

Economic Development and Cultural Services Overview & Scrutiny Panel

Date: **Thursday 12 November 2009**

Time: **10.00am**

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

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

Membership

Richard Rockliffe (Chairman)
Michael Langwade (Vice Chairman)
Michael Carttiss
Stuart Clancy
John Dobson
Phillip Duigan
Stuart Dunn
Ron Hanton
Marcus Hemsley

Graham Jones
Janet Murphy
George Nobbs
Graham Plant
Marie Strong
Hilary Thompson
Tony Tomkinson
Fiona Williamson

Non-Voting Cabinet Member

Derrick Murphy
Brian Iles

Cultural Services
Economic Development

Non-Voting Deputy Cabinet Member

Bertie Collins

Economic Development

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please contact the Committee Officer:
Catherine Wilkinson on 01603 223230
or catherine.wilkinson@norfolk.gov.uk**

A g e n d a

1 To receive apologies and details of any substitute members attending

2 Minutes

To confirm the minutes of the meeting held 16 July 2009.

(Page **1**)

3 Members to Declare any Interests

Please indicate whether the interest is a personal one only or one which is prejudicial. A declaration of a personal interest should indicate the nature of the interest and the agenda item to which it relates. In the case of a personal interest, the member may speak and vote on the matter. Please note that if you are exempt from declaring a personal interest because it arises solely from your position on a body to which you were nominated by the County Council or a body exercising functions of a public nature (e.g. another local authority), you need only declare your interest if and when you intend to speak on a matter.

If a prejudicial interest is declared, the member should withdraw from the room whilst the matter is discussed unless members of the public are allowed to make representations, give evidence or answer questions about the matter, in which case you may attend the meeting for that purpose. You must immediately leave the room when you have finished or the meeting decides you have finished, if earlier.

These declarations apply to all those members present, whether the member is part of the meeting, attending to speak as a local member on an item or simply observing the meeting from the public seating area.

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

5 Public Question Time

15 minutes for questions from members of the public of which due notice has been given.

Please note that all questions must be received by the Committee Officer by 5.00pm on **Monday 9 November**. Please submit your question(s) to the person named on the front of this agenda. For guidance on submitting public questions, please view the Council Constitution, Appendix 10, Council Procedure Rules at www.norfolk.gov.uk/reviewpanelquestions.

6 Local Member Issues/Member Questions

15 minutes for local members to raise issues of concern of which due notice has been given. Please note that all questions must be received by the Committee Officer by 5.00pm **Monday 9 November**. Please submit your question(s) to the person named on the front of this agenda.

7 Cabinet Member Feedback on Previous Review Panel Comments

Items for Overview

- 8 Economic Development Integrated Performance, Risk and Finance Monitoring Report** (Page **8**)
A report by the Director of Environment, Transport and Development
- 9 Economic Development Service and Budget Planning 2010 - 13** A (Page **26**)
report by the Director of Environment, Transport and Development
- 10 Local Economic Assessment** (Page **41**)
A report by the Director of Environment, Transport and Development
- 11 Nar Ouse Regeneration Area – Proposed variation to previous agreement to support utilities’ diversions** (Page **47**)
A report by the Director of Environment, Transport and Development
- 12 Cultural Services Performance and Budget Monitoring Report** A (Page **53**)
report by the Director of Corporate Resources and Cultural Services
- 13 Cultural Services Service and Budget Planning 2010 – 13** (Page **76**)
A report by the Director of Corporate Resources and Cultural Services

Items for Scrutiny

- 14 Forward Work Programme: Scrutiny** (Page **107**)
A report by the Director of Corporate Resources and Cultural Services
- 15 Business and the Climate Change Agenda** (Page **113**)
A report by the Director of Environment, Transport and Development
- 16 The Contribution of Culture to the Economy of Norfolk** (Page **122**)
A report by the Director of Corporate Resources and Cultural Services
- 17 To consider any items of business which the Chairman decides should be considered as a matter of urgency**

Group Meetings

Conservative 9.00am
Liberal Democrats

9.00am

Colman Room
Room 504

Chris Walton - Head of Democratic Services

County Hall
Martineau Lane
Norwich
NR1 2DH

Date Agenda Published: 4 November 2009



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Economic Development and Cultural Services Overview and Scrutiny Panel

Minutes of the Meeting held on Thursday 16 July 2009

Present:

Mr S M Clancy	Mr M C Langwade
Mr J Dobson	Mr P D Morse
Mr P Duigan	Ms J A Murphy
Mr S Dunn	Mr G Nobbs
Mr R Hanton	Dr M Strong
Mr M Hemsley	Ms H Thompson
Mr G R Jones	Mr T Tomkinson

Cabinet Members Present:

Mr D Murphy	Cultural Services
Mr B J M Iles	Economic Development

Deputy Cabinet Member Present:

Mr B J E Collins	Economic Development
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1 Apologies and Substitutions

1.1 Apologies were received from Mr M Carttiss (Ms A Thomas substituting), Mr G Plant, Mr R Rockcliffe and Ms F Williamson (Mr P Morse substituting).

2 Election of Chairman

2.1 Mr R Rockcliffe was elected as Chairman for the ensuing year.

3 Election of Vice Chairman

3.1 Mr M Langwade was elected as Vice Chairman for the ensuing year. In the absence of Mr Rockcliffe, Mr Langwade chaired the meeting.

4 Minutes

4.1 The minutes of the meeting held on 12 March 2009 were agreed as a correct record and signed by the Chairman.

5 Declarations of Interest

5.1 Dr Strong declared a personal interest in relation to the Norfolk Credit Unions mentioned in item 13, with reference to the Wells Area Community Bank.

6 Matters of Urgent Business

6.1 There were no matters of urgent business.

7 Public Question Time

7.1 There were no public questions.

8 Local Member Issues/Member Questions

8.1 There were no Local Member issues/Member questions.

9 Cabinet Member Feedback on Previous Overview and Scrutiny Panel Comments

9.1 The Cabinet Member for Cultural Services reported that the bid for EU Interreg funding for the Time & Tide Museum had been successful and £100,000 was available.

9.2 The Cabinet Member for Economic Development noted that the reports contained useful information about the development of ideas concerning the recession and that a great deal of work had been carried out since this began.

Items for Overview

10 Library and Information Service Annual Plan

10.1 The annexed report (10) was presented by the Head of Library and Information Service. It reviewed the key achievements of the Service in the past year and outlined key targets for 2009/10.

10.2 The national 'refreshed vision of libraries' had been delayed until September. Wymondham library had been open for 8 months and had seen a 70% increase in usage compared to the previous building. Two awards had been received for the new library building.

10.3 During the discussion, the following points were raised:

- It was clarified that the Home Office provided funding for all prison library services.
- It was noted that libraries were assisting with the economic situation by providing free access to information via the internet, and by promoting services provided by NCC departments such as Trading Standards and Economic Development. A report detailing this would be presented at the next meeting.
- It was noted that the average age of the lending book stock was around 6 years, and the level of stock fund had maintained in recent years. The stock contract had been recently renewed. Further information detailing the stock levels and purchases would be made available at the next meeting.
- The library service was highlighted as an excellent service with impressive statistics. A query was raised concerning the socio-economic breakdown of service users. It was noted that information from the marketing tool Mosaic had

just started to be used, and analysis of the community groups using PCs had been recently undertaken. Use of marketing analysis would be developed in the future. It was noted that information could be seen on the Norfolk Insight (formerly Norfolk Data Observatory) website. Each library has a community profile and service delivery is developed to meet the needs of the community.

- Concern was raised about smaller villages missing out on library services. The mobile library service was highlighted as providing library facilities in rural areas and members were signposted to the website for further information.
- A query was raised concerning payment for the use of libraries as a PCSO beat base. It was noted that although there were no financial contributions from the Police, there was a mutual benefit in changing the perception of libraries beyond traditional services as well as the visible police presence. A suggestion was made that where there were limited or no fixed library facilities in an area a PCSO presence on a mobile library may be beneficial. This was actively encouraged and some PCSO's did attend mobile libraries. It was noted that the arrangements at Poringland differed because the Police had their own beat base linked to the community centre.

10.4 The Panel **NOTED** the contents of the report.

11 Cultural Services Performance, Risk and Budget Out-turn Report 2008/9

11.1 The annexed report (11) was presented by the Finance and Business Support Manager. It presented a performance, risk and budget out-turn report for the Cultural Services department together with an early view of progress with the 2009/10 budget.

11.2 During the discussion, the following points were raised:

- The zero figure shown in item 1.2 on page 35 was queried. It was confirmed that item 1.2 showed the actual income and expenditure, with NGS having zero budget. The tables later in the report showed actual expenditure budgets.
- A query was raised concerning the number of adult learners going from non-accredited courses to accredited courses. This information could not be immediately provided but would be supplied separately.
- A request was made for details of the number of visitors to the Cultural Services facilities.
- It was clarified that the projected out-turns in Appendix 3 concerned the electricity contracts which had been recently reviewed. It was noted that these were a pessimistic view and would be updated.
- The significant slippage detailed on page 37 was highlighted, and queries raised concerning the schemes affected and whether these were to do with the recession. It was noted that the libraries slippage was due to the purchase of books. It was noted that the s106 funding was not subject to annual time limitations, and some had been stretched over a number of years. In addition,

where housing developments had been put on hold, the corresponding library spend would also have to have been put on hold.

11.3 The Panel **NOTED** the contents of the report.

12 Economic Development Performance, Risk and Budget Monitoring Report 2008/9

12.1 The annexed report (12) was presented by the Economic Policy and Performance Manager. It invited Members to review the Economic Development performance, risk and budget information as at the end of 2008/9.

12.2 During the discussion, the following points were raised:

- Confidence in the robustness of the EPIC business plan was questioned. Assurance was given that a break even budget was expected for EPIC, and that this was being closely monitored by the executive group. The business plan would be circulated.
- A suggestion was made that the EPIC facility could be developed for the use of the wider community to minimise the risk of lack of use. It was noted that wider community usage was being developed. A suggestion was made that the Panel visit the EPIC studios, which along with Hethel Engineering Centre had been planned as a visit within the Greater Norwich area tour as part of the Member Induction programme. These would be rescheduled for later in 2009. It was noted that EPIC also had post-production facilities, and that TV production would be monitored after the recession.

12.3 The Panel **NOTED** the contents of the report.

13 State of the Economy Update

13.1 The annexed report (13) was presented by the Business Development Manager. It updated the Panel on both new and existing actions being taken by NCC to address the economic downturn. It was noted that Cabinet had supported the credit union current account initiative, and the development of a loan fund for businesses was being pursued. It was noted that the Future Jobs Fund had been successful in the first round and had gone to the next stage of the process.

13.3 During the discussion, the following points were raised:

- A query was raised concerning the funding for jobs in green sectors after the 18 months to April 2011. In reply it was noted that funding was for the short term, however it was hoped that continued funding would be agreed. A proportion of jobs would continue particularly where connected with social enterprise.
- It was noted that the Learning and Skills Council was mentioned throughout the report as a funder or leader. There was confidence that this expertise would be available after April 2010 when the LSC would close. Funding for pre-19 would be allocated regionally, however post-19 funding was less clear. An employment skills partnership in Norfolk would be created, and plans were

underway to transfer LSC staff into the local authority.

- It was noted that the Future Jobs Fund was predominantly for 18-24 year olds, as well as residents in areas of deprivation.
- Concerns were raised about rail transport links and the ageing rolling stock on the Norwich to London line. It was noted that Shaping Norfolk's Future had a transport and infrastructure group focussed on addressing these types of issues. It was noted that a rationalisation of services at Liverpool Street would be taking place, with the possibility of additional platforms for the Norwich-bound services. It was noted that a report relating to this would be useful.
- It was noted that Essex County Council had launched a bank and the question was raised as to why Norfolk County Council had not considered a similar initiative. It was noted that Norfolk County Council's proposals to work with Foundation East followed similar principles to those Essex were using to establish the bank. It was noted that Essex County Council were also putting in considerable amounts of reserves. NCC was taking a more cautious approach especially as it was not clear whether the problems that existed earlier in the year with regards to lending still existed to the same extent.
- It was noted that the closure of the LSC would have a significant impact in Norfolk. It was suggested that additional work could be carried out to look at this. It was noted that NCC had active engagement with the establishment of the new Skills and Employment Board and Members would be kept updated with progress.

13.4 The Panel **NOTED** the contents of the report.

14 Economic Development Strategic Priorities

14.1 The annexed report (14) was presented by the Head of Economic Development. The report set out strategic priorities for the Economic Development Unit for 2009-10 taking into account the impact of the recession and the County Council's role with Shaping Norfolk's Future.

14.2 During the discussion, the following points were raised:

- It was noted that poor transport facilities affected employment. It was suggested that Cabinet could look into improved transport links.
- It was noted that the poor broadband services in Norfolk affected the ability to set up and sustain businesses in Norfolk. This was a key issue which had been included on the scrutiny programme. A meeting with BT had been set up to discuss issues and solutions and a working group was in place in King's Lynn to look at alternative providers.
- The £150,000 for the credit union project was highlighted and an explanation of how this was filtering into local areas was requested. It was clarified that this sum was to set up the credit union current accounts, and therefore local unions would not see the money but would see the services.

- It was noted that some of the language within the report was difficult to understand and that the image was difficult to view. This was acknowledged and assurance given that future reports would be more reader-friendly. It was noted that a colour version of the map was available on the committee papers website.
- A query was raised regarding the growth area job figures for Thetford and whether these included Breckland. This was clarified as being only Thetford, which was one of the East of England's growth areas within their plan. It was acknowledged that other areas for growth in Norfolk existed, primarily in Norwich and King's Lynn.
- Apprentice schemes, with particular reference to those in Norfolk County Council, were highlighted. It was noted that there had been a drive from HR for apprenticeships and that there were apprenticeships available in Norfolk especially in the area of RAF Marham, which were being actively promoted with a first-refusal policy for Norfolk people.
- A question was raised concerning how closely the County Council was working with the planning authority. In reply it was noted that the Council did work closely with district councils, for example with the relocation of the gas pipeline for the Nar Ouse project.
- An update for 2009 was requested for the business competitiveness and performance figures. It was noted that these were not available yet.
- The lack of 2009 National Indicator targets in the table in appendix B was questioned and it was clarified that these had not been set because no benchmark figures were available and those responsible for setting the targets were largely external from the Council.

14.3 The Panel **NOTED** the contents of the report.

Items for Scrutiny

15 Scrutiny Forward Work Programme

15.1 The annexed report (15) was presented by the Policy Officer.

15.2 During the discussion, the following points were raised:

- It was noted that the presentation of the work programme was not objective enough, and the scrutiny should be set with a view to an achievement. A working group to produce a scrutiny work programme was suggested. This would look at urgent scrutiny items as well as the prioritisation of existing suggestions.
- It was noted that broadband was an urgent issue and councillors were being lobbied by their residents. In addition it was suggested that mobile phone coverage could be scrutinised.

- It was noted that the report lacked scrutiny items for Cultural Services, and these should also be considered.
- A scrutiny of how the authority put together bids for European funding was suggested.
- The impact of green industries as a good economic opportunity was put forward and noted as being on the scrutiny plan.
- The working group was discussed and the political representation suggested at 4 Conservative, 1 Liberal Democrat. The Panel voted 8 in favour and 4 against that the working group was set up with this proportional representation. It was agreed that the working group would be Mr Dobson, Ms Murphy, Mr Langwade OR Mr Rockcliffe and Mr Duigan. The Liberal Democrat representative would be nominated following discussions within the group.

The Panel **NOTED** the contents of the report and **AGREED** to set up a working group as stated above.

The meeting concluded at 11.50am.

CHAIRMAN



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Economic Development Integrated Performance, Risk and Finance Monitoring Report

Report by the Director of Environment, Transport and Development

Executive Summary

This report provides an update of progress made against the 2009-12 service plan actions, risks and finances for Economic Development (ED). Please note that recent achievements are covered in the accompanying Member Briefing.

- **Revenue Budget.** Spend is on track for ED's core budget of £1.72m and this remains the projected out turn.
- **Capital Budget.** Spend on the £1.43m has not yet commenced, for a variety of project-related reasons, which are detailed in the report. A separate paper is tabled for this Panel on refocusing spend in the Nar Ouse Regeneration Area. It is expected that the majority of the £1.43m will be spent this year.
- **Additional funding.** In addition to its core budget, ED manages a range of capital and revenue projects, programmes and partnerships totalling £9.84m. Some of this is corporate money and some from external sources. All is on track – the externally funded, multi-year, Land Skills and LEADER programmes have been re-profiled, due to delays in starting and the time needed to develop projects from scratch, but the shortfall in 2009/10 spend is expected to be made up in future years.
- **Service plan actions.** All service plan actions, aimed at supporting business competitiveness, employment & skills and growth & regeneration are track, except one, and steps are in had to remedy this. It involves ensuring that the responsible partners put in place refreshed delivery plans for economic National Indicators that are in the Local Area Agreement (LAA), as well as devising targets for those that are in the County Council Plan (CCP), but not in the LAA.
- **National indicators.** No indicators have reported since the last Panel at the time of writing. Most data is subject to considerable arrears and will lag behind the economic recovery.
- **Risks.** ED has no risks of corporate significance. The only risk of departmental significance is EPIC's ability to deliver on its business plan. This is being actively managed and it is anticipated that costs will be contained within ED's budget.

Recommendation:

- Members are asked to note progress on ED's service plan actions and budget and consider whether any aspects should be identified for further scrutiny.

1. Background

- 1.1. This report is an update of the progress made against the service plan, performance indicators and mitigation of corporately significant risks. The information included is the most up to date available at the time of writing. However, it should be noted that further updates might have occurred prior to presentation to the Panel meeting.

2. Summary of Progress

- 2.1 **Service plan actions and National Indicators.** All service plan actions are on track, apart from the development of targets for National Indicators that are in the County Council Plan (CCP) but not in the LAA. A workshop is being held with Indicator Leads (those individuals from partner organisations who have overall responsibility for the delivery of specific National Indicators) in November to progress the issue. A full summary of progress against plan for Economic Development's Service Plan actions can be found in Appendix A and a table showing the economic indicators in the CCP and the Local Area Agreement (LAA) can be found in Appendix B.

Economic Development also manages over £800k of projects and funding that contribute to the delivery of the County Council's three strategic ambitions. All are shaping up well and a summary of their objectives and progress to date can be found in Appendix C.

- 2.2 **Risks.** The Prism briefing book available on the Members' Insight website illustrates progress against the mitigation of Economic Development's risks. Risks included for review in the online document are those identified at both a corporate and departmental level of significance.

There are no risks at corporate level for Economic Development. In terms of departmental level risks, the key risk is the East of England Production and Innovation Centre (EPIC)'s short term ability to deliver its business plan in the current economic climate. A three year business plan has been developed and all possible revenue streams are being actively explored.

2.3 Economic Development Revenue Budget

The revenue budget is outlined below, with comments on the various elements overleaf:

	Economic Development Budget	Approved Budget £	Projected outturn £	Actual spend to date £
a.	Staff, supplies & services	695,000	695,000	374,127
b.	Economic Development Projects' Fund	583,880	583,880	68,200
c.	Estimated capital charges	442,000	442,000	0
	Total	1,720,880	1,720,880	442,327

Key to footnotes and summary of progress

- a. **Staff, supplies & services.** Spend is on track and expected to remain within budget.
- b. **Economic Development Fund Projects.** All approved projects to be funded from the Economic Development Projects' Fund have submitted invoices for their first 50% of funding, following submission of a satisfactory progress report. Half the budgeted amount has therefore been committed in processed invoices, although the transactions had yet to be registered on Oracle at the time of writing.
- c. **Capital charges.** Where the acquisition of a fixed asset is financed wholly or partly by a Government grant or contribution, the amount is credited to the revenue account over the life of the asset to match the depreciation charge. Capital charges are always added at the end of the financial year.

2.4 Economic Development Capital Programme

The table below gives a summary of funding, followed by a progress update on each project:

	Approved Budget (£)	Projected outturn (£)	Actual spend to date (£)
Industrial Sites:			
a. Nar Ouse Regeneration Scheme, King's Lynn	200,000	200,000	0
b. Thetford Enterprise Park	50,000	50,000	0
c. Possible property acquisition in Great Yarmouth	56,816	56,816	0
d. Genome Analysis Centre	1,125,000	1,125,000	0
Total	1,431,816	1,431,816	0

- a. **Nar Ouse Regeneration Scheme.** This sum was allocated as a contribution towards moving a major gas pipe and related infrastructure works within the NORA site, principally to enable the relocation of the College of West Anglia - decision agreed at Cabinet on 1 December 2008.

Update: King's Lynn Members wish to vary the items on which the funds are spent. A separate paper is tabled at this Panel meeting for member comment.

- b. **Thetford Enterprise Park** is a 44-acre site just off the A11, which suffers from significant market failure in terms of the high infrastructure costs involved with accessing and servicing the site - attempts to develop the site in the past have failed due to this. A local partnership, involving the Crown Estate and Breckland Council, is progressing investment from a number of sources to overcome this issue and enable the site to be developed. The Economic Development Unit has committed funding of £50,000.

Update: the first 50% invoice has now been processed, although it had yet to appear on Oracle at the time of writing.

- c. This sum is earmarked for a **strategically significant site in Great Yarmouth** that came onto the market and for which the County Council was given first refusal. It was decided to seek to retain this facility for future use, given its potential to support future port-related activity.

Update: although it has not been possible to reach an agreement with the vendor within the valuation suggested by NPS Property Consultants, there have been some recent developments that may yet lead to a positive conclusion.

- d. **Genome Analysis Centre** – Cabinet agreed to provide £500k of funding in each of 2009/10 and 2010/11 to the Norwich Research Park in order to establish a new centre of excellence specialising in sequencing plant and animal DNA, creating new, high value jobs.

Update: phase one is complete (following launch in July 09) and phase 2 should start soon, now that the EEDA funding agreement has been signed. All NCC funding is focussed on phase 2.

2.5 **Additional and Partnership Funds Managed**

Economic Development manages a range of funding from corporate and external sources on behalf of the authority. The table overleaf gives an overview of the funds and spend to date and the following paragraphs give project descriptions and a progress update. All amounts shown are for 2009/10 only. Where relevant, the total value of the project or programme is outlined in the narrative.

Programme / Partnership Revenue 2009/10

Ref	Programme or Partnership	NCC Funding	Partner Funding	Total Budget	Projected out turn	Actual spend to date
a.	Future Jobs Fund Programme	0	2,314,000	2,314,000	2,314,000	2,930
b.	Land Skills East Programme	0	1,548,605	1,548,605	1,548,605	27,698
c.	Investing in Communities Programme	0	1,111,395	1,111,395	1,111,395	373,024
d.	Strategic Ambitions projects	812,000	0	812,000	812,000	235,901
d.	Enterprise Loans Fund	400,000	0	400,000	400,000	150,000
e.	LEADER Programme	0	334,000	334,000	334,000	60,739
f.	Shaping Norfolk's Future Partnership	215,000	307,741	492,741	492,741	296,071
g.	Vital Rural Areas Project	0	105,594	105,594	105,594	0
h.	Village Hall Grants & RCC SLA	152,370	0	152,370	152,370	1,970
	Revenue Total	1,579,370	5,721,335	7,270,705	7,270,705	1,148,513

- a. **Future Jobs Fund.** The Council successfully developed a bid to the Department of Work & Pensions' Future Jobs Fund (FJF), a £1bn national fund aimed at creating 150,000 jobs between October 2009 and April 2011, providing real help for young people (18 – 24 years) and those who face significant disadvantages in the labour market. The project will identify 1040 jobs for Norfolk over the next 18 months. In terms of the funding profile, £2.3m will be received in 2009/10 and £4.4m in 2010/11.

Update: The first phase of our Round 1 bid has begun to move forward, with a large number of starts profiled to begin in the first three months of delivery. 314 of 356 jobs will be delivered by the end December 2009, with a total value of £1,978,000 being received in stages by partner organisations, assuming that all candidates complete the six month duration of their contract. The first person starting a FJF job in Norfolk (the second in the country!) took place in October in Great Yarmouth, one of Norfolk's unemployment hotspots, and received positive media coverage.

In collaboration with Connexions we are in the process of compiling a second bid, which is due to be submitted to DWP by the end of November 2009. A number of our successful partners from Round 1 will be involved again and we have made efforts to include a wider range of organisations to cater to the varied demands of those claiming Job Seeker's Allowance. There are a number of museums and educational facilities involved in Round 2, as well as more jobs in the environmental sector than in the Round 1 bid. We also have an objective to provide a more geographically comprehensive bid, including some areas such as Fakenham, Thetford and King's Lynn which we felt were under represented in our first bid. The submissions received to date provide a more even sweep of jobs to be delivered throughout Norfolk.

- b. **Land Skills East.** Land Skills East is a demand-led rural skills training programme for the region and offers a range of training courses for those involved in farming and land-based industries. The training is being delivered by 30 different training providers and ranges from vocational to higher level skills, designed to be responsive to the needs of the industry. EEDA have awarded us £3.08m to 2011/12 in total.

Update: 38 courses have been approved (£103,000), 17 are awaiting approval (£100,000) and a further 8 are known to be in development (£24,000). Five delivery partners are ready to submit claims, but had not yet done so at the time of writing. The period of January to March is a key time for training for land-based enterprises, so it is expected that the bulk of the spend will occur in the final quarter of the year.

- c. **Investing in Communities (IiC).** IiC is programme that works in partnership to ensure maximum funding and minimum duplication of activity in deprived areas in Norfolk. This programme is wholly funded by the East of England Development Agency (EEDA), with some project match-funding from ED.

Update: project claims for Quarter 2 were not yet due at the time of writing and therefore do not yet show on Oracle. All projects are confident they can either meet or exceed their targets for 2009/10 – in fact a few projects have exceeded their targets for the year during this quarter ('Bizfizz' for businesses created and businesses assisted, 'Sure Futures' for people assisted in skills development, 'RESULT' for businesses created, businesses assisted and for people assisted in skills development).

- d. **Strategic Ambitions projects.** A three year programme of projects using LAGBI (Local Area Business Growth Initiative) funding, which is awarded to local authorities who are successfully stimulating business growth in their areas, is now in its final year. Economic Development and its partners have been allocated £812,000 from this fund for a variety of projects.

Update: a table showing progress against plan for each project can be found in Appendix C.

- d. **Enterprise Loans Fund.** Funding for this scheme to provide loans to businesses was agreed by Cabinet 13 July 2009 and comes from corporate cash balances. The fund is designed to support new businesses as well as established companies, with loans ranging from £3,000 to £50,000, with an average length of loan of four years, but they can be over any period from six months to ten years. The County Council's funding for the loan scheme will be supplemented by further match funding obtained by the organisation chosen to run the programme.

Update: A tender document was sent to the two Community Development Finance Initiative providers in the East of England. Once these have been evaluated a decision will be made on the best way to proceed.

- e. **LEADER.** Three programmes have been established in Norfolk, using funding from the Rural Development Programme for England, to develop community-led approaches to harnessing local knowledge to deliver a range of rural development objectives. Beneficiaries must be from the private or voluntary sector. The programmes are worth £10.5m until 2013.

The **Brecks** programme aims to be a showcase for effective, integrated rural development and environmental excellence in a sensitive and fragile area; the **Waveney Valley** programme concentrates on supporting the businesses and communities of the Waveney Valley in building its identity as a sustainable destination and vibrant place to live and work and the **Norfolk Coast and Broads** programme aims to use the exceptionally high value environment and landscape as a catalyst to support business and community development.

Update: Nine business cases in development and one approved. £1.447m of projects at concept stage. Spend to date is management costs claimed by Easton. However, while projects are taking time to develop, all 2009/10 budget is expected to be spent by year end.

- f. **Shaping Norfolk's Future (SNF).** SNF is the County Economic Development Partnership and from 2009/10 it also line manages Norfolk Tourism and the Norwich and Norfolk Conference Bureau. Their finances are therefore shown jointly.

SNF is partly funded by EEDA (£140,000), partly by NCC Economic Development (£30,000 grant towards core activity, £104,639 in officer support and £185,000 for sector support) and other income (£327,600). Total partner funding amounts to £492,741, including Norfolk Tourism partners' contributions.

Update: Spend is on track. SNF focuses on three areas of activity; engagement with businesses, economic intelligence and lobbying and advocacy. Working through sector and thematic groups, and with a wide range of partners, SNF has established ten key priorities for 2009/10, including lobbying on improved infrastructure such as dualling of the A11, improving Norfolk's rail links and working with businesses on improving the quality of broadband. SNF is also working with the County Council on the campaign to promote Norfolk as a business and tourism destination through the 'World Class Norfolk' campaign. In terms of sector and thematic activity, SNF is working to identify the skills needs of key sectors and will be assisting the newly formed Employment & Skills Board to identify the future skills needs of those in employment.

- g. **Vital Rural Areas.** This is a four year European project aimed at addressing areas of weakness Norfolk has in common with other economies within the North Sea Area. The 'work package' led by NCC focuses on stimulating SMEs (small and medium sized enterprises) in rural areas, or communities in decline, to expand the scope and quality (improved skills) of their businesses. The total value of the programme is £1.06m over the four years, with £105,594 due to be drawn down in 2009/10.

Project partners, the UEA and Norfolk Learning Partnership (NLP) will deliver three projects between them. The first one is to set up a 'Dragons' Den' style panel to judge and award funding to SMEs presenting innovative products and processes. The second is to develop projects stimulate lifestyle businesses into succession planning and mentoring. The third is about providing a four stage process of learning to engage hard to reach, low-skilled, people in achieving a qualification and ultimately getting back into the job market.

Update: The first claim for the project was submitted in October, but funding drawn down had yet to appear on Oracle at the time of writing. The project partners are engaged and began delivery of activity in October, which in turn kick-started the main project spend.

- h. **Village Hall Grants / RCC core funding.** These funds were transferred from Cultural Services to Economic Development from 2009/10 and comprise £90,000 for a Village Hall Grants Programme, £3,939 for each of the Norfolk Association of Village Halls (NAVH) and Norfolk Playing Fields Association (NPFA) and £54,618 to support the core work of the Rural Community Council.

Update: following receipt of a satisfactory application, the RCC and Village Hall Grants funding (£145,492) has been transferred directly to the RCC to administer and performance will be monitored via quarterly returns and monitoring visits. These transactions should show up on Oracle next month. While the application, delivery plan and first monitoring report have been received from the NAVH, no application has yet been received from the NPFA and is being chased.

Programme / Partnership Capital 2009/10

	Programme or Partnership	NCC Funding	Partner Funding	Total Budget	Projected out turn	Actual spend to date
	Investing in Communities Partnership	0	2,568,193	2,568,193	2,568,193	980,337
	Capital Total	0	2,568,193	2,568,193	2,568,193	980,337
	Revenue & Capital Total	1,579,370	8,289,528	9,838,898	9,838,898	2,128,670

Update: During Quarter 2 IIC successfully bid for £335,256 of additional capital funds from EEDA – more details on this success can be found in the Member Briefing. The budget amount has therefore been increased accordingly. All projects are on course to meet or exceed their targets and to come in on budget.

3. Resource Implications

3.1. **Finance:** None.

3.2. **Staff:** There are no staff resource implications from this report.

3.3. **Property:** There are no property resource implications from this report.

3.4. **IT:** There are no IT resource implications from this report.

4. Other Implications

4.1. **Legal Implications:** There are no legal implications from this report.

4.2. **Human Rights:** There are no Human Rights implications from this report.

- 4.3. **Equality Impact Assessment (EqIA):** this report is not directly relevant to equality in that it is not making proposals which may have a direct impact on equality of access or outcome.
- 4.4. **Communications:** There are no communications implications from this report.
5. **Section 17 – Crime and Disorder Act**
- 5.1. There are no implications from this report for the Crime and Disorder Act.
6. **Risk Implications/Assessment**
- 6.1. All risks are outlined in the report and are being closely managed.

Action Required

- (i) The Panel is asked to note progress on the Economic Development service plan actions and budget and to identify, if necessary, any areas for future scrutiny.


Background Papers

There are no Background Papers.

Officer Contact

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

Name	Telephone Number	Email address
Jo Middleton Economic Policy & Performance Manager Economic Development	01603 222736	jo.middleton@norfolk.gov.uk
Graham Jermy Finance Manager Planning & Transportation	01603 228091	graham.jermy@norfolk.gov.uk

	<p>If you need this report in large print, audio, Braille, alternative format or in a different language please contact Jo Middleton on 0344 800 8020 or textphone 0344 800 8011 and we will do our best to help.</p>
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Appendix A: Progress Update on Economic Development 2009/10 Service Plan Actions

Key: on target or better ★

Missed target but within tolerance ●













Missed target and worse than tolerance ▲

Project	Project Lead	Q1	Q2	Q3	Q4	Progress update
Deliver Hethel Engineering Centre business plan & develop Hethel Technology Park	Coward, Simon	★	★			KPIs and finances on track with focus continuing on securing long term viability for HEC
Implement measures to mitigate the economic downturn and support individuals and businesses	Dukes, David	★	★			Tender brief developed and presented to 2 companies to bid to deliver the proposed NCC Business Loan Fund
Maximise opportunities offered by sport / cultural events - eg London 2012	Dukes, David	★	★			Paper produced for COG presenting a business case for delivering the 2010 Tour of Britain Stage. Also, spec developed for pre Games Training Camp Promotional DVD (linked to Ec Dev proactive delivery plan to encourage inward investment into Norfolk)
Proactive delivery plan to encourage inward investment into Norfolk	Dukes, David	★	★			4 Inward investment enquiries responded to. Sector focussed DVDs produced and briefs produced for further topics (see also Ec Dev maximise opportunities offered by sport/cultural events - eg London 2012)
Support the delivery of detailed 1st East urban regeneration company in Great Yarmouth's master plan outcomes	Dukes, David	★	★			Masterplan subject to review and gap analysis pending decisions on next steps.
Deliver a range of student conventions, highlighting career opportunities	Dukes, David	★	★			A number of events have now taken place and are reported on in more detail in the Members' Briefing
Prepare an economic assessment of the local area, to meet the new statutory requirement	Hand, Michael	★	★			Proposed structure and approach agreed by County Strategic Partnership and operational issues discussed by county Economic Development Officers' group. Paper being submitted to November Cabinet, as this is a new piece of legislation.
Contribute to 'Skills Roadmap' influencing shape of the plan to upskill the workforce	McDiarmid, Fiona	★	★			First meeting of the new Skills & Employment Board took place 28/9. The group identified their priorities as low skills, productivity and the mismatch between jobs and vacancies. This group will be responsible for the research into skills commissioned by the County Strategic Partnership.

Key: on target or better 

Missed target but within tolerance 

Missed target and worse than tolerance 

Project	Project Lead	Q1	Q2	Q3	Q4	Progress update
Ensure that delivery plans and targets are in place for each Local Area Agreement (LAA) and County Council Plan (CCP) National Indicator	McDiarmid, Fiona					Workshop with indicator leads to progress CCP targets & delivery plans taking place in November.
In partnership, deliver a marketing campaign to improve perceptions of Norfolk	Middleton, Jo					Successful campaign launch took place 7/9, with considerable positive media coverage. Plans being formulated for Ambassadors' programme and county promotion at key gateways to Norfolk.
Manage a programme of grants that help deliver on Ec Dev's objectives and carry out NCC's accountable body duties for a range of externally funded programmes	Muspratt, Vince					Project development and spend is on track and half year monitoring visits have been carried out. See comments on individual grant programmes in the main report.
Evaluate activity previously funded, to assess value for money	Muspratt, Vince					Mid term review undertaken. Final report due in November 2009.
Strategic support for the growth agenda, including development plans	Muspratt, Vince					Responding to government consultation on proposed changes to growth funding – Norfolk stands to lose £5.5m - £6m growth point funding in 10/11.
Deliver EPIC business plan, growing creative industries, businesses and local skills	Wells, Mark					Work to develop business, forge new industry links & establish new partnerships in the educational sector all showing results. All developments constrained, however, by deep recession in the production/broadcast sectors.

APPENDIX B: Economy-Related National Indicators (1)

LAA = Local Area Agreement, CCP = County Council Plan, NI = National Indicator

Indicator	Lead organisation	Category	Data frequency	Current 2009 Actual	Mar 2010 Target	Comment
Working age people on out of work benefits (NI152)	Job Centre Plus	LAA, CCP	Quarterly (for the previous 12 months). 6 month lag.	10.6%	10.36%	Issues with data for 2009 to date, now due for formal release Dec 2009.
Proportion of working age population qualified to at least Level 2 or higher (NI163)	Learning and Skills Council	LAA, CCP	Annual (calendar year)	-	71.0%	Data for 2008 currently due for formal release on 25/11/09.
Average earnings of employees in the area (NI166). £ and % of the regional average	Norfolk County Council	LAA	Annual	89.8%	90.6%	'Current actual' relates to Apr '08 and shows Norfolk average earnings of £420.30 - 89.80% of the East of England's £468.10 per week. However, there is a considerable lag in the data and business confidence is improving. The 2009 data from the Annual Survey of Hours and Earnings is due for release in November 2009.
New business registration rate (NI171)	Business Link East	LAA, CCP	Annual	-	46.0	Data for 2008 currently due for formal release 23/12/09.
Employment in Higher Level Occupations (Local Indicator 1.7). Variation between Norfolk and the region	Norfolk County Council	LAA	Quarterly – approx 7 months in arrears	4.9%	4.50%	'Current actual' is data gathered in Mar 09, relating to Aug 08. The next release date in Nov 2009 will provide data for the period Apr 08 to Mar 09. The figure relating to whole of calendar year 2009 will not be released until July 2010.

APPENDIX B: Economy-Related National Indicators (2)

County Council Plan Indicators that aren't in the LAA

Targets to be set and agreed with LAA Economic Indicators Group Leads November 2009

Indicator	Lead contact and organisation	Category	Data frequency	Current 2009 Actual	Mar 2010 Target	Comment
Overall employment rate (NI 151)	Job Centre Plus	CCP	Calendar quarters (previous 12 months). 8 month lag.	73.5%	To be set by Lead Organisation	Current 2009 actual relates to Dec 08 data. Next data due for formal release Dec 2009
Proportion of working age population qualified to at least Level 3 or higher (NI 164)	Learning and Skills Council	CCP	Annual (calendar year).		To be set by Lead Organisation	Data for 2008 due for formal release on 28/10/09.
VAT registered businesses showing growth (NI172)	Business Link East	CCP	Annual.		To be set by Lead Organisation	Data for 2008 currently due for formal release 23/12/09.
Skills gaps in the current workforce reported by employers (NI 174)	Learning and Skills Council	CCP	Biennial.		To be set by Lead Organisation	2009 data due for formal release 01/04/10

Appendix C: Progress Update on Economic Development 2009/10 Strategic Ambitions Projects

Project	Objective	Progress against plan as at end October 2009
<p>Promoting Norfolk as a Place to Live and Do Business</p> <p>NCC Project Lead: Christine Birchall / Jo Middleton</p> <p>Agency lead: Michael Gurney, The Point</p> <p>This project also incorporates activity to promote Norfolk at key gateways to the County</p>	<p>Through improving the profile of Norfolk we aim to increase awareness of the positive aspects of the county as a place to live, work and do business. We aim to influence decision-makers to achieve NCC's objectives, inspire the people and businesses of Norfolk and attract investors and talented employees.</p> <p>The main deliverable in 09/10 is a wide ranging marketing campaign, including TV advertising, a campaign website, tailored sector films, an inward investment presentation/DVD and Norfolk video competition.</p>	<p>A successful launch event was held at the Institute of Directors in London in September and the campaign has received considerable media coverage and partner support.</p> <p>Currently in preparation is a poster campaign to promote Norfolk at key gateways to the county, such as airports, rail and tube stations.</p>
<p>Tour of Britain</p> <p>NCC Project Lead from 01/11/09: Mari Martin</p>	<p>To host a world class event (a leg of the cycle tour of Britain) to raise Norfolk's profile and deliver a significant injection of revenue into Norfolk's economy.</p>	<p>The initial deposit has been paid and, now that the 2009 race has completed, the organisers will be focussing on the 2010 race. The key issue is to determine the stages either side of the Norfolk stage, so that the overall route can be planned.</p> <p>Management of the project, following the successful bid by Economic Development to bring the tour to Norfolk, will now pass to Cultural Services. A project manager is currently being recruited.</p>
<p>Norfolk Credit Union Current Account</p> <p>NCC Project Lead: David Dukes</p> <p>Project led and managed by Norfolk Credit Union</p>	<p>To establish a Credit Union Current Account (CUCA) for Norfolk, which will be backed by the Co-op Bank. CUCAs will be available to Norfolk people who are not able to open a normal current account and who would otherwise face significant financial exclusion, eg needing to pay (more) in cash, up front for utilities instead by Direct Debit. NCC's funds will help establish the financial processes to manage the accounts and aid expansion of Norfolk's Credit Union – it should see</p>	<p>Significant progress has been made and the plan is progressing to schedule towards the implementation date of November 2009. Critical items such as new ADSL and ISDN lines in the office are installed, the VISA application has been approved by the CUCA's Risk Panel, a Bank Sort Code has been issued and NCU has appointed the new staff member operate the account.</p>

Project	Objective	Progress against plan as at end October 2009
(NCU), Alan Squirrell	3000 members by the end of 2010. The key milestones are 1. Launch the CUCA county wide by 01/11/09 2. 100 accounts opened by 31/03/10 3. 5 financial awareness advisors trained and operational by 31/03/10 and financial awareness and budgeting support provided to 50 people by 31/03/10	All local offices across the County, and key partners, have a supply of posters and advertising flyers customised for their area and application forms for the official launch.
<p>UEA-Economic Challenge Investment Fund bid (Project Evolve)</p> <p>NCC Project Lead: David Dukes</p> <p>Project led and managed by UEA, Professor Nikos Tzokas, n.tzokas@uea.ac.uk</p>	<p>The County Council agreed to provide £100k match funding to the UEA-led bid to the Government's Enterprise Challenge Initiative Fund (ECIF). That bid was successful and a £1m programme, called EVOLVE has been developed with the overall aims to:</p> <ul style="list-style-type: none"> • Minimise any period of unemployment for operational/middle management professionals in at-risk business sectors in Norfolk • Navigate into suitable employment unemployed/ underemployed recent graduates, through the development of business critical skills • Enable small and medium sized enterprises and Third Sector organisations to safeguard and improve their knowledge and prepare them to make full use of opportunities, as the economy recovers, to build a low carbon economy. 	<p>The EVOLVE programme is now live and being delivered by the UEA. It has already received over 400 client contacts, of which 232 have already participated in courses or events and a further 110 booked onto a wide range of courses.</p> <p>Recent highlights include:</p> <ul style="list-style-type: none"> • A pioneering new intern programme being run by the University of East Anglia has been launched, which matches up recent graduates seeking work experience with businesses and public-sector organisations in Norfolk that require extra short term, cost effective, support. • Evolve's Carbon Management short course programme has also been launched, along with • The UEA Careers Centre's 'Skills for the Search' workshops. <p>Several other new courses to be delivered by City College and Norwich University College for the Arts (NUCA) have also been launched.</p>
<p>Student Conventions</p> <p>NCC Project Lead: David Dukes</p> <p>Individual conventions led by various bodies</p>	<p>Encourage our young people to aspire and achieve by developing and delivering a range of high profile, sector-focussed careers events.</p> <p>Sectors covered are: Engineering, Health & Life Sciences; Energy / High Energy Schools Challenge; Creative Industries, Construction and ICT.</p>	<p>To date the Engineering and Construction student conventions, as well as the High Schools Energy Challenge have been held. Over 1500 students have been highly engaged at the different events, where businesses have held interactive games and activities to engage students and encourage them to understand better the opportunities in Norfolk in their sectors. The events also provide good networking opportunities for businesses and schools.</p>

Project	Objective	Progress against plan as at end October 2009
<p>Low Carbon Leadership</p> <p>NCC Project Lead: David Dukes</p> <p>Project led and managed by Jason Middleton, Shaping Norfolk's Future</p>	<p>At a national and regional level there are a range of organisations providing business support and advice on environmental related issues. However, there is inconsistency in the way in which advice and support is provided, leading to confusion as to who businesses should ask for advice. Action is therefore required at a local level, to ensure that businesses across Norfolk understand the support available so they can directly benefit and become more sustainable, economically and environmentally. A one-year appointment will develop a PR campaign, website etc.</p>	<p>Sustainable Prosperity Officer recruited and took up post in September. We are in the process of reviewing the structure of the group to improve its effectiveness and provide a more flexible approach for delivery. A series of events and workshops are also being developed including an eco-driving campaign, a Clean Tech event and a series of eco business breakfasts.</p>
<p>Knowledge Norfolk – Skills to Change the County</p> <p>NCC Project Lead: Vince Muspratt</p> <p>Project led and managed by UEA, Professor Nikos Tzokas</p>	<p>To encourage and enable more of the active retirees across the County who have a wealth of experience in senior positions in business and public service to contribute directly to Norfolk life, helping us achieve our three strategic ambitions and producing solutions to the issues we cannot resolve on our own.</p>	<p>Progress against milestones is on track.</p>
<p>Dare to Dream</p> <p>NCC Project Lead: Fiona McDiarmid</p> <p>Project led and managed by Andy Hodgson, Norfolk Learning Partnership</p>	<p>To inspire young people to achieve excellence in skills, arts and sport and enable them to realise their dreams. The programme will work directly with young people, linking with specialist schools and sports ambassadors as well as developing resources, including a website.</p> <p>Initial research identified other projects in the county that were using Sports Ambassadors as Role Models (Competitive Edge Project run through NCC Gifted & Talented PE & Sports programme). This provided an identified cohort of elite athletes and rising stars who could be used to identify the people behind their success and their journeys.</p> <p>In view of this, it was decided to link the two projects and use</p>	<p>We have now appointed a co-ordinator to link together the Dare to Dream and Sports Ambassador projects, who started work 1/10/09.</p> <p>We have also commissioned City College Norwich Foundation degree students (Media and Sport) to do most of the interviewing, filming, recording etc and they will start Jan 10 as it links into their curriculum at that stage. The project will run to March 2011.</p> <p>At the next 2012 Skills sub-group meeting we will be having a “sports theme” and we will explore the best operational group to support the project. The Skills sub-group will provide the strategic direction.</p> <p>Still awaiting the outcome of the application for the</p>

Project	Objective	Progress against plan as at end October 2009
	the funding for a part-time coordinator who would ensure the two projects were seamlessly joined and that access to the elite athletes would be facilitated at the case study stage.	Inspire mark for the project.
<p>EDP Pride in Norfolk Awards</p> <p>Project led and managed by Jean Wilson, Chair of EDP Awards NCC Project led: Helen Wiggins</p>	<p>The EDP Pride in Norfolk Awards competition is run in partnership with the CPRE Norfolk, NRCC, National Federation of Women's Institutes and Norfolk Association of Local Councils; the EDP is the main sponsor. This application is for funding for a new category for one year: this category would explore ways and ideas that people could come together in their communities and develop a concept or project that could bring alive the aspiration of an inspiring place to live.</p>	<p>Milestones:</p> <ul style="list-style-type: none"> • Launch competition during autumn 2009 • Receive applications up to the end of March 2010 • Judging takes place by June 2010 • Awards ceremony during September 2010

Report to Economic Development and Cultural Services
Overview and Scrutiny Panel
12 November 2009
Item No 9

Service and Budget Planning 2010-13

Report by the Director of Environment, Transport and Development and
Head of Finance

Executive Summary

This report sets out the main planning considerations for Economic Development (ED) and the context in which they are set. This includes the financial position and the relevant performance and improvement considerations that relate to the council's delivery of its corporate objectives. It also sets out the overall funding prospects and spending pressures for ED and the draft, potential savings options for balancing its 2010/11 budget. The main issues for consideration for the service are:

1. The context is one of diminishing funding from a range of sources – eg the £800k of Strategic Ambitions projects is coming to an end and EEDA (East of England Development Agency) is having to cut its Investing in Communities capital programme completely (£2.6m in Norfolk this year). This will impact on ED's ability to sustain its previous record of £35 levered in for every £1 spent and may affect its ability to deliver improvements to the economic National Indicator targets.
2. Challenges for the service include the economic climate our enterprise hubs are trading in, the new duty to carry out an economic assessment of Norfolk and the need to assist businesses and individuals to be ready for the economic upturn.
3. The adjusted budget uplift for ED in 2010/11 is £11,000. After cost pressures are taken into account, this results in a shortfall of £3,000 in 2010/11 and £36,000 in 2011/12 and £37,000 in 2012/13 (no uplift is expected in the latter two years).

A further one off pressure in 2010/11 of around £80k, in relation to the LEA has also been identified, bringing next year's shortfall to £83k. While government funds have been promised to support the new requirement, if they are not forthcoming ED may need to make a growth bid to bridge the funding gap. However, like other services, ED is reviewing the activity it funds, adopting 'sharper commissioning' and discontinuing projects that don't align closely enough with its core objectives.

Recommendation

Panel members are asked to consider and comment on the spending pressures and proposed savings set out in the appendices, as well as any specific issues on the proposed list of new and amended capital schemes to be evaluated within the capital prioritisation model as part of the review of the three-year capital programme.

1. Background

- 1.1. This discussion takes place in a financial climate for public services that has been widely described as 'dire' as a consequence of the national economic downturn. Though we know our level of Government grant for 2010/11, we don't know what it will be for the following two years. For planning purposes, therefore, we are assuming there will be no increases in grant levels over this period. Since it is clear that the newly elected government will need to take drastic action to cut public spending in order to re-balance the country's finances.
- 1.2. In the light of such challenges, the Leader and Cabinet have agreed an organisational blueprint that describes how this council intends to develop its operations over the coming four years to become a more responsive, efficient and streamlined organisation, focused on frontline services with increased value for money.
- 1.3. In addition, to help local people manage through the recession, the administration has assured Norfolk council tax payers that we will freeze the level of council tax for at least two of the next four years and, where we levy any increase, it will not be higher than the level of inflation.
- 1.4. Our planning for next year and the years to follow takes place within a clear framework and process agreed by Cabinet.
- 1.5. In August, Cabinet received and agreed a report¹ that set out the planning context, requirements and parameters services should use to steer their service planning. It confirmed as the authority's strategic intentions, the strategic ambitions, corporate objectives, values and key improvement areas set out in the County Council Plan 2008-11 and the outcomes we should focus on in our planning.
- 1.6. We deliver the County Council Plan through 34 detailed service plans which set out our service needs, outcomes, actions, targets, assessment of value for money and capacity. When we prepare them, we also consider the external and internal drivers for change, such as financial and economic predictions, performance and value for money, risks, customer needs and the impact of our services on the people of Norfolk.

Cabinet asked that we prepare draft service and financial planning requirements and budget options for discussion by county councillors in the November Overview and Scrutiny Panels and public consultation.

- 1.7. This paper sets out the planning issues and requirements relevant to the services covered by this Overview and Scrutiny Panel, together with a summary of the relevant corporate assumptions that underpin them. It also puts forward from the Cabinet Member in association with the service Chief Officer, some draft proposals for consultation based upon the financial parameters set by Cabinet in August.

¹ Service and Financial Planning 2010/11 to 2012/13 – Report to Cabinet 10 August 2009

The strategic and corporate context

1.8. The County Council Plan 2009-12 sets out our three Strategic Ambitions for Norfolk, which are closely aligned to the Norfolk County Strategic Partnership Vision. The ambitions are for Norfolk to be:

- An inspirational place with a clear sense of identity
- With a vibrant, strong and sustainable economy
- And aspirational people with high levels of achievement and skills;

It also sets out our nine Corporate Objectives (priorities) and the main areas where we want to improve, together with the targets set to help us know we have done so.

1.9. Each year we also assess the background and context for the County Council's work. Internal and external factors can affect our work positively or negatively and are factored into plans for how we provide our services and the implications for resources. Significant issues affecting County Council services during this planning period are outlined in Appendix A, but matters relevant to the corporate context include:

- **The impact of the recession**

1.10. Like many other organisations, the recession is biting in a number of ways. For example, from a financial point of view our plans must reflect, in particular, less investment income, due to lower interest rates. However, unlike some organisations, demand for services is higher than ever, particularly in the demand-led caring services and our service plans will need to consider this. We report progress on the Council's response to the economic downturn on a regular basis to the Economic Development and Cultural Services Overview and Scrutiny Panel.

- **The new organisational blueprint for Norfolk County Council and its implementation programme - Norfolk Forward.**

1.11. A review of senior management structures is already underway and scheduled to report in December. The identified costs and savings associated with any agreed recommendations will be factored in to budget planning later in the process when the outcome is known.

1.12. As already reported to Cabinet in September, the costs of managing and operating the programme office, which will oversee the implementation of Norfolk Forward, are being contained within existing resources

- **Managing our performance**

1.13. Our planning must reflect the elements of the performance framework for local government, including the Local Area Agreement (LAA), the Comprehensive Area Assessment (CAA), the National Indicator Set and implications for increased partner working including shared resources.

- 1.14. Under the final round of the former Corporate Performance Assessment (CPA) inspection regime, (2008), the Audit Commission assessed the council as 'excellent' awarding us 4 out of 4 possible stars. This tells us that on the whole, we are delivering effective and good value services.
- 1.15. This year, the Comprehensive Area Assessment (CAA) has replaced CPA. CAA assesses how well public services are working together to meet the needs and aspirations of their communities and using their resources to meet identified needs and deliver the outcomes set in the Local Area Agreement for Norfolk. In reaching its judgement, the Audit Commission also draws upon those judgements made by other inspectorates, such as Ofsted, to help reach its conclusions. The first CAA report for Norfolk will be published in December.
- 1.16. Inspection assessments on individual services and organisations are ongoing. The Audit Commission will publish the 2009 Performance and Organisational Assessment reports in December.
- 1.17. In addition, service and budget planning needs to take account of the challenging targets and outcomes agreed by partners in Norfolk Action, the Local Area Agreement (LAA) for Norfolk.

- **Modern Reward Strategy**

- 1.18. Previous budgets provided for the impact of implementing the Modern Reward Strategy Project, (MRS), which will introduce new pay scales and pay-related conditions of employment for approximately 16,000 County Council employees (teachers and fire-fighters are excluded).
- 1.19. Though MRS has been delayed as a result of the time taken to pursue a collective agreement with Unison nationally, the authority is keen to implement its proposals with effect from April 2010 and Members of the Personnel Committee asked that the necessary steps be taken to secure this. Unison and Unite have balloted on the original proposal agreed in 2008 and a yes vote has been achieved. We therefore expect the proposals to be implemented from April 2010, as planned.

- **Carbon Reduction Commitment**

- 1.20. The Carbon Reduction Commitment (CRC) is an obligatory emissions trading scheme covering both public and private sectors. We will need to comply with the new scheme, which commences in April 2010, including ensuring we have adequate resources to procure the trading allowances and deliver energy efficient solutions. We are assessing how much money we will need to set aside to purchase allowances and budgeting for this corporately. The scheme will include an annual performance league table, with financial incentives and penalties based on our performance. To compare well against other organisations, plans need to consider energy usage and include ways of exploiting options to reduce it.

2. Financial context 2010 - 2013

- 2.1. The detailed assessment of financial prospects for 2010-13 is set out in the August report to Cabinet. It is necessarily a funding forecast for planning purposes only and we will continue to review it.
- 2.2. The Government has indicated that the previously announced grant settlement for 2010/11 (an increase of £12.0m) will be honoured. However, the Comprehensive Spending Review 2010 scheduled to cover the three years from 2011/12 has been deferred until after the General Election. This means we cannot be clear about financial prospects beyond the end of the next financial year (2010/11). For *planning purposes*, we are assuming a grant freeze for 2011/12 and 2012/13.
- 2.3. We are also assuming that there will be no change to the 'grant damping' arrangements. This is the adjustment the Government makes to Norfolk's calculated grant entitlement in order to compensate some other councils, which suffered a loss in grant when a new distribution formula was introduced in 2006/07. Over the past four years 2006/07 to 2009/10, Norfolk has had its grant adjusted downwards by a total of £96.8m.
- 2.4. In the light of the administration's pledge to keep tax increases within the level of inflation and freeze council tax in two of the next four years, *for planning purposes* we have assumed a council tax increase of 2% for 2010/11 and a tax freeze for 2011/12 and 2012/13.
- 2.5. Based on these assumptions our current net revenue budget of £559.9m, would increase by £18.9m in 2010/11 and then stay at that level for 2011/12 and 2012/13.
- 2.6. After allowing for funding of new external borrowing for the Capital Programme, Chief Officers were asked to approach their service and financial planning assuming a 2.5% budget increase in 2010/11 and no increase in 2011/12 and 2012/13. Following further consideration of the provision for pay inflation to be included in budgets for 2010/11, the Leader has requested this uplift to be adjusted to reflect an assumed pay freeze in 2010/11, for all awards still to be negotiated. For planning purposes only at this stage a provision of 2.25% pay increase remains for 2011/12 and 2012/13. Typically, additional cost pressures arising from inflation, demographic growth and new legal requirements total £50m each year. In 2010/11, the projected cost pressures are in excess of £43m, most of which is due to demand and demographic increases (£24m), inflationary pressures (£7m) and costs arising from changes in government legislation (£5m). As a consequence, we require considerable and ongoing cost savings if we are to sustain services and budgets over the medium term.

3. Service specific - strategic context

- 3.1 The recession is having a significant impact on the businesses and workforce of Norfolk. The Economic Development Overview and Scrutiny Panel, as well as Cabinet Scrutiny, have received regular reports on the steps being taken by the Council to support businesses and individuals. The key focus for 2010/11 will be preparing them for the upturn and ensuring that they are aware of all assistance available, such as the new Credit Union Current Account, now being established with support from the County Council.
- 3.2 Other challenges include the fact that Norfolk's overall economic growth lags behind the regional average and that lower wages and skills than some other areas mean that that we need to create and attract more, higher value jobs, such as those in knowledge-based industries.
- A key element of our long term strategy is to work closely with those key sectors – such as health and life sciences, advanced engineering and creative industries – that can give rise to higher value jobs. For this reason, key objectives for 2010/11 are to further support the development of the enterprise hubs that the County Council owns – Hethel Engineering Centre (HEC) and the East of England Production and Innovation Centre (EPIC) – as well as the Genome Analysis Centre at the Norwich Research Park.
- 3.3 September 2009 saw the establishment of a new Employment and Skills Board for Norfolk, which is chaired by the County Council's Head of Economic Development and brings together the leading training and higher education providers, as well as business support and employment organisations. The Board will take ownership of Norfolk's post 19 National Indicators relating to skills and has identified as its focus low skills, productivity and the mismatch between jobs and vacancies.
- 3.4 At a regional level, looking beyond 2010/11, there will be changes to the way Regional Development Agencies work, with changes to area-based working and the inevitable funding constraints. The implications of these changes are explored in more detail in section 5, the principal challenges for the service.

4. Financial and service planning for next year (2010/2011)

4.1. Corporate assumptions

All the County Council's consultation proposals use a set of common, corporate assumptions as a means of balancing the budget for 2010/11.

These assumptions are set out below in the interests of fairness and consistency. We invite Members views on the assumptions and the principle that they should be applied corporately in each case, as part of their considerations of these service proposals.

- **Cash uplifts for services**

- 4.2. Services have been asked to plan on the basis of an assumed budget increase of 2.5%, less an adjustment for the revised assumptions for pay, within which increased costs and pressures should be managed.

The adjusted uplift for Economic Development is £11,000. The netting off of uplift against cost pressures results in a shortfall of £3000 in 2010/11 and £36,000 in 2011/12 and £37,000 in 2012/13 (no uplift is assumed in the latter two years). A further one off pressure in 2010/11 of around £80,000, in relation to the Local Economic Assessment has also been identified, bringing next year's shortfall to £83,000 and is covered in more detail in 5.2.

- **Absorbing inflationary pressures**

- 4.3. A planning assumption has been made that departments will absorb inflationary pressures of 2% for general prices. This will apply to both expenditure and income budgets. The exceptions to this are:

A proposed 4% cash uplift for home to school transport costs

A proposed 4% cash uplift for passenger transport services provide via the PTU for adult social services

- **Staff costs**

- 4.4 We are assuming that there will be no nationally negotiated pay increase next year for the public sector with the possible exception of staff whose pay is subject to agreement by national pay review bodies such as teachers and firefighters.

- **Inflation awards to independent and voluntary providers**

- 4.5 We are assuming that independent and voluntary providers will likewise absorb inflationary pressures. We are not providing for any inflationary uplift for 2010/11.

- **Sharper commissioning**

- 4.6 Commissioning arrangements will be reviewed, where appropriate, to ensure spending and services align with the council's priorities and deliver value for money. This will mean de-commissioning (ending) some automatic funding of some grants or services that may be nice to have, but are not directly aligned to the council's priorities for service users and so cannot be afforded as a priority.

Where Economic Development is concerned, we started this initiative at the beginning of 2009/10, reviewing our existing processes for application, appraisal and assessment of grants to organisations and projects. This will therefore enable us to make the required 'sharper commissioning decisions' that are now proposed when we commission 2010/11 activity.

- **Tough purchasing**

4.7 Goods and services will continue to be procured as efficiently as possible, driving down costs for Norfolk taxpayers whilst retaining quality.

- **Efficiency**

4.8 The authority has an ongoing responsibility to reduce costs and improve efficiency. All planning is based on this understanding. We are on target to have delivered efficiencies of over £85m over the past six years by March 2010. The efficiency target set by government for next year is 4%. This requires us to find a further £19m savings. No service specific targets have been set - we are assuming and expecting all services to contribute towards the achievement of the total.

- **Realistic charging**

4.9 Subsidies, fees and other charges will be reviewed where possible and relevant to reflect changed economic circumstances and expectations, other forms of grant or income, or any significant changes in price, market or service.

- **Capital**

4.10 In February, schemes and funding were considered within a three-year capital programme as part of the County Council Plan 2009-12 (Appendix B). We have not made assumptions about the allocation of capital at this stage; however, it is assumed that capital bids are identified following option appraisal and that these will be evaluated by the Corporate Capital and Asset Management Group (CCAMG). These will be evaluated alongside existing schemes using the capital prioritisation model and recommendations for any revision to the programme will be reported to January Overview and Scrutiny Panels. The revenue consequences of capital spending (financing charges and changes in operational costs) have been incorporated within our financial planning.

New and amended schemes relevant to this Overview and Scrutiny Panel are listed in Appendix C.

5. The principal challenges for this service

Based on the latest information, the principal challenges facing Economic Development, which need to be taken into account when assessing the budget proposals and preparing the 2010/11 service plan include:

- 5.1 In light of the sharper focus of Economic Development's work going forward on three core areas:
- business competitiveness
 - regeneration and growth

- skills and employability

the main ongoing projects and organisations funded by Economic Development are currently being independently reviewed in terms of value for money and performance. As mentioned in section 4 on sharper commissioning, this may mean an end to the historical funding of some grants that don't have a strong enough fit with Economic Development's three core areas of activity.

- 5.2 Upper tier authorities will have a statutory duty to carry out an economic assessment of the local area (Norfolk in Norfolk County Council's base) by April 2011. While much data exists already, there may be a need to commission research – eg a business perceptions survey – to fill gaps in the 'evidence base' we are required to produce. The Department of Communities and Local Government (DCLG) estimates that fulfilling these requirements may cost upper tier authorities around £80,000 and whilst government guidance indicates that they may meet costs over and above those normally incurred in gathering this type of information, it is not clear that additional funding will be forthcoming.

This £80k estimated cost pressure estimate has therefore been built into the legislative context of the cost pressures appendix, bringing the total cost pressure for 2010/11 to £83,000 after the uplift is taken into account. We may therefore need to submit a growth bid for discrete pieces of analysis if government funding is not forthcoming.

The projected shortfall in Economic Development's funding of £83,000 2010/11, £36,000 in 2011/12 and £37,000 in 2012/13 will also have implications for activity that can be funded. This will be determined in late November 2009 with Economic Development's Cabinet Member, in light of the review of existing projects for performance, value for money and fit with objectives.

- 5.3 A number of other pressures affect Economic Development in terms of diminishing funding from other sources, which impacts directly on our leverage – currently £35 brought in for every £1 we spend:
- Economic Development currently manages over £800k of Strategic Ambitions projects, many of which involve additional partner funding. This programme ceases next year, with only a small amount of residual funding, eg to host a Norfolk stage of the cycle tour of Britain.
 - The Investing in Communities programme, which currently has a capital programme of £2.6m will have no more capital from EEDA (match funded by partners) after 2009/10.
 - Norfolk has benefited from tens of millions of pounds of EEDA funding over the past ten or so years. With the structural changes to Regional Development Agencies (RDAs) – which are also subject to funding cuts – the level of support that Norfolk can anticipate in the future is far from clear. This may also affect strategic partners, such as Shaping Norfolk's Future, which have previously relied heavily on EEDA funding.

- 5.4 In terms of risks, Economic Development's two enterprise hubs, HEC and EPIC are obviously trading in challenging economic times and are exploring all possible additional income streams.
- 5.5 Finally, Economic Development faces an ongoing challenge to work with partners to deliver improvement in the economic performance indicators from the National Indicator Set which feature in the Local Area Agreement and County Council Plan. This is especially demanding in the current economic climate.

6. Draft revenue proposals for this overview and scrutiny panel 2010 – 2011

- 6.1. The following proposals are brought forward by the Cabinet Member in association with the service Chief Officer for consultation purposes and views are welcome. The proposals are listed in full in Appendix B, with the challenges and possible solutions covered in 5.2 above. As mentioned in 5.1, this will mean a thorough review of all projects and organisations funded, with the revised funding being focussed solely on those activities that provide the required value for money and fit with Economic Development's core areas of activity.

Work continues across all services to identify the scope for savings and these will be considered by Cabinet in the round and in light of the view of Scrutiny Panels and the outcome of public and stakeholder consultations. A further report will be made to this panel in January prior to the Cabinet budget report on 25 January 2010.

7. Resource Implications

- 7.1. The implications to resources including, financial, staff, property and IT are set out in Sections 5 and 6 of this report and within the Appendices.

8. Other Implications (where appropriate)

- 8.1. **Legal Implications:** None.
- 8.2. **Human Rights:** None.
- 8.3. **Equality Impact Assessment (EqIA)** (this must be included)

An EqIA should be undertaken on all strategies, policies or decisions **relevant** to equality before being reported to Cabinet/Review Panel. This report does not relate to EqIA specifically. However, all projects funded by Economic Development need to complete an application form that requires an EqIA assessment of proposed activity.

8.4. **Communications:** None.

9. **Section 17 – Crime and Disorder Act (this must be included)**

9.1. This report does not directly relate to Section 17 of the Crime & Disorder Act. However, individual projects funded by Economic Development may well have a positive impact in this area, such as those focussing on youth enterprise or basic skills.

10. **Action Required**

10.1. In light of the contextual issues presented and key challenges, Overview and Scrutiny Panel members are asked to consider and comment on the planning assumptions and how these are applied, and the proposed spending pressures and savings set out in Appendix D, in order to inform Cabinet members' discussions.

10.2. Members are also asked to consider and identify any specific issues on the proposed list of new and amended capital schemes to be evaluated within the capital prioritisation model as part of the review of the three-year capital programme. The recommended capital programme will be reported to the January meeting of the Overview and Scrutiny Panel.

Background Papers

None.

Officer Contact

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

Jo Middleton
Economic Policy & Performance Manager
Tel: 01603 222736; e-mail: jo.middleton@norfolk.gov.uk

Graham Jermy
Finance Manager
Tel: 01603 638091; e-mail: graham.jermy@norfolk.gov.uk



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APPENDIX A

PLANNING CONTEXT

1. Key **demographic changes**, include:
 - Norfolk's population is growing faster than the regional average
 - We have increasing numbers of active older people – 81% of our over 85 year olds still live at home – raising implications for housing, independence and rising demand for the provision of care
 - Norfolk is becoming more diverse, with rapidly increasing black and ethnic minority populations – already around 100 languages are spoken
 - There are large and growing numbers of people from Europe living and working in areas of the county.

2. **Socio-economic factors**, such as:
 - Norfolk does have pockets of both rural and urban deprivation, and although the majority of people living in the county are not disadvantaged, 19% of children live in income deprived households
 - Generally good levels of health and higher than average life expectancy but there are people within our communities experiencing increasing inequalities in health and well-being, frequently correlating to areas of greatest deprivation in the county – for example teenage pregnancy
 - Obesity levels in the county continue to be of concern, with children's obesity being of particular concern; diseases normally seen in obese adults are becoming more common in children
 - Levels of adult participation in sport and active recreation in Norfolk remain much lower than in other parts of the country
 - Despite overall levels of crime falling in Norfolk, local people's perception of crime as an issue remains high.

3. Factors affecting **Norfolk's economy and skills**, including:
 - The current economic downturn is affecting employment and development nationally. Latest unemployment figures for Norfolk (as at mid August) show an increase in the number of people claiming job seekers allowance.
 - Norfolk already has one of the country's most significant financial service sectors, but our overall economic growth lags behind the regional average
 - Basic literacy levels in the county are below national and regional levels
 - Low wage and skills mean that that we need to create and attract more higher value jobs, such as jobs in knowledge-based industries
 - High and volatile price of crude oil impacts on the price of many oil derived materials
 - It is expected that Norfolk will see 78,000 new homes built and 55,000 new jobs created by 2021, with significant numbers of people travelling to work by car.

4. **Environmental factors**, such as:

- Local Government has been identified as having a key role in tackling climate change and developing a strategy to support the UK Climate Change Programme, by cutting all greenhouse gases and carbon dioxide emissions – this presents us with a significant leadership challenge as well as delivery of improvements to our own operations
- Climate change and water resources are of major concern in the county, with challenges around issues of coastal erosion, storm damage and flooding – and increasing severity of emergencies caused by natural occurrences
- Moving towards paperless transactions in order to reduce the amount of waste going to landfill
- The Government intends to introduce five-year carbon budgets which may be set alongside other operational, funding and taxation policies and are likely to affect expectations of standards and targets as part of the assessment of services, to encourage investment in low-carbon fuels and technologies.

5. **Advances in the use of technology**, including:

- Convergence of voice and data services over broadband networks to support increasing use of mobile and home working facilities
- Increased use of mobile devices such as laptops
- Switchover from analogue to digital television in 2012 means that many more people could access services in diverse ways, such as via the internet using their television
- As part of the Waste Strategy for England 2007, we may have to make further progress with technologies relating to landfill diversion and increasing recycling at home.
- Maximising technologies available to enable safe independent living.

6. **National policy and government legislation**, such as:

- Putting People First – the Government’s shared vision for the transformation of Adult Social Care – including establishing community based support systems for the health and wellbeing of local populations, through bringing together and re-designing (health and care) local systems around the needs of citizens
- Care Matters: Time to deliver for children in care and Children & Young Persons Bill – the Government’s expectations of the right quality care and support being in place for children in the care system
- Lifetime Homes, Lifetime Neighbourhoods – the Government’s national strategy for dealing with housing in an ageing society.

Appendix B

Economic Development Revenue Budget Planning - Spending Pressures and Savings 2010-13

Re Description of cost pressures or service improvement - shown against the f key driver	2010-11 £k	2011-12 £k	2012-13 £k	Corporate Objective and Risk assessment of key impact to performance, value for money, equality, environment, workforce etc.
Assumed funded budget increase for planning purposes, being 2.5% for 2010 / 11, and no increase for 2011 / 12 and 2012 / 13. Uplift does not apply to centrally funded charges or project funding.	11	0	0	
COST PRESSURES AND SERVICE IMPROVEMENTS				
Basic Inflation - Pay (2010-11 - 0%, 2011-13 - 2.2.5%)	0	21	22	
Basic Inflation - Prices (General - 2%, Passenger Transport 4%)	13	14	14	
Additional 0.7% contribution to Pensions (1% for 2011-13 years)	1	1	1	
Additional 0.5% increase in NI Employers' contributions in 2011-12				Awaiting figures
Subtotal Inflation	14	36	37	
Government/Legislative requirements				
Local Economic Assessment (new duty)	80	0	0	
Sub Total Legislative	80	0	0	
TOTAL COST PRESSURES AND SERVICE IMPROVEMENT	94	36	37	
Shortfall / required savings that impact on current policy	-83	-36	-37	
While the inflationary deficits in each year (£3k in 2010/11, £36k in 2011/12 and £37k in 2012/13) will need to be funded by cuts to activity agreed with ED's Cabinet member, additional funding may need to be found for the one off £80k cost pressure for the Local Economic Assessment if government money isn't forthcoming, in order to deliver legislative requirements.				

Appendix C

Capital priorities for Funding from Corporate Capital

Scheme	2009-10	2010-11	2011-12	2012-13
	£ 000	£ 000	£ 000	£ 000

Approved as part of the 2009-10 capital prioritisation

Genome Analysis Centre	500	500		
Total Approved Schemes	500	500	0	0

New Bids

Hethel Engineering Centre - Extensions		950		
North Norfolk Centre for enterprise		250	250	
Hethel Technology Park		125		
Great Yarmouth Railway Sidings		35		
Total new bids		1,360	250	0

Local Economic Assessment

Report by the Director of Environment, Transport and Development

Summary

- The Government's Sub-National Review of Economic Development and Regeneration introduced a significant new duty that requires upper tier authorities to carry out a major economic assessment of their area, including its key localities ('functional economic areas').
- This will form part of future evidence for the Comprehensive Area Assessment (CAA), reviewing the Local Area Agreement (LAA) and used to shape priorities for future interventions.
- Draft statutory guidance was published in August and the duty comes into effect from April 2010.
- The County Strategic Partnership has agreed the proposed approach and delivery structure (section 2.5).
- The critical things to progress in the remainder of 2009/10 are the need to define and agree the functional economic areas and to review datasets, identifying gaps and producing proposals to fill those gaps.
- Government suggests that it could cost around £80,000 to carry out the assessment in its entirety and says it plans to make funding available to meet the additional burden on authorities. Most of this gap filling in Norfolk's evidence base for the assessment would occur in 2010/11 and funding will need to be sought if it is not forthcoming from government.

Recommendation

- Members are asked to accept the new duty, governance arrangements and associated resource implications and to help shape the LEA by regular input at future Panel meetings. In terms of next steps, it is planned to bring the proposal for the functional economic areas to 13 January Panel and for it to be endorsed by 25 January Cabinet.

1. **Background**

- 1.1. Part 4 of the Local Democracy, Economic Development and Construction Bill, places a new duty on County and Unitary authorities to assess the economic conditions of their area. The Bill is expected to gain Parliamentary approval in the autumn and the duty would come into force from April 2010.
- 1.2. Draft statutory guidance has recently been published by DCLG – this follows the Policy Statement issued in January 2009, which outlined the principles to be applied. The government guidance should be read alongside the draft practical guidance developed by the Improvement and Development Agency (IDeA) and the Planning Advisory Service (PAS). A “light touch” approach is suggested for the initial round of assessments (due for completion by April 2011), with a view to undertaking a more in-depth version once the 2011 Census data is made available (some time in 2013).
- 1.3. In two-tier areas, the county council is required to consult and seek the participation of district councils, which will have a corresponding duty to co-operate. Additionally, all LAA partners with functions related to economic development should be consulted and it will be important that the views of local businesses are also reflected. This significant new duty therefore provides a major opportunity for close partnership working that will underpin local authorities’ power to promote the economic, social and environmental well-being of their area and help ensure that all future economic and regeneration interventions are informed by a thorough and robust place based assessment of comparative strengths and weaknesses.
- 1.4. The Houghton report, published in November 2008, recommended that upper tier authorities be required to assess the causes of worklessness in their area and the capacity of key agencies to deliver employment, skills and enterprise programmes – the guidance indicates that this will form part of the wider economic assessment. In addition, Section 21 of the Child Poverty Bill will place a new duty on local authorities to work with partners on the preparation of an assessment of the needs of children living in poverty and the guidance suggests this should be integrated with the local economic assessment, wherever possible.

2. **What is a Local Economic Assessment (LEA)?**

- 2.1. The LEA is expected to be a narrative about the story of place, supported by shared evidence (quantitative and qualitative) in a broadly consistent approach and which suggests priorities. A good economic assessment should influence public services delivered by a local authority and its partners, so that they address relevant market failures and tackle disadvantage more effectively. It is not in itself a strategy, but will provide the evidence base to inform other strategies - including the Sustainable Community Strategy and Local Development Framework. LEAs will also form a key part of the sub-regional and place based analysis and intelligence that informs the preparation and review of the new Single Regional Strategy and the Regional Implementation

Plan.

- 2.2. In terms of enforcement, the Government does not propose to monitor lead authorities' assessments. Rather, it expects the improved knowledge about an area's economic profile will strengthen the ability to improve performance against the economic indicators of the local government performance framework. As a result, the Audit Commission has indicated that inspectorates would be able to assess the effectiveness of LEAs as part of the Comprehensive Area Assessment and that they are likely to look at how authorities and partners have built on this work to inform development of their local priorities and strategies – including review of the Local Area Agreement. This reinforces the need to ensure sufficient resource and capacity is made available for the assessment process.
- 2.3. The draft guidance suggests the process of carrying out an economic assessment should take between 6 and 12 months and that some initial stages could commence in advance of the duty coming into force. In this respect, the main areas of activity identified for the remainder of 2009/10 will involve definition of the functional economic areas, analysis of key datasets and commissioning of research to fill gaps in the evidence base – all underpinned by relationship building.
- 2.4. The County Council and its partners already collect and utilise a wide range of data and have the steadily improving resource of the county observatory (Insight Norfolk) and the support of the regional observatory (Insight East). As a result, a significant proportion of the required data will be available through these and other web-based sources or from district councils (eg land use monitoring, benefit distribution, housing waiting lists) and other partner organisations. There may, however, be some key knowledge gaps (eg around skills demand and other employer concerns) for which some local evidence gathering is required and this will have resultant cost implications for the County Council and its partners.
- 2.5. In terms of the Norfolk delivery structure, the County Strategic Partnership has agreed that existing groupings will be used – however, it is envisaged that some specific task and finish stakeholder groups will need to be convened as and when required (ie for the consultation and testing aspects). The roles of all the groups are as follows:

County Strategic Partnership Management Group

- strategic leadership and sign off role

Shaping Norfolk's Future Management Group

- project ownership and steering role

Norfolk Economic Development Officers Group (NCC and DCs)

- operational delivery role

Data Working Group (NCC)

- data collection and analysis role

Wider Stakeholders Groupings (key partner organisations)

- testing/refining consultation role

3. Resource Implications

- 3.1. **Finance** : DCLG has indicated that it may cost up to £80,000 for the full economic assessment and £10,000 for annual updates. The Government has previously indicated that it intends to fund additional net costs associated with the new duty. This would most likely be via a Special Delivery Grant – however, the details are not yet available.

If this government funding is not forthcoming, it would constitute an additional pressure on the service and has been identified as such in the paper tabled for this Panel on Service and Budget Planning 2010-13.

- 3.2. **Staff** : For the County Council in its lead role, the human resource requirement is potentially extensive. The main areas of activity will fall to the Economic Development Unit and the Demography and Information Team. However, the published draft guidance suggests that information will be required from other service areas (eg education, culture and sport). Strategic level activity will be led by the Head of Economic Development, while day to day project management will be the responsibility of the Economic Strategist.
- 3.3. **Property** : There are no property resource implications from this report.
- 3.4. **IT** : There are no IT resource implications from this report.

4. Other Implications

- 4.1. **Legal Implications** : Part 4 of the Local Democracy, Economic Development and Construction Bill, places a new statutory duty on County and Unitary authorities to assess the economic conditions of their area.
- 4.2. **Human Rights** : There are no Human Rights implications from this report.
- 4.3. **Equality Impact Assessment (EqIA)** : This report is not making proposals which may have a direct impact on equality of access or outcome.
- 4.4. **Communications** : There are no communications implications from this report.

5. Section 17 – Crime and Disorder Act

- 5.1. There are no crime and disorder implications from this report.

6. Risk Implications/Assessment

6.1. All risks are outlined in the report and are being closely managed.

7. **Alternative Options**

7.1. There is no alternative option – from April 2010 the County Council will have a statutory duty to lead the process and produce the economic assessment.

8. **Conclusion**

8.1. This is an important new responsibility for strategic authorities, as the evidence base will be used in the future to inform strategy and policy making at the local, sub-regional and regional levels. In undertaking the assessments, it will be necessary to take account of the broad range of factors that impact on the economic well being of individuals and communities – these factors will vary in importance from place to place but could include demographic change, sparsity and peripherality, environmental pressures, infrastructure and skills levels.

8.2. The Local Economic Assessment will therefore provide a mechanism for bringing all these factors and the hard evidence together in a common understanding of local economic conditions that should lead to improved interventions and better spatial prioritisation of investment.

Recommendation

It is recommended that Members of the Panel:

- (i) Accept the new duty, the governance arrangements and the financial and human resource implications for the County Council associated with this new responsibility.
- (ii) Agree to receive regular progress reports on the development of the Local Economic Assessment and provide input at future meetings. The next stage is to bring the proposal for the 'functional economic areas' in Norfolk to 13 January Overview and Scrutiny Panel and for these then to be endorsed by 25 January Cabinet.

Background Papers

“Local Economic Assessments : Draft Statutory Guidance” - DCLG, August 2009

Officer Contact

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

Name	Telephone Number	Email address
Michael Hand	01603 222735	michael.hand@norfolk.gov.uk



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**Nar Ouse Regeneration Area -
Proposed variation to previous agreement to support utilities'
diversions**

Report by the Director of Environment, Transport and Development

Summary

- In 2008, following recommendations from this Panel, Cabinet agreed to allow the £200,000 notionally allocated to support the Nar Ouse Regeneration Area (NORA) in King's Lynn, to be used to support the diversion of a gas main and other utilities. This was to allow a number of projects to take place including the proposed relocation of the College of West Anglia.
- This report describes how the LSC's funding plans have changed significantly and caused a rethink to the plans, and the necessary infrastructure.
- The site will now be used partly for the new Academy and partly for employment development, which will only require the relocation of the sewer pipe, not the gas pipe.

Action Required

- The report seeks Panel views that will be reported to Cabinet on the proposal to use the £200,000 from the Economic Development Strategic Sites fund originally allocated towards the necessary works that will lead to some significant projects of considerable economic value to the town.

1. Background

- 1.1 The Nar Ouse Regeneration Area (NORA) is a 'brown field site' (Contaminated from previous industrial use), that is being brought back into use by the Borough Council and its partners (including ourselves). To date over £22 million of public money has been spent by the Borough Council, East of England Development Agency, Norfolk County Council and the Homes and Communities Agency (formerly English Partnerships) on land purchases, remediation, provisions of roads, a new primary school and a new park. Up to a further £18.25 million (This includes a £2.75 million contribution from EEDA) will be spent by the Homes and Communities Agency (HCA) on the infilling and diversion of the Puny Drain, Millennium Community, community facilities and road improvements. In addition, a significant private investment has been
- 1.2 made by Morston Assets to develop land in their ownership. The initial vision was to create a Millennium Community, one of seven

designated by the Government in the country, including housing meeting high environmental standards, employment uses, schools, shops and community facilities. This has changed slightly over time to incorporate a site for an Academy, new College of West Anglia (CWA) campus and, potentially, an Anglia Ruskin University facility within the employment area. It is envisaged that as part of the wider King's Lynn Growth Plan Programme of Development employment uses will be developed elsewhere within the town to supplement the job outputs achieved through the NORA development.

1.3

On 1 December 2008, Cabinet agreed to allocate the sum of £200,000 as a contribution towards moving a major gas pipe and a number of related infrastructure works, including foul drainage, within the NORA site, principally to enable the relocation of the College of West Anglia. However, the recent decision by the Learning and Skills Council to delay progress on, or halt a number of Further Education projects has caused a halt on the progress of this project. The CWA relocation is of primary importance to the future of the town's economy and is part of a much larger regeneration programme, but the prospect of this being resolved has diminished to the extent that other options are now being actively pursued.

1.4

The other planned projects, such as the proposed Academy, are still going ahead and the Anglia Ruskin project may also yet proceed. In addition, the original plan for industrial units, badly needed in the town, can also be reconsidered. Although these projects can proceed without the need for the relocation of the gas pipe as it no longer poses a constraint, there is still a need to relocate the other services including the foul drainage. Unless this is undertaken, the Academy project cannot proceed.

1.5

As a result of the traffic implications associated with these works and the Community Infrastructure Fund works (CIF 2), which started on the 6th April 2009, it was necessary to start the utility works at the same time and gain the associated benefit of co-ordinating road closures and traffic mitigation measures of the combined schemes. If this opportunity was missed the result would have been that the utilities could have been delayed by at least 2 years and probably more, which in turn will affect the opening of an Academy, or any other development on the site.

2. **How The Works are being Funded**

2.1.

The following table gives a breakdown of the costs of the scheme and how they are being funded. It can be seen that the Borough Council and Morston Assets are sustaining considerable costs. These are in addition to costs already incurred in relation to other elements of the NORA project.

Item	Description	Total	MA Cost	BC Cost
1	Foul Drainage	1,972,910	962,583	1,010,327
2	Water	358,910	94,896	264,014
3	Gas	143,470	56,427	87,043
4	Electrical	2,003,645	548,999	1,454,647
5	Telecoms	193,210	52,901	140,309
6	Bridge Works	391,520	132,600	258,920
7	Highway Works - Eastern Link	500,200	40,016	460,184
8	Road Highway Works - Western Link	36,230	27,173	9,058
10	Footpath	239,752	81,199	158,553
11	Stage 1 Consultancy	403,123	136,530	266,593
12	Stage 2 Consultancy	86,750	65,063	21,688
	Remediation			
	Total	6,329,720	2,198,385	4,131,335

3 Proposal

- 3.1 Following the issues surrounding The Learning and Skills (LSC) funding of Colleges the CWA scheme is no longer viable and current proposals use the land allocated to CWA as the site for a new Academy. To aid the development the Borough Council still needs to divert the existing foul sewer which crosses this land, plus works to other infrastructure, but the relocation of the gas main is not required. The attached sketch shows the new layout. The Academy is shown outlined in blue, and the foul sewer is shown hatched in brown, running through the middle of the proposed building. The gas main, in red, does not affect this building proposal.
- 3.2 Our contribution was based on a combination of the sewer and gas pipe relocations, but although the gas pipe is no longer to be moved, the borough Council is still bearing over £4m of expenditure as can be seen in the table above.

3.3 A formal request has been received that the County Council sustains its originally intended support for the project costs that remain. Significant benefits will still be achieved on the NORA site especially through the establishment of the proposed Academy as well as enabling the creation of new employment space on the site. The next sections give a brief overview of these two key developments; collectively the rationale for our support.

4 The Proposed Academy

4.1 The failure of the Learning and Skills Council capital funding programme to support the relocation plans of the College of West Anglia has permitted the NORA partners to reconsider the use of the land on the NORA site originally identified for the College. The partners are supportive of the County Council's proposal for an Academy in King's Lynn and see the potential of this Academy as much greater if it is sited on the South Lynn land where the College was to be located. Indeed the lead sponsor (the College) and co-sponsor (the Norfolk Charitable Trust) have been clear that for them this relocation is central to their aspirations for the proposed Academy. The purchase of the site will be contained within the already approved Children's Services budget 2009/10.

4.2 The Secretary of State has already issued a letter of intent for the potential Academy and officers within Children's Services are working closely with the sponsors on the next formal step - the Expression of Interest. This will be submitted shortly. If approved by Ministers, the Academy proposal will enter feasibility stage, during which sponsors will work up the detail of the proposal. The current intention, subject to consultation, is for the Academy to open in the existing buildings of the Park High School in September 2010, with new buildings open on the new site in 2013

5 Employment Land

5.1 The total area of land designated within the NORA site for employment generating uses that will be fully serviced by the ongoing Utilities Contract is approximately 16.30 hectares. The area of the former COWA site, now proposed for the Academy, is approximately 7.30 hectares. This leaves a balance of 9.0 hectares available for employment generating uses.

5.2 The future developments are expected to generate employment opportunities within managerial, clerical, skilled and unskilled disciplines across land uses including B1, B2, and B8. Potential future occupants of the site include the Anglia Ruskin University facility, potential new buildings for the College of West Anglia, and Private Sector led inward investment or local business expansion projects.

5.3 The remaining employment land available after the Academy site is developed could generate, in total, up to 1380 jobs. After taking into account jobs that transfer from within the area, the NORA programme is hopeful that the remaining employment land will generate up to 730 new, high quality, employment opportunities in Kings Lynn.

6 Resource Implications

6.1 **Finance** : The sum of £200,000 is earmarked for supporting the Nar Ouse Scheme – an identified strategic site for Norfolk. Although it was agreed in 2008 to use the funding to divert a gas main and other utilities, the bulk of the work is still required.

6.2 **Staff** : None

6.3 **Property** : None

6.4 **IT** : None

7 Other Implications

7.1 **Legal Implications** : There are no legal implications associated with this report

7.2 **Human Rights** : There are no human rights implications

7.3 **Equality Impact Assessment (EqIA)** : It is not considered likely that the development of the Nar Ouse Regeneration Scheme will have a varying affect or impact on people due to their age, disability, gender, faith, race or sexual orientation.

7.4 **Communications** : There are no communications implications

8 Section 17 – Crime and Disorder Act

8.1 The project will contribute to the delivery of significant projects that will help to contribute to the raising of educational and learning standards and employment opportunities that we hope will improve the life chances of local people. The direct, indirect and induced job growth could be significant. A diverse and expanding employment base is a key component of a successful economy, leading to a positive impact on crime and disorder

9 Risk Implications/Assessment

9.1 The County Council is not bearing any of the development risks and as such it is considered that the risks to the County Council in relation to this grant are very low. The only identifiable risk is that our contribution does not eventually lead to the economic impacts described in this report. Demand for employment land has been strong and even if it is tempered by the current downturn.

10 Conclusion

10.1 By supporting the relocation of the foul sewer and works to other infrastructure, as part of a major package of measures to deliver the 30 acre employment area, it will contribute to the overall strategy that will see the employment land to the east of the Nar Ouse Way serviced and accessed to facilitate planned and future development.

Action Required

- (i) To recommend to Cabinet that support for the Nar Ouse Regeneration Scheme is sustained, through the provision of £200,000 from the Economic Development Strategic Sites fund to enable the relocation of the sewer and other infrastructure works

Background Papers

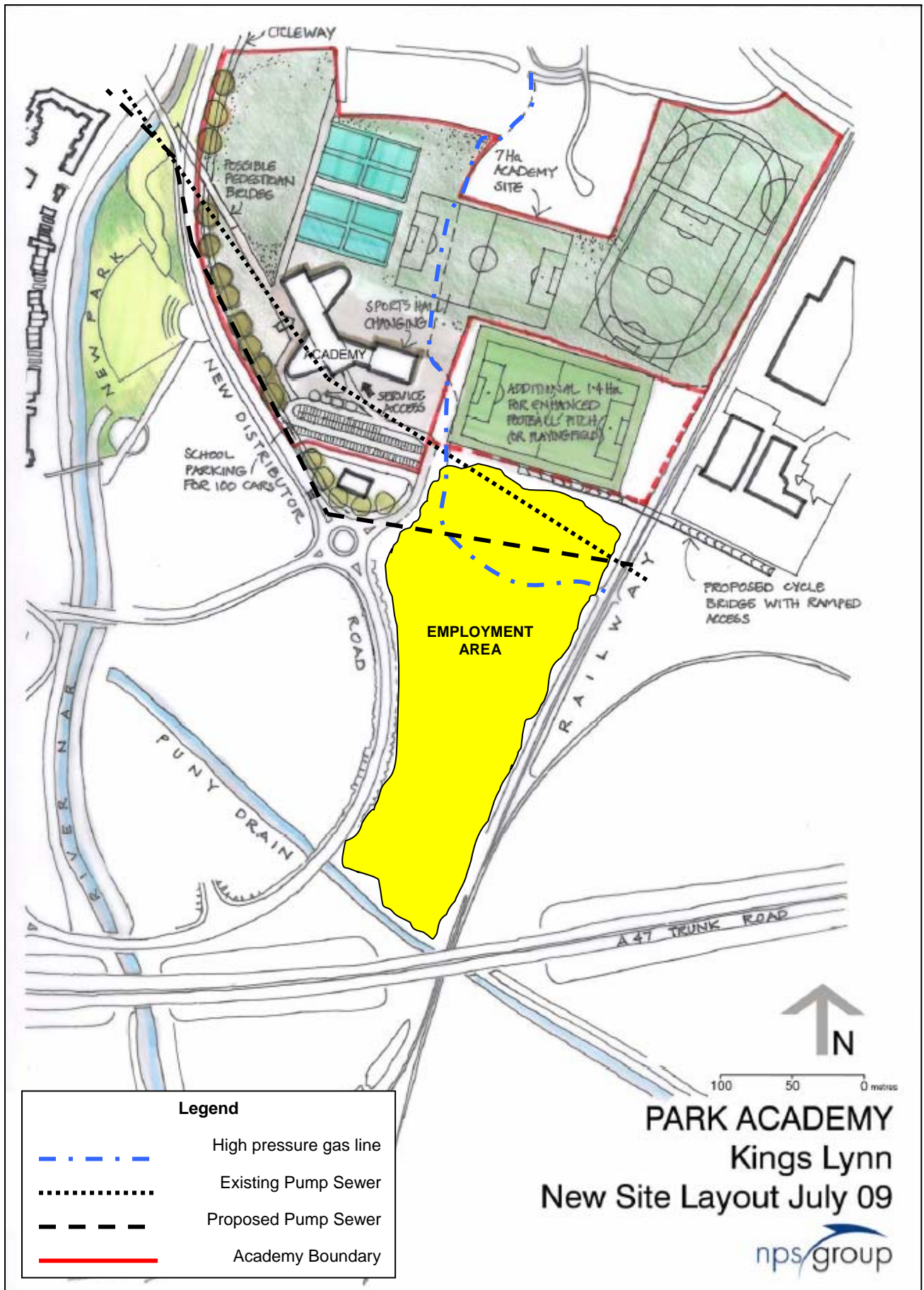
Officer Contact

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

Name	Telephone Number	Email address
David Dukes	01603 223142	david.dukes@norfolk.gov.uk



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Legend

- . - . - . High pressure gas line
- Existing Pump Sewer
- - - - - Proposed Pump Sewer
- Academy Boundary

PARK ACADEMY
Kings Lynn
New Site Layout July 09



Cultural Services Performance and Budget Monitoring Report

A report by the Director of Cultural Services

Summary

This report provides Panel Members with an update of Cultural Services service planning and performance together with a budget update for quarter two of 2009/10.

As at the end of September 2009, the forecast revenue out-turn for each of our services is a balance budget. There have been pressures resulting from increased utility costs for the Museums and Archaeology and Records Services that have been met from reserves.

There is a capital under-spend to report for the Acle Library project that will commence later than planned; the funding will be carried forward to 2010/11 to enable the project to be progressed in that year.

Library visitors have increased compared to last year and levels of visitors to Museums are almost the same as last year.

Service Plans for each of our services are on target for delivery and more detailed progress with these appears within this report.

1. Background

- 1.1 In order to show linkages between service plans and actual progress more clearly we are showing this in table format as an appendix. This sets out key service actions together with current progress and related performance measures.
- 1.2 This report now follows the format of a quarter two summary with supporting detail set out in the appendices.

2. Summary of Quarter Two Progress

2.1 Service Plans, Performance and Budget Summary

All services are on target for delivering their service plans that contribute to the Corporate Objectives and the Council's overall performance framework.

Each of the Cultural Services revenue budgets is expected to break-even this year based on information up to the 30 September 2009. There is one capital slippage to report regarding the Acle Library extension. These works are not now expected

to commence until January 2010; progress with the rest of the capital programmes is on target. Cultural Services Reserves and Provisions are being used as planned to support service development.

The Great Yarmouth community library has re-opened after a £1.3m Big Lottery investment which enabled the building to be re-shaped into a range of areas that can support reading and learning for groups and for individuals. All of Cultural Services are delivering services from the building and there are very good links with other community and learning providers in Great Yarmouth. We have recently been awarded a Working Neighbourhoods Fund grant for £0.050m to deliver a programme of 12 practical life-skills sessions targeted at people receiving Job seekers allowance, those not in employment, education or training (NEET), incapacity benefit recipients and young parents. The courses will be delivered through the creation of a garden at the community library on a WW2 theme, with a focus on self-sufficiency and good environmental practice.

The Library service has achieved an increase in visitors in quarter two; an additional 52,000 visits and 217,734 people have visited our museums in the first 6 months of this year compared to 218,056 last year. The percentage of Norfolk County Council schools supported by museums, visits and outreach activity is below the target figure for quarter 2 possibly due to school contacts for the current year.

3. Detailed Service Plan, Performance and Budget Content

- 3.1 Appendix 1 to this report provides information service plan actions, progress with those actions and information regarding measures related to those actions.
- 3.2 Appendix 2 provides an update of departmental indicators that contribute to the County Council's objectives, the Local Area Agreement, National Indicators and local indicators.
- 3.3 Appendix 3 provides information in detail on:
 - Projected revenue service budgets
 - Capital expenditure
 - Reserves and Provisions

4. S17 Crime and Disorder Act

- 4.1 Cultural Services is working hard to help address the issues of social exclusion, one of the key triggers for crime and disorder. The Cultural Services Department provides services that are accessible to local people, encourage participation in cultural activities by people who are at risk of offending, engage offenders through a range of cultural projects, assist schools in improving pupil attainment and deliver opportunities to increase the number of people who are in education, employment or training. Through these and many other projects Cultural Services is using its resources to contribute towards reducing crime and disorder in Norfolk.

5. Equality Impact Assessment (EqIA)

- 5.1 The Cultural Services Service Plan together with individual service plans, place diversity, equality and community cohesion at the heart of service development and service delivery. It aims to ensure that activities included in the service plan are accessible to diverse groups in Norfolk and that all policies, practices and procedures undergo equality impact assessment. These assessments help the service focus on meeting the needs of customers in relation to age, disability, gender, race, religion & belief and sexual orientation.

6. Resource implications

- | | |
|-----------------------------------|--|
| (a) <u>Finance</u> | The Libraries and Information, Museums and Archaeology, Record Office, Arts, the Adult Education Service and Norfolk Guidance Service are expected to achieve break-even budget positions in 2009/10. With the exception of Acle Library, capital schemes are on target for completion within the overall programme and reserves and provisions are being utilised as planned. |
| (b) <u>Property</u> | None |
| (c) <u>Staff</u> | None |
| (d) <u>Information Technology</u> | None |

7. Recommendations/Conclusions

The Economic Development and Cultural Services Overview & Scrutiny Panel is asked to note and comment on:

- The Cultural Services revenue and capital budget and reserves and provisions budget monitoring positions for 2009/10.
- Progress with service plans and performance to date.

Officer Contact

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

Paul Adams
Director of Corporate Affairs and Cultural Services
County Hall
Tel: 01603 222609
Email: paul.adams@norfolk.gov.uk

John Perrott
Finance and Business Support Manager
Cultural Services Department, County Hall
Tel: 01603 222054
Email john.perrott@norfolk.gov.uk



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PROGRESS WITH SERVICE ACTION PLANS

APPENDIX 1

Adult Education Tasks to 30/09/09		Please rate the performance Star (on track) Circle (not quite on track) OR Triangle (not on track)
Provide expanded opportunities for young people	Performance	★
	Comments	Curriculum offer was expanded for 2008/09 academic year resulting in high levels of recruitment. Further progress has been made in 2009/10 including securing funding to support 16-18 year olds to study Apprenticeships
Enhance the Learning Experiences of children	Performance	★
	Comments	Family Learning activity has been broadened to include activity funded via the Family Learning Impact Funding (FLIF). High levels of parents and children have been engaged
Promote sport and fitness related careers	Performance	★
	Comments	New qualification pathways for individuals to gain sport and exercise instructors status have been developed to complement existing swim coaching and lifeguarding qualifications.
Provide adults in Norfolk with opportunity to undertake Literacy and Numeracy quals	Performance	★
	Comments	Over 800 courses were run in Literacy, Numeracy and English for Speakers of Other Languages (ESOL) in the 2008/09 academic year, delivering high levels of recruitment and qualification achievements
Offer provision suitable for the deaf community in Norfolk	Performance	★
	Comments	Lip-reading and British Sign Language courses were successfully delivered in 2008/09 academic year, with 675 people enrolled on those programmes
Train and support community volunteers in community archiving skills	Performance	★
	Comments	Archiving Rural and Community History (ARCH) project activities took place in 26 different towns and villages. The independent evaluation shows that ARCH ran 113 activities with over 1367 participants in total.

Adult Education Measures to 30/09/09

No. of Train to Gain national vocational qualifications (NVQs) delivered	Actual	2,050
	Target	1,500
	Performance	★
	Comments	Target and performance relates to academic year 2008/09 (completed July 2009). Final reconciliation being completed but performance exceeds target at this stage
No of 16-18 yr olds studying FE	Actual	653
	Target	610
	Performance	★
	Comments	Target and performance relates to academic year 2008/09 (completed July 2009). Final reconciliation being completed but performance exceeds target at this stage
No of children engaged in family learning	Actual	6,900
	Target	2,500
	Performance	★
	Comments	Target and performance relates to academic year 2008/09 (completed July 2009). Final reconciliation being completed but performance exceeds target at this stage
Work with families across Norfolk	Actual	5,500
	Target	2,000
	Performance	★
	Comments	Target and performance relates to academic year 2008/09 (completed July 2009). Final reconciliation being completed but performance exceeds target at this stage

Arts Tasks to 30/09/09		Please rate the performance Star (on track) Circle (not quite on track) OR Triangle (not on track)
Ensure delivery of an Olympic programme for Norfolk	Performance	★
	Comments	The Norfolk Celebrating Talent Programme has now had over 30,000 attendees to its events since launching in Summer 2008. The NCT website was officially launched on 1st October.
Work with key partners across the cultural and sports sector	Performance	★
	Comments	We have been developing our work with Active Norfolk in delivering events and organising the awarding of the latest Sports and Cultural Foundation awards, which will take place in November.
Encourage and promote a diverse and vibrant arts sector	Performance	★
	Comments	The last Norfolk Arts Forum conference was entitled "Celebrating the Arts in Norfolk" and concentrated on encouraging and praising local initiatives
Continue to develop the membership of the Norfolk Arts Forum	Performance	★
	Comments	Membership is continually expanding and now stands at over 650 members.
Continue to collect LAA participation figures	Performance	★
	Comments	All LAA figures have been collected in time for new, earlier deadlines, with the 2nd quarter figures showing strong participation.
Contribute to work to achieve the Level 4 Equality standard for local government	Performance	★
	Comments	The Arts Officer has recently completed a new extensive Equalities document and all NAS events have completed equalities reports.

Arts Measures to 30/09/09

No of Arts SLA agreements awarded	Actual	24
	Target	24
	Performance	★
	Comments	We are currently interviewing all our SLA awardees and application for 2010/2011 funding is due to be received by mid-December
Arts Awards: No of young people achieving a qualification	Actual	43 in first quarter
	Target	133 after 4 quarters
	Performance	★
	Comments	Arts Awards in the Eastern Region of England currently has the highest number of young people achieving a qualification. There has been a 50% increase in the number of 1st quarter Arts Awards in Norfolk since 2008.
Norfolk Celebrating Talent: No of events	Actual	20 after 1st and 2nd quarters
	Target	40 after 4 quarters
	Performance	★
	Comments	
Norfolk Celebrating Talent: No of attendees	Actual	16,894
	Target	15,000
	Performance	★
	Comments	Participation has been greatly boosted by the latest Synergy event at Hunstanton's Lifestyle Festival, where approximately 9,000 people attended over three days.

Library Tasks to 30/09/09		Please rate the performance Star (on track) Circle (not quite on track) Or Triangle (not on track)
Deliver Council @ Your Library and CIC	Performance	★
	Comments	All service points are now operational
Develop plans for new library at HMP Norwich	Performance	★
	Comments	New library open
Deliver a programme of activities for older people	Performance	★
	Comments	Surf's Up IT courses in libraries continues to target older learners. Carers cafes aimed at carers of people with Alzheimers in three libraries. Reminiscence packs created and offered for loan.
Work in partnership with Adult Education	Performance	★
	Comments	Delivery of adult education classes in libraries - particularly successful at Great Yarmouth and NNML. Libraries are now part of the Norfolk Learning For Life Partnership. Joint delivery of Adult Learners Week activities
Detailed outcomes in Great Yarmouth Big Lottery funded project	Performance	★
	Comments	After a 9 month refurbishment, Great Yarmouth Community Library opened fully to the public as scheduled on 3rd October. The event was marked by a whole day of activities.
Continue to develop the change programme to increase use of self-service	Performance	★
	Comments	A further 14 libraries will have self service in 2009/10. First library to go live with self service will be Dersingham on October 5th
Library Measures to 30/09/09		
NI009 Use of public libraries	Actual	49
	Target	
	Performance	
	Comments	Based on Data collected through Active Peoples survey - as at April 2009
No of libraries delivering Council@yourlibrary	Actual	47
	Target	47
	Performance	★
	Comments	42 libraries have Council@yourlibrary plus 5 with Council Information Centres
No of library visits	Actual	2,794,321
	Target	2,820,807
	Performance	●
	Comments	
No of book issues	Actual	3,285,536
	Target	3,454,128
	Performance	●
	Comments	
BVPI 220 time taken to replenish stock - in years	Actual	4.50
	Target	6.50
	Performance	★
	Comments	
No of libraries where Book Prescription Scheme is available	Actual	47
	Target	47
	Performance	★
	Comments	
% age increase on completion rates for Summer Reading Challenge	Actual	20
	Target	5
	Performance	★
	Comments	

Museum Tasks to 30/09/09		Please rate the performance Star (on track) Circle (not quite on track) OR Triangle (not on track)
Support the implementation of Growth Point housing developments	Performance	★
	Comments	The Growing Communities regional museums partnership continues with ongoing work with a Film production company to produce a media presentation including all the sites as an advocacy tool for encouraging partnership work with councils to help deliver the planning process. Museums Sustainability and Growth conference being planned for 2010 in partnership with the Sustainability project. Partnership work with Shape East to deliver building in context workshops with schools in growth areas and points. Wider partnership work with NCC colleagues to plan and deliver a programme of workshops at Rackheath Primary School looking at the new Eco Community.
Support independent museums in Norfolk	Performance	★
	Comments	Two more independent museums now Accredited; three museums applying for Accreditation. Small grants scheme delivered. Training programme planned. NMAS staff supporting SHARE scheme. Independent museums supported to deliver learning programmes. Joint marketing scheme in feasibility and planning stage.
Provide learning support for young people	Performance	★
	Comments	Summer schools, museum clubs at Norwich Museums and Ancient House Museum and after school courses provided for young people. 'Picture This' project has commenced with young people's groups in West Norfolk. Work with young Travellers at Mile Cross site and Norwich Castle. Visual Dialogues project started with young people aged 16-18 in partnership with Tate Britain. Engagement work with young people about Caley's for the Bridewell.
Develop services for older people	Performance	★
	Comments	Their Past Your Future programmes successful delivered. 'One Memorable Day Out' has been delivered at Gressenhall Farm &
Protect, develop and increase knowledge of the historic and natural environment	Performance	★
	Comments	Norfolk Landscape Archaeology continues to work with the County and District Councils, farmers and landowners, English Heritage, Natural England, CLA, NFU, MoD, Forest Enterprise, conservation bodies, a wide range of external organisations, finders of portable antiquities, developers, consultants and archaeological contractors to record, protect, manage and promote the historic environment.
Provide high quality services that meet the needs of our audience	Performance	★
	Comments	Community consultation on the nature of the Bridewell Museum's display almost completed. Visitor research is undertaken as a normal part of museum activities in order to gauge visitor satisfaction and identify areas for improvement.
Museum Measures to 30/09/09		
No of planning applications dealt with	Actual	385
	Target	
	Performance	★
	Comments	59 (15%) were preapplication, and we commented on 237 (62%). That is a weekly average of 15 cases, of which we comment (on average) on 9.
Combined No of new and enhanced records on the NHE record	Actual	4,823
	Target	
	Performance	★
	Comments	Staffing changes and the involvement of HER staff in a characterisation project for the Greater Norwich Growth Partnership have had an impact, but no significant backlogs of data have accrued.
% of Museums fully accredited	Actual	100
	Target	100
	Performance	★
	Comments	NMAS has maintained high standards in museums operations, collections care and customer services. All museums continue to qualify for the UK museums standards award.

NRO Tasks to 30/09/09		Please rate the performance Star (on track) Circle (not quite on track) OR Triangle (not on track)
Continue working with past offenders	Performance	★
	Comments	A first meeting has been held for a project to work with the youth inclusion support panel to provide 10 sessions for children in danger of offending
Continue to produce archive exhibitions	Performance	★
	Comments	Three exhibitions have been held in the Long Gallery at The Archive Centre plus Hanse, Great Yarmouth and Norfolk Show exhibitions
Develop a display & childrens activities at Great Yarmouth Maritime Festival	Performance	★
	Comments	Held on 5-6 September, with facsimile display of celebrating a 'Century of Pleasure' (Great Yarmouth Pleasure Beach 1909-2009) and '250 Years of Bathing'. Over the two days 3065 people attended the event.
Provide resources and activities to celebrate national initiatives	Performance	★
	Comments	Participated in Parliamentary Archives/Parliamentary Outreach project 'People and Parliament - exhibition in Westminster Hall,'History Detectives' project in Norfolk and planning for Parliamentary exhibition and project work in The Archive Centre in 2010
Take advantage of funding opportunities	Performance	★
	Comments	Have received two awards of funding from commercial outside bodies, support from the MLA for participation in the SPAF programme for archives.
Develop King's Lynn Hanseatic Festival	Performance	★
	Comments	Completed. King's Lynn and the Hanse exhibition and activities provided at King's Lynn as part of the Festival, 1-2 August 2009; facsimile exhibiton panels also provided for display at All Saints' church .NRO contributed to Hanse History Symposium - audience of 87. NRO Hanse exhibition attracted over 600 people. A board game celebrating the achievements of the Hanseatic League has been created by Susan

NRO Measures to 30/09/09

No of exhibitions held across the county	Actual	21
	Target	15
	Performance	★
	Comments	Childhood, pattern book, Happisburgh, Dickleburgh, Walcott, Shipdham, South Creake, Hanse Festival, Norfolk Show, Gressenhall over 55s day, Banham, Gressenhall History Fair, Norwich Cathedral, Wacton, Tom Payne at Thetford, God save the King at Norwich Cathedral, Trimmingham, Westwick, Gressenhall Food Fair, Redenhall with Harleston. Three in the Long Gallery at The Archive Centre plus Hanse, GY, N Show parish exhibitions
No of events and resources to encourage learning	Actual	8
	Target	2
	Performance	★
	Comments	Maritime festival, Thetford Talks - 2, Activity sessions in Thetford - 3, Talk in Great Yarmouth, Tom Payne Exhibition in Thetford
No of people participating in events that highlight different communities	Actual	90
	Target	15
	Performance	★
	Comments	2 talks in Refugee Week- 90 Walk on Refugees- 64 Activity during Refugee Week- 30

1. Cultural Services Performance Monitoring

Reporting of performance indicators to this Panel for 2009/10 includes:

- National Indicators that relate to Cultural Services
- Indicators contained in Norfolk's Local Area Agreement (LAA)
- Local Indicators that are monitored as part of service plans

1.1 National Indicators that relate to Cultural Services

1.1.1 There are 7 National Indicators (NI's) that apply to the Cultural Services Department. Performance tables appear after section 2.5.2 below.

- Percentage of adults aged 18+ participating in at least three 30 minute sessions of moderate exercise per week (%) NI008
- Percentage of people who say they have used a public library service in the last 12 months (%) NI009
- Percentage of people who say they have used a museum or gallery in the last 12 months (%) NI010
- Percentage of people who say they have engaged in the arts at least 3 times in the last 12 months (%) NI011
- Percentage of non-English speaking third-country nationals who apply for ESOL courses achieving an ESOL qualification (%) NI013
- Number of learners achieving Level 1 in literacy (No.) NI161
- Number of learners achieving an Entry Level qualification in numeracy (No.) NI162

1.2 Indicators contained in Norfolk's Local Area Agreement (LAA)

1.2.1 The Local Area Agreement (LAA) is a three-year agreement between Norfolk and central government, to deliver improved outcomes across a range of priorities.

1.2.2 The LAA is essentially a performance management framework, a series of outcomes, measures, baselines and targets. It is the delivery plan for Norfolk Ambition, the county's sustainable community strategy.

1.2.3 The LAA contains two Cultural Services indicators. The first is designated

within the 35 key LAA indicators; the second is a local indicator that will contribute to overall LAA outcomes.

The indicators are:

- Adult Participation in Sport and Active Recreation (NI0008)
- Participation in cultural activities (Local) – this indicator contains measures for Arts Education and outreach, Arts Awards and Norfolk Celebrating Talent.

1.3 Local Indicators that are monitored as part of service plans

1.3.1 The following indicators are indicators of key service performance by the Museums and Archaeology Service:

- Percentage of Norfolk County Council schools supported by museums including visits and outreach activity (%)
- Total number of museum visitors (No.)

1.4 Reporting of Indicators

1.4.1 Cultural Services performance monitoring for Key Improvement areas and areas for sustaining progress are shown in the following tables that are presented in PRISM format, the Council's corporate performance reporting system.

1.4.2 Performance indicators each receive a performance alert which can be interpreted as follows:

On target or better



Missed target but within tolerance *



Missed target and worse than tolerance *



* The corporate standard set for the tolerance is between 0.01% and 5% worse than target.

Council Objective 5 - Improve the health and well-being of Norfolk's residents



Indicator	Category	Data Frequency	Current actual 09/2009	Current target 09/2009		Year End Target 03/2010	Comments
Percentage of adults aged 18+ participating in at least three 30 minute sessions of moderate exercise per week (%) NI008	* LAA, NI	Annual	21.40	23.00	▲	23.00	This is a positive move towards the LAA target of 24.2% (2010-11)

Council Objective 6 - Improve opportunities for people to learn throughout life

Indicator	Category	Data Frequency	Current actual 09/2009	Current target 09/2009		Year End Target 03/2010	Comments
Percentage of non-English speaking third-country nationals who apply for ESOL courses achieving an ESOL qualification (%) NI013	NI	Annual	N/A	N/A		N/A	There is a difficulty Nationally with the collection of this data, further government guidance is awaited.
Number of learners achieving Level 1 in literacy (No.) NI161	NI	Annual	848.00	850.00		N/A	Target and performance relates to academic year 2008/09 (completed July 2009). Final reconciliation being completed.
Number of learners achieving an Entry Level qualification in numeracy (No.) NI162	NI	Annual	329.00	240.00		N/A	Target and performance relates to academic year 2008/09 (completed July 2009). Final reconciliation being completed but performance exceeds target at this stage

* LAA is Local Area Agreement, NI is National Indicator, N/A = data is not currently available and will be reported at year-end.

Council Objective 9 - Improve and develop Norfolk's cultural heritage and resources

Indicator	Category	Data Frequency	Current actual 09/2009	Current target 09/2009		Year End Target 03/2010	Comments
Percentage of Norfolk County Council schools supported by museums, visits and outreach activity (%)	* Local PI	Monthly	48.30	54.00		80.00	We are currently awaiting teacher contacts for Aug and Sept; despite this there is still 15% increase in contacts with schools over QTR 1.
Total number of museum visitors (No.)	Local PI	Monthly	217,734	225,065		356,300	Visits are at same level as last year. Targets allow for higher numbers going through the link from the Castle to Regimental Museum than is possible with the refurbishment to the Mammals Gallery.
Percentage of people who say they have used a public library service in the last 12 months (%) NI009	NI	Biennial	49.40	**		**	Based on Data collected through Active Peoples survey - as at April 2009
Percentage of people who say they have used a museum or gallery in the last 12 months (%) NI010	NI	Biennial	51.70	**		**	Based on Data collected through Active Peoples survey - as at April 2009
Percentage of people who say they have engaged in the arts at least 3 times in the last 12 months (%) NI011	NI	Biennial	46.90	**		**	Based on Data collected through Active Peoples survey - as at April 2009

* Local PI is a performance indicator measuring key activity

** These PI's have not been adopted as measures within the LAA and there are no national targets

Revenue Expenditure Analysis and Performance Information

1. Revenue Expenditure Monitoring 2009/10

- 1.1 Based on the position at the end of September 2009, the latest projections for the 2009/10 budget indicates a break-even position for the Cultural Services Department. The projection for each service is summarized in the table below. Expenditure to date is in line with the profile of expected spending.

Service	Approved Net Budget £M	Expenditure to 30 Sept 2009	Latest Projections £M	Variance £M
Library and Information	12.922	5.063	12.922	0
Museums and Archaeology	4.299	1.067	4.299	0
Record Office	1.533	0.355	1.533	0
Arts and Cultural Grants	0.781	0.429	0.781	0
Adult Education Service	0.270	(0.749)	0.270	0
Norfolk Guidance Service	0	0.056	0	0
Departmental Total	19.805	6.221	19.805	0

- 1.2 The Cultural Services budget has changed by £234,570 since 1 April 2009 for the following reasons:
- £100,000 has been allocated towards the 2012 Games
 - £100,000 has been allocated to support the Norfolk and Norwich Festival.
 - £46,000 has been allocated to the NMAS to enable continuance of free admission to museums by schools in organised groups. All three of these sums have been funded from the Leader's Strategic Ambitions Fund
 - A reduction of £11,430 in respect of a corporate adjustment for a finance lease.
 - These figures have not changed since the last report to this Panel.
- 1.3 The Museums and Archaeology Service has drawn down reserves of £77,000 to pay for historic pressures relating to increased utility costs to balance the budget in 2009/10.
- 1.4 The Adult Education Service has drawn down reserves of £255,000 to cover reduced LSC funding in the 2009/10 academic year. The service receives notification of grant levels in May/June just before the academic year commences in September. The timescales for service and budget planning are condensed and use of the reserve will allow the service to make the necessary adjustments in the coming months. From April 2010 the LSC will not exist in its current form; some of its functions will transfer to the County Council and others to a new funding body The Skills Funding Agency.

- 1.5 The Norfolk Record Office has drawn down reserves of £97,000 to pay for increased utility costs at The Archive Centre in order to deliver a break-even budget in 2009/10. This figure has reduced by £16,000 since the last report to Panel due to in-year staff savings being used to replace reserves.
- 1.6 Contracts for electricity supply have been renewed from 1 October 2009 and are approximately 20% than last year. When we have the actual figures we will update our forecasts and use of reserves figures and also revise the prospects for the 2010/11 budget. This information should be available for the financial reports to this Panel in January 2010.

2. Monitoring of the Capital Programme

- 2.1 The capital programme is monitored over the life of the scheme rather than a single year. This reflects the life of the projects and the associated funding.
- 2.2 The Cultural Services element of the NCC 2009/10 capital programme is shown in the table below and this contains any programme revisions.
- 2.3 The Library and Information Service capital programme will be carrying forward £200,000 into the 2010/11 programme. This will allow for the co-ordination of capital between NLIS and Children's services and the building programme. Sufficient funding is retained in 2009/10 to pay for fees and planning permissions etc.

Table 1 – Capital Programme Summary

Service	Total Programme £M	Spend to 31 March 2009 £M	Estimated Payments 09/10 £M	Forecast 2009/10 £M	Variance 09/10 £M
Library and Information	8.096	5.819	2.277	2.077	0.200
Museums and Archaeology	2.767	0.640	1.050	1.050	0
Adult Education	0.003	0	0.003	0.003	0
Arts Service	0.750	0	0.500	0.500	0
Department Total	11.616	6.459	3.830	3.630	0.200

- 2.4 The following tables show the positions for individual service capital programmes. The term 'slippage' relates to an under spend of capital in the current year where the

funding will be carried forward to next year to allow the project to be progressed or completed.

Table 2 – Library and Information Service – Capital Programme 2009/10

Capital programme	Total Funding of Programme	Spend to 31 Mar 09	Estimated Payments 2009/10	Forecast to 31 March 2010	Over/ (Under spend)	Slippage
Schemes in Progress						
Dereham Library	2,167,925	2,163,092	6,224	6,224	1,391	0
Wymondham Library	1,976,923	1,889,210	87,713	87,713	0	0
Poringland New Library	871,680	867,226	4,454	4,454	0	0
Library Improvements prior years	297,510	262,223	35,287	35,287	0	0
Access improvements	948	0	948	948	0	0
Library Improvements 09/10	201,200	0	199,809	199,809	(1,391)	0
Self Service Equipment	418,932	222,101	196,831	196,831	0	0
Great Yarmouth Community Library	1,230,734	305,461	925,273	925,273	0	0
Great Yarmouth Refurbishment	110,000	0	110,000	110,000	0	0
Acle Library	250,000	0	250,000	50,000	0	200,000
Radio Frequency Identification (RFID)	250,000	0	250,000	250,000	0	0
Mile Cross UK Online	11,364	6,239	5,125	5,125	0	0
Total Schemes in Progress	7,787,216	5,715,552	2,071,664	1,871,664	0	200,000
Corporate Minor Works Schemes						
Prior Years	0	0	0	0	0	0
Corporate Minor Works 2009/10	22,260	0	22,260	22,260	0	0
Section106 Schemes ³	286,711	103,375	183,336	183,336	0	0
Total Capital Schemes	8,096,187	5,818,927	2,277,260	2,077,260	0	200,000

Funding of the NLIS Capital Programme

- The Dereham, Wymondham and Poringland libraries together with the Library Improvement Programme were funded through the NCC Capital Programme.
- The RFID programme is funded from Performance Reward Grant funds and revenue contribution to Capital. RFID Phase 2 is funded directly from the service.
- The Yarmouth Community Library feasibility works are funded from the BIG Lottery Fund (National Lottery funding for communities). The Yarmouth Refurbishment funding is allied to the project and funded directly by the service.
- Acle Library extension project is funded directly by the service.
- ³ Section 106 schemes are funded from developer contributions required of Planning Obligations legislation and can be spent over a period not exceeding 5 years.
- Corporate Minor Works relate to health and safety and DDA essential works that are funded by submission to the Corporate Capital and Asset Management Group that is funded from the NCC capital programme.

Table 3 – Museums and Archaeology Service - Capital Programme 2009/10

Capital programme	Total Funding of Programme	Spend to 31 Mar 09	Estimated Payments 2009/10	Forecast to 31 March 2010	Over/ (Under spend)	Slippage
Schemes in Progress						
'Arts of Living' Gallery	369,000	338,935	30,065	30,065	0	0
Bridewell Museum Development	1,490,339	35,738	472,059	472,059	0	0
Castle/Gressenhall/T & T catering	95,845	70,696	25,149	25,149	0	0
Castle Fire and Security Improvements	405,781	127,626	278,155	278,155	0	0
Prior Years Corporate Minor Works	259,215	66,926	192,289	192,289	0	0
Schemes in Progress - Total	2,620,180	639,921	997,717	997,717	0	0
2009/10 New Starts						
Corporate Minor Works 2009/10	4,235	0	4,235	4,235	0	0
Gressenhall Eco Buildings	143,000	0	48,000	48,000	0	0
New Starts - Total	147,235	0	52,235	52,235	0	0
Total Capital Programme	2,767,415	639,921	1,049,952	1,049,952	0	0

Funding of the NMAS Capital Programme

- The Art of Living Gallery is funded by a major contribution from Barclays Bank made through HEART and a major private donation.
- The feasibility element of the Bridewell Museum project was funded from NMAS. The indicative capital programme is £1.546m with funding submissions to the HLF of £0.998m, £0.224m NCC capital and £0.025m from the Friends of Norwich Museums and service contributions. The Capital budget has reduced by £ 56,474 due to expenditure being redesignated as revenue.
- Corporate Minor Works relate to health and safety and DDA essential works that are funded by submission to the Corporate Capital and Asset Management Group that is funded from the NCC capital programme.
- Catering improvements were funded from a mix of Corporate Minor Works and internal service funding.
- Gressenhall Eco Buildings are funded by NCC over 2 years with £48,000 in 2009/10 and £95,000 in 2010/11.

Table 4 – Adult Education Service - Capital Programme 2009/10

Capital programme	Total Funding of Programme	Spend to 31 Mar 09	Estimated Payments 2009/10	Forecast to 31 March 2010	Over/ (Under spend)	Slippage
Schemes in Progress						
2009/10 New Starts						
Corporate Minor Works 2009/10	3,308	0	3,308	3,408	100	0
New Starts - Total	3,308	0	3,308	3,408	100	0
Total Capital Programme	3,308	0	3,308	3,408	100	0

Funding of the Adult Education Capital Programme

- Corporate Minor Works relate to health and safety and DDA essential works that are funded by submission to the Corporate Capital and Asset Management Group that is funded from the NCC capital programme.

Table 5 – Arts Service - Capital Programme 2009/10

Capital programme	Total Funding of Programme	Spend to 31 Mar 09	Estimated Payments 2009/10	Forecast to 31 March 2010	Over/ (Under spend)	Slippage
Schemes in Progress						
2009/10 New Starts						
St George's Arts Centre *	750,000	0	500,000	500,000	0	0
New Starts - Total	750,000	0	500,000	500,000	0	0
Total Capital Programme	750,000	0	500,000	500,000	0	0

Funding of the Arts Service Capital Programme

- St George's Arts Centre is funded by the NCC over 3 years. It is planned that payments will be £500,000 for 2009/10, £100,000 for 2010/11 and £150,000 for 2011/12.

Cultural Services - Reserves and Provisions

The main changes in the forecast positions of reserves to 31 March 2010 are described below and the summary table appears overleaf.

- The Libraries ICT reserve is available to fund future years' ICT replacement costs for public PCs in libraries that were originally paid for from People's Network and other government funding. It is planned to use £205,000 during 2009/10 for the replacement of ICT.
- The Libraries Replacements and Renewals Reserve of £32,000 is planned to be fully utilised during 2009/10
- The School Library Service Replacements and Renewals Reserve of £25,000 is planned to fund changes to contracts in 2010/11.
- The Museums ICT Reserve has been reduced by £20,000 to pay for ICT replacements in 2009/10.
- The Museums Repairs and Renewals Reserve has been reduced by £30,000 to pay for planned improvements to the catering service.
- The Museums Income Reserve has been reduced by £77,000 to pay for increased utility costs. It is hoped to replenish this reserve in full or part during 2009/10.
- The Norfolk Record Office has reduced reserves by £97,000 to pay for increased utility costs at The Archive Centre. This is a change against the last Panel report when £113,000 was expected to be required, the change is due to an in-year staffing under spend of £16,000.
- The Adult Education Service has used reserves to cover reduced grant income in the 2009/10 academic year.
- The Norfolk Guidance Income Reserve has increased by £61,000 since the last report to this Panel as this now includes the 2nd year of funding of the Let's Work project. This is corporately funded from Strategic Ambitions funding and is available to assist unemployed people find alternative employment.

Cultural Services Department Reserves and Provisions 2009/10	Balances at 01Apr09	Forecast at 31Mar10	Change
	£M	£M	£M
Norfolk Library and Information Service			
Libraries Renewals and Replacement Reserve	0.032	0.000	-0.032
ICT Reserve	0.813	0.608	-0.205
School Library Service Replacements and Renewals	0.029	0.025	-0.004
TOTAL	0.874	0.633	-0.241
Norfolk Museums and Archaeology Service			
Museums Income Reserve	0.104	0.027	-0.077
ICT Reserve	0.027	0.007	-0.020
Museums Repairs and Renewals Reserve	0.040	0.010	-0.030
TOTAL	0.171	0.044	-0.127
Norfolk Record Office			
Residual Insurance and Lottery Bids	0.308	0.283	-0.025
Manuscript Reserve	0.038	0.000	-0.038
ICT Reserve	0.034	0.000	-0.034
TOTAL	0.380	0.283	-0.097
Adult Education Service			
ICT Reserve	0.029	0.009	-0.020
Redundancy Reserve	0.090	0.090	0
Income Reserve	0.300	0.065	-0.235
TOTAL	0.419	0.164	-0.255
Norfolk Guidance Service			
Income Reserve	0.079	0.140	0.061
Redundancy Reserve	0.037	0.037	0
TOTAL	0.116	0.177	0.061
Cultural Services Totals	1.960	1.301	-0.659

Service and Budget Planning 2010-13

Report by the Director of Cultural Services and Head of Finance

Summary

This report sets out the main planning considerations for the services covered by this overview and scrutiny panel and the context in which they are set. This includes the financial position and the relevant performance and improvement considerations which relate to the council's delivery of its corporate objectives.

It also sets out the overall funding prospects and spending pressures for the service and the draft, potential savings options for balancing the 2010/11 service budget.

The main issues for consideration affecting the services covered by this panel include:

- Service pressures of £0.557m and savings of £0.292m in 2010/11 which equate to 1.5% of the net budget. By 2012/13 the total savings requirement across the 3 years will have been £1.612m or 8% of the present net budget.
- The Museums, Libraries and Archives Council is currently reviewing Renaissance in the Region and we anticipate major changes in funding and organisation of the scheme that may affect the Museums and Archaeology service from 2011.
- Funding of the Adult Education Service by the Learning and Skills Council in its present form will change from April 2010 and will have implications for the Adult Education and Norfolk Guidance Services.
- The economic down-turn that may result in reduced income from our services.
- The detailed draft revenue proposals in Section 6 and Appendix B

Overview and Scrutiny Panel members are asked to consider and comment on:

- The planning assumptions and how they are applied
- The proposed spending pressures and savings set out in the appendices for each service
- Any specific issues that may relate to the capital programme.

1. Background

- 1.1. This discussion takes place in a financial climate for public services which has been widely described as 'dire' as a consequence of the national economic downturn. Though we know our level of Government grant for 2010/11, we don't know what it will be for the following two years. For planning purposes, therefore we are assuming that there will be no increases in grant levels over this period, since it is clear that a newly elected government will need to take drastic action to cut public spending in order to re-balance the country's finances.
- 1.2. In the light of such challenges, the Leader and Cabinet have agreed an organisational blueprint that describes how this council intends to develop its operations over the coming four years, to become a more responsive, efficient and streamlined organisation, focused on frontline services with increased value for money.
- 1.3. In addition, to help local people manage through the recession, the administration has assured Norfolk council tax payers that we will freeze the level of council tax for at least two of the next four years and, where we levy any increase, it will not be higher than the level of inflation.
- 1.4. Our planning for next year and the years to follow takes place within a clear framework and process agreed by Cabinet.
- 1.5. In August, Cabinet received and agreed a report¹ that set out the planning context, requirements and parameters services should use to steer their service planning. It confirmed as the authority's strategic intentions, the strategic ambitions, corporate objectives, values and key improvement areas set out in the County Council Plan 2008-11 and the outcomes we should focus on in our planning.
- 1.6. We deliver the County Council Plan through 34 detailed service plans which set out our service needs, outcomes, actions, targets, assessment of value for money and capacity. When we prepare them, we also consider the external and internal drivers for change, such as financial and economic predictions, performance and value for money, risks, customer needs and the impact of our services on the people of Norfolk.

Cabinet asked that we prepare draft service and financial planning requirements and budget options for discussion by county councillors in the November Overview and Scrutiny Panels and public consultation.

- 1.7. This paper sets out the planning issues and requirements relevant to the services covered by this Overview and Scrutiny Panel, together with a summary of the relevant corporate assumptions that underpin them. It also puts forward from the Cabinet Member in association with the service Chief Officer, some draft proposals for consultation based upon the financial parameters set by Cabinet in August.

¹ Service and Financial Planning 2010/11 to 2012/13 – Report to Cabinet 10 August 2009
File: CSD Service-Budget_Planning_10-13_Report November 2009 final.doc

The strategic and corporate context

- 1.8. The County Council Plan 2009-12 sets out our three Strategic Ambitions for Norfolk, which are closely aligned to the Norfolk County Strategic Partnership Vision. The ambitions are for Norfolk to be:

- An inspirational place with a clear sense of identity
- With a vibrant, strong and sustainable economy
- And aspirational people with high levels of achievement and skills;

It also sets out our nine Corporate Objectives (priorities) and our three cross-cutting Organisational Objectives, with the main areas where we want to improve, together with the targets set to help us know we have done so.

- 1.9. Each year we also assess the background and context for the County Council's work. Internal and external factors can affect our work positively or negatively and are factored into plans for how we provide our services and the implications for resources. Significant issues affecting County Council services during this planning period are outlined in Appendix A, but matters relevant to the corporate context include:

The impact of the recession

- 1.10. Like many other organisations, the recession is biting in a number of ways. For example, from a financial point of view our plans must reflect, in particular, less investment income, due to lower interest rates. However, unlike some organisations, demand for services is higher than ever, particularly in the demand led caring services and our service plans will need to consider this. We report progress on the Council's response to the economic downturn on a regular basis to the Economic Development and Cultural Services Overview and Scrutiny Panel.

The new organisational blueprint for Norfolk County Council and its implementation programme - Norfolk Forward.

- 1.11. A review of senior management structures is already underway and scheduled to report in December. The identified costs and savings associated with any agreed recommendations will be factored in to budget planning later in the process when the outcome is known.
- 1.12. As already reported to Cabinet in September, the costs of managing and operating the programme office, which will oversee the implementation of Norfolk Forward, are being contained within existing resources

Managing our performance

- 1.13. Our planning must reflect the elements of the performance framework for local government, including the Local Area Agreement (LAA), the Comprehensive Area Assessment (CAA), the National Indicator Set and implications for increased partner working including shared resources.
- 1.14. Under the final round of the former Corporate Performance Assessment (CPA) inspection regime, (2008), the Audit Commission assessed the council as

'excellent' awarding us 4 out of 4 possible stars. This tells us that on the whole, we are delivering effective and good value services.

- 1.15. This year, the Comprehensive Area Assessment (CAA) has replaced CPA. CAA assesses how well public services are working together to meet the needs and aspirations of their communities and using their resources to meet identified needs and deliver the outcomes set in the Local Area Agreement for Norfolk. In reaching its judgement, the Audit Commission also draws upon those judgements made by other inspectorates, such as Ofsted, to help reach its conclusions. The first CAA report for Norfolk will be published in December.
- 1.16. Inspection assessments on individual services and organisations are ongoing. The Audit Commission will publish the 2009 Performance and Organisational Assessment reports in December.
- 1.17. In addition, service and budget planning needs to take account of the challenging targets and outcomes agreed by partners in Norfolk Action, the Local Area Agreement (LAA) for Norfolk.

Modern Reward Strategy

- 1.18. Previous budgets provided for the impact of implementing the Modern Reward Strategy Project, (MRS), which will introduce new pay scales and pay-related conditions of employment for approximately 16,000 County Council employees (teachers and fire-fighters are excluded).
- 1.19. Although MRS has been delayed as a result of the time taken to pursue a collective agreement with Unison nationally, the authority is keen to implement its proposals with effect from April 2010 and Members of the Personnel Committee asked that the necessary steps be taken to secure this. The unions, Unison and Unite, have now balloted on the original proposal agreed in 2008 and a 'yes' vote was achieved, thus allowing the proposals to be implemented through a collective agreement.

Carbon Reduction Commitment

- 1.20. The Carbon Reduction Commitment (CRC) is an obligatory emissions trading scheme covering both public and private sectors. We will need to comply with the new scheme, which commences in April 2010, including ensuring we have adequate resources to procure the trading allowances and deliver energy efficient solutions. We are assessing how much money we will need to set aside to purchase allowances and budgeting for this corporately. The scheme will include an annual performance league table, with financial incentives and penalties based on our performance. To compare well against other organisations, plans need to consider energy usage and include ways of exploiting options to reduce it.

2. Financial context 2010 - 2013

- 2.1. The detailed assessment of financial prospects for 2010-13 is set out in the August report to Cabinet. It is necessarily a funding forecast for planning purposes only and we will continue to review it.

- 2.2. The Government has indicated that the previously announced grant settlement for 2010/11 (an increase of £12.0m) will be honoured. However, the Comprehensive Spending Review 2010 scheduled to cover the three years from 2011/12 has been deferred until after the General Election. This means we cannot be clear about financial prospects beyond the end of the next financial year (2010/11). For *planning purposes*, we are assuming a grant freeze for 2011/12 and 2012/13.
- 2.3. We are also assuming that there will be no change to the 'grant damping' arrangements. This is the adjustment the Government makes to Norfolk's calculated grant entitlement in order to compensate some other councils, which suffered a loss in grant when a new distribution formula was introduced in 2006/07. Over the past four years 2006/07 to 2009/10, Norfolk has had its grant adjusted downwards by a total of £96.8m.
- 2.4. In the light of the administration's pledge to keep tax increases within the level of inflation and freeze council tax in two of the next four years, *for planning purposes* we have assumed a council tax increase of 2% for 2010/11 and a tax freeze for 2011/12 and 2012/13.
- 2.5. Based on these assumptions our current net revenue budget of £559.9m, would increase by £18.9m in 2010/11 and then stay at that level for 2011/12 and 2012/13.
- 2.6. After allowing for funding of new external borrowing for the Capital Programme, Chief Officers were asked to approach their service and financial planning assuming a 2.5% budget increase in 2010/11 and no increase in 2011/12 and 2012/13. Following further consideration of the provision for pay inflation to be included in budgets for 2010/11, the Leader has requested this uplift to be adjusted to reflect an assumed pay freeze in 2010/11, for all awards still to be negotiated. For planning purposes only at this stage a provision of 2.25% pay increase remains for 2011/12 and 2012/13. Typically, additional cost pressures arising from inflation, demographic growth and new legal requirements total £50m each year. In 2010/11, the projected cost pressures are in excess of £43m, most of which is due to demand and demographic increases (£24m), inflationary pressures (£7m) and costs arising from changes in government legislation (£5m). As a consequence, we require considerable and ongoing cost savings if we are to sustain services and budgets over the medium term.

3. Service specific - strategic context

- 3.1 In addition to corporate issues, the Director of Corporate Resources and Cultural Services has identified the following as being of particular significance for this Panel:
 - A combination of demographic factors will impact on the demand for our services in the medium and long term. For example, Norfolk's population is growing faster than the regional average and we have large and growing numbers of people from Europe living and working in areas of the county. Norfolk is becoming more diverse, with rapidly increasing black and ethnic minority populations – already around 100 languages are spoken – and

Norfolk continues to have pockets of both urban and rural deprivation and isolation.

- The planned growth agenda is one of the biggest challenges and opportunities facing the East of England. With 508,000 new homes to be built by 2021 and an estimated one million more people living in the region by 2031, this housing-led growth will have a huge effect on local communities.
- The Norfolk Museums and Archaeology Service's (NMAS) Ancient House Museum in Thetford is leading on a regional Growing Communities project in response to this important issue. Place shaping is about "creating attractive, prosperous, vibrant, safe and strong communities where people want to live, work and do business". Museums and heritage have a key part to play in this process, a role acknowledged by the Regional Spatial Strategy which states we need to "build upon [a place's] distinctive character and support the development and consolidation of the local cultural heritage."
- Gressenhall Farm and Workhouse wishes to develop its reputation as an exemplar for sustainable living. This is linked to the museum's Go Green event held in 2007 and 2008, as part of a wider development of communication on site relating to the issues of environmental sustainability and climate change. In 2009, the sustainability agenda will be an integral part of the entire year's event programme

A key part of the programme is the construction of three new buildings on the Gressenhall Farm and Workhouse Site using a variety of sustainable construction and low carbon methods to address need for additional covered spaces. These proposals would provide a woodland outdoor classroom, a riverside pond dipping station and improved toilet provision for visitors. These structures will enable Gressenhall to build and sustain the audiences attracted by these single-day events, providing opportunities to showcase local initiatives with reference to carbon reduction and waste management throughout the open season.

- A review of libraries is currently being carried out by the Minister for Culture and Tourism and a consultation paper is expected to be published before the end of the year. This may have implications for the planning of future library provision although we are not aware of specific proposals at this stage.
- In common with other library authorities in the UK, Norfolk Library and Information Service (NLIS) has observed a downward trend with the uptake of sound and vision hire. This is thought to be due to a change in consumer behaviour where DVD's and CD's can be purchased or downloaded easily via the Internet. This does have potential for future budget pressures and is being closely monitored by the service and alternative sources of income are being explored.
- There are some changes expected in the coming year with Information, Advice and Guidance services that will be centred around the replacement of *nextstep* provision with the new Adult Advancement and Careers Service. The goal of this new service is to '*Provide a dynamic and visible careers and*

skills advice service accessible to the adult population'. It is expected that demand for the service will be high as the number of unemployed people remain high and the new service will be nationally branded with a large programme of marketing and promotions planned. The LSC has set a target of 47,000 individuals accessing the service in the Eastern Region.

The Norfolk Guidance Service plans to take a lead role in the development and delivery of this new service in Norfolk by utilising its skills and experiences, building on existing and creating new partnerships with Jobcentre plus and other key stakeholders.

- High and volatile prices of electricity and gas supply created financial pressures for the NMAS during 2008/09 and 2009/10 and some of the savings required in 2010/11 are required to offset this considerable financial burden that has previously been met from reserves. Whilst contract prices have steadied we continue to watch for price inflation in this area.
- Lastly, the present economic down turn has been a source of concern to the department, as it could lead to less take-up of our services and potentially some consequential income loss. So far this has not happened and visitor and income levels have, for example within the Museums Service, stayed much the same as last year. Whilst we look forward to that continuing we need to ensure that front line services are not affected in order to retain the attractiveness of the service to its customers. As a counter point, the Library and Information Service, in offering free services, is a benefit to people in need of free access to the Internet in their search for training and jobs. Similarly the Norfolk Guidance Service is supporting more people than ever in seeking to improve skill levels and to find suitable employment.

4. Financial and service planning for next year (2010/2011)

4.1. Corporate assumptions

All the County Council's consultation proposals use a set of common, corporate assumptions as a means of balancing the budget for 2010/11.

These assumptions are set out below in the interests of fairness and consistency. We invite Members' views on the assumptions and the principle that they should be applied corporately in each case, as part of their consideration of these service proposals.

Cash uplifts for services

- 4.2. Services have been asked to plan on the basis of an assumed budget increase of 2.5%, less an adjustment for the revised assumptions for pay, within which increased costs and pressures should be managed.
- 4.3. The adjusted uplift for the Cultural Services Department element is £0.265m. The proposals cover cost pressures of £0.557m that are not being completely met within this uplift and therefore require service savings of £0.292m to provide a balanced budget.

Absorbing inflationary pressures

- 4.4. A planning assumption has been made that departments will absorb inflationary pressures of 2% for general prices. This will apply to both expenditure and income budgets. The exceptions to this are £0.126m for increased utility costs. In addition, the department has utilised reserves of £0.204m in previous years to pay for increased utility costs and we will now include those costs within the planned budget for future years. However, at the point of writing this report, we understand contract prices for electricity have fallen by 20% from 1 October 2009, but this has yet to be factored into this assessment. When we know what the actual implications are for 2010/11, we will make any necessary adjustments to forecasts and present these to the January 2010 meeting of this Panel.

Staff costs

- 4.5. We are assuming that there will be no nationally negotiated pay increase next year for the public sector, with the possible exception of staff whose pay is subject to agreement by national pay review bodies, such as teachers and fire-fighters. The exceptions to this are £0.128m for an additional 0.7% contribution to pensions and £0.070m for increased holiday pay entitlement for sessional tutors employed by the Adult Education Service.

Tough purchasing

- 4.6. It is planned that goods and services will continue to be procured as efficiently as possible, driving down costs for Norfolk taxpayers whilst retaining quality.

The impact of this on the services being considered by this Panel is as follows:

- Savings created through effective procurement allow the service to spend more on improving the service for customers. An example would be the move to installing networked printer/photocopiers that enable us to remove significant numbers of individual printers that use very expensive consumables, some costing £100 to replace.
- And from the Museums and Archaeology Service: the introduction of an e-marketing newsletter and "postcards" to replace the majority of our surface mailings has resulted in more effective use of budgets. An individual surface mail shot costs about 30p, compared with our contract to deliver 90,000 email newsletters and "postcards" which cost 1p each. This has enabled us to increase awareness of individual events and smaller scale activities, and increase attendance. Mailing list members will receive about 12 emails a year and can opt out if they wish.
- Administrative purchasing efficiencies. Cultural Services uses the corporate mail contract through the NCC contract with TNT. Last year, we saved £7,400 by ensuring 93% of our mail went through this contract. This year, we expect to achieve £8,800 savings and there is potential for more in 2010/11. By using rail travel we have saved the equivalent of £6,071 in 2008/09 and expect to save an estimated £8,000 in 2009/10 and a similar figure in 2010/11.

Efficiency

- 4.7. The authority has an ongoing responsibility to reduce costs and improve efficiency. All planning is based on this understanding. We are on target to have delivered efficiencies of over £85m over the past six years by March 2010. The efficiency target set by government for next year is 4%. This requires us to find a further £19m savings. No service specific targets have been set; we are assuming and expecting all services to contribute towards the achievement of the total.

The impact of this assumption on the services being considered by this panel is as follows: the Library and Information Service propose to make savings of £0.029m from the stock fund with an expectation that the same quantity and quality of stock can be achieved with successful procurement. As part of an energy saving programme for all services we are able to declare energy savings of £0.012m, £0.006m each from the Museums and Archaeology Service and Records Office for 2010/11. We expect to declare further savings as work on sustainability progresses. Energy reductions also contribute to the Carbon Reduction Commitment for NCC.

Realistic charging

- 4.8. Prices for service charges and retail operations are reviewed at least annually to reflect changed economic circumstances and expectations or any significant changes in price, market or service.

Capital

- 4.9. In February, schemes and funding were considered within a three-year capital programme as part of the County Council Plan 2009-12. We have not made assumptions about the allocation of capital at this stage; however, it is assumed that capital bids are identified following option appraisal and that these will be evaluated by the Corporate Capital and Asset Management Group (CCAMG). These will be evaluated alongside existing schemes using the capital prioritisation model and recommendations for any revision to the programme will be reported to January Overview and Scrutiny Panels. The revenue consequences of capital spending (financing charges and changes in operational costs) have been incorporated within our financial planning.

There are currently no new schemes proposed for the Cultural Services Department for 2010/11, however we show for information at Appendix C the 2009/10 forward programme that was approved by the NCC in February 2009.

5. The principal challenges for this department

- 5.1 Performance against key indicators is continuously monitored. Identified risks associated with service delivery are also regularly monitored and reviewed and corporately significant risks are reported to the Audit Committee. Combined with budget monitoring, management processes are in place for known and emerging challenges facing services to be identified and monitored and for value for money to be assessed. Regular reports against

performance and budget targets are provided to this Panel and Joint Committees and then to Cabinet throughout the year.

5.2 The six-month update of progress against the actions within this year's service plans relating to this Panel is provided within a separate report on this agenda. This includes detail of progress against this Panel's relevant corporate and service objectives and current performance against key indicators.

5.3 Based on the latest information, the principal challenges facing the department that need to be taken into account when assessing the budget proposals and preparing the 2010/11 service plan include:

- Service budget savings in 2010/11 that amount to £0.292m or 1.5% of the net budget, will pay for inflation and utility costs that have increased sharply over the last two years and it is hoped that such levels of price inflation do not continue for the foreseeable future.
- Given that some of our services are supported by service charge income, we continue to watch the current economic climate for any evidence of changing consumer trends and preferences.
- The Museums, Libraries and Archives Council is currently reviewing Renaissance in the Region and we anticipate major changes in funding and organisation of the scheme that may affect the NMAS from 2011.
- Funding of the Adult Education Service by the Learning and Skills Council (LSC) in its present form will change from April 2010. It is proposed that funding will be through a mix of government grant paid through the SSA formula to local authorities and output related direct grants from the LSC successor body, the Skills Funding Agency (SFA). The challenge for the service will be in adapting service outputs to meet any changes in government priorities in time for the September 2010 adult education programme.
- Additional service savings for 2011/12 and 2012/13 will cover forecast inflationary rises only giving, in effect, a standstill budget. The implications are that the service will have saved £1.612m in 3 years and will represent an 8% reduction in real terms. Our strategy is to consider the next 3 years as one plan and to implement these proposals to deliver the savings on time. To achieve this individual services have created Efficiency Programme Boards which will have over-sight of the service during this period and continue to look for savings which do not affect front line services.

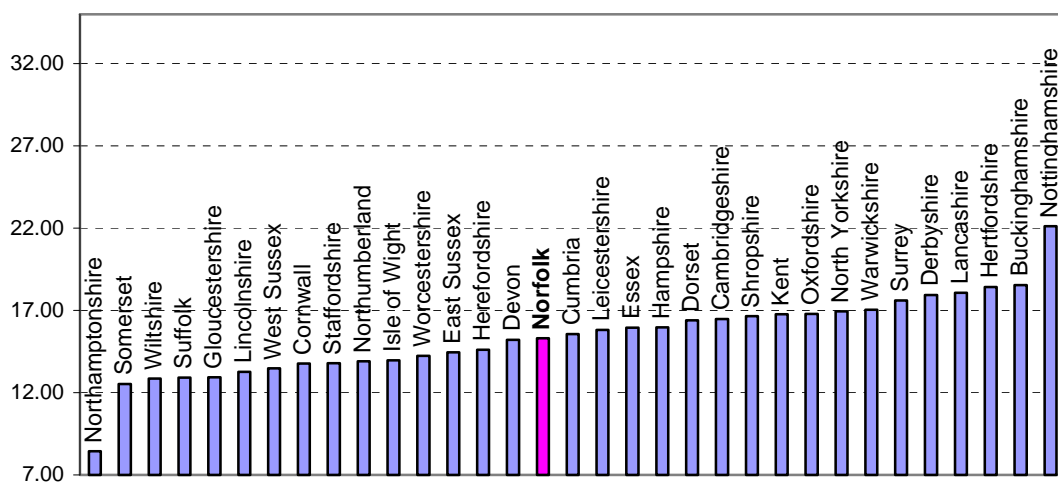
Value for money (VFM)

5.4 This section considers the value for money that the Cultural Services Department provides for the NCC and Council Tax payers.

- Value for money data for local authority services comes from the Society of County Treasurer's (SCT) database for 2008/09.

- The chart below shows the position of Norfolk Libraries in terms of cost per head of population. Norfolk is ranked 16th out of the 33 shire library authorities and just below the mid point at a cost of £15.30 for each head of population annually. The Norfolk and Norwich Millennium Library was the busiest library nationally in 2007/08. Data is not available for 2008/09 as yet. We consider the VFM assessment as relatively good for the Norfolk Library and Information service and the service continues to maximise income and reduce cost to make the service as cost effective as possible.

Cost per head of population - Libraries



- In introducing the National Indicator set for 2008/09 the Government included NI 010 which surveys the general population for their engagement with museums or galleries. Called the Active People Survey this is a Mori run survey that measures the number of people visiting museums or galleries of all types in Norfolk in the previous 12 months.
- The following table illustrates the results for authorities in the East Anglia area. As a reference point the highest scoring was Oxfordshire at 62.70.

Shire Authority 2008/09 East Anglia Area	Visits to museums and galleries NI 010
Lincolnshire	49.5
Norfolk	52.60
Suffolk	53.90
Cambridgeshire	59.80

- For other services within Cultural services including the Museums and Archaeology Service, financial information is not available in sufficient detail to enable comparisons of cost per head of population or to compare VFM between authorities.

6. Draft revenue proposals for this overview and scrutiny panel 2010 – 2011

- 6.1. The following proposals are brought forward by the Cabinet Member, in association with the service Chief Officer for consultation purposes, and views are welcome.
- 6.2. In 2010/11, the Cultural Services Department faces cost pressures of £0.557m and, after allowing for the proposed NCC budget uplift of £0.265m, has to make savings totalling £0.292m in order to deliver a balanced budget.
- 6.3. Appendix B sets out in more detail how those savings are proposed to be made together with some commentary on risks. Members will note that the approach is to show as much detail as is possible at this stage for years 2011/12 and 2012/13. We have considered the savings across the 3 years essentially as one package in order to ensure that preparatory work and any necessary resources to deliver those savings can be put in place to ensure a timely delivery. For this Panel for 2010/11, there is currently no shortfall when comparing service savings and cash uplift with service pressures.
- 6.4. Taking the Council budget as a whole, there is presently an overall shortfall in the savings requirements of some £5m based upon the proposals set out in all Scrutiny Panel reports. Work is ongoing to identify where further savings can be made, there are also some other budgetary pressures, which need to be finalised. For example, we need to make provision in 2010/11 for any projected loss on our Icelandic Bank investments. Latest information from the banks' administrators suggests that could be some £6m. We are also, at the present time, waiting to hear the outcome of our submission to enter the next round of Building Schools for the Future. The Council will need to agree how we meet this overall shortfall and other pressures not included within panel reports at this stage while still making progress on meeting our nine corporate objectives. Further information will be reported to Panel meetings in January.

7. 2011/12 and 2012/13

- 7.1. As reported to Cabinet in August we expect typically that the County Council will be incurring additional cost pressures of some £50m in each year. Within the attached service schedules some cost pressures for 2011/12 and 2012/13 have been identified. These will be kept under ongoing review.

8. Resource Implications

- 8.1. The implications for resources including, financial, staff, property and IT are set out in Sections 5 and 6 of this report and within the Appendices.

9. Equality Impact Assessment (EqIA)

- 9.1. The Cultural Services Service Plan together with individual service plans, places diversity, equality and community cohesion at the heart of service development and service delivery. It aims to ensure that activities included in the Service plan are accessible to diverse groups in Norfolk and that all policies, practices and procedures undergo equality impact assessment. These assessments help the service focus on meeting the needs of customers in relation to age, disability, gender, race, religion and belief and sexual orientation.

10. Section 17 – Crime and Disorder Act

- 10.1 The Cultural Services Department is working hard to help address the issues of social exclusion, one of the key triggers for crime and disorder. The Cultural Services Department provides services that are accessible to local people, encouraging participation in cultural activities by people who are at risk of offending, engage offenders through a range of cultural projects, assist schools in improving pupil attainment and deliver opportunities to increase the number of people who are in education, employment or training. Through these and many other projects the Department is using its resources to contribute towards reducing crime and disorder in Norfolk.

11. Action Required


- a. In light of the contextual and key challenges presented, overview and scrutiny panel members are asked to consider and comment on the planning assumptions and how these are applied, and on the proposed spending pressures and savings set out in Appendix B, in order to inform Cabinet members' discussions.
- b. Members are also asked to consider and identify any specific issues on the proposed list of new and amended capital schemes to be evaluated within the capital prioritisation model as part of the review of the three-year capital programme. The recommended capital programme will be reported to the January meeting of the Overview and Scrutiny Panel.

Officer Contact

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

Paul Adams
Director of Corporate Affairs and Cultural Services
County Hall
Tel: 01603 222609
Email: paul.adams@norfolk.gov.uk

John Perrott
Finance and Business Support Manager
Cultural Services Department, County Hall
Tel: 01603 222054
Email john.perrott@norfolk.gov.uk

 <p>IN TRAN communication for all</p>	<p>If you need this report in large print, audio, Braille, alternative format or in a different language please contact Jen McConnell on 0344 800 8020 or 0344 800 8011 (textphone) and we will do our best to help.</p>
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PLANNING CONTEXT – NEED TO CHANGE TO REFLECT UPDATED PLANNING CONTEXT

1. Key **demographic changes**, include:
 - Norfolk's population is growing faster than the regional average
 - We have increasing numbers of active older people – 81% of our over 85-year olds still live at home – raising implications for housing, independence and rising demand for the provision of care
 - Norfolk is becoming more diverse, with rapidly increasing black and ethnic minority populations – already around 100 languages are spoken
 - There are large and growing numbers of people from Europe living and working in areas of the county.

2. **Socio-economic factors**, such as:
 - Norfolk does have pockets of both rural and urban deprivation, and although the majority of people living in the county are not disadvantaged, 19% of children live in income deprived households
 - Generally good levels of health and higher than average life expectancy but there are people within our communities experiencing increasing inequalities in health and well-being, frequently correlating to areas of greatest deprivation in the county – for example teenage pregnancy
 - Obesity levels in the county continue to be of concern, with children's obesity being of particular concern; diseases normally seen in obese adults are becoming more common in children
 - Levels of adult participation in sport and active recreation in Norfolk remain much lower than in other parts of the country
 - Despite overall levels of crime falling in Norfolk, local people's perception of crime as an issue remains high.

3. Factors affecting **Norfolk's economy and skills**, including:
 - The current economic downturn is affecting employment and development nationally. Latest unemployment figures for Norfolk (as at mid August) show an increase in the number of people claiming job seekers allowance.
 - Norfolk already has one of the country's most significant financial service sectors, but our overall economic growth lags behind the regional average
 - Basic literacy levels in the county are below national and regional levels
 - Low wage and skills mean that that we need to create and attract more higher value jobs, such as jobs in knowledge-based industries
 - High and volatile price of crude oil impacts on the price of many oil derived materials
 - It is expected that Norfolk will see 78,000 new homes built and 55,000 new jobs created by 2021, with significant numbers of people travelling to work by car.

4. **Environmental factors**, such as:

- Local Government has been identified as having a key role in tackling climate change and developing a strategy to support the UK Climate Change Programme, by cutting all greenhouse gases and carbon dioxide emissions – this presents us with a significant leadership challenge as well as delivery of improvements to our own operations
- Climate change and water resources are of major concern in the county, with challenges around issues of coastal erosion, storm damage and flooding – and increasing severity of emergencies caused by natural occurrences
- Moving towards paperless transactions in order to reduce the amount of waste going to landfill
- The Government intends to introduce five-year carbon budgets which may be set alongside other operational, funding and taxation policies and are likely to affect expectations of standards and targets as part of the assessment of services, to encourage investment in low-carbon fuels and technologies.

5. **Advances in the use of technology**, including:

- Convergence of voice and data services over broadband networks to support increasing use of mobile and home working facilities
- Increased use of mobile devices such as laptops
- Switchover from analogue to digital television in 2012 means that many more people could access services in diverse ways, such as via the internet using their television
- As part of the Waste Strategy for England 2007, we may have to make further progress with technologies relating to landfill diversion and increasing recycling at home.
- Maximising technologies available to enable safe independent living.

6. **National policy and government legislation**, such as:

- Putting People First – the Government's shared vision for the transformation of Adult Social Care – including establishing community based support systems for the health and wellbeing of local populations, through bringing together and re-designing (health and care) local systems around the needs of citizens
- Care Matters: Time to deliver for children in care and Children & Young Persons Bill – the Government's expectations of the right quality care and support being in place for children in the care system
- Lifetime Homes, Lifetime Neighbourhoods – the Government's national strategy for dealing with housing in an aging society.

Revenue Budget Planning - Spending Pressures and Savings 2010-13
Economic Development and Cultural Services Overview and Scrutiny Panel
Cultural Services Department Summary

Ref	Description of cost pressures or service improvement - shown against the key driver	2010-11 £k	2011-12 £k	2012-13 £k	Corporate Objective and Risk assessment of key impact to performance, value for money, equality, environment, workforce etc.
1	Budget Uplift for planning purposes only	265	0	0	
	COST PRESSURES AND SERVICE IMPROVEMENTS				
2	Basic Inflation - Pay (2010-11 - 0%; 2011-13 - 2.25%)	0	444	454	
3	Basic Inflation - Prices (General 2%, School and social care passenger transport 4%)	-6	-6	-6	
	Additional Inflation - Pay				
4	Additional 0.7% contribution to Pensions (1% for 2011-13 years)	128	151	151	
5	Additional 0.5% increase in NI Employers contributions in 2011-12	0	96	0	
	Additional Inflation - Prices				
6	Utilities and service charges	126	0	0	
7	Increased room hire charges from schools	35	0	0	
	Government/Legislative requirements				
8	AdEd - increased holiday pay entitlement for sessional tutors (Working Time Directive)	70	0	0	
	Sub Total Legislative	70	0	0	
	Costs specific to meeting service strategies and improvements				
9	Cost met from reserves in prior years	204	36	0	
	Sub Total Service Improvement	204	36	0	

10	TOTAL COST PRESSURES AND SERVICE IMPROVEMENT	557	721	599	
11	Shortfall = Target to met by measures identified below	292	721	599	
Ref	Cultural Services - Proposed action	2010-11 Estimated Saving (£k)	2011-12 Estimated Saving (£k)	2012-13 Estimated Saving (£k)	Corporate Objective and Risk assessment of key impact to performance, value for money, equality, environment, workforce etc.
	Savings that do not impact on current policy				
12	NLIS savings	41	175	0	
13	NMAS savings	116	60	0	
14	NRO savings	103	86	45	
15	Arts savings	0	19	18	
16	Adult Education savings	32	108	78	
17	Norfolk Guidance savings	0	7	5	
	Savings that impact on current policy				
18	NMAS savings	0	70	100	
19	TOTAL SAVINGS	292	525	246	
20	SHORTFALL	0	196	353	

Revenue Budget Planning - Spending Pressures and Savings 2010-13

Norfolk Library and Information Service

Ref	Description of cost pressures or service improvement - shown against the key driver	2010-11 £k	2011-12 £k	2012-13 £k	Corporate Objective and Risk assessment of key impact to performance, value for money, equality, environment, workforce etc.
1	Budget Uplift for planning purposes only	175	0	0	
	COST PRESSURES AND SERVICE IMPROVEMENTS				
2	Basic Inflation - Pay (2010-11 - 0%; 2011-13 - 2.25%)	0	184	188	
3	Basic Inflation - Prices (General 2%, School and social care passenger transport 4%)	80	80	80	
	Additional Inflation - Pay				
4	Additional 0.7% contribution to Pensions (1% for 2011-13 years)	50	61	61	
5	Additional 0.5% increase in NI Employers contributions in 2011-12	0	36	0	
	Additional Inflation - Prices				
6	Utilities and service charges	86			
	Reductions in inflation pressures				
		0	0	0	
	Sub Total Inflation	216	361	329	
7	TOTAL COST PRESSURES AND SERVICE IMPROVEMENT	216	361	329	
8	Shortfall = Target to met by measures identified below	41	361	329	

Ref	NLIS - Proposed action	2010-11 Estimated Saving (£k)	2011-12 Estimated Saving (£k)	2012-13 Estimated Saving (£k)	Corporate Objective and Risk assessment of key impact to performance, value for money, equality, environment, workforce etc.
	Savings that do not impact on current policy				C09 Improve and develop Norfolk's cultural heritage & resources
9	Withhold inflation to stock fund budget	20			This group of savings will have a neutral impact on CC objectives in 2010/11 and should not impact on service delivery. We will monitor for any possible impacts to our customers.
10	Withhold inflation to ICT budget	12			
11	Stock fund efficiencies	9			
12	Stock fund reduction		50		
13	Review of delivery vehicle routes		4		
14	Review mobile library frequency of visits		47		
15	Efficiency savings from phases 3 and 4 of RFID		74		Service will be more reliant on electronic processing. Savings will be offset by some additional running costs. CC objectives not impacted.
	Savings that impact on current policy				
16	TOTAL SAVINGS	41	175	0	
17	SHORTFALL	0	186	329	

Revenue Budget Planning - Spending Pressures and Savings 2010-13

Norfolk Museums and Archaeology Service

Ref	Description of cost pressures or service improvement - shown against the key driver	2010-11 £k	2011-12 £k	2012-13 £k	Corporate Objective and Risk assessment of key impact to performance, value for money, equality, environment, workforce etc.
1	Budget Uplift for planning purposes only	50	0	0	
	COST PRESSURES AND SERVICE IMPROVEMENTS				
2	Basic Inflation - Pay (2010-11 - 0%; 2011-13 - 2.25%)	0	80	82	
3	Basic Inflation - Prices (General 2%, School and social care passenger transport 4%)	14	14	14	
	Additional Inflation - Pay				
4	Additional 0.7% contribution to Pensions (1% for 2011-13 years)	24	28	28	
5	Additional 0.5% increase in NI Employers contributions in 2011-12	0	18	0	
	Additional Inflation - Prices				
6	Utilities	24	0	0	
	Sub Total Inflation	62	140	124	
	Costs specific to meeting service strategies and improvements				
7	Costs met from reserves in prior years	104			
	Sub Total Service Improvement	104	0	0	
8	TOTAL COST PRESSURES AND SERVICE IMPROVEMENT	166	140	124	
9	Shortfall = Target to met by measures identified below	116	140	124	

Ref	NMAS - Proposed action	2010-11 Estimated Saving (£k)	2011-12 Estimated Saving (£k)	2012-13 Estimated Saving (£k)	Corporate Objective and Risk assessment of key impact to performance, value for money, equality, environment, workforce etc.
	Savings that do not impact on current policy				C09 Improve and develop Norfolk's cultural heritage & resources
10	Reduction to recruitment budget	5			Some service deterioration may occur over time.
11	Vacancy management and staffing review	80			
12	Reallocation of project income to revenue	15			No impact expected
13	Energy reduction savings	6			Contributes to the Carbon Reduction Commitment
14	Increased income from premises management arrangement in GY	6	7		No impact expected
15	Administrative savings	4			No impact expected
16	Security review savings at Norwich Castle		23		No impact expected
17	Increased admissions income		20		Will need to be reviewed to take account of economic conditions.
18	Increased income generation		10		
	Savings that impact on current policy				
19	Vacancy management and staffing review		70		Some service deterioration may occur over time.
20	Review of object storage premises			100	
21	TOTAL SAVINGS	116	130	100	
22	SHORTFALL	0	10	24	

Revenue Budget Planning - Spending Pressures and Savings 2010-13

Norfolk Record Office

Ref	Description of cost pressures or service improvement - shown against the key driver	2010-11 £k	2011-12 £k	2012-13 £k	Corporate Objective and Risk assessment of key impact to performance, value for money, equality, environment, workforce etc.
1	Budget Uplift for planning purposes only	18	0	0	
	COST PRESSURES AND SERVICE IMPROVEMENTS				
2	Basic Inflation - Pay (2010-11 - 0%; 2011-13 - 2.25%)	0	30	30	
3	Basic Inflation - Prices (General 2%, School and social care passenger transport 4%)	5	5	5	
	Additional Inflation - Pay				
4	Additional 0.7% contribution to Pensions (1% for 2011-13 years)	7	10	10	
5	Additional 0.5% increase in NI Employers contributions in 2011-12	0	5	0	
	Additional Inflation - Prices				
6	Utilities	9	0	0	
	Sub Total Inflation	21	50	45	
	Costs specific to meeting service strategies and improvements				
7	Cost met from reserves in prior years	100	36	0	
	Sub Total Service Improvement	100	36	0	
8	TOTAL COST PRESSURES AND SERVICE IMPROVEMENT	121	86	45	
9	Shortfall = Target to met by measures identified below	103	86	45	

Ref	NRO - Proposed action	2010-11 Estimated Saving (£k)	2011-12 Estimated Saving (£k)	2012-13 Estimated Saving (£k)	Corporate Objective and Risk assessment of key impact to performance, value for money, equality, environment, workforce etc.
	Savings that do not impact on current policy				C09 Improve and develop Norfolk's cultural heritage & resources
10	Use of reserves	33			One-off use of reserves increases year 2 savings target
11	Reduce other packaging materials budget	10			Possible effect on long term preservation of certain documents
12	Reduce box material budget	5			
13	Reduce no. of exhibitions of original documents	5			Possible impact on PR
14	Produce NRO Newsletter and Annual report in electronic format	5			Possible impact on PR
15	Reduce budget for external training and conferences	5			Impact on continuing professional development
16	Energy efficiencies, switching off unnecessary plant out of working hours	6			Contributes to the Carbon Reduction Commitment
17	Revise existing charges	4			Will need to be reviewed to take account of economic conditions.
18	Introduce and charge for new digital copying service	10			
19	Vacancy management and staffing review	20			These savings may impact on service delivery over time. Possible contravention of the HLF agreement.
20	Vacancy management and staffing review		86		
21	Vacancy management and staffing review			45	
	Savings that impact on current policy				
22	TOTAL SAVINGS	103	86	45	
23	SHORTFALL	0	0	0	

Revenue Budget Planning - Spending Pressures and Savings 2010-13

Norfolk Arts service

Ref	Description of cost pressures or service improvement - shown against the key driver	2010-11 £k	2011-12 £k	2012-13 £k	Corporate Objective and Risk assessment of key impact to performance, value for money, equality, environment, workforce etc.
1	Budget Uplift for planning purposes only	15	0	0	
	COST PRESSURES AND SERVICE IMPROVEMENTS				
2	Basic Inflation - Pay (2010-11 - 0%; 2011-13 - 2.25%)	0	5	5	
3	Basic Inflation - Prices (General 2%, School and social care passenger transport 4%)	12	12	12	
	Additional Inflation - Pay				
4	Additional 0.7% contribution to Pensions (1% for 2011-13 years)	1	1	1	
5	Additional 0.5% increase in NI Employers contributions in 2011-12	0	1	0	
	Additional Inflation - Prices				
6	Utilities/accommodation increases	2			
	Sub Total Inflation	15	19	18	
7	TOTAL COST PRESSURES AND SERVICE IMPROVEMENT	15	19	18	
8	Shortfall = Target to met by measures identified below	0	19	18	

Ref	NAS - Proposed action	2010-11 Estimated Saving (£k)	2011-12 Estimated Saving (£k)	2012-13 Estimated Saving (£k)	Corporate Objective and Risk assessment of key impact to performance, value for money, equality, environment, workforce etc.
	Savings that do not impact on current policy				
9	Reduce the grants budget	0	19	18	May lead to minor pressures from Arts organisations and possibly some adverse press.
	Savings that impact on current policy				
10	TOTAL SAVINGS	0	19	18	
11	SHORTFALL	0	0	0	

Revenue Budget Planning - Spending Pressures and Savings 2010-13

Norfolk Adult Education Service

Ref	Description of cost pressures or service improvement - shown against the key driver	2010-11 £k	2011-12 £k	2012-13 £k	Corporate Objective and Risk assessment of key impact to performance, value for money, equality, environment, workforce etc.
1	Budget Uplift for planning purposes only	7	0	0	
	COST PRESSURES AND SERVICE IMPROVEMENTS				
2	Basic Inflation - Pay (2010-11 - 0%; 2011-13 - 2.25%)	0	137	140	
3	Basic Inflation - Prices (General 2%, School and social care passenger transport 4%)	-110	-110	-110	
	Additional Inflation - Pay				
4	Additional 0.7% contribution to Pensions (1% for 2011-13 years)	44	48	48	
5	Additional 0.5% increase in NI Employers contributions in 2011-12	0	33	0	
	Additional Inflation - Prices		0	0	
6	Increased room hire charges from schools	35	0	0	
	Sub Total Inflation	-31	108	78	
	Government/Legislative requirements				
7	Increased holiday pay entitlement for sessional tutors (Working Time Directive)	70	0	0	
	Sub Total Legislative	70	0	0	
8	TOTAL COST PRESSURES AND SERVICE IMPROVEMENT	39	108	78	
9	Shortfall = Target to met by measures identified below	32	108	78	

Ref	NAES - Proposed action	2010-11 Estimated Saving (£k)	2011-12 Estimated Saving (£k)	2012-13 Estimated Saving (£k)	Corporate Objective and Risk assessment of key impact to performance, value for money, equality, environment, workforce etc.
	Savings that do not impact on current policy				C06 Improve opportunities for people to learn throughout life, also CO 1 - workforce skills and CO 4 - young people's learning and achievement
10	Generation of additional income	32			No impact on service delivery expected
11	Additional costs absorbed through management of overheads	0	108	78	No impact on service delivery expected
	Savings that impact on current policy				
12	TOTAL SAVINGS	32	108	78	
13	SHORTFALL	0	0	0	

Revenue Budget Planning - Spending Pressures and Savings 2010-13

Norfolk Guidance Service

Ref	Description of cost pressures or service improvement - shown against the key driver	2010-11 £k	2011-12 £k	2012-13 £k	Corporate Objective and Risk assessment of key impact to performance, value for money, equality, environment, workforce etc.
1	Budget Uplift for planning purposes only	0	0	0	
	COST PRESSURES AND SERVICE IMPROVEMENTS				
2	Basic Inflation - Pay (2010-11 - 0%; 2011-13 - 2.25%)	0	8	9	
3	Basic Inflation - Prices (General 2%, School and social care passenger transport 4%)	-7	-7	-7	
	Additional Inflation - Pay				
4	Additional 0.7% contribution to Pensions (1% for 2011-13 years)	2	3	3	
5	Additional 0.5% increase in NI Employers contributions in 2011-12	0	3	0	
	Additional Inflation - Prices				
6	Utilities/accommodation costs	5	0	0	
	Sub Total Inflation	0	7	5	
7	TOTAL COST PRESSURES AND SERVICE IMPROVEMENT	0	7	5	
8	Shortfall = Target to met by measures identified below	0	7	5	

Ref	NGS - Proposed action	2010-11 Estimated Saving (£k)	2011-12 Estimated Saving (£k)	2012-13 Estimated Saving (£k)	Corporate Objective and Risk assessment of key impact to performance, value for money, equality, environment, workforce etc.
	Savings that do not impact on current policy				
9	Additional costs absorbed through management of overheads	0	7	5	No impact on service delivery expected
	Savings that impact on current policy				
10	TOTAL SAVINGS	0	7	5	
11	SHORTFALL	0	0	0	

NCC Capital Priorities for Funding from Corporate Capital – approved February 2009

Capital Programme	Score	NCC Total (All Years) £M	Profile of Capital Requirements £m		
			2009-10	2010-11	2011-12
Libraries Refurbishments 2009/10 ²	36	0.196	0.196	-	-
Libraries Refurbishments 2010/11+	36	0.980	-	0.196	0.196
Gressenhall Farm & Workhouse - Eco-Buildings ¹	34	0.143	0.048	0.095	-
St. George's Art Centre, Great Yarmouth ³	28	0.750	0.500	0.100	0.150

Capital Programme Notes:

¹ The Gressenhall Farm and Workhouse Eco-buildings proposals to improve visitor facilities and toilet provision using a variety of sustainable construction and low carbon methods. These proposals would provide a woodland outdoor classroom, a riverside pond dipping station and improved toilet provision for visitors.

² The Library Refurbishment programme proposals seek to extend the programme that finishes in 2008/09 to ensure that libraries across the county comply with DDA legislation and provide suitable visitor facilities for the public to use.

³ St George's Development, Great Yarmouth. St George's Chapel is an unoccupied Grade 1 listed building in very poor condition. The proposed scheme would see the restoration and refurbishment of St George's into a new high quality cultural facility, with flexible facilities allowing for conferences, functions and community usage. The scheme is part of a wider regeneration programme in the King Street area of Great Yarmouth. The proposal is for a £0.750m contribution from the NCC towards the £9.2m scheme. Proposed funding partners include: DCMS, CABE, Heritage Lottery Fund (HLF), English Heritage (EH).

Forward Work Programme: Scrutiny

Report by the Director of Corporate Resources and Cultural Services

Summary

This report asks Members to review and develop the programme for scrutiny.

1. The Programme

1.1. The Outline Programme for Scrutiny (Appendix A) has been updated to show progress since the 16th July 2009 Overview and Scrutiny Panel.

1.2. Members of the Overview and Scrutiny Panel can add new topics to the scrutiny programme in line with the criteria below: -

(i) High **profile** – as identified by:

- Members (through constituents, surgeries, etc)
- Public (through surveys, Citizen's Panel, etc)
- Media
- External inspection (Audit Commission, Ombudsman, Internal Audit, Inspection Bodies)

(ii) Impact – this might be significant because of:

- The scale of the issue
- The budget that it has
- The impact that it has on members of the public (this could be either a small issue that affects a large number of people or a big issue that affects a small number of people)

(iii) Quality – for instance, is it:

- Significantly under performing
- An example of good practice
- Overspending

(iv) It is a Corporate Priority

1.3. Appendix B attached enables all Overview & Scrutiny Panel members to put forward considered proposals at the meeting with supporting information for a future scrutiny review. This then assists the Scrutiny Planning Group in applying the scoring system and seeking further information where necessary. The Group can then report back to the Panel recommending approval to add items to the scrutiny forward programme on the basis of their relative priorities.

2. **Section 17 – Crime and Disorder Act**

2.1. The crime and disorder implications of the various scrutiny topics will be considered when the scrutiny takes place

3 **Equality Impact Assessment**

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

Action Required

- (1) The Overview and Scrutiny Panel is asked to consider the attached Outline Programme (Appendix A) and decide how to proceed with the scrutiny topics listed.
- (2) The Overview and Scrutiny Panel is invited to consider new topics for inclusion on the scrutiny programme in line with the criteria at para 1.2.

Officer Contact

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

Name	Telephone Number	Email address
Laura Childs	01603 224295	Laura.childs@norfolk.gov.uk



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Outline Programme for Scrutiny

Standing Item for Economic Development and Cultural Services O & S Panel: Update for 12th November 2009

This is only an outline programme and will be amended as issues arise or priorities change

Scrutiny is normally a two-stage process:

- Stage 1 of the process is the scoping stage. Draft terms of reference and intended outcomes will be developed as part of this stage.
- The Overview and Scrutiny (O&S) Panel or a Member Group will carry out the detailed scrutiny but other approaches can be considered, as appropriate (e.g. 'select committee' style by whole O&S Panel).
- On the basis that the detailed scrutiny is carried out by a Member Group, Stage 2 is reporting back to the O&S Panel by the Group.

This Panel welcomes the strategic ambitions for Norfolk. These are:

- A vibrant, strong and sustainable economy
- Aspirational people with high levels of achievement and skills
- An inspirational place with a clear sense of identity

These ambitions inform the NCC Objectives from which scrutiny topics for this Panel will develop, as well as using the outlined criteria at para 1.2 above.

Changes to Programme from that previously submitted to the Panel on 12th July 2009

Added:

- The Recession (part A and B) – added by O&S Panel Task & Finish Group

Deleted:

- Business & Climate Agenda (Formerly entitled Green Industry in Norfolk) – O&S Panel Task & Finish Group decided this would be presented as an Overview report in November 2009
- Rural Development Programme for England - O&S Panel Task & Finish Group decided this would be presented as an Overview report in March 2010
- **Please Note:** The Overview and Scrutiny Panel will be given further sight of two reports regarding the 2012 Olympics presented to the panel (22/7/08 and 12/03/09) to discuss whether they wish to initiate a scrutiny on this theme

Topic	Outline Objective	Cabinet Portfolio Area	Stage 1 (scoping report)	Stage 2 (report back to Panel by Working Group)	Requested by	Comment
Scrutiny Items Outstanding/ Ongoing						
1a. The Recession	To ensure SME's remain viable during the latter half of the economic downturn and are well placed to take advantage of the forthcoming upturn	Economic Development			Overview & Scrutiny Panel Task & Finish Group (01/09/09)	
1b The Recession	To keep communities and individuals supported and economically engaged during the latter half of the economic downturn	Economic Development			Overview & Scrutiny Panel Task & Finish Group (01/09/09)	
2. Broadband and Telecomm provision in Norfolk	Provision of fully effective Broadband and Mobile Phone coverage for rural and urban areas in Norfolk	Economic Development			Overview & Scrutiny Panel Task & Finish Group (01/09/09)	

Completed Scrutiny Items:

Date	Topic	Method
22/5/2007	PE & Sport – Norfolk County Council	Report to Panel
25/7/2007	Cultural Services Environmental Policy	Report to Panel
26/9/2007	Hethel Engineering Centre	Report to Panel
26/9/2007	Support for independent museums in Norfolk	Report to Panel
20/11/2007	Norfolk County Council Arts Grants and Village Hall Grants	Report to Panel
17/1/2008	Business Waste Management in Norfolk	Report to Panel
17/1/2008	Norfolk Arts Partnership	Report to Panel
13/5/2008	The Cultural Contribution to Economic Development in Norfolk	Report to Panel
13/5/2008	The Growth Agenda in Urban Centres in Norfolk and its implications for this Review Panel	Report to Panel
13/5/2008	Partnership Working: Cabinet Scrutiny Working Group	Report to Panel
22/7/08	Norfolk Celebrating Talent: To see how best we can maximise the benefit of the 2012 Olympics.	Report to Panel
16/9/08	Business enterprise in education and work experience	Report to Panel
18/11/08	Keeping libraries safe, welcoming and secure for all users and staff	Working Group
18/11/08	Rural Community Council	Report to Panel
15/1/09	Norfolk Tourism – Review the effect of NCC involvement in tourism	Report to Panel

Assessment scheme for prioritizing scrutiny topics**Rules:**

1. No item should be added to the Forward Work Programme before being scored/ assessed.
2. The member proposing the item should score/assess the topic before submitting it to their Group Spokesperson on the relevant committee, providing as much supporting information as possible.
3. If the committee agrees that the topic should be pursued, the scrutiny planning meeting should consider the scoring/assessment and decide what priority the topic should take.
4. The Overview and Scrutiny Strategy Group should ensure that the right committee is doing the work and make connections with scrutiny activity previously done or already underway.

**Total Score needed: 50 or over for priority
45 or over for consideration
35 or over for future consideration
Under 35 - reject**

Proposed Topic:

Proposed by:

Objective/Outcomes:

Criteria	Score	Supporting information/evidence
		*Use separate sheet if necessary
a) Score 0-10		
Corporate Priorities/Objectives – Will the review contribute to the Council's objectives and priorities?		
Weak/Poor Performance – Are there issues of weak or poor performance?		
Public importance – Is the issue ranked as important by the people of Norfolk?		
Public dissatisfaction – Is there evidence of general dissatisfaction?		
Will scrutiny be of benefit to citizens (service delivery and improvement)?		
Member concern – Has the matter been widely identified by Members as a 'local Member' issue?		
b) Score 0-5		
Will the outcomes be measurable and of value (i.e., will the scrutiny 'make a difference'?)		
c) Score 0-2		
Legislation – Is there new Government guidance or legislation?		
Other Inspections – Have inspections been completed/are they expected?		
Audit – Has the issue been raised by the internal or external auditor?		
Will scrutiny be of benefit to the Council (Corporate governance)?		
Are there issues of financial control?		
TOTAL SCORE		

(Scoring: 0 shows you strongly disagree with the question raised under 'criteria' and 10 that you strongly agree)

Economic Development and Cultural Services Overview and Scrutiny Panel

17th November 2009

Item No. 15

Business and the Climate Change Agenda

Report by the Director of Environment, Transport and Development

Summary –

- This report provides members with an overview of current and emerging thinking in relation to the environmental or green economy and possible future actions
- It differentiates between Environmental Businesses (or businesses in the Low Carbon Environmental Goods and Services (LCEGS) sector; the efforts all businesses can take to improve their environmental performance and those at the forefront of R&D
- A key driver is the new Climate Change Act (2008) and the Low carbon Transition Plan that both predicts and seeks to drive major change
- The report gives some examples of the activity the Council is doing to help move towards a greener more sustainable economy. It also highlights the strength of the LCEGS sector and the benefits this can bring if it is to be fully harnessed. As well as the position of Norfolk as a world leader in several areas of related research and development

Action Required

- Consider whether the County Council is focussed on delivering or supporting the right initiatives.
- Consider what other activities the council could develop to support the green business agenda.

1. Background

- 1.1. Climate change is possibly the most significant issue that we face that affects our long term future prosperity, well-being and security. Mandates have emerged from various high level summits such as Kyoto, Rio, Edinburgh, Lisbon that are gradually instilling a call to action by national governments. In particular there is growing global attention on the upcoming Climate Change Conference in Copenhagen in December 2009. The conference will bring together world leaders to agree new targets to replace the Kyoto protocol which has had a strong impact on the actions of national governments since it came into force in 2005. In turn this had led to the adoption of a number of European Directives and underpins most EU funding programmes

- 1.2. Climate Change is now a top priority for central government, which recently introduced the Climate Change Act 2008 – the latest of many pieces of legislation that aims to respond to the various international mandates. The Climate Change Act sets ambitious targets and carbon budgets to reduce carbon emissions. It aims to bring about a fundamental change in the UK's economy.
- 1.3. Climate Change represents a significant economic risk. Locally, in terms of an increased likelihood of more extreme weather events. These can have immediate and sudden, catastrophic effects on communities through flooding for example, as well as longer term effects such as coastal erosion. We may also find agricultural practices seriously impacted, as certain crops struggle to thrive in hotter dryer summers. On an international scale, the same causes and effects can seriously impact our own food supplies and the supply chains for many of our key industries. However, this can also lead to the identification of opportunities.
- 1.4. The Climate Change Act requires a cut in carbon emissions by 2050 of 80%. Considering how much our carbon emissions have **increased** over the past 40 years presents a major challenge. This is only partly driven by the fact that carbon based fuels are finite and diminishing, with output unlikely to be able to continue to rise to cope with continued rising demand, from an ever increasing population.
- 1.5. While climate change is often seen as a threat, it also presents a huge opportunity and it is this that the government focuses on in its recently published UK Low Carbon Transition Plan (LCTP). It predicts by 2020 more than 1.2 million people will be in green jobs; 40% of electricity will be from renewable, nuclear or other low carbon sources. We will also be importing less than 50% of the gas we otherwise would and the average new car will emit 40% less carbon than now. This also links into the Government's New Industries, New Jobs Agenda (NINJA).
- 1.6. National initiatives have fed through to regional strategy – which in the case of the East of England had already embraced the low carbon sustainable growth theme - and local government through for example Local Area Agreements featuring climate change as a top priority. In Norfolk's case, the key strategy is Tomorrow's Norfolk, Today's Challenge – A Climate Change Strategy for Norfolk which is a comprehensive, partnership document covering all of the key issues that affect Norfolk. It is central to delivering the "Environmentally Responsible" theme in Norfolk Ambition.
- 1.7. This report aims to discuss some of the business issues related to climate change and a low carbon economy and focuses on the opportunities associated with:
 - **Direct intervention** - Helping businesses to adopt more sustainable practices
 - To be more efficient operations – including responding to government legislation
 - As consumers increasingly make purchasing decisions based on the relative carbon footprints of products and services.

- **Creating** jobs and businesses in the “environmental sector” – described as the Low Carbon Environmental Goods and Services (LCEGS) sector.
- **Developing new technology**, products and designs that will be of wider (possibly even global) benefit.”

It does not seek to cover the wide range of other issues covered in the Norfolk Climate Change Strategy.

- 1.8. Both reducing carbon emissions and taking advantage of new business opportunities is where positive change can happen and where the UK economy can become more prosperous. Investing in and developing green technologies such as marine and offshore wind energy and leading on the development of technology such as carbon capture storage is where the UK can emerge as world leaders in a low carbon industry. It is essential that Norfolk moves with this change and encourages and promotes entrepreneurial and innovative green industry so that we harness the growth this offers and so that we keep Norfolk sustainable.

2. **Direct Intervention – Improving Environmental Business Performance**

2.1 **Context**

A sustainable or green business is one that has little or no negative impact on the global or local environment, community, society or economy.

Essentially, from the business point of view, the key driver for improving environmental performance is that it will save money and subsequently save resources and reduce their carbon footprint. In some cases, businesses need to respond to legislation, but saving money through reducing consumption of valuable resources – be they power, fuel, water, raw materials, or consumables – makes sound business sense. Furthermore, the business benefits from an improved market image.

2.4 **Current Activity**

With the support of Business Link, Norfolk County Council provides free and impartial **environmental advice for businesses**. This is in the form of an Environmental Business Advisor with supporting information via the County Council website (www.norfolk.gov.uk/businesswaste). On average, the adviser provides guidance to around 250 businesses and training to over 35 businesses per year.

As the construction and built environment industries account for 47% of CO₂ emissions, these sectors must be encouraged to explore ways to reduce their impact on the environment. Para 2.9 below expands on this point

- 2.5 **Sustainable Procurement** - Norfolk County Council recognises the value of sustainable business practice and the competitive advantage this gives and promotes the message through it's partnership with the government funded Envirowise. Through this partnership the Green Supplier Support Scheme has been developed to help existing suppliers and any company considering becoming a supplier of Norfolk County Council to deliver long term efficiency

savings, encourage innovation and make more efficient and effective use of natural resources. For more information visit - www.big-e.org.uk/gsss

- 2.6 The Council has also led on the innovative procurement of more **sustainable fuels**, including biofuels testing in lease cars and in heating buildings. A trial was set up by the University of East Anglia, with the support of Norfolk County Council to determine whether biodiesel made from waste cooking oil could be used in a day to day environment as a partial replacement for mineral heating oil. The trials started in January 2009 and will be completed by March 2010
- 2.7 Activities to support and ensure efficient use of natural resources are wide ranging in Norfolk and Shaping Norfolk's Future (the economic development strategy for Norfolk), co-ordinates this activity with the support of Norfolk County Council. The group, made up of local government, including the Council, academia, business support services and business, aims to provide a platform in which collaborative activity can take place on different environmental initiatives around Norfolk. Shaping Norfolk's Future also supports the post of Sustainable Prosperity Officer.
- 2.8 Significant resources are expended daily through commuting. The Council also works to **encourage smarter travel choices** and does this through the Travel Planning team within Planning and Transportation. The team works to reduce the number of journeys made by car by working with schools and businesses to create travel plans.
- 2.9 The Council is also Norfolk's largest employer and operates from one of the largest property portfolios of any commercial operation in Norfolk. As such its carbon footprint is not insignificant but NPS Property Consultants is developing a strong body of expertise to both monitor the Council's resource consumption as well as take positive steps to reduce it. For example the government's energy efficiency scheme (CRCEES) is driving investment in automated energy meter reading and NPS has identified every site where this needs to be installed to achieve maximum credit under the CRCEES.

The current and future energy reduction measures will enhance the council's performance under the CRCEES, National Indicators NI 185 and 186, and ultimately NI 188.

Norfolk County Council, NPS and Build Norfolk are delivery partners in the new EU funded BEST East programme that seeks to help construction clients and small and medium businesses in the construction supply chain to benefit from a minimum of a 4% gain in value from their capital projects by improving triple bottom line results such as *savings on carbon, cost, water and waste, together with improved quality and staff satisfaction*. This would then provide the opportunity to embed these new approaches into future developments in the built environment, thereby contributing to sustainable development

- 2.10 **REV Active** – REV ACTIVE is a £3.2 million EU funded project, led by Breckland Council and supported by Norfolk County Council, South Norfolk Council, Norwich City Council, and Shaping Norfolk's Future. This three year project is designed to help Small to Medium sized Enterprises (SME's) to recognise & implement resource efficiency improvements to reduce their carbon

footprint and cost base through direct support.

3 Jobs in the Low Carbon Environmental Goods and Services (LCEGS) sector

3.1 Context

Most businesses to which initiatives described in parts of Section 2 are aimed at are conventional businesses, offering conventional services or producing conventional goods. There is a great deal that can be done to improve the sustainability of such businesses.

3.2 However, there are a growing number of businesses trading in the environmental sector. These are businesses that trade in sustainable products or deliver sustainable services, in many cases these environmental goods and services are additions to the portfolio of businesses operating in other sectors (e.g. installation of solar thermal heating systems by a plumbing business). Globally, the market is said to be worth over \$1.3trillion and could treble by 2020. Countries with a strong cluster of LCEGS businesses are expected to emerge most quickly from the current recession.

3.3 Nationally, the market is valued at around £25billion and employs 400,000 people. The market could double by 2015 and the Government has estimated that investment of £100billion alone will be required to deliver a 15% renewable energy target by 2050

3.4 Current Activity

The Environment team within Planning and Transportation works on a number of projects which fall under the umbrella of green industry. In reviewing these projects it is clear there is a strong agenda for reducing carbon emissions and in changing the habits of Norfolk residents to become more environmentally friendly.

3.5 **Low carbon projects** led by the team include a project to make old historic buildings energy efficient by working with local contractors to train them in the conservation of historic buildings. Another project, Woodfuels East, set up with the Forestry Commission and funded by the EU, EEDA and DEFRA, aims to encourage the installation of wood fuel boilers. Outcomes of the project include the creation of jobs, 15,000 ha of unmanaged woods brought into production and a result in savings in 75,000 tonnes of carbon dioxide by 2013.

3.6 A specific project to encourage Norfolk residents to become greener is the design and promotion of **150 health walks** across Norfolk to get people exercising and not using their cars. Coast Alive, funded by the EU is another project that aims to encourage healthy activity without using a car. European Funding is a key driver in being able to create and take forward projects that benefit the local area

3.7 Other possible areas of activity

The Low Carbon Transition Plan identifies that there is a need to provide basic insulation to 10m homes – (walls and lofts). With a budget of £500m per year for 10 years, this would create over 20,000 jobs in the construction industry. BUILD Norfolk would be ideally placed to support the supply chain across the county.

- 3.8 The Plan also identifies that 7m homes will need solid wall insulation and it is proposed to use a £1bn fund to provide householders with interest free loans. This could create an additional 5000 jobs. Careful assessment of the potential for this type of insulation would be needed, in order to establish the extent to which it could be feasible for homes in Norfolk.

4 Research and Development

4.1 Context

A significant amount of the knowledge and technology needed to tackle many of the problems identified in Tomorrow's Norfolk, Today's Challenge (for example) is already in existence. It may require further work to enable commercialisation and mainstream adoption and in many cases presents an opportunity to businesses in the LCEGS sector. However, there is no doubt that a great deal of further R&D is required to enable continued technological advances.

4.2 Current Initiatives and Activity

Norfolk has some distinct advantages in terms of R&D and to build on this The East of England Low Carbon Innovation Programme is being developed by EEDA as a five year strategy to create an environment where businesses and institutions thrive through investing in R&D in low carbon technologies. More information can be found at www.eeda.org.uk/4384.asp

- 4.3 The Norwich Research Park (NRP) is a prime example of world class research. Bringing together the UEA's Climatic Research Unit; Low Carbon Innovation Centre and the Tyndall centre. It is at the forefront of research in climate change and more importantly measures to tackle or mitigate the impacts. For more information on all of these initiatives visit www.nrp.org.uk

- 4.5 A specific example of collaboration between the centres is that of the Earth and Life Systems Alliance (ELSA). ELSA researchers are aiming to understand fundamental biological processes in plants and microbes, and how changes to these processes have impacts on a larger scale.

- 4.6 The NRP Vision clearly identifies how the above initiatives contribute significantly to the global challenges of today. Central to these initiatives, and an important development that will add value to them all, is the emergence of the Genome Analysis Centre – heavily supported by the County Council. For more information visit www.tgac.bbsrc.ac.uk

- 4.7 World class research also takes place in Great Yarmouth where there is one of the largest concentrations of expertise in energy generation in the UK. Whilst the focus for the time being needs to be maintained on producing the UK's energy needs from conventional sources, this substantial body of expertise is also at the forefront of innovation in alternative energy

- 4.8 Related to energy, the Hethel Engineering Centre, set up and supported by Norfolk County Council, is at the forefront of new technology in energy conservation. Many of the world's most significant automotive engineering advances have occurred through the performance motor sport sector and several of HEC's tenants are examples.

4.9 Another substantial development is in the field of wind energy. Although there will be job growth in terms of installation and maintenance, the major prize is to be found in the development of a UK based turbine supply chain. HEC has recognised the opportunity and identified potential businesses that could build the capability and resource to meet this demand, a development that has caught the interest of national government. The group called Eastern Region Wind Energy (ERWE) aims to establish a supply chain with the capability to design, develop, test and supply components into the wind turbine market and allow those companies within the consortium the platform to break into this growth industry and showcase their products to manufacturers worldwide. This in turn would either attract an outside investor to the UK to start up a production facility or produce a home grown manufacturing plant. The East of England is a hotspot for growth in wind energy, of which Sheringham Shoals is an example of this. By leading the way, not only can thousands of green jobs be created but Norfolk and surrounding counties would be at the forefront of green technology innovation.

4.10 **Future Developments**

The NRP and Hethel will be at the centre of a number of significant R&D advances in the coming years, especially if the development plans at both locations progress to enable commercial development to exploit it.

4.11 The Council can also be receptive to assisting with the testing and development of commercial ideas, particularly those which have links to core activity.

5 **Resource Implications**

5.1 **Finance** : This report is not recommending any specific courses of action, so there are no direct financial implications, but it must be recognised that new activity will inevitably have a cost impact

5.2 **Staff** : Again, as there are no specific recommended courses of action this report does not directly affect staff. Clearly, in the longer term, there are wider implications that the County Council may need to consider, in the pursuit of a low carbon economy both as a major employer and in its community leadership role that could affect staff.

5.3 **Property** : The requirement to reduce carbon emissions from the County Council's property holdings will be an increasingly significant driver for the rationalisation of the estate in the future. This will result in excess capacity being removed and for utilisation and environmental efficiency to be improved. This rationalisation process will also act as a catalyst for the consideration of new ways of working and alternative service delivery models.

5.4 **IT** : Wider consideration could also lead to changes in the Councils use of ICT

6 **Other Implications**

6.1 **Legal Implications** : As identified in the Climate Change Act 2008, as an employer, the Council may potentially have obligations

6.2 **Human Rights** : None identified

6.3 **Equality Impact Assessment (EqIA)** : None identified

6.4 **Communications:** The Council could potentially lead as an exemplar low carbon organisation and through this raise its profile.

7 **Section 17 – Crime and Disorder Act**

7.1 None directly identified, however, it is worth noting that the consequences of a no change approach to climate change and its effects, with the inevitable result of continued rising costs of energy, fuel, food and other essential commodities, could lead to social unrest.

8 **Risk Implications/Assessment**

8.1 None directly identified in this report

9 **Conclusion**

9.1 The Council supports or undertakes a considerable amount of activity to help move towards a greener more sustainable economy and this report gives a flavour of it. This report also highlights the strength of the LCEGS sector and the benefits this can bring if it is to be fully harnessed. Norfolk is a world leader in research and development in climate change, being home to world leading research projects and innovation. There are clearly huge benefits to gain from moving towards a low carbon economy.

Action Required

- (i) Consider whether the County Council is focussed on delivering or supporting the right initiatives.
- (ii) Consider what other activities the council could develop to support the green business agenda

Background Papers

Officer Contact

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

Name	Telephone Number	Email address
David Dukes	01603 223142	David.dukes@norfolk.gov.uk



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The Contribution of Culture to the Economy in Norfolk

A report by the Director of Corporate Resources and Cultural Services

Executive Summary

At the meeting of the Economic Development and Cultural Services Review Panel in May 2008 Members received a report on the cultural contribution to the economy in Norfolk. The May 2008 report can be seen on the Committees section of the Norfolk County Council website.

This report updates the Panel on some of the ways in which Cultural Services' activities contribute to the economy and in particular how we are supporting people in Norfolk in the current economic climate.

Section 1 of the report gives an outline of the regional and national context which shows that the creative sector contributes much to the economy of the country and to the county.

In Section 2, the report gives examples of investment in cultural projects in Norfolk, the impact this has had in terms of audience and participation figures, and how this investment has attracted significant external funding into the county.

From Section 3 onwards the report outlines how the Cultural Services Department contributes to the economy of Norfolk, particularly at a time when the effects of the recession are having an impact. The department offers support to people through volunteering and employment opportunities and offers a range of services that enable people in Norfolk to develop new skills, both in and out of school.

Cultural Services is responsible for a large number of public buildings which provide safe and welcoming spaces for people to access a wide range of services. We offer support to businesses and consumers and advice to individuals, helping to create a talent pool that employers need.

Conclusion

The report notes that Cultural Services makes a very significant contribution to the economy of Norfolk through the wide-ranging services provided by the department.

Action required

The Panel is requested to discuss the report and to identify if there are any areas it wishes to scrutinise further.

1. Context

- 1.1 Nationally and regionally it is recognised that the creative sector contributes much to the economy of the nation.

The creative economy is worth more than £60 billion to the wider British economy. The creative industries are a vital part of the region's economy. There are particular strengths in the visual arts, performing arts, creative writing, music, media, and the digital content industries. In the East, the sector grew by 17% between 1999 and 2001, and it continues to be one of the fastest growing regional sectors.' ⁽¹⁾

Cultural Services is very much part of the creative economy and works closely with partners, local, regional, and national to develop initiatives that will bring real benefits to people in Norfolk. The work of the department fully supports the three strategic ambitions for Norfolk:

- A vibrant, strong and sustainable economy
- Aspirational people with high levels of achievement
- An inspirational place with a clear sense of identity

- 1.2 The Creative Industries Sector is identified as one of the 7 key sectors in Norfolk and its growth and development forms an important part of Shaping Norfolk's Future Strategy. Economic forecasting models highlight it as a growth sector and one which has a high proportion of knowledge based jobs within it. Those jobs tend to be paid above the average. (Norfolk Employment Growth Study, by R Tym and Partners, 2005). The sector is also relatively unique to Norfolk in that it is at least partly founded on the strong media cluster that has evolved over the last fifty years since Norwich was chosen as the broadcast base for Anglia TV. That skill base is still strong, although it has diversified into a wide range of other digital media activity including web design.

1. East of England Development Agency (EEDA) and Arts Council England (ACE) Shared Prospectus
Using a broad definition, it is estimated that around 20,000 people are currently employed in the sector - this equates to 5% of total employment in Norfolk. The sector's added value to the county's economy is also significant at approximately £750m - which is about 5% of total GVA.

2. Investing in Culture

- 2.1 The County Council works closely with Screen East, the regional screen agency to encouraging film makers to use Norfolk as a location. This involves identifying and logging possible locations, understanding the attributes of a possible location and developing a Directory. It also involves developing relationships with film makers, and promotional activities are undertaken to attract future productions to Norfolk. For a relatively modest investment of £10,000 from the County Council all of this activity has led to 333 days of filming in Norfolk (almost 50% in North Norfolk) bringing in a total value of over £700,000 in 2008/09.
- 2.2 In Great Yarmouth, Cultural Services successfully secured £1,371,647 from the BIG Lottery Fund to refurbish the Great Yarmouth Library. The newly opened refurbished library provides additional floor space, new multi functional learning and community spaces, and state of the art exhibition and creative facilities.

- 2.3 Also in Great Yarmouth the Borough Council has secured a grant of £3m from the government's Sea Change programme to refurbish the former St. George's Chapel into a multi-use venue with an emphasis on the arts. The County Council is contributing £850k to the total redevelopment costs of £7m. The Sea Change programme aims to regenerate coastal areas through cultural developments.
- 2.4 Theatre Royal undertakes an annual survey of its impact on the economy in Norfolk. The theatre was closed in 2007/08 for refurbishment so the latest full year figures available relate to 2006/07 where the theatre's impact on the economy in Norfolk was £19,696,942, an increase of 16% on the previous year.
- 2.5 In 2009 the Norfolk and Norwich Festival sold 29,000 tickets for its 16 day annual festival, up 38% from 21,000 in 2008, and attracted a further 34,000 people to its free outdoor events. Clearly this major arts festival has a very positive effect on the economy, particularly as more than 46% of the audiences come from outside Norwich and 91% from Norfolk postcode areas.
- 2.6 The Hanse Festival in King's Lynn in July attracted significant numbers of people to the town, with over 4,500 enjoying a visit to the *Lisa von Lübeck* (a replica of a medieval Hanseatic ship) over the three days the ship was docked. Many hundreds enjoyed the spectacle of the ship's sailing into and leaving King's Lynn. Visitors came from across Europe to take part in the Hanseatic Festival which celebrates King's Lynn's membership of the New Hanse, a network of European towns and cities inspired by a shared Hanseatic heritage.
- 2.7 EPIC, the East of England Production and Innovation Centre, formerly the Anglia TV studios in Magdalen Street in Norwich opened in 2007. Investment of £100,000 from the County Council secured further investment of £4m from the East of England Development Agency (EEDA). It is now widely recognised that EPIC provides the best equipped High Definition facility available for hire in the UK. EPIC now incubates 10 businesses in the creative media sector and Norwich University of the Arts (NUCA) is running the third cohort of its Video Foundation Course.

3. Supporting People

The Cultural Services department offers very practical support to people in Norfolk at a time when the effects of the recession are having an impact. This support can be summarised under the following headings:

3.1 Employment and volunteering

Cultural Services offers a range of opportunities for people to volunteer and thereby gain valuable experience which is often a pathway to employment. We provide information, advice and guidance to people who are unemployed.

- The Norfolk Library and Information Service (NLIS), works with adults who wish to return to work and with retired people through the voluntary services. NLIS worked with young volunteers at Cromer, Holt, North Walsham and Dereham to support the summer reading challenge and to help them gain experience to add to their CVs.

- Norfolk Guidance Service (NGS) provides adults in Norfolk with quality assured impartial information advice and guidance (IAG) to help them enter and progress in learning and work. Working in partnership, one of the NGS aims is to support the personal development of the individual and the economic development of the local community. Within the last quarter (April-July) NGS Advisers saw a total of 1,332 clients of which approximately 70% (932) were referred by Jobcentre Plus offices within the county.
- Norfolk Museums and Archaeology Service (NMAS) employs around 250 people and has some 200 volunteers ranging from gardeners, room stewards, researchers, farmers, tour guides and creators of period costumes. The volunteer-maintained garden of Strangers' Hall in Norwich, was recently accepted for inclusion in the National Gardens Scheme. Meanwhile, the volunteer Mardlers at Gressenhall Farm and Workhouse, who provide free workhouse tours for visitors, were the East of England regional winners of the British Museum Marsh Trust Award for Volunteering in Learning in Museums 2009.
- The Norfolk Record Office (NRO) provided 1,762 volunteer hours in 2008/09, and this year there have been twelve volunteers supporting the Conservation Unit, cleaning and repackaging documents and photographs, and especially assisting with project work, which has attracted significant external funding. Three volunteers are currently involved in the cataloguing programme, and others are helping at front of house, in reception and elsewhere. Several of these volunteers have joined the Record Office as part of a programme run by the Meridian East organisation, which supports people preparing for work and seeking employment
- The Adult Education Service (AES) delivers a significant programme of training to support employment and skills development for work. This includes training to employees (and volunteers) in the workplace. In 2008-9 the Service delivered a £1.3 million contract (2,000 learners) through Train to Gain enabling learners to gain vocational qualifications relevant to their work. The service will also be delivering Apprenticeships from this autumn.
- Norfolk Arts Service (NAS) offers one-to-one advice sessions for career development and to help establish new projects and organisations. NAS also offers careers advice to institutions such as the UEA and Norwich University College of the Arts. All the arts organisations which receive funding from the County Council promote volunteering opportunities and programmes. Many of the organisations rely heavily on the active involvement of volunteers.
- Norfolk Celebrating Talent is the countywide programme designed to make the most of the London 2012 Games. In the run up to London 2012, people are being encouraged to volunteer not just for the Games but for the many other volunteering opportunities on offer. Currently people in Norfolk who apply to be a volunteer at the Games in 2012 are being redirected back to Norfolk, via Voluntary Norfolk, where their interest in volunteering can be followed up locally. So far over 1,000 people from Norfolk have applied to be a volunteer at the Games.

3.2 Developing skills

The department provides a range of services that enable people in Norfolk to develop new skills, not just in basic literacy and numeracy, but also in the arts, crafts, sports and fitness.

3.2.1 In school

- NMAS supports learning at all ages. A comprehensive schools programme contributes to higher attainment by school children. High quality museum learning has been proved to improve children's attainment scores, particularly in children who do not respond to traditional teaching methods. Engage, Learn and Achieve is a University of Leicester research programme based around Gressenhall and other museums in the region which recorded a rise in attainment levels in 60% of pupils following a museum visit. Other independent studies have been undertaken by the University of Sheffield at the Bridewell Museum and by the University of Cambridge which demonstrated increased literacy levels following engagement with museums in the region.
- The Public Library and School Library services also support children and young people at all stages of their development - ranging from supporting babies and parents with their rhyme and reading skills through the annual Summer reading Challenge to reading groups and Manga workshops for young people. Research shows that taking part in the Summer Reading Challenge improves children's reading range, confidence and enjoyment. 80% of children say that they are better readers after taking part in the summer challenge (source: Summer Reading Challenge Impact research report, Product Perceptions on behalf of The reading Agency 2007)
- The NRO also supports learning at all ages. It runs a wide variety of workshops and study sessions for primary and secondary schools, supporting all National Curriculum Key Stages, both in the Archive Centre and on school premises, as well as catering for home education groups such as Education Otherwise. This work is also supported by a wide range of downloadable online resources, local history packs, and history unit packs which link in with study units outlined by the Qualifications and Curriculum Authority.

3.2.2 Preparing for work

- All services provide work experience and placement opportunities
- A recent successful bid for UK Online money has meant an additional £11k has been spent at Mile Cross library on PCs, furniture, a printer / copier and plasma screen. Staff are delivering additional internet training aimed at attracting 100 people to use UK Online to access MyGuide (online Government services). This is proving very successful and the targets are well on the way to being achieved.
- AES provides skills and qualifications for young people aged 16 to 18, in particular focusing on young people who come from challenging backgrounds and who are Not in Education, Employment or Training (NEET), providing learning programmes and qualifications that enable them to re-engage with learning and progress into work and/or further training. In the 2009/10

academic year, Adult Education will be working with 850 16 -18 year old learners.

- As part of our Olympic and Paralympic programme, Norfolk is working with the Bridging the Gap, a scheme put in place to deliver Security Industry Authority (SIA) licensed young people into the security and public services industries via the Higher and Further Education Sectors. The scheme addresses the need for 6,500 security staff every day during the Olympics and security companies currently can only supply 1,500.
- AES offers a broad programme of courses. The Service is a Grade 2 (Good) Ofsted inspected training provider and deliver largely accredited learning that supports learners to attain qualifications. The programmes support skills attainment in the following sectors: Environmental Conservation and Management, the Leisure and Fitness Industry, Creative Industries, the Voluntary and Community Sector, Health and Social Care and Support Workers in Schools and Childcare settings.
- The NRO provides national level training and is one of only six centres in the UK which provides training offices for archive conservators under the programme set up by the Society of Archivists. The Conservation Department of the NRO are specialists in the conservation and preservation of parchment, paper and books, with their oldest document dating back to c. 1090.

3.2.3 Enhancing Skills

- AES supports skills development for enterprise and self-employment, and delivers training in management and business skills. It is a key provider of Skills for Life training in the county, offering courses in maths, English and English for Speakers of Other Languages (ESOL) to support the migrant community. The Service works in partnership with Voluntary Norfolk through the Community Development workers to engage individuals and groups within the community, who face some of the biggest barriers to learning.
- NAS manages and promotes the Norfolk Arts Forum, a free membership organisation with over 600 members county-wide. The service to members includes 2 major conferences a year with training and development sessions included, regular e-bulletins on training opportunities, volunteering, jobs, commissions, consultations, and new research.

3.2.4 Learning through life

- Cultural Services provides important support to people who are doing research into their family history. The NRO is one of only seven archive services in England and Wales which are offering free access to the online 1911 census, thanks to a partnership with the National Archives. As part of its commitment to broadening the availability of its records, the National Archives are funding up to a year's worth of free access to the census. NRO is the regional centre for the East of England and the take up for the service by the public has been enormous.
- NLIS is delivering ICT ongoing sessions with reflected themes as diverse as family history and beating the credit crunch and some libraries imaginatively incorporated local walks into their local history "Sense of Place" sessions.

4. Providing safe and welcoming spaces

Cultural Services is responsible for a large number of public buildings: libraries, museums, adult learning centres and the Record Office. These all provide a safe and welcoming place for people to access a wide range of services.

- The Norfolk and Norwich Millennium Library has extended its public space, creating an additional 177 sq.m of public space on the ground floor to support reading and learning and to be able to display items in a more accessible way. The extra space also allows for more in-library events. Family learning activities at the Norfolk and Norwich Millennium Library, Aylsham and Gaywood Libraries on Sundays are especially popular with fathers who have access to their children only at weekends.
- 'Growing Communities - Our Thetford' is an on-going scheme for Thetford museums and heritage organisations to help shape the future of the growing historic Norfolk town. Government guidance for *Creating Strong, Safe and Prosperous Communities* states that local authorities must 'ensure citizens can play an active role in shaping the future of the place where they live'. The Ancient House Museum of Thetford Life engaged with its local communities by presenting an exhibition and events to support the public consultation for the Area Action Plan, illustrating the rapid expansion and change in 1960s Thetford, and invoking public opinion about plans for the future.
- The NRO, through its collections, supports other research establishments, such as UEA, thereby enabling the research of academics, enhancing the reputation of the university and helping to attract overseas research students who pay fees.

5. Supporting businesses and consumers

We support businesses and consumers in Norfolk with advice, training, market research and other business intelligence. We support people to find out more about the services that are available to them particularly in times of financial difficulties.

5.1 Advice to individuals

- The NLIS website has information about how families can beat the credit crunch and many libraries are running Internet taster sessions which show people ways to save money, for example by using price comparison web-sites, and the BBC RaW money skills web-site.
- All Libraries provide free internet access and through this, people can access information and advice through sites such as the Consumer Support Network (CSN), which is a partnership (hosted by Norfolk County Council Trading Standards) of local advice agencies, which provide free consumer advice.
- CSN's operate throughout the country and they work to ensure that whenever people seek assistance (whether it be for simple information, advice, mediation or even support in the courts), they are able to approach any of the agencies within the network, and receive the right help.
- All library buildings have either a Council Information Centre, where staff can give face to face information and support to customers, or a Council at Your

Library service, through which people can find information, use websites for themselves, or find out where to go for help about all sorts of subjects.

- Council at Your Library is backed up with a free telephone to the County, District and parish councils, Norfolk Police and other public service providers like the NHS and Jobcentre plus at each site, so that customers can access more in-depth services for themselves.

5.2 Attracting visitors to Norfolk

- NMAS supports local tourism by providing a high quality attraction that contributes to the tourism offer in Norfolk. Considerable recent capital investment in museums such as Time & Tide in Great Yarmouth, and Cromer Museum added to the attractions in those towns. Norwich Castle Museum and Art Gallery attracts 150,000 visitors a year and continues to be one of the major heritage attractions in the east of England.

5.3 Creating the talent pool that employers need

- AES supports business through the delivery of training that meets employer needs. A significant amount of our funding is described as 'Employer Responsive' and is delivered with the engagement of the employer, often in the work place.
- AES supports approximately 25,000 learners annually, who enrol on over 3,000 courses, delivered at local community centres, schools, workplaces and four dedicated learning centres.

5.4 Supporting small businesses

- The NRO facilitates the businesses of professional genealogists, records agents and local historians by providing finding aids and, of course, excellent facilities for their research. There are currently ten Norfolk-based record agent companies on the NRO's online *List of Record Searchers*, making their living from working for clients on the collections in the NRO.
- NAS delivers a comprehensive information, advice and guidance service for the arts and cultural sector, on organisational and professional development, governance and business planning.
- There is ongoing business support from Business Link for those seeking to register and publish details on the CompeteFor, the official London 2012 business procurement website. Norfolk Celebrating Talent promotes CompeteFor as a major way for businesses to access new contract opportunities arising from the 2012 Games, especially during the economic downturn. The launch of the new Norfolk Celebrating Talent website will provide customers with information about ways they can get involved in Norfolk's 2012 programme.
- The Norfolk and Norwich Millennium Library provided business information for small businesses and organisations such as Women's Education, employment and Training Unit (WEETU) and information surgeries for business start-ups.

6. Conclusion

Cultural Services makes a very significant contribution to the economy of Norfolk through the wide-ranging services provided by the department.

7. Resource implications

There are no financial implications as a direct consequence of this report.

8. Equality Impact Assessment (EqIA)

Cultural Services Department places diversity, equality and community cohesion at the heart of service development and service delivery. The department aims to ensure that all policies, practices and procedures undergo equality impact assessment. These assessments help Cultural Services focus on meeting the needs of customers in relation to age, disability, gender, race, religion & belief and sexual orientation.

9. Section 17 Crime and Disorder Implications

Cultural Services is working hard to help address the issues of social exclusion, one of the key triggers for crime and disorder. The Cultural Services Department provides services that are accessible to local people, encourage participation in cultural activities by people who are at risk of offending, engage offenders through a range of cultural projects, assist schools in improving pupil attainment and deliver opportunities to increase the number of people who are in education, employment or training. Through these and many other projects Cultural Services is using its resources to contribute towards reducing crime and disorder in Norfolk

10. Action Required

The Panel is requested to: discuss the report and to identify if there are areas it wishes to scrutinise further.

Officer Contact

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

Paul Adams
Director of Corporate Resources and Cultural Services
Tel: 01603 222609
paul.adams@norfolk.gov.uk

Jennifer Holland
Head of Libraries and Information and Interim Deputy Director of Cultural Services
Tel: 01603 222272
jennifer.holland@norfolk.gov.uk

Dr. John Alban
County Archivist
Tel: 01603 222003
john.alban@norfolk.gov.uk

Beverley Evans
Head of Adult Education Service
Tel: 01603 306583
beverley.evans@norfolk.gov.uk

Mari Martin
Head of Arts
Tel: 01603 222269
mari.martin@norfolk.gov.uk

Vanessa Trevelyan
Head of Norfolk Museums and Archaeology Service
Tel: 01603 493620
vanessa.trevelyan@norfolk.gov.uk

David Dukes
Business Development Manager, Planning and Transportation
Economic Development Team
Tel: 01603 223142
david.dukes@norfolk.gov.uk



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