolved skills funding.

1.4 The Board will monitor alignment with the Norfolk Strategic Skills Plan.

2. Role of the Board

2.1 The Employment & Skills Board provides oversight to shape the Adult Skills Programme making key recommendations to shape decision making for Norfolk.

2.2 The Employment & Skills Board fulfils a vital function for the county by fulfilling its purpose outlined in section 1. This will include, but is not limited to:

- Overseeing a targeted and evidence based Strategic Skills Plan for Norfolk that informs the development and delivery of Adult Skills Programmes.
- Acting as expert consultees to influence policy, major funding decisions and strategy, and making recommendations on topics including, but not limited to:
- Adult Education Budget (Adult Skills Funding and Community Learning)
- Funding programmes for Skills infrastructure and provision.
- Key Employment & Skills challenges (Resident & Workforce)
- Providing strategic direction to the Adult Skills programme, including the Adult Education Budget.
- Informing AEB commissioning and procurement activity.

- Recommending sign-off for key documents, such as the Norfolk Strategic Skills Plan and the AEB Implementation Plan.
- Reviewing the progress of the AEB programme against the key objectives of the Norfolk Strategic Skills Plan and support AEB performance against objectives.
- Highlighting potential risks and issues relating to Adult Skills provision.
- Reviewing the requirements of the Department for Education in relation to the AEB and Adult Skills Funding and other central government initiatives.
- Making recommendations relating to future skills investment priorities.
- Acting as an enabling vehicle for skills development and collaboration amongst stakeholders.
- Collaborating with other boards as appropriate.

3. Structure

3.1 The Employment and Skills Board is an unincorporated partnership with Norfolk County Council (NCC) as the accountable body.

3.2 The Employment & Skills Board is comprised of the following members:

- NCC Cabinet Member – Economic Growth
- DWP District Manager
- Voluntary Sector (VCSE) representative
- District/Borough Council representatives
- Norfolk Business Board representative
- Employer Representative Body representative
- Local Skills Improvement Plan (LSIP) representative

3.3 A Chair will be selected from the Board's members.

3.4 Though this Board will have no education providers because of conflicts of interests, it will be informed by convening a separate Adult Education Providers Forum. Outputs from this will capture local provider voice sharing information and thinking to shape Adult Skills recommendations. The AEB Strategy Manager who will support this forum, will be responsible for sharing the outputs of the Forum as an officer of the Employment and Skills Board.

4. Meetings and reporting procedures

4.1 Meetings shall usually be held bi-monthly or at such other intervals as may be required to consider and advise on matters within the Board's terms of reference.

4.2 A meeting agenda will normally be issued to Members a minimum of five working days before the meeting.

4.3 Recommendations to the Board shall be by way of a report to the relevant meeting and will normally be issued to Members a minimum of five clear working days before the meeting.

4.4 The Secretariat of the Board will be undertaken by Norfolk County Council officers.

5. Standards and Appointment

5.1 Board members will be expected to adhere to the Seven Principles of Public Life (the Nolan Principles), demonstrating high standards of integrity.

5.2 They should support the Chair to embed a culture of professionalism, transparency and accountability for decision making.

5.3 Members will be subject to the high standards of behaviour laid out in Norfolk County Council's Code of Conduct.

5.4 Members are selected for this board based on their suitability to fulfil the associated function of each seat on the board.

6. Roles and Responsibilities

6.1 All members will:

- Be an expert in their area of specialism to accurately represent views, challenges, and opinions to benefit the county.
- Read papers, prepare for meetings, and proactively engage in maintaining their local currency to add value to the Employment & Skills Board.
- Represent the board at events when required.
- Conduct ongoing business engagement and consultation through a range of means, relevant to their role, which may include attending other expert groups and drawing in other relevant individuals with specialist knowledge.
- Work collaboratively with Board members, officers, and external partners, such as other counties, sector skills groups and trade bodies, to shape and steer decision making for Norfolk to drive economic growth.
- They should be able to set aside a day a month or equivalent timing.
- The Chair will be responsible for addressing issues of non-attendance and lack of engagement.

7. Managing Conflicts of Interest

7.1 Members of the Board will be asked to complete an annual declaration of their interests (based on a financial year) which will be held on record using the Register of Interests Form. Board members should also update this as soon as they become aware (and within 28 days as a maximum) of a new conflict arising.

7.2 Members should also review their individual register of interests before each meeting, submitting any necessary revisions to NCC at the start of the meeting, particularly those pertaining to agenda items to be discussed.

8. Decision Making

8.1 The Board will operate within its terms of reference shown in section 2.

8.2 Recommendations may be made to the Investment Board or the Norfolk Leadership Board if requested or if specified in their Terms of Reference, or provided to its sister board, the Norfolk Business Board.

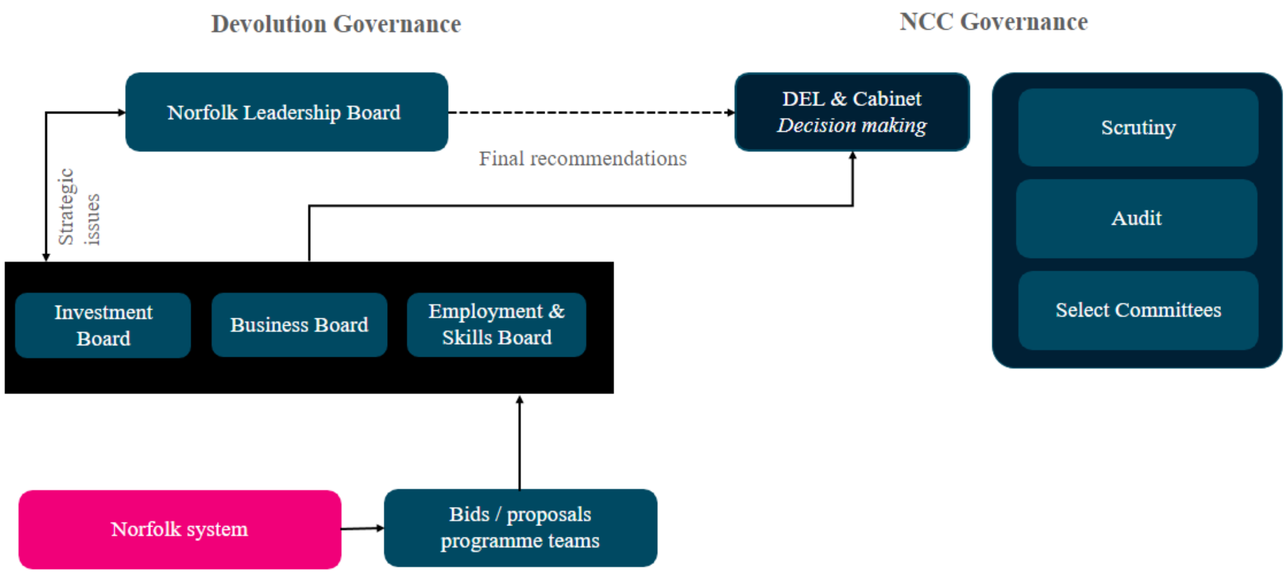
8.3 Recommendations may be made direct to the leader, the cabinet, an officer with delegated authority or to Districts or external organisations.

8.4 Decision making will always be undertaken in line with the constitution of Norfolk County Council and Schemes of Delegation and subject to scrutiny.

8.5 Decisions taken by the board will generally be by consensus. On the occasions where consensus cannot be reached, by a simple majority.

8.6 The minimum quoracy in board meetings is 50% of stakeholder members (4 of the 8) and 50% of local authority members present (2 of the 3).

Diagram 1. Relationship of the Boards and Democratic Decision Making



9. Observers, Substitutions and Technical Experts/Subject Specialists

9.1 Observers may be invited, for example, colleagues from central government.

9.2 The situation may arise where calls for proposals are technical and would benefit from localised input from specialists. Where agreed necessary to ensure the board receives the best possible information, advice and guidance, technical experts or subject specialists may be invited.

9.3 Observers and technical experts/subject specialists are allowed by invitation only.

9.4 Observers and technical experts/subject specialists are allowed to participate in the discussion but do not form part of the quorum for the meeting and will not have voting rights.

9.5 Named substitutes only will be permitted by previous agreement with the Board. They must be someone of equivalent status to the board member they are replacing, such as a deputy leader.

9.6 All members will be notified in advance which meeting a substitute is attending.

9.7 Substitutes are allowed to participate in the discussion but do not form part of the quorum for the meeting and will not have voting rights.

10. Amendments

10.1 Norfolk County Council in consultation with the Chair retains the right to amend these terms of reference at any time following consultation with the Board.

Section 3 Business Board

Business Board

Terms of Reference *(Draft)*

1. Vision

1.1 To drive an economy that is vibrant, entrepreneurial, inclusive, and sustainable, supported by the right jobs, skills, training, and infrastructure.

2. Purpose

2.1 A partnership between business, education, and local government to deliver our vision for inclusive economic growth.

2.2 This will be achieved by using the Board's collective expertise to shape strategic thinking, steer programme design/delivery, and influence, both locally and nationally.

2.3 The Norfolk Business Board will succeed the existing New Anglia Local Enterprise Partnership Board which ceases on 01.04.24 because of a central government decision in August 2023 to integrate LEPs into upper tier local authorities.

2.4 This board will provide a strong, independent, and diverse local business voice to Norfolk County Council and other public sector partners now and as a devolved authority, to inform decision making.

3. Structure

3.1 The Business Board is an unincorporated partnership with Norfolk County Council (NCC) as the accountable body.

3.2 The composition of the board is:

- 1 x Chair (a business sector representative)
- 1 x County Council Member
- 7 x District Council Leaders
- 7 x Business representatives including:
  - Agrifood
  - Clean Energy
  - Digital Tourism and Creative
  - Financial Services
  - VCSE
- 1 x Higher Education
- 1 x Further Education

4. Meeting and Reporting Procedures

4.1 Once the Board is appointed, it will confirm the frequency of meetings and how it will operate.

4.2 However, it is expected that it will meet once a quarter for at least two hours, plus preparation and business engagement time.

4.3 The Board will be supported by Norfolk County Council officers.

5. Role of the Board

5.1 The Business Board delivers a critical function for Norfolk by fulfilling its purpose outlined in section 2. This will be achieved by:

- Overseeing the ambitious evidence-based Economic Strategy for Norfolk.
- Acting as expert consultees to influence policy, major funding decisions and strategy, and making recommendations on topics including, but not limited to:
    - Business Support Programmes including start-up and scale up support
    - Innovation support in conjunction with the Norfolk and Suffolk Innovation Board
    - Funding for business growth
    - Key sector development
    - Productivity
    - Inward investment
    - Infrastructure development
- Acting as a voice for industry, with board members representing different sectors, geographies, and business types.
- Oversight of Growth Hub and other business support programmes as appropriate.
- Acting as an advocate for Norfolk's Economic Strategy and its key priorities.
- Working to attract new business investment into the county.
- Convening businesses to understand their needs and ambitions.
- Acting as an enabling vehicle and advocate for sector specific councils and groups.
- Developing and overseeing programmes to support business growth.
- Recommending bids for future funding and programmes.
- Collaborating with the new Suffolk Business Board as well as sector and thematic groups as appropriate.

6. Members

6.1 **Standards and Appointments**

6.1.1 Board members will adhere to the Seven Principles of Public Life (the Nolan Principles).

6.1.2 They will support the Chair to embed a culture of professionalism, transparency and accountability for decision making.

6.1.3 Elected Members will be subject to the high standards of behaviour laid out in Norfolk County Council's Code of Conduct.

6.1.4 All members will be expected to demonstrate a suitability of interests and skills.

6.1.6 Appointment of new Business Representatives to the Board will be through an open process.

6.1.7 Details of the process for recruitment of Business Representatives can be found in Norfolk County Council's Recruitment and Selection Process for the Business Board. This aligns with the principles of NCC's Recruitment and Selection Policy Statement.

6.1.8 The Board will seek to ensure suitable representation from SMEs to reflect the diverse economy of Norfolk as well as a mix of businesses to reflect the sectoral and geographic make up of Norfolk.

6.1.9 Business representative vacancies will be advertised on NCC's website and through sector groups, social media, and other appropriate avenues, where appropriate.

6.1.10 Colleges and Universities will be responsible for selecting their board representatives, one for colleges and one for universities. At the end of the three-year term, a new representative would be selected by them.

6.1.11 District representatives will be the leader of their council.

6.2 **Roles and Responsibilities**

6.2.1 All members will:

- Be an expert in their area of specialism to accurately represent views, challenges, and opinions to benefit the county.
- Read papers, prepare for meetings, and proactively engage in maintaining their local currency to add value to the Business Board.
- Represent the board at events when required.
- Conduct ongoing business engagement and consultation through a range of means, relevant to their role, which may include attending other expert groups and drawing in other relevant individuals with specialist knowledge.
- Work collaboratively with Board members, officers, and external partners, such as other counties, sector skills groups and trade bodies, to shape and steer decision making for Norfolk to drive economic growth.
- They should be able to set aside a day a month or equivalent timing.

6.3 **Business Member Role, Responsibilities and Person Specification**

6.3.1 This is a voluntary role for inspirational, experienced, and influential Norfolk business people.

6.3.2 The term of the position is for up to three years from their date of appointment. A second three-year term is permitted with the agreement of the board.

6.3.3 Business representatives are welcome from for profit, not for profit, social enterprises, and representative organisations.

6.3.4 Business Members will have the following responsibilities:

- Represent the views and interests of private sector businesses, especially those of their sector, business size banding and geographic area.
- Act with the intent to add value locally by ensuring an environment in which Norfolk businesses can flourish and grow the economy.
- Collaborate with all Board colleagues from districts, education and other sectors, to shape delivery of programmes to benefit Norfolk's economic growth.

6.3.5 It is expected that successful appointees will possess the following skills and competencies shown in this outline person specification:

- Significant experience in a senior appointment.
- Sound influencing skills.
- Logical approach to problem solving using evidence-based judgement.
- Demonstrable success in the Norfolk business community.
- Strong collaboration skills.
- Excellent communicator and active listener.
- Reliable, with strong organisational ability and good digital skills.
- Able to act in the interests of the Norfolk business community and economy.

6.3.6 All new business members must be politically independent to provide a constructive check and challenge on local decision making using their private sector perspective. Politically independent includes but is not limited to; not being a councillor, not being an agent for a political group and not sharing public support for a political party.

6.3.7 The Chair will be responsible for addressing issues of non-attendance.

7. Conflicts of Interest

7.1 Members of the Board will be asked to complete an annual declaration of their interests (based on a financial year) which will be held on record using the Register of Interests Form. Board members should also update this as soon as they become aware (and within 28 days as a maximum) of a new conflict arising.

7.2 Members should also review their individual register of interests before each meeting, submitting any necessary revisions to NCC at the start of the meeting.

8. Decision Making

8.1 The Board will operate within its terms of reference shown in section 5.1.

8.2 Recommendations may be made to the Investment Board or the Norfolk Leadership Board if requested or if specified in their Terms of Reference, or provided to its sister board, the Employment and Skills Board.

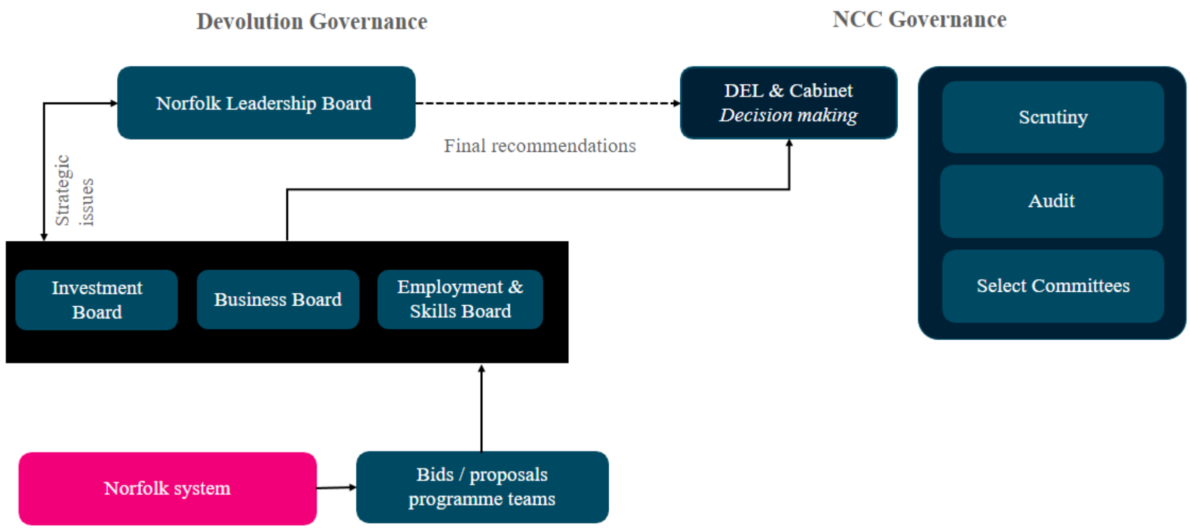
8.3 Recommendations may be made direct to the leader, the cabinet, an officer with delegated authority or to Districts or external organisations.

8.4 Decision making will always be undertaken in line with the constitution of Norfolk County Council and Schemes of Delegation and subject to scrutiny.

8.5 Decisions taken by the board will generally be by consensus. On the occasions where consensus cannot be reached, by a simple majority.

8.6 The minimum quoracy in board meetings is 50% of business and education board members (5 of the 10) and 50% of local authority members present (4 of the 8).

Diagram 1. Relationship of the Boards and Democratic Decision Making



9. Observers, Substitutions and Technical Experts/Subject Specialists

9.1 Observers may be invited, for example, colleagues from central government.

9.2 The situation may arise where calls for proposals are technical and would benefit from localised input from specialists. Where agreed necessary to ensure the board receives the best possible information, advice and guidance, technical experts or subject specialists may be invited.

9.3 Observers and technical experts/subject specialists are allowed by invitation from the Chair only.

9.4 Observers and technical experts/subject specialists are allowed to participate in the discussion but do not form part of the quorum for the meeting and will not have voting rights.

9.5 Named substitutes will only be permitted by previous agreement with the Board. They must be someone of equivalent status to the board member they are replacing such as a deputy leader. Private sector board members cannot send substitutes as they are appointed as individuals not as an organisational representative.

9.6 All members will be notified in advance by the secretariat of the board which meeting a substitute is attending.

9.7 Substitutes are allowed to participate in the discussion but do not form part of the quorum for the meeting and will not have voting rights.

10. Amendments

10.1 Norfolk County Council in consultation with the Chair retains the right to amend these terms of reference at any time following consultation with the Board.

Section 4

Recruitment and Selection Process (Draft)

Business Board

Introduction

We seek to recruit, retain, and develop people who share our values, and have the strengths, behaviours, skills and experience needed to effectively deliver public services and maintain the high standards expected of our Business Board.

We are committed to providing equality of opportunity and maintaining a board that reflects the demographic make-up of the population of Norfolk.

Our recruitment practice supports our commitment to building a culture of inclusion.

General Principles

Recruitment and selection activities will be based on the following principles:

- We actively promote our opportunities to all sections of the community as part of our commitment to Inclusion, Diversity and Social Equality.
- We take action to remove barriers to employment and ensure our opportunities and our application processes are accessible to all.
- We select and appoint candidates based on objective scoring of the strengths, behaviours, skills and experience detailed in section 2.2 of our Terms of Reference.
- We will ensure that recruitment reflects the need for the board to have a balance of sectors, sizes, and business types across varying geographic locations.
- We will offer no financial reward to business board members.
- We undertake training to ensure we are individually equipped to deliver a professional and inclusive recruitment and onboarding experience.
- We make appointments on merit and there will be no involvement by NCC staff in any recruitment where they are related to or have a close personal relationship with any applicant.
- We maintain confidentiality and handle personal information in accordance with data protection regulations.
- We undertake appropriate due diligence in any recruitment or procurement of our workforce, in accordance with our Modern Slavery Statement.
- We offer training and support to help people work effectively in an advisory board environment, if required.

Process

- CVs should be sent to XXX@norfolk.gov.uk

- Applications will be processed in accordance with our general principles shown above.

Record Keeping

We keep records of all our decisions to evidence that selection has been fair, impartial and non-discriminatory.

Information held on our systems will be kept in line with NCC's record management requirements. Records created to support shortlisting or selection decisions should be retained locally, held securely and destroyed in line with our retention policy.

Complaints

If any candidate involved in the process feels the principles of this policy have not been applied, they should address concerns to econdev@norfolk.gov.uk with the subject line of ‘Business Board Recruitment Concern’.

Norfolk Business Board Member Advert (Draft)

Norfolk, United Kingdom

Norfolk County Council is now recruiting business representatives for a new Norfolk Business Board who will be responsible for shaping the economic growth agenda for the county. This is a voluntary role for inspirational, experienced, and influential Norfolk business people.

The board will oversee an ambitious evidence-based economic strategy for Norfolk, with members using their significant expertise to shape and influence strategic thinking, policy, and funding decisions for the county. Representatives will be a voice for industry to advocate across sectors, geographies, and business types, at a local and, when required, a national level.

Meeting between 4-6 times a year, representatives should be able to commit to attending regularly, as well as time to read papers, prepare for meetings, and maintain their local currency as an expert in their sector, indicatively, a day per month or equivalent.

It is an exciting time to join the board that will succeed the existing New Anglia Local Enterprise Partnership Board which ceases on 01.04.24 because of national changes. This, aligned with the possible opportunities provided by devolution, make this a vital role in shaping the economic future of our county.

Who are we looking for?

Natural collaborators, applicants will be dynamic and successful representatives for their sector with significant experience in a senior appointment.

We are looking for people from across the county and from businesses of different types and sizes. To drive our economic growth agenda, we are seeking sector representation from:

- Agrifood
- Clean Energy
- Digital
- Financial Services
- Tourism and creative
- VCSEs

In addition to this list, we are also looking for people from other sectors, from organisations that are for profit, not for profit, social enterprises, or representatives of businesses. We are particularly keen to hear from underrepresented groups to ensure our board reflects the diversity of Norfolk.

Though analytical thinking, evidence-based problem solving, excellent communication skills and influencing will be second nature to our successful applicants, most significantly will be their drive to put what is best for Norfolk first, helping us to create an environment where local business can flourish and grow our economy.

We are seeking board members from businesses of all sizes and representative of the geography of Norfolk, with the aim of the final board membership reflecting this diverse make up. There is no financial remuneration for this role, though we are prepared to pay reasonable expenses for travel or for activities that are undertaken on behalf of the board. These must be agreed in advance with the NCC team.

Please send your CV to XXX@norfolk.gov.uk by XXX on XXX or get in touch to find out more. We look forward to hearing from you.

Section 5

Board Codes of Conduct including Managing Conflicts of Interest - Draft

Investment Board, Business Board and Employment and Skills Board

This document sets out our code of conduct for members of Norfolk County Council's Investment Board, Business Board and Employment and Skills Board. These are to:

- Ensure that board member conduct is managed in a professional way.
- Set out the procedures that NCC will implement in relation to conduct of boards' members.
- Protect the boards and individuals involved from any appearance of impropriety and demonstrate transparency in all our dealings.
- Safeguard public money.

Scope

- Board members external to Norfolk County Council (NCC).

Not in Scope

- NCC Employees remain subject to NCC's Conduct and Behaviour Policy and associated personal interest processes.
- NCC Elected Members remain subject to the members Code of Conduct set out in NCC's constitution.

NCC Related Policies

All Board members are expected to operate within relevant NCC policies that include:

- Anti-Fraud, Bribery and Corruption
- Anti-Fraud, Bribery and Corruption Operational Strategy - (v2017)
- Whistleblowing Policy and Procedure
- Anti-Money Laundering Policy
- Information Governance Framework including the Sharing of Information Policy

Reporting Concerns

We believe that anyone who raises any type of concern about work that they believe to be true should be treated with respect and not suffer as a result of reporting their concerns.

You can use the following lines to raise concerns:

- Call the Whistleblowing hotline on 01603 22 44 33
- Use the Whistleblowing email reportconcerns@norfolk.gov.uk
- Email Adrian Thompson, Chief Internal Auditor on adrian.thompson@norfolk.gov.uk
- Email Kat Hulatt, Director of Legal Services on katrina.hulatt@norfolk.gov.uk

The Nolan Principles

Board members are expected to adhere to the highest standards of governance and propriety as set out in the Nolan Principles, in addition to their workplace responsibilities. These are seven principles which were established by the Committee on Standards in Public Life. They are:

1. Selflessness
Holders of public office should act solely in terms of the public interest. They should not do so in order to gain financial or material benefits for themselves, their family, or their friends.

2. Integrity
Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might seek to influence them in the performance of their official duties.

3. Objectivity
In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.

4. Accountability
Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.

5. Openness
Holders of public office should be as open as possible about all the decisions and actions they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.

6. Honesty
Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

7. Leadership
Holders of public office should promote and support these principles by leadership and example

Conflicts of Interest

Standards exist to maintain the high ethical standards expected of the Board and protect the public as well as organisational reputations against allegations of conflict of interest.

The definition of this is a situation in which your personal interests, or those of people close to you, may, or appear to influence or affect your decision making. This can include interests you or they owe to another body.

Even the appearance of a conflict of interest can create a legal challenge and be reputationally damaging for individuals or organisations, so conflicts need to be managed carefully.

A range of situations could create potential conflicts of interest. They include:

- A financial or non-financial interest in an activity or business e.g. a directorship or shareholding that could be in conflict with the boards' interests or which could bring into question a board member's conduct.
- Dealings with any organisation, in which a Board member, or their relative, friend or associate has a financial interest.
- A trusteeship of a voluntary body.

Such conflicts can arise when an individual's personal interests and/or loyalty or that of people they know, conflict with those of the Board.

Managing Conflicts of Interest

It is inevitable that conflicts of interest can occur. The issue is not the integrity of the person concerned, but the management of any potential to profit from a person's position or for them to be influenced by conflicting loyalties.

All board members must disclose any potential conflict of interest by completing a Register of Interests Form. This will be held by Norfolk County Council (NCC) who provide a secretariat function for the boards.

Each board member shall complete this annually as a declaration of their interests (based on a financial year) which will be held on record by NCC. Board members should also update this form as soon as a new conflict arises. This should be within 28 days at the latest of becoming aware of any change to the interests specified below.

Members should also review their individual register of interests before each meeting, submitting any necessary revisions to NCC at the start of the meeting, particularly those pertaining to agenda items to be discussed.

If a person is not sure what to declare, or whether/when their declaration needs to be updated, they should err on the side of caution and update their declaration.

Board members should not accept any gifts or hospitality connected with their role as board member.

Recruitment

The board will seek to minimise the potential for conflicts by considering the actual or possible existence of issues when electing or selecting individuals to join the boards and excluding individuals from this if these issues are too great.

Once recruited new members will be required to complete the Register of Interests Form.

Types of Conflict

Each individual should declare an interest in the following circumstances:

Direct Financial Interests

A direct conflict of interest arises when an individual involved in taking or influencing the decisions of an organisation could receive a direct financial benefit as a result of the decisions being taken. This may arise as a result of holding an office or shares in a private company or business, or a charity or voluntary organisation that may do business with NCC.

Indirect Financial Interests

Indirect financial interest arises when a close relative of a board member or other key person benefits from a decision of the organisation. Individual professionals working with NCC (and their family members or business partners) may have commercial interests in organisations that the NCC is already purchasing from or that could potentially bid/offer to provide services that the NCC might procure and fund.

Positions which may create real or perceived conflict due to financial interests include:

- directorships, including non-executive directorships held in private companies or PLCs (except for those of dormant companies)
- ownership or part-ownership of private companies, businesses or consultancies
- majority or controlling shareholdings in organisations likely or possibly seeking to do business with NCC
- any connection with a voluntary or other organisation contracting for NCC services
- research funding/grants that may be received by an individual or their department
- interests in pooled funds that are under separate management.

Non-Financial or Personal Interests

These occur where employees, board members or other key persons receive no financial benefit, but are influenced by external factors such as gaining some other intangible benefit or kudos, for example, through awarding contracts to friends or personal business contacts.

Even if the individuals leading the NCC do not have commercial or other direct interests in particular services or providers, they may have long-standing professional relationships with colleagues to whom they may have allegiances as peers, and with whom they have developed particular ways of working over a period of time.

Conflicts of Loyalty

Decision-makers may have competing loyalties between the organisation to which they owe a primary duty and some other person or entity. This could include loyalties to a professional body, society or special interest group, and could involve an interest in a particular sector or industry due to an individual's own experience or that of a family member.

Decisions taken where there is a Declared Interest

In the event of the board having to decide upon a question in which a member has an interest, all decisions will be made by vote, with a simple majority required. A quorum must be present for the discussion and decision; interested parties will not be counted when deciding whether the meeting is quorate. Interested board members may not vote on matters affecting their own interests.

All decisions under a conflict of interest will be recorded by the minute taker and reported in the minutes of the meeting. The report will record:
• the nature and extent of the conflict
• an outline of the discussion
• the actions taken to manage the conflict.

Where a board member is connected to a party involved in the supply of a service or product, this information will also be fully disclosed.

Roles Outside the Board

A board member's off duty hours are their own concern, but their conduct must not in any way bring the organisation into disrepute.
Board members may well have legitimate roles to carry out such as Trade Union representatives, community action group representatives, tenant committee members etc. These roles may involve taking part in public meetings, making statements to the press, or acting on behalf of their group. Board members should make clear the capacity in which they are speaking or making statements etc. In this capacity, the board member should exercise great care in presenting the facts in order to avoid personal opinions which may be damaging to the board or derogatory or defamatory remarks about board members or NCC colleagues.

Conclusion

This guidance does not try to cover every situation. It tries to give an indication of the standards of behaviour or conduct that is expected. Anyone in doubt about how these guidelines apply to them should email econdev@norfolk.gov.uk for further support.

Register of Interest Form – Draft

Investment Board, Business Board and Employment and Skills Board

Name:

Date:

Personal Interest Information

All board members must disclose any potential conflict of interest by completing this Register of Interests Form. This will be held by Norfolk County Council (NCC) who provide a secretariat function for the boards.

A range of situations could create potential conflicts of interest. They include:

- A financial or non-financial interest in an activity or business e.g. a directorship or shareholding that could be in conflict with the boards' interests or which could bring into question a board member's conduct.
- Dealings with any organisation, in which a Board member, or their relative, friend or associate has a financial interest.
- A trusteeship of a voluntary body.

Norfolk County Council will keep a record of all notifications.

Notification of Change of Circumstances

Each board member shall complete an annual declaration of their interests (based on a financial year) which will be held on record by NCC. Board members should also update this form as soon as a new conflict arises. This should be within 28 days at the latest of becoming aware of any change to the interests specified below.

Members should also review their individual register of interests before each meeting, submitting any necessary revisions to NCC at the start of the meeting, particularly those pertaining to agenda items to be discussed.

Declaration

As a Business Board/Employment and Skills Board Member of NCC, I declare that I have the following disclosable pecuniary and/or non-pecuniary interests. *Please state 'None' where appropriate and do not leave any boxes blank.*

Section A – Financial or Non-Financial Interests

1	**Any employment, office, trade, profession or vocation carried on for profit or gain**	**Myself**	**Spouse/Partner**	**Other** Please specify: Relative, Friend, Associate
1.1	Name of: - Your employer(s) - Any business carried on by you - Any other role in which you receive remuneration			
1.2	Description of employment or business activity.			
1.3	The name of any firm in which you are a partner.			
1.4	The name of any company for which you are a remunerated director.			
2	**Sponsorship**	**Myself**	**Spouse/Partner**	**Other** Please specify: Relative, Friend, Associate
2.1	Any financial benefit obtained which is paid as a result of carrying out duties. This includes any payment or financial benefit from a Trade Union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992 (a)			

3	**Contracts**	**Myself**	**Spouse/Partner**	**Other** Please specify: Relative, Friend, Associate
3.1	Any contract for goods, works or services with NCC which has not been fully discharged by any organisation named at 1.1.			
3.2	Any contract for goods, works or services entered into by any organisation named at 1.1 where either party is likely to have a commercial interest in the outcome of the business being decided by the Board.			
4	**Land or Property**	**Myself**	**Spouse/Partner**	**Other** Please specify: Relative, Friend, Associate
4.1	Any interest you or any organisation listed at 1.1 may have in land or property which is likely to be affected by a decision made by the Board. For property interests, please state the first part of the postcode and the Local Authority where the property resides. If you own/lease more than one property in a single postcode area, please state this			

5	**Securities**	**Myself**	**Spouse/Partner**	**Other** Please specify: Relative, Friend, Associate
5.1	Any interest in securities of an organisation under 1.1 where: a) That body (to my knowledge) has a place of business or land in Norfolk; and b) Either i) the total nominal value of the securities exceeds£25,000 or one hundredth of the total issued share capital of that body; or ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which has a beneficial interest exceeds one hundredth of the total issued share capital of that class			

Section B - Other Interests

1	**Membership of, or position of general control, a trustee or participate in the management of:**	**Myself**	**Spouse/Partner**	**Other** Please specify: Relative, Friend, Associate
1.1	Any body as appointed or nominated by NCC/the Board.			
1.2	Any body exercising functions of a public nature (e.g. school governing body)			
1.3	Any body directed to charitable purposes			
1.4	Any body, one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union)			
1.5	Any other interest which might reasonably be likely to be perceived as affecting my conduct or influencing my actions in relation to my role			

Board member Declaration and Signature

I confirm that having carried out reasonable investigation, the information given above is a true and accurate record of my relevant interests, given in good faith and to the best of my knowledge:

Date:

Member Name *(capitals and in full)***:**

Signature:

Receipt by NCC

Date Received:

Officer Name:

Cabinet

Item No: 15

Report Title: Norfolk's Devolution – Brownfield Housing Fund Pipeline

Date of Meeting: 3 June 2024

Responsible Cabinet Member: Cllr Jane James (Cabinet Member for Corporate Services and Innovation**)**

Responsible Director:

Paul Cracknell, Executive Director for Strategy & Transformation
Simon Hughes, Director of Property

Executive Summary

On 8 December 2022, Norfolk County Council ('the Council') signed an 'in-principle' Level 3 devolution County Deal for Norfolk which, if agreed, will provide Norfolk with new powers, devolved funding and additional investment to help us boost our economy through jobs, training and development, improve our transport network and support our environment.

A key benefit of the Level 3 deal has been access to almost £7m of capital funding from the Brownfield Housing Fund, in 2024/25 helping to ease the viability issues that brownfield projects face, alongside supporting wider interventions aimed at economic development.

Norfolk County Council has been working with all district councils to develop a pipeline of projects to be funded with a view to unlocking 455 – 583 new homes. Government has made available £388,000 over two years to support the development and delivery of the pipeline. An assessment framework has been developed with an external partner to provide an independent analysis of submissions from local councils, and to prioritise opportunities.

There will be ongoing dialogue with the Department for Levelling Up, Housing and Communities as part of an assurance process, to indicate how Government conditions for the funding are being met. Where subsequently Norfolk councils consider it reasonable to amend the list of projects, we are able to do so.

The Council is aiming to submit the draft pipeline by 3 June 2024.

Recommendations

Cabinet is asked to:

1. Agree to accept Brownfield funding from central government, which is £6.98m over two years, to be spend on relevant projects from this longlist, subject to detailed assessment of applications, under a devolution deal from government.
2. Support the collaborative approach undertaken across Norfolk's councils to develop a draft pipeline of Brownfield projects.
3. Agree the submission of the draft Brownfield pipeline (longlist) to the Department for Levelling Up, Housing and Communities on behalf of Norfolk County Council.
4. Delegate authority to the Director of Property to agree the final projects with the Cabinet Member for Corporate Services & Innovation and in line with NCC's constitutional scheme of delegation.

1. Background and Purpose

1.1. 'County Deals' are part of the Government's levelling up agenda (as set out in the 2022 Levelling Up White Paper) "to spread opportunity equally across the UK" through greater devolution of powers and funding.

1.2. The Government set a mission that, by 2030, every part of England that wants one will have a devolution deal offering powers and funding over issues like transport, skills and economic support and with a strong emphasis on the importance of high profile, directly elected local leadership. Norfolk, along with Suffolk, is one of the areas invited to negotiate a County Deal, when the Levelling Up White Paper was launched in February 2022.

1.3. The County Deals offer a significant opportunity to unlock long-term funding and gain greater freedom to decide how best to support businesses to grow, meet local needs and create new opportunities for the people who live and work in Norfolk.

1.4. On 8 December 2022, the Secretary of State for Levelling Up, Housing and Communities announced that the Government was "minded to" enter into a County Deal for Norfolk, under which the County would benefit from £600m of new Government investment over the next 30 years and an additional £12.9m during the current Spending Review period to fund local priorities to produce growth. In addition, the Deal will also devolve a number of powers, as well as provide the Council with an additional £1.632m capacity funding over 2023/24 and 2024/25 to support implementation.

1.5. On 12 December 2023, the Council resolved that the Deal should be accepted and agreed that the election for the Directly Elected Leader should be held alongside the county council elections in May 2025 to enable the widest possible engagement with the electorate. Council also agreed that the resolution adopting the new governance arrangements should be brought to the Full Council Meeting on 23 July 2024 to facilitate that election date.

1.6. The Government and Norfolk County Council both recognise that devolution is a journey, not a one-off event. Brownfield funding continues to be a flagship element as seen in previous devolution deals. Therefore, Norfolk's delivery in line with the conditions stated below will be critical in securing further funding for the county in the future.

2. Proposal

2.1 The Brownfield Housing Fund was set up by the Department for Levelling Up, Housing and Communities to support the national housing agenda. Profiled over 5 years (2020/21 – 2024/25), it has the aim of creating more homes by bringing more brownfield land into development.

2.2 A brownfield site is an area that has been used before and tends to be disused or derelict land. There are legal definitions established in the National Planning Policy Framework and subsequent case law. For Norfolk, having the opportunity to participate in this Fund constitutes a significant opportunity to unlock housing sites that would otherwise remain undeveloped. Building on brownfield sites help to alleviate the pressure to build on greenfield sites. This brings sustainability benefits as well as capitalising on the fact there is often existing infrastructure in place to access sites, reducing spend and lessening the need for even further development. This visible regeneration often matters to local communities and is frequently positively received by the public.

2.3 It is worth noting that this programme is separate to the One Public Estate programme, to which all councils continue to have access to under the terms of the programme.

2.4 As part of Norfolk's devolution deal we have been offered c.£7m funding via this existing fund to deliver 455-583 new homes. For future spending reviews, we would be treated the same as other devolved areas.

2.5 As a reminder to the Cabinet, to date, the Brownfield Housing Fund has only been available to those areas with a devolution deal, who have received significant investment to unlock housing. For example, £120m of funding for brownfield land was awarded to 7 combined authorities on 2 February 2022, to deliver 7,800 homes on brownfield land, with a further £30 million funding to regenerate brownfield sites across West Midlands, Greater Manchester and the Tees Valley Combined Authorities and build another 2,500 new homes.

2.6 The fund sets a number of conditions, so projects proposed must comply with strict criteria which will shape NCC decision making. Projects must:

- Be “green book” compliant with a Benefit to Cost Ratio (BCR) floor of 1. This means that the benefit of the project should at least match the cost of developing it.
- present the best possible Value for Money opportunities.
- have an evidenced market failure.
- satisfy that they could not happen without financial support from the fund.

- contribute the most additional benefits such as unlocking economic growth or having a housing design that helps sustainability and carbon reduction.
- start on site by 31 March 2026.

2.7 Local authorities wishing to participate must have up to date Local Plans. When rolling out Brownfield funding, as the accountable body for the Deal, Norfolk County Council must satisfy the necessary monitoring and reporting requirements to be outlined by the Department for Levelling Up, Housing and Communities.

3. Evidence and Reasons for Decision

3.1. Over the past 8 months, Norfolk County Council has worked collaboratively with local councils to develop a longlist of brownfield projects based on local priorities and plans. The Council has been clear that its role is to act as a conduit to funding for the district councils.

3.2. As reported in November 2023, Norfolk County Council undertook a procurement exercise to appoint a skilled, specialist contractor to design and support an independent and rigorous evaluation of proposed sites, to ensure that these meet Brownfield Land Release Fund criteria. As a result, the Council have appointed Cushman & Wakefield Ltd. The role of this experienced external partner is to provide strategic programme design to the work, give independent assurance on scheme applications and offer expert support for our partners in developing their expressions of interest.

3.3. There are five key stages to the programme:

- Stage 1: Expressions of Interest
- Stage 2: Detailed assessment
- Stage 3: Approval
- Stage 4: Spend and Monitoring
- Stage 5: Evaluation and Close

3.4. A diagram of steps within each stage can be seen in **Appendix A**.

3.5. The Expression of Interest form used in stage 1 can be viewed in **Appendix B**.

3.6. As reported previously, over 800 schemes were initially identified as possible projects. Facilitated by Cushman & Wakefield, a number of workshops and one-to-one meetings with councils have taken place to outline the proposed framework and allow time for them to integrate their thinking into the Expressions of Interest being developed, allowing adequate time for them to refresh, withdraw or add new Expressions of Interest to the process.

3.7. As part of providing independent assurance to scheme applications, Cushman & Wakefield also developed the assessment framework needed to ensure schemes are reviewed in the right context and in light of conditions set out by Government as outlined in section 3.1. This approach has ensured that there is intense support for applicants to develop projects that are likely to succeed by meeting brownfield criteria, reducing time and money spend on wasted applications, bringing the most effective projects forward at pace to benefit Norfolk residents.

3.8. As a result of the assessment stage, the draft pipeline includes a range of schemes with different profiles, at different speeds and positions, allowing contingency for any delays in development. The use of consultants to ensure the rigour to meet national guidance on use of Brownfield funding has been intrinsic to this work. This is to protect public funding and part of operational governance.

3.9. The activities of the consultants and joint working with NCC in the detailed assessment phase are shown in **Appendix C**.

3.10. The programme is currently in Stage 2, with a draft pipeline produced, to be finalised and submitted to the Department for Levelling Up, Housing and Communities in due course.

3.11. The draft pipeline was presented to the Norfolk Leaders Group on 5 April 2024 to ensure system-wide agreement prior to any submission to Government. At the Meeting, Leaders thanked and acknowledged the programme team for their "exemplary engagement" and "spirit of cooperation" with the district councils.

3.12. It is intended that the governance for the Norfolk Brownfield Housing Fund will be via an Investment Board, the terms of reference for which are being finalised, and which include all the Leaders of Norfolk's councils. The governance model will be outlined fully in Norfolk's Local Assurance Framework, which is a requirement of the English Devolution Accountability Framework, and a condition of Norfolk's Investment Fund allocation. The Local Assurance Framework will be published when agreed and signed off by Government.

3.13. The governance undertaken for this iteration of Brownfield funding has been adjusted to ensure that NCC is able to access funds as soon as they are made available, subject to a vote at Full Council in July 2024 to have a leader elected in May 2025. The Brownfield work has still undergone development at a district level and received unanimous support from Leaders of all Norfolk's councils in formal meetings of Norfolk Leaders' Group. It will also move through formal governance in line with NCC's constitution to ensure robust governance prior to the implementation of the Local Assurance Framework.

4. Impact of the Proposal

4.1. Norfolk has an urgent need to unlock the barriers to affordable housing delivery, regeneration, and wider housing growth. Through the development of a pipeline for the county, Norfolk Councils can begin to address some of the issues faced in the county and maximise the benefits of brownfield funding as has been evidenced elsewhere.

4.2. Brownfield funding will enable the development of up to 583 new, affordable homes for Norfolk, across geographical locations. District councils have been able to utilise their local knowledge to direct this work to where it is most needed for residents and where sites can be released most effectively, in spaces that meet Brownfield criteria for funding.

4.3. This proposals supports sustainable development of housing, reducing the impact of housebuilding on greenfield sites and is visible regeneration so residents can see the impact of this work.

4.4. It aligns activity to the focus of national policies around housing whilst financially supporting this type of work that is often more expensive to complete because of underground issues.

4.5. The programme also enables our District, City and Borough Councils to access funding locally through NCC without applying for complex national funding rounds whose key measures often do not align with Norfolk's demography.

4.6. This funding is ringfenced for this activity saving costly bidding activity.

4.7. This proposal allows schemes to proceed that could not happen without financial support from brownfield funding (this is a requirement of projects) allowing Norfolk to benefit from additional affordable homes.

4.8. This proposal reflects local demands and needs as well as local market conditions.

5. Alternative Options

5.1. The Brownfield Housing Fund, as part of a Level 3 deal, is contingent upon a County Council resolution to change the current leader and cabinet executive governance model to a 'directly elected leader and cabinet' governance model on 23 July 2024.

5.2. If Council does not agree to change the model of governance, then the Council will not be able to proceed with a Level 3 agreement. In that case, the Brownfield Housing Fund would not be available to Norfolk.

6. Financial Implications

6.1. As outlined in the devolution deal, to support Norfolk County Council to identify and bring forward a pipeline of housing projects, the Government will also provide £382,000 in capacity funding across 2023/24 and 2024/25. The first tranche of funding has been received and has supported the work to date, with further funding expected before the end of the financial year 2024/25, subject to 7.1 above.

7. Resource Implications

7.1. **Staff**: At the moment, implementation planning is done as part of officers' role. As part of implementation, there may be a need to draw together a programme team to support the delivery and monitoring of activity arising from devolution. Additional resources needed will continue to be identified, and further information will be presented to Committee when it is available.

7.2. **Property:** None at present

7.3. **IT**: None at present

8. Other Implications

8.1. **Legal Implications:** Legal Implications: the Brownfield Housing Fund will be underpinned by a Grant Funding agreements between Norfolk County Council and the Department for Levelling Up, Housing and Communities. Obligations and site-specific requirements between Norfolk County Council and developers, will be captured in separate legal agreements see Appendix D for a draft funding agreement.

8.2. **Human Rights Implications**: None.

8.3. **Equality Impact Assessment (EqIA)** (this must be included):

A comprehensive range of evidence has been gathered and analysed, to enable the Council to develop a sound equality impact assessment about the likely impacts of the Deal on people with protected characteristics.

This has involved reviewing data about people and services that might be affected, contextual information and commissioned research about local areas and populations, and crucially, the findings of public consultation.

The equality impact assessment, included in the 5 June Cabinet papers, identified that the Deal has the potential to significantly enhance access for disabled and older people in Norfolk - and equality of opportunity for people with other protected characteristics.

Data Protection Impact Assessments (DPIA): No direct DPIA implications arising from this report.

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

8.5. **Sustainability implications** (where appropriate): Brownfield housing is more environmentally positive than building on greenfield land.

8.6. **Any Other Implications**: None

9. Risk Implications / Assessment

9.1. Norfolk County Council will ensure that risks to the delivery of its priorities are appropriately managed in accordance with the Council's Risk Management Framework in order to fulfil the Financial Regulations, as set out in the Council's Constitution, the Policy and Procedures will comply with the Accounts and Audit (England) Regulations 2015 (Part 2, Internal Control 3(c)) and the Public Sector Internal Audit Standards.

9.2. The programme will adhere to the NCC Risk Management Policy which sets out the definition of risk, the roles and responsibilities within risk management, the approach taken to risk management within Norfolk County Council, the monitoring and audit of the Policy, and its review.

10. Select Committee Comments

10.1. Having offered thoughts and feedback on activity to date and the proposed next steps as summarised in the report, the Committee recognised the collaborative work carried out by all of Norfolk's councils to develop the first draft pipeline of projects to benefit from Brownfield funding.

11. Recommendations

Cabinet is asked to:

1. Agree to accept Brownfield funding from central government, which is £6.98m over two years, to be spend on relevant projects from this longlist, subject to detailed assessment of applications, under a devolution deal from government.

2. Support the collaborative approach undertaken across Norfolk's councils to develop a draft pipeline of Brownfield projects.

3. Agree the submission of the draft Brownfield pipeline (longlist) to the Department for Levelling Up, Housing and Communities on behalf of Norfolk County Council.

4. Delegate authority to the Director of Property to agree the final projects with the Cabinet Member for Corporate Services & Innovation and in line with NCC's constitutional scheme of delegation.

12. Appendices

Appendix A Brownfield Programme Management Framework

Appendix B Expression of Interest Form

Appendix C Detailed Application

Appendix D Brownfield Pipeline (commercial in confidence)

13. Background Papers

13.1. Cabinet Agenda 4 December 2023 - A County Deal for Norfolk - Page 31
13.2. Infrastructure & Development Committee Agenda 15 November 2023 - County Deal Update - Page 13
13.3. Cabinet Agenda 5 June 2023
13.4. Norfolk devolution deal (publishing.service.gov.uk)
13.5. Infrastructure & Development Select Committee agenda 15 May 2024
13.6. Infrastructure and Development Select Committee Minutes 15 May 2024

Officer Contact

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

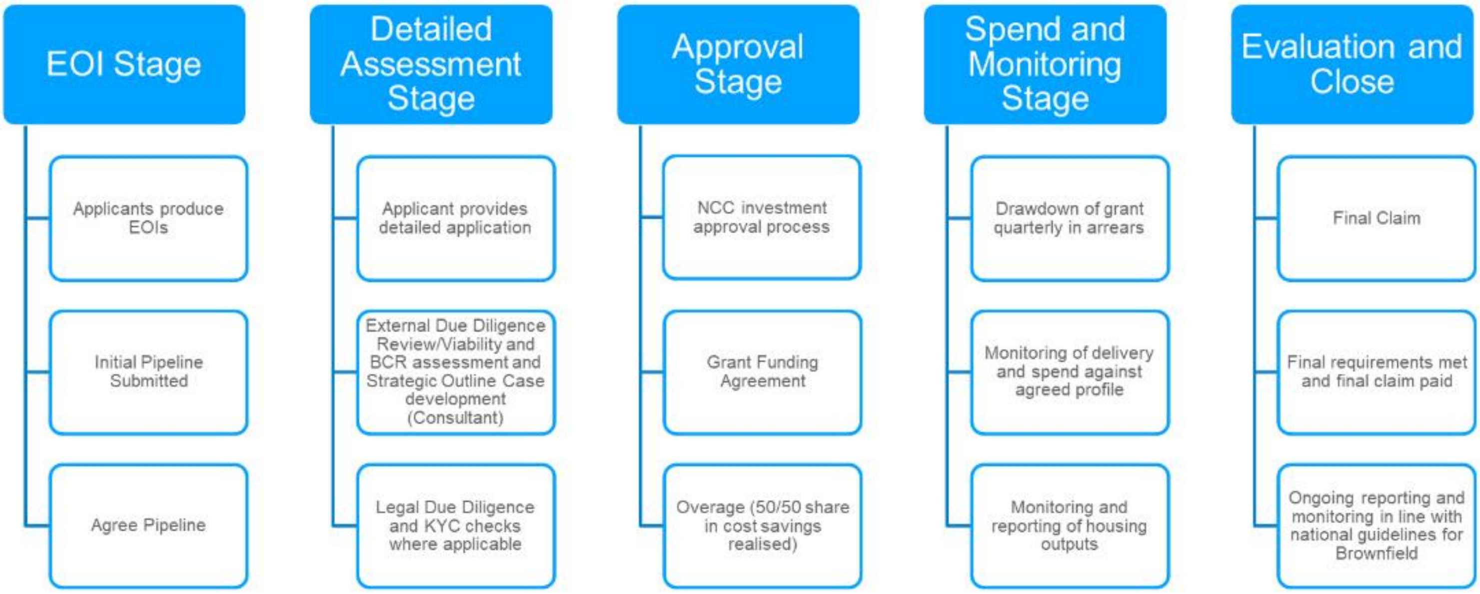
Officer name: Markella Papageorgiou

Tel: 01603 224345

Email: markella.papageorgiou@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


EOI Stage
Applicants produce EOIs
Initial Pipeline Submitted
Agree Pipeline
Detailed Assessment Stage
Applicant provides detailed application
External Due Diligence Review/Viability and BCR assessment and Strategic Outline Case development (Consultant)
Legal Due Diligence and KYC checks where applicable
Approval Stage
NCC investment approval process
Grant Funding Agreement
Overage (50/50 share in cost savings realised)
Spend and Monitoring Stage
Drawdown of grant quarterly in arrears
Monitoring of delivery and spend against agreed profile
Monitoring and reporting of housing outputs
Evaluation and Close
Final Claim
Final requirements met and final claim paid
Ongoing reporting and monitoring in line with national guidelines for Brownfield

Appendix B

Norfolk County Deal Brownfield Housing Fund

Initial Expression of Interest (EOI) Form

Please complete this form with the information requested completing the 'white' boxes in the tables. Norfolk County Council will use the information, and may request additional information, to assess your project at this initial stage to confirm its compliance and deliverability.

Project Summary and Contact Information

Scheme/Project Name	
Site location and address (incl. postcode)	
Applicant name	
Applicant lead contact details	
Gross site area (hectares)	
Details of land ownership (if not under your control please outline current ownership and acquisition status/risks)	
Current planning status of scheme (i.e. allocated/outline/full consent)	
Total number of housing units to be delivered (incl. breakdown of tenure and affordable provision)	
Total sq. m (NIA) of commercial/other space to be delivered (please specify)	
Is the site brownfield? Please provide details of the previous/current use of the site to evidence this.	
Brownfield Housing fund request	

Project Description

Brief project description and objectives (guide 200 words)	
Evidence of the market failure and need for public sector intervention. Why is there a viability gap? (guide 200 words)	
Alignment to local housing strategy and evidence of need for proposed scheme (guide 250 words)	
Project outputs/wider outcomes	

Brief summary of proposed sustainability/low carbon credentials (if applicable)	

Project Costs, Funding and Viability

	£	**Status of funding**
Estimated total scheme cost		**n/a**
NCC Brownfield Funding request		**Applied for**
Local Authority funding		
Registered Provider funding		
Homes England funding		
Developer/private sector funding		

Delivery Structure

Please detail the delivery structure for the scheme including the role of the applicant and other key delivery partners, proposed contractual arrangements and legal structure and exit strategy (guide 200 words)	

Delivery Programme

Milestone	Date completed/forecast (please complete)
Site acquisition	
Outline planning consent	
RIBA Stage 3 design	
RIBA Stage 4 design	
Full planning consent / Reserved Matters	
Construction contract tender issued	
Construction contract tender awarded	
Start on site – enabling works	
Start on site - housebuilding	
Practical Completion of housing units	

Delivery Risks

Please describe any key delivery risks to the successful delivery of your scheme (e.g. planning, infrastructure, market demand, ownership, legal, cost, funding etc (guide 200 words)	

Appendix C

Application Process