

Cabinet

Minutes of the Meeting held on 02 October 2023 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	Vice-Chair. Deputy Leader and Cabinet Member for Finance
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 Graham Plant	Cabinet Member for Highways, Infrastructure and Transport
Cllr Eric Vardy	Cabinet Member for Environment and Waste

Deputy Cabinet Members Present

Cllr Greg Peck	Deputy Cabinet Member for Finance
Cllr Shelagh Gurney	Deputy Cabinet Member for Adult Social Care

Executive Directors Present:

Harvey Bullen	Director of Strategic Finance
Debbie Bartlett	Interim Executive Director of Adult Social Services
Grahame Bygrave	Interim Executive Director of Community and Environmental Services
Paul Cracknell	Executive Director of Transformation and Strategy
Kat Hulatt	Assistant Director of Governance
Tom McCabe	Chief Executive
Sara Tough	Executive Director of Children's Services

- 1a** The Chair announced that at the weekend she had visited Trowse Fire Station to see firemen returning from their relay run around the County, covering 385 miles and visiting 42 fire stations to raise money for the Fire Service Charity. Important firefighting work continued during this relay run showing their dedication. The Chair encouraged donations to the Fire Service Charity.

1 Apologies for Absence

- 1.1 Apologies were received from The Cabinet Member for Corporate Services and Innovation, The Cabinet Member for Adult Social Care, The Deputy Cabinet Member for Children's Services

2 Minutes from the meeting held on 04 September 2023

- 2.1 Cabinet agreed the minutes of the meeting held on 04 September 2023 as an accurate record.

3 Declaration of Interests

- 3.1 No declarations were made.

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 No questions were received from the public.

7 Local Member Questions/Issues

7.1 The questions received are published in appendix A to these minutes.

7.2.1 Cllr Neale asked a supplementary question:

- Cllr Neale thanked the Cabinet Member for Highways, Infrastructure and Transport for his response; he had worked with officers for the Treescape funding and 40 tree wardens had been recruited to assist with this.
- The response to Cllr Neale's substantive question said that the lack of funding could be supplemented from the local member funding which Cllr Neale had done twice however, he had calculated that the £11k per year in funding gave his ward 5.7 trees. Since lots of trees were dying and needed replacing at around 30-40 per year this did not add up.
- Cllr Neale suggested funding was put in to replace these and noted that there had been an underspend in Members' discretionary funding in 2017-23 of £2.6484m. He suggested that this could be used to replace urban street trees in Norfolk.

7.2.2 The Cabinet Member for Highways, Infrastructure and Transport replied that underspends were put back into the general fund and used to balance the books but would check this with the Vice-Chair. He said the funding being spent through the member discretionary fund was helpful; replacing each tree each year would be unaffordable but this was being done as frequently as possible and funding being sought where possible.

8. Safeguarding across the life course in Norfolk: The work of the Norfolk Safeguarding Children Partnership and Norfolk Safeguarding Adults Board in 2022-23

8.1.1 Cabinet received the report presenting the 2022-23 work of both the Norfolk Safeguarding Children Partnership and Norfolk Safeguarding Adults Board.

8.1.2 The Cabinet Member for Public Health and Wellbeing introduced the report to Cabinet:

- The Norfolk Safeguarding Children Partnership Annual Report and Norfolk Safeguarding Adults Board Annual Report were presented to Health and Wellbeing Board and Integrated Care Partnership in September 2023.
- Both of these reports were positive and showed the good work being done

in this area.

- 8.2 The Cabinet Member for Children's Services noted the multi-agency arrangements for children which were in place, with a strong partnership between Norfolk County Council, the police and health, and with the voice of children at the centre. The report discussed the wide-ranging activities which took place within a single sustainable system to safeguard children.
- 8.3 The Executive Director for Children's Services discussed that safeguarding was part of the core business of the council. The council ensured that safeguarding was executed to a high level and each area within safeguarding was led by different statutory partners. Over the past years the council had invested in audit, scrutiny, use of data and focus on continuous learning to contribute to a mature partnership which worked with the strategic alliance to help all children flourish.
- 8.4 The Deputy Cabinet Member for Adult Social Care noted that this was an important piece of work for safeguarding adults. She reported that there was a regular safeguarding newsletter which was growing in importance.
- 8.5 Cabinet **RESOLVED** to:
- a) endorse and comment the contents of the annual report 2022/23 for NCSP and NSAB
 - b) To promote NSCP and NSAB's work to the public via social media enabling more people to see it, helping to give important safeguarding messages to Norfolk's communities.
- 8.6 **Evidence and Reasons for Decision**
- N/A
- 8.7 **Alternative Options**
- N/A
- 9. Market Sustainability and Improvement Fund – Workforce Funding**
- 9.1.1 Cabinet received the report outlining detail of the further £600m of funding for Adult Social Care announced by the Department of Health and Social Care on 28th July 2023, £570m of which would be distributed to Local Authorities over two years, with the residual £30m for Local Authorities in the most challenged health systems. The report also discussed challenges the Council would face in areas in scope of the grant.
- 9.1.2 The Deputy Cabinet Member for Adult Social Care moved the report, noting that this was a detailed report on the market improvement funding.
- 9.1.3 The Interim Executive Director for Adult Social Services introduced the report to Cabinet:
- This was funding would give additional capacity for this year and funding for next year, 2024-25, with clear grant conditions which fit well with the direction of travel.

- Officers had discussed with the market how best use could be made of this funding and come up with a balanced set of proposals to focus on the areas where the most difference could be made.
- There had been a focus on the learning disability market and mental health and the effective work in recruitment, retention and training would continue with colleagues in the care market.
- There had been work on the capacity to reduce waiting times and ensure people were supported in a timely way.
- This funding was not ongoing and so decisions had to be made about where the most benefit could be given.

9.2 The Cabinet Member for Public Health and Wellbeing endorsed the report noting the £10m extra funding for the service; the report showed the areas in which this funding would be spent and how waiting times would be reduced, by being targeted in the areas in which it could make the most difference.

9.3 Cabinet **RESOLVED** to discuss and agree the proposed use of the Market Sustainability and Improvement funding – Workforce fund as set out in section 3.6 of this report. Funding available is £6.3m in 2023/24 and a provisional £3.5m in 2024.

9.4 **Evidence and Reasons for Decision**

Please see section 4 of the report.

9.5 **Alternative Options**

Please see section 5 of the report.

10. **Local Enterprise Partnership (LEP) Integration Plan**

10.1.1 Cabinet received the report outlining the approach being taken to integrate the Local Enterprise Partnership into Norfolk County Council and including the Local Enterprise Partnership Integration plan being prepared for Government.

10.1.2 The Chair noted that the Local Enterprise Partnership was being incorporated into the Council; a detailed plan was needed as part of this in partnership with district councils and partners

10.1.2 The Director of Growth and Investment introduced the report to Cabinet:

- The information set out in the report followed a decision by Government to cease responsibility of Local Enterprise Partnerships and integrate them into upper tier authorities. As part of this there was a requirement for upper tier authorities to agree a transition plan for submission to Government.
- Norfolk's transition plan had been discussed at Scrutiny Committee, agreed by the Local Enterprise Partnership board and subject to consultation by District Council leaders and Chief Executives and other stakeholders.
- The plan was not final as transition funding had not been confirmed by Government.
- Integration would allow Norfolk County Council to strengthen existing

economic development and skills bringing together the work of the Local Enterprise Partnership and provide an opportunity to continue developing links with the District Councils and private and education sectors.

- 10.2 The Cabinet Member for Economic Growth supported the report noting that integration was an excellent opportunity for the council, improving engagement with district councils and strengthening business engagement for the council with the business community and strengthening the economy.
- 10.3 The Cabinet Member for Public Health and Wellbeing thanked everyone involved in the Local Enterprise Partnership over the past years and was pleased to note the return of the Local Enterprise Partnership functions to the Council.
- 10.4 The Cabinet Member for Highways, Infrastructure and Transport noted the good work of the Local Enterprise Partnership. Paragraph 2.2 of the report showed the Local Enterprise Partnership functions which the Government had indicated should continue. This integration would help strengthen the Norfolk economy.
- 10.5 The Vice-Chairman noted that economic development was best held within the council, and he welcomed the changes set out in the report.
- 10.6 The Chair noted that Suffolk were going through a similar process but Norfolk was at the forefront. She felt this was a good way forward and pointed out that that collaborations would continue with Suffolk and with Norfolk's district councils.
- 10.7 Cabinet **RESOLVED** to:
1. Approve the LEP Integration Plan
 2. Recommend that a progress report is brought back to Cabinet in April 2024.

10.8 **Evidence and Reasons for Decision**

N/A

10.9 **Alternative Options**

Please see section 8 of the report.

11. Climate Action Plans - Tranche 1

- 11.1.1 Cabinet received the report introducing the approach of publishing climate action plans, proposing to bring these for member consideration in tranches, and presenting the first of these action plans for review and approval.
- 11.1.2 The Cabinet Member for Environment and Waste introduced the report to Cabinet:
- Since setting out the ambitious climate strategy in June 2023, officers had been putting together action plans, including getting the council's estate to net zero by 2030.
 - These action plans would give a clear view of the initiatives which would take place across the council, focussing on 7 focus areas as set out in the report.
 - The report to Cabinet proposed that these action plans were brought in

three tranches, and the first tranche set out the actions for buildings, digital solutions and connectivity, the local nature recovery strategy, street lighting, the council's vehicle fleet and procurement.

- The second and third tranches were planned to be brought to Cabinet in early 2024 and an overview of their content was shown in the report.
- The action plans would be brought together and published as a single document which would be updated each autumn. The Cabinet Member for Environment and Waste would work with the Chair of Infrastructure and Development Select Committee to keep the committee updated. The new tranches would be taken to Infrastructure and Development Select Committee before being brought to Cabinet for adoption.
- The Cabinet Member for Environment and Waste moved the recommendations as set out in the report.

11.2 The Chair had recently seen one of the new electric buses in Norwich and noted that 70 new electric buses were due to be introduced in the city. The Cabinet Member for Environment and Waste noted that the Council was working with Medicare to electrify their fleet.

11.3 The Cabinet Member for Communities and Partnerships pointed out that it was library week, and their theme was "go green", Through this libraries would point people towards the green economy and how they could support net zero.

11.4 The Cabinet Member for Public Health and Wellbeing noted that this report showed the practical work being carried out to meet green objectives.

11.5 The Vice-Chairman welcomed the report as the next stage in implementing the climate strategy, which was comprehensive and showed what would be done across a range of services. The work on digital services would benefit rural residents and allow infrastructure to grow.

11.6 The Cabinet Member for Highways, Infrastructure and Transport noted the discussion in the report about carbon reduction for passenger transport; the council was working closely to meet the targets it had set out in its green strategy.

11.7 The Chair noted that this was a step on the way towards meeting the council's goals. She would like Government to help improve electrical infrastructure in Norfolk so that more electrical charging points could be provided. This could be extended to the Norfolk Broads for electric boat charging for example, and help the council implement its strategy and support partners.

11.8 Cabinet **RESOLVED** to:

1. Approve the proposed approach to climate action planning.
2. Approve the first tranche of actions as set out in the report.

11.9 **Evidence and Reasons for Decision**

Please see section 6 of the report.

11.10 **Alternative Options**

The Council could decide to publish all actions related to the Climate Strategy in

one rather than to release the action plans in tranches. This would lead to the same end result for creating a reporting structure for delivery of the strategy. However, this approach would slow down the publication of actions for areas which are ready or soon to be ready for release. They would have to be held back by development of actions around more complex areas, which could impact on the momentum for building up the reporting framework.

12. Procurement Strategy 2023-2026

12.1.1 Cabinet received the report setting out the procurement strategy for 2023-26 which set out the 8 overarching goals for procurement at Norfolk County Council.

12.1.2 The Vice-Chairman introduce the report to Cabinet:

- Each year the council spent £900m on procurement made up of £650m revenue spend on contracts, which was 40% of the gross revenue budget, and £250m in the capital programme.
- Many people's experience of council services came from contractors and not directly from council staff as many services were provided from third party services. This meant that getting procurement right was essential to providing effective public services. To achieve best value for money from goods and services that the council procured it was important to ensure that contracts achieved what was expected of them.
- Much of the work behind this report relied on compliance with new national legislation and regulations. This showed how devolution would allow the council to set its own priorities.
- The procurement strategy would help the council to build on its social value priorities.

12.2 The Cabinet Member for Economic Growth noted that this had huge benefits for the council and its economy; the economic development team would be pushing to ensure there were more contractors on the approved list.

12.3 The Cabinet Member for Environment and Waste noted paragraph 2.2 of the report which showed the goals and medium-term priorities; one of these was reducing emissions through the council's work with Medicare and electrification of buses in Norwich. The report showed how the council was prioritising its green credentials.

12.4 The Deputy Cabinet Member for Finance welcomed the report which showed that the council was regularising its purchasing procedures; work had begun to improve purchase procedures through a review and drive improvements across commissioning and contract management.

12.5 Cabinet **RESOLVED** to agree the Norfolk County Council Procurement Strategy 2023-2026

12.6 Evidence and Reasons for Decision

Under the Local Government Act 1999 Act, local authorities must deliver 'Best Value' – to "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".

The Department for Levelling Up, Housing and Communities is currently consulting on statutory guidance for local authorities to meet Best Value Standards. A 'fit for purpose' procurement strategy is specifically identified within the draft guidance as part of delivering Best Value. Therefore, member 101 approval of the strategy and monitoring of its achievement supports delivery of the Best Value Duty.

12.7 **Alternative Options**

The council could choose to continue without a member-endorsed Procurement Strategy. However, this would mean forgoing the opportunity to strengthen corporate governance for a significant function within the council through a published strategy that guides the focus of its procurement activities. Not publishing the strategy would also run counter to the anticipated good practice standards expected of local authorities in meeting their Best Value Duty.

13. **Risk Management Quarterly Report**

13.1 Cabinet received the quarterly risk management report setting out the reviewed and updated corporate risks, as well as departmental risk summaries for departmental risks as at October 2023

13.2 Cabinet **RESOLVED** to agree:

1. The key proposed changes to corporate risks since the last report to July 2023 Cabinet (paragraphs 2.1 and 2.2 and Appendix A of the report)
2. The corporate risks as at October 2023 (Appendices B and C of the report)
3. The departmental risk summaries (Appendix D) in the report.

13.3 **Evidence and Reasons for Decision**

Not applicable as no decision is being made.

13.4 **Alternative Options**

There are no alternatives identified.

14 **Corporately Significant Vital Signs**

14.1.1 Cabinet received the report providing an update on the Council's performance against its Corporately Significant Vital Signs.

14.1.2 The Executive Director of Transformation and Strategy introduced the report to Cabinet:

- This report showed a new measure for Adult Social Care
- The report showed mostly positive performance and progress
- 19 actions were indicated to support improving performance

14.2 The Vice-Chairman noted that a lot of work had been done on this, with the report now clearer. A deteriorating position was shown in the reserves forecast, but this was normal as reserves were held in departmental reserves which would build up and then be used across the financial year.

- 14.3 Cabinet **RESOLVED** to:
1. Review and comment on the end of Quarter 1 performance data.
 2. Review the considerations and next steps.
 3. Agree the 19 highlighted actions as set out in the report

14.4 **Evidence and Reasons for Decision**

N/A

14.5 **Alternative Options**

Information report

15. Mayton Wood Recycling Centre

15.1.1 Cabinet received the report setting out a proposal to relocate Mayton Wood Recycling Centre operations to the new Norwich North Recycling Centre from December 2023.

15.1.2 The Vice-Chair introduced the report to Cabinet:

- Mayton Wood Recycling Centre had been discussed and considered by officers and it was therefore suggested that its operations be moved to Norwich North Recycling Centre.
- Norfolk County Council had spent £2.8m on a new recycling centre with spilt level access so people did not have to go up steps with their waste, had access to larger bins and a purpose-built re-use shop, and with a better layout for traffic flow and parking.
- Having done this The Vice-Chair felt it was not reasonable to maintain old and out of date recycling centres. The money saved from closing Mayton Wood Recycling Centre should instead be used to develop other nearby sites. Four other waste disposal sites in Norfolk were due for upgrade, including the nearby site of North Walsham Recycling Centre.
- Residents around Mayton Wood Recycling Centre would receive a better service and could access better recycling facilities which were not much further away.
- The Vice-Chair did not accept that the proposal would increase fly tipping as this was not often shown in evidence. 99% of Norfolk residents disposed of their waste properly and so the Vice-Chair believed it was unlikely that having to drive a few extra miles would encourage such people to fly tip.

15.2 The Deputy Cabinet Member for Finance used Mayton Wood Recycling Centre and would have to travel 4 miles further if the proposals went ahead, however that people from other areas would have a shorter distance to North Norwich Recycling Centre. He felt that Mayton Wood Recycling Centre was not fit for purpose as it was out of date.

15.3 The Cabinet Member for Public Health and Wellbeing agreed that new recycling centre facilities should be provided to residents, noting that the centres in Dereham and Kings Lynn which had already been upgraded. The new facility at Norwich North was already open and would make it easier for people to recycle.

15.4 The Cabinet Member for Environment and Waste noted there had been political

interest in this proposal; he noted that some people would have to travel further to recycle, however some people would have less distance to travel. The reuse shop at Norwich North was making a difference, providing funding for charity.

- 15.5 The Deputy Cabinet Member for Adult Social Care noted that Hellesdon residents were very happy with Norwich North Recycling Centre which had a better layout than their previous centre at Mile Cross; it had better accessibility, was outside the city being better for air pollution, and had better recycling opportunities. It was also positive that the reuse shop raised funding for charitable causes. Mayton Wood Recycling Centre was not as accessible as this new recycling centre since it was on a country lane.
- 15.6 The Cabinet Member for Highways, Infrastructure and Transport pointed out that fly tipping was a criminal offence which cost millions of pounds of council funding to address each year. This scheme would benefit the people of Norfolk.
- 15.7 The Cabinet Member for Environment and Waste clarified that fly tipping was down 4% in Norfolk which showed the work district councils had been taking to tackle it alongside measures in place at the County Council.
- 15.8 The Chair noted that Norfolk County Council was required to make strategic decisions; it was important to make a modern recycling centre within easy reach of everyone. She understood that some people would find this emotive however it was a decision for the whole of Norfolk so that centres would be safe, accessible and modern and was the right thing to do.
- 15.9 Cabinet **RESOLVED** to Agree to relocate Mayton Wood Recycling Centre operations to the new Norwich North Recycling Centre from December 2023.

15.10 **Evidence and Reasons for Decision**

See section 5 of the report.

15.11 **Alternative Options**

Cabinet could decide not to move operations to Norwich North Recycling Centre. This would mean that the associated saving could not be delivered, that the investment in the Norwich North Recycling Centre may not be fully realised and that we would continue to operate an inefficient site which has seen significant reductions in the number of users.

16. Strategic and financial planning 2024-25

- 16.1.1 Cabinet received the report setting out details of the initial proposals for Cabinet consideration prior to public consultation. It also explains the broad approach planned to enable further options to be brought forward in order to contribute to a balanced Budget being proposed for 2024-25.
- 16.1.2 The Vice-Chairman introduced the report to Cabinet:
- While less than last year, the scale of the budget gap agreed by Full Council in February 2023 including the 2024-25 gap was one of the largest this council had sought to bridge
 - Headwinds continued in the economy and public finance which would

increase costs to the council. Many upper tier authorities faced unprecedented challenges with no long-term solution in sight. Government's November 2023 statement should clarify the broad issues but there was no date for the local government provisional statement which would give individual detail.

- In summer 2023 the Council had developed proposals for the 2024-25 budget which were shown in table 5 of the report and summarised in table 4 of the report.
- The council would continue to pursue savings within the framework set out in the strategic review with a target saving of £10m.
- At this stage in the budget process there had been good progress towards transformation and efficiency savings.
- Savings of £26.485m in the report were recommended for public consultation between October and December 2023 to inform budget recommendations to Full Council.
- As set out in the report on page 271, at the time of preparing the report it was considered that proposal set out on page 260, "Review contracts providing respite for adults with learning disabilities and identify a more cost effective and efficient way of delivering this service" would require consultation. Following further review it had been confirmed this was not necessary and would form part of the overall consultation process.
- New pressures emerging since development of the 2024-25 budget in February 2023 would impact in the current and future financial years which could increase the size of the gap. £25m had been set aside to meet some of these pressures:
 - Pay inflation; an offer had been made on the national employer side for a pay award of a fixed increase of £1925 for all grades up to grade L and 3.88% above this. Every 1% increase in pay inflation equated to a cost pressure of £3m.
 - Non-pay inflation: inflation in 2023-24 remained above the level assumed in February 2023 and would need to be addressed in the budget planning. The budget would continue to be refined based on the latest inflation estimates.
 - Special Educational Needs and Disabilities: Under-funding of Special Educational Needs and Disabilities had caused significant financial issues to local authorities for many years. In 2023, the council had negotiated successfully with the Department for Education as part of the Safety Valve Programme and implemented Local First Inclusion as part of this. This would impact on Special Educational Needs and Disabilities home to school transport and would involve monitoring via reporting to the Department for Education.
 - Growth and demand of services: existing pressures in the Medium Term Financial Statement continued which could require increased growth in Children's Services and Adult Social Care. Market pressures remained intense, with uplifts driven by pay awards in the sector; the average increase in the national living wage was 6% and would be repeated in 2024. This budget pressure would be included in the Medium Term Financial Statement.
 - The outcome of the Fair Funding Review would not be seen before the next general election.
- Corporate finance options included the flexible use of capital receipts;

these would offset the additional costs but would not bridge the gap. Strategic work in departments such as connecting communities and Flourish would see savings emerging through departmental efficiencies.

- Work would start on the third budget challenge in December 2023 to address the remaining £20m budget gap if the proposals in this report were agreed; this would be focussed on further efficiency savings that did not require consultation to close the remaining gap, informed by Government announcements.
- The ability to borrow at low interest rates was over, and the council had taken advantage of these rates to allow transformations, but now needed to restrict its borrowing. This was reflected in the Medium Term Financial Statement; if capital schemes were not mainly funded externally they should focus on invest to save, promoting economic development or relate to end of life assets needed for essential service delivery of which were mainly funded from external funding services.
- £565m savings had been budgeted for over 2011/2012 to 23/24. Unless different funding was brought by the next Prime Minister, non-statutory services would need to be considered.

- 16.2 The Cabinet Member for Public Health and Wellbeing noted the financial issues experienced at some Councils in the country; Norfolk County Council had addressed the equal pay issue which had caused these councils' financial issues some time ago. People were living for longer which meant they required more from local authority services to keep them independent and well for longer meaning the cost for the council would increase and meaning the Council would be required to look at how they could provide services as well as they could with the money they had.
- 16.3 The Deputy Cabinet Member for Adult Social Care noted that this report showed the council was providing residents with best value for their council tax and supporting children, the elderly and people who needed support.
- 16.4 The Chair noted that the budget was increasing each year so it was important to work smarter and ensure core services were delivered. The council was competent and financially prudent. The Chair and the Vice-Chairman had spoken to the Local Government Finance Minister recently, and asked for the government to provide fairer funding for rural areas and three-year settlements so that the council could plan more strategically.
- 16.5 Cabinet **RESOLVED** to:
1. To consider and comment on the County Council's financial strategy as set out in this report and note that the Budget process is aligned to the overall policy and financial framework;
 2. To note that fiscal and policy decisions made by the Government in autumn 2023, may have implications for the County Council's budget planning position. The outcome of these national funding announcements, alongside the Local Government Finance Settlement, will have potentially significant impacts on the 2024-25 Budget position, which will not be fully known until later in the budget setting process.
 3. To consider and agree for planning purposes the latest assessment of significant areas of risk and uncertainty around emerging budget pressures for the 2024-25 Budget and Medium Term Financial Strategy, which remain to be

- resolved and which may have a material impact on budget planning (section 8 of the report).
4. To direct Executive Directors to identify proposals for further recurrent Departmental savings towards the original target of £46.200m agreed in June 2023, for consideration by Cabinet in January 2024 and to support final 2024-25 Budget recommendations to Full Council.
 5. To note that, taking into account the significant budget pressures for 2024-25, the S151 Officer anticipates recommending that the Council will need to apply the maximum council tax increase available in order to set a sustainable balanced budget for 2024-25;
 6. To note the responsibilities of the Director of Strategic Finance under section 114 of the Local Government Act 1988 and section 25 of the Local Government Act 2003 to comment on the robustness of budget estimates as set out in section 9 and the further actions which may be required to set a balanced budget as set out in paragraph 10.3 of the report;
 7. To consider and agree the proposals as set out in section 5 of the report (Table 5) to be taken forward in budget planning for 2024-25, subject to final decisions about the overall Budget in February 2024, noting the level of savings already included from the 2023-24 Budget process (Table 3 of the report);
 8. To agree that public consultation (as set out in section 11 of the report) and equality impact assessment (as set out in section 17 of the report) in relation to all other proposals for the 2024-25 Budget be undertaken as set out in section 11 of the report, and asking residents for their views on the level of council tax;
 9. To note that the Chief Executive (Head of Paid Service) has the delegation to undertake any staff consultation relating to specific proposals as required to inform and support 2024-25 Budget setting decisions in January 2024;
 10. To confirm the remaining next steps in the Budget planning process for 2024-25, and the Budget planning timetable (Appendix 1 of the report); and
 11. To note and thank Select Committees for their input into the Budget development process for 2024-25 in July, and to invite Select Committees to comment further on the detailed proposals set out in this report when they meet in November 2023 (section 19 of the report).

16.6 Evidence and Reasons for Decision

See section 12 of the report.

16.7 Alternative Options

See section 13 of the report.

17. Finance Monitoring Report 2023-24 P5: August 2023

17.1.1 Cabinet received the report and associated annexes summarising the forecast financial outturn position for 2023-24, to assist members to maintain an overview of the overall financial position of the Council.

17.1.2 The Vice-Chairman introduced the report to Cabinet:

- A balanced position continued to be shown at year end. Most savings continued to be delivered as forecast; the savings shortfall was forecast at

£2.845m out of £59.7m.

- Long-term borrowing was fixed and provided for in the revenue budget; there were no risky commercial financial investments.
- Demand led cost pressures in Children's Services continued within social care placements and SEND home to school transport.
- The cost of care was an issue for Adult Social Care with an overspend reported and met in the department; it was due to a range of factors in older peoples care packages and price of care packages for people with disabilities and learning disabilities in residential care
- There was a healthy cash balance of £267.554m at the end of August 2023.
- The period 5 forecast of interest receivable from treasury investments was £3.5m which was a £2.3m saving against budget. Interest receivable from non-treasury investments and capital loans was forecast at £2.355m.
- The Public Works Loan Board borrowing was £841.955m at the end of August 2023 and interest payable on associated borrowing was £30.72m of approximately 6% of the net budget.
- A reduction of £9.991m to the capital programme was set out in the recommendations due to release of capital previously budgeted for the refurbishment of Wensum Lodge and underspend in Highways. The capital programme would continue to be reprofiled so that the spike in 2024-25 was reduced. Reprofiling of the capital programme would continue to ensure the overall spend reflected a realistic annual spend.

17.1.2 The Director of Strategic Finance noted the agreement by Cabinet of the offer from the Integrated Care Board in September 2023; the Council received payment for this on Friday 29 September.

17.1.3 The Vice-Chairman added that Cabinet was asked to approve the £1.287m virement which was the transfer of capital funding from digital to fire and rescue for fire and rescue control system which would be delivered through a fire control collaboration with Hertfordshire Fire Rescue Service. Cabinet was also asked to approve deferral of repayment of the £2m Hethel loan from December 2023 to 2026. Delays to planning and external funding meant the completion of the project and income generation had been delayed. £526k will be earned on accrued income on the loan as a result.

17.2 The chair noted that local authorities were under increased pressure. She highlighted that children with the highest needs can cost the council £1m per year to provide services for. The home to school transport budget was £57m per year. The Chair thanked the Vice-Chairman and the Director of Financial Management for their work in ensuring a balanced budget was returned.

17.3 Cabinet **RESOLVED:**

1.To note the reduction of **£9.991m** to the capital programme to address capital funding requirements funded mostly from various external sources as set out in detail in capital Appendix 3, paragraph 1.4 of the report as follows:

- (£0.459k) reduction in NCC Borrowing requirement due to the release of surplus capital budgets in Corporate Property – Offices.
- (£3.878m) net reduction in Highways improvement and maintenance schemes, mainly due to a reduction in external grant funding forecasted following revisions to project forecasts for 2023-24, after allocations to

- various projects including the Great Yarmouth Harfreys Roundabout £1.262m, Caister on Sea bypass £0.7m
- (£5.515m) reduction in NCC Borrowing requirement due to the release of capital budget following the decision to dispose of Wensum Lodge and move the Adult Learning courses to more accessible premises across the county.
 - (£0.139m) net reduction in various other schemes
2. To recommend to Council the following amendments to the P6 capital programme for the following schemes as set out in Capital Appendix 3, paragraph 4.2-4.3 of the report as follows:
 - the inter-service virements of £1.287m from Digital Services to fund the Norfolk Fire and Rescue Service Command and Control System as set out in Appendix 3 of the report, note 4.2
 - £0.075m uplift to the Environment (Planning and Advice) project to fund the additional works associated with Biodiversity Net Gain (BNG) responsibilities as set out in Appendix 3 of the report, note 4.3.
 3. Subject to Cabinet approval of recommendation 1, and following Council approval of recommendation 2, to delegate:
 - 3.1. To the Director of Procurement authority to undertake the necessary procurement processes including the determination of the minimum standards and selection criteria (if any) and the award criteria; to shortlist bidders; to make provisional award decisions (in consultation with the Chief Officer responsible for each scheme); to award contracts; to negotiate where the procurement procedure so permits; and to terminate award procedures if necessary.
 - 3.2. To the Director of Property authority (notwithstanding the limits set out at 5.13.6 and 5.13.7 of Financial Regulations) to negotiate or tender for or otherwise acquire the required land to deliver the schemes (including temporary land required for delivery of the works) and to dispose of land so acquired that is no longer required upon completion of the scheme;
 - 3.3. To each responsible chief officer authority to:
 - (in the case of two-stage design and build contracts) agree the price for the works upon completion of the design stage and direct that the works proceed; or alternatively direct that the works be recompeted
 - approve purchase orders, employer's instructions, compensation events or other contractual instructions necessary to effect changes in contracts that are necessitated by discoveries, unexpected ground conditions, planning conditions, requirements arising from detailed design or minor changes in scope
 - subject always to the forecast cost including works, land, fees and disbursements remaining within the agreed scheme or programme budget.
 - That the officers exercising the delegated authorities set out above shall do so in accordance with the council's Policy Framework, with the approach to Social Value in Procurement endorsed by Cabinet at its meeting of 6 July 2020, and with the approach set out in the paper entitled "Sourcing strategy for council services" approved by Policy & Resources Committee at its meeting of 16 July 2018.
 4. To recognise the period 5 general fund forecast revenue of a **balanced position**, noting also that Executive Directors will take measures to reduce or eliminate potential over-spends where these occur within services;

5. To recognise the period 5 forecast of 95% savings delivery in 2023-24, noting also that Executive Directors will continue to take measures to mitigate potential savings shortfalls through alternative savings or underspends;
6. To note the forecast General Balances at 31 March 2024 of **£25.410m**.
7. To note the expenditure and funding of the revised current and future 2023-28 capital programmes including the significant reprofiling undertaken to date and the reduction in the capital programmes of £9.991m in P5.
8. To approve the appointment of directors to Norfolk County Council owned companies and joint ventures as set out in section 2.3 of the report, as required by the Council's Financial Regulations.
9. To approve the deferment of the first repayment of the Hethel Innovation Ltd 2021 £2.000m loan to 18 December 2026 with the associated uplift to the annual repayments to £0.117k per annum for the remaining 33 years as set out in Appendix 3 of the report, note 3.7.

17.4 **Evidence and Reasons for Decision**

See section 4 of the report.

17.5 **Alternative Options**

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 of the report.

18 **Reports of the Cabinet Member and Officer Delegated Decisions made since the last Cabinet meeting**

- 18.1 Cabinet **RESOLVED** to **note** the Delegated Decisions made since the last Cabinet meeting

19 **Exclusion of the Public**

- 19.1 Cabinet **RESOLVED** to exclude the public from the meeting

20 **Local Enterprise Partnership (LEP) Integration Plan: Exempt Appendix**

- 20.1 Cabinet did not discuss the exempt appendix, however noted its contents.

The meeting ended at 11:24

Chair of Cabinet

Cabinet
2 October 2023
Questions

	Member question and response
7.1	<p>Question from Councillor Saul Penfold It was reassuring to hear at last week's Full Council meeting that the administration is confident issues around equal pay that saw Birmingham issue a Section 114 Notice and is now threatening the same fate at Sheffield City Council, does not threaten the finances of Norfolk County Council. Has the administration conducted any assessment into potential historical disputes/issues that could, similar to events in the aforementioned authorities, directly threaten this Council's ability to deliver a balanced budget and maintain its statutory services?'</p> <p>Response from the Cabinet Member for Finance Officers have undertaken an assessment of the equal pay claims that have occurred in Birmingham and other Councils. NCC use a nationally recognised job evaluation scheme and have a robust process in place to apply this scheme in a way that is fair to all. Our current assessment of risk is very low but we will continue to watch and learn from new cases.</p>
7.2	<p>Question from Cllr Brian Watkins Can the leader of the council commit to members that the main motivation of Norfolk's Devolution Deal is to benefit the people of Norfolk through new investment, and is not simply motivated by the need to close the budget gap?</p> <p>Response from the Leader and Cabinet Member for Strategy and Governance Thank you for your question.</p> <p>A Level 3 Devolution Deal for Norfolk would see an investment of £600m of new money over a 30-year period. This money does not and cannot replace core funding and will be used to grow our economy, working with our District colleagues and other partners. It will be used to support local businesses and attract businesses to move to our county, creating jobs and to help develop and diversify skills in Norfolk.</p> <p>Second question from Cllr Brian Watkins You recently decided to scrap the transport for Norwich Advisory Committee, turning it into little more than a meaningless talking shop. This is an affront to local democracy as well as being utterly disrespectful to council colleagues on other neighbouring authorities. With ongoing public concern about the changes now taking place at the heartsease roundabout, will the chair now concede that this is absolutely the wrong time to take matters behind closed doors?</p> <p>Response from the Cabinet Member for Highways, Infrastructure and Transport The previous iteration of this body was dysfunctional, being made inoperative by members refusing to take part and depriving the Cabinet Member of advice to assist his timely decision making.</p> <p>The new steering group reflects the well- functioning arrangements of Great Yarmouth and King's Lynn, which have operated successfully for many years.</p>

7.3	<p>Question from Councillor Steffan Aquarone Will the cost of rent for use of the new recycling centre located in Sheringham exceed £19,000 per year?</p> <p>Response from the Cabinet Member for Environment and Waste The full detail (including comparable detail about the proposed replacement for Wymondham Recycling Centre) is available in a report to Cabinet dated 31 January 2022. This clarified that if the proposed development of the new Sheringham Recycling Centre went ahead then the term of the lease would be 25 years from the point at which the works contract was confirmed, with break points at 15 and 20 years and a rent of £20,000 a year subject to rent reviews every five years indexed to the Retail Price Index, but with fixed annual cap and collar between 2% and 4%.</p>
7.4	<p>Question from Cllr Alison Birmingham Can the Cabinet Member for Highways, Infrastructure and Transport explain how work is able to commence on the Heartsease Roundabout when the land required for the project has not yet been purchased?</p> <p>Response from the Cabinet Member for Highways, Infrastructure and Transport These are very small areas of land that do not compromise the delivery of the majority of the works, which as you highlight, have now started on site. This scheme represents a significant investment in the highway network in Norwich. To be clear, work is not taking place on areas of land which are still subject to acquisition and work will only take place on such areas once the land is vested in the County Council. This process is underway and is expected to be completed in time for when the construction phase of that part of the junction is reached later in the construction period. Construction is currently focussing on areas where land acquisition is not being undertaken and I am pleased to say that work is progressing in accordance with our construction programme.</p>
7.5	<p>Question from Cllr Mike Smith-Clare If the Council is not able to reduce the DSG cumulative deficit through a combination of the transformation programme, capital investment, high needs allocations and the Safety Valve programme from the DfE, then there remains a risk to the overall financial viability of the whole Council. Does the Cabinet Member for Children's Services agree that this risk be added as a separate item on the risk register?</p>

Response from the Cabinet Member for Children's Services

The risk register already holds risks relating to the DSG cumulative deficit at both the departmental and corporate risk level. At a departmental level, risk RM14506 "DSG fund overspend" covers the risk that the DSG overspend persists and increases due to rising demand / non delivery of objectives and that liability for this deficit would fall onto the NCC balance sheet. This risk is included on the departmental risk summary for Children's Services in Appendix D of the Risk Management Report on this meeting's agenda. Additionally, we hold two relevant corporate risks that include the Dedicated Schools Grant as well as core NCC funding. These cover the risks of non-realisation of Children's Services Transformation change and expected benefits (RM030) and Children's Services external demand-driven overspend (RM031).

Children's Services is focused on the delivery of Local First Inclusion and making a success of this very significant transformation programme for Norfolk.

The shortfall in DSG funding remains an issue which impacts on a large number of councils nationally and we are continuing to engage with Government about this.

Second question from Cllr Mike Smith-Clare

Misleading information about the responsibility of families to fund independent school places and home to school transport costs was recently withdrawn from phase transfer letters to families of children with EHCPs due to move schools in 2024. Would the Cabinet Member for Children's Services confirm how many of these letters were issued and that those families have now been notified of the council's error and issued with a correct, replacement letter?

Response from the Cabinet Member for Children's Services

We have recently learned that correspondence to families whose children with EHCPs are transitioning to a new phase of education in 2024 contained an error whereby responsibilities for arranging transport or meeting the fees of children in independent schools was not qualified to reflect the nuances contained within the relevant sections of the SEND Code of Practice 2014. We would like to thank our local Parent Carer Forums for bringing this to our attention and the letters have now been changed accordingly for future years. We are also in the process of writing to all families who have received the correspondence this year to provide clarification regarding the relevant aspects of the Code of Practice and to allay any concerns for a minority of cases to which these arrangements may apply.

7.6

Question from Cllr Terry Jermy

In a reply to my question about the Big Norfolk Holiday Fun scheme at the 4th September 2023 Cabinet Meeting, it was stated that 70 quality assurance visits had been planned to providers across the county over the summer holidays. Please can the Cabinet Member for Children's Services confirm how many visits took place, the full range of issues identified from those visits and if a detailed report will be available on the findings?

Response from the Cabinet Member for Children's Services

There were 81 quality assurance visits undertaken during the summer programme, plus follow up visits where this was needed. Where any issues are identified these are raised with the provider at the point of the visit or straight afterwards so they can be resolved in a timely manner. A report is written for every visit and feedback and recommendations are shared with the provider. We use the DfE requirements to score each provider across several criteria, including accessibility and inclusiveness, and safeguarding. The information is then used in a number of ways to continuously improve the programme:

- Providers must explain how they will address any recommendations for improvement in their future application or extension of their contract
- A meeting is held with staff undertaking the QA visits to share feedback and identify areas for improvement across the programme which are then shared with providers at sessions after each holiday period and via newsletters
- Additional training or guidance is offered to providers
- The multi-agency HAF Strategy Group receives an update after each holiday programme highlighting any areas for development and the actions being taken

From the Summer programme, the following areas for development have been identified: more embedding of opportunities to learn about food and nutrition as part of activities, training and support to enable younger staff and volunteers to be involved, ensuring appropriate signage at venues, more differentiation of activities when there is a large age range, and working with providers to encourage good levels of attendance.

Supplementary question from Cllr Terry Jermy

Now the summer holiday has ended please can the Cabinet Member for Children's Services confirm how many of the 2,765 places available for children in Thetford as part of this year's Big Norfolk Holiday Fun (HAF) scheme were taken up?

Response from the Cabinet Member for Children's Services

There were 11 holiday activity providers in Thetford over the summer across 8 locations. 2311 places were booked (83%), and of these 1691 places were actually attended (61% of total places available, 73% of places booked).

The HAF team has worked hard to increase the number of providers in Thetford and to offer a varied programme for children of different ages and interests. There was an increase of 820 spaces over this summer compared to Summer 2022.

Promotion of the programme remains a priority and the HAF team discuss low attendance with providers as part of the QA visits. We use newspaper advertisements, local radio, social media, and direct marketing to families eligible for free school meals as well as via schools. Schools receive free flyers and banners. We also expect providers to promote their offer and they receive a marketing pack of branded items to support them to do this. We monitor attendance and offer extra support to providers with targeted social media where necessary.

7.7	<p>Question from Cllr Maxine Webb</p> <p>Verges that have gone uncut all year in my division, despite my raising with officers, have now become cluttered with strewn and buried litter making cutting difficult and officers tell me that the verges now cannot be cut until the litter has been cleared. Since the Conservatives took back control of Norwich City highways, the previous coordination of litter clearing and verge cutting by the city council can't easily happen.</p> <p>Does the Cabinet Member for Highways, Infrastructure and Transport agree that this is not helpful for the residents ultimately impacted by having to live in messy, unkempt streets and what will he do about it?</p> <p>Response from the Cabinet Member for Highways, Infrastructure and Transport</p> <p>I am sorry to hear of the amount of litter within grass verges in the City, but it is worth highlighting that litter picking is the responsibility of the City Council. The local highways team have been working with our contractor to ensure the grass verges within the agreed highway boundary area are cut. Where locations have been missed, and they are within the County Council's areas of responsibility, they have been highlighted to the contractor to remedy. The fourth and final urban grass cutting operation has just commenced on 18 September.</p> <p>As litter picking is a responsibility of the City Council, discussions have already taken place to see how the two teams can better co-ordinate litter picking and grass-cutting activities in future.</p>
7.8	<p>Question from Cllr Ben Price</p> <p>Norwich is the economic centre of Norfolk. The transport infrastructure of the city is integral to the future prosperity of the county. The city's transport must reflect the needs of its citizens. Currently all major transport project decisions are made by one person who doesn't live in or represent the city. We now have a situation where meetings to discuss future transport proposals for the city will take place behind closed doors. The public are now being excluded. Does the cabinet member of highways agree with me that this contravenes the Nolan principles of Openness and Accountability?</p> <p>Response from the Cabinet Member for Highways, Infrastructure and Transport</p> <p>The previous iteration of this body was dysfunctional, being made inoperative by members refusing to take part and depriving the Cabinet Member of advice to assist his timely decision making.</p> <p>The new steering group reflects the well- functioning arrangements of Great Yarmouth and King's Lynn, which have operated successfully for many years.</p>

7.9	<p>Question from Cllr Jamie Osborn</p> <p>The Chancellor said last month that it is right to “be worried if we have an infrastructure project where the costs are getting totally out of control.” He added that the spiralling costs of infrastructure would lead to “having discussions”, to a state where the Government “haven't made any decisions”, and that “we do need to find a way of delivering infrastructure projects that doesn't cost taxpayers billions and billions of pounds.” Substitute “billions and billions” for “millions and millions”, and he could have been talking about the NWL, not HS2. Is the Cabinet Member for Finance “having discussions” with the Leader about the costs of this infrastructure project?</p>
	<p>Response from the Cabinet Member for Finance</p> <p>Thank you for your question. As you will be aware, the Council keeps the cost of all capital projects under careful review on an ongoing basis and reports on these within monthly financial reporting to Cabinet. While we await a Government decision, we have been actively engaging with Government over the funding for the Norwich Western Link (NWL), and continue to believe that a positive announcement will be made soon. As set out in the July report to Cabinet about the NWL, further updates are due to be presented to a future Cabinet.</p>
	<p>Second question from Cllr Jamie Osborn</p> <p>Following the revelation that thousands of trees planted by the county council along the NDR have died, the Cabinet Member said “Regularly watering such a vast number of plants so close to a high speed dual carriageway was not considered practical, safe or efficient.” If it was not considered practical, safe or efficient to water these trees, why were they planted where they were?</p>
	<p>Response from the Cabinet Member for Highways, Infrastructure and Transport</p> <p>All planting completed along the NDR was in accordance with the environmental mitigation measures included within the Development Consent Order for the project. As you will be aware we have suffered some significant dry summers over recent years since that planting was completed and this has resulted in some losses, however these are in line with Forestry Commission guidance and expectations for tree planting of this kind. The plants that have been lost have either already been replaced or are due to be replaced in the next planting season.</p>
7.10	<p>Question from Cllr Paul Neale</p> <p>Norwich’s 11,000 highway street trees are dying much faster than the £20,000 a year allocated to replace them with. Even with some one-off government funding our officers have been successful in winning, it still means only 158 trees will be replaced in the next growing season, that’s an average of 12 trees per ward. In my Nelson ward alone we currently have about 70 trees that need replacing plus an estimated loss rate of about 30-40 trees a year. Can the council increase the funding to save Norwich’s trees before our streets are left barren?</p>

Response from the Cabinet Member for Highways, Infrastructure and Transport

I fully acknowledge that trees offer considerable streetscene and environmental benefits to communities. This Council has successfully applied for 2 rounds of Local Authority Treescapes funding for Norwich street trees, resulting in £178,522 extra budget to be spent on planting street trees in Norwich, which is very welcome news. This is in addition to the general annual highways maintenance budgets. It is also worth highlighting that 100 watering bags have been purchased to help these new trees establish themselves more successfully. To supplement this, you also have the option of using your Local Member Fund (LMF) to plant trees within the highway. If you would like to explore this option further, please discuss this with your local Highway Engineer to agree locations for planting.

