

# Cabinet

Date: **Monday 3 August 2020**

Time: **10am**

Venue: **Teams Meeting**

**Pursuant to The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority Police and Crime Panel Meetings) (England and Wales) Regulations 2020, the 3 August 2020 Cabinet meeting of Norfolk County Council will be held using Microsoft Teams.**

**[Please use this link to view the live meeting online.](#)**

**Members of the Committee and other attendees will be sent a separate link to join the meeting.**

## Membership:

Cllr Andrew Proctor	Chairman. Leader and Cabinet Member for Strategy & Governance.
Cllr Graham Plant	Vice-Chairman. Deputy Leader and Cabinet Member for Growing the Economy.
Cllr Bill Borrett	Cabinet Member for Adult Social Care, Public Health & Prevention
Cllr Margaret Dewsbury	Cabinet Member for Communities & Partnerships
Cllr John Fisher	Cabinet Member for Children's Services
Cllr Tom FitzPatrick	Cabinet Member for Innovation, Transformation & Performance
Cllr Andy Grant	Cabinet Member for Environment & Waste
Cllr Andrew Jamieson	Cabinet Member for Finance
Cllr Greg Peck	Cabinet Member for Commercial Services & Asset Management
Cllr Martin Wilby	Cabinet Member for Highways, Infrastructure & Transport

## A g e n d a

**1 To receive any apologies.**

**2 Minutes**

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To confirm the minutes from the Cabinet Meeting held on Monday 6 July 2020.

**3 Members to Declare any Interests**

If you have a **Disclosable Pecuniary Interest** in a matter to be considered at the meeting and that interest is on your Register of Interests you must not speak or vote on the matter.

If you have a **Disclosable Pecuniary Interest** in a matter to be considered at the meeting and that interest is not on your Register of Interests you must declare that interest at the meeting and not speak or vote on the matter

In either case you may remain in the room where the meeting is taking place. If you consider that it would be inappropriate in the circumstances to remain in the room, you may leave the room while the matter is dealt with.

If you do not have a Disclosable Pecuniary Interest you may nevertheless have an **Other Interest** in a matter to be discussed if it affects, to a greater extent than others in your division

- Your wellbeing or financial position, or
- that of your family or close friends
- Any body -
  - Exercising functions of a public nature.
  - Directed to charitable purposes; or
  - One of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union);

Of which you are in a position of general control or management.

If that is the case then you must declare such an interest but can speak and vote on the matter.

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

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

**6 Public Question Time**

Fifteen minutes for questions from members of the public of which due notice has been given. Please note that all questions must be received by the Committee Team ([committees@norfolk.gov.uk](mailto:committees@norfolk.gov.uk)) by 5pm on **Wednesday 29 July 2020**. For guidance on submitting a public question, view the Constitution at <https://www.norfolk.gov.uk/what-we-do-and-how-we-work/councillors-meetings-decisions-and-elections/committees-agendas-and-recent-decisions/ask-a-question-to-a-committee>

**7 Local Member Issues/Questions**

Fifteen minutes for local member to raise issues of concern of which due notice has been given. Please note that all questions must be received by the Committee Team ([committees@norfolk.gov.uk](mailto:committees@norfolk.gov.uk)) by **5pm on Wednesday 29 July 2020**.

- |  |                 |
|--|-----------------|
| <b>8 Norfolk Fire &amp; Rescue Service – Annual Statement of Assurance 19-20.</b><br>Report by the Executive Director of Community & Environmental Services.                         | <b>Page 32</b>  |
| <b>9 NCC response to Covid-19 – initial lessons learned</b><br>Report by the Executive Director of Community & Environmental Services.   | <b>Page 52</b>  |
| <b>10 Section 75 Agreement for Adult Social Care and Community Health Services.</b><br>Report by the Executive Director of Adult Social Services.                                    | <b>Page 68</b>  |
| <b>11 Finance Monitoring Report 2020-21 P3: June 2020.</b><br>Report by the Executive Director of Finance & Commercial Services  | <b>Page 72</b>  |
| <b>12 Disposal, Acquisition and Exploitation of Property.</b><br>Report by the Executive Director of Finance & Commercial Services   | <b>Page 106</b> |
| <b>13 Schools Capital Programme</b><br>Report by the Executive Director of Children's Services.  | <b>Page 121</b> |
| <b>14 Norfolk Children's Services Local Government &amp; Social Care Ombudsman Public Report</b><br>Report by the Executive Director of Children's Services.                         | <b>Page 134</b> |
| <b>15 Reports of the Cabinet Member and Officer Delegated Decisions made since the last Cabinet meeting:</b><br>To note the delegated decisions made since the last Cabinet meeting. |                 |

**Decisions by the Cabinet Member for Adult Social Care, Public Health & Prevention:**

- [Use of the Infection Control Fund.](#)

**Decision by the Cabinet Member for Finance**

- [Future Provision of PPE in relation to Covid-19.](#)

**Decision by the Cabinet Member for Highways, Infrastructure & Transport**

- [Hethersett, Canns Lane, TRO](#)

**Decision by the Cabinet Member for Children's Services**

- [Covid-19 – Nelsons Journey Financial Support](#)

**16 Exclusion of the Public**

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

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

**17 Disposal, acquisition and exploitation of property.**

Two Exempt Appendices to the report by the Executive Director of Finance & Commercial Services.

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Tom McCabe  
Head of Paid Service  
Norfolk County Council  
County Hall  
Martineau Lane  
Norwich  
NR1 2DH

Date Agenda Published: 24 July 2020

## **Cabinet**

### **Minutes of the Virtual Teams Meeting held at 10am on Monday 6 July 2020 at 10am**

**Present:**

Cllr Andrew Proctor	Chairman. Leader & Cabinet Member for Strategy & Governance.
Cllr Bill Borrett	Cabinet Member for Adult Social Care, Public Health & Prevention.
Cllr Margaret Dewsbury	Cabinet Member for Communities & Partnerships.
Cllr John Fisher	Cabinet Member for Children's Services.
Cllr Tom FitzPatrick	Cabinet Member for Innovation, Transformation & Performance.
Cllr Andy Grant	Cabinet Member for Environment & Waste.
Cllr Andrew Jamieson	Cabinet Member for Finance
Cllr Greg Peck	Cabinet Member for Commercial Services & Asset Management.
Cllr Graham Plant	Vice-Chairman and Cabinet Member for Growing the Economy.
Cllr Martin Wilby	Cabinet Member for Highways, Infrastructure & Transport.

**Executive Directors Present:**

Tom McCabe	Executive Director of Community & Environmental Services and Head of Paid Service.
James Bullion	Executive Director of Adult Social Services
Helen Edwards	Chief Legal Officer and Monitoring Officer
Simon George	Executive Director of Finance & Commercial Services
Fiona McDiarmid	Executive Director of Strategy & Governance
Sara Tough	Executive Director of Children's Services

The Chairman welcomed everyone to the Cabinet meeting and advised viewers that pursuant to The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority Police and Crime Panel Meetings) (England and Wales) Regulations 2020, the meeting was being held under new Regulations which had been brought in to deal with the restrictions under Covid 19. Decisions made in the meeting would have the same standing and validity as if they had been made in a meeting in County Hall.

Cabinet Members and Executive Directors formally introduced themselves.

The Chairman advised that agenda item 17 (Norfolk's Local Outbreak Control Plan) had been withdrawn from the agenda.

#### **1 Apologies for Absence**

There were no apologies for absence.

## **2 Minutes**

The minutes from the Cabinet meeting held on Monday 8 June 2020 were agreed as an accurate record and would be signed by the Chairman as soon as possible.

## **3 Declaration of Interests**

There were no Declarations of Interest made.

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

There were no matters referred to Cabinet.

## **5 Items of Urgent Business**

There were no items of urgent business.

## **6 Public Question Time**

The list of public questions and responses is attached to these minutes at Appendix A.

## **7 Local Member Questions/Issues**

7.1 The list of Local Member questions and the responses is attached at Appendix B.

7.2 Cllr Alexandra Kemp stated that West Norfolk had the highest Covid death rates in Norfolk; South and West Lynn & town centre had the highest death rates in the District. As a supplementary question, Cllr Kemp asked if Norfolk County Council would call an immediate review to tackle West Norfolk's economic and social determinants of health inequality, get the South Lynn Surgery built, and call off the Bulldozers from South Lynn Corridor of Health and Exercise, Hardings Way.

The Chairman responded that part of the question had already been responded to, adding that the County Council's Business Plan "Together for Norfolk", had three areas that built on infrastructure – in King's Lynn, Thetford and Great Yarmouth. Therefore, he didn't agree the Council was not doing anything for King's Lynn. He added that all the issues relating to economic regeneration would be taken into consideration in agenda item 8 (Restarting the Norfolk Economy).

7.3 Cllr Emma Corlett said that the answer she had been given sets out what the Cabinet Member was not responsible for – in recent weeks saying he was not responsible for making sure children were fed; home learning; attainment and SEND issues, blaming National Government. As a supplementary question, Cllr Corlett asked if the Cabinet Member for Children's Services could please let her know what he was responsible for.

In reply, the Cabinet Member for Children's Services said he was responsible for the education of children, working with families and schools across Norfolk to ensure children received a good education as well as being responsible for the social services and family's unit. The Cabinet Member continued that Ofsted was

responsible for the quality of children's education. He also added that he would like to help feed the children of Norfolk, but unfortunately there was no budget to do so, and feeding the children of Norfolk was not one of the responsibilities under the remit of Children's Services.

- 7.4 As a written supplementary question, Cllr Mike Smith-Clare said that the cabinet member for Children's seemed to have been apologising a lot to families for failures in their service. Apologies and compensation didn't give back the wasted time for families under pressure and young people needing support to fulfil their potential. He asked how many more apologies did the cabinet member think would be necessary before the service he was responsible for finally lived up to the needs of Norfolk

The Cabinet Member for Children's Services responded that he would apologise as much as necessary, although there was now a good team in place within Children's Services and he was confident that the need and number of apologies would decrease. He added that he would continue to apologise until the service was at 100%, which was his aim and target and that he would continue to be upfront to ensure schools and parents knew that.

- 7.5 As a written supplementary question, Cllr Julie Brociek-Coulton stated that the pandemic had shown the crucial part computers played in learning for young people. She asked what steps the cabinet member was taking to ensure all children from disadvantaged backgrounds were able to get proper access to devices and connectivity?

The Cabinet Member for Children's Services advised that work had been undertaken with schools and the Department for Education to raise the issue. He added that he was aware of the importance technology, computers and laptops played in learning, particularly for those children from disadvantaged backgrounds, which was why children with a council worker were the first children to receive equipment. He continued that the Council's virtual school also worked with children to ensure they had vital technology and laptops. He also added that he was confident that children could learn and would have the necessary equipment to allow them to learn.

- 7.6 As a written supplementary question, Cllr Brenda Jones asked how the Cabinet Member would make an objective measure of how much the gaps in attainment had grown and how he would measure whether the position was improving or getting worse.

The Cabinet Member for Children's Services responded that attainment targets were critical and were based on an average that needed to be aimed for. He added that the department was constantly considering how the average could be assessed and be improved and that the attainment targets in Norfolk were roughly in line with national targets, although the department was continually looking to improve.

- 7.7 As a written supplementary question Cllr Mike Sands stated that in the 2017 budget Council meeting, the Conservative administration had rejected a Labour amendment that would have started capital investment to tackle long journeys for SEND families much sooner and that by now we would be seeing the benefits. He

asked if the Cabinet Member regretted the decision to oppose that Labour amendment.

The Cabinet Member for Children's Services stated that he was happy with the Conservative budget that was set at that time.

- 7.8 As a written supplementary question Cllr David Rowntree asked, if childhood hunger was not a matter for the Cabinet Member, if he could advise what issues were more important to him than a hungry child in Norfolk.

The Cabinet Member for Children's Services responded that he would welcome the budget to feed every child in Norfolk and ensure they went to school, but it was actually the responsibility of parents to feed children. He continued that some schools monitored the situation and helped where they found it necessary, which he supported, reiterating that it was the responsibility of parents and families to feed children.

- 7.9 As a written supplementary question, Cllr Colleen Walker stated that future lockdowns were likely to be selective, so areas or schools locked down would also be disadvantaged compared to others in Norfolk. She asked if the Cabinet Member thought there would be no impact that could exacerbate the existing damage, or did he think that it was a significant matter for the County Council, or not his responsibility.

The Cabinet Member for Children's Services responded that across the country and in Norfolk a great deal had been learned over the last three months about how to react better to a pandemic. He added that if there was a need for a local lockdown then he believed the council would be much better prepared to hopefully eliminate the issues faced in the national lockdown, and be able to reduce damage to children. He continued that if there was a further lockdown there were issues that would need to be taken on board, but the council would be better prepared.

- 7.10 As a written supplementary question Cllr Chrissie Rumsby stated that the courts were currently experiencing considerable backlogs as many cases were likely to be considerably delayed before coming before them for determination. She asked if the Council had the capacity to properly support children and families during those extended periods.

The Cabinet Member for Children's Services reassured Cllr Rumsby that he had made an appointment, together with the Executive Director of Children's Services, to meet with the Minister for Children and Families to relay the Council's concerns about the court system and the backlog of cases.

- 7.11 As a written supplementary question, Cllr Danny Douglas stated that it was clear the mental health impact would not become fully apparent for some time and may be both as a direct result or consequences of the lockdown on young people and their families. He added that this impact would not be limited to Norfolk alone and would add additional pressure to an already overstretched mental health professional capacity in the county. He asked what steps the Cabinet Member was taking to address this.

The Cabinet Member for Children's Services responded that work was being undertaken with colleagues in health to address the mental health, as this was not



only an issue in Norfolk, but across the whole of the UK as the country moved out of covid-19. He added that work was being carried out to identify any issues and impacts and these would be addressed.

- 7.12 As a written supplementary question, Cllr Chris Jones asked what other issues did the Cabinet Member intend to survey schools about, and would he be extending his surveys to include parents and teacher organisations to ensure all significant views were taken into account in recovery planning.

The Cabinet Member for Children's Services said that this was an issue raised during the Scrutiny Committee meeting on 29 June 2020. He continued that as schools returned after covid-19, there would be statistics and areas that schools needed to be surveyed on, to better prepare for any future pandemics and also to help schools address some of the issues that had arisen during covid-19. The Cabinet Member said it was not possible to state what information the department would be asking schools to supply at the present time.

- 7.13 As a written supplementary question, Cllr Kim Clipsham asked if the Cabinet Member would take personal responsibility in ensuring those entitled to free school meal vouchers during school holidays actually received them.

In reply, the Cabinet Member for Children's Services reassured Cllr Clipsham that he was confident, after the extensive discussions he had had with the team responsible, that the County Council would be able to address any requests that were received late, or came in during the school holidays, to ensure children entitled to vouchers would receive them.

## **8 Restarting the Norfolk Economy.**

- 8.1 Cabinet received the report by the Executive Director of Community & Environmental Services setting out the direction of travel for economic recovery planning, outlining proposals for a two-phase New Anglia LEP Economic Recovery Plan for Norfolk and Suffolk ("Restart": 6-12 Months; "Rebuild": 12 months and beyond), underpinned by a Norfolk Delivery Plan, led by Norfolk County Council.

- 8.2 The Cabinet Member for Growing the Economy introduced the report and moved the recommendations, during which the following points were noted:

- The Local Enterprise Partnership (LEP) was developing a two-phase approach to recovery planning – "Restart", a tactical plan covering the next 6-12 months; "Rebuild", a longer term strategic plan, starting to be developed in the autumn 2020. Both documents were work in progress and would be updated as data emerged,
- Norfolk had one of the lowest infection and death rates around the country.
- Staff had been redeployed during the pandemic into other areas, and these staff were thanked for changing their priorities.
- To support the implementation of the Norfolk Delivery Plan, a Norfolk Strategic Fund would be created, building on the reprioritisation of part of the 2019-20 Business Rates Pool. Projects which could be supported using the Fund included strategic schemes aimed at helping Norfolk, clean growth projects, skills and employment projects.
- The fund would be overseen by Norfolk Leaders and administered by the County Council's Economic Programmes Team.

- As set out in the Norfolk Delivery Plan, significant strategic infrastructure was crucial to recovery.
- In June, the County Council responded to an invitation from Government to set out proposals to accelerate capital projects to be delivered over the next 18 months. A bid was assembled of over £41m, with £32m being received, being the 10<sup>th</sup> largest in the country. The outcome of the bid should be known in the summer and work on the projects would commence as soon as funding was known.
- Large scale projects, crucial to deliver jobs and grow key sectors of renewable energy, food and drink and digital would continue, including the offshore wind and maintenance sector based in Great Yarmouth, a food innovation hub and a digital tech centre.
- To assist businesses reopen and people move around the county safely, early measures to deploy the £2m allocation of the Government's Emergency Active Travel Fund, eg the bike scheme in Norwich city centre, pop-up cycle lanes and the widening of footpaths to allow physical distancing were set out on pages 101-103 of the agenda.
- There was a mix of projects to support businesses in the delivery plan.
- Appendix A of the report, sets out the project detail of the Norfolk Delivery Plan, the details of which would evolve in line with local circumstances, evidence and data, particularly for actions beyond the initial six months of the Plan.

- 8.3 The Cabinet Member for Communities & Partnerships supported the proposals outlined and highlighted that the government had recently announced a £1.57bn rescue package for Arts and Culture. She added that members of the Norfolk Arts Forum had played an important role in providing evidence and lobbying government to attain this support, which should also help our local economy. She continued that the Norfolk Arts Forum had done a brilliant job which would support and benefit local venues and arts centres.
- 8.4 The Chairman highlighted that the Government had announced the Arts and Culture rescue funding on 5 July and exact details of the funding were still awaited, although, hopefully, it would play a large part in restarting the economy.
- 8.5 The Cabinet Member for Innovation, Transformation & Performance said that the report showed the way forward and that he was particularly pleased about the bid for full-fibre broadband as digital had kept Norfolk moving during the pandemic and was also the way forward for the future as it would help businesses take online bookings which would help the tourism industry and also make businesses known to a wider audience. He added that the excellent report showed Norfolk was at the forefront of technology and was moving forward.
- 8.6 The Cabinet Member for Adult Social Care, Public Health & Prevention stated that he didn't underestimate the task faced, particularly as the furlough scheme would end in the autumn which could lead to an increase in unemployment. He added he was pleased to see the focus on people in the report, as he felt this would be an area of intense scrutiny and interest to the residents in Norfolk and that having a structured plan in place, with a strategy to focus on employment as part of the restart and rebuild was the right thing for the County Council. He added that he was pleased the Council was committing funding, even in this cash-strapped time when there was demand in other areas and fully supported the recommendations in the report.

- 8.7 The Chairman highlighted that the £6.7m from the Norfolk Strategic Fund would sit well with the LEP's own resilience and recovery fund of £3.5m, which gave a total of just over £10m to restart the economy, although a lot of the LEP money had already been spent.

He added that, in addition Norfolk & Suffolk had been awarded £32.1m out of a total of £900m across the country to deliver projects that would count towards restarting the economy and projects to be delivered in the next 18 months, the exact list of which would be worked out over the next few weeks.

The Chairman also highlighted the work in the plan which focused on the Youth Pledge; on mental health and wellbeing; the health and social care sector; and the launch of a peer to peer network to support Small and Medium Enterprises (SMEs) adapt their business plans, adopt new technology, buy leadership and management support which in turn would help productivity.

- 8.8 Cabinet **RESOLVED** to:

1. **Approve** the Norfolk and Suffolk Economic Recovery Restart Plan and the associated Norfolk Delivery Plan.
2. **Agree**, in principle, the allocation of £1M to the Norfolk Strategic Fund.

- 8.9 **Evidence and reasons for Decision**

Both the New Anglia LEP Restart Plan and underpinning Norfolk Delivery Plan are evidence-led and any proposals for funding from the Norfolk Strategic Fund will need to have a sound business case and concrete outcomes in order to receive funding. The combination of these two targeted plans, together with funding to deliver, provide the rationale for intervention.

- 8.10 **Alternative Options**

As indicated under 3.1, without an effective strategy for recovery, at both a Norfolk/Suffolk and a Norfolk level, driven by data and evidence, we will struggle to have an impact on the resilience of the county.

The New Anglia LEP Restart Plan has been produced in consultation with partners and is recognised as work in progress, as the evidence unfolds – particularly as the Government's furlough scheme unwinds from August to October and as businesses emerge from lockdown in phases.

Without a Norfolk Delivery Plan we will miss the opportunity to kickstart the recovery and support business and individuals at risk. Cabinet could choose not to prioritise monies to the Norfolk Strategic Fund. However the amount requested is due to come from the Council's allocation from Government for Covid-19 impact mitigation and would boost the impact of Business Rates Pool and district council monies, targeted on the recovery.

## **9 Residual Waste Contract Award**

- 9.1 Cabinet received the report by the Executive Director of Community & Environmental Services explaining the outcome of a procurement for services to treat approximately 180,000 tonnes a year of Norfolk's residual municipal waste

starting in April 2021 for a six-year period, with the possibility to extend for up to a further two years. This procurement does not include arrangements with Suffolk County Council for the treatment of initially around 20,000 tonnes of waste a year from 2021 which have already been agreed.

The report recommended contract award based on the outcome of a procurement process so that the services to treat and dispose of waste could start when existing contracts expired in 2021.

- 9.2 The Executive Director of Community & Environmental Services commended the team for designing a procurement process that had delivered a very competitive bid with both financial and environmental benefits for Norfolk.
- 9.3 The Cabinet Member for Environment & Waste introduced the report and moved the recommendations, during which the following points were noted:
- Cabinet had agreed, in January 2020, to go to tender for a six-year contract for residual waste services.
  - The Cabinet Member recommended the contract award with Veolia to treat 180,000 tonnes per year, commencing in April 2021, with a possibility of extending the contract by an additional two years.
  - The proposal from Veolia was based on using a large waste facility in Bedfordshire which would open in 2021, using a similar facility in Kent until the plant in Bedfordshire was open.
  - The contract would mean zero waste from Norfolk residents going directly to landfill and all Norfolk's left-over waste would be used to generate energy for the UK.
  - Recycling would be increased with more metal and aggregates being recycled, and approximately 47,000 tonnes of carbon emissions would be avoided every year of the contract, as opposed to landfill.
  - A £2m saving per annum would be delivered, which would be excellent news for the budget.
  - The current arrangements with Suffolk County Council would continue from 2021 for disposal of initially 20,000 tonnes.
  - The contract was excellent news, and the Cabinet Member commended the staff for the tender process.
  - Council's view needed to be considered before the award as the contract was worth over £100m.
  - Overall this was excellent news for Norfolk and the environment.
- 9.4 The Cabinet Member for Children's Services supported the contract, stating that from his past experience as Chairman of the Norfolk Waste Partnership, such a contract had been awaited for a long time that would deal with all of Norfolk's waste and deliver zero waste to landfill which was an excellent achievement. He continued that having been a Councillor at Broadland District Council for a number of years, which had worked with Veolia, he had found them, from a Broadland District Council viewpoint, an excellent company to deal with..
- 9.5 The Cabinet Member for Adult Social Care, Public Health & Prevention echoed the comments made, saying that this was an area where there had been increasing cost pressures over the past years. He continued that everyone involved in procuring the contract that delivered an annual saving of £2m needed to be congratulated, especially as more waste would be recycled from the recovery of

metals from waste and less waste would go to landfill, describing it as a quite startling result and he heartily endorsed the recommendations in the report.

- 9.6 The Cabinet Member for Highways, Infrastructure & Transport echoed the comments already made adding that this was a really good deal for Norfolk which would be much better for the environment and recycling figures as well providing savings to Norfolk County Council. He added his congratulations to the team for procuring the contract and said he looked forward to it commencing in the not too distant future.
- 9.7 The Cabinet Member for Innovation, Transformation & Performance agreed that this was an excellent report, highlighting that it would be good if it just meant that Norfolk would have zero waste to landfill, but it would also mean more recycling, saved carbon emissions, as well as saving over £2m on current costs. He echoed the congratulations to everyone involved in the procurement.
- 9.8 The Chairman also added his praise to the team involved in procuring the contract and the outcome.
- 9.9 Cabinet **RESOLVED**:
1. **To approve** the provisional award of a contract to Veolia for residual waste treatment and disposal services from 2021 to 2027, subject to the contract not being awarded until the view of Full Council has been established.
  2. **To delegate** to the Cabinet Member for Environment and Waste in consultation with the Executive Director of Community and Environmental Services the authority to determine suitable arrangements to ensure a wider coverage of local delivery points for use by District Councils to supplement or replace existing arrangements.
  3. In accordance with the County Council's second Waste Policy, **to carry out** the annual review of arrangements for the *'incineration of waste or fuel derived from waste'* outside Norfolk by reviewing the information set out in para 8.5.5 of the report.

#### 9.10 **Evidence and Reasons for Decision**

The recommendation was arrived at after following a procurement process that adhered to the evaluation principles approved by Cabinet, which incorporated a refinement suggested by Infrastructure and Development Select Committee.

The reason for the decision is to allow the County Council to continue to fulfil its role as a Waste Disposal Authority when existing arrangements to treat and dispose of waste the County Council is responsible for end in 2021.

#### 9.11 **Alternative Options**

Existing contracts cannot be extended beyond March 2021 and the agreement with Suffolk is initially only for approximately 20,000 tonnes a year.

Failure to award as recommended would mean the County Council has to rely on short term measures for an extended period to fulfil its statutory obligations for

dealing with left over rubbish or use emergency powers. Both of these would expose the County Council to greater costs.

## **10 Distribution of the Department for Transport ‘Pothole Fund’ for Local Roads 2020-21**

10.1 Cabinet received the report by the Executive Director of Community & Environmental Services. The Government had allocated additional funding of £22.231m from its Pothole Fund, to be spent during 2020/21. The report sets out a proposal for distributing the funding to a range of highway maintenance categories, to enable a programme of works to be developed and delivered.

10.2 In introducing the report and moving the recommendations, the Cabinet Member for Highways, Infrastructure & Transport highlighted the following:

- The significant additional funding had been made available by the Government for highways maintenance in Norfolk.
- The value of the investment was just over £22m which was a significant investment to maintain roads, footways and cycle ways.
- The funding was intended to fix potholes, but would also enable a wider range of other maintenance works to be completed, including resurfacing work on footways and roads to prevent potholes appearing, as well as other initiatives such as sign replacement and bridge maintenance works.
- The details of the allocations were shown in Appendix A of the report.

The Cabinet Member added that the County Council had an excellent record on delivery of this fund in previous years and he looked forward to seeing the projects delivered within this financial year.

10.3 The Cabinet Member for Finance endorsed the report and congratulated the Cabinet Member and his team on securing the funding, adding he was particularly pleased to see the work being done on cycle ways which would work alongside the Active Transport initiatives already in place, allowing a range of “shovel ready” programmes in the walking and cycling sector.

10.4 The Cabinet Member for Growing the Economy referred to the maintenance work on Haven Bridge in Great Yarmouth, which would be carried out as a result of this funding, with work starting after Christmas 2020. He added that the bridge had been built in 1935, and as the electrics could not be replaced without having the lifts of the bridge up, it had never been done and congratulated the team on securing the funding.

10.5 The Cabinet Member for Adult Social Care, Public Health & Prevention stated that this was another good news story, adding that £1.16m had already been budgeted, giving a net increase in spend of over £20m to be spent in 2020/21. He also commended the Highways Team in producing a schedule which identified where the money was going to be spent, ensuring the County Council was in an excellent position to spend the Government’s funding improving Norfolk’s roads. The Cabinet Member continued that potholes in rural areas was a very important issue, given the 6000 miles of rural roads in Norfolk, maintenance was an immense task and that he congratulated the team on achieving the funding.

10.6 Cabinet **RESOLVED** to:

**Approve** the distribution of the County Council's funding allocation of the Pothole Fund as set out in this report

#### 10.7 **Evidence and Reasons for Decision**

The funding allocated to the County Council under the Pothole fund is Capital funding intended for the maintenance of highway infrastructure to extend the life of these assets. It is not ring-fenced.

The proposed distribution of the funding is based upon our Highway Asset Management Policy and Strategy, and the need to deliver the works in the remaining 10 months of the year. As a result, the funding will enable activities across the range of Norfolk's highway assets.

#### 10.8 **Alternative Options**

The funding could be used elsewhere as it is not ring-fenced, however it is clear that the intended purpose of the allocation is highway infrastructure. Allocating the funding to other activities could impact on any future funding allocations for highway infrastructure

The funding could be distributed differently; however, it is considered that the proposed distribution is in line with Policy and Strategy and will enable delivery, with a short-time scale.

### 11 **Finance Monitoring Report 2020-21 P2: May 2020**

11.1 Cabinet received the report by the Executive Director of Finance & Commercial Services which gave a summary of the forecast financial position for the 2020-21 Revenue and Capital Budgets, General Balances, and the Council's Reserves at 31 March 2021, together with related financial information.

11.2 The Cabinet Member for Finance introduced the report and moved the recommendations, during which the following points were noted:

- Many of the headline figures in the report had now been superseded by the announcement last Thursday of an additional £500m funding for Local Authorities.
- Until the recent Government announcement, the overspend was estimated at £15.799m, largely incurred by the pressures of the pandemic which was covered in agenda item 12.
- The details of the award were not yet known but it would significantly reduce the projected in-year overspend.
- As well as an un-ringfenced sum, further funds would be made available to Local Authorities to compensate them for the majority of the income lost because of the pandemic, although the details may not be known until September 2020.
- If there were any collection fund deficits, they would not need to be funded in-year but could be paid over three years which was a welcome announcement.
- The County Council was obliged, by law, to balance our budget annually and the additional funding would have made this task easier in the current year although we would still be looking at significant overspends in the coming

months. Many councils had been issuing dire warnings of significant overspends but in Norfolk, while we fully understand the severity of the situation, even before this latest funding announcement, our general reserves were £19.7m and earmarked reserves and provisions were over £83m, so although the County Council was not issuing a dire warning, the Cabinet Member reminded everyone that the medium term outlook remained serious.

- Monitoring of service department's budget expenditure was at a relatively high level and great detail would be included in future reports.
- Once the details of the recent government funding announcement regarding loss of income stream, and the implications had been shared with the relevant service departments, details would be included in future reports.
- It was anticipated that repayment of monies owed to the County Council by the NHS would shortly be received. This money was owed to us for supporting the discharge from hospitals to increase bed capacity during April and May 2020. The latest claim for June had been compiled and would be agreed with the Clinical Commissioning Group (CCG) week commencing 13 July 2020. This showed how Norfolk County Council was working well during the pandemic to support and engage constructively with Partners, such as the CCG, the Local Enterprise Partnership (LEP) and the Police.
- The detail behind the overspend was set out in the Revenue Annex 1 of the report, although this would be subject to significant changes following the Government's announcement of additional funding.
- Within the Capital programme, there was some reprofiling of the timing of expenditure, mainly for the SEND schools programme and also the additional funding for highways following receipt of the Pothole Fund mentioned in the previous report.
- Cabinet was recommended to approve an additional £1m to fund investment in library books through the capital, rather than the revenue, account.

- 11.3 The Cabinet Member for Adult Social Care, Public Health & Prevention highlighted that the majority of the bad news in the report was down to Adult Social Care. The department had faced a heroic task and the overspend was entirely attributable to issues in managing the outbreak of covid-19. Costs had fallen to Adult Social Care department in trying to clear beds in hospitals to ensure beds were available for covid-19 patients. The Cabinet Member thanked the team for everything they had done in stepping up to the plate and felt it reiterated the County Council's intent to protect vulnerable people and spent money necessary to protect people in Norfolk, which has meant the County Council faced a difficult financial situation, which would be managed going forward.
- 11.4 The Cabinet Member for Children's Services drew Cabinet's attention to the fact that Children's Services were now working towards a balanced budget and he thanked the department for their efforts in achieving this.
- 11.5 The Chairman reiterated the points made, adding that the Government was now understanding the difficulties faced, adding that a considerable amount of lobbying of government had taken place. He added that the additional £500m across the country was welcome, together with the money for protecting income losses, although the details of the funding were still awaited.



- 11.6 The Cabinet Member for Growing the Economy stated that the current situation was being dealt with, although if there was a second peak it would put things in a different light meaning further lobbying of government would be needed.
- 11.7 The Chairman also highlighted that the Secretary of State had indicated more funding was to come, although the issue was when it was going to be received and how much we would receive.
- 11.8 The Cabinet Member for Communities & Partnerships welcomed the capital money allocated for library stocks, stating that the service had lent out a lot of books before lockdown. As some libraries would be opening soon, with one-way systems in place, it would take a while for books to be returned, therefore stocks needed to be updated.
- 11.9 The Chairman highlighted the good news that Libraries were due to start reopening soon.
- 11.10 Cabinet **RESOLVED** to:
1. **Recommend** to County Council an addition of £1m to the capital programme to fund investment in library stocks, as set out in capital appendix 2, paragraph 4.1 of the report.
  2. **Note** the period 2 forecast general fund revenue overspend of **£15.799m** noting also that Executive Directors will take measures to reduce or eliminate potential over-spends;
  3. **Note** the period 2 forecast shortfall in savings of **£18.105m**, noting also that Executive Directors will take measures to mitigate savings shortfalls through alternative savings or underspends;
  4. **Note** the forecast General Balances at 31 March 2021 of £19.706m, before taking into account any over/under spends;
  5. **Note** the expenditure and funding of the revised current and future 2020-23 capital programmes.

11.11 **Evidence and Reasons for Decision:**

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

**Appendix 1** summarises the revenue outturn position, including:

- Forecast over and under spends
- Changes to the approved budget
- Reserves
- Savings
- Treasury management
- Payment performance and debt recovery

**Appendix 2** summarises the capital outturn position, and includes:

- Current and future capital programmes
- Capital programme funding

- Income from property sales and other capital receipts.

## 11.12 **Alternative Options**

In order to deliver a balanced budget, no viable alternative options have been identified to the recommendations in this report. In terms of financing the proposed capital expenditure, no grant or revenue funding has been identified to fund the expenditure.

## 12 **COVID-19 financial implications for Norfolk County Council**

12.1 Cabinet received the regular report by the Executive Director of Finance & Commercial Services providing it with an overview of the current assessment of the emerging financial impact of COVID-19 for the County Council, which will have a profound impact on the organisation's ability to achieve planned budget savings and income for 2020-21. The report also provided an overview of other financial issues associated with the COVID-19 response.

12.2 The Cabinet Member for Finance introduced the report and moved the recommendations, during which the following points were noted:

- Cabinet was familiar with the amount of funds received so far from central Government, which until the recent announcement was £43.674m. This was received in two tranches to enable the County Council to deliver its response to covid-19 across all services, mainly within Adult Social Care.
- In addition the Council had received £12.386m ring-fenced specifically for care homes to ensure they were able to implement measures to reduce transmission of covid-19. 75% was paid directly to care homes, whilst the remaining 25% was to be used by the County Council to support infection control measures in care homes or elsewhere. There were two equal instalments, the council allocated the first instalment within days of receipt, and the second instalment was expected to be paid in late July.
- Elsewhere the County Council had been awarded £3.781m to establish our Local Outbreak Control Plan which was agreed and published last week.
- The funds were welcome, however until the latest announcement, a shortfall remained of £18.089m against allocated funding specifically to combat the pandemic.
- Total pressures were currently reported at £61.772m. This was £1.965m more than reported to Cabinet in June 2020.
- An additional £1m provided to establish the Norfolk Strategic Fund which Cllr Plant introduced to us earlier today.
- An additional £2m allocated as a result of the County Council's decision to extend postponement of the second phase of the Minimum Income Guarantee Charging Policy until we had some concrete mitigating plans from government.
- There were two write-backs, both within Adult Social Services - £2m in forecast lost income and £2.223m in the forecast of savings at risk.
- The forecast cost for the amount of food boxes for distribution had been reduced by £1.8m.
- The announcement on 2 July of an additional £500m funding for local authorities, together with support for the lost income from libraries, museums and social services as a result of the pandemic, was extremely

welcome and would be very helpful in the medium term. However, it remained unclear what period this funding was intended to cover.

- Additional spend was likely on: PPE and other items; Additional costs in relation to social distancing and other measures as services are restored; Additional costs due to a surge in demand as services are restored; Income – costs associated with a second peak.
- Lobbying of Government for additional funding over a longer period should continue.
- The costs incurred by the County Council on behalf of the NHS had started to be recovered.
- Subject to the agreement of Cabinet, from August 2020, future reports on the financial impact of covid-19 would be consolidated into the Finance Monitoring Report.

12.3 The Cabinet Member for Growing the Economy highlighted that the report was an insight into the Council's position with regard to covid-19 adding that the Local Outbreak Control Plan would hopefully ensure any future outbreaks were locally controlled. He added he was confident the economy could be brought back on track.

12.4 The Cabinet Member for Adult Social Care, Public Health & Prevention registered his support for recommendation 2 (Agree that the future reporting of covid-19 financial impacts be consolidated into regular Financial Monitoring from August Cabinet onwards) as this was the new normal and separate reporting could lead to confusion over savings.

He added that the Local Outbreak Control Plan was a very impressive document, which had been produced quickly. The behind it was having a document that was simple and deliverable and although a complex document he was impressed with it. He continued that the key issue going forward was people taking responsibility or their own actions, eg maintaining social distancing and washing your hands. Although a simple message, if people washed their hands and don't touch their face and maintained social distancing, future peaks would be minimised and the impact on society would be less, meaning the economy could be opened up more quickly.

12.5 The Chairman reiterated the key messages in the Local Outbreak Control Plan of:

- Protect Yourself,
- Protect Others
- Protect Norfolk.

With regard to the lobbying aspect, the Chairman highlighted that three Norfolk MPs had recently met with the Chief Secretary to the Treasury with our briefing of the situation and one of those MPs had appeared in front of one of the Select Committees asking questions and putting the Norfolk position to them as well, so work is still going on to continually restate the Norfolk position.

12.6 Cabinet considered the report and **RESOLVED** to:

1. **Note** the latest forecast use of the COVID-19 grant to meet expenditure pressures, income reductions, and lost delivery of savings (Table 2), noting that this will continue to be revised as further details become available; and
2. **Agree** that the future reporting of COVID-19 financial impacts be consolidated into regular Financial Monitoring from August Cabinet onwards.

## 12.7 **Evidence and Reasons for Decision**

The County Council faces an unprecedented financial and public health crisis which is having significant implications both during 2020-21 and for future budget setting. It is essential to continue to engage with Government, MPs and other stakeholders to campaign for adequate and sustainable funding for Norfolk to continue to deliver vital services to residents, businesses and visitors.

## 12.8 **Alternative Options**

This report sets out the forecast use of the COVID-19 funding received to date, but this should be seen as indicative only because the Council will need to respond with some flexibility to emerging cost pressures and the rapidly developing situation. No specific alternative options have been identified.

## 13 **Social Value in Procurement**

- 13.1 Cabinet received the report by the Executive Director of Finance & Commercial Services setting out Norfolk County Council's proposed approach to Social Value in Procurement. The council's adoption of an updated, consistent approach would enable the delivery of tangible and measurable economic and social benefits to be consistently and effectively considered within commissioning and procurement processes.
- 13.2 The Cabinet Member for Finance, in introducing the report and moving the recommendations, that the paper set out a consistent approach to social value in procurement. The approach would go beyond the requirements of the Social Value Act by including contracts for works, and would encompass additional policy considerations including preventing modern slavery, promoting good mental health and maintaining good cyber-security. Equally, it was important not to impose complex requirements that might deter smaller businesses from bidding.
- 13.3 The Cabinet Member for Innovation, Transformation and Performance considered it was a good report and he welcomed the fact that small firms had been considered as quite often the cost of bidding could put small firms off tendering and looking at the wider social value would help the local economy and also help people get out of the current situation, so he thought it was a good paper that he was more than happy to support.
- 13.4 The Cabinet Member for Growing the Economy highlighted both the skills development and support for disadvantaged groups as positive aspects of the proposed approach.
- 13.5 Cabinet **RESOLVED** to:

**Endorse** the proposed approach to Social Value in Procurement set out in the report.

#### **14 Health, Safety and Well-being Annual Report 2019-20**

- 14.1 Cabinet received the report by the Executive Director of Strategy & Governance providing data and analysis on the Health, Safety and Well-being (HSW) performance of Norfolk County Council (NCC) as an employer and the activity undertaken by the HSW Service to support the management of risks for 2019/20.
- 14.2 The Executive Director of Strategy & Governance highlighted that the Health, Safety and Wellbeing Team were very heavily involved in the response to covid-19 and had been from day 1 and continued to be so through the test and trace programme and thanked colleagues for their efforts.
- 14.3 The Chairman and Cabinet Member for Strategy & Governance introduced the report and moved the recommendations, during which the following points were noted:
- The Health & Safety Team were commended on the way they had worked in response to the pandemic.
  - The report provides an update on the performance measures and includes information that the NCC Health and Safety Management System was being progressed in the right way.
  - The three outcome goals were - NCC had a positive health, safety and wellbeing culture; the standards of HSW management ensured employees were at work, well and productive; HSW had a successful strategic approach to trading and cost recovery.
  - There had been an increase in traded income generated, from £340k to £373k, which was a good result.
  - The performance data showed a mixed picture overall, although there were a number of positive indicators, eg incident management had improved; 111 managers undertook mental health first aid training; an improvement in the completion of mandatory training and training compliance had significantly improved.
  - Wellbeing services continued to provide excellent support to employees.
  - Violence remained the single biggest cause of incidents.
  - The overall assessment for the County Council remained at Amber, with 2 out of 3 overall outcome measures rated amber, although it did not reflect the significant improvements in a number of performance indicators.
  - The service provided by the Health and Wellbeing Service included a traded service which had been providing cost effective service options through delivery of similar products to other local authorities, public sector organisations and non-local authority schools.
  - A good percentage of costs were now covered by income generation.
  - Progress against the themes of the strategic plan showed a positive health and safety and wellbeing culture; the standard of health and safety at work management and also the successful strategic approach to trading and cost recovery.
  - Data about reported incidents suggested that, while the overall number had reduced, the severity was increasing. The target set of incidents

being reviewed and signed off within 90 days of the incident occurring was only being met by one Directorate (Community & Environmental Services), although the situation overall was improving and more work was needed in this area.

- All services had a health and safety risk profile in place and overall, services had made good progress by working towards completing action plans within the risk profile.
- Employment involvement – joint activity with the unions had improved, although departmental led consultative meetings remained inconsistent in frequency which was an area that needed improvement.
- The work and role of the Wellbeing Facilitators for employees acting as a focal point for the wellbeing of teams was commended.
- Regarding risk management, the risk ratings had worsened in the highest risk category, although this was being mitigated in the way the risk was dealt with and although some risks were being increased, it suggested matters were being rectified promptly when they were identified.
- The covid-19 pandemic had changed, although it had not reduced, the calls to the Norfolk Support Line which were being held by telephone or secure video call.
- The overall picture for the County Council on the health and safety at work management was amber, although the overall picture was improving with a number of performance measures achieving, or moving closer to targets. The amber rating reflected the current position.

14.4 The Cabinet Member for Innovation, Transformation & Performance endorsed the was a good report as it focused on the work needed to improve although there were lots of areas achieving good results. The progress against the Strategic Plan stated that NCC was a positive health, safety and wellbeing culture, with managers ensuring employees work well and were productive. He added that work was not the same as it was six-months ago with people working at home, but people hadn't been handed a laptop and left to get on with it, there had been an opportunity for employees to get additional equipment and to ensure their workplace, whether it was in their dining room, or spare bedroom, was fitted out so they had the equipment they needed, which was a real part of the wellbeing function and showed that the Council was actually delivering on promises.

14.5 The Cabinet Member for Children's Services identified and confirmed that, from a Children's Services point of view a great deal of training had been carried out with staff to recognise a violent incident and how to report it as opposed to just accepting it as part of the job. So although the numbers had increased, it was because of the quality and quantity of the training that the department had been conducting.

14.6 Cabinet considered the reported performance of Norfolk County Council and **RESOLVED** to:

- **Agree** that actions continue to focus on the response to the COVID-19 pandemic
- **Agree** that any further actions and improvements are reviewed at the mid-year report

## **15 Corporately Significant Vital Signs**

- 15.1 Cabinet received the report by the Executive Director of Strategy & Governance presenting the current performance information for Corporately Significant Vital Signs. The purpose of the report was to provide Cabinet with an update on the current performance and to highlight the key challenges and to provide supporting information to the summary slides.
- 15.2 The Cabinet Member for Innovation, Transformation & Performance introduced the report and moved the recommendations, during which the following points were noted:
- This was an opportunity to validate actions which had been taken to address off-track performance.
  - The report provided key points on each of the 7 vital signs, with a summary dashboard.
  - The number of green and amber indicators versus the red indicators were similar to the previous report, with 48% of the indicators currently red, although the overall direction was positive.
  - The vital signs were agreed prior to covid-19 and it was acknowledged that in some cases it might not provide a full view of the performance in the context of covid-19, although work was under way to review these to ensure they continued to align to strategic goals.
  - Covid-19 had impacted greatly on both the context and service delivery of NCC. Work was ongoing to align corporate vital signs to the impact and substantial work had already been done to plan that response as detailed in the longer-term recovery process for NCC which was agreed at Cabinet on 11 May 2020.
  - The corporate vital signs were aligned with the corporate principles which were underpinned in the Strategy.
  - Norfolk County council was moving to a new set of designs for corporately significant vital signs next year and Cabinet Members were asked to consider what they wanted the new vital signs to cover.
  - The key elements of performance had been measured to see how the council was maximising resources and undertaking service delivery as it was very important to constant monitoring was being carried out to maintain a view of the latest position on service forecasts and current pressures, particularly on Adult Social Services and Children's Services.
  - The Vital Signs report showed how the organisation was coping, how it was responding and when things were going wrong, what was being done to address them.
- 15.3 The Cabinet Member for Highways, Infrastructure & Transport took the opportunity to thank the Highways Teams across the county for all the work they had carried out throughout the pandemic. They had kept the roads and infrastructure in really good order, enabling all the emergency services to get to where they needed to. The roads were starting to get busier now with more people getting out and about over the last 2-3 weeks and the Highways Teams continued to work with all the District Councils, to ensure people could travel round the county safely, which would also help to get our economy up and running again. The Cabinet Member reiterated his thanks to the Highways team for their efforts.

- 15.4 The Cabinet Member for Adult Social Care, Public Health & Prevention referred to the Delayed Transfers of Care from the NHS to Adult Social Care and said that, as a result of the outbreak, the government had suspended the reporting requirement so there were no figures for March and April 2020 and it was not currently clear whether or not that report would recommence, therefore the figures in the report were historical and didn't reflect the most recent information.

There was an enormous amount of work carried on delayed discharges because that was work that could be done to help reduce the capacity in hospitals to clear the way for an expected spike in the number of people receiving treatment for covid-19. The target was still red, but this was through no fault of the teams concerned.

Regarding the reablement issue, again because of covid-19, the management of that team were redeployed elsewhere in helping to set up, for example Cawston Lodge which was established to help people recover outside of hospital. That has had an effect on the effectiveness of the service.

The Cabinet Member added that he was generally content with the progress the department was making on its vital signs and echoed the comments of Cllr Wilby that they don't reflect the amount of effort and work that had been going on in the departments as we managed this once in a lifetime event while striving to maintain delivery of the other vital services we offer.

- 15.5 The Cabinet Member for Communities & Partnerships commented on the availability levels of firefighters stating that performance was improving all the time. In January performance was at over 87% of a target of 90%. During lockdown there were high levels of availability, with 20 firefighters driving ambulances in June 2020 and 25 in June 2020. The Cabinet Member highlighted that a few firefighters would be retiring during the course of the next 12 months, and the department was currently advertising for people interested in becoming a firefighter to attend a taster session.

- 15.6 The Cabinet Member for Children's Services highlighted that from a children's services viewpoint all targets were static or improving slightly. A rapid action team had now been deployed to cover EHCPs and the target was now showing a 2% rise which was hopefully the start of an upward trend.

Regarding apprenticeships, the Cabinet Member said this was an areas he was keen to promote in future.

- 15.7 The Cabinet Member for Finance highlighted the capital programme tracker as many of our capital programmes related to schools where we had limited control in terms of the timing when schools wanted the work done so it was very difficult to achieve 100%, however he added he was more interested in ensuring the budget was maintained rather than looking at the timing of works.

- 15.8 Cabinet reviewed the report and **RESOLVED** to:

1. **Note** the current performance data and planned actions as set out in Appendices 1 and 2.



2. Identify any additional areas of performance/information that Cabinet would like to receive a regular update on, in advance of a full re-fresh of vital signs, to enable an effective view of performance in the COVID-19 context.

## **16 Risk Management**

16.1 Cabinet received the report by the Executive Director of Finance & Commercial Services setting out the latest corporate risks for the Cabinet, split into those corporate risks managed prior to COVID-19 at Appendix C, which continue to be reviewed, alongside new strategic corporate risks specific to COVID-19 at Appendix D. Both risk registers are accompanied by their respective risk heat maps in Appendix B showing visually where risks sit on the 5x5 risk matrix. Key changes to those corporate risks managed prior to COVID-19 are shown in Appendix A of the report.

16.2 The Chairman introduced the report and moved the recommendations, during which the following points were noted:

- The key messages that corporate risk management continued to be sound and effective.
- Key issues set out in paragraph 2.1 of the report.
- The closure of risk RM016 (Failure to adequately prepare for and respond to a major disruption to Norfolk County Council services) and replacing that risk with Strategic Risk SR016 on the strategic corporate risk register recognising the risk of concurrent major disruptions and NCC's capacity to manage any second major disruption.

The Chairman asked each Cabinet Member to provide a brief summary of each risk under their remit, during which the following points were noted:

16.2.1 **Risk RM001 (Not realising infrastructure funding requirements to achieve the infrastructure ambition of the Business Plan).**

The Cabinet Member for Highways, Infrastructure & Transport highlighted that this risk related to the failure to receive funding for infrastructure in Norfolk. The risk was rated amber. Funding had been received for the 3<sup>rd</sup> river crossing at Great Yarmouth and the contractors had now been appointed with work due to start at the end of 2020/beginning of 2021.

Some funding had been received for the Norwich Western Link, with construction due to commence in 2023.

Funding had also been received towards the Long Stratton by-pass and, once planning permission had been granted, work should commence in 2022.

£22m had been received from the Pothole Fund.

16.2.2 **Risk RM002 (The potential risk of failure to manage significant reductions in local and national income streams).**

The Cabinet Member for Finance highlighted that this risk was at the forefront of minds at the current time. There were no surprises because of effective budget management in both revenue and capital. The medium term financial strategy was well-known and regularly monitored and in-year budgets were tracked and work undertaken with departments to manage those, an example

being the significant overspend on covid-19, with some money coming back which was allocated to departments relative to the amount of overspend they had. Plans were adjusted quickly in response to the most up to date data available.

**16.2.3 RM003 (Potential for failure to comply with information compliance and information security requirements).**

The Chairman and Cabinet Member for Strategy & Governance highlighted that this was an improving picture, leading towards green on this risk in March 2021 which was reflective of the considerable amount of work on the tasks set out on page 254 to mitigate the risk, particularly the six-monthly reviews built into the way the risk was managed. The report also referred to the SOCITM report which would provide additional reassurance around compliance and information security for the future.

**16.2.4 RM004 (The potential risk of failure to deliver effective and robust contract management for commissioned services).**

The Cabinet Member for Finance stated that the management of commissioned services was an area which received a large amount of focus and new strategies. Work to discuss expiring contracts took place with Community & Environmental Services team every quarter, and this would commence in looking at upcoming expiring contracts with other departmental heads soon. There has been a phased planned approach which would be commenced in December 2020 so a standard specification for service transition in order to manage contracts could be developed. The handover checklist had now been developed and was now in use.

**16.2.5 RM006 (The potential risk of failure to deliver our services within the resources available for the period 2018/19 to the end of 2020/21).**

The Chairman and Cabinet Member for Strategy & Governance considered this was an improving picture regarding resources which was why the score was projected to be green in March 2021, based around 4 things.

1. The over-arching business plan "Together for Norfolk"
2. Delivery
3. Engagement and being outward looking
4. Using resources to best effect.

**16.2.6 RM007 (Risk of inadequate data quality resulting from poor data governance, leading to poor decisions being made affecting outcomes for Norfolk citizens).**

The Chairman and Cabinet Member for Strategy & Governance highlighted that the risk was improving, although it remained at amber. Getting the right data was vital, as recently shown with the covid-19 pandemic, but anything to do with data and its governance was a complex situation so the risk showed a fair reflection of the work done, but also the work that needed to be done in the future.

**16.2.7 Risk RM010 (The risk of the loss of key ICT systems including: internet connection; telephone; communications with cloud-provided services; or the Windows and Solaris hosting platforms).**

The Cabinet Member for Innovation, Transformation & Performance highlighted that the covid-19 pandemic had shown the reliance the County Council has on

these systems and the work being done. The tasks to mitigate the risk were outlined.

One of the risks was cyber-attack and it had been acknowledged that some councils around the country had been targeted. The County Council was confident a resilient system was in place, although it was not being complacent as we know incidents and the likelihood of attack had increased in that area.

Homeworking had brought us the realisation that it was not just the core central systems but all the outlying parts and the quality of connections to join meetings was something we will be addressing in the future, to take account of more homeworking in the future.

- 16.2.8 **Risk RM013 (The potential risk of failure of the governance protocols for entities controlled by the Council, either their internal governance or the Council's governance as owner. The failure of entities controlled by the Council to follow relevant guidance or share the Council's ambitions).**  
The Cabinet Member for Commercial Services and Asset Management stated this risk related to governance and control of entities and was green. The risk had been green for some time, although work was being carried out to strengthen the governance of all organisations, particularly by strengthening the representation of Executive Directors on the Board. Improved shareholder representation was also being considered, as all entities had shareholder representation on the Board, either in terms of the Executive Director of Finance & Commercial Services, a Councillor or an officer. Whilst the target was doing well, governance would continue to be strengthened going forward.
- 16.2.9 **Risk RM022 (Potential changes in laws, regulations, government policy or funding arising from the UK leaving the European Union, which may impact on Council objectives, financial resilience and affected staff (Brexit)).**  
The Cabinet Member for Growing the Economy highlighted the four important implications to the Council, raising that nplaw had drafted a Deed of Guarantee seeking written assurance from MHCLG that they would meet our liabilities in order to close the Programme, which the Cabinet Member said he hoped to receive. The risk was shown as amber and were well known. The Cabinet Member highlighted that the risk would remain amber until such time as it was known whether there was a deal, or not. He added that more information for businesses and individuals, including Norfolk County Councils EU No deal exit strategy was available at <https://www.norfolk.gov.uk/what-we-do-and-how-we-work/preparing-for-brexit>
- 16.2.10 **Risk RM023 (Failure to respond to changes to demography, funding and government policy, with particular regard to Adult Services.)**  
The Cabinet Member for Adult Social Care, Public Health & Prevention highlighted that there were two differing definitions for the risk, but he considered a strategy was in place to cover either definition. A national campaign to encourage a final funding solution was being undertaken for adult social care which was a national issue and one which Norfolk County Council was at the forefront of bringing to the attention of the Minister.

Regarding the strategy to manage that, the County Council had an acknowledged Promoting Independence Strategy in place, which was an

excellent and very focused strategy on achieving better outcomes for the people of Norfolk by listening to the things that they would like, eg more independence, the specific issues of which were included in the report.

**16.2.11 Risk RM024 (Failure to construct and deliver the Great Yarmouth 3<sup>rd</sup> River Crossing within agreed budget (£121m) and to agreed timescales (construction to be completed early 2023)).**

The Cabinet Member for Highways, Infrastructure & Transport highlighted that a contractor had been appointed to construct the 3<sup>rd</sup> river crossing and work would commence the end of 2020, with completion in 2023. This was one of Norfolk County Councils Highways Priorities on Infrastructure and would be of massive benefit not only to Great Yarmouth but also to the rest of the county.

**16.2.12 Risk RM026 (Legal challenge to procurement exercise).**

The Cabinet Member for Finance advised that all procurement processes had been reviewed and new sign off procedures established. He added that he was confident the process was now solid.

**16.2.13 Risk RM027 (Risk of failure of new Human Resources and Finance system implementation).**

The Cabinet Member for Innovation, Transformation & Performance highlighted that the new system was needed as the old systems were nearing the end of their life. Cabinet had approved the business case in May 2019 and the contract had now been awarded. There had been rigorous third party assurance of plans and timescales and even with staff being redeployed to other areas due to covid-19, rigorous monitoring of the system was taking place. Corporate Select Committee was regularly reviewing the implementation so there was rigorous challenge and planning to impact any delays to the implementation and strong governance had been put in place for managing project. The Cabinet Member said he was confident the project schedule would be adhered to despite the difficulties incurred in getting the project up and running in the initial stages.

**16.2.14 Risk RM028 (Risk of any failure to monitor and manage health and safety standards of third party providers of services).**

The Chairman and Cabinet Member for Strategy & Governance said that, as seen when Cabinet considered the Health, Safety and Wellbeing report, the improving picture showed the progress made from a score of 20, leading to a score of 10 by March 2021, whilst recognising that more work needed to be carried out in this area.

**16.2.15 Risk RM029 (NCC may not have the employees (or a sufficient number of employees) with official skills that will be required for the organisation to operate effectively in the next 205 years and longer term).**

The Chairman and Cabinet Member for Strategy & Governance said that this was a changing world which would see public and private sector organisations, including Norfolk County Council, considering that they had the right people to carry out the work for the future, which was absolutely essential.

The Chairman highlighted the three tasks to mitigate the risk, which were being monitored and managed –

- The identification of new critical skills
- New pathways for staff to learn

- Consider whether there were other ways services could be delivered, particularly in relation to the current financial position.

The Chairman added that more work must also be carried out regarding apprenticeships to ensure future workforce had the required skills and also highlighted that if all the details set out in the risk description were completed, the risk would move to green.

**16.2.16 Risk RM030 (Non-realisation of Children’s Services Transformation change and expected benefits).**

The Cabinet Member for Children’s Services identified that, at the start of the covid-19 pandemic, some of the transformation staff were redeployed to other areas, although the department was now in a position where staff were returning to their substantive roles within transformation team. The Cabinet Member had spoken with the Transformation Officer last week who was confident the transformation programme would soon start to get back on track. The capital programme on SEND was on target and progressing well; the engagement with corporate departments including Finance and HR was moving forward so from a transformation viewpoint, which we know all of Children’s Services depend on, both efficiency and budget wise, the department was confident it was back on track with the programme.

**16.2.17 Risk RM031 (NCC Funded Children’s Services Overspend).**

The Cabinet Member for Children’s Services stated that the risk was moving in the right direction with the new fostering team showing trends that it was identifying improvements. Although looked after children numbers had been steady, it had been difficult to ascertain if they had been static or moving to our advantage, although work was in place the department was confident numbers would reduce. Unfortunately high value placements which impacted on the budget was an area that could not be predicted in advance.

**16.2.18 Risk RM032a (Effect of covid-19 on NCC business continuity (staff, service users and service delivery)).**

The Chairman and Cabinet Member for Strategy & Governance stated the current risk score of 20 was a fair reflection of the situation although the County Council had done exceedingly well in how it maintained service delivery as much as possible and also opened up services as soon as possible when it was safe to do so, for both staff and users. He added that a lot had been learned over the last few months, particularly about how to respond if there was a second wave, although there was still more work to do in this area.

The Chairman also highlighted the “Protect Yourself, Protect Others, Protect Norfolk” campaign, which had been successful and was now recognised by the community.

The Chairman also drew attention to the new Strategic Risk Register for covid-19 which covered the risks as they were currently seen, specifically relating to the pandemic.

**16.2.19 Risk RM032b (Effect of covid-19 on supply chain).**

The Cabinet Member for Finance highlighted that this risk related to the procurement aspect of service delivery. Large amounts of PPE had been purchased by Norfolk County Council and buffer stocks were being

purposefully maintained; guidance was given to staff on how to use PPE. Any areas of risks identified quickly as a result of good team working.

16.3 Cabinet considered the report and **RESOLVED** to:

1. **Agree** the key messages (2.1) and key changes (Appendices A and B) to corporate risks since the last risk management report in April 2020.
2. **Agree** the corporate risks as at July 2020, including a newly presented strategic corporate COVID-19 risk register at Appendix D.

16.4 **Evidence & Reasons for Decision.**

N/A

16.5 **Alternative Options**

There are no alternatives identified.

**17 Norfolk's Local Outbreak Control Plan**

This report was withdrawn from the Cabinet agenda.

**18 Reports of the Cabinet Member and Officer Delegated Decisions already made:**

Cabinet **RESOLVED** to **note** the Delegated Decision reports made since the last Cabinet meeting.

**Decisions by the Cabinet Member for Highways, Infrastructure & Transport.**

- [Chedgrave TRO](#)
- [Hopton on Sea TRO](#)
- [All Electric Bus Town – Expression of Interest](#)
- [Rural Mobility Fund](#)
- [Transforming Cities Fund – Resubmission](#)
- [Covid-19 Bus Services Support Grant](#)
- [Concessionary Travel, Removal of Temporary Amendment](#)
- [Trowse, Whitlingham Lane TRO](#)
- [Highways Response to Covid-19 – Phase 1](#)
- [St Williams Way, Thorpe St Andrew - TRO](#)

**Decisions by the Cabinet Member for Adult Social Care, Public Health & Prevention:**

- [Norfolk Care Homes Support Plan](#)
- [Covid-19 Impact on MIG and PIP charging increases 2020-21](#)

**Decision by the Cabinet Member for Commercial Services & Asset Management:**

- [Acquisition of Property on Browick Road, Wymondham](#)

The meeting ended at 12.20pm.

### **Chairman**



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# Cabinet

Item No: 8

<b>Decision making report title:</b>	<b>Norfolk Fire and Rescue Service Statement of Assurance 2019/20</b>
<b>Date of meeting:</b>	<b>3 August 2020</b>
<b>Responsible Cabinet Member:</b>	<b>Cllr Margaret Dewsbury (Cabinet Member for Communities and Partnerships)</b>
<b>Responsible Director:</b>	<b>Tom McCabe – (Executive Director Community and Environmental Services)</b>
<b>Is this a key decision?</b>	<b>Yes</b>
<b>If this is a key decision, date added to the Forward Plan of Key Decisions.</b>	<b>15 April 2020</b>
<p><b>Introduction from Cabinet Member - Executive Summary</b></p> <p>Fire and rescue authorities are accountable for their performance and they should be open to evaluation by the communities they serve. Information on their performance should be accessible, robust, fit-for-purpose and accurately report on effectiveness and value for money.</p> <p>One of the principal aims of the statement of assurance is to provide an accessible way in which communities, Government, local authorities and other partners may make a valid assessment of their local fire and rescue authority's performance.</p> <p>The annual statement must provide assurance on financial, governance and operational matters for the previous year and set out how the service has had due regard to the expectations set out in their <a href="#">Integrated Risk Management Plan (IRMP)</a> and the requirements included in the <a href="#">Fire and Rescue National Framework 2018</a>.</p> <p><b>Recommendation</b></p> <p><b>1. To consider and approve the Norfolk Fire and Rescue Service Statement of Assurance 2019/20 as set out in Appendix A.</b></p>	

## 1. Background and Purpose

- 1.1. Under the Fire and Rescue Service National Framework 2018 Fire and Rescue Authorities must provide annual assurance on financial, governance and operational matters and show how they have had due regard to the expectations



set out in their Integrated Risk Management Plan (IRMP) and the requirements included in the Framework.

- 1.2. To provide the assurance, fire and rescue authorities must publish an annual statement of assurance.
- 1.3. The Norfolk Fire and Rescue Authority Statement of Assurance 2019/20 (Appendix A) has been devised as a concise, accessible summary document that draws together a wide range of information on performance, finance, governance and planning that is already in the public domain. Rather than reproduce all of this material, internet links are provided to previously published documents.

## **2. Proposals**

- 2.1. There is 'light touch' guidance on what Statements of Assurance should cover with authorities able to judge for themselves on what to include according to local need and circumstance. However, there is an expectation that it should include:
  - Financial information
  - Governance arrangements
  - Operational matters
  - Future improvements
- 2.2. The Statement of Assurance, as attached in Appendix A, outlines detail against these four areas to meet these requirements under the FRS National Framework.
- 2.3. There is no requirement for the statement to be subject to internal or external consultation, but it should be published and widely available.

## **3. Impact of the Proposal**

- 3.1. The information supplied will be in the public interest and outlines the performance of Norfolk Fire and Rescue Service. The Norfolk Fire and Rescue Service and the Fire Authority can be held to account against the performance data supplied.

## **4. Evidence and Reasons for Decision**

- 4.1. It is a legal requirement to publish an annual Statement of Assurance. The format and content is for the Fire Authority to agree.

## **5. Alternative Options**

- 5.1. It is a legal requirement to publish this document, therefore, there is no viable alternative.

## **6. Financial Implications**

- 6.1. The statement of assurance covers the financial position for the Fire service for 2019/20 and the financial management for the Services.

## **7. Resource Implications**

7.1. **Staff:**

None

7.2. **Property:**

None

7.3. **IT:**

None

## **8. Other Implications**

8.1. **Legal Implications**

None

8.2. **Human Rights implications**

None

- 8.3. **Equality Impact Assessment (EqIA) (this must be included)** There are no EqIA impacts arising from this report. EqIA considerations have been carried out as part of the IRMP process.

8.4. **Health and Safety implications** (where appropriate)

There are no Health & Safety implications arising from the report.

8.5. **Sustainability implications** (where appropriate)

None

8.6. **Any other implications**

None

## **9. Risk Implications/Assessment**

- 9.1. The Annual Statement of Assurance looks back at arrangements for the previous year and there are no risks to highlight in this report.

**10. Select Committee comments**

10.1. N/A

**11. Recommendation**

11.1. 1. Consider and approve the Norfolk Fire and Rescue Statement of Assurance 2019/20 as set out in Appendix A.

**12. Background Papers**

12.1. None

**Officer Contact**

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

**Officer name:** Austin Goreham                      **Tel No.:** 01603 223138  
07766 614947

**Email address:** [Austin.goreham@norfolk.gov.uk](mailto:Austin.goreham@norfolk.gov.uk)  
[Austin.goreham@fire.norfolk.gov.uk](mailto:Austin.goreham@fire.norfolk.gov.uk)



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# **NORFOLK FIRE AND RESCUE SERVICE**

## **STATEMENT OF ASSURANCE 2019/20**

Chief Fire Officer  
Stuart Ruff

August 2020

# INTRODUCTION

## Purpose

Fire and Rescue Authorities must provide both local communities and the Government with an annual statement of assurance on financial, governance and operational matters. This means that Norfolk Fire and Rescue Service (NFRS) must demonstrate that it is doing what the Government expects of it, as laid down in the [Fire and Rescue National Framework for England](#) and that it is delivering the local Integrated Risk Management Plan (IRMP). The National Framework was last updated in 2018.

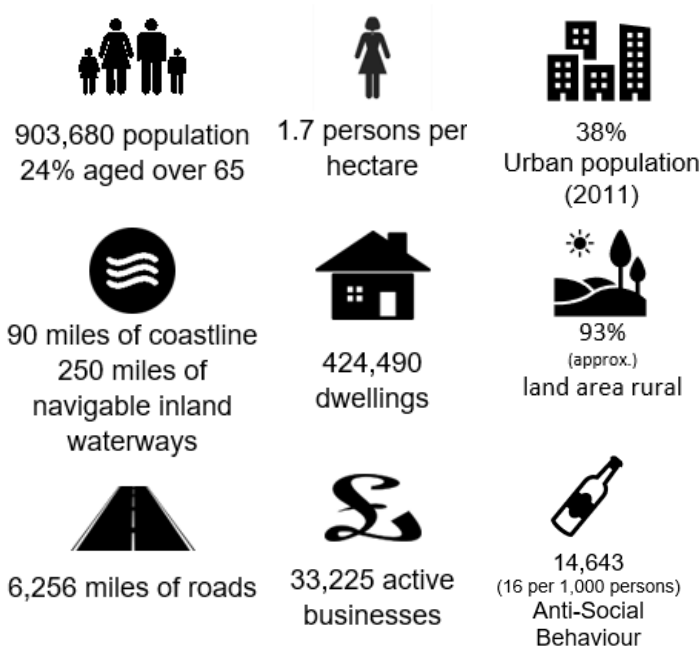
This statement of assurance covers the period April 2019 to March 2020.

## Norfolk's Context

In Norfolk the Fire and Rescue Authority is Norfolk County Council which governs and operates the Fire and Rescue Service as a service in the Council's Community and Environmental Services Directorate. Our Chief Fire Officer is a member of the Departmental Management Team with the responsibility for the Fire and Rescue Service and is a Director of Norfolk Safety CIC.

The type of fire and rescue service that is operated is influenced by the nature of area in which it works. In Norfolk's case, some of the key characteristics considered are:

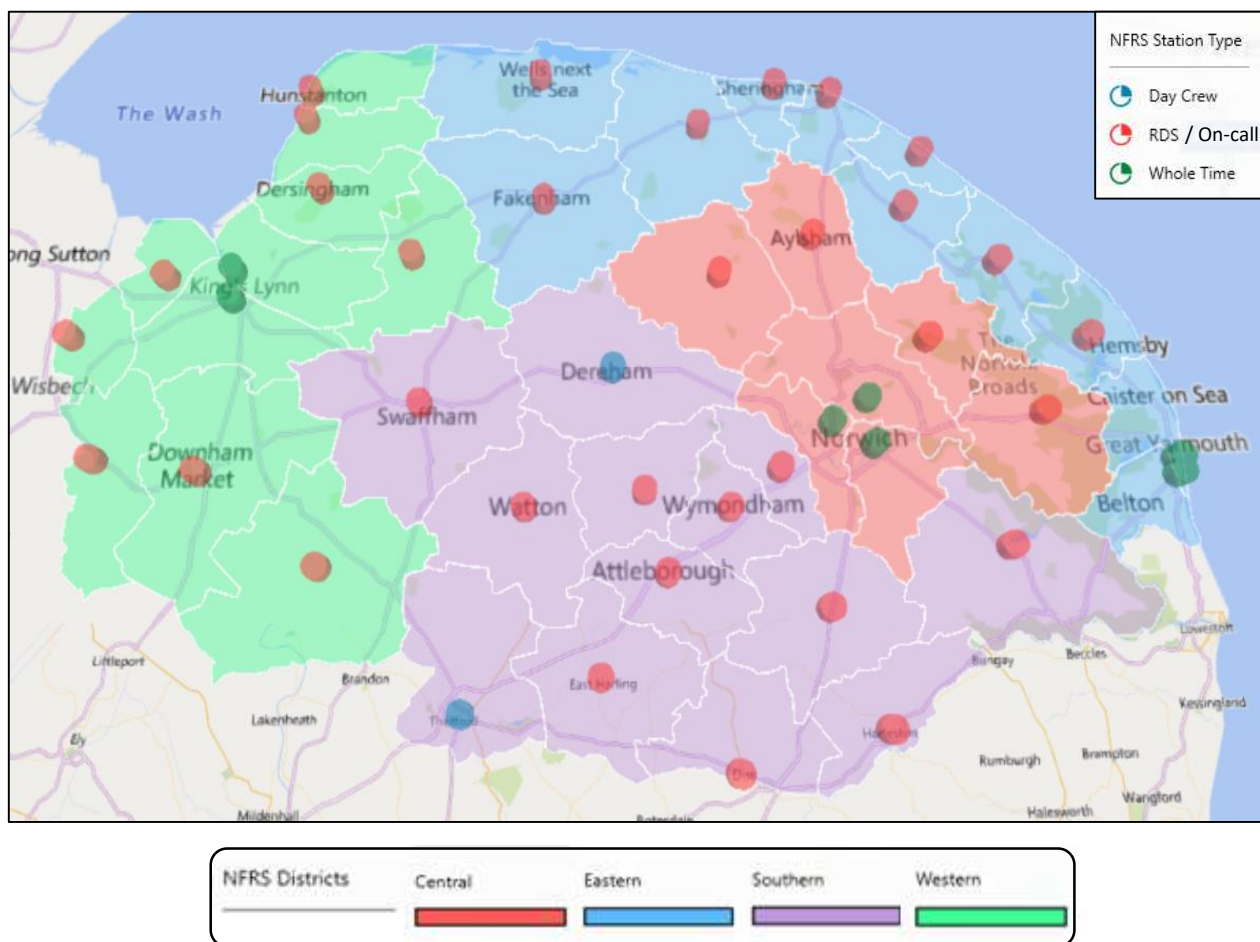
- Increasing and ageing population
- Fifth largest county in England
- Second most rural county with one of the lowest population densities in England
- Relatively flat county prone to flooding and coastal tidal surges
- Changing emergency call profile- as well as fires we also attend a wide variety of incidents like rescues from water and road traffic collisions



## Norfolk Fire and Rescue Service Resources

There are 42 fire stations across the county. Carrow and Sprowston in Norwich, and King's Lynn South are wholetime stations crewed by firefighters 24/7. Four stations have a mix of wholetime and on-call firefighters (Earlham, Great Yarmouth, Gorleston and King's Lynn North), two stations have a mix of Day Crew and on-call firefighters (Dereham and Thetford) and 33 stations are crewed by on-call firefighters in market towns and villages. On-call firefighters are staff whose main job is outside the Fire and Rescue Service but they are available on-call to respond to emergencies in their area.

## Coverage



The Service has a variety of fire engines to tackle a range of different emergencies. For example, heavy rescue pumps are equipped to respond to road traffic collisions and Technical Rescue Units attend water rescue and large animal rescue incidents. The off-road 4x4 fire engines are used for flooding incidents, heathland/forest fires, firefighting and rescues at height.

Our fleet of specialist vehicles also includes two environmental protection units, a control vehicle, a water foam unit, three aerial ladder platforms and a driver training vehicle. The Service also hosts a team of Urban Search and Rescue (USAR) personnel and vehicles that are trained to respond to national, regional or major incidents. We are also one of the few services that have a specialist team to respond to a terrorist threat should such an incident occur.



**Firefighters**  
273 Wholtime  
451 On-call



**86 Non-uniformed**



**24 Control room**

**Employee full time  
equivalent at end of  
March 2020**

# GOVERNANCE

## National Governance

In January 2016 responsibility for Fire and Rescue Services moved from the Department of Communities and Local Government to the Home Office. The Home Office are also responsible for policing and the move supports the Government's commitment to deliver greater joint working between the police and fire and rescue services. This commitment is further underpinned by The Policing and Crime Act (2017), this legislation now places a statutory duty on emergency services to consider closer working where it represents best value. This act also introduced new provisions for a Police and Crime Commissioner (PCC) to act as a fire and rescue authority for that area. During 2019/20, NCC and NFRS was subject to consideration from the PCC to take on fire governance in Norfolk, however, following public consultation the PCC decided not to submit its business case.

## Democratic Accountability

Norfolk Fire and Rescue Service is one of the services provided by Norfolk County Council (NCC) which acts as the Fire and Rescue Authority. The County Council has a [Constitution](#) which sets out how the Council operates, how decisions are made and the procedures which are followed to ensure that these are efficient, transparent and accountable to local people. It includes clear communication protocols and clearly defines roles and responsibilities.

On a regular basis, the County Council's Cabinet review the performance of the Fire and Rescue service, its financial position and risks that have been identified. County Councillors also play a key role in shaping the long term development of the Service including approving the [Integrated Risk Management Plan \(IRMP\)](#).

During 2019/20, the Council's governance arrangements changed from a Committee system to a Cabinet system of governance. Up May 2019, oversight of the Fire and Rescue service was the responsibility of the Communities Committee. Since May 2019, under the Cabinet system of Governance, day to day oversight is the responsibility of the Cabinet Member for Communities and Partnerships, Cllr Margaret Dewsbury. The Infrastructure and Development Committee also has a role in reviewing and developing policies and strategies.

A Scrutiny Committee also forms a key part of the democratic checks and balances of the Cabinet system of governance. The Committee is able to review or scrutinise decisions taken by the Executive and to make reports to the Cabinet or Full Council.

The roles of Cabinet, Full Council, Cabinet Members Scrutiny Committee and Select Committees are set out in the Council's Constitution.

The IRMP forms part of the Council's Policy Framework and therefore is considered and approved by Full Council. The IRMP for 2020-2023 was finalised during 2019/20. As a result of Government lockdown restrictions for Covid-19, and the subsequent pausing of the Council's public meetings, the IRMP was approved by the Head of Paid Service using powers set out in the Constitution. This followed on from discussions at public meetings of Cabinet and Select Committee.

# GOVERNANCE

## Service Management

The Chief Fire Officer is accountable to the Executive Director of Community and Environmental Services. Under the Council's scheme of delegated powers the Chief Fire Officer has authority to exercise the Council's functions relating to fire prevention, firefighting, fire safety, explosives and petroleum licensing and the functions conferred on the local authority under Article 25 of the Fire Safety Order 2005.

The Chief Fire Officer is supported by a Senior Management Team comprised of senior officers from the Fire and Rescue Service. Decisions are taken in accordance with the scheme of delegation set out in the Council's Constitution. The scheme of delegation allows officers to take decisions on behalf of the fire authority.

## Governance Standards

Norfolk County Council is responsible for putting in place effective systems for the governance of its affairs, ensuring services are delivered properly and legally and that any associated risks are managed. The [Code of Corporate Governance](#) sets out the governance standards.

## External Scrutiny, Audit and Review

Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) undertook a week long inspection of Norfolk Fire and Rescue Service (NFRS) starting 4 February 2019.

This is the first time that HMICFRS have inspected fire and rescue services across England. In carrying out the inspections of all 45 fire and rescue services in England, HMICFRS look to answer three main questions:

1. How effective is the fire and rescue service at keeping people safe and secure from fire and other risks?
2. How efficient is the fire and rescue service at keeping people safe and secure from fire and other risks?
3. How well does the fire and rescue service look after its people?



## External Scrutiny, Audit and Review (continued)

HMICFRS found that Norfolk Fire and Rescue Service is good in the way it responds to fires and other emergencies and good in the way it responds to national risks such as terrorism. The inspectorate also concluded that the service is good at making the service affordable now and in the future and that it is good at getting the right people with the right skills.

Although inspectors found the service is good in how it responds to emergencies, it concluded improvements are required in how the service understands the risk from fire and other emergencies, how it prevents these risks from occurring and how it protects the public through fire safety regulation.

HMICFRS also found that the service is good at ensuring it is affordable, but improvement is required in how it makes the best use of the resources available to it. Inspectors concluded that the service is good at ensuring it gets the right people with the right skills. Improvement is required in how the service promotes its values and culture, ensures fairness and equality, and how it manages performance and develops its leaders.

Based on their findings HMICFRS have provided an overall graded judgement of requires improvement against their 3 main questions of efficiency, effectiveness and people. An [improvement action plan](#) has been developed and is used to track service progress against the HMICFRS areas of improvement. Oversight arrangements are in place to monitor progress against the HMICFRS action plan. Cabinet are reviewing progress regularly and the Cabinet Member has a monthly meeting with the CFO to monitor and review progress.

NFRS is also subject to governance review and scrutiny through the Council's Annual Governance Statement.

Blue light collaboration continues to be a key enabler for NFRS and improving our service to the community. We continue to benefit from well-developed and positive relationships across the blue light services – this is demonstrated through an active programme of collaboration including joint estates, a plan to co-locate our control function with Norfolk Constabulary and helping paramedics to gain access to premises in a medical emergency. In 2018 this relationship was further strengthened by the signing of a formal Memorandum of Understanding between Norfolk Police and Crime Commissioner, Norfolk County Council, Norfolk Fire and Rescue Service and Norfolk Constabulary on emergency services collaboration 2018/19 (click [here](#)).

Collaboration governance arrangements include the Strategic Oversight Board (chaired jointly by the CFO and NCC), as well as an officer operational group.

## Norfolk Safety Community Interest Company (CIC)

[Norfolk Safety Community Interest Company \(CIC\)](#) (NSCIC) is a subsidiary company limited by guarantee of the County Council that operates in partnership with Norfolk Fire and Rescue Service. Norfolk Safety provides a range of risk management, training and development and other services to public bodies, third sector organisations and businesses.

The articles of association outline the composition of the Board of Directors who are responsible for the operation of the Company and the Cabinet Member is one of the directors. The Directors were changed in August 2019.

NSCIC is required to report annually to the Regulator on how they are delivering for the community and how they are involving their stakeholders in their activities. The company is subject to legislation and external audit and has to complete a return to the shareholder (NCC) as part of the annual governance statement process. In relation to profits generated these are asset locked into community interest projects by the Board and Regulator (an independent statutory office-holder appointed by the Secretary of State).

Details on the composition of Norfolk Safety CIC and filed accounts can be found on Companies House website ([link](#))

## FINANCE

### NFRS Budget

NFRS operates on a revenue budget which in 2019/20 was £27.4 million, 7% of the Council's overall net revenue budget. This equates to £32.96 (£31.41 2018-19) per head of population including capital charges, £28.88 (£29.04 2018-19) per head excluding capital charges.

NFRS cost per head  
of the population is  
£32.96

NFRS continues to operate within a challenging public services financial climate and has to manage service delivery against budget restrictions. Value for money continues to be a major driver in all spending and operational decisions.

Financial performance for the year resulted in a £0.426m overspend at 1.6% of budget and was mainly attributed to increased training requirements to meet new recruit and maintain fire fighter competencies.

The service has an approved capital programme of £9.7m to be spent over the next 3 years to 2022 and will enable the service to undertake major purchase of new fire services vehicles, fire fighter training facilities and a number other projects.

## Financial Management

The Council's [Constitution](#) sets out the Council's decision-making framework, including delegation arrangements. The Constitution includes Contract Standing Orders and Financial Regulations which set out how decisions are made and the procedures to be followed. Updated Financial Regulations were approved by Council in April 2019. All Responsible Budget Officers/ Management of NFRS are made fully aware of their duties with checks and oversight by the Fire Services Procurement Manager and Finance Officer.

The County Council is legally required to provide an annual report, the Statement of Accounts, on how it spends its money. As the Fire Authority, the Council includes in the Statement of Accounts details of the NFRS financial position. The accounts, along with the Fire Fighters Pension Fund Accounts, are audited to confirm their accuracy.

Following the signing of the Statement of Accounts and the conclusion of the annual audit, our external auditors write an Annual Audit Letter to the Council. The letter summarises the findings of the auditors and formally concludes the audit.

The latest Statement of Accounts and audit letters are available on the County Council's website ([link](#)). These confirm that the budget has been managed in accordance with the law and proper standards and that public money is being used economically, efficiently and effectively.

If you would like further details about where the Service spends its money, such as expenditure on staff and expenses and where we spend over £500, this is available on the Council's Open Data website ([link](#)).

## PERFORMANCE

### Performance Management Framework

NFRS operates within the County Council's corporate performance framework. A set of 'vital signs' for each service have been produced which provide transparency and assurance on the health of key services. The vital signs for NFRS are 'Emergency Response Standards (ERS)' and 'Percentage of time that retained (on-call) first fire engines are available to respond to emergencies'. These are regularly monitored by department management teams and County Councillors through the democratic process with reports published on our website ([link](#)).

In accordance with the corporate performance framework, our Service Management Team monitor a broader dashboard of indicators and escalate issues to County Councillors if required. Some of the indicators are former national indicators that we can compare with other fire and rescue services and others are locally determined. An overview of our performance over the past 4 years can be found in the next section.

# Performance 2016/17 to 2019/20

The Government collate [national statistics](#) about all fire and rescue services.

## Priorities

We publish an annual [Service Delivery Plan](#) which sets out targets which will deliver against our key priorities:

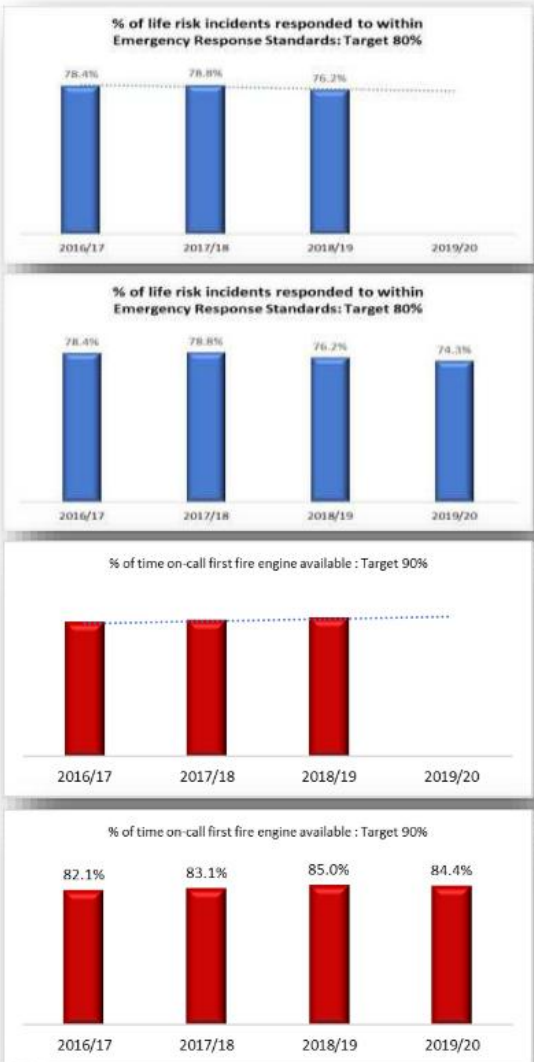
- Reduce fires, improve road and water safety
- Ensure operational readiness and firefighter safety
- Improve the availability and response times of our fire engines
- Develop a diverse and high performing workforce

## Vital Signs

During 2019/20 we aimed to get to 80% of life risk incidents within our Emergency Response Standards (how quickly we should attend an incident) and achieved this on 74.3%\* of occasions. We know that the changing nature and location of calls (fewer in urban areas and a larger proportion in rural areas) and a shortage of on-call firefighters is affecting our ability to meet this target and are looking at this in our performance framework and target setting for 2020/21.

Our on-call first fire engines were available and ready to respond to an emergency 84.4%\* of the time against a target of 90%. This is a slight decline on last year's figure of 85%. We know we have some stations where more firefighters are needed and we are actively recruiting in these areas.

*\*This figure is based on 10 months data to January 2020 due to issues with the data reporting system at the time of writing.*

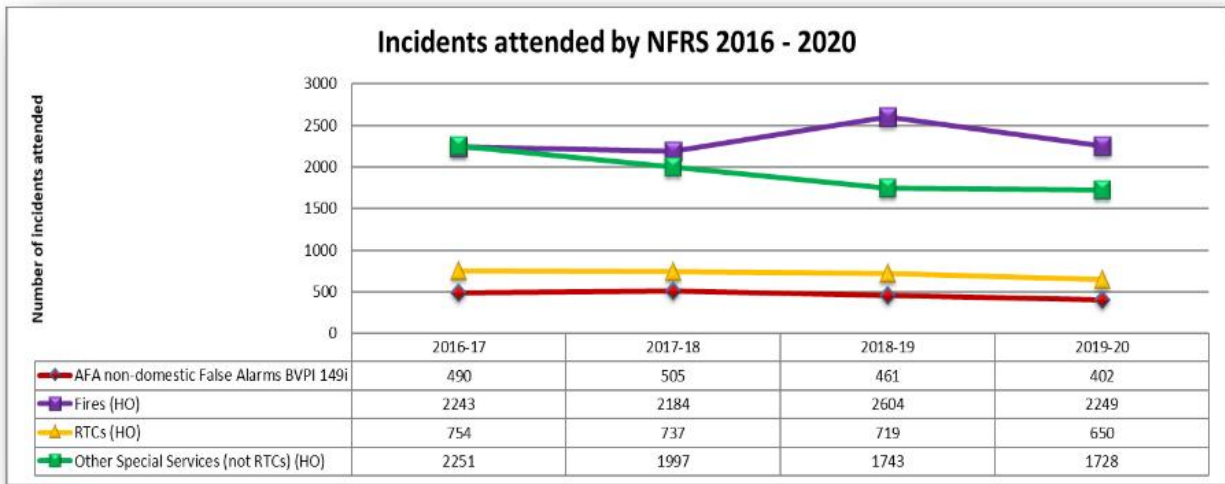


PERFORMANCE

Incident Attendance

	2016-17	2017-18	2018-19	2019-20
AFA non-domestic False Alarms	490	505	461	402
Fires	2243	2184	2604	2249
RTCs	754	737	719	650
Other Special Services (not RTCs)	2251	1997	1743	1728
Total (Fire, RTC & Other Special Services)	5738	5423	5527	5029
RTC Extrication and release of persons incidents:	213	215	199	185

NOTE the number of non-domestic AFA False Alarms attended now uses data reported to Home Office IRS system. Previously it used Vision data which was not accurate.



Fires:	2016-17	2017-18	2018-19	2019-20
Primary	1210	1292	1399	1256
Secondary	700	779	1098	872
Chimney	139	113	107	121
All Fires	2049	2184	2604	2249
Previous year fire totals	2173	2049	2184	2604
Difference	-124	135	420	-355



## PERFORMANCE

### Incident Attendance

We attended 2249 fires – 355 less than last year (a reduction of 13.6%). This included:

- 418 accidental dwelling fires in people's homes – 9 less than last year, resulting in three fatalities and 27 people being injured. This compares to three fatalities and 50 injuries in 2018/19.

accidental dwelling fires	Total	Fire related fatalities	Fire related injuries
15/16	455	5	54
16/17	397	2	38
17/18	430	2	49
18/19	427	3	50
<b>19/20</b>	<b>418</b>	<b>3</b>	<b>27</b>

- 785 deliberate fires (potentially arson) incidents – a decrease of 8.6% compared to 2018/19.

Deliberate fires (excluding not known)	Total
15/16	728
16/17	663
17/18	744
18/19	859
<b>19/20</b>	<b>785</b>

- 6 less accidental non-domestic premises fires (184 in total) – a decrease of 3.2%. However, 4 persons were injured.

Accidental fires non-domestic premises	Total	Fire related fatalities	Fire related injuries
15/16	227	2	9
16/17	230	1	7
17/18	239	0	2
18/19	190	1	3
<b>19/20</b>	<b>184</b>	<b>0</b>	<b>4</b>

We attended a 4.2% increase in non-domestic false automatic fire alarms against a backdrop of declining false alarms.

We attended 650 road traffic collisions which involved the extrication and release of 185 persons from their vehicle. The reduction in our attendance at road traffic collisions can be attributed to a return to the mobilising criteria we used in 2012-13. This brings us in line with other fire and rescue services and focuses our support to the incidents where our specialist skills are most needed.

We attended 1728 other special service incidents such as flooding, freeing trapped people or animals and calls to assist other agencies.

# PERFORMANCE

## Prevention and Protection

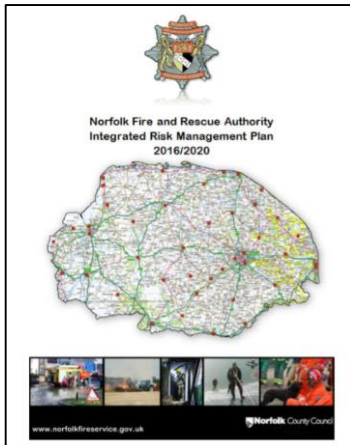
To help prevent incidents from occurring and to protect people and property when they do happen in 2019/20 we:

- Carried out 3,929 Home Fire Risk Checks (2018/19 was 4,054). These fire safety visits, usually with vulnerable people, are designed to help make people safer in their home, whilst promoting and increase in smoke alarm ownership across our communities. We have also continued shaping “Safe and Well” checks - a broader review of risks and safety issues in the home, including falls prevention, smoking cessation and wider wellbeing themes in partnership with Public Health. This targets resources at the greatest level of vulnerability and adds value to each visit.
- Carried out 975 Fire Safety audit visits of non-domestic premises to ensure compliance with fire safety regulations (2018/19 was 665).
- Carried out 47 post fire investigations (35 inspections and 12 audits), supporting business resilience, which includes enforcement and prosecutions for serious cases.
- Maintained up-to-date files of the risks at over 600 non-domestic premises so that if an incident did occur we would have the information that we need to deal with the event as safely as possible, thus reducing the risks for our firefighters and the public.
- Carried out 7 Crucial Crew year 6 education visits to over 6,000 children, covering a wide range of safety themes, Road, Home, Water safety and first aid.
- Carried out over 400 separate educational community safety events targeted at Road, Water and Home Safety. Including targeted arson prevention events and audits:
  - Arson Reduction Events – 80
  - Water Safety Awareness Event – 34
  - Road Safety Education - 88
  - Other Community Education Activities - 255
- Carried out youth engagement ‘Leadership’ programmes to 130 young people (16 – 25yrs), including work experience and community safety and projects, resulting in 3 of every 4 delegates moving on to employment, education or further education.



# OPERATIONAL ASSURANCE

## Integrated Risk Management Plan (IRMP)



The IRMP sets out the risks and issues that the Fire and Rescue Service will need to respond to over the next three years and how it will do it. The IRMP is the single most important document for the Fire and Rescue Service as it shows what the Service will be doing and why. It is also one of the means by which the public can hold the Service to account.

Full Council approved the [IRMP 2016-20](#) on 22 February 2016 when the County Council's 2016/17 budget was approved.

Through 2019/20 we continued and completed the process of drafting and consulting on the new IRMP 2020-23, with approval being agreed within the period. NFRS consulted on a draft plan from October 2019 to December 2019 (through a Member Reference Group and public consultation) and considered all the responses received. Elected members made decisions about which proposals to adopt and our IRMP [2020-2023](#) was approved in January 2020.

## Collaborative working

We have an established record of working in partnership to deliver effective and efficient services. This includes:

- Fulfilling our duties outlined in the Civil Contingencies Act 2004 by working as part of the Norfolk Resilience Forum to maintain and develop Norfolk's Community Risk Register, plan the response to major incidents and emergencies in the county, and carry out multi-agency training exercises as part of the preparation of an effective response.
- Participating in over the border mutual aid agreements via the National Resilience Programme, which shares specialist response assets across the country. Alongside these wider arrangements, we have local agreements in place with neighbouring fire and rescue services (Lincolnshire, Cambridgeshire and Suffolk) to ensure the fastest response to emergency calls and to share specialist assets.
- Working with other Fire and Rescues Services to improve interoperability. We are part of the East Coast and Hertfordshire Control Room Consortium, a group of fire and rescue service that are working together to standardise control room practices so that we can support each other in the event of major incidents. We make use of national operational and tactical guidance. We will be changing our communication systems as part of the national emergency services mobile communications programme (ESMCP) .
- Increasing our collaboration with other emergency services. Our shared Communication and Control room with Norfolk Constabulary allows us to share information directly with our emergency service partners. We can also share operational intelligence and information on a daily basis directly between the two organisations. Managers are able to quickly offer advice and support to each other and share joint situational awareness with immediate effect due to working in the same building. We already had a strong working relationship with Norfolk Constabulary which has been built up over many years and since the move into the one Control room this has helped to strengthen that relationship and provides a better service for the communities of Norfolk and other partners. Further evidence of our collaborative work can be found in the annual Police and Fire Collaboration Report: [Link](#).



## OPERATIONAL ASSURANCE

### Training and development

We assure the quality of our operations by providing appropriate training and development for all staff and carrying out audits and reviews of working practices to make sure that they are safe, efficient and effective. This includes performance reviews of how well our officers and firefighters manage incidents when they occur with advice and further training provided if required.

To ensure our firefighters maintain their competency in fighting fires we have built a live fire training unit at Scottow Enterprise Park. The unit opened in August 2016 and enables our firefighters to train in live fire conditions.

In the context of the recommendations made in the CFOA Firefit review, together with the changes to the pension scheme meaning that operational staff will be working longer, the Service recognises the importance of effectively managing and promoting Firefighter fitness and welfare. Our Physical Training Adviser is working proactively with individuals and stations to embed a culture of fitness and wellbeing.

NFRS offers a range of accredited courses and holds various accredited standards to support T&D delivery, including;

- Level 3 and 4 BTEC technical certificates in Incident Command
- WDS new recruits are registered as Apprentices completing internal Gateway assessments before passing the accredited End Point Assessment through external accredited assessors
- Driving instructors are accredited through DVSA and must hold suitable qualifications to instruct and assess/qualify.
- Water Rescue course provision is accredited through Rescue 3 – instructors must be accredited to deliver various courses.
- Trauma Care (IEC) is accredited through Trauma Rescue Services – again, instructors must have accreditation that must be maintained through requalification.
- Instructors hold educational awards (levels 3 and 4) in Education and Training (formerly PTLLS)
- Assessors (AVA) and internal quality assurance (IQA) on formal qualifications is undertaken by qualified personnel.

### Health and safety and other legislation

NFRS continually seek to comply with the Health and Safety at Work Act 1974 and other applicable health and safety legislation. Active health and safety management at all levels in the Service combined with routine performance monitoring and review are at the core of maintaining safe working, training and practices in place to respond effectively and safely. The environments for Service staff and those we assist and support. This is achieved through a combination of operational performance review and periodic pre planned audit of the Service's health and safety management system via regional peer challenge using the Royal Society for the Prevention of Accidents (RoSPA) Quality Safety Audit tool kit. This helps the Service to ensure that it has the right equipment.

In 2019/20 there were 13 reportable health and safety absences lasting more than 7 days – 8 more than last year

### Improvements to accounting, governance and operational assurance

In reviewing our financial, governance and operational arrangements we continue to develop the improvements which will further strengthen our approaches and ensure that we are meeting our statutory obligations to best effect.

## FUTURE DEVELOPMENTS

### Accounting

Our [Integrated Risk Management Plan 2016-20](#) set out our plans for the time period. A dedicated Finance Business Manager (FBM) oversees our financial management to ensure that expected income growth and expenditure is correctly identified. The FBM is also a Director of Norfolk Safety (CIC) but does not have any specific responsibility around finances. The CIC uses an external company to audit and file accounts.

### Senior Management

Following the permanent appointment of our Chief Fire Officer in 2019, an interim senior management team structure was established to manage the service whilst consultation was undertaken on a new structure. The selection of our Chief Fire Officer and our subsequent senior manager posts follow the requirement of the framework to ensure it is open to competition nationally.

Our principle officer structure chart can be found on our website: [Link](#).

### Strategic Organisational Review

In part as a result of the HMICFRS inspection and report, we have set out a programme of service improvements (improvement action plan) and a strategic organisational review will be undertaken.

Following the HMICFRS inspection we have published an improvement plan which can be found on our website: [Link](#).

### Ongoing Operational Assurance

With an ageing workforce and a number of senior officers due to retire in the coming years, **workforce and succession planning** continues to remain important. We will be looking at our plans for recruitment and retention of retained firefighters with a view to improving the availability of our emergency response resources.

# AUTHORISATION

Norfolk Fire and Rescue Authority provide assurance to the people of Norfolk that we are satisfied that the Authority's financial, governance and operational assurance arrangements are adequate, operating effectively and meeting statutory requirements detailed within the Fire and Rescue National Framework 2018 and subsequent updates.

This Statement of Assurance was approved by the Authority at the Cabinet meeting on 3<sup>rd</sup> August 2020.

Margaret Dewsbury, Cabinet Member

Stuart Ruff, Chief Fire Officer

# Cabinet

Item No: 9

<b>Decision making report title:</b>	<b>NCC response to Covid-19 – initial lessons learned</b>
<b>Date of meeting:</b>	<b>3 August 2020</b>
<b>Responsible Cabinet Member:</b>	<b>Cllr Andrew Proctor (Leader and Cabinet Member for Governance and Strategy)</b>
<b>Responsible Director:</b>	<b>Tom McCabe (Head of Paid Service)</b>
<b>Is this a key decision?</b>	<b>Yes</b>
<b>Introduction from Cabinet Member</b> <p>The response to the Covid-19 crisis across Norfolk has been remarkable, with communities, businesses and public services working together to protect our communities and keep Norfolk safe. This responsible approach from Norfolk's communities is indeed one of the reasons that we have thankfully seen lower infection rates than elsewhere. Beyond this we have seen extremely high levels of co-operation between various people and organisations which has demonstrated the real value of working better together.</p> <p>As Government lockdown restrictions are eased, we continue to adjust to life in our new and evolving environment. But we all need to remain vigilant and ensure that we continue to follow the advice and guidelines set out to keep us safe and well. Whilst the pace of our response activity is changing, there continue to be challenges ahead.</p> <p>Working across Norfolk, we have put in place strong foundations to move forward. It is important that we build on these. Capturing and acting on learning so far is a key element of this. A formal de-brief process for Covid-19 will be carried out, at the right time, to capture learning in a structured way. In the meantime, this initial de-brief carried out makes sure we can capture and act on initial learning points and ensure we can continue to provide the best possible services and support we can for Norfolk.</p> <b>Executive Summary</b> <p>This report sets out initial lessons learned from the County Council's response to Covid-19. These have been captured through an initial de-brief process with key officers involved in the Covid-19 response. Members have played a range of key roles within their communities including organising and co-ordinating support and volunteers and acting as a conduit for information and advice. This will need to be explicitly picked up in the final de-brief.</p> <b>Recommendations</b> <ol style="list-style-type: none"><li><b>1. To review and consider the initial lessons learned from the County Council's response to Covid-19.</b></li></ol>	

<b>2. To approve the action plan at Appendix B to ensure lessons learned can be acted on.</b>
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## **1. Background**

- 1.1. Risk assessment and planning for a pandemic was started well before Covid-19 was discovered. In September 2019 Norfolk tested, under exercise, the Norfolk Resilience Forum Flu Pandemic Plan, enabling the Norfolk Resilience Forum to test its existing emergency plans for pandemic flu, and for other system functions such as the management of excess deaths.
- 1.2. On 31 December 2019, the World Health Organisation (WHO) was informed of a cluster of cases of pneumonia of unknown cause detected in Wuhan City, China. The cause is now identified as a Coronavirus, one of the family of viruses which caused the SARS (Serious Acute Respiratory Syndrome) outbreak in 2002-2003 across the world. The virus was subsequently named Covid-19.
- 1.3. Norfolk County Council's Public Health played the lead role in establishing the emergency planning response prior to the first cases in the UK. The flu pandemic plan and excess deaths plan were reviewed in early February 2020 as the Covid19 epidemic developed in Asia. Emergency planners, along with community NHS providers and Public Health stood up and chaired the Strategic Coordinating Group (SCG) and Tactical Coordination Group (TCG) by 12 February to support implementation of the national strategy that initially focussed on containment. Support cells to address mortality pathways, epidemiological modelling, and communications were established at this stage also.
- 1.4. In the wake of the crisis and lockdown announcements, the council rapidly redeployed its resources and took steps to minimise the risk of spread of the disease arising from its activities.
- 1.5. Our internal command and coordination structure of Gold and Silver was established to dovetail with multi-agency command and coordination. Activities were re-prioritised to reflect the new reality, ensuring that critical activities were maintained.

## **2. The learning process**

- 2.1. Following any emergency incident, a formal de-brief process takes place. This is the chance to reflect on and review the processes and procedures used in the response, and a formal de-brief report and accompanying action plan is compiled. This exercise is carried out at the end of an incident both to ensure the process does not distract those focussed on responding to the incident and so that learning can be considered and captured with knowledge of the full facts.

This information is then used to develop emergency plans; learning is a fundamental part of the risk management and emergency planning process.

- 2.2. It may be some time before it is appropriate to carry out a formal de-brief exercise for Covid-19. However, given the anticipated length of this incident, it is prudent to capture some learning now so that it can be factored into ongoing response, normalisation and recovery activity. Therefore, an initial-debrief has been carried out which captures initial learning points from key officers who have been involved in the Covid-19 response.
- 2.3. In delivering any activity, whether in response to an incident or as part of day to day working, there will be issues and problems that arise, and officers will seek to address these as they arise. For example, changes have been made to work processes to enable activity to continue within the Government lockdown restrictions; screening volunteers virtually rather than face to face interviews is one example. The hot-debrief does not seek to capture details of these type of learning points from operational activity, nor details of any of learning points that have already been actioned and addressed, and only seeks to identify those where further action would be useful.
- 2.4. The initial de-brief does not attempt to provide a narrative of how the incident unfolded, the actions taken to respond or the impact the incident has had on communities, businesses and services. This is something that can be considered as part of the formal de-brief process, at the right time.

### **3. Proposal**

- 3.1. The findings of the initial de-brief are set out in Appendix A, and a proposed action plan to ensure the lessons learned can be acted on at Appendix B.

### **4. Impact of the Proposal**

- 4.1. Capturing learning points now means that they can be factored into ongoing activity to help us to provide the best possible response for Norfolk communities.

### **5. Evidence and Reasons for Decision**

- 5.1. It is usual practice to capture learning at the end of an incident. Given the length of the Covid-19 emergency, it will likely be some time before the time is right for a formal de-brief process. Therefore, capturing initial learning points now is crucial to enable us to provide the best possible response to Norfolk communities.

### **6. Alternative Options**

- 6.1. A full de-brief exercise is not possible at this stage, for the reasons set out in section 2, and therefore there are no alternative options.

### **7. Financial Implications**

- 7.1. There are no direct financial implications arising from this report. As has been reported elsewhere, there have been considerable additional costs for the County Council associated with Covid-19 and we will continue to manage this pressure.

## **8. Resource Implications**

- 8.1. **Staff:** None. The action plan can be delivered within existing resources and lead senior officers for each action have been identified.
- 8.2. **Property:** None.
- 8.3. **IT:** None.

## **9. Other Implications**

- 9.1. **Legal Implications:** The County Council is a Category 1 Responder as defined by the Civil Contingencies Act 2004 and has a responsibility to prepare and plan for emergencies, including assessing local risks and putting emergency plans in place.

- 9.2. **Human Rights implications:** N/A

- 9.3. **Equality Impact Assessment:** COVID-19 has impacted on every individual and family across Norfolk, particularly on people with protected characteristics. New evidence is emerging daily about the nature and extent of this impact. In view of this, the Council is maintaining a dynamic [equality impact assessment](#).

This impact assessment, which Cabinet reviewed in May, is being used to inform decision-making during the COVID-19 crisis. It is being continually updated to inform business continuity planning. Mitigating actions are being developed wherever necessary and these are summarised in the assessment.

- 9.4. **Sustainability implications:** N/A

- 9.5. **Any other implications:** None identified.

## **10. Risk Implications/Assessment**

- 10.1. Risks associated with Covid-19 have been documented in a Covid-19 Risk Register.
- 10.2. If initial learning points are not captured at this stage, and are not addressed, it is possible that they could impact on the Council's ability to provide an appropriate response to keep Norfolk communities safe and well.

## **11. Select Committee comments**

- 11.1. N/A

## **12. Recommendations**

- 12.1.
  1. To review and consider the initial lessons learned from the County Council's response to Covid-19.
  2. To approve the action plan at Appendix B to ensure lessons learned can be acted on.

## **13. Background Papers**

- 13.1. [Report to Cabinet 11 May 2020 - NCC Response to COVID-19](#)  
[Report to Cabinet Scrutiny 27 May 2020 - Overview of the County Council's Covid-19 emergency response](#)

### **Officer Contact**

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

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## NCC Covid-19 hot de-brief findings

### A. Command and Control Structure

In line with Civil Contingencies Act 2004 guidance, command and control structures were put in place to manage and oversee Covid-19 response. The County Council put a Gold/Silver structure in place and is also part of the Norfolk Resilience Forum's multi-agency command and control structure (Tactical and Strategic Coordination Groups). These structures have been crucial to ensuring a co-ordinated and rapid response to Covid-19.

Command and control structures should only be in place for as long as is necessary, and activities should return to be managed by business as usual (or new business as usual) structures as soon as possible. As we move towards normalisation, there is a continued need for a command and control structure, but the breadth of activity that needs to be managed under this structure is decreasing. It would not be appropriate to maintain the Gold/Silver structure for longer than needed; it is important to ensure that the command structure remains focussed on Covid-19 response and that senior managers in the Council are able to continue to lead the delivery of the services they are responsible for.

Those involved in the structure have found it to be a useful way of progressing activity at pace and it would be helpful to consider what the key elements of this approach are that has enabled activity to be progressed across the organisation quickly, and how these key elements can be harnessed for other activity. It is likely to be particularly useful as a model for progressing transformation activities including ways of working.

#### **Learning point 1: Harness the pace and style of activity that a Gold/Silver structure enables for other suitable areas**

During business as usual, the County Council's Executive Directors operate on a rota basis for emergency command duties and should an incident occur the relevant on-call Executive Director will stand-up and lead a Gold meeting structure. Executive Directors are provided with a handbook and training to support this role.

At a Silver level, the County Council's Resilience Team takes the lead. The team has a role focussed on emergency planning and team members receive relevant training and experience. During Covid-19, the Resilience Team quickly became stretched. In addition, the Resilience Team found it very difficult to carry out their essential co-ordination role whilst also taking the lead for Silver.

As the nature and extent of the emergency became clearer, it became apparent that it would be beneficial for a member of the Council's Senior Leadership Team, with a broader experience of service delivery, to lead the Silver Group during the emergency, and this arrangement was put in place. This also better enabled the Resilience Team to provide advice and support to the Silver and Gold leads.

## **Learning point 2: Extend the Gold preparedness model to the Silver Group**

The NCC Silver group meets regularly outside emergency incidents. Attendance at these meetings includes representatives from all departments and many services; there is usually a large number of attendees.

Whilst discussions include planning for emergencies and considering risk, the large number of attendees means it can be difficult to have an effective discussion that can help shape and develop plans and risk considerations. Discussions also include information sharing and cascade and Resilience Representatives from services are tasked with feeding back information and actions to relevant managers in their services/departments.

Moving forward, and building on Learning point 2 above, it will be useful to consider how to put a smaller and more focussed standing Silver Group in place. This group, which could include all those managers on the Silver Rota along with representatives from key enabling services (e.g. IMT), would enable a focus on assessing risks and developing strategic plans. In addition, during Covid-19 we have developed a richer picture of data and metrics that can help provide early indicators of when an incident could be on the horizon. There is an opportunity for this more focussed standing Silver Group to regularly monitor and respond to these indicators.

There will continue to be a need for Resilience Representatives to discuss more operational day to day issues, but this could be accommodated outside the standing Silver Group to ensure it can maintain focus on making evidence-based planning decisions. The Group will also be able to consider how to incorporate data and metrics into the broader business continuity considerations (see learning point 8).

## **Learning point 3: Re-fresh the standing Silver Group membership and terms of reference to enable a focussed group that can make evidence-based planning decisions**

### **B. Volunteers**

Through the Norfolk Resilience Forum structure, Voluntary Norfolk stepped up to support the volunteering effort as they already had a well-established portal and processes in place. In addition to the local community initiatives that self-assembled, thousands of Norfolk people volunteered their time to support the Covid-19 response. The County Council partnered with Voluntary Norfolk using their existing frameworks to ensure adequate insurance and robust vetting was put in place. The comprehensive screening and DBS check requirements and process was determined following comprehensive input from NCC's Adult & Children's Services. This added to the length and complexity of the recruitment, processing and allocation of volunteers but also security and safety as a result.

The volume and speed at which the volunteers put themselves forward overwhelmed the systems which were designed to cope with smaller volumes – in particular DBS checks were a bottleneck and it was a few weeks into the process before this was adequately recognised and addressed. Additional resources were added to the

process, including support from NCC and district council HR teams, and support was also put in place to streamline and automate the “on boarding” process.

The process to screen and deploy volunteers took longer than we would have liked. In some cases, this meant that those who volunteered and undoubtedly expected to be utilised quickly, were not able to be.

Simultaneously, many communities and individuals put their own local support arrangements in place for example by asking family and friends to collect shopping and supplies for them, making demand difficult to predict. Continuous updates of the data from Government on those who are shielding also meant that there was a constantly moving picture of potential areas of support need.

The amount of existing staff resource within the county and district councils who were able to be redeployed to priority response activities was difficult to predict in the early stages. We were able to access more resource than was initially anticipated in this way, reducing the need and roles available for those who had volunteered in communities. However, as staff move back to their normal roles, for example as services begin to reopen, there is an increasing need to utilise volunteers.

The scale of uptake and task allocation of volunteers varied between the District Hubs and therefore the level of engagement with available volunteers varied across the county. Whilst efforts were made to keep in communication with volunteers, many emails went to “junk” folders and some individuals may have felt their efforts to help were unappreciated.

It is important to note that no response activities were delayed and there was not an unmet need for volunteer resource that delayed any response. Many of the issues identified have now been addressed and significant automation has been put in place to enable a more efficient and faster process.

**Learning point 4: Moving forward, it will be important that we continue work with the VCSE sector and ensure that we harness goodwill by utilising volunteers for continuing community efforts**

### **C. Data and analytics**

There has been a significant need for data and analytics to inform decision making and monitor progress and performance. Significant work has been carried out to develop dashboards and models, led by the County Council’s team working as Norfolk Office of Data and Analytics (NODA). This work goes beyond just compiling data, and includes detailed analysis, modelling and foresight.

Data and information were available from a variety of sources, including Government provided and other publicly available national and regional data. There has been significant effort across the County to ensure meaningful and up to date information is captured.

In some areas, those leading emergency response activities have been providing updates and information to a variety of sources, e.g. to senior managers, Gold/Silver,

Government and the Norfolk Resilience Forum. In some cases, the data requested and the format/template to be used is similar but not identical meaning that data had to be provided in several different ways, which has taken time and led to some frustration by those who had to deal with multiple requests.

In addition, the quality and consistency of data from central Government and other national agencies was not always of the quality required to deliver an effective local response. The continued updates of vulnerability data are an example.

There is also an opportunity to consider how to incorporate data and metrics into the broader business continuity planning process (see Learning points 3 and 8).

**Learning point 5: Increase the use and awareness of NODA as a single reliable source of data and analytics to NCC and Norfolk Resilience Forum partners**

#### **D. Business continuity planning (NCC)**

Planning for the County Council, as an individual organisation, is carried out through a well-established business continuity management process. This is led and co-ordinated by the Council's Resilience Team. The planning process includes a business impact assessment process every two years, an established business continuity plan process and a requirement for all plans to be exercised regularly.

All the County Council's services had business continuity plans in place and were able to use these as a framework for making arrangements to deliver services.

The plans are not intended to cover every eventuality but to provide a firm basis for initial planning and assumptions, to be developed and adjusted as the incident progresses.

Plans focus on individual teams and services and the arrangements those services would put in place to ensure they can be maintained. Alongside this, a list of critical services across the Council is reviewed regularly to agree a hierarchy which identifies those services which are priority areas to maintain - for example emergency activities are classed as critical services - and there is an overarching NCC plan.

The list of critical services has been reviewed and redefined during Covid-19, and it is not unusual for this to happen as the critical activities always need to be considered in the context of the incident at hand.

The definition of critical activities is crucial to both ensuring agreement of which services are priorities to maintain, but also to identify those areas where the priority is not as high and where resource could be re-directed. However, individual service plans do not include a specific consideration of staff potential for deployment to other areas.

There has been significant redeployment of staff to critical services, and a skills database was developed to enable staff skills to be understood. This has been particularly important in identifying staff for redeployment to areas where there were

pinch points e.g. health and safety qualified staff and those with project management qualifications or experience.

**Learning point 6: Refine business continuity planning process to include consideration of potential redeployment of staff to other activities in the event of an emergency, e.g. consideration of the transferable specialist and technical qualifications and experience of staff**

The response to Covid-19 has placed resource pressures across the organisation. IMT, HR, Health, Safety and Wellbeing, Procurement and other key enabling teams have been under significant pressure. Delivery of activities has required significant reprioritisation of workloads, changing roles and changing processes.

It is clear that during a major incident like Covid-19 there is also a significant need for those with the relevant generic experience to carry out key enabling roles to support response, these include project managers, business analysts, sourcing specialists and other change management staff. Whilst there is likely sufficient resource across the organisation, there needs to be a reprioritisation of some major projects to enable the staff with the right skills and experience to be refocussed onto response. This has been a challenge. In addition, as we move from crisis response to normalisation, and services being to re-open or scale up, there is an increasing need for individuals to return to their substantive service specific roles.

Moving forward, it would be useful to consider how to prioritise, and deprioritise, major projects during incidents to help make relevant staff available. This consideration could take place alongside the consideration of critical services, a process already in place that could be expanded to include this at an early stage in an incident.

**Learning point 7: Incorporate consideration of key enabling resource requirements and major project priorities at an early stage in the incident process**

As mentioned in other sections above, there is an opportunity to consider how to incorporate data and metrics into the broader business continuity planning process. A re-freshed standing Silver Group (see Learning point 3) will also be able to consider how to incorporate data and metrics into the business continuity planning considerations at that Group.

It would not be appropriate to include live data within business continuity plans as the process to keep this up to date within the planning process will be too onerous. However, consideration of how to incorporate metrics and data within the planning process will be useful. For example, whilst live data is not appropriate to include, indications of the data that is available, where it is sourced from and who it is maintained by would be useful to enable a clear understanding of what is available and where.

**Learning point 8: Incorporate information on metrics and data available into the business continuity planning process**

## **E. Vulnerable people**

The County Council carries out numerous activities to support those in Norfolk who are vulnerable. In addition, the Council's equality objectives and action plan ensure that we consider the needs of everyone across Norfolk, including those with protected characteristics.

Covid-19 has created a new picture of vulnerability, including how we consider those who are vulnerable (note that Government information about those in the shielded group continue to be received). Details have been captured in the Norfolk Vulnerability Hub and includes those considered to be vulnerable due to clinical, societal, emotional/mental or economic factors.

Many of those people who were advised to 'shield' as a result were living 'normal' lives prior to Covid-19 and were not receiving support services from the County Council, and therefore were not previously known to us and we did not have any details or information about them.

The picture of vulnerability is complex one. The impact of emergency incidents on vulnerability will depend on the nature of the incident. The personal circumstances for individuals will continue to change over time meaning that the picture is constantly shifting and changing. However, we now have a much clearer multi-agency view of those with a wider range of vulnerability considerations than before Covid-19.

**Learning point 9: working with partners, consider how we can maintain the richer picture of vulnerability across Norfolk to support decision making and strategy development**

## **F. Workforce considerations (including health and safety)**

On 17 March, all staff able to do so were instructed to work from home. This required an urgent focus on supporting managers to communicate with clarity to support their teams, backed up with clear daily communication updates and advice on action needed. Initial priorities for our workforce were to provide clarity and alleviate anxiety and ensure all colleagues had the tools, skills and direction to work effectively in this new environment. Many colleagues continued to work in the community, homes and NHS settings as front-line workers and this required specific support on managing their health safety and well-being including use of protective equipment.

To support these immediate and acute changes for colleagues we focussed on daily internal communications, a range of changed policies and guidance better suited to support flexible working, and recognising the challenges for managers – introduced a range of tools for managers to equip them including an outreach service to provide wellbeing and HR advice and support, a collaborate TEAMS site for 1000 managers, and virtual training on teams and managing remotely. Our tone and approach has been designed to be compassionate and supportive to enable all colleagues to do their best in the most trying circumstances. Feedback indicates this has been well received and in particular feedback through our staff survey before and after lockdown indicates a significant improvement in leadership direction and support.

Well-being and absence in a time of isolation and heightened anxiety has been a further area of focus. We implemented a daily tracker to help understand absence related to Covid-19 and other characteristics including shielding. Our absence levels have thankfully not been adversely impacted nor have we suffered any death in service.

With services closing, we redeployed many staff to support voluntary and other community activity. In line with government advice we have recently furloughed around 200 seasonal and casual workers who are not funded through public funding.

Government guidance on the re-opening of the economy and services has placed unprecedented challenge on a small health and safety team undertaking risk assessments and updating guidance for all work settings.

As many of our staff continue to work from home, a significant challenge will continue to be for managers to provide visible and accessible leadership to their teams and colleagues they are not physically located with and to manage the ongoing well-being of colleagues.

**Learning point 10: Continue to support and develop leaders and managers to effectively lead and manage our teams remotely and support a high performing and motivated workforce within an increasingly digital environment**

**Learning point 11: Develop a plan which ensures we have the health and safety capability as a central resource and management capability**

## **G. Procurement of critical supplies**

The ability to procure and distribute sufficient supplies of PPE has been critical to response activity. In addition, because of its high public profile and role in reassuring staff, PPE has been a lightning rod of staff and community feeling.

The establishment of a direct supply chain has been instrumental in enabling PPE supplies to be maintained with some confidence. This has been achieved through the establishment, at a relatively early stage, of a dedicated PPE procurement team in the County Council. The ability to move quickly was important at the early stage when PPE was in high demand, and other authorities who were not able to make rapid decisions missed out.

The sourcing of equipment from China was particularly important and was possible due to collaboration with Essex County Council, combining their knowledge of trading in China and in-country presence with our procurement expertise. Locally sourcing was also important for generic products such as hand sanitiser.

We did not previously have a central understanding of the specification of products that were already used by staff as part of their day to day to work prior to Covid-19 (such as aprons) and therefore the baseline that we were working from. Detailed understanding of need and burn rates has been developed during Covid-19. Being

able to easily access information from which volumes can be calculated or estimated at an early stage is important, and this can be considered as part of Learning point 8.

**Learning point 12: Train and upskill more staff in import-export procedures and increase the pool of staff with knowledge of international procurement**

**H. Communication with multi-agency partners**

The need for home working will continue for some time. The County Council already had a number of arrangements in place to support staff to work from home, including issuing laptops as standard, and had carried out a Council wide exercise to test home working in earnest.

Further improvements have been put in place during Covid-19, including a full roll out of external calling from Microsoft Teams (which was partly completed before Covid-19) to enable staff to arrange and attend virtual meetings and use their NCC issued kit to make internal and external telephone calls.

Multi-agency partners all have different ICT equipment and software with different security arrangements and requirements. This means that there are still some difficulties in communicating effectively with multi-agency partners, particularly at virtual meetings, as there is no common approach. There is still a need to 'dial in' for some meetings rather than being able to access virtually in the same way as other attendees, which can make some discussions more difficult to engage with. In the early stages of response, some key meetings (including the Strategic Co-ordination Group) relied on conference call technology to communicate; whilst this was effective, it did not enable enhanced communication e.g. through sharing papers with all attendees live at the meeting.

**Learning point 13: Work with key partners to put multi-agency communication methods in place which support improved engagement in discussions**



## NCC Covid-19 initial de-brief action plan

Learning point	Action	Lead	Indicative timescale*
1. Harness the pace and style of activity that a Gold/Silver structure enables for other suitable areas	Consider how we can harness the pace of activity that a Gold/Silver structures enables in other areas and put arrangements in place, with appropriate review methods to ensure it is working as anticipated	Fiona McDiarmid – Executive Director Strategy and Governance	Already actioned for NCC internal recovery planning. Will be considered for other areas as opportunities arise
2. Extend the Gold preparedness model to the Silver Group	Agree an appropriate group of senior managers to Chair Silver on a rota basis	Sarah Rhoden – Assistant Director Performance and Governance (CES)	By end August 2020
	Prepare and issue Handbook to help guide Silver Chairs	Richard Cook – Head of Resilience	By end October 2020
	Identify and arrange appropriate training for Silver Chairs	Richard Cook – Head of Resilience	By end December 2020
3. Re-fresh the standing Silver Group membership and terms of reference to enable a focussed group that can make evidence-based planning decisions	Working with Silver Chairs (see action 2), agree refreshed terms of reference and membership	Tom McCabe – Head of Paid Service	By end August 2020
	Identify appropriate forum for Resilience Representatives to discuss and cascade information	Sarah Rhoden – Assistant Director Performance and Governance (CES)	By end August 2020

Learning point	Action	Lead	Indicative timescale*
4. Continue to work with the VCSE sector and ensure that we harness goodwill by utilising volunteers for continuing community efforts.	Continue to work with and support the VCSE sector.	Ceri Sumner – Director of Community, Information and Learning	Ongoing
5. Increase the use and awareness of NODA as a single reliable source of data and analytics to NCC and Norfolk Resilience Forum partners	Data dashboard developed specifically for Covid-19 to be made available to a wider group of NCC staff and partners	Andrew Stewart – Director of Insight and Analytics/Head of NODA	Complete
	Discuss development of NODA concept with Norfolk Resilience Forum Partners	Andrew Stewart – Director of Insight and Analytics/Head of NODA	Ongoing
6. Refine the business continuity planning process to include consideration of potential redeployment of staff to other activities in the event of an emergency	Review business continuity planning process and templates and agree amendments/updates with standing Silver Group	Sarah Rhoden – Assistant Director Performance and Governance (CES)	Autumn 2020
7. Incorporate consideration of key enabling resource requirements and major project priorities at an early stage in the incident process	Amend Gold handbook to reflect this, and incorporate into Silver handbook	Richard Cook – Head of Resilience	By end October 2020
8. Incorporate information on metrics and data available into the business continuity planning process	As 6 above.	As 6 above.	As 6 above.
9. Working with partners, consider how to maintain the richer picture of vulnerability across Norfolk to use	Work with partners to retain current data access permissions beyond the current Covid-19 data sharing	Andrew Stewart – Director of Insight and Analytics/Head of NODA	By 30 September 2020

Learning point	Action	Lead	Indicative timescale*
to support decision making and strategy development	agreement which is due to expire on 30 September 2020.		
10. Continue to support and develop leaders and managers continue to effectively lead and manage our teams remotely and support a high performing and motivated workforce within an increasingly digital environment	Develop and implement plan for leadership development and support through the normalisation phase	Sarah Shirtcliff – Director for People	Already underway
11. Develop a plan which ensures we have the right level of health and safety capability as a central resource and management capability	Identify the skills and resource model for health and safety expertise to support through normalisation and recovery	Sarah Shirtcliff – Director for People	By end December 2020
12. Train and upskill more staff in import-export procedures and increase the pool of staff with knowledge of international procurement	Identify appropriate staff and training, and put in plans in place to deliver	Al Collier – Director of Procurement	By end December 2020
13. Work with key partners to put multi-agency communication methods in place which support improved engagement in discussions	Work with key partners to identify a way forward	Geoff Connell – Director of IMT and Chief Digital Officer	By end December 2020

\*Note timescales are indicative only at this stage. This is because it is important that progressing any actions does not impact or destabilise response, normalisation and recovery activity for Covid-19.

# Cabinet

Item No: 10

<b>Decision making report title:</b>	<b>Section 75 Agreement for Adult Social Care and Community Health Services</b>
<b>Date of meeting:</b>	<b>3 August 2020</b>
<b>Responsible Cabinet Member:</b>	<b>Cllr Bill Borrett (Cabinet Member for Adult Social Care and Public Health)</b>
<b>Responsible Director:</b>	<b>James Bullion, Executive Director for Adult Social Care</b>
<b>Is this a key decision?</b>	<b>Yes</b>
<b>If this is a key decision, date added to the Forward Plan of Key Decisions.</b>	<b>22 June 2020</b>

## **Introduction from Cabinet Member**

Norfolk County Council (NCC) and Norfolk Community Health & Care (NCH&C) have had an integrated health and social care service for adults since 2014 under a Section 75 Agreement. An in-depth review of this recently concluded that the current model of working remains the most appropriate for service delivery going forward. It enables closer working under a single management structure, providing better support for patients and service users. The arrangement dovetails with work underway to establish an Integrated Care System in Norfolk. Cabinet is asked to agree we renew the contract between NCC and NCH&C for a further five years.

## **Executive Summary**

This report provides an overview of the current integrated arrangements for community health and adult social care, governed by a Section 75 Agreement, and highlights key findings from a recent review of the service.

## **Recommendations**

**Cabinet is recommended:**

- a) **To agree a renewal of the Section 75 Agreement between NCC and NCH&C for adult social care and community health services, for a five-year term with a break clause after three years**

## **1. Proposals**

- 1.1. NCC commenced a five-year Section 75 Agreement (S75) with NCH&C for community health and adult social care services in October 2014. The agreement was extended for a year until September 2020 providing time to better understand the local implementation of changes driven principally by the NHS Long Term Plan (LTP), development of Primary Care Networks (PCNs), creation of a single CCG and a move towards more collaborative system working.

- 1.2. The agreement covers joint funding of the most senior posts – a director, deputy director, assistant director and head of service for each of four localities. The staff have not been TUPE transferred and arrangements do not include Great Yarmouth locality where East Coast Community Healthcare (ECCH) holds the community health contract.
- 1.3. An extensive review of the original aims and objectives for the service has been undertaken and options for the future considered against expectations of the NHS Long Term Plan. The review concluded that whilst there have been no financial savings, there have been benefits of integration for patients and service users, most notably where staff have been co-located. A range of recommendations is made for future working, including:
  - a) Agreeing a renewal of the current contractual arrangement with NCH&C, building in some flexibility, so that other providers such as ECCH and NSFT may join at a future date
  - b) Providing additional management resource at the senior level within locality, both to relieve existing pressures, and to enable greater strategic influence over developing locality and Primary Care Network (PCN) arrangements. A restructuring of senior management, already completed, should achieve this
  - c) Achieving more efficient working arrangements by better alignment of corporate policies and procedures for estate management, HR and ICT. A new group has already been established to further this aim

## **2. Impact of the Proposal**

- 2.1. Continuation of the current agreement, with a revised management structure, will enable NCC to exert influence over developing arrangements in the local health system, for example through greater engagement with PCNs and Local Delivery Groups. New locality director posts will oversee health staff who are based in the PCNs.
- 2.2. A more flexible arrangement will allow for the possible inclusion of other providers to achieve more holistic working and extend arrangements to cover Great Yarmouth. This approach has been tested with the new Norfolk and Waveney CCG through the Joint Strategic Commissioning Committee (JSCC) and they are supportive. This is important as they are the key health commissioners and so in a position to determine future community health arrangements.
- 2.3. It will improve on existing successful arrangements for the benefit of patients and service users and reduce pressures on senior staff identified in the service review.

## **3. Evidence and Reasons for Decision**

- 3.1. An in-depth review of the current S75 arrangements concluded that it has enabled better support for patients and service users across Norfolk.

## **4. Financial Implications**

- 4.1. The S75 has been cost neutral to date, with costs for the majority of posts being shared equally between NCC and NCH&C. The new structure includes the shared cost of four additional heads of service in locality teams and re-gradings for the four assistant directors. This will increase the costs by £141k to £725k, creating cost pressures for the adult social care budget.

- 4.2. A renewed S75 Agreement that reflects the service changes outlined above will be developed in conjunction with NPLaw.
- 4.3. The service review made many recommendations. Should these be agreed in full, additional project management resource will be needed to make changes and drive improvements.
- 4.4. One of the recommendations is to develop a set of sophisticated metrics which more accurately measure performance and impact of the integrated service. This has already been discussed with Intelligence and Analytics at NCC and Performance at NCH&C. It will require additional resource.
- 4.5. It is anticipated that resource requirements will be accommodated within the agreed departmental budget and so consequently the cost/expenditure falls within the parameters of the Annual Budget agreed by the Council.

## 5. Resource Implications

- 5.1. **Staff:** A delivery plan with resource implications will be developed once final recommendations from the review have been agreed.
- 5.2. **Property:** This is considered a critical factor for delivering integrated services and some staff are already co-located across NCC and NCH&C sites. Work to address the misalignment of estates approaches across the two organisations has already commenced.
- 5.3. **IT:** Staff from both organisations are meeting to develop greater interoperability of IT systems.

## 6. Other Implications

- 6.1. **Legal Implications:** The contractual arrangement between NCC and NCH&C will be renewed, with input from NPLaw.
- 6.2. **Human Rights implications:** N/A
- 6.3. **Equality Impact Assessment (EqIA) (this must be included):** Working together across adult social care and community health provides opportunities to be more effective and efficient, providing an improved service to support all Norfolk citizens.

## 7. Risk Implications/Assessment

- 7.1. Risk of loss of focus and resource for achievement of key aspects of social care, including statutory Care Act obligations. Mitigated by proposal to develop and implement activity measurement for senior posts and added benefits that integration brings.
- 7.2. Risk that NCH&C and/or other partners may lose contracts under new health system arrangements. Mitigated by new NHS LTP emphasis on partnerships and by JSCC agreement for contract extension.

## 8. Select Committee comments

- 8.1. Reported to People and Communities Select Committee 13 March 2020. Conclusion reached at the meeting:

Taken from 8.3 of the Minutes: The Select Committee **CONSIDERED** and **DISCUSSED** the recommendations contained in Section 4 of Appendix 1 of the report, including the proposal to enter into a new long-term contractual arrangement with Norfolk Community Health and Care

## 9. Recommendations

- 9.1. Cabinet is recommended:

- a) To agree a renewal of the Section 75 Agreement between NCC and NCH&C for adult social care and community health services, for a five-year term with a break clause after three years

## 10. Background Papers

- 10.1. [People and Communities Select Committee on 13 March 2020, report titled NCC and NCH&C Section 75 Agreement for Community Health and Social Care](#) (p33)

### Officer Contact

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# Report to Cabinet

Item No. 11

<b>Report title</b>	<b>Finance Monitoring Report 2020-21 P3: June 2020</b>
<b>Date of meeting</b>	<b>3 August 2020</b>
<b>Responsible Cabinet Member</b>	<b>Cllr Andrew Jamieson (Cabinet Member for Finance)</b>
<b>Responsible Director</b>	<b>Simon George (Executive Director of Finance and Commercial Services)</b>
<b>Is this a key decision?</b>	<b>No</b>

## Introduction from Cabinet Member

This report gives a summary of the forecast financial position for the 2020-21 Revenue and Capital Budgets, General Balances, and the Council's Reserves at 31 March 2021, together with related financial information.

## Executive Summary

Subject to mitigating actions, the forecast revenue outturn for 2020-21 at the end of period 3 (June) was an overspend of **£7.784m** on a net budget of £430.421m. General Balances are £19.7m and service reserves and provisions are forecast to total **£75.2m**.

Covid-19 financial pressures are taken into account in the forecasts in this report. Details of these pressures and progress on achieving saving are addressed in detail in this report.

## Recommendations

1. Note the period 3 forecast general fund revenue overspend of **£7.784m** noting also that Executive Directors will take measures to reduce or eliminate potential over-spends;
2. Note the COVID-19 grant funding received of **£50.691m**, the proposed use of that funding, and the related expenditure pressures.
3. Note the period 3 forecast shortfall in savings of **£17.780m**, noting also that Executive Directors will take measures to mitigate savings shortfalls through alternative savings or underspends;
4. Note the forecast General Balances at 31 March 2021 of £19.706m, before taking into account any over/under spends;
5. Note the expenditure and funding of the revised current and future 2020-23 capital programmes.



## **1. Background and Purpose**

- 1.1. This report and associated annexes summarise the forecast financial outturn position for 2020-21, to assist members to maintain an overview of the overall financial position of the Council including the financial implications of the Covid-19 pandemic.

## **2. Proposals**

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

## **3. Impact of the Proposal**

- 3.1. The impact of this report is primarily to demonstrate where the Council is anticipating financial pressures not forecast at the time of budget setting, primarily relating to the implications of the Covid-19 pandemic, together with a number of other key financial measures.
- 3.2. The capital expenditure proposals will ensure sufficient capital funding is available for these newly identified purposes, without affecting the remainder of the capital programme or the current year's revenue budget.

## **4. Evidence and Reasons for Decision**

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

**Appendix 1** summarises the revenue outturn position, including:

- Forecast over and under spends
- Covid-19 pressures and associated grant income
- Changes to the approved budget
- Reserves
- Savings
- Treasury management
- Payment performance and debt recovery

**Appendix 2** summarises the capital outturn position, and includes:

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

## **5. Alternative Options**

- 5.1. In order to deliver a balanced budget, no viable alternative options have been identified to the recommendations in this report. In terms of financing the proposed capital expenditure, no grant or revenue funding has been identified to fund the expenditure.

## **6. Financial Implications**

- 6.1. As stated above, the forecast revenue outturn for 2020-21 at the end of P3 was an overspend of **£7.784m** linked to a forecast shortfall in savings of **£17.780m**. Forecast service reserves and provisions are forecast to total **£75.2m**, and general balances of **£19.7m**. Grant funding of **£50.691m** has been received to off-set additional expenditure occurred as a result of the COVID-19 pandemic.

Within the forecast overspend are significant financial pressures identified in Adult Social Services, Community and Environmental Services, and Finance, mainly relating to Covid-19 related pressures.

Within Adults, the areas of highest pressures, the main area of forecast overspend is on Older People and Mental Health services within the Purchase of Care budget. A full narrative is given in Appendix 1.

The Council's capital programme is based on schemes approved by County Council on 17 February 2020, as well as previously approved schemes brought forward plus schemes subsequently approved.

## **7. Resource Implications**

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

## **8. Other Implications**

### **8.1. Legal Implications:**

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

Although the Council is forecasting an overspend for the current financial year, decisions taken by Cabinet as well as actions taken by Chief Officers to mitigate the position over the course of the year will have a significant impact on that position, as will any additional government funding. As context, at 31 March 2020 the Council's general fund was over £19.7m with earmarked reserves (excluding provisions and LMS balances) over £77m.

### **8.2. Human Rights implications**

None identified.

### **8.3. Equality Impact Assessment**

In setting the 2020-21 budget, the Council consulted widely. Impact assessments are carried out in advance of setting the budget, the latest being published on page 450 of the 13 January 2020 Cabinet agenda as "Budget proposals 2019-2020 Overall Summary: [Equality & rural impact assessment report](#)".

The Council is maintaining a dynamic [COVID-19 equality impact assessment](#) to inform decision making during the pandemic.

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

## **9. Risk Implications/Assessment**

- 9.1. The Council's Corporate Risk Register provides a full description of corporate risks, including corporate level financial risks, mitigating actions and the progress made in managing the level of risk. A majority of risks, if not managed, could have significant financial consequences such as failing to generate income or to realise savings.

Unlike many other parts of the public sector such as the NHS, local authorities are required by law to set a balanced budget. As part of their duties, the Executive Director of Finance and Commercial Services has a responsibility to report to members if it appears to him that the authority will not have sufficient resources to finance its expenditure for the financial year. While not underestimating the severity of the current crisis and its impact on the Council's finances, the Executive Director of Finance and Commercial Services believes the current year's forecast gap can be closed through mitigating actions and the possibility of additional central government support for the sector. However, there will be a continuing impact on the medium-term financial strategy and updates will be reported to Cabinet and to Scrutiny Committee over the next few months.

## **10. Select Committee comments**

- 10.1. None

## **11. Recommendation**

- 11.1. Recommendations are set out in the executive summary to this report.

## **12. Background Papers**

- 12.1. [Equality & rural impact assessment report](#) (page 450)  
[COVID-19 equality impact assessment](#)  
[Covid-19 financial implications for Norfolk County Council report](#) (page 152)

## **Officer Contact**

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# Norfolk County Council Finance Monitoring Report 2020-21

## Appendix 1: 2020-21 Revenue Finance Monitoring Report Month 3

Report by the Executive Director of Finance and Commercial Services

### 1 Introduction

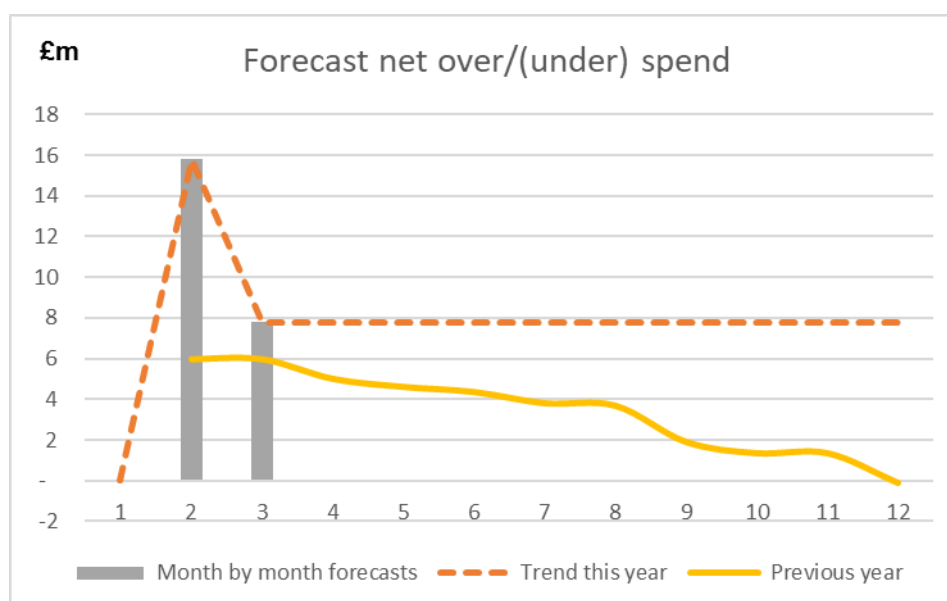
1.1 This report gives details of:

- the P3 monitoring position for the 2020-21 Revenue Budget
- additional financial information relating to the Covid-19 pandemic
- forecast General Balances and Reserves at 31 March 2021 and
- other key information relating to the overall financial position of the Council.

### 2 Revenue outturn – over/underspends

2.1 **At the end of June 2020** an **overspend of £7.784m** is forecast on a net budget of £430.421m

Chart 1: forecast /actual revenue outturn 2020-21, month by month trend:



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

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

**Table 1: 2020-21 forecast (under)/over spends by service**

Service	Revised Budget	Net (under)/over spend	%	RAG
	£m	£m		
Adult Social Services	255.740	7.934	3.1%	R
Children's Services	196.211	-		G
Community and Environmental Services	161.799	2.738	1.7%	A
Strategy and Governance	9.365	0.401	4.3%	A
Finance and Commercial Services	32.668	0.682	2.1%	A
Finance General	-225.362	-3.971	1.8%	A
<b>Totals</b>	<b>430.421</b>	<b>7.784</b>	<b>1.8%</b>	<b>R</b>

Notes:

- 1) the RAG ratings are subjective and take into account risk and both the relative (%) and absolute (£m) impact of overspends.

- 2.4 **Children's Services:** The forecast outturn as at Period 3 (end of June 2020) remains at a break-even position, taking into account the immediate impact of Covid-19, the allocated Covid-19 grant and the re-started transformation programme. Forecast Covid-19 pressures amounting to £4.7m in the areas of Learning & Inclusion (primarily lost trading income) and Social Care (primarily delays in savings delivery and support for the market) have been off-set by government grants allocated to the service.
- 2.5 Any surge or second peak could lead to unpredictable demand for social care support and placements, and could disrupt current, stable placements. This risk continues to be kept under close review.
- 2.6 It should be noted that there is a significant degree of uncertainty in relation to expenditure and income for Children's Services as a result of Covid-19. At this stage, up to 6 months delay in lost transformation savings has been projected for those projects directly affected by the Covid-19 response. Given the current national context, there continue to be significant influences beyond the Council's control that will make delivery of savings difficult in light of the ongoing recovery work, partial lockdown and potential further waves. This risk will continue to be kept under close review.
- 2.7 **Dedicated Schools Grant:** The initial outturn forecast is a £8.5m overspend on the High Needs Block. At this stage, it is assumed that all other blocks will break-even.
- 2.8 This remains a very high-level forecast undertaken early on in the year based upon the best information available at this point in time. Given the uncertainty surrounding expectations upon schools and education providers as a result of Covid-19, it will be subject to review as the situation progresses.

- 2.9 In comparison to this forecast, 2019-20 saw an overspend of £10.307m within the High Needs Block (HNB) and this forecast represents an increase in expenditure year-on-year compared to 2019-20 of approximately £5m, primarily due to demographic growth and the full-year effects of last year's pressures, partially offset by in-year savings delivered due to the SEND & AP Transformation Programme. This in-year overspend will be combined with the cumulative overspend of £19.703m brought forward from prior years. This forecast takes into account:
- known placements projected forward
  - Demographic growth based upon modelling
  - the significant pressure seen in 2019-20 for Section 19 related support and post-16 support;
  - ongoing pressure for special school places (2019-20 included a significant increase (approx. £2-2.5m) in independent school expenditure in the last third of the year);
  - presumed continued reduction in expenditure for Alternative Provision following significant work to reduce exclusions alongside schools
  - Savings based upon the special school and SRB places opening during the financial year reducing the demand upon independent provision.
- 2.10 Whilst there was a HNB increase year-on-year of funding allocation of £11.3m, approximately £5.4m was assumed prior to the Autumn government announcements regarding 2020-21 HNB funding (both 1% growth assumption previously seen in funding allocations alongside ongoing transfer from the Schools Block in line with the 2019-20 that would have required approval from the Secretary of State). Given the government funding announcements in the Autumn, the funding increase above our planning expectations was just under £5.9m.
- 2.11 The government has just announced additional, in-year DSG funding for 2020-21. Work is underway to understand the implications for both Norfolk schools and for the High Needs Block, and details will be provided in future reporting.
- 2.12 Significant work is being undertaken through the Special Educational Needs and Disabilities (SEND) and Alternative Provision (AP) part of the Transformation programme both to ensure that the right specialist provision is in the right place to meet needs, whilst also progressing work to transform how the whole system supports additional needs within mainstream provision.
- 2.13 During the Covid-19 response, Learning and Inclusion colleagues have been focussed upon supporting the schools of Norfolk (mainstream and specialist) to remain open as appropriate in line with government expectations. This continues to support schools to prepare for the start of the Autumn term. Significant focus is still required from these staff to continue to support schools as the education landscape changes in response to the latest government announcements. However, focus is now also shifting back to re-starting the transformation programme.

- 2.14 In addition, construction work was also paused due to Covid-19, affecting builds in relation to expanding Specialist Resource Base provision and additional special school places. This work has restarted, and the forecast is based upon the current anticipation that the additional places will be open in line with pre-Covid-19 expectations.
- 2.15 It should be noted that there is considerable uncertainty regarding school returns, including special schools, and school budgets have been significantly affected by Covid-19 that could cause further pressure in terms of schools being able to meet the needs of children. This could result in increases in exclusion, higher referral rates for Education, Health and Care Plans, higher requests for HNB support into mainstream or special schools.
- 2.16 The Council submitted its DSG recovery plan to the Department for Education at the end of June 2019. A meeting was due to take place in March, but this was postponed due to the SEND Area OFSTED inspection. It has then been postponed again due to Covid-19. Work is underway to revise the DSG recovery plan to take into account the outturn position for 2019-20 and updated plans. This will be brought back to a future meeting.
- 2.17 **Adult Social Services:** The forecast outturn as at Period 3 (end of June 2020) was a net overspend of £7.934m (3.1%), after utilising £26.052m of Council Covid-19 grant funding.
- 2.18 The forecast has reduced by £2.047m since our Period 2 position. Our work with CES has now allowed us to quantify a likely £1m reduction in the customer transport costs for 2020/21. This reduction balances our support for this crucial transport market, but also recognises that our primary need for its service (Day Services) has been greatly diminished during the pandemic. Of course, Covid-19 has meant that our staff have had to work differently in continuing to meet our duties. Financially this has meant that embracing a socially distanced approach to social care has meant that recruitment and staff travel have naturally slowed leading to a reduction in the associated expenditure in this area. Across our 3 core front line areas of the department we have seen the identification of vacancies, combined with a reduction in expenditure for travel and subsistence, for Care & Assessment teams within Community Social Work (£0.511m) and Community Health and Social Care (£0.288m), as well as within Early Help & Prevention (£0.140m).
- 2.19 The department recognises the financial pressure the above overspend, and in particular, the under-delivery of 2020/21 savings is having on the Council. As part of its newly formed Covid-19 recovery governance, a specific financial recovery workstream has been created. Whilst we are encouraged that the forecast overspend has reduced by £2m this period, the workstream will continue to look to support the savings delivery, and where possible drive down non-saving related expenditure.
- 2.20 With the Purchase of Care (POC) budget making up 77% of our ASC budget, and being heavily dependent on the individual needs of the 14,000+ people at any one time being supported by this budget, it is perhaps not surprising that this is the area feeling the financial pressure. The department is looking

to achieve savings of £23m in this financial year, and as described in the budget savings section of this paper, it has been extremely difficult in the current climate to deliver against this challenge

- 2.21 Two of the largest areas of forecast overspend are within Older People and Mental Health services within the POC budget.
- 2.22 Whilst it is still too soon to truly understand any revised trend for care services in the medium to longer term, we do know in the short term we continue to have volumes of care higher than we have budgeted for. Our Living Well ethos requires a different climate to be wholly effective in preventing, reducing and delaying need for formal services. At the present time, many of our care providers are being paid fixed (minimum amounts whereby additional services provided are paid for in addition) payment amounts to enable them to have secure cash flow during Covid-19. Whilst this is a vital investment in sustaining a crucial market, it has meant that the spend per month is fixed at a level above which we had initially budgeted. We have been able to utilise some of the Council's Covid-19 grant to offset a proportion of this cost, in particular in our enhanced support, but that has not been sufficient to wholly cover.
- 2.23 During the pandemic we have seen a combination of additional packages put in place to meet differing or escalating care needs but with our NHS partners have also had to manage a different hospital discharge arrangement, that has also temporarily altered our financial assessment procedures. Whilst we have been recovering the Covid-19 related costs incurred on behalf of the NHS, it has clearly meant a different approach that has required the focus of the service.
- 2.24 Whilst we don't currently know the estimated cessation date of the NHS discharge funding arrangement, the forecast assumes recovery of £12m projected costs for a full year of hospital discharges and admission avoidance. However, if this income is not recovered then the cost will become an additional pressure on the service.
- 2.25 Whilst our income related to the NHS will increase due to the Covid-19 reclaims, our general customer contribution levels will decrease. For those whereby they are part of the NHS discharge arrangement, we will not lose out financially in the short term. However, where services are not being fully supplied to the customer, but still being paid for by NCC, such as Day Care, we will not be recovering any financially assessed customer contributions. In addition, we have reviewed our planned phase 2 charging policy around the Minimum Income Guarantee which will reduce our income against the associated saving target.
- 2.26 Outside of POC, our budgets for NorseCare and Independence Matters within Commissioning are both forecast to overspend, due to the expected non-delivery of savings.
- 2.27 **CES:** Historically CES budgets have been fairly stable throughout the year and certainly the early part of the financial year, however we are reviewing



the financial impacts of Covid-19 and the forecast overspend of £2.738m, after taking into account Covid-19 grant income of £6.112m, the significant uncertainties, specifically around the ability to generate the planned income.

- 2.28 The most significant pressure for CES is the ability to achieve planned income which accounts for the majority of the current forecast pressures within Community Information and learning and Culture and Heritage. Pressures on Income also account for part of the services pressure within Highways and Waste.
- 2.29 There is a large degree of uncertainty in relation to the impacts on income and will therefore be reviewing and revising these as the year progresses and we get more clarity over the impacts.
- 2.30 The forecast pressures within Highways and Waste also relates to waste volumes and Impacts of Dutch Incineration tax on the cost of Waste disposal. Although there is limited data at this early stage of the year we are currently seeing additional waste volumes through kerbside collection and therefore we are currently seeing additional costs of waste disposal and recycling credits. The impacts of the Dutch tax are largely offset by the planned used of reserves.
- 2.31 The service has also incurred additional costs in relation to the re-opening of Household Waste Recycling Centres for traffic management and site security.
- 2.32 The Department is also reviewing any potential areas for savings that will help off-set this pressure which will include reduced spend on travel, printing and other administration areas. There are also likely to be a number of posts that are currently vacant and therefore we have not been able to recruit to, which will deliver a one-off saving
- 2.33 **Corporate services:** Both the Strategy and Governance and Finance and Commercial Services directorate are forecasting overspends at this early stage of the year, primarily relating to central Covid-19 related costs.
- 2.34 **Finance General:** The forecast underspend in Finance General is £3.971m, with an underlying overspend made up of unbudgeted Covid-19 related costs, partly off-set by forecast underspends on the costs of borrowing and additional government Emergency Assistance Grant funding for Food and Essential Supplies. The forecast net underspend this month is due to MHCLG tranche 3 funding which will be allocated to services following proposals which will be brought to a future Cabinet. Further details are given in Revenue Annex 1.

### 3 Agreed budget, changes and variations

- 3.1 The 2020-21 budget was agreed by Council on 17 February 2020 and is summarised by service in the Council's Budget Book 2020-21 (page 19) as follows:

**Table 2: 2020-21 original and revised net budget by service**

<b>Service</b>	<b>Approved net base budget</b>	<b>Revised budget P2</b>	<b>Revised budget P3</b>
	£m	£m	£m
Adult Social Services	255.740	255.740	255.740
Children's Services	196.211	196.211	196.211
Community and Environmental Services	163.471	161.882	161.799
Strategy and Governance	9.365	9.365	9.365
Finance and Commercial Services	30.811	32.585	32.668
Finance General	-225.177	-225.362	-225.362
<b>Total</b>	<b>430.421</b>	<b>430.421</b>	<b>430.421</b>

Note: this table may contain rounding differences.

- 3.2 During period 3, there were a small number of minor budget adjustments to reflect revised operational arrangements. The Council's net budget for 2020-21 has remained unchanged.

### 4 General balances and reserves

#### General balances

- 4.1 On 17 February 2020 Council agreed the recommendation from the Executive Director of Finance and Commercial Services for a minimum level of General Balances of £19.623m through 2020-21. The balance at 1 April 2020 was £19.706m. The forecast for 31 March 2021 is unchanged, before any over or underspends.

## Reserves and provisions 2020-21

- 4.2 The use of reserves anticipated at the time of budget setting was based on reserves balances anticipated in January 2020. Actual balances at the end of March 2020 were higher than planned, mainly as a result of grants being carried forward, including Covid-19 support grants, and reserves use being deferred.
- 4.3 The 2020-21 budget was approved on the basis of a forecast reduction in earmarked revenue reserves and provisions (including schools reserves but excluding LMS and DSG reserves) from £73m to £65m, a net use of £8m.

**Table 3: Reserves budgets and forecast reserves and provisions (excluding LMS/DSG)**

Reserves and provisions by service	Budget book forecast balances 1 April 2020	Actual balances 1 April 2020	Increase in opening balances after budget setting	2020-21 Budget book forecast March 2021	Latest forecast balances 31 March 2021
	£m	£m	£m	£m	£m
<b>Adult Social Services</b>	16.896	20.291	3.395	10.371	12.471
<b>Children's Services (inc schools, excl LMS/DSG)</b>	1.961	6.200	4.239	3.321	3.033
<b>Community and Environmental Services</b>	35.847	40.934	5.087	32.612	40.937
<b>Strategy and Governance</b>	3.042	2.916	-0.126	3.265	3.118
<b>Finance &amp; Commercial Services</b>	2.469	4.301	1.832	2.472	2.792
<b>Finance General</b>	12.915	49.428	36.513	12.915	12.878
<b>Reserves and provisions excluding LMS and DSG balances (see below)</b>	<b>73.130</b>	<b>124.070</b>	<b>50.940</b>	<b>64.956</b>	<b>75.229</b>
Schools LMS balances	12.001	12.361	0.360	4.212	9.836
DSG Reserve (negative)	-18.387	-19.704	-1.317	-18.830	-28.203
<b>Total</b>	<b>66.744</b>	<b>116.727</b>	<b>49.983</b>	<b>50.338</b>	<b>56.862</b>

- 4.4 Actual overall provisions and reserves (subject to external audit and excluding capital, DSG and LMS reserves) at 31 March 2020 were approximately £50m in excess of 2020-21 budget book assumptions. This is due primarily to £26.8m Covid-19 government grants received in late March, which will be fully used in 2020-21, plus general increases in reserves, including unspent grants and contributions, brought forward after budget setting. The current forecast net total for reserves and provisions at 31 March 2021 (excluding schools LMS and DSG reserves) is approximately £10m higher than was assumed at the time of budget setting due to the increase in grants brought forward.
- 4.5 **Provisions included in the table above**

The table above includes provisions of £27m comprising £9.3m insurance provision, £12.6m landfill provision (this provision is not cash backed), £4.6m provisions for bad debts, and a small number of payroll related provisions.

## 5 Covid-19 financial implications

5.1 At the [6 July 2020 meeting of this Committee](#), members considered a report entitled Covid-19 financial implications for Norfolk County Council. It was agreed that the future reporting of Covid19 financial impacts would be incorporated into this report.

5.2 Details of central government funding announcements, and forecast Covid-19 pressures to June are detailed in that report and summarised here, together with more recent information.

5.3 Covid-19 funding secured to date is as follows:

**Table 4a: Covid-19 funding**

<b>Funding</b>	<b>Actual/forecast 2020-21 £m</b>
MHCLG tranche 1 (received March 2020)	26.932
MHCLG tranche 2	16.742
	<b>43.674</b>
Emergency Assistance Grant for Food and Essential Supplies	1.016
MHCLG tranche 3	6.001
<b>Total to date</b>	<b>50.691</b>

5.4 Previous MHCLG government funding has been unringfenced, but is expected to address additional expenditure, lost income and delayed or irrecoverable savings while assisting those who are in most need of additional support and social care, and those at higher risk of severe illness.

5.5 In addition, infection control funding of £12.386m has been allocated to Norfolk with the majority due to be distributed within 2 months.

5.6 On 10 June, the government announced £63m for local authorities to help those who are struggling to afford food and other essentials due to Covid-19. On 10 July the government confirmed that Norfolk has been allocated £1.016m. With this funding confirmed a local assistance scheme cost pressure of £0.500m has been removed, and it is anticipated that the balance £0.516m will be used through the current financial year to support those most in need.

5.7 A new support package to help local authorities was announced by Local Government Secretary Robert Jenrick on 2 July 2020, including an unringfenced £500m to respond to spending pressures. Norfolk County Council's "tranche 3" allocation of £6.001m has been confirmed and is shown in the table above.

5.8 In addition, a scheme has been announced to cover 75% of lost income where losses exceed 5% of a council's planned income from sales, fees and charges. At the time of writing an overview of the allocation and calculation methods has been issued, but the details have yet to be confirmed. Once the details of the income scheme are known, the impact of this on service

budgets will be reported along with proposals for the allocation of tranche 3 funding.

5.9 In addition to the additional funding, the government will allow Council's to spread their tax deficits over 3 years rather than the usual one.

5.10 Identified and forecast Covid-19 related cost pressures are as follows:

**Table 4b: Covid-19 cost pressures**

	Adult Social Services	Children's Services	Community and Environmental Services	Strategy and Governance Department	Finance and Commercial Services and Finance General	Total
	£m	£m	£m	£m	£m	£m
Previously reported	36.212	7.030	9.635	0.560	8.334	<b>61.772</b>
Changes this month	-	-	-	-	0.516	0.516
<b>Total to date</b>	<b>36.212</b>	<b>7.030</b>	<b>9.635</b>	<b>0.560</b>	<b>8.850</b>	<b>62.288</b>
Government support						(50.691)
Net Covid-19 pressure						<b>11.597</b>

5.11 There continues to be a high degree of uncertainty about the cost pressure forecasts shown above, and these will continue to be refined as the local and national response becomes clearer. The Council continues to emphasise financial pressures and implications for services in regular returns to MHCLG.

5.12 A particular risk relates to Business Rates and Council Tax income. No pressures have been included for 2020-21 with any impact not expected to have an impact on the general fund until 2021-22 and this will be taken into account during 2021-22 budget setting.

5.13 The costs and income pressure relating to Covid-19 vary from the overall Council forecast net overspend shown in this report. This is due to non-Covid-19 related under and over-spends, and actions already put in place by Chief Officers to mitigate the financial impacts of the pandemic.

## 6 Budget savings 2020-21 summary *[to be confirmed]*

- 6.1 In setting its 2020-21 Budget, the County Council agreed net savings of £40.244m. Details of all budgeted savings can be found in the 2020-21 Budget Book. A summary of the total savings forecast to be delivered is provided in this section.
- 6.2 The latest monitoring reflects total forecast savings delivery of £22.464m and a total shortfall of £17.780m (44%) forecast at year end.
- 6.3 The forecast savings delivery is anticipated as shown in the table below:

Table 5: Analysis of 2020-21 savings forecast

	Adult Social Services	Children's Services	Community and Environmental Services	Strategy and Governance Department	Finance and Commercial Services	Finance General	Total
	£m	£m	£m	£m	£m	£m	£m
Budget savings	22.897	9.250	5.013	-0.613	1.389	2.308	<b>40.244</b>
Period 3 forecast savings	9.173	6.849	3.898	-0.691	0.927	2.308	<b>22.464</b>
Savings shortfall	13.724	2.401	1.115	0.078	0.462	0.000	<b>17.780</b>

### Commentary on shortfall savings

- 6.4 The impact of the COVID-19 pandemic is having a profound effect on the Council's ability to achieve planned budget savings. Further details on the emerging financial implications of COVID-19 and the impact of non-delivery of savings are reflected in the "Covid-19 Financial Implications for Norfolk County Council" report which was presented to Cabinet on 6 July 2020.
- 6.5 Thirty-five savings are forecasting a shortfall, representing a budgeted total savings value of £30.149m and a forecast savings shortfall of £18.220m. This total is before adjustment for forecast savings over-delivery of £0.440m detailed in paragraph 6.6. Commentary on each saving is provided in Revenue Appendix 2.

### Commentary on overdelivering savings

- 6.6 One saving is currently forecast to over-deliver in 2020-21.

#### Adult Social Services:

ASC035 Investment and development of Assistive Technology approaches, budget £0.500m, over delivery £0.437m: Current projections, tested by the ASTEC Board, suggest we will over-deliver.

In addition, there is a favourable variance of £0.003m on ASC052 relating to the reversal of one-off use of repairs and renewal reserve.

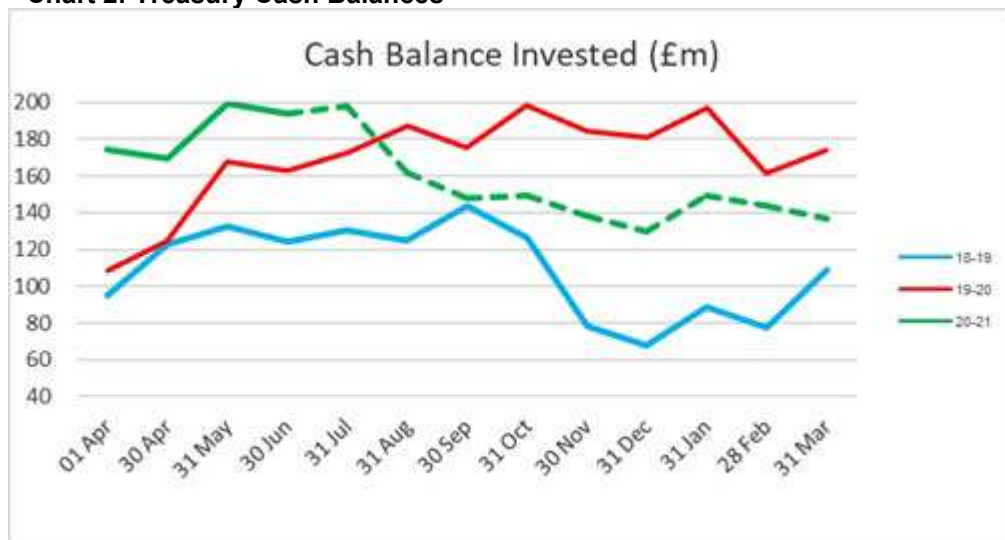
## 2021-22 to 2023-24 savings

- 6.7 Budget setting in 2020-21 saw the approval of £20.747m savings for 2021-22, £2.383m for 2022-23 and £0.412m savings for 2023-24. Any impact on the deliverability of these savings, and any 2020-21 savings that are permanently undeliverable, will be considered as part of the 2021-22 budget setting process.

## 7 Treasury management summary

- 7.1 The corporate treasury management function ensures the efficient management of all the authority's cash balances. The graph below shows the level of cash balances over the last two financial years to March 2020, and projections to March 2021.

Chart 2: Treasury Cash Balances

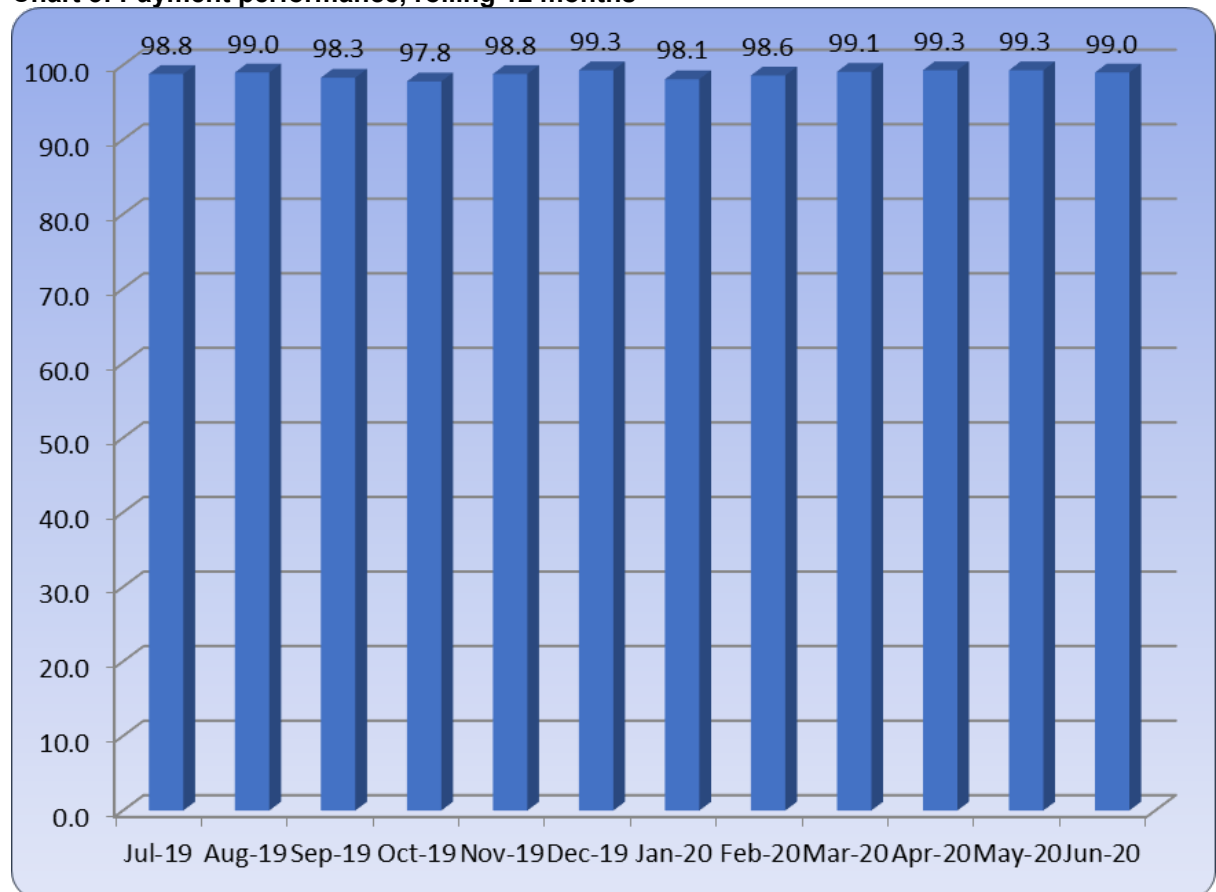


- 7.2 The forecast closing balance is approximately £138m, an average for recent years. Balances in the graph above assume £80m will be borrowed in the current financial year in line with the Council's Treasury Strategy. This is balanced by pressures on the budget forecast in this report, as well as expected capital expenditure.
- 7.3 PWLB and commercial borrowing for capital purposes was £705.0m at the end of June 2020. Associated annual interest payable on existing borrowing is £29.3m.

## 8 Payment performance

- 8.1 This chart shows the percentage of invoices that were paid by the authority within 30 days of such invoices being received. Some 470,000 invoices are paid annually. 99% were paid on time in June against a target of 98%. The percentage has not dropped below 97% in the last 12 months.

**Chart 3: Payment performance, rolling 12 months**



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



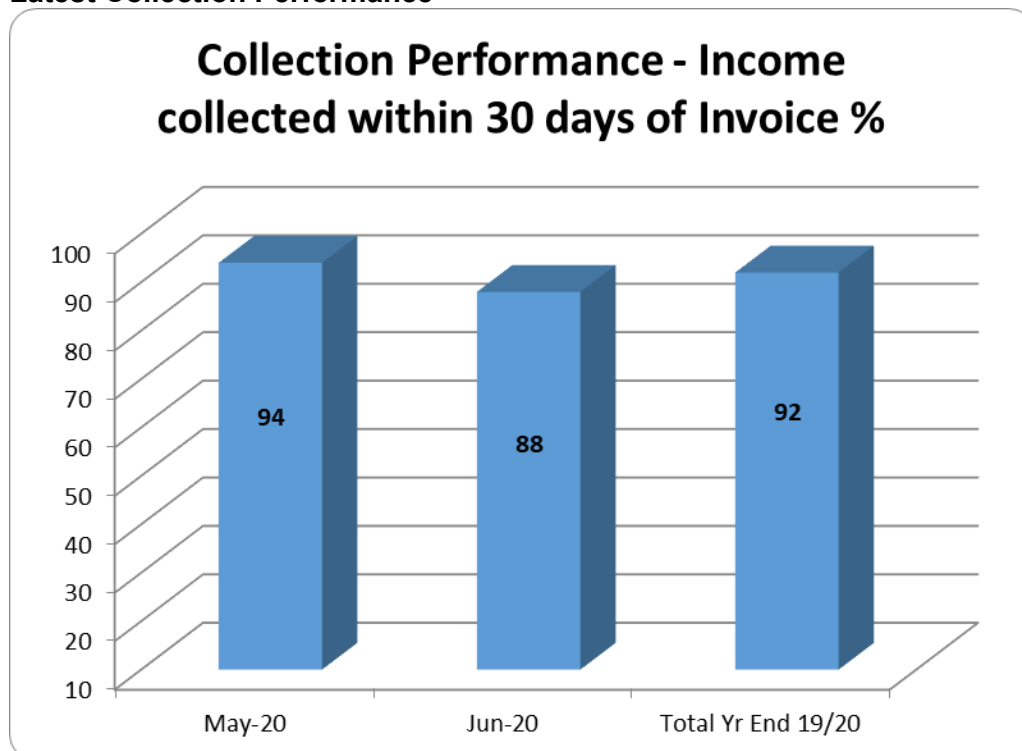
## 9 Debt recovery

- 9.1 **Introduction:** In 2019-20 the County Council raised over 160,000 invoices for statutory and non-statutory services totalling over £1.4bn. Through 2019-20 92% of all invoiced income was collected within 30 days of issuing an invoice, and 98% was collected within 180 days.

### Debt collection performance measures

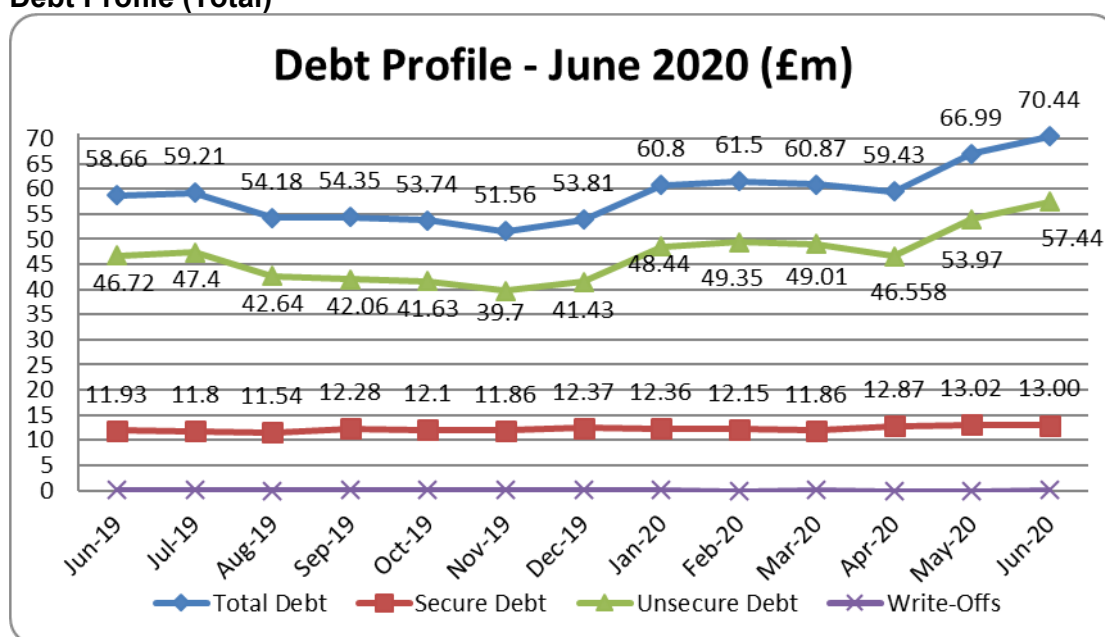
- 9.2 The proportion of invoiced income collected within 30 days for invoices raised in the previous month – measured by value – was 94% in May 2020.

#### Latest Collection Performance



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

## Debt Profile (Total)



- 9.4 Of the £57.4m unsecure debt at the end of June, £11.6m is under 30 days. The largest area of unsecure debt relates to charges for social care, £41.6m, of which £20.1m is debt with the CCG's for shared care, Better Care Pooled Fund, continuing care and free nursing care.
- 9.5 Secured debts amount to £13.0m. Within this total £4.8m relates to estate finalisation where the client has died, and the estate is in the hands of the executors.
- 9.6 **Debt write-offs:** In accordance with Financial Regulations and Financial Procedures, Cabinet is required to approve the write-off of debts over £10,000. The Executive Director of Finance and Commercial Services approves the write-off of all debts up to £10,000.
- 9.7 Service departments are responsible for funding their debt write-offs. Before writing off any debt all appropriate credit control procedures are followed.
- 9.8 For the period 1 April 2020 to the end of June 2020, 64 debts less than £10,000 were approved to be written off following approval from the Executive Director of Finance and Commercial Services. These debts totalled £4,361.44.
- 9.9 No debts over £10,000 have been approved for write-off since 1 April 2020.

## Revenue Annex 1

### Forecast revenue outturn

#### Revenue outturn by service

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

Service	Revised Budget	Net total over / (under) spend	Over / (under) spend as %	Forecast net spend
	£m	£m		£m
Adult Social Services	255.740	7.934	3.1%	263.674
Children's Services	196.211	-		
Community and Environmental Services	161.799	2.738	1.7%	164.537
Strategy and Governance	9.365	0.401	4.3%	9.766
Finance and Commercial Services	32.668	0.682	2.1%	33.350
Finance General	-225.362	-3.971	1.8%	-229.333
<b>Forecast outturn this period</b>	<b>430.421</b>	<b>7.784</b>	<b>1.8%</b>	<b>241.994</b>
Prior period forecast	430.421	15.799	3.7%	446.220

#### Reconciliation between current and previously reported underspend

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

	£m
<b>Forecast overspend brought forward</b>	<b>15.799</b>
<b>Movements June 2020</b>	
Adult Social Services	-2.049
Children's Services	-
Community and Environmental Services	-
Strategy and Governance	0.104
Finance and Commercial Services	-0.270
Finance General	-5.800
<b>Outturn over/(under) spend</b>	<b>7.784</b>

#### Covid-19 grant allocation by service

Table A1c: Covid-19 grant received and service allocations to mitigate overspends

	£m
Adult Social Services	26.052
Children's Services	4.712
Community and Environmental Services	6.112
Strategy and Governance	0.332
Finance and Commercial Services	1.360
Finance General	6.120
Rounding	0.002
<b>Covid-19 grant allocated</b>	<b>44.690</b>
Government Covid-19 funding third tranche to be allocated	6.001
<b>Covid-19 grant</b>	<b>50.691</b>

## Revenue Annex 1 continued

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

### Revenue budget outturn by service – detail

<b>Adult Social Services</b>	<b>Over spend</b>	<b>Under spend</b>	<b>Changes</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
Purchase of Care	31.763		-1.010
Commissioned Services	2.112		-0.040
Community Social Work		-0.218	-0.533
Business Development		-0.091	0.024
Early Help & Prevention		-0.088	-0.140
Community Health & Social Care	0.103		-0.264
Management, Finance & HR	0.405		-0.086
Covid-19 grant allocation		-26.052	-
<b>Forecast over / (under) spends</b>	<b>34.383</b>	<b>-26.449</b>	<b>-2.049</b>
<b>Net total</b>	<b>7.934</b>		
<b>Children's Services</b>	<b>Over spend</b>	<b>Under spend</b>	<b>Changes</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
Learning & Inclusion	2.712		
Social Care	2.000		
Covid-19 grant allocation		-4.712	
<b>Forecast over / (under) spends</b>	<b>4.712</b>	<b>-4.712</b>	
<b>Net total</b>	<b>-</b>		
<b><i>Dedicated schools grant</i></b>			
High Needs Block	8.500		
Increase in net deficit to be carried forward	-	-8.500	
<b>Forecast over / (under) spend</b>	<b>8.500</b>	<b>-8.500</b>	<b>-</b>
<b>Net total</b>	<b>-</b>		

<b>Community and Environmental Services</b>	<b>Over spend</b>	<b>Under spend</b>	<b>Changes</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
Community Information and Learning	1.481		
Culture and Heritage	2.235		
Fire	0.511		
Growth and Development	0.376		
Highways and Waste	4.052		
Performance and Governance	0.110		
Director of Public Health	0.085		
Covid-19 grant allocation		-6.112	
<b>Forecast over / (under) spend</b>	<b>8.850</b>	<b>-6.112</b>	
<b>Net total</b>	<b>2.738</b>		

<b>Strategy, Finance and Finance General</b>	<b>Over spend</b>	<b>Under spend</b>	<b>Changes</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
<b>Strategy and Governance</b>			
Registrars and other net loss of income	0.733		0.104
Covid-19 grant allocation		-0.332	
<b>Forecast over / (under) spend</b>	<b>0.733</b>	<b>-0.332</b>	0.104
	<b>0.401</b>		
<b>Finance and Commercial Services</b>			
ICT Services Management	-		-0.169
Client Property Management	0.308		0.091
Covid-19 related costs - loss of income/recharges	1.321		-
Covid-19 related costs - savings delays	0.790		
Finance directorate reduced overheads and costs		-0.377	-0.192
Covid-19 grant allocation		-1.360	
<b>Forecast over / (under) spend</b>	<b>2.419</b>	<b>-1.737</b>	<b>-0.270</b>
	<b>0.682</b>		
<b>Finance General (see below for narrative)</b>			
Covid-19 additional costs – including a large proportion of PPE, shielding and homeworking costs.	8.795		0.701
Income: transfers of PPE to partner organisations		-0.144	
DEFRA Local Authority Emergency Assistance Grant for Food and Essential Supplies		-1.016	-0.500
Local assistance scheme	1.016		
Extended rights to free travel grant		-0.463	
Members travel		-0.054	
Interest on balances		-1.000	
Covid-19 grant allocation		-5.104	
Covid-19 grant tranche 3 – to be allocated		-6.001	-6.001
<b>Forecast over / (under) spend</b>	<b>9.811</b>	<b>-13.782</b>	<b>-5.800</b>
<b>Net total</b>		<b>-3.971</b>	

## **Revenue Annex 1 continued**

### **Finance General forecast over and underspends**

Explanations for the Finance General forecast under and overspends are as follows:

#### **Covid-19 additional costs and associated income:**

- Covid-19 additional costs: forecast overspend £8.795m
- Income: transfers of PPE to partner organisations: forecast underspend £0.144m
- Covid-19 grant allocation: forecast underspend £5.104m
- DEFRA Local Authority Emergency Assistance Grant for Food and Essential Supplies £1.016m (see paragraph below)

Costs related to Covid-19 pandemic which have not been allocated to service departments have resulted in a forecast overspend, partly off-set by government grants. Expenditure includes the purchase of medical supplies and protective (PPE) clothing to ensure continuity of supply for council staff, care homes, early years providers and others. Some of this PPE is forecast to be transferred to partner organisations at cost.

#### **Local assistance scheme (forecast overspend £nil)**

The Norfolk Assistance Scheme helps by providing emergency food, cash and household expenses. Due to the coronavirus situation, a coordinated emergency relief response has been developed for Norfolk people in crisis, which increased scheme spend. In period 3 (as shown in the paragraph above), additional government funding has been made available which will be used to provide food and essential supplies for those in the greatest need.

#### **Extended rights to free travel grant (forecast underspend £0.463m)**

Additional grant forecast in respect of extended rights to free travel.

#### **Members travel (forecast underspend £0.054m)**

Since the start of the financial year, meetings have not been held at County Hall. Members have instead held meetings electronically significantly reducing the costs of travel.

#### **Interest on balances (forecast underspend £1.000m)**

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

#### **Covid-19 grant tranche 3 – to be allocated (forecast underspend £6.001m)**

As noted in section 5 of this report, an additional £6.001m of government funding has been allocated to Norfolk County Council. This will be allocated to services once the details of other grant funding has been confirmed.

## **Revenue Annex 2**

### **Commentary on forecast savings shortfalls**

Commentary on savings shortfalls referred to in paragraph 6.5 of the main report are as follows:

#### **Adult Social Services:**

ASC006 Promoting Independence for Younger Adults, budget £5.000m, shortfall £2.247m: Relies on our ability to offer alternatives (including accommodation) which are not currently available. Staff teams set up for dedicated reviewing have been repurposed to directly support COVID response. There is less ability to focus on prevention when in crisis and needs may escalate due to current pandemic.

ASC006 Promoting Independence for Older Adults, budget £5.000m, shortfall £4.000m: Operational teams are focused on the COVID response. Elements of plan to deliver requires governance that has not yet been set up and has been delayed due to programme manager redeployment.

ASC036 Maximising potential through digital solutions, budget £1.000m, shortfall £0.887m: The current climate adds difficulty in restructuring services and has materially impacted pricing structures.

ASC038 Procurement of current capacity through NorseCare at market value: budget £1.000m, shortfall £1.000m: The provider is focused on delivery of safe services in COVID and not on service transformation.

ASC046 Revise the NCC charging policy for working age adults to apply the government's minimum income guarantee amounts, budget £3.000m, shortfall £3.000m: At the outbreak of the pandemic, a decision was taken to mitigate the changes to the Minimum Income Guarantee (MIG) that would have been implemented in April, for four months, recognising the impact that the lockdown would have on people and the services they receive. The cost of this decision was covered by some of the Government's Covid-19 funding that the Council received. Cabinet has decided given the impact to date, and the uncertainty of the future for those affected by the changes, to continue to mitigate the impact of phase 2 of the changes to charging. This would be extended to allow for Government intentions around funding reform for social care to be published. Provided this is done within a reasonable timescale, the mitigation would continue, subject to the financial demands on the Council.

ASC049 Shift to community and preventative work within health and social care system – demand and risk stratification, budget £1.000m, shortfall £0.800m: The pandemic has meant that some areas of work and system changes have been delayed, although work is restarting and there will be potential for more opportunities through collaboration and remodelling of systems there remains risk in this financial year.

ASS001 Expanding home based reablement, which saves money in the long term by preventing unnecessary hospital admissions and supporting more people to swiftly return home from hospital, budget £3.000m, shortfall £0.750m: Service is focused on safe discharge and therefore long-term outcomes may suffer leading to higher ongoing costs.

ASS002 Expanding accommodation based reablement, which saves money by enabling people with higher needs to quickly return to their home from hospital without needing residential care, budget £0.750m, shortfall £0.600m: Provision of new accommodation based reablement beds has been postponed due to pandemic and those we have, have been repurposed to COVID support.

ASS003 Extending home based support for people with higher level needs or dementia so that they can remain in their home especially after an illness or hospital stay, which saves money on residential care, budget £0.200m, shortfall £0.100m: The service is fully focused on supporting discharge.

ASS004 Working better across health and social care teams to help prevent falls, which in turn helps prevent hospital admissions and saves money on residential care, budget £0.140m, shortfall £0.140m: Elements of plan to deliver requires governance that has not yet been set up and has been delayed due to programme manager redeployment.

ASS005 Supporting disabled people to access grants that are available for access to education and support to attend university, budget £0.050m, shortfall £0.050m. This saving will continue to be pursued where possible, but is identified as at risk due to change of focus for many grants and universities.

ASS006 Increasing opportunities for personalisation and direct payments, which will help both increase choice of services and value for money, through more efficient commissioning, budget £0.500m, shortfall £0.200m. Some of the work has been refocused to support the pandemic response and recovery. Although there will continue to be opportunities to increase personalisation, there will be challenges for delivering the value for money aspect of the work.

ASS007 Reviewing how we commission residential care services to save money by making sure we have the right services in the right place, budget £0.500m, shortfall £0.200m. This saving will continue to be reviewed throughout the year, but commissioning actions have needed to focus on the system capacity and to secure adequate capacity as part of the hospital discharge service requirements. Challenges currently faced across the market will make it difficult to deliver savings from these contracts.

ASS008 Developing consistent contracts and prices for nursing care by working more closely with health services, budget £0.190m, shortfall £0.190m. The service is currently working under the Government Hospital Discharge Service Requirements, and the council is contracting for both health and social care nursing contracts. The challenges currently faced



across the social care market will make it deliver savings from these contracts in this financial year.

### **Children's Services:**

CHS001 Prevention, early intervention and effective social care – Investing in an enhanced operating model which supports families to stay together and ensures fewer children need to come into care, budget £1.000m shortfall £0.500m: At the start of the financial year, we were unable to work as closely with some families to support resilience during isolation, family support networks reduced, and pressure of people being at home together potentially leading to an increase in domestic abuse. Additionally, resources have been diverted away from transformation activity due to the covid-19 response, resulting in delays to planning and implementation of the programme.

CHS002 Alternatives to care – Investing in a range of new services which offer alternatives to care using enhanced therapeutic and care alternatives, combined with a focus on support networks from extended families keeping families safely together where possible and averting family crises, budget £1.200m, shortfall £0.150m: At the start of the financial year, we were to work as closely with some families to support resilience during isolation, family support networks reduced, and pressure of people being at home together potentially leading to an increase in domestic abuse. Additionally, resources have been diverted away from transformation activity due to the covid-19 response, resulting in delays to planning and implementation of the programme.

CHS003 Transforming the care market and creating the capacity that we need – Creating and commissioning new care models for children in care – achieving better outcomes and lower costs, budget £3.500m, shortfall £1.751m: It is been harder to move forward new foster carers, people wanting to adopt, and permanency arrangements as social workers have been restricted to essential visiting only where necessary to ensure the safety and welfare of a child. Resources have also been diverted away from transformation activity due to the covid-19 response and, additionally, construction work delays have impacted upon the opening of new semi-independent accommodation for care leavers and solo / dual placements for children looked after.

### **Community and Environmental Services:**

CMM045 Income generation – Norfolk Community Learning Services, budget £0.125m shortfall £0.125m: Closed sites and reduced activities impacting income generation opportunities.

CMM046 Income generation – Library and Information Service, budget £0.111m shortfall £0.111m: Closed sites and reduced activities impacting income generation opportunities.

CMM060 Increased income – Trading Standards and library service, budget £0.070m shortfall £0.070m: Closed sites and reduced activities impacting income generation opportunities.

EDT050 Improved management of on-street car parking, budget £0.350m shortfall £0.350m: Less on street parking during lockdown.

EDT065 Household Waste Recycling Centres – reuse shops, budget £0.050m shortfall £0.050m: Closed sites and reduced activities impacting income generation opportunities.

EDT068 Re-model back office support structure, budget £0.090m shortfall £0.090m: The support services have restructured following the transfer of works to Norse, however we have not been able to deliver the saving in the way that we had originally anticipated.

CES005 Adjusting our budget for recycling centres in line with predicted waste volumes, budget £0.200m shortfall £0.200m: In previous years we had seen reduced waste volumes at HWRC's, however due to the Covid-19 pandemic, based on recent activities we are expecting an increase in volumes.

CES020.1 Income generation across various Community and Environmental Services budgets. (Trading Standards calibration), budget £0.025m shortfall £0.025m: Closed sites and reduced activities impacting income generation opportunities.

CES020.2 Income generation across various Community and Environmental Services budgets. (Trading Standards trusted trader), budget £0.024m shortfall £0.024m: Closed sites and reduced activities impacting income generation opportunities.

CES020.3 Income generation across various Community and Environmental Services budgets. (Norfolk Records Office), budget £0.020m shortfall £0.020m: Closed sites and reduced activities impacting income generation opportunities.

CES020.5 Income generation across various Community and Environmental Services budgets. (Escape Room income), budget £0.015m shortfall £0.015m: Closed sites and reduced activities impacting income generation opportunities.

CES020.8 Income generation across various Community and Environmental Services budgets. (Developer travel plans), budget £0.030m shortfall £0.030m: Closed sites and reduced activities impacting income generation opportunities.

CES020.9 Income generation across various Community and Environmental Services budgets. (Equality and Diversity), budget £0.005m shortfall £0.005m: Closed sites and reduced activities impacting income generation opportunities.

**Strategy and Governance Department:**

SGD002 Reducing our spending on supplies and services by 5%, budget £0.155m shortfall £0.078m: Current forecasts indicate this saving will not be delivered in full.

**Finance and Commercial Services:**

B&P002 Property centralisation of budgets, budget £0.400m shortfall £0.100m: Finance and Commercial Services savings at risk of delay due to the Covid-19 pandemic.

DIE001 IMT savings, budget £0.700m shortfall £0.175m: Finance and Commercial Services savings at risk of delay due to the Covid-19 pandemic.

P&R027 Property savings, budget £0.650m shortfall £0.163m: Finance and Commercial Services savings at risk of delay due to the Covid-19 pandemic.

BTP005 Reviewing all of Norfolk County Council's traded services to make sure they are run on a fair commercial basis - IMT Schools, budget £0.099m shortfall £0.025m: Finance and Commercial Services savings at risk of delay due to the Covid-19 pandemic.

**Finance General:**

BTP001-5 Business Transformation savings: Currently forecasting no variance on the delivery of planned Business Transformation savings. A paper on the review of the Business Transformation Programme was reported to Corporate Select Committee in July. Any updates to the forecast delivery of savings following this review will be included in future monitoring to Cabinet.

# Norfolk County Council Finance Monitoring Report 2020-21

## Appendix 2: 2020-21 Capital Finance Monitoring Report

Report by the Executive Director of Finance and Commercial Services

### 1 Capital Programme 2020-21

- 1.1 On 17 February 2020, the County Council agreed a 2020-21 capital programme of £282.688m with a further £253.909m allocated to future years', giving a total of £536.577m.
- 1.2 Additional re-profiling from 2019-20 resulted in an overall capital programme at 1 April 2020 of £645m. Further in-year adjustments have resulted in the capital programme shown below:

**Table 1: Capital Programme budget**

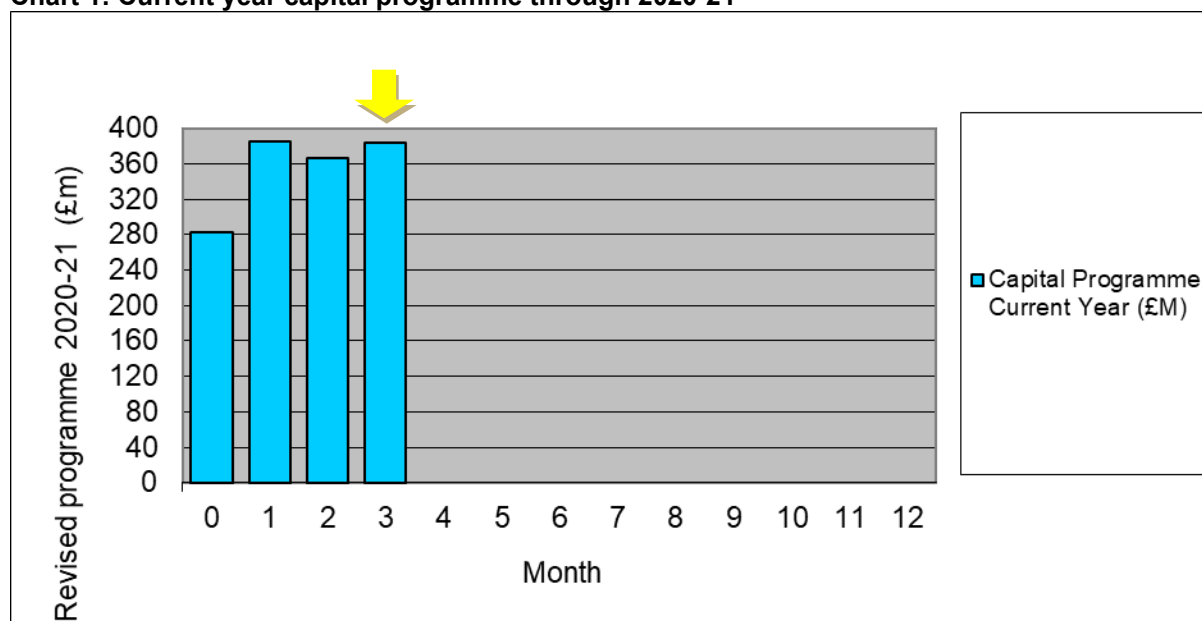
	<b>2020-21 budget</b>	<b>Future years</b>
	<b>£m</b>	<b>£m</b>
New schemes approved February 2020	21.497	24.414
Previously approved schemes brought forward	261.650	235.779
<b>Totals in 2020-23+ Budget Book (total £543.340m)</b>	<b>283.147</b>	<b>260.193</b>
Schemes re-profiled after budget setting	94.503	0.598
Other adjustments after budget setting including new grants	7.531	
<b>Revised opening capital programme (total £645.972m)</b>	<b>385.181</b>	<b>260.791</b>
Re-profiling since start of year	-40.986	40.986
Other movements including new grants and approved schemes	39.539	8.053
<b>Total capital programme budgets total £693.564m</b>	<b>383.734</b>	<b>309.830</b>

*Note: this table and the tables below contain rounding differences*

## Changes to the Capital Programme

- 1.3 The following chart shows changes to the 2020-21 capital programme through the year.

**Chart 1: Current year capital programme through 2020-21**



- 1.4 Month “0” shows the 2020-21 capital programme at the time of budget approval, with schemes reprofiled after budget setting shown in month 1 followed by the most up to date programme. The current year programme will change as additional funding is secured, and when schemes are re-profiled to future years as timing becomes more certain.

- 1.5 The current year’s capital budget is as follows:

**Table 2: Service capital budgets and movements 2020-21**

Service	Opening program me	Previous report	Reprofil ng since previous report	Other Changes since previous report	2020-21 latest Capital Budget
	£m	£m	£m	£m	£m
Children's Services	122.963	82.772	-0.698	6.298	88.372
Adult Social Care	15.604	15.604		8.071	23.675
Community & Environmental Services	165.262	187.053	-0.097	3.378	190.334
Finance & Comm Servs	81.252	81.252			81.252
Strategy and Governance	0.100	0.100			0.100
<b>Total</b>	<b>385.181</b>	<b>366.782</b>	<b>-0.795</b>	<b>17.747</b>	<b>383.734</b>
				<b>16.952</b>	

*Note:: this table may contain rounding differences.*

*Figures relating to the previous report have been amended in this and the following table to correct the services and Strategy and Governance budget between current and future years.*

- 1.6 The revised programme for future years (2020-21 to 2021-22 and beyond) is as follows:

**Table 3: Capital programme future years 2020+**

<b>Service</b>	<b>Previously reported future programme</b>	<b>Reprofilng since previous report</b>	<b>Other Changes since previous report</b>	<b>2020+ Future Capital Budget</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
Children's Services	133.588	0.698	7.803	142.089
Adult Social Care	25.394			25.394
Community & Environmental Services	102.231	0.097	0.250	102.578
Finance & Comm Servs	39.369			39.369
Strategy and Governance	0.400			0.400
<b>Total</b>	<b>300.982</b>	<b>0.795</b>	<b>8.053</b>	<b>309.830</b>
			<b>8.848</b>	

*Note: this table may contain rounding differences*

## 2 Financing the capital programme

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

**Table 5: Financing of the capital programme**

<b>Funding stream</b>	<b>2020-21 Programme</b>	<b>Future Years Forecast</b>
	<b>£m</b>	<b>£m</b>
Prudential Borrowing	209.636	211.249
Use of Capital Receipts	-	-
Revenue & Reserves	20.039	-
<i>Grants and Contributions:</i>		
DfE	110.823	33.863
DfT	17.678	58.117
DoH	0.398	-
MHCLG	0.259	-
DCMS	5.532	0.183
Developer Contributions	0.384	4.886
Other Local Authorities	1.155	-
Local Enterprise Partnership	5.221	-
Community Infrastructure Levy	-	-
National Lottery	0.003	1.531
Other	12.607	-
<b>Total capital programme</b>	<b>383.734</b>	<b>309.830</b>

*Note: this table may contain rounding differences*

- 2.2 Significant capital receipts are anticipated over the life of the programme. These will be used either to re-pay debt as it falls due, for the flexible use of capital receipts to support the revenue costs of transformation, with any excess receipts used to reduce the call on future prudential borrowing. For the purposes of the table above, it is assumed that all capital receipts will be applied directly to the re-payment of debt and transformation projects, rather than being applied to fund capital expenditure.
- 2.3 Developer contributions are funding held in relation to planning applications. Section 106 (Town and Country Planning Act 1990) contributions are held in relation to specific projects: primarily schools, with smaller amounts for libraries and highways. The majority of highways developer contributions are a result of section 278 agreements (Highways Act 1980).

### 3 Capital Receipts

- 3.1 The Council's property portfolio is constantly reviewed to ensure assets are only held where necessary so that capital receipts or rental income can be generated. This in turn reduces revenue costs of the operational property portfolio.
- 3.2 The capital programme, approved in February 2020, gave the best estimate at that time of the value of properties available for disposal in the three years to 2022-23, totalling £14.0m.

**Table 6a: Disposals longer term forecast**

Financial Year	Property sales forecast £m
2020-21	10.6
2021-22	1.5
2022-23	1.9
2023-24	1.0
	<b>14.0</b>

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

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

**Table 6b: Capital receipts and forecast use current financial year £m**

Capital receipts 2020-21	£m
Capital receipts reserve brought forward	1.347
Actual property sales to P3 net of associated capital costs	0.300
Loan repayments - estimate	0.600
Sales with a medium to high chance of completion	7.800
Potential capital receipts	<b>10.047</b>
<b>Forecast use of capital receipts</b>	
Budget 2020-21 to repay debt	2.000
Flexible use of capital receipts to support transformation costs (maximum £3m)	3.000
Total forecast use of capital receipts	<b>5.000</b>

The timing of sales cannot be guaranteed, particularly as sales activity has been affected by Covid-19.



## Capital Annex 1 - changes to capital programme since last Cabinet

			2020-21	2020-21	21-22+	21-22+	
Service	Project	Funding Type	Change (£m)	REPROFILE	Change (£m)	REPROFILE	Reason
Adult Social Care	Disabled Facilities Grant	DoH Grant	8.071				2020/21 Disabled facilities Grant from Dept of Health
<b>Total Adult Social Care</b>			<b>8.071</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	
Childrens Services							
	ECAPFM	DfC Grant	1.009				2020/21 Allocation from DfC to go direct to schools
	EC4822	External Grant	5.288				2020/21 Capital Maintenance grant
	EC4695				7.803		Basic need allocation for 2021/22
	EC4829	DfE grant		- 0.060		0.060	
	EC4845	External Grant/NCC borrowing		- 0.638		0.638	Fred Nich Reprofiled for works in future years
<b>Total Children's services</b>			<b>6.298</b>	<b>-0.698</b>	<b>7.803</b>	<b>0.698</b>	
CES							
Libraries	LL0691 Bell Rd, Barnham	S106		-0.002		0.002	Reprofiled according to current expectations
	LL0726 White House Farm	S106		-0.095		0.095	Reprofiled according to current expectations
	LL1037 Library Book Stock	NCC Borrowing	0.750		0.250		Borrowing agreed for Library book stock
Highways	Bridge Strengthening	External	2.200				Budget forecast for 2020/21
	Emergency Active Travel Fund	External	0.394				Budget forecast for 2020/21
	Various Schemes	External	0.034				Budget forecast for 2020/21
<b>Total CES</b>			<b>3.378</b>	<b>-0.097</b>	<b>0.250</b>	<b>0.097</b>	
<b>Total</b>			<b>17.747</b>	<b>-0.795</b>	<b>8.053</b>	<b>0.795</b>	

# Report to Cabinet

Item No. 12

<b>Report title:</b>	<b>Disposal, acquisition and exploitation of property</b>
<b>Date of meeting:</b>	<b>3 August 2020</b>
<b>Responsible Cabinet Member:</b>	<b>Councillor Greg Peck Cabinet Member for Commercial Services and Asset Management.</b>
<b>Responsible Director:</b>	<b>Simon George Executive Director for Finance and Commercial Services.</b>
<b>Is this a key decision?</b>	<b>Yes – for Attleborough and Beeston Park No – for remainder of cases</b>

## **Executive Summary/Introduction from Cabinet Member**

Proposals in this report are aimed at supporting Norfolk County Council (NCC) priorities by exploiting properties surplus to operational requirements, pro-actively releasing property assets with latent value where the operational needs can be met from elsewhere and strategically acquiring property to drive economic growth and wellbeing in the County.

One of the key strategic actions within the Asset Management Plan is a sharp focus on maximising income through adoption of a more commercial approach to property.

As part of corporate management of property and a systematic approach to reviewing the use and future needs of property assets for service delivery there is a continued emphasis on minimising the extent of the property estate retained for operational purpose. However, on occasion there will be the requirement to acquire or reuse an individual property to support a service to delivers its aims.

By adopting a “single estate” approach within the County Council and sharing property assets with public sector partners through the One Public Estate programme, the Council is aiming to reduce net annual property expenditure by £1.7million over the next two years (2020/21 to 2021/22).

Consideration is also given to the suitability of surplus property assets for reuse or redevelopment to meet specific service needs that could improve the quality of services for users, address other policy areas and/or improve financial efficiency for the County Council, for example, facilitating the supply of assisted living accommodation and other housing solutions for people requiring care, or undertaking re-development to support jobs and growth.

This means that as well as continuing with the rationalisation of the operational property estate to reduce the number of buildings used by the County Council, a more commercial approach is being adopted over the sale or redeployment of surplus property assets.

## **Recommendations**

**Cabinet is asked to:**

- 1. Delegate authority to the Director of Property in consultation with the Executive Director of Finance and Commercial Services and the Cabinet Member for Asset Management and Commercial Services to implement the sale of the land at London Road, Attleborough (3002/038) or any part on an un-serviced basis of it so long as the sale is at market rate and confirm that the existing approvals remain effective notwithstanding this additional proposed approval.**
- 2. To authorise in respect of Beeston Park the implementation of the terms as set out in Exempt Appendix B.**
- 3. Formally declare the land at Wells Road, Fakenham (1029/028A) (excluding the part retained for a new school) surplus to County Council requirements and instruct the Director of Property to dispose of the property. In the event of a disposal receipt(s) exceeding delegated limits the Director of Property in consultation with the Executive Director of Finance and Commercial Services and Cabinet Member for Commercial Services and Asset Management is authorised to accept the most advantageous offer(s).**
- 4. Formally declare the Land at West Hall Farm, Gayton (2033/018) surplus to County Council requirements and instruct the Director of Property to dispose of the property. In the event of a disposal receipt exceeding delegated limits the Director of Property in consultation with the Executive Director of Finance and Commercial Services and Cabinet Member for Commercial Services and Asset Management is authorised to accept the most advantageous offer.**
- 5. Formally declare the Land adjacent to Lionwood Junior School, Norwich (4114/019B) surplus to County Council requirements and instruct the Director of Property to dispose of the property. In the event of a disposal receipt exceeding delegated limits the Director of Property in consultation with the Executive Director of Finance and Commercial Services and Cabinet Member for Commercial Services and Asset Management is authorised to accept the most advantageous offer.**
- 6. Formally declare the Land at Hall Lane, South Wootton (2072/011) surplus to County Council requirements and:**
  - (i) Instruct the Director of Property to dispose of the site to a doctor's surgery and/or extra care housing provider, or**
  - (ii) In the event of no satisfactory agreement instruct the Director of Property to dispose of the property on the open market.****In the event of a disposal receipt exceeding delegated limits the Director of Property in consultation with the Executive Director of Finance and Commercial Services and Cabinet Member for Commercial Services and Asset Management is authorised to accept the most advantageous offer.**

- 7. Formally declare the additional Land at Mill Road, Walpole Highway (2105/105A) surplus to County Council requirements and instruct the Director of Property to dispose of the property. In the event of a disposal receipt exceeding delegated limits the Director of Property in consultation with the Executive Director of Finance and Commercial Services and Cabinet Member for Commercial Services and Asset Management is authorised to accept the most advantageous offer.**
- 8. Formally declare the Land adjacent to the Primary School, Watlington (2089/014) surplus to County Council requirements and instruct the Director of Property to dispose of the property. In the event of a disposal receipt exceeding delegated limits the Director of Property in consultation with the Executive Director of Finance and Commercial Services and Cabinet Member for Commercial Services and Asset Management is authorised to accept the most advantageous offer.**

## **1.0 Background and Purpose**

- 1.1. The County Council actively manages its property portfolio in accordance with the Asset Management Plan. Property is held principally to support direct service delivery, support policy objectives, held for administrative purposes or to generate income. Property is acquired or disposed of as a reaction to changing service requirements, changing council policies or to improve the efficiency of the overall portfolio.
- 1.2. The County Council challenges the use of its property on an ongoing basis. In the event of a property asset becoming surplus to an individual service need there are internal officer processes to ascertain whether other service areas have an unmet need that could be addressed by re-using the property asset for that service. This may lead to a change of use of individual properties, for example, an office building may be adapted and reused for operational service delivery. Any proposals for retention are only agreed if supported by a robust business case showing the benefits to the County Council and are funded from approved budgets. This assessment will also consider whether a property could be offered at best consideration to public sector or third sector partners.
- 1.3. The above assessments are carried out by the Corporate Property Officer (the Director of Property) in consultation with the Corporate Property Strategy Group (CPSG). Once it is confirmed there is no further County Council requirement, Cabinet is asked to formally declare property assets surplus or re-designate for alternative purposes.
- 1.4. The Corporate Property Officer reviews options for maximising income from surplus properties usually by open market sale to obtain the best consideration possible. These will range from selling immediately on the open market (to the bidder making the best offer overall), enhancing the value prior to sale, strategic retention for a longer-term benefit through to direct development of the land and buildings and selling/letting the completed assets, in the expectation of enhanced income for the Council.

Most disposals will be by way of tender or auction. In respect of auctions the contract of sale will be formed at the fall of the hammer and where this approach is selected the Corporate Property Officer will determine a reserve below which the property will not be sold. The majority of disposal will include overage provisions to enable the council to collect future uplifts in value created by alternative uses.

- 1.5. For properties to be sold immediately there is sometimes a need to consider selling directly to a specific purchaser instead of going to the open market. This may be justified where the third party is in a special purchaser situation and is willing to offer more than the assessed market value. Conversely this might be to a purchaser who is in a unique position of control for the unlocking of the full latent value of the Council owned site (ransom situation). A direct sale without going to market can also be justified if there are specific service benefits or a special partnership relationship which is of strategic value with service/community benefits.
- 1.6. In making recommendations for direct sale without going to market, or direct property development, the Corporate Property Officer will consider risks, opportunities, service objectives, financial requirements and community benefits.
- 1.7. The recommendations for all disposals, acquisitions and exploitation of NCC property in this report follow detailed assessment by officers of the range of options available. The recommendation for each property is based on existing policies and strategies and judged to provide the best return to the County Council in financial terms and, where appropriate, taking account of community and economic benefits.

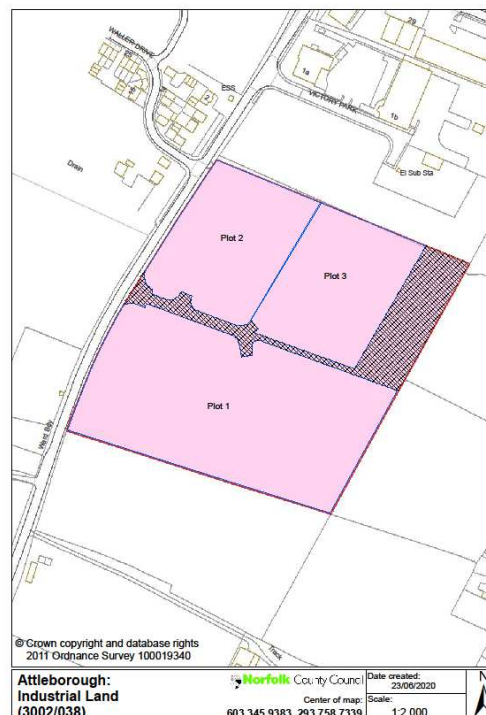
## **2.0 Proposals**

### **Attleborough - Disposal of land at London Road (3002/038)**

- 2.1 Approximately 5.3 hectares (13.1 acres) of land adjacent to London Road Attleborough, edged red on plan previously forming part of the County Farms Estate, has been declared surplus to NCC use and made available for employment use. NCC has obtained outline planning consent for B1, B2 (general industrial) and B8 (warehousing) uses, which increases the value of the land by removing an element of planning risk for any potential purchaser. NCC appointed Roche Chartered Surveyors to provide valuation and marketing services.
- 2.2 The site has been divided into three development plots, with the sale of plot 1 having been under negotiation for several years and the sale approved by the Cabinet Member for Asset Management and Commercial Services in January 2020. The sale of plots 2 and 3 to a different purchaser was agreed by Cabinet in March 2020. The sale of plots 2 and 3 is dependent upon the purchaser of plot 1 delivering site services. The proposal also included for NCC to pay for a proportion of the infrastructure costs.

2.3 Following a review of the options for this site, it is now proposed to withdraw from both previously agreed plot sales and sell the entire site to a single commercial organisation (the previously agreed purchaser of plots 2 and 3). The previously agreed purchaser of plot 1 has agreed to this course of action. The new proposal is on an un-serviced basis and obviates the need for NCC to invest significant capital as part of the original proposals.

2.4 This proposal maximises the capital receipt for NCC and provides for a quick and simple sale of this land at development value. The property has been on the open market since October 2019 and there has been little interest. Roche have confirmed their previous valuations. Further details of the proposed sale are provided in the exempt annexe, **Appendix A**.



2.5 **Appendix A** is exempt from publication as it involves the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972. The public interest test has been applied and it is considered that the public interest in maintaining the exemption outweighs the public interest in disclosing the information at this stage. The information is exempt from the Cabinet Report for the sale of the whole of the London Road, Attleborough site (3002/038) due to information being commercially sensitive but will be published by the land registry after completion.

2.6 As per the existing approvals the sale will restrict the use of the property to light and general industrial (falling within Use Classes B1 and B2) and warehousing (Use Class B8) with any other users being ancillary. There will be a covenant preventing the property being used for vehicle repairs, MOT testing, waste re-cycling and open storage, except for storage of refuse and waste generated by the business in skips and containers.

2.7 The value of this disposal is such that this is a key decision.

#### **Beeston Park (5053/013): Landowners agreement update**

2.8 Beeston Park is a proposed urban extension to the north of Norwich in the Broadland District Council area. Norfolk County Council is a member of a consortium of land owners with approximately 90 acres of farms estate land Included in the proposed development. The plan in **appendix C** indicates

the area subject to the planning application (edged pink) and the County Council land (shaded brown).

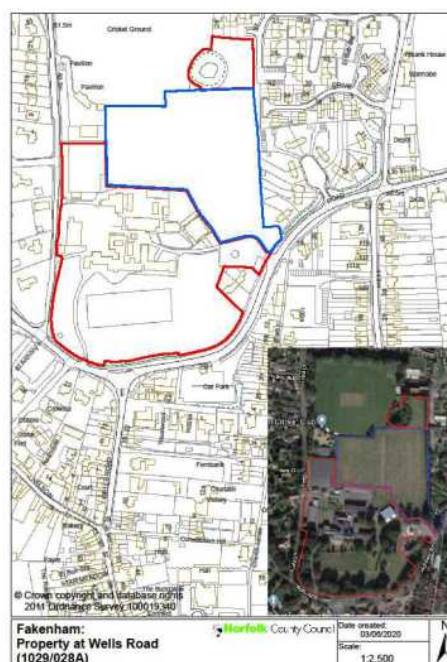
- 2.9 Due to the phasing of the development it is expected to take circa 20 years to complete and the County Council will receive capital receipts over a lengthy time period. The development is being promoted by Town and U&I Plc but has yet to commence and there is no likelihood of early confirmation of such a date.
- 2.10 The key aspects in terms of development control for Beeston Park are:
- Planning application, reference 20121516, was approved by Broadland District Council on 17th February 2016, accompanied by a section 106 Agreement dated 15th February 2016. This granted outline permission for the following:
    - 3,520 dwellings.
    - 16,800 square metres of employment space (planning use class B1).
    - 8,800 square metres of space for shops, services, cafes, restaurants and drinking establishments (planning use classes A1-A5).
    - 1,000 square metres of hotel accommodation (planning use class C1).
    - Two primary schools (up to 500 square metres).
    - 2,000 square metres of community space including a health centre, library and community halls; and an energy centre.
  - Following the grant of outline planning permission, an application under section 73 of the Planning Act was submitted. This sought to vary the phasing of the permitted scheme to render it more commercially responsive as well as to lighten the planning regulatory framework through the establishment of a Development Phasing and Infrastructure Improvements Strategy. The section 73 application was permitted in December 2017, accompanied by a revised section 106 agreement.
  - In addition, a viability study of the first phase of development was undertaken in order to agree the level of affordable housing provision across this phase. This has now been completed and agreed with Broadland District Council at an average of 20%.
- 2.11 Subsequently in respect to “Phase 1 strategic infrastructure Reserved Matters” a disposal strategy was agreed by the landowners and the Promoter which envisages the sale of parcels of land for development on a serviced basis. In order to enable this, a reserved matters planning application for strategic infrastructure for Phase 1 was submitted in 2018. It is subject to a resolution to grant permission subject to the completion of further site investigations of Phase 1 land in January 2020 to satisfy the lead Local Flood Authority.
- 2.12 A proposal has come forward from the promoter which has been reviewed by the County Council and its agents NPS. The County Council is one of several landowners forming the consortium, the landowners need to act together and form a collective decision. All the other land owners have

accepted the proposal from the promoter. Further details of the proposed sale are provided in the exempt annexe, **Appendix B**.

- 2.13 **Appendix B** is exempt from publication as it involves the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972. The public interest test has been applied and it is considered that the public interest in maintaining the exemption outweighs the public interest in disclosing the information at this stage. The information is exempt from the Cabinet Report for the sale of the NCC land within the Beeston Park Development due to information being commercially sensitive but will be published by the land registry after completion.

**Fakenham: Fakenham Academy, Wells Road, NR21 9HP (1029/028A)**

- 2.14 Fakenham Academy came in to being 1 October 2013 and operated on two sites (Wells Road and Field Lane). Both sites were leased to Norfolk Academies.
- 2.15 On 1 March 2019 Norfolk Academies released the Wells Road site back to the County Council (combined area outlined red and blue on plan).
- 2.16 Following a review by the Director of Property in consultation with CPSG it was confirmed that the overall site was not required for NCC service use. However, subsequently part of the site has been identified by Childrens Services as suitable for a new school for Special Educational Needs (outlined blue) and so now this area of the overall site will be retained.
- 2.17 The Corporate Property Team (CPT) have commenced investigations on how the remainder of the site may be utilised, exploited and disposed. This will also include assessing the community opportunities available for parts of the site. An initial step is to declare surplus those parts of the overall site no longer required for service delivery.

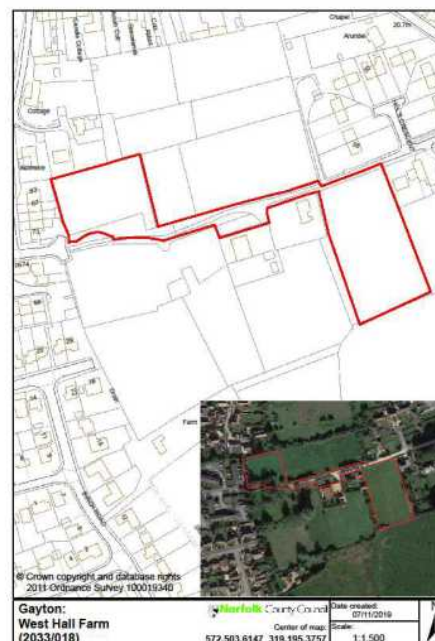


- 2.18 The Division Member has been informed of this proposal.

**Gayton – Land at West Hall Farm (2033/018)**



- 2.19 This property edged red on the plan is owned by NCC and forms part of the County Farms estate.
- 2.20 The County Farms Team have reviewed this site and determined it is not required for operational use. Following a review by the Director of Property in consultation with CPSG it has been confirmed that the site is not required for NCC service use.
- 2.21 It is proposed to dispose of this site by open market sale through auction or by tender.
- 2.22 The Division Member has been informed of this proposal.



### **Norwich – Land adjacent to Lionwood Junior School (4114/019B)**

- 2.23 This property edged red on the plan is owned by NCC and is approximately 0.12 hectares (0.3 acres) in area.
- 2.24 Following a review by the Director of Property in consultation with CPSG it was confirmed that the overall site was not required for NCC service use.
- 2.25 It is proposed to dispose of this site by open market sale through auction or by tender.
- 2.26 The Division Member has been informed of this proposal.



### **South Wootton – Land at Hall Lane (2072/011)**

- 2.27 This property edged red on the plan is owned by NCC and forms part of the County Farms estate.
- 2.28 The County Farms Team have reviewed this site and determined it is not required for operational use. Following a review by the Director of Property in consultation with CPSG it was confirmed that the site is not required for NCC service use.
- 2.29 There has been interest in this site for the provision of a doctor's surgery and extra care housing. The Director of Property is assessing these

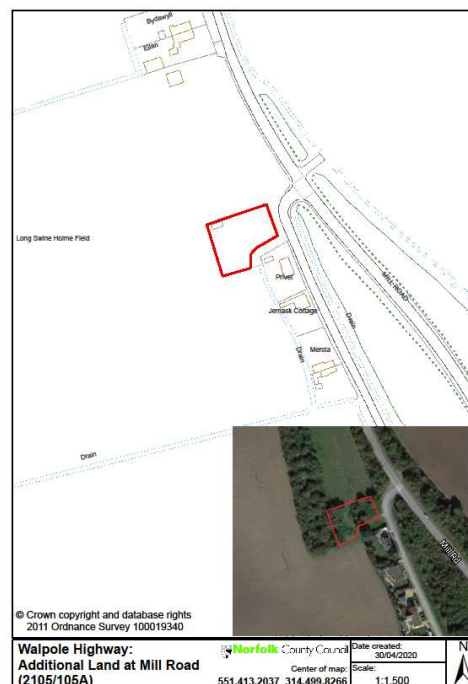
options, however, should these proposals not be realised it is proposed to dispose of this site by open market sale through auction or by tender.

- 2.30 There is currently a vacancy in this Division, however, the Members in the adjoining Divisions of King's Lynn North & Central and Gaywood North & Central have been informed of this proposal.



### Walpole Highway - Additional Land at Mill Road (2105/105A)

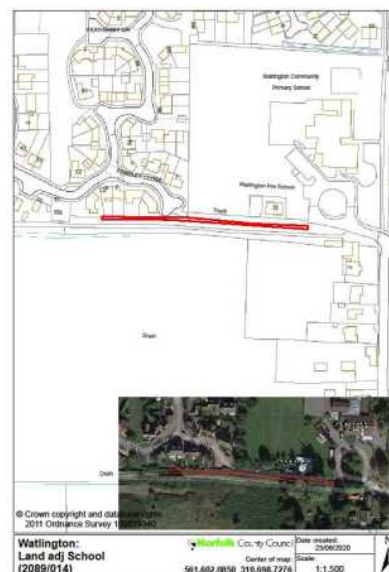
- 2.31 This property edged red on the plan is owned by NCC and forms part of the County Farms estate.
- 2.32 The County Farms Team have reviewed this site and determined it is not required for operational use. Following a review by the Director of Property in consultation with CPSG it has been confirmed that the site is not required for NCC service use.
- 2.33 It is proposed to dispose of this site by open market sale through auction or by tender.
- 2.34 The Division Member has been informed of this proposal.



### Watlington – Land adjacent to Primary School (2089/014)

- 2.35 This property edged red on the plan is owned by NCC and amounts to approximately 330m<sup>2</sup> in area.

- 2.36 Following a review by the Director of Property in consultation with CPSG it was confirmed that this land is not required for NCC service use.
- 2.37 It is proposed to dispose of this site by open market sale through auction or by tender.
- 2.38 The Division Member has been informed of this proposal.



### **3.0 Impact of the Proposals**

- 3.1 All land disposals will provide capital receipts for the council to support the capital program and hence service delivery.
- 3.3 The declaration of the land surplus at Wells Road, Fakenham will support Corporate Property Team's investigations on how the site may be utilised, exploited and/or disposed of or provide community opportunities.

### **4.0 Evidence and Reasons for Decision**

- 4.1 The disposal of the land at London Road, Attleborough releases land that is surplus to County Council use, in addition provides a significant capital receipts provides an opportunity for commercial development to support jobs.
- 4.2 In respect of Beeston Park, the county Council has received no income from the disposal of its assets but is incurring professional fees and is spending officer time. There is no definite date for when the development will commence, and it is clear the Promotor no longer wishes to carry the risk.
- 4.3 Declaring the land holdings at Wells Road, Fakenham; West Hall Farm, Gayton; Adjacent to Lionwood School, Norwich; Land at Hall Lane, South Wootton; Mill Road, Walpole Highway and land adjacent to Watlington Primary School surplus to County Council use means that the Corporate Property Team can consider options for the disposal and exploitation of these sites.

### **5.0 Alternative Options**

- 5.1 For the disposal of the land at London Road, Attleborough the alternative would be to retain the site.
- 5.2 For Beeston Park, not to join the other land holders in disposing of the land will mean retaining the current situation of no development commencing, the ongoing delay of any income and accruing additional professional fees.

- 5.3 Declaring land holdings surplus is a result of the sites no longer being required for service delivery. The alternative would be to retain resulting in incurring holding costs for an asset that is not contributing to service delivery.

## **6.0 Financial Implications**

- 6.1 Disposals outlined in this report will provide the opportunity for capital receipts and savings in holding costs.

## **7.0 Resource Implications**

- 7.1 **Staff:** nil.

- 7.2 **Property:** As described in the earlier parts of this report.

- 7.3 **IT:** nil.

## **8.0 Other Implications**

- 8.1 **Legal Implications:** For disposals in the usual way the legal implications are around the parties agreeing to the terms of the agreement for each disposal and entering a contract.

- 8.2 **Human Rights implications** - No implications.

- 8.3 **Equality Impact Assessment (EqIA)**  
No specific EqIA has been undertaken in respect of the disposal of sites.

- 8.4 **Health and Safety implications** - No implications.

- 8.5 **Sustainability implications**  
Future redevelopment of disposed sites would require planning permission and therefore would be mindful of sustainable measures.

## **9.0 Risk Implications/Assessment**

- 9.1 The risks around disposals are around the non-agreement of terms. This risk is mitigated using experienced expert consultants.

## **10.0 Recommendations**

- 10.1 Cabinet is asked to delegate authority to the Director of Property in consultation with the Executive Director of Finance and Commercial Services and the Cabinet Member for Asset Management and Commercial Services to implement the sale of the land at London Road, Attleborough (3002/038) or any part on an un-serviced basis of it so long as the sale is at market rate and confirm that the existing approvals remain effective notwithstanding this additional proposed approval.

- 10.2 Cabinet is asked to authorise in respect of Beeston Park the implementation of the terms as set out in **Appendix B**.

- 10.3 Cabinet is asked to formally declare the land at Wells Road, Fakenham (1029/028A) (excluding the part retained for a new school) surplus to County Council requirements and instruct the Director of Property to dispose of the property. In the event of a disposal receipt(s) exceeding delegated limits the Director of Property in consultation with the Executive Director of Finance and Commercial Services and Cabinet Member for Commercial Services and Asset Management is authorised to accept the most advantageous offer(s).
- 10.4 Cabinet is asked to formally declare the Land at West Hall Farm, Gayton (2033/018) surplus to County Council requirements and instruct the Director of Property to dispose of the property. In the event of a disposal receipt exceeding delegated limits the Director of Property in consultation with the Executive Director of Finance and Commercial Services and Cabinet Member for Commercial Services and Asset Management is authorised to accept the most advantageous offer.
- 10.5 Cabinet is asked to formally declare the Land adjacent to Lionwood Junior School, Norwich (4114/019B) surplus to County Council requirements and instruct the Director of Property to dispose of the property. In the event of a disposal receipt exceeding delegated limits the Director of Property in consultation with the Executive Director of Finance and Commercial Services and Cabinet Member for Commercial Services and Asset Management is authorised to accept the most advantageous offer.
- 10.6 Cabinet is asked to formally declare the Land at Hall Lane, South Wootton (2072/011) surplus to County Council requirements and:
- (i) Instruct the Director of Property to dispose of the site to a doctor's surgery and/or extra care housing provider, or
  - (ii) In the event of no satisfactory agreement instruct the Director of Property to dispose of the property on the open market.
- In the event of a disposal receipt exceeding delegated limits the Director of Property in consultation with the Executive Director of Finance and Commercial Services and Cabinet Member for Commercial Services and Asset Management is authorised to accept the most advantageous offer.
- 10.7 Cabinet is asked to formally declare the additional Land at Mill Road, Walpole Highway (2105/105A) surplus to County Council requirements and instruct the Director of Property to dispose of the property. In the event of a disposal receipt exceeding delegated limits the Director of Property in consultation with the Executive Director of Finance and Commercial Services and Cabinet Member for Commercial Services and Asset Management is authorised to accept the most advantageous offer.
- 10.8 Cabinet is asked to formally declare the Land adjacent to the Primary School, Watlington (2089/014) surplus to County Council requirements and instruct the Director of Property to dispose of the property. In the event of a disposal receipt exceeding delegated limits the Director of Property in consultation with the Executive Director of Finance and Commercial

Services and Cabinet Member for Commercial Services and Asset Management is authorised to accept the most advantageous offer.

### Officer Contact

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\\norfolk.gov.uk\ncd\dfs1\CorporateProperty\CPT ADMIN & MANAGEMENT\Meetings & Groups\Committees\CABINET\2020-21\2020.08.03\Final Reports\20.08.03 Cabinet report Disp acq and exploitation of property (rfiwb) FINAL 1.0.docx

## **Appendix A**

### **Exempt annex**

Attleborough, Disposal of land at London Road (3002/038)

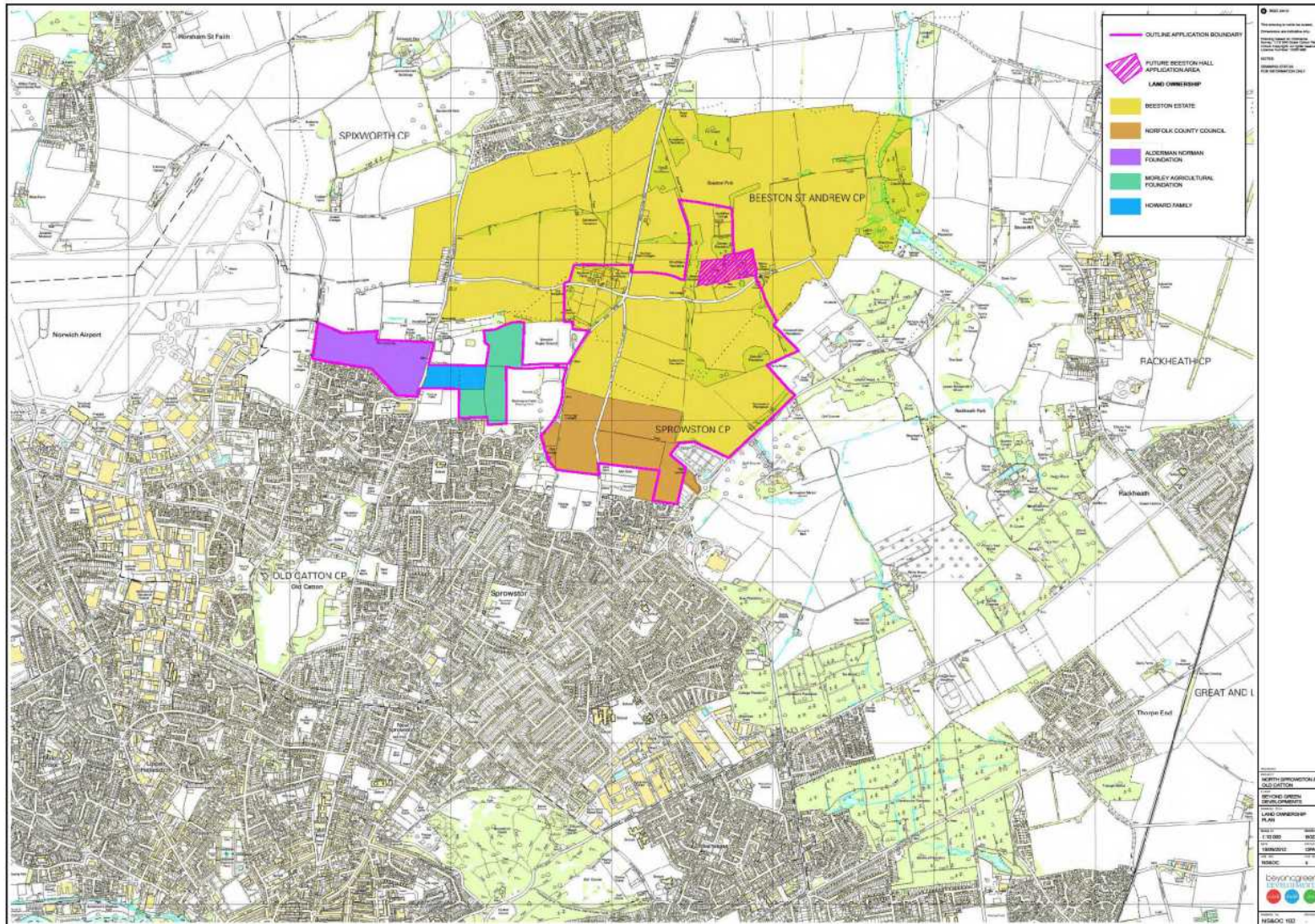
## **Appendix B**

### **Exempt annex**

Beeston Park (5053/013): Landowners agreement update



**Beeston Park – Land ownership//planning application boundary**





# Cabinet

Item No: 13

<b>Decision making report title:</b>	<b>Schools' Capital Programme</b>
<b>Date of meeting:</b>	<b>03 August 2020</b>
<b>Responsible Cabinet Member:</b>	<b>Cllr John Fisher (Cabinet Member for Children's Services)</b>
<b>Responsible Director:</b>	<b>Sara Tough, Executive Director of Children's Services</b>
<b>Is this a key decision?</b>	<b>Yes</b>

## Executive Summary

The County Council has a duty to secure sufficient pupil places to meet the demands of the school-age population. The Schools Local Growth and Investment Plan approved by Cabinet each year sets out areas with place pressure due to demographic changes and housing development.

Norfolk County Council receives schools' capital grant funding to support its strategic plans for the provision of additional places and for improving the quality of existing maintained school buildings.

The cost-effective provision of high-quality learning environments is central to meeting the County Council's ambition to ensure high standards of achievement in schools. Each year the County Council rolls forward its approved schools' mainstream capital building programme, making revisions to the existing programme and adding new schemes to reflect pressures and priorities. The programme is developed within the financial envelope made available by Full Council in its budget decisions for the year ahead. Detailed consideration of priorities and costings is given by Capital Priorities Group throughout the year, with a report coming to Cabinet approximately May.

This report provides:

1. A summary of schools' capital funding sources
2. A summary of the priorities which underpin the programme
3. Proposals developed by Capital Priorities Group for the new programme
4. A financial summary of the proposed forward programme.

The report is based upon the advice and recommendations of the Capital Priorities Group at their meetings in 2020.

## Recommendations To

- Note known grant settlements as summarised in section 2
- Note the principles on which the programme is based
- Endorse the basis of 2020-2023+ programme prioritisation for delivery

## **1. Background and Purpose**

1.1 The County Council has a duty to secure sufficient pupil places to meet the demands of the school-age population. The main financial source to support this duty is the annual schools' capital grant funding from the Government. This grant, along with funding from other sources, is used to support the Council's strategic plans for the provision of additional places and for improving the quality of existing NCC-maintained school buildings. In May/June of each year, Cabinet is asked to either approve the roll-forward its approved schools' capital building programme or approve a new programme approximately every three years. This report forms part of an annual reporting cycle as follows:

1.1.1 November – Portfolio Member update and identification of emerging capital pressures and priorities for the forward years.

1.1.2 January - Growth and Investment Plan (summary of strategic pupil place pressures) to Cabinet.

1.1.3 May/June – proposed revisions to capital programme in the light of funding allocations.

1.2 The Capital Priorities Group considers emerging business cases for investment and make a recommendation to the Executive Director of Children's Services as decision maker.

1.3 The group continues to support and monitor the progress of the capital programme and considers in detail projects of concern, based on a regular risk assessment.

1.4 The structure of this report is as follows:

- A summary of schools' capital funding sources;
- A reiteration of priorities which underpin the programme and the financial scale across priorities
- A schedule of proposed new schemes to enter the programme
- A financial summary of the proposed forward programme.

## **2. Proposals**

### **Priorities underpinning the programme**

2.1 Three priorities have been set for the capital programme in recent years:

A - Growth – developing the capacity of the estate to meet pupil number growth

B - Implementing specialist, targeted and improvement strategies (including SEND Transformation Strategy)

C – Improving the condition and efficiency of the NCC-maintained school estate\*.

\* NCC has no responsibility for maintaining the estate held by academy trusts. Funding for this purpose is distributed separately by the Education Funding Agency based on the condition of the estate and pupil numbers in the academy sector

2.2 Beneath these priorities the programme has been constructed as in the following table, with funding levels indicated:

	Scope
A1	Major growth
A2	Masterplanning for future growth
A3	Area growth and reorganisation
A4	Growth – minor increases
B1	Special Educational Needs
B2	Additional needs
B3	Early years
C1	Rationalisation and efficiency
C2	Major capital maintenance
C3	Statutory compliance

2.3 Current unallocated sums are as follows but include programme level budget risks (e.g. COVID-19 budget increases):

Priority	Scope	Unallocated as at 1 <sup>st</sup> April 2020
A	Growth	£19mm
B	Special Educational Needs	Borrowing capacity only
C	Rationalisation, major capital maintenance and compliance	£15m
	TOTAL	£37.8m

2.4 Government funding sources for the NCC schools' capital programme are as follows:

- Government grant: 'Basic Need' for growth places at all state-maintained schools and 'Capital Maintenance' for major condition improvements at NCC- maintained schools
- SEND Government capital grant
- £2m CIL income from the Greater Norwich Growth Area. CIL has replaced Developer Contributions in all the Districts within the

Greater Norwich Growth Area and between 2017 and 2021 an annual £2m allocation has been agreed for education provision.

2.5 These capital grants are summarised in the table below

£m	2020/21	2021/22	2022/23
<b>Basic Need</b>	0.0m	7.80m	-
<b>LA Capital Maintenance</b>	5.28m	-	-
<b>SEN provision capital</b>	0.908m	-	-
<b>CIL Income</b>	2.00m	-	-

2.6 Other sources of capital funding available are:

- Developer funding – this funding is received from housing developers via District Council Section 106 agreements. Where the scale of development warrants it, a new school site can be claimed free of charge. See table below for the scale of funding.
- Free school programme – at present new school proposals might be eligible for free school funding from central Government. The current criteria include the need for both new pupil places and improved standards in an area. Applications from Sponsor Academies are made in ‘waves’ opened by the Department for Education and available land is also preferable to assist delivery. Considerable schools’ capital has been previously channelled to deliver the Government free school programme and expansion of selective schools, but with a Spending Review pending there is no certainty of allocations for future programmes of work.
- A significant investment into SEND and delivery of a Transformation Programme has been facilitated by County Council borrowing for £120m capital, based on invest to save principles.

2.7 Alternative sources of capital funding for provision of school places which arise will be fully considered and utilised as appropriate.

2.8 Section 106 developer contributions for education are set out in the table below. When received subsequent to project completion, these contributions release schools’ capital previously invested into supporting the future programme.

**Developer contribution collected**

Between 2017 and 2020  
£30,432,616 was collected  
towards educational provision.

**Developer contribution yet to be collected**

From agreements between 2017 and 2020 there is a provisional amount of £112, 815,200 yet to be collected.

- 2.9 The annual expenditure on schools' capital for 2019/20 was £58m.

**Proposals for the forthcoming mainstream schools' capital programme**  
**A1-4 Growth**

- 2.10 The programme in the next three to five years constitutes largely category A1 schemes either new primary schools within large housing developments or new secondary school provision.
- 2.11 New primary schools are planned in housing developments and therefore reliant on the output of the housing market. As a key element of infrastructure in a new community there is considerable pressure to bring new schools forward, but this needs to be balanced with the demand for additional places which can take longer in some parts of the County. Areas in the A11 corridor create immediate additional demand whereas others (e.g. Poringland) have taken five years into the development to create pressure. All new schools are designated as Free Schools under legislation. They will be subject to 125-year lease from Norfolk County Council to the incoming Academy Trust assigned to open the school either via an LA presumption route or a DFE Free School wave.
- 2.12 As set out in the Education Landscape and School Place Sufficiency Cabinet Paper in January 2020, it is the NCC policy to create 420 place primary schools and this reflects central DFE policy. In order to deliver this ambition, in some service villages and towns there is a consideration of expansion and relocation of existing smaller primary phase schools to a new site. This ensures the policy is met and provides an opportunity to address condition issues for older schools where buildings are not able to provide fit for purpose 21 century education facilities. Examples of this potential rationalisation of the school estate are Holt and Blofield where there are Victorian schools with detached playing fields.
- 2.13 Secondary pressure in North Norwich and beyond within the 'Growth Triangle' is a priority with medium and long term schemes to address within the proposed programme. The development of 15,000 homes assumed a new high school to serve the area and potential sites are being explored to support its delivery. In the meantime, expansion of the closest high school where developer contribution is available is under consideration.
- 2.14 The following table sets out all schemes anticipated for 2020-25 to support pupil growth as a result of new housing development.

Project	Anticipated year construction commencement
Costessey Ormiston Victory Academy (expansion)	2021

Sprowston High Academy (expansion)	2021
New Blofield Primary (relocate and expansion)	2022
Holt Primary (relocation and expansion)	2022
Cringleford Primary (new school)	2023
Poringland Primary (new school)	2023
North Norwich High School (new school)	2024
Thetford new 2FE Primary (new school)	2025

2.15 These schemes have been accepted into in previous schools' mainstream capital programmes at design development stage but currently not fully funded.

2.16 Schools' mainstream capital programme has been funded since 2014 by government grant, S106 contributions and past capital receipts. Without certainty of future capital allocations, the total capital required to deliver for this forward programme is approximately £80m and beyond the available funding envelope for growth. A proposal for NCC funding is likely to require capital borrowing.

## 2.17 **B Special Educational Needs**

A separate SEND capital programme is underway to facilitate delivery of the SEND Transformation Programme for provision of new places with oversight by Children's Services Capital Priorities Group and Executive Director of Children's Services.

## **C Condition**

2.18 There are currently no major maintenance schemes proposed to rationalise the schools' estate, however, replacement of older school stock when aligned with the programme for growth contributes to this priority.

2.19 The Schools' estate is subject to a rolling programme of surveys, and it will be on the outcome of these in the main that future major capital maintenance allocations are based to improve the fabric of the NCC schools' estate.

2.20 The full list of both current and proposed schemes for Growth, SEND and Condition are set out in appendix A.

## **3. Impact of the Proposal**

## **4. Evidence and Reasons for Decision**

4.1 A decision to support the proposed Schools' mainstream capital programme will ensure the Council can discharge its statutory responsibility to ensure sufficient school places in the area.

## **5. Alternative Options**

5.1 The schemes in this report are those set out in the Schools' Local Growth and Investment Plan and have formed the basis of the mainstream capital

programme development discussion by Children's Services Capital Priorities Group and approval by the Executive Director of Children's Services. New schemes are subject to approval and at this stage do not need to be accepted into the programme.

## **6. Financial Implications**

- 6.1 Financial implications set out in Section 3 and the full list of both current and proposed schemes for Growth, SEND and Condition are set out in appendix A.

## **7. Resource Implications**

- 7.1 **Staff:** The schools' capital programme will be delivered within existing staffing capacity.
- 7.2 **Property:** New schools will result in development of the schools' estate. All new schools opened are academies under the Education and Inspections Act 2006, and as such as are subject to a peppercorn 125-year lease from Norfolk County Council.
- 7.3 **IT:** There are no ICT implications for this programme

## **8. Other Implications**

### **8.1 Legal Implications**

None identified

### **8.2 Human Rights implications**

None identified

### **8.3 Equality Impact Assessment (EqIA) (this must be included)**

This programme has been assessed to ensure that it has no adverse impact on young people including those with disabilities, gender reassignment, marriage/civil partnerships, pregnancy/maternity, race, religious belief, sex or sexual orientation where appropriate, as it aims to secure a good place of education for every child. In particular it seeks to ensure that every school has sufficient capacity for strong leadership and governance to safeguard a good education for all.

### **8.4 Health and Safety implications (where appropriate)**

#### **8.4.1 Investment in condition of the estate is frequently in support of health and safety and safeguarding of pupils on school sites.**

### **8.5 Sustainability implications (where appropriate)** Schools' capital projects meet sustainability requirements with 10% sustainable energy.

### **8.6 Any other implications**

## **9. Risk Implications/Assessment**

- 9.1 There is a long-term risk to the Council's ability to deliver its statutory responsibility without sufficient investment in maintaining and expanding its assets. The schools' mainstream capital programme is aligned to the Schools' Local Growth and Investment Plan.
- 9.2 The programme requires regular monitoring, management and budgetary control to deliver schemes on time and within budgets. This is addressed through the bi-monthly meetings of the Children's Services Capital Priorities Group, the oversight of the Executive Director of Children's Services and via the Cabinet Member's regular report.
- 9.3 The programme is set out on best estimate of costs and through good procurement practice, the Council will continue where possible to manage down the capital expenditure and minimise need for borrowing. There is a risk that external grants and payments from third parties will not be received for reasons outside the Council's control. The programme will be adjusted to reflect these circumstances and reduced available funding.

## **10. Select Committee comments**

- 10.1 n/a

## **11. Recommendations**

- 11.1
1. To note known grant allocations as summarised in section 2
  2. To note the principles on which the programme is based
  3. To endorse the basis of 2020-2023+ programme prioritisation for delivery

## **12. Background Papers**

- 12.1 [Education Landscape and School Place Sufficiency Cabinet Report, January 2020](#)
- [Children's Services Committee Paper May 2015](#)
- [Children's Services Committee Paper May 2016](#)
- [Children's Services Committee Paper May 2017](#)
- [Children's Services Committee Paper May 2018](#)

### **Officer Contact**

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**Appendix A - Current and proposed schemes for Growth, SEND and Condition****Mainstream schools' capital programme****Existing residual programme 2017-2020**

Project	Priority area	2020/21	2021/22	2022/23+	Funding source	Completion	Additional Information
		£m	£m	£m			
Attleborough High Academy	A1	1.26	-	-	S106 and Basic Need	Autumn 2020	Expansion contribution to Dfe Scheme
Aylsham St Michael Primary	A3	0.34	£0.34	-	S106 - grant to Diocese	Autumn 2021	Conversion to primary
Bure Valley Junior School	A4	0.35	-	-	S106 - grant to Trust	Autumn 2020	Double classroom block
Brundall Primary	A4	0.73	-	-	Basic Need and Condition	Autumn 2020	Improvements to existing capacity for 1.5FE
Gayton VC Primary	A3	2.18	£3.42	-	Basic Need and Condition	Autumn 2021	Relocation and expansion of school to 1FE
Greenpark Avenue Primary	A1/A3	2.75	-	-	Basic Need	Autumn 2020	Relocation and expansion of school to 2FE
Hethersett Primary	A1/A3	2.86	0.608m	-	Basic Need, Condition and CIL	Autumn 2021	Expansion of existing school
Hethersett Woodside Primary	A1/A3	1.65	-	-	S106 and Basic Need	Autumn 2020	Relocation and expansion of school
Hethersett High Academy	A1	2.81	-	-	Basic Need and CIL	Autumn 2020	Expansion of existing school
Hingham Primary	A4/C1	1.17	-	-	Condition	Autumn 2020	Mobile replacement
North Denes Primary	A1/A3	1.655m	-	-	Basic Need and Condition	Autumn 2020	Expansion of existing school to 2FE

Swaffham Junior Academy	A3	£0.500m	-	-	Basic Need	Autumn 2020	Reorganisation to primary
Swaffham CE Infant School	A3	£0.500m	-	-	Condition	Autumn 2020	Reorganisation to primary
Trowse Primary	A1/A3	£1.949m	-	-	Basic Need, Condition and CIL	Autumn 2020	Relocation and expansion of school to 1FE
Tunstead Primary	C1	-	£0.300m	-	Condition	Autumn 2020	Mobile replacement
Wymondham High Academy	A1	£2.875m	-	-	S106 and Basic Need	Autumn 2020	Expansion of existing school

**Proposed mainstream programme 2020-2023+**

Project	Priority area	2020/21	2021/22	2022/23+	Funding Source to date	Completion	Additional Information
		£m	£m	£m			
Costessey Ormiston Victory Academy	A1	0.500	2.000	-	Basic Need and CIL	TBC	Expansion of existing school
Sprowston High Academy	A1	0.500	-	-	S106 and Basic Need	TBC	Expansion of existing school
Blofield Primary	A1/A3	0.500	-	-	CIL and S106	TBC	Relocation and expansion to 2FE
Holt Primary	A1/A3	0.500	-	7.500	S106	TBC	Relocation and expansion to 2FE
Cringleford Primary	A1	0.500	2.000	-	CIL	TBC	New 2FE Primary school
Poringland Primary (new school)	A1	0.050	-	-	Basic Need	TBC	New 2FE Primary school
North Norwich High School	A1	0.050	-	-	Basic Need	TBC	New High School
Thetford Primary	A1	0.500	-	-	Basic Need	TBC	New 2FE Primary school

**SEND Capital Programme****Existing programme**

Project	Priority area	2020/21	2021/22	2022/23+	Funding Source	Completion	Additional Information
		£m	£m	£m			
Gt Yarmouth SEMH School	B1	6.294	7.035	-	NCC Borrowing	Summer 2021	New SEMH School
Fakenham ASD School	B1	11.500	-	-	NCC Borrowing	Winter 2021	New ASD School
Easton Cognition and Learning School	B1	2.230	-	-	NCC Borrowing and Dfe Free School capital	Winter 2021	New Complex Needs School
Fen Rivers Academy	B1	0.500	1.500	1.500	Basic Need and DFE SEN Grant	Autumn 2021	Secondary phase opening (reuse of St Edmund's Primary building)
John Grant Complex Needs School	B1	1.000	1.800	-	NCC Borrowing	Winter 2021	Expansion of existing school
Sheringham Woodfields School	B1	1.350	-	-	NCC Borrowing - grant to school	Autumn 2020	Expansion of existing school

### Specialist Resource Bases

Arden Grove Infant	B1	0.050			NCC Borrowing	Summer 2021	New 8 place SEMH SRB
Caister Infant and Junior	B1	0.050			NCC Borrowing	Summer 2021	New 16 place SEMH SRB
Cavell Primary	B1	0.179			NCC Borrowing	Autum 2020	New 16 place SEMH SRB
Drake Primary	B1	0.050			NCC Borrowing	Summer 2021	Expansion of existing SEMH SRB from 8 to 16 places
Greyfriars Primary, King's Lynn	B1	0.050			NCC Borrowing	Summer 2021	New 16 place ASD SRB
Hillcrest Primary, Downham Mkt	B1	0.050			NCC Borrowing	Summer 2021	New 16 Learning & Cognition SRB
Mundesley Infant and Junior	B1	0.050			NCC Borrowing	Summer 2021	Expansion of existing SEMH SRB from 10 to 16 places

Neatherd High	B1	0.050			NCC Borrowing	Summer 2021	Expansion of existing SRB to 20 places
Redcastle Family, Thetford	B1	0.532			NCC Borrowing	Autumn 2020	New 16 place ASD SRB
Wensum Junior	B1	0.050			NCC Borrowing	Summer 2021	New 8 place SEMH SRB
Thetford Academy	B1	0.345			NCC Borrowing	Autum 2020	New 16 place ASD SRB

**Condition improvements to Special Schools**

Fred Nicholson School	B1	0.638			NCC Borrowing	Winter 2020	Replacement modular building and fire safety works
Harford Manor	B1	0.050			NCC Borrowing	Autumn 2020	Replacement modular
Sidestrand Hall	B1	0.050			NCC Borrowing	Autumn 2020	Replacement modular

# Report to Cabinet

Item No: 14

<b>Report title:</b>	<b>Norfolk Children's Services Local Government &amp; Social Care Ombudsman Public Report</b>
<b>Date of meeting:</b>	<b>3 August 2020</b>
<b>Responsible Cabinet Member:</b>	<b>Cllr John Fisher, Cabinet Member for Children's Services</b>
<b>Responsible Director:</b>	<b>Sara Tough, Executive Director of Children's Services</b>
<b>Is this a key decision?</b>	<b>No</b>

## Introduction from Cabinet Member

The Local Government & Social Care Ombudsman published a Public Report on the 2 July 2020\* regarding an investigation into a complaint raised by Ms X about the special educational needs (SEND) assessment and alternative provision for Y and the impact this had on the child and family. The investigation found that Ms X and Y had suffered an injustice as a result of fault. Appendix A is the LGSCO Public Report.

It is a statutory duty under Section 31(2) of the 1974 Local Government Act that following the publication of a Public Report where a fault has been found that the Report be laid before the authority concerned. The local authority concerned are required to respond to the Local Government & Social Care Ombudsman within three months of publication the action it has or proposes to take.

\*[note: the attached report from the LGSCO is dated 13 March but, due to COVID, was not published until 2 July]

## Recommendations

**Cabinet are recommended:**

- a) to consider the LGSCO Public Report and agree the actions we are proposing to take**
- b) to respond to the LGSCO within three months of publication to endorse the action that Norfolk Children's Services has taken to comply with the LGSCO recommendations and remedy the fault**

## 1. Background and Purpose

- 1.1 Ms X complained that the Council failed to provide her son (Y) with suitable education when his school placement broke down. Ms X also says her son's Education Health and Care plan was not fit for purpose. Ms X said she had tried to resolve this with the Council but she had experienced delays in getting

responses to her e-mails. Ms X says as a result of this her son has been left without education and support.

- 1.2 To investigate the case, and to produce the final report, the LGSCO examined relevant documents and interviewed the complainant. The LGSCO gave the complainant and the Council a confidential draft of this report and invited comments. The comments received were taken into account before the report was finalised; taking into account a public report issued by the LGSCO about the Council's previous actions in securing education for Ms X's son.

- 1.3 The LGSCO set out in their report the definitions relating to Education Health & Care Plans and Alternative Provision:

*Children who have special educational needs may have an EHC plan. This sets out the child's special educational needs (SEN) and the provision required to meet them.*

*Local authorities have a duty to arrange for the special educational provision set out in an EHC Plan (Children and Families Act 2014, section 42).*

*The statutory guidance says that where particular services are assessed as being needed their provision "should not be delayed until the EHC plan is complete" (paragraph 9.35).*

*Councils have a duty to make arrangements for the provision of suitable full-time education at a school or elsewhere for children of compulsory school age who, "by reason of illness, exclusion from school or otherwise may not for any period receive suitable education unless arrangements are made for them". (Education Act 1996, section 19)*

*Suitable education means efficient education suitable to a child's age, ability and aptitude and to any special educational needs he may have. (Education Act 1996, section 16(6))*

- 1.4 The attached report by the LGSCO set's out the role of the Ombudsman stating that they investigate complaints about 'maladministration' and 'service failure'; considering whether any fault has had an adverse impact on the person making the complaint.

#### 1.4 Findings

- 1.4.1 The LGSCO found that the education provided for Y between April 2019 and end of July 2019 was not suitable as it did not take account of recommendations made by the Council's occupational therapist. Also, that there is no evidence the Council considered the educational psychologist's report or took action to prevent the breakdown of Y's placement at School A. Although the Council contacted School B about a possible place for Y this was at Ms X's request and the Council did not take any further action to secure alternative education provision for Y until the end of March 2019.

- 1.4.2 Regarding the Education, Health & Care Plan assessment/review process, the LGSCO found that Y's EHC plan should have been reassessed by early May 2019. However, the Council did not produce a final plan until October 2019. The delay has caused Ms X and her family distress and put them to significant time and trouble pursuing the Council to deliver suitable provision for Y.

- 1.4.3 The LGSCO also stated that they had previously issued a public report about the Council's failure to provide Y with a suitable education. Therefore, that it is concerning that the Council has once again failed in its duties to provide Y with an education suitable for his needs. However, the Council took action to improve its services in response to our previous report, but it is clear it needs to take further action to prevent other children and families being similarly affected.
- 1.4.4 This individual case reflects the issues that are being addressed via the council's £120 million SEND & AP Transformation Programme and Norfolk's Area SEND Strategy. These issues are also evident within the recently published CQC/Ofsted SEND Inspection Report; the subsequent response via the Written Statement of Action will ensure that there is clarity regarding where improvement activity is located across the range of improvement activity for SEND. The scale of improvement activity for SEND is ambitious and currently Children's Services are within the second year of the five year transformation programme.
- 1.5 **LGSCO recommendations**
- 1.5.1 The LGSCO recommended that within three months of the publication of the report, to the Council should:
- reimburse Ms X for the cost of paying for education for Y between January 2019 and 12 April 2019. The Council should ask Ms X to provide invoices or receipts for tutoring paid for during this period;
  - pay Ms X £1400 for the seven months Y was without a suitable education including provision recommended by the occupational therapist. This is towards the lower end of what we would usually recommend as we have taken account of the fact some education was provided in this period; and
  - pay Ms X £250 for the distress and time and trouble she was caused pursuing the Council to provide her son with a suitable education.
- 1.5.2 In conjunction with the LGSCO the council has also agreed to:
- review its decision-making processes to make sure that it is able to respond quickly and flexibly to changing needs of children with Special Educational Needs. The Council should make sure that officers are able to put in any recommended provision without delay and, if necessary, before an EHC plan is finalised; and
  - review internal communication and information sharing processes to make sure information is shared between teams and departments about children who may be out of education or where education being provided is not suitable or at risk of breaking down. If necessary, the Council should introduce a process where officers can highlight situations where a child is out of education or where a placement or education arrangement is at risk of breaking down.
  - provide the People and Communities Select Committee with regular updates (each time it meets over a 2 year period) on its performance for two full financial years in terms of the following:



- number of children out of education;
- average time for arranging alternative education provision for children who have been out of education;
- average time taken to produce final EHC plans and EHC plan reviews compared with statutory timescales; and
- number of upheld complaints about EHC plans and education provision from both the Council's own complaints process and us.

## 1.6 **Norfolk Children's Services has already:**

1.6.1 Written to Ms X to apologise and have paid all of the required compensation.

1.6.2 In response to the recommendation to review internal communication, information sharing and decision making processes, Children's Services has:

- established a specific team to have oversight of children to whom the LA has a duty under Section 19 Education Act 1996.
- Front line workers will raise any instances where children are out of education or where a placement or education arrangement is at risk of breaking down to their line manager.
- From here, children will be referred to the Section 19 team for review and oversight and for education to be arranged for them in accordance with Section 19.
- The children will have continued oversight as part of a multi-agency meeting held by the Local Authority so that information can be shared and pooled across teams and departments.
- All children missing education or where there is placement breakdown risk will be discussed between front line workers and their managers as standard practice during supervision.

1.6.3 In response to the recommendation to provide the People and Communities Select Committee with regular updates (each time it meets over a 2 year period) on its performance, Children's Services has:

- Informed the Select Committee, via the meeting of 17 July 2020, of the intention to provide regular reports from the autumn, with the intention that these will assist with decision making regarding any policy changes needed over time as part of the SEND Transformation Programme.
- Started the process to develop a performance score card relating to children missing education as part of our standard reporting to the Select Committee.
- Started the process of reviewing our current Management Information system to ensure that it can provide all the required information reports

- 1.6.4 The Local Government & Social Care Ombudsman published a Public Report on the 2 July 2020 regarding this investigation. [note: the attached report from the LGSCO is dated 13 March but, due to COVID, was not published until July]
- 1.6.5 It is a statutory duty under Section 31(2) of the 1974 Local Government Act that following the publication of a Public Report where a fault has been found that the Report be laid before the authority concerned. The local authority concerned are required to respond to the Local Government & Social Care Ombudsman within three months of publication the action it has or proposes to take.
- 2. Proposals**
- 2.1. To Consider the LGSCO Public Report and agree the actions we are proposing to take.
- 2.2. Respond to the LGSCO within three months of publication to endorse the action that Norfolk Children's Services has taken to comply with the LGSCO recommendations and remedy the fault
- 3. Impact of the Proposal**
- 3.1. The Council will comply with its statutory duties.
- 4. Evidence and Reasons for Decision**
- 4.1. It is a statutory duty to comply with the recommendations of the Local Government & Social Care Ombudsman.
- 5. Alternative Options**
- 5.1. None identified
- 6. Financial Implications**
- 6.1. None
- 7. Resource Implications**
- 7.1. **Staff:**
- 7.1.1 n/a
- 7.2. **Property:**
- 7.2.1. n/a
- 7.3. **IT:**
- 7.3.1 n/a
- 8. Other Implications**
- 8.1. **Legal Implications**

8.1.1. It is a statutory duty to comply with the recommendations of the Local Government & Social Care Ombudsman Local Government Act 1974, section 31(2), as amended.

**8.2. Human Rights implications**

8.2.1. None

**8.3. Equality Impact Assessment (EqIA)**

8.3.1. n/a

**8.4. Health and Safety implications**

8.4.1. None identified

**8.5. Sustainability implications**

8.5.1 n/a

**8.6. Any other implications**

8.6.1. None identified

**9. Risk Implications/Assessment**

9.1. None

**10. Select Committee comments**

10.1. N/a at the time of this Cabinet meeting. However, to note that the People & Communities Select Committee will receive a report at the September 2020 meeting to begin the process of compliance with the requirements of the LGSCO outlined in paragraph 1.5.2 ( c ) above. We plan to begin this sequence of reports, in the autumn, on a range of performance measures with the aim that these will assist with decision making regarding any policy changes needed over time as part of the SEND Transformation Programme.

**11. Recommendations**

11.1. **Cabinet are recommended:**

- a) to consider the LGSCO Public Report and agree the actions we are proposing to take
- b) to respond to the LGSCO within three months of publication to endorse the action that Norfolk Children's Services has taken to comply with the LGSCO recommendations and remedy the fault

**Officer Contact**

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

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

## **Report by the Local Government and Social Care Ombudsman**

### **Investigation into a complaint against Norfolk County Council (reference number: 18 019 103)**

**13 March 2020**

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## The Ombudsman's role

For more than 40 years the Ombudsman has independently and impartially investigated complaints. We effectively resolve disputes about councils and other bodies in our jurisdiction by recommending redress which is proportionate, appropriate and reasonable based on all the facts of the complaint. Our service is free of charge.

Each case which comes to the Ombudsman is different and we take the individual needs and circumstances of the person complaining to us into account when we make recommendations to remedy injustice caused by fault.

We have no legal power to force councils to follow our recommendations, but they almost always do. Some of the things we might ask a council to do are:

- > apologise
- > pay a financial remedy
- > improve its procedures so similar problems don't happen again.

Section 30 of the 1974 Local Government Act says that a report should not normally name or identify any person. The people involved in this complaint are referred to by a letter or job role.

### Key to names used

Ms X	The complainant
Y	Her son

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## Report summary

### Education – Special Educational Needs and Alternative Provision

Ms X says the Council failed to provide her son (Y) with suitable education when his school placement broke down. Ms X also says her son's Education Health and Care (EHC) plan is not fit for purpose.

### Finding

Fault found causing injustice and recommendations made.

### Recommendations

The Council must consider the report and confirm within three months the action it has taken or proposes to take. The Council should consider the report at its full Council, Cabinet or other appropriately delegated committee of elected members and we will require evidence of this. (*Local Government Act 1974, section 31(2), as amended*)

In addition to the requirements set out above the Council has agreed to:

- reimburse Ms X for the cost of paying for education for Y between January 2019 and 12 April 2019. The Council should ask Ms X to provide invoices or receipts for tutoring paid for during this period;
- pay Ms X £1,400 for the seven months Y was without a suitable education. This is towards the lower end of what we would usually recommend as we have taken account of the fact some education was provided in this period; and
- pay Ms X £250 for the distress and time and trouble she was caused pursuing the Council to provide her son with a suitable education.

The Council should take this action within three months of the date of this report.

The Council has also agreed to:

- review its decision-making processes to make sure that it is able to respond quickly and flexibly to changing needs of children with Special Educational Needs. The Council should make sure that officers are able to put in any recommended provision without delay and, if necessary, before an EHC plan is finalised; and
- review internal communication and information sharing processes to make sure information is shared between teams and departments about children who may be out of education or where education being provided is not suitable or at risk of breaking down. If necessary, the Council should introduce a process where officers can highlight situations where a child is out of education or where a placement or education arrangement is at risk of breaking down.

The Council should take the above action within three months of the date of this report and provide us with reports setting out the outcome of both reviews and any action it proposes to take.

The Council should provide its People and Communities Select Committee with regular updates on its performance for two full financial years in terms of the following:

- number of children out of education;
- average time for arranging alternative education provision for children who have been out of education;

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- average time taken to produce final EHC plans and EHC plan reviews compared with statutory timescales; and
  - number of upheld complaints about EHC plans and education provision from both the Council's own complaints process and us.

These updates should be provided each time the Committee meets during the above period.

We will share our final decision with Ofsted.



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## The complaint

1. Ms X complains that the Council failed to provide her son (Y) with suitable education when his school placement broke down. Ms X also says her son's Education Health and Care plan is not fit for purpose. Ms X says she has tried to resolve the difficulties with the Council but she has experienced delays in getting responses to her e-mails. Ms X says as a result of this her son has been left without education and support.

## Relevant law and guidance

### The Ombudsman's role

2. We investigate complaints about 'maladministration' and 'service failure'. In this report, we have used the word 'fault' to refer to these. We must also consider whether any fault has had an adverse impact on the person making the complaint. We refer to this as 'injustice'. If there has been fault which has caused an injustice, we may suggest a remedy. (*Local Government Act 1974, sections 26(1) and 26A(1), as amended*)

### Education, Health and Care (EHC) Plans

3. Children who have special educational needs may have an EHC plan. This sets out the child's special educational needs (SEN) and the provision required to meet them.
4. The Special Educational Needs and Disability (SEND) Code of Practice Statutory Guidance says the process of EHC needs assessment and EHC plan development **must** be carried out in a timely manner. All steps **must** be completed as soon as practicable. Local authorities should ensure that they have planned sufficient time for each step of the process, so that wherever possible, any issues or disagreements can be resolved within the statutory timescales (paragraph 9.39).
5. The whole process of EHC needs assessment and EHC plan development, from the point when an assessment is requested (or a child or young person is brought to the local authority's attention) until the final EHC plan is issued, **must** take no more than 20 weeks (paragraph 9.40).
6. Local authorities have a duty to arrange for the special educational provision set out in an EHC Plan (*Children and Families Act 2014, section 42*).
7. The statutory guidance says that where particular services are assessed as being needed their provision "*should not be delayed until the EHC plan is complete*" (paragraph 9.35).
8. Provision set out in EHC plans must be reviewed at least every 12 months. Statutory guidance says there "*may be occasions when a re-assessment becomes appropriate, particularly when a child or young person's needs change significantly*" (paragraph 9.186).

### Alternative Education

9. Councils have a duty to make arrangements for the provision of suitable full-time education at a school or elsewhere for children of compulsory school age who, "*by reason of illness, exclusion from school or otherwise may not for any period*

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*receive suitable education unless arrangements are made for them". (Education Act 1996, section 19)*

10. Suitable education means efficient education suitable to a child's age, ability and aptitude and to any special educational needs he may have. (*Education Act 1996, section 16(6)*)
11. Statutory guidance 'Alternative Provision' says while there is no statutory requirement as to when suitable full-time education should begin for children placed in alternative provision for reasons other than exclusion, councils should ensure children are placed as quickly as possible.
12. Statutory guidance 'Ensuring a good education for children who cannot attend school because of health needs' says councils should:
  - provide suitable full-time education (or as much education as the child's health condition allows) as soon as it is clear the child will be away from school for 15 days or more;
  - address the needs of individual children in arranging provision and not withhold or reduce provision because of how much it will cost; meeting the child's needs and providing a good education must be the determining factors; and
  - arrange alternative provision as quickly as possible where it is identified it is required and make every effort to minimise the disruption to a child's education.
13. The guidance says if a child receives one to one provision the hours of face-to-face provision could be fewer than full-time, as the provision is more concentrated.
14. We issued a Focus Report in September 2011 amended in January 2016, ['Out of school...out of mind?'](#). This gives guidance on how we expect local authorities to fulfil their responsibilities to provide education for children who, for whatever reason, do not attend school full-time.
15. In the Focus Report, we made six recommendations based on examples of good practice seen. We said councils should:
  - consider the individual circumstances of each case and be aware that, potentially, a council may need to act whatever the reason for absence (with the exception of minor issues that schools deal with on a day-to-day basis) even when a child is on a school roll;
  - consult all the professionals involved in a child's education and welfare, taking account of the evidence in coming to decisions;
  - choose, based on all the evidence, whether to enforce attendance or provide the child with suitable alternative education;
  - keep all cases of part-time education under review with a view to increasing it if a child's capacity to learn increases;
  - adopt a strategic and planned approach to reintegrating children back into mainstream education where they are able to do so; and
  - put whatever action is chosen into practice without delay to ensure the child is back in education as soon as possible.

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## How we considered this complaint

16. We have produced this report after examining relevant documents and interviewing the complainant.
17. We gave the complainant and the Council a confidential draft of this report and invited their comments. The comments received were taken into account before the report was finalised.
18. We have also considered a public report we issued about the Council's previous actions in securing education for Ms X's son ([18 003 453](#)).

## What we found

### What happened

19. We issued a public report on 31 October 2018 about the way the Council had dealt with Ms X's son's (Y's) education. This investigation covered the period from November 2017 to July 2018. We found that:
  - the Council had failed to provide Y with a suitable education between November 2017 and July 2018;
  - there was no significant delay in the Council issuing an EHC plan for Y; and
  - the Council's delay in providing Y with a suitable education impacted on the content of the EHC plan as Y needed to be in an education setting to be assessed for some aspects of the plan. As a result, there was uncertainty about whether the plan met Y's needs and Ms X was put in a position where she had to commission her own dyslexia report.
20. We recommended that the Council take the following action:
  - pay the family £3,500 to recognise the injustice caused as a result of the nine months of education Y missed and the time and trouble Ms X was put to pursuing a school place. The Council should also pay Ms X £400 for the cost of commissioning her own dyslexia report;
  - write to the family to apologise for the Council's failure to secure suitable education for Y when he was excluded;
  - Y's EHC Plan says "*provision of a suitable laptop should be considered*" to help Y typing notes in class. To remedy the injustice caused to Y as a result of missing out on education a suitable laptop should be provided along with other technological assistance identified in his EHC Plan (e.g. voice activated software etc.). This should be provided separate to any funding allocated for delivering support identified in Y's EHC Plan; and
  - if an assessment by an educational psychologist identifies that Y requires further support or services in his EHC Plan the Council should consider if additional sessions can be provided for at least two full terms. If this is not possible then the Council should consider paying a further financial remedy to the family. We should agree any further financial remedy.
21. The Council paid the family £3,900 and the Council arranged for Y to be provided with a laptop. This was provided to Y via his school on 12 December 2018.
22. In September 2018 Y began attending half days at a new school (School A). However, Y struggled and by October half term he was only attending School A 2 hours a day. Y was supported by a full-time teaching assistant whilst at school

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- and staff were putting in a range of strategies to support Y as set out in his EHC plan.
23. The Council's educational psychologist completed a report on Y on 24 December 2018. The report said Y was currently *"considered to be a high risk of further exclusions"*. The report went on to say:
- "[Y's] emotional and behavioural difficulties continue to present a significant barrier to progress with learning. Despite a high level of 1:1 support, [Y] is only in school for part of the day, and he is often withdrawn from the classroom."*
24. The report said Y *"would benefit from placement in a relatively small setting that can offer a calm and consistent environment where teaching and other staff are experienced in supporting children who have the emotional and behavioural difficulties associated with a diagnosis of autistic spectrum disorder"*.
25. On 3 January 2019 the Council agreed to consult with another school about a placement for Y (School B). The Council says Ms X had requested this. School B responded to the Council on 31 January 2019 to say it could not meet Y's needs.
26. The Council carried out an occupational therapy assessment for Y at his home on 28 January 2019. The occupational therapist's report was completed on 11 February 2019. It said that at the time of the assessment Y was *"not attending school due to the school being considered as not able to meet his needs"*. The report said Ms X was waiting to hear from another school (School B) about whether it could meet Y's needs.
27. The occupational therapist recommended a range of measures which should be put in place to help Y and help manage his behaviour.
28. Ms X e-mailed the Council on 14 February 2019 to say Y was not attending School A. Ms X said Y's anxiety had increased and his GP *"felt [not attending] was probably for his best interest"*. Ms X said she was paying £30 an hour for Y to receive home tutoring. She said she was *"being encourage [sic] to de-register [Y] from school so I can access funding"*. Ms X said she felt Y's EHC plan was not *"fit for purpose"*.
29. The senior Council officer who replied to Ms X on 15 February 2019 said he was not aware that Y was not attending School A. He said he would consider her request for support and respond after the half term break.
30. Ms X e-mailed the officer on 4 March 2019 to say she had still not received a response.
31. On 31 March 2019 the Council consulted another school, School C, to see if it could meet Y's needs.
32. On 12 April 2019 the Council agreed to provide and fund a home-based learning package for Y. This did not include any occupational therapy provision. The Council says the provision was designed for a "school setting" and not home based learning.
33. On 25 April 2019 the Council began to consult with a further seven schools to see if they could meet Y's needs.
34. On 17 May 2019 the Council asked its occupational therapist to provide suggestions of how the provision could be provided as part of the home-based learning package that had been put in place for Y.

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35. The Council's occupational therapist replied on 5 July 2019 to say that Y would need to be reassessed due to the time that had passed since the last assessment. The Council says there was a delay in the occupational therapist responding because the EHC plan Co-ordinator contacted them directly instead of *"following due process"*.
  36. On 8 July 2019 the occupational therapist agreed that the previous recommendations could be delivered at home. However, this would need two consultation sessions with Y and his parents. The Council says this would be delivered by an "EPSS" occupational therapist and this needed to be agreed by its "Needs Assessment Panel". The case was put to the panel on 11 September 2019.
  37. The Council carried out a review of Y's EHC plan on 28 June 2019. The review found that Y remained on roll at School A because he *"is not able to access mainstream placement"*. The review said Y was receiving *"a bespoke package of education funded by [the Council]"*.
  38. In September 2019 Y began attending one of the schools the Council had consulted on 25 April 2019. The Council said it was also funding weekly sessions with an educational psychologist to help Y transition to the new setting. This was for the first eight weeks and would then be reviewed.
  39. The Council issued a new EHC plan for Y on 2 October 2019. This named Y's new school and set out a range of measures to support Y and help staff manage his behaviour.

## Conclusions

40. The Council were aware, at the end of December 2018, that Y's school placement was at risk of breaking down. In early January 2019 it received advice from its educational psychologist which said Y would benefit from being in a smaller setting and that he was at "high risk" of exclusion from School A. There is no evidence the Council considered the educational psychologist's report or took action to prevent the breakdown of Y's placement at School A. This is fault.
41. Although the Council contacted School B about a possible place for Y this was at Ms X's request and the Council did not take any further action to secure alternative education provision for Y until the end of March 2019. This is fault.
42. The Council says it was Ms X's choice to remove Y from School A. However, the educational psychologist's report and the report produced in early February 2019 by the Council's occupational therapist makes it clear that School A could not meet Y's needs. Therefore, the Council should have taken proper steps to secure alternative suitable education for Y. Failure to do this at the earliest opportunity is fault.
43. Ms X contacted the Council on 14 February 2019 to explain that she was paying for tutoring at home for Y out of her own pocket. She explained the financial impact this was having on her. However, the Council failed to arrange alternative education for Y until 12 April 2019. This is fault.
44. When the Council arranged alternative education for Y it failed to include recommendations made by its occupational therapist in February 2019 within the provision. There was a delay of almost two months in the Council receiving advice from the occupational therapist about how the recommended strategies could be implemented in the home. Rather than provide the sessions recommended by the

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occupational therapist the Council decided to pass the matter back to its “Needs Assessment Panel”. Statutory guidance says where particular services are assessed as being needed their provision “*should not be delayed until the EHC plan is complete*”. The delay in contacting the occupational therapist and delay in implementing their recommendations is fault. By the time the matter was passed to the panel Y was no longer receiving an education at home so the occupational therapist’s advice was out of date.

45. As a result of the fault we have identified Y was without a suitable education between 1 January 2019 and 12 April 2019. Ms X should not have had to fund tutors from her own money during this period.
46. The education provided for Y between 12 April 2019 and end of July 2019 was not suitable as it did not take account of recommendations made by the Council’s occupational therapist. The Council received the occupational therapist’s report in early February 2019 and there is no reason why it could not have asked for further advice about how to deliver the recommendations earlier than it did.
47. We cannot investigate Y’s EHC plan. The Council has finalised this and Ms X has a right of appeal to tribunal if she disagrees with the provision or school named on the plan. However, the Council should have reassessed Y’s needs following the educational psychologist’s advice in early January 2019 and the occupational therapist’s advice in early February. Instead it waited until the annual review in June to review the plan. At this point Y was no longer attending the school named on the plan.
48. Y’s EHC plan should have been reassessed by early May 2019. However, the Council did not produce a final plan until October 2019. This is fault. The delay has caused Ms X and her family distress and put them to significant time and trouble pursuing the Council to deliver suitable provision for Y.
49. We have already issued a public report about the Council’s failure to provide Y with a suitable education. It is concerning that the Council has once again failed in its duties to provide Y with an education suitable for his needs. The Council took action to improve its services in response to our previous report, but it is clear it needs to take further action to prevent other children and families being similarly affected.

## **Recommended action**

The Council must consider the report and confirm within three months the action it has taken or proposes to take. The Council should consider the report at its full Council, Cabinet or other appropriately delegated committee of elected members and we will require evidence of this. (*Local Government Act 1974, section 31(2), as amended*)

50. In addition to the requirements set out above the Council has agreed to:
  - reimburse Ms X for the cost of paying for education for Y between January 2019 and 12 April 2019. The Council should ask Ms X to provide invoices or receipts for tutoring paid for during this period;
  - pay Ms X £1400 for the seven months Y was without a suitable education including provision recommended by the occupational therapist. This is towards the lower end of what we would usually recommend as we have taken account of the fact some education was provided in this period; and
  - pay Ms X £250 for the distress and time and trouble she was caused pursuing the Council to provide her son with a suitable education.

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51. The Council should take this action within three months of the date of this report.
52. The Council has also agreed to:
- review its decision-making processes to make sure that it is able to respond quickly and flexibly to changing needs of children with Special Educational Needs. The Council should make sure that officers are able to put in any recommended provision without delay and, if necessary, before an EHC plan is finalised; and
  - review internal communication and information sharing processes to make sure information is shared between teams and departments about children who may be out of education or where education being provided is not suitable or at risk of breaking down. If necessary, the Council should introduce a process where officers can highlight situations where a child is out of education or where a placement or education arrangement is at risk of breaking down.
53. The Council should take the above action within three months of the date of this report and provide us with reports setting out the outcome of both reviews and any action it proposes to take.
54. The Council should provide its People and Communities Select Committee with regular updates on its performance for two full financial years in terms of the following:
- number of children out of education;
  - average time for arranging alternative education provision for children who have been out of education;
  - average time taken to produce final EHC plans and EHC plan reviews compared with statutory timescales; and
  - number of upheld complaints about EHC plans and education provision from both the Council's own complaints process and us.
55. These updates should be provided each time the Committee meets during the above period.

## **Decision**

56. We have completed our investigation as we have found fault causing injustice. The action we have recommended is a suitable to remedy this.