Norfolk County Council

Cabinet

Date:	**Monday 13 January 2020**
Time:	**10am**
Venue:	**Edwards Room, County Hall, Norwich**

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

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

WEBCASTING

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Agenda

1 To receive any apologies.

2 Minutes Page **6**

To confirm the minutes from the Cabinet Meeting held on Monday 2 December 2019.

3 Members to Declare any Interests

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

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

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

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

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

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

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

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

5 Public Question Time

Fifteen minutes for questions from members of the public of which due notice has been given. Please note that all questions must be received by the Committee Team (committees@norfolk.gov.uk) by 5pm on **Wednesday 8 January 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

6 Local Member Issues/Questions

Fifteen minutes for local member to raise issues of concern of which due notice has been given. Please note that all questions must be received by the Committee Team (committees@norfolk.gov.uk) by **5pm on Wednesday 8 January 2020.**

27 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.

28 Finance Monitoring Report P8: November 2019 Page 874
Exempt Appendix to the report by the Executive Director of Finance & Commercial Services.

Chris Walton
Head of Democratic Services
County Hall
Martineau Lane
Norwich
NR1 2DH

Date Agenda Published: 3 January 2020

IN TRAN communication for all

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Norfolk County Council

Cabinet
Minutes of the Meeting held on Monday 2 December 2019 at 10am in the Edwards Room, County Hall, Norwich

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.

Other Members Present:

Cllr Steve Morphew
Cllr Alexandra Kemp
Cllr Bev Spratt
Cllr David Harrison

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 & 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

1 Apologies for Absence

There were no apologies for absence.

2 Minutes

The minutes from the Cabinet meeting held on Monday 4 November 2019 were agreed as an accurate record and signed by the Chairman.

3 Declaration of Interests

There were no declarations made.

4 Matters Referred to Cabinet by the Scrutiny Committee, Select Committees or by full Council:

Recommendations from Scrutiny Committee: Broadland Northway – Lessons Learnt and One-Year Monitoring.

4.1 Cabinet received the report from the Scrutiny Committee on the Broadland Northway outlining the lessons learnt and providing details of the first year of monitoring. The purpose of the scrutiny was to consider how lessons learnt could be applied to future projects in terms of process, planning and funding.

4.2 Cabinet welcomed the Chair of Scrutiny Committee, Cllr Steve Morphew, who introduced the report and recommendations from the report, during which the following points were noted:

- The discussions at Scrutiny Committee had focused on the lessons learnt and the one-year monitoring report as the Committee wanted to understand why the costs of the Broadland Northway had increased so significantly and also ensure that the County Council did not experience similar problems for future projects.

- The competence and integrity of officers was not being questioned in any way and the Chair thanked all the officers concerned for providing the information.

- It had been considered that a large part of the delay to the project had been caused by the failure of utility companies to attend the site when they should have done so, and with hindsight some of the unknown contingencies should have been factored into the project. A suggestion was made to ask other councils if they had experienced similar problems with utility companies when carrying out large projects to see if the Government should be asked to step in and also consider whether the matter could be taken up with the Local Government Association (LGA).

- The Committee had agreed a motion supporting the Norwich Western Link road and the details of the discussions could be developed outside the meeting.

- The report recommended that the External Auditors should investigate the reports presented to the Scrutiny Committee to ensure the lessons learnt were right; that future projects were properly delivered and the final costs were close to the set budget as the public was expecting the Council to ensure lessons were learnt from the Broadland Northway project. The Chair added that the Scrutiny Committee wanted external assurance, whether it was through External Auditors or another body, to ensure lessons had been learnt in order that future projects were properly funded and managed.

4.3 The Chairman thanked Cllr Morphew for attending and presenting the report and asked the Cabinet Member for Highways, Infrastructure & Transport to respond, during which the following points were noted:

- The Cabinet Member stated that he had attended the Scrutiny Committee meeting and had set out at that meeting that the Broadland Northway project was one of the largest Local Authority schemes undertaken; the road had fully opened in April 2018; the construction project had an excellent safety record; it was a good quality road and the project should remain within the £205m final cost agreed by Council.

- The project had proved successful and the lessons learnt were already being applied to other projects, such as the Great Yarmouth 3rd River Crossing.

- The Cabinet Member agreed that there had been problems with the utility companies and a better relationship was needed for future projects.

4.4 The Cabinet Member for Highways, Infrastructure & Transport proposed the following amendments to the recommendations from the Scrutiny Committee:

1. That the Council will look to resetting working with all utility providers to ensure that major projects and major growth can be delivered more quickly and cost effectively. We will write to the new Government to set out our infrastructure plans for Norfolk's future.
2. To note the Committee is supportive of the building of the Western Link Road.
3. That the Council will review the terms of reference and remit of the Great Yarmouth 3rd River Crossing and Norwich Western Link Working Groups and have them validated by Local Partnerships, an independent body owned by the Local Government Association (LGA) and the Treasury.

4.5 In response to a question from the Chairman, the Chair of Scrutiny Committee confirmed he accepted the amendments to the recommendations for Local Partnerships to scrutinise the project, as long as the process was robust and reliable and the body carrying out the scrutiny had the capacity and ability to carry out the work effectively. The Chair of Scrutiny Committee asked to see the Terms of Reference once they had been drafted.

4.6 The Chair of Scrutiny Committee also asked Cabinet to carefully consider how the resetting relationship with the utility companies could be carried out as the problems with utility companies could be a national issue which may need intervention from the Government.

The Chair also asked Cabinet to consider a model for all future projects, rather than just reviewing the terms of reference for the Great Yarmouth 3rd River Crossing and the Norwich Western Link working groups.

4.7 The Executive Director of Community & Environmental Services explained that Local Partnerships was a joint venture between the LGA and HM Treasury, whose purpose was to help the public sector deliver local services and infrastructure. Further information was available at https://localpartnerships.org.uk/

4.8 The Deputy Leader and Cabinet Member for Growing the Economy asked for Network Rail to be included in the resetting work with utility providers as there had been problems during the project involving Network Rail. In reply, the Cabinet Member for Highways, Infrastructure & Transport suggested Network Rail should be included in the recommendation. This was **agreed** by Cabinet.

4.9 The Cabinet Member for Finance welcomed the independent oversight which would help create transparency, adding that the Local Partnerships would assist the County Council when developing future projects, through its scrutiny and analysis.

4.10 The Chairman thanked the Chair of Scrutiny for attending and added that Cabinet had noted the recommendations.

4.11 **Decision**

Cabinet considered the report and **RESOLVED** :

1. That the Council will look to resetting working with all utility providers and Network Rail to ensure that major projects and major growth can be delivered more quickly and cost effectively. We will write to the new Government to set out our infrastructure plans for Norfolk's future.
2. To note the Committee is supportive of the building of the Western Link Road.
3. That the Council will review the terms of reference and remit of the Great Yarmouth 3rd River Crossing and Norwich Western Link Working Groups and have them validated by Local Partnerships, an independent body owned by the Local Government Association (LGA) and the Treasury.

4.12 **Alternative Options**

Cabinet could decide not to agree the recommendations from Scrutiny Committee.

4.13 **Evidence and Reasons for Decision**

In accordance with the Constitution, Scrutiny Committee may make reports or recommendations to either the Cabinet or the County Council with respect to:

a) The discharge of any functions which are the responsibility of the Executive;
b) The discharge of any functions which are not the responsibility of the Executive, or
c) Matters which affect Norfolk or its inhabitants.

5 Items of Urgent Business

5.1 **Urgent Delegated Decision – Creation of 2 new limited companies and consents.**

The Chairman read out a statement about the Great Yarmouth Community Trust, setting out the latest position. A copy of the statement is attached at Appendix A.

6 Public Question Time

No public questions were received.

7 Local Member Questions/Issues

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

7.2 As a supplementary question, Cllr Alexandra Kemp thanked the Cabinet Member for the response to her question and asked how many people placed in long-term residential care had been able to return home with the right support.

The Chairman deferred the question to the Cabinet Member for Adult Social Care, Public Health and Prevention who agreed to provide a written response.

7.3 As a supplementary question, Cllr David Harrison asked what concerns and issues had been reported by staff.

The Chairman deferred the question to the Cabinet Member for Communities & Partnerships who responded that collaborative working was a good idea and, although she could not go into detail, there had been some issues with confidential discussions being held in an open plan office. The Cabinet Member advised that screens and sound barriers would be erected to lessen the noise disruption.

8 Progress on the Council's Equality, Diversity & Inclusion Objectives 2017-20.

8.1 Cabinet received the report by the Executive Director of Community & Environmental Services summarising progress over the last three years to deliver against the County Council's Equality, Diversity and Inclusion Objectives for 2017-2020. The report also proposed new objectives for 2020-2023.

8.2 The Executive Director of Community & Environmental Services advised that the service was performing well and had developed an ambitious plan for the next three years.

8.3 The Cabinet Member for Communities & Partnerships introduced the report which covered a wide range of topics and highlighted the five proposed equality, diversity and inclusion objectives for 2020/23:

1. Role model an organisational culture that respects and values difference across our county and in our workforce.
2. Promote inclusive design and accessibility for disabled people in Norfolk and remove barriers to independence.

3. Strengthen hate incident recording and reporting protocols and better integrate these within safeguarding practice, to safeguard people in Norfolk from hate incidents.
4. Develop NCC's reputation as an employer that values difference, attracting and recruiting colleagues from a diverse range of backgrounds for the value they could bring to the organisation.
5. Support and encourage colleagues to be the best they can be at work, providing them with an employment deal that is fair and inclusive, helping everyone to contribute to the ambitions of Norfolk County Council.

The Cabinet Member also highlighted that the Government had formally adopted the International Holocaust Remembrance Alliance's (IHRA) working definition of anti-Semitism, which stated that:

"Anti-Semitism is a certain perception of Jews, which may be expressed as hatred towards Jews. Rhetorical and physical manifestations of anti-Semitism are directed toward Jewish or non-Jewish individuals and/or their property, toward Jewish community institutions and religious facilities" and highlighted that Norfolk County Council had included the definition in its practices.

8.4 The Cabinet Member for Children's Services drew attention to the support Norfolk County Council had given to resettle Syrian refugees which had been commended by the Home Office as an example of national best practice.

8.5 **Decision**

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

1. **Note** the progress made in delivering the Equality, Diversity and Inclusion Objectives 2017-20 (as set out in Appendix 1 of the report).
2. **Note** the relevant local and national developments and emerging issues set out in Section 4 of the report.
3. **Approve** the five new Equality, Diversity and Inclusion objectives for 2020-2023, as set out in Section 5 of the report.

8.9 **Alternative Options**

Refer to Cabinet report.

8.10 **Reasons for Decision**

Refer to sections 2 and 4 of the Cabinet report.

9 Norfolk Strategic Infrastructure Delivery Plan (NSIDP) refreshed for 2019.

9.1 Cabinet received the report by the Executive Director of Community & Environmental Services, this included the Draft 2019 NSIDP which sets out Norfolk's high-level strategic infrastructure priorities for the next 10 years.

9.2 The Executive Director of Community & Environmental Services highlighted the importance of the programme of infrastructure projects going forward and working with other local stakeholders to deliver housing and employment growth. He added that the programme was ambitious and a lot of work would be needed to deliver it.

9.3 The Cabinet Member for Highways, Infrastructure & Transport stated that the NSIDP brought together the projects needed to deliver the right infrastructure for Norfolk and the eastern region. The document was a working document and would be reviewed annually. The Cabinet Member advised of an amendment to the report in that the Broadland Business Park Rail Station had been included in the Plan, as requested by the Infrastructure & Delivery Select Committee at its recent meeting. The NSIDP had been revised to include the Broadland Business Park Rail Station project.

9.4 The Vice-Chairman and Cabinet Member for Growing the Economy stated that the document was well written, comprehensive and would be important for Norfolk's economic growth. He was also pleased to see the inclusion of the Acle Straight and the flood defences and asked that Transport East be referenced in the submission for the Acle Straight as it had been one of its agreed priorities for some time.

9.5 The Cabinet Member for Highways, Infrastructure & Transport highlighted that Transport East was referred to in the report and that Norfolk County Council was working with other bodies, such as Transport East and the A47 Alliance, and NCC were pushing for government commitment to deliver the dualling of the Acle Straight and other schemes.

9.6 The Cabinet Member for Adult Social Care, Public Health and Prevention fully supported the document adding that he was pleased the roundabouts on the A11 at Thetford had been included. He added that he was also pleased to see the inclusion of power infrastructure projects along the A11 corridor.

9.7 The Cabinet Member for Innovation, Transformation and Performance also endorsed the report, drawing attention to the digital infrastructure, including improved broadband coverage, mobile phone coverage and the roll-out of LoRaWAN (long range wider area network). He added that good infrastructure was needed to attract people to Norfolk and Norfolk County Council would work with providers to identify areas with little or no coverage and help test experimental technology. The Cabinet Member also highlighted the offer made by the County Council to make NCC buildings available to mobile phone companies to site mobile phone masts.

9.8 The Cabinet Member for Children's Services welcomed the inclusion of the education section, particularly the Broadland Growth Triangle Secondary School as well as the inclusion of the Transforming Cities Fund and the inclusion of the Broadland Business Park Rail hub.

9.9 The Cabinet Member for Finance also endorsed the report which showed strong leadership at County Hall. He added he was particularly pleased to see the flood attenuation at the Fens and Great Yarmouth and asked for future consideration how coastal defences should be encompassed. The Cabinet Member also endorsed the comments by the Cabinet Member for Innovation, Transformation and Performance as infrastructure was vital to realise the economic growth for Norfolk.

9.10 The Vice-Chairman and Cabinet Member for Growing the Economy referred to the £300m awarded to Highways England in 2014 for the A47 schemes which had not yet been started and added that the economic growth in Norfolk would have increased significantly if the programmes had been progressed as planned. He also expressed his disappointment at the reliance on Highways England and felt the Government should be asked to step in to ensure partners delivered projects to the agreed timeframe.

9.11 The Chairman summed up by highlighting the importance of the Plan to the County Council and Partnership working; the focus on transport, utilities and sustainability; and the importance of using the Business Rates Pool to ensure projects progressed as planned.

9.12 **Decision**

Cabinet **RESOLVED** to

- **Approve** the 2019 NSIDP with the inclusion of the Broadland Business Park Rail Station Project.
- **Support** the continued production of the NSIDP, together with its annual review.

9.13 **Alternative Options**

Refer to Cabinet Report.

9.14 **Reason for Decision**

The NSIDP helps the County Council identify where and when infrastructure projects could support delivery of growth and the County Council’s and other Norfolk Local Authorities’ priorities. This allows for informed discussions and will enable work with partners to co-ordinate implementation, prioritise activity and respond to any funding opportunities.

10 Adult Education Strategy

10.1 Cabinet received the report by the Executive Director of Community & Environmental Services seeking Cabinet endorsement for an Adult Education Strategy that outlined how the Adult Learning Service actively contributed to the Council three outcomes of:

- Growing Economy
- Thriving People, and
- Strong Communities

Cabinet was also asked to note the Adult Learning Service’s performance in the most recent academic year, which finished in July 2019, when the service continued to progress from strength to strength.

10.2 The Executive Director of Community & Environmental Services stated that Norfolk was lucky to benefit from an inhouse Adult Education provision, which had been rated “good” by Ofsted at its last inspection. The service drew down funding from central Government, through the Department for Education and income from tuition fees. He added that the Infrastructure & Development Select Committee had considered the Strategy at its meeting on 13 November 2019 and its comments were included in section 10 of the report.

10.3 The Cabinet Member for Communities & Partnerships advised that Cabinet was being asked to approve the Adult Education Strategy and to commend the Adult Learning Service's performance outcomes and improvement journey and highlighted that the Adult Learning Service had made a significant contribution to Norfolk County Council priorities by working with adult Norfolk residents, supporting them to obtain skills, knowledge and qualifications to progress into employment.

It was also highlighted that the Service was sufficiently confident to volunteer to be the first provider in the country to experience Ofsted's new Education Inspection Framework which had been implemented in September 2019.

10.4 The Cabinet Member for Innovation, Transformation and Performance fully endorsed the report, which would, by working with communities, help to raise people's aspirations, build their confidence and knowledge and find suitable employment.

10.5 **Decision**

Cabinet **RESOLVED** to:

1. **Approve** the Adult Education Strategy.
2. **Commend** the Adult Learning Service's performance outcomes and improvement journey.

10.6 **Alternative Options**

Refer to Cabinet report.

10.7 **Reason for Decision**

1. The Adult Education Strategy is based on the identified needs and priorities for adult learning in Norfolk and responds to the policy and funding requirements of the Education and Skills Funding Agency.

2. The service's external funding enables Norfolk County Council to deliver adult learning that enables Norfolk residents to develop their skills and knowledge, gain qualifications, progress; that reduces social isolation; and that increases family and social integration.

11 CES Enforcement Policy – Annual Review

11.1 Cabinet received the report by the Executive Director of Community & Environmental Services. The Community & Environment (CES) Enforcement Policy provided a framework for a number of services within the CES directorate to ensure that Norfolk County Council worked in an equitable, practical and consistent manner when delivering regulatory activities and law enforcement.

11.2 In introducing the report, the Cabinet Member for Communities & Partnerships said that the Policy was subject to annual review and had been updated to reflect the wide-range of services covered by the CES directorate which was responsible for a range of regulatory functions.

11.3 The Chairman highlighted the good work of the Trading Standards team which had been involved in a few high-profile rogue trader cases recently and also the work carried out to protect and support Norfolk residents, businesses and the environment, whilst responding to address identified non-compliances to reduce the burden on businesses and help them grow.

11.4 **Decision**

Cabinet **RESOLVED** to:

1. **Approve** the revised CES Enforcement Policy at Appendix A of the report and its annex documents.
2. **Note** the 2018-19 enforcement performance data provided at Appendix B, and summary of stakeholder engagement at Appendix C of the report.

11.5 **Alternative Options**

Refer to Cabinet Report.

11.6 **Reason for Decision**

A CES wide Enforcement Policy is considered to be the most effective way to demonstrate how CES intends to fulfil its regulatory/legal responsibilities.

12 Finance Monitoring Report 2019-20 P7 : October 2019

12.1 Cabinet received the report by the Executive Director of Finance & Commercial Services providing a summary of the forecast financial position for the 2019-20 Revenue and Capital Budgets, General Balances and the Council's Reserves at 31 March 2020, together with related financial information.

12.2 In introducing the report, the Cabinet Member for Finance highlighted the additional pressures on the forecast revenue budget from the Home to School Transport and Special Educational Needs (SEN) transport; the reduction in the forecast overspend in Adult Social Services; the budgeted £120m on SEND schools which would obviate the need for long-distance travel for children; the number of children in care at the lowest level for a number of years and the growing confidence that the Transformation Programme was beginning to show results. The Community & Environmental Services Department continued to manage its budget well, although the Museums Service may show a slight deficit with visitor numbers dropping due to renovation works. It was hoped this may change with the exhibition of the Turner painting at the Castle Museum.

The Medium-Term Financial Strategy was proving difficult to predict. The Cabinet Member advised that he had spoken to Sajid Javid, the Chancellor of the Exchequer and had been reassured the revenue would be forthcoming after the election if the Conservatives were re-elected.

12.3 The Cabinet Member for Commercial Services and Asset Management referred to the recommendation to County Council for an additional £0.750m to the capital programme for the purpose of making a contribution to improved infrastructure on former NCC agricultural land. The County Council owned 13 acres of former agricultural land to the south east of Attleborough which had been zoned into three plots for commercial development. It was proposed to sell plot 1 to a local manufacturing business to build a new factory. As part of the transaction, the purchaser would install site infrastructure to their plot and also to serve plots 2 and 3, after which Norfolk County Council would be able to sell plots 2 and 3 as serviced development land at a higher value.

He added that NPS Property Consultants Ltd had reviewed the estimated servicing costs and Norfolk County Council would pay 41% of the costs relating to plots 2 and 3. Norfolk County Council would release its contributions on receipt of quantity surveyor certificates and approval from the Head of Property.

12.4 The Cabinet Member for Children's Services welcomed the positivity shown in the report, adding that the transport to school issue was well known and the early stages of the Transformation Programme was starting to show positive results with a reduction in the number of children in care and the move to the new semi-independent and enhanced fostering options.

12.5 The Cabinet Member for Adult Social Care, Public Health and Prevention also welcomed the report which showed Norfolk County Council held a tight rein on spending, working within its agreed budget to deliver services which protected vulnerable people in the county. He congratulated everyone involved.

12.6 The Chairman recognised the pressures on funding in both Children's and Adult Social Services and said he looked forward to receiving details of the new Government's proposed funding after the election on 12 December.

12.7 **Decision**

Cabinet **RESOLVED** to:

1. **Recommend** to County Council the addition of £0.750m to the capital programme for the purpose of making a contribution to improved infrastructure on former NCC agricultural land, as set out in appendix 2, paragraph 4.1 of the report;
2. **Note** the period 7 forecast general fund revenue overspend of £3.819m noting also that Executive Directors will take measures throughout the year to reduce or eliminate potential overspends.
3. **Note** the period 7 forecast shortfall in savings of £4.916m, noting also that Executive Directors will take measures throughout the year to mitigate savings shortfalls through alternative savings or underspends.
4. **Note** the forecast General Balances at 31 March 2020 of £19.623m, before taking into account any over/underspends.
5. **Note** the expenditure and funding of the revised current and future 2019-22 capital programmes.

12.8 **Alternative Options**

In order to deliver a balanced budget, no viable alternative options have been identified to the recommendations in the report.

12.9 **Reasons for Decision**

Two appendices attached to the 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 and
- Payments and debt performance

Appendix 2 summarises the capital outturn position, and includes:
- Current and future capital programmes
- Capital programme funding
- Income from property sales.

13 Mid-Year Treasury Management Monitoring Report 2019-20

13.1 Cabinet received the annual report by the Executive Director of Finance & Commercial Services providing details of the 2019-20 treasury activities and highlights compliance with policy and strategy previously approved by Members in relation to treasury management.

13.2 In accordance with regulatory requirements, the report provided information on the Treasury Management activities of the County Council for the period 1 April 2019 to 30 September 2019.

13.3 In introducing the report, the Cabinet Member for Finance highlighted that the Council's position remained stable and the report demonstrated that Norfolk County Council's treasury management operations had been carried out in accordance with best practice and in compliance with legislative and regulatory requirements.

13.4 **Decision**

Cabinet **RESOLVED** to

- **Endorse** and **recommend** to County Council the Mid-Year Treasury Management Monitoring Report 2019-20.

13.5 **Alternative Options**

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

13.6 **Reason for Decision**

One Annex is attached to the report, giving details of treasury management activities and outcomes, including:

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

14 A Social Impact Bond for Carers

14.1 Cabinet received the report by the Executive Director of Adult Social Services providing details of the Carers Social Impact Bond (SIB) bid to the Life Chances Fund (LCF) which was due to be submitted to the Department of Culture, Media and Sport (DCMS) in mid-December 2019.

14.2 The Executive Director of Adult Social Care introduced the report which was a new approach to improve outcomes for carers by adopting a new model to offer support. The SIB model was an innovative approach and had been co-produced with voluntary groups, Norfolk County Council and carers and could potentially bring in funding of £4.1m.

14.3 The Cabinet Member for Adult Social Care, Public Health and Prevention endorsed and commended the report and recommendations which would increase funding to support carers by 1/3 from external bodies for the next five years. The project would protect spending on carers support services for a period of five years, giving certainty to carers and promoting independence.

The proposed impact of the proposals were:

- Increase the number of carers known to Norfolk County Council.
- Improve organisational and individual understanding of the role of carers and the support available to them.
- Seamless carer pathway.
- Accurate and timely identification and recording of risk to carers wellbeing.
- Accurate recording and understanding of the carer pathway.
- Increased understanding and knowledge of the interventions required to support the wellbeing and maintenance of the caring role.
- Innovation and creativity in developing services and support that prevents the incidents of carer breakdown.
- Improve carer satisfaction with the Norfolk Carer support offer
- Provide evidence and funding to identify optimal investment in carers.
- Generate long-term social care savings through improved demand management.

14.4 Cabinet Members endorsed the report which would provide a new, bold and low risk offer which would have significant outcomes for carers.

14.5 **Decision**

Cabinet **RESOLVED** to:

1. **Delegate** the approval of the Application for a Carers Social Impact Bond to the Department of Culture, Media and Sport/Life Chances Fund to the Executive Director of Adult Social Services.

14.6 **Alternative Options**

Refer to the Cabinet report.

14.7 **Reason for Decision**

Refer to section 4 of the Cabinet report.

15 Renewal of the NCC Group Catering Contract for Maintained Schools

15.1 Cabinet received the report by the Executive Director of Children's Services setting out the proposal for the Council to continue with the Group Catering Contract with Norse Eastern Limited for a further 3-year contract term from 1 April 2020, with some enhancements to the contract as agreed with the members of the Catering Board.

15.2 The Cabinet Member for Children's Services introduced the report and moved the recommendations, drawing attention to the fact that the current contract would terminate in March 2020 and arrangements needed to be agreed to ensure a service continued.

The following amendment to the recommendation was proposed, which was **agreed** by Cabinet:

a) Note the contents of the report and **agree** the renewal of the Group Catering Contract with Norse Eastern Ltd with effect from 1 April 2020 for a period of 3 years

15.3 **Decision**

Cabinet **RESOLVED** to

a) **Note** the contents of the report and **agree** the renewal of the Group Catering Contract with Norse Eastern Ltd with effect from 1 April 2020 for a period of 3 years.

15.4 **Alternative Options**

Refer to Cabinet Report.

15.5 **Reason for Decision**

Refer to the Cabinet Report.

16 Plan to Develop Peer Challenge Recommendations into Action Plan

16.1 Cabinet received the report by the Executive Director of Strategy & Governance setting out the details of the recommendations from the Peer Review carried out in October 2019.

16.2 The Executive Director of Strategy & Governance stated that the County Council had been awarded free consultancy which amounted to 450 hours of work.

16.3 The Chairman and Cabinet Member for Strategy & Governance introduced the report highlighting the importance of viewing the recommendations from the Peer Review as critical friends; the key feedback comments and the recommendations which linked to the action plan on pages 307 and 308 of the agenda.

The Chairman advised that the LGA had been asked to review Norfolk County Council's governance arrangements on 16 and 17 January 2020.

16.4 The Cabinet Member for Adult Social Care, Public Health and Prevention agreed that the peer review had proved useful which showed Norfolk County Council was not frightened of receiving friendly criticism by allowing its processes to be benchmarked against external bodies.

The Cabinet Member also highlighted the paragraph "the Council was growing at pace, there was a growing feeling of stability and confidence amongst Partners and the Executive Leader is integral to this" and said that the constructive criticism should be welcomed which would help the Council to benchmark and deal with the challenges it faced in the future.

16.5 The Cabinet Member for Innovation, Transformation and Performance agreed that the Review had been positive and highlighted the opportunities for training Councillors' on their corporate responsibilities.

16.6 The Cabinet Member for Growing the Economy highlighted the emerging concept of 'Inclusive Growth' as social mobility sat at the heart of the inclusive growth agenda in Norfolk and the objective was one of which would positively impact on the socio-economic challenges in the county. The Cabinet Member thanked the team for the work they had carried out on producing the action plan.

16.7 The Cabinet Member for Finance also commended the report, highlighting that organisational culture was more positive, which was an important part of what the Council was seeking to achieve in ensuring staff had a clear direction.

16.8 The Cabinet Member for Children's Services highlighted the availability and accessibility of Member training and the need to find ways to be more innovative. He also requested consideration be given to finding ways to introduce training on corporate parenting, including inviting District Councillors to attend and suggested holding training sessions at District Council offices to make them more accessible.

16.9 The Chairman reiterated that the most important aspect was considering the recommendations and ensuring an action plan was produced and actioned.

16.10 The Chairman formally thanked all the Officers in producing the position statement and other documents for the Peer Review.

16.11 **Decision**

Cabinet discussed the draft findings of the Peer Challenge and the action plan and **RESOLVED** to

a) **Agree** the recommendations.
b) **Commission** the LGA to provide the external support to our planned governance review.

16.12 **Alternative Options**

The proposal looks to establish the development of an action plan. It is proposed that a do-nothing option would not be suitable.

16.13 **Evidence and Reason for Decision**

The Peer Challenge Report provided full details of the visit by the Peer team and their recommendations which would then be enacted through the proposed action plan.

17 Delegated Decisions Reports

Cabinet **noted** the following Delegated Decisions:

17.1 **Cabinet Member for Children's Services**:
- Adoption of Childcare Sufficiency Assessment 2019

17.2 **Cabinet Member for Highways, Infrastructure & Transport**:
- Implementation of speed management measures, including a School 20 mph Part Time Speed Limit on Quebec Road, Dereham.

17.2.1 The Cabinet Member for Adult Social Care, Public Health & Prevention thanked the Cabinet Member for Highways, Infrastructure & Transport for his support to the proposal and for signing off the order which had received the support of his constituents and which had made a big difference to the residents of Hoe.

The meeting ended at 11.25 am.

Chairman

Appendix A

Great Yarmouth Community Trust – update

This briefing provides an update on the significant work undertaken by this council to support children, families and staff affected by the sudden closure of Great Yarmouth Community Trust.

Over the last week, there has been work across council departments to try to minimise the impact of the loss of the trust's six Norfolk nurseries and the independent school (Horatio House).

We have pulled together staff across Children's Services, finance, procurement, property and Human Resources to try to find solutions that can get nursery and school provision back in place as soon as possible.

The Trust decided on the afternoon of Monday 25 November to close its operations on the afternoon of Wednesday 27 November but was insistent that this should remain confidential so that staff could all be told at the same time. To have had the news leaking out, with staff perhaps walking out, would have caused safeguarding issues and probably the earlier, and disorderly, closure of the nurseries.

In the 48 hours available to it the council moved quickly – setting up two new companies to assist in recovering the services, establishing dedicated webpages for both staff and parents and a dedicated phoneline, and setting up advice events for both parents and staff. The decision to set up the 2 companies was taken as an urgent decision by the Leader of the Council.

Council staff contacted every Norfolk parent with a child at Horatio House. The Trust was unable to make parents' addresses and email details available, but we were given mobile numbers for most parents. A bulk SMS message was sent out on the afternoon of the 27th with a link to a web page, and the Family Information Service stayed open late into the evening to provide assistance.

An agreed message was included in the redundancy notices issued to staff inviting them to register with the council for information about jobs once the nurseries were re-opened.

Nurseries

The closure of the Norfolk nurseries has affected about 290 children and their families. The council wants to ensure that there are sufficient nursery spaces in the Great Yarmouth area, to support children's early education and to make sure parents can access their entitlement to funded places for two, three and four-year-olds. 99 of the 290 children have been accommodated at 14 different providers in Great Yarmouth & Gorleston.

Due to the significant loss of places in Great Yarmouth, the council has created a new company, NCC Nurseries Ltd, which will seek to reopen as much of the provision as possible by the middle of December. This is subject to negotiations with landlords and to other issues outside the council's direct control in what is a complex situation.

Meetings are being held with affected front-line nursery staff on 3rd December to discuss their individual circumstances. Subject to employment checks, we expect to offer all staff employment in the new service as early as December 11.

The council's property team will be carrying out full checks on the existing premises to ensure that they can reopen safely.

In the meantime, the council's Family Information Service has been able to support several families to find alternative nursery places for their children.

Drop-in sessions are being held in Great Yarmouth and Gorleston on Wednesday, 4 December to help provide an update on the council's proposals for the nurseries and give advice and support.

Horatio House

Horatio House provides specialist education for 18 Norfolk young people that have been excluded from mainstream school. These young people have a range of complex needs and mainstream high school places are not appropriate.

The council has set up a new company, NCC HH Ltd, to take on the running of the school. Discussions have taken place with Ofsted and the Department for Education, for the council to acquire the registration to operate the school. This is expected to be in place in time for the school to reopen on January 6.

In the meantime, the council has been in contact with all the parents affected and is putting in place a home learning package, with a tutor assigned to each young person.

Staff affected by the Horatio House closure have also been invited to meet with council officers on Tuesday and, subject to checks, will be offered employment in the new company.

Nexus Engineering

Students at six high schools attended Nexus Engineering as part of their studies. The council has spoken with each of these schools when the insolvency was announced, to provide advice and support. The students all remain on roll at their current schools and these schools will help find alternative training places, if this is right for the individual students.

Priory Centre

The Priory Centre was home to an Early Childhood and Family Service base. This has now moved to Great Yarmouth Library and any planned activities have been moved. An updated programme is available on the council’s website. We aim to re-open the Priory nursery at its current location.

We are also seeking to contact a number of the groups and organisations previously using the Priory Centre to check to see if they need support in accessing other venues within the local area.

I would like to thank the officers for the work they have put into a complex and fast moving situation and doing it so quickly and professionally.

Cabinet
2 December 2019
Public & Local Member Questions

Agenda item 6 **Local Member Issues/Questions**

Question from Cllr Alexandra Kemp
As the former carer for a relative with dementia, I have seen how restrictions on the ability to access the outside world and make everyday decisions the rest of us take for granted, means permanent residential care is the very last resort. This Council's draft Budget includes "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". How is Council making it possible for people placed in residential care, for a short stay, to return home if they want to, when the social worker says they are "settled in the care home."

Draft Response:
Adult Social Services is expanding home-based and accommodation-based reablement to support more people to return home from hospital and to avoid unnecessary admissions to hospitals and care homes. We are also extending the use of assistive technology and 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 people having to go into residential care.

Where a person moves into short-term residential care, social care practitioners always consider whether the person is able to return home. Individual cases are considered on their own merits and decisions are made taking into account what the person wants to achieve, the impact on their well-being and the risks involved

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Question from Cllr Tim Adams
Can you ensure that there is dialogue with both North Norfolk District Council and Cromer Town in respect of the 2020 opening times of Cromer Museum? I am sure you would agree with me that it would be a great shame if it is not open in the month of March due to the budget cuts at Norfolk County Council.

Response from the Cabinet Member for Communities & Partnerships.
I understand that Norfolk Museums Service has been in positive dialogue with both North Norfolk District Council and Cromer Town Council and a decision on the additional funding required for the pre-Easter 2020 opening of Cromer Museum from both North Norfolk District Council and Cromer Town Council is expected very soon.

However, I am also grateful for the opportunity to clarify that the reduction in opening hours for Cromer Museum, including the March period, is a direct consequence of an historic reduction in the annual grant from North Norfolk District Council and is not related to any budget cuts by Norfolk County Council.

Question 2 from Cllr Tim Adams
Last week I dealt with a resident whose front garden was illegally used as a short cut by frustrated drivers during a closure for works that had already finished. Could the cabinet member for Highways, Infrastructure & Transportation share with us what the Council is doing to tackle utility companies who keep roads closed for unnecessarily long periods of time following the completion of works?

Response by the Cabinet Member for Highways, Infrastructure & Transport:
Norfolk operates a permit scheme where promoters must gain consent to work in the highway. Some 48,000 permits are issued each year. This provides a mechanism where we can better influence how and when the works take place to try and minimise disruption caused to the travelling public. Where the associated data is late or incorrect, fines can be levied on the utility.

Where works are found to take too long to complete we can also fine the utility for the overstay. These fines can range from £100 to £10,000 for each additional day. If the details of the case can be sent to the local Highways Area team, they will investigate and see whether there are any penalties which can be applied to the works promoter.

Question from Cllr David Harrison
Fire Service. What has been done to evaluate the impact of moving staff into the Wymondham Command Centre and has this involved staff feedback as I understand there are some concerns about the proximity of the staff to the mental health team, and some of the issues they are therefore exposed to that are not related to their own work and can be quite distressing.

Response by the Cabinet Member for Communities & Partnerships:
NFRS managers have been working with our Control teams to understand their concerns and support them in the move to the joint Control room at Wymondham.

A number of issues regarding this move have been forwarded by staff; these are being addressed within the leadership structure of Control and through their representative body.

Questions requiring written responses from the Cabinet Meeting held on Monday 2 December 2019

	Question and response:
Agenda item 7 Local Member Supplementary Question from Alexandra Kemp	As a supplementary question, Cllr Alexandra Kemp thanked the Cabinet Member for the response to her question and asked how many people placed in long-term residential care were able to return home with the right support. **Response from the Cabinet Member for Adult Social Care, Public Health & Prevention:** We do not readily have the number of people with dementia who returned home after a residential stay. This is because our recording system does not currently track people through the care journey in this way. We do know that in 2018/19 there were 2264 older people using short term residential stay. (This includes reablement and respite). Of those, we know that 792 (40%) had dementia. We cannot currently give an accurate number of people with dementia who returned home, although we do know that most people using respite care do return home. We are continuing to work on improving our recording and tracking system so we can easily monitor outcomes for all older people – including those with dementia.

Cabinet

Item 7

Decision making report title:	**Norfolk Fire and Rescue Service – Integrated Risk Management Plan 2020-23**
Date of meeting:	**13 January 2020**
Responsible Cabinet Member:	**Councillor Margaret Dewsbury (Cabinet Member for Communities and Partnerships)**
Responsible Director:	**Tom McCabe (Executive Director, Community and Environmental Services)**
Is this a key decision?	**Yes**

Introduction from Cabinet Member

The Fire and Rescue Service Integrated Risk Management Plan (IRMP) is a key strategy document for how we plan to review, refresh and consider our approach to keeping Norfolk's communities as safe as possible.

Cabinet previously reviewed the draft IRMP, and agreed to start a public consultation on it so that Norfolk communities could have their say about their Fire and Rescue Service.

The public consultation is now complete and I am able to share the findings with you, along with a revised version of the IRMP.

I was pleased to hear that so many people took part in the consultation and engagement sessions held during the consultation period, including those held within communities at all Norfolk Libraries. The attendance at these shows how important it was for many people to have their say.

Although the number of people who submitted formal responses to the consultation was relatively low, the message from these events has been loud and clear. Norfolk communities were grateful to have received our reassurance that there are no current proposals to:-

- Close fire stations
- Reduce the vehicle fleet, including removing 2nd appliances from stations
- Reduce crewing levels on vehicles

Like Cabinet and all County Council Members, our staff and communities want to see Norfolk Fire and Rescue Service be the best service it can be.

Investment will be needed to deliver the level of service set out in the proposed IRMP, in addition to the significant investment we continue to make to secure more modern tools and equipment.

I fully support the IRMP proposed to you today, and look forward to continuing to work with the service, and Norfolk communities, to keep our communities and fire fighters safe and to ensure we are able to respond quickly to those in most need.

Executive Summary

In accordance with the Fire and Rescue National Framework for England 2018, all fire and rescue authorities are required to produce an Integrated Risk Management Plan (IRMP) that sets out the authority's strategy, in collaboration with other agencies, for reducing the commercial, economic and social impact of fires and other emergency incidents.

Norfolk County Council, as the Fire and Rescue Authority for Norfolk, has a statutory duty to develop an IRMP covering at least 3 years. The existing IRMP sets out the service strategy for the period up to 2020. Therefore, there is a need to develop a new plan for 2020 onwards.

A public consultation on a draft IRMP has been carried out, and the findings have been used to shape a final proposed IRMP, as set out in Appendix D to this report.

Recommendation

1. **To review and consider the findings from the public consultation, as set out in Appendix B, and note the changes made to the draft Integrated Risk Management Plan 2020-23 as a result of this feedback**

2. **To review and consider the findings of the Equality Impact Assessment, as set out in Appendix C**

3. **To recommend to Full Council that they approve the Integrated Risk Management Plan for 2020-2023, as set out in Appendix D**

1. Background and Purpose

1.1. In accordance with the Fire and Rescue National Framework for England 2018, all fire and rescue authorities are required to produce an Integrated Risk Management Plan (IRMP) that sets out the authority's strategy, in collaboration with other agencies, for reducing the commercial, economic and social impact of fires and other emergency incidents.

1.2. Cabinet reviewed the draft IRMP at their meeting in October, and approved the commencement of a public consultation on the draft document. This public consultation has been carried out and this report sets out the findings of the consultation and proposes a way forward.

1.3. An IRMP must:

- Reflect up to date risk analyses including an assessment of all foreseeable fire and rescue related risks that could affect the area of the authority;
- Demonstrate how prevention, protection and response activities will best be used to prevent fires and other incidents and mitigate the impact of identified risks on its communities, through authorities working either individually or collectively, in a way that makes best use of available resources;
- Outline required service delivery outcomes including the allocation of resources for the mitigation of risks;
- Set out its management strategy and risk-based programme for enforcing the provisions of the Regulatory Reform (Fire Safety) Order 2005 in accordance with the principles of better regulation set out in the Statutory Code of Compliance for Regulators, and the Enforcement Concordat;

- Cover at least a three-year time span and be reviewed and revised as often as it is necessary to ensure that the authority is able to deliver the requirements set out in this Framework;
- Reflect effective consultation throughout its development and at all review stages with the community, its workforce and representative bodies and partners; and
- Be easily accessible and publicly available.

2. Developing the IRMP

2.1. The IRMP was developed in line with national guidance produced by the Home Office. The draft IRMP which went to public consultation was shaped by a range of key partners and stakeholders, including:-

- Staff groups
- Cabinet Member
- Member engagement (including a cross-party Member Working Group and specific discussions with Group representatives)
- Representative bodies
- Owners/operators of non-domestic sleeping accommodation

3. Public consultation and engagement process

3.1. The public consultation on the draft IRMP, and the five proposals set out in it, commenced on Thursday 31 October and ran until Tuesday 10 December, a period of just under six weeks.

3.2. We received some feedback in advance of the public consultation that additional explanation may be needed to better understand the five specific proposals set out in the draft IRMP. This additional clarification was provided in the consultation document, see Appendix A.

3.3. The consultation was available to access on Norfolk County Council's online Consultation Hub. In addition to the online option, paper copies, large print copies and Easy Read versions were made available. We also made copies available for people to request via email or telephone.

3.4. A number of activities were carried out during the consultation period to ensure the consultation was well promoted and provide a range of opportunities for engagement. This included:-

3.5.
- Holding engagement events at all libraries across Norfolk throughout the consultation period
- Letters were sent to key stakeholders and engagement sessions were held with them
- Engagement sessions were held with Fire and Rescue staff and representative bodies
- The consultation was heavily promoted through local media outlets, traditional print and online methods including websites, social media and intranet

Further details on the methods used to engage, groups engaged with and the numbers of people involved are available as part of Appendix B.

4. Feedback from the public consultation

4.1. Full details of the consultation feedback is included at Appendix B. A total of 96 consultation responses were received.

4.2. During the public consultation events in libraries, NFRS staff spoke to a total of nearly 800 members of the public about the draft IRMP proposals.

4.3. The five proposals were widely supported by all those engaged as part of the public consultation process. In summary, views were:-

- **Proposal 1- Strengthening Fire Protection Resources** - The responses said this was a good idea, but it shouldn't be at the expense of investing in other areas of the service.

- **Proposal 2- Developing a new concept of operations** - considering progressions in technology and working with other FRS's to share best practice was welcomed as a good idea by respondents to the consultation.

- **Proposal 3- We will explore the potential for co-responding** - The respondents thought this was a good, common sense idea that could save lives in Norfolk.

- **Proposal 4- Maintain our specialist water rescue capability - t**he respondents thought this was a good idea, with many citing climate change and concerns about an increased in flooding. Although the idea of an increase in council tax to fund this was broadly supported, many commented that Central Government funding should not have been stopped for this resource.

- **Proposal 5- We will adopt a national way of measuring emergency response** - the respondents felt it made sense to be fair and consistent and that standardising how performance was measured made it easier to compare our service to others and drive improvement.

4.4. While some did comment on the proposals, many others said they were not really interested in taking part in the consultation as there was no proposal to cut services to the public or reduce resources. There were a number of comments such as "All I need to know about Norfolk Fire & Rescue Service is that its staff will be there if I need them." The assurances given by the Cabinet Member at the start of the consultation process about there being no intention to close fire stations, change crewing levels or reducing the vehicle fleet appear to have been heard and supported.

4.5. A number of ideas and suggestions were also made by those who responded to the consultation.

5. Changes made as a result of consultation feedback

5.1. Following the consultation feedback, some changes have been made to the document from its draft stage to the final version presented to you today. None of the proposals themselves have changed but some of the terminology has been simplified. Examples of these changes include;

- Removing some detail within the main document which adds little value other than background reading; this is in response to feedback asking for the document to be reduced in size

- Adding in additional narrative; this is in response to feedback asking for further details answer the ‘so what’ question.
- Adding additional explanation; this is in response to feedback asking for clearer explanations to be provided.

5.2. We will also be exploring a number of ideas that have been suggested through the consultation. These are set out in the document at Appendix B, and summarised below:

- Review ways in which developers and businesses could meet some of the costs associated with strengthening our protection services.
- If we should look at encouraging the development of fire safety champions within the business sector.
- We will continue to review how we engage with business and think about effectiveness of seminars or webinars.
- We are reviewing how we undertake fire investigations and the use of fire dogs to support this work.
- We will look at how we can forge closer relationship with parish and town councils to support the community fire prevention and protection strategy and also to support local firefighter recruitment.
- We are looking at ways to best engage with our communities within Norfolk to provide contact with our managers and an ability to improve transparency and accountability.

6. Impact of the proposal

6.1. In accordance with the Fire and Rescue National Framework for England 2018, all fire and rescue authorities are required to produce an Integrated Risk Management Plan (IRMP) that sets out the authority’s strategy, in collaboration with other agencies, for reducing the commercial, economic and social impact of fires and other emergency incidents.

6.2. The five proposals contained with the consultation document will instigate a number of work packages for Norfolk Fire and Rescue Service for delivery of the next three years.

7. Evidence and reasons for decision

7.1. The IRMP is a requirement of the National Framework. The outcomes of the consultation have informed the development of the final version of the IRMP.

8. Alternative options

8.1. No alternative options are proposed, given that the proposed IRMP has been developed over some time and has been subject to public consultation.

9. Financial Implications

9.1. As reported to Cabinet in October, there is a need to secure additional funding to deliver the level of service set out in the proposed new IRMP. Further detail of this is set out in the table below.

Additional cost	2020/21 £	2021/22 £	2022/23 £
Community Fire Protection (see para 9.2)	260,000	260,000	230,000
Community Fire Safety (see para 9.3)	100,000	100,000	100,000
WDS Recruitment and Training (see para 9.4)	200,000	200,000	200,000
Water Rescue (see para 9.5)	60,000	60,000	60,000
Resourcing requirements identified by the new IRMP	**620,000**	**620,000**	**590,000**
Income/ other offsets	-212,000	-212,000	-212,000
Net additional cost	408,000	408,000	378,000

9.2. Although Norfolk Fire and Rescue Service is looking to redirect existing resources into community fire protection from their current budget, it is likely there will need to be additional funding of up to £230,000 per year to provide additional fire safety inspectors and secure additional resource to carry out fire investigations. In addition, £30,000 will be needed for two years to train the new inspectors and provide some specialist fire protection training elsewhere in the service.

9.3. In order to improve the service's capacity to deliver community fire prevention services, the service will need £100,000. This funding will be used to deliver fire prevention services for vulnerable people and the fitting of smoke detectors where required.

9.4. The workforce profile shows a need to continue a programme to recruit new wholetime (WDS) firefighters. This is primarily because of the age profile of the workforce and the impact of changes to the firefighters pension scheme. The additional cost of this is £200,000 per year, primarily to cover the cost of training the new recruits.

9.5. Specialist water rescue capability was funded by a specific central Government grant in the past. This grant is no longer available. The additional cost of retaining this service without a specific grant is £60,000 per year.

9.6. This additional budget requirement is reflected in the budget papers being discussed within this January Cabinet meeting

10. Resource Implications

10.1. **Staff**: As set out in Section 9 above, there is a need to secure additional staff resources in some areas to be able to deliver the priorities set out in the IRMP. An organisational review is underway with a view to identifying changes that could release existing capacity. However, it is unlikely that all the resources required to meet expectations can be identified from this review and there will be a need to identify additional funding, as set out in Section 9 above.

10.2. **Property:** No implications.

10.3. **IT:** No implications

11. Other Implications

11.1. **Legal Implications:** Fire and rescue authorities are required to produce an Integrated Risk Management Plan (section 4.6 of the Fire and Rescue National Framework for England 2018).

Fire and rescue authorities must give due regard to reports and recommendations made by HMICFRS (section 7.5 of the Fire and Rescue National Framework for England 2018).

11.2. **Human rights implications:** None.

11.3. **Equality Impact Assessment (EqIA):** A copy of the full EqIA is included at Appendix C.

11.4. The findings of the EqIA were that the proposed IRMP should impact positively on people with protected characteristics. This is because there are some enhancements to service standards and delivery which would see Norfolk communities receive additional resource and support to help keep them safe. It is also because the core aim of the IRMP is to identify who is most at risk from dying or being injured in a fire or emergency, to ensure that resources are targeted effectively to mitigate this.

11.5. There was no evidence to indicate any of the five specific proposals in the IRMP would have any detrimental impact on people with protected characteristics. There is evidence to indicate that two pf the proposals would have a positive impact.

11.6. **Health and safety implications:** None. The service will continue to invest in the tools and equipment staff need to effectively and safety carry out their roles.

11.7. **Sustainability implications:** There are no sustainability concerns.

11.8. **Any other implications:** There are no other implications identified.

12. Risk Implications/Assessment

12.1. The key basis of the IRMP is an assessment of community risk, and consideration of how to match resources to meet this risk. Therefore, the IRMP includes a risk assessment.

12.2. There is a risk that the authority will not have a final IRMP in place for the 1 April 2020, should there be a delay to approval for any reason. There is a legal requirement for the Authority to have an approved IRMP in place and the current IRMP expires at the end of March 2020.

13. Committee Comments

13.1. **Infrastructure and Development Select Committee**

13.1.1. The Select Committee considered the draft IRMP at their meeting on 11 September. The Committee reviewed and commented on the draft Integrated Risk Management Plan, in particular the five areas for development and change that formed by the basis of the public consultation, and these comments were taken into account in developing the final proposed IRMP.

13.2. **Scrutiny Committee**

13.2.1. Following the Cabinet meeting in October, Cabinet's decision to approve the start of a public consultation on the draft IRMP was called in by Scrutiny Committee. The Committee scrutinised this decision at their meeting on 22 October. No recommendations or proposed actions arose from this.

14. Recommendations

1. **To review and consider the findings from the public consultation, as set out in Appendix B, and note the changes made to the draft Integrated Risk Management Plan 2020-23 as a result of this feedback**

2. **To review and consider the findings of the Equality Impact Assessment, as set out in Appendix C**

3. **To recommend to Full Council that they approve the Integrated Risk Management Plan for 2020-2023, as set out in Appendix D**

15. Background Papers

15.1. Report to Infrastructure and Development Select Committee meeting 11 September 2019 (pages 13-101) titled Norfolk Fire and Rescue Service – Draft Integrated Risk Management Plan 2020-23

Report to Cabinet meeting 7 October 2019 (pages 31-121) titled Norfolk Fire and Rescue Service – Draft Integrated Risk Management Plan 2020-23

Report to Scrutiny Committee meeting 22 October 2019 (pages 15-23) titled Call in: Norfolk Fire and Rescue Service Draft Integrated Risk Management Plan

Officer Contact

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

Officer name:	Stuart Ruff – Chief Fire Officer	**Tel No.:**	**0300 123 1383**
Email address:	stuart.ruff@fire.norfolk.gov.uk		
Officer name:	Tim Edwards – Assistant Chief Fire Officer	**Tel No.:**	**0300 123 1383**
Email address:	tim.edwards@fire.norfolk.gov.uk		

IN TRAN communication for all

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

Norfolk County Council

Your views on Norfolk Fire and Rescue's draft IRMP 2020-23

Overview

By law, Norfolk's Fire and Rescue Service has to produce an Integrated Risk Management Plan, or IRMP for short. This sets out how we will achieve our goals of improving public safety, reducing the number of emergency incidents and saving lives.

We have developed a draft plan for 2020-2023. In it we set out the changes we predict in community risks and how we plan to deal with these.

National incidents such as Grenfell Tower have changed the context our service works in. As a result, our draft plan has a greater focus on community fire protection.

Why we are consulting

We want to hear your views on our draft IRMP. In particular we want to find out if you think we're heading in the right direction with our proposals for the future. We also welcome any comments on our plan in general.

We are consulting from 23 October 2019 to 10 December 2019. Please note that if we receive any consultation responses after this date we cannot guarantee that we will be able to take them into account.

We will take a report about what you said about our draft IRMP in this consultation to our county councillors at their Cabinet meeting on 13 January 2020. The feedback will also be reported at Full Council on 17 February 2020.

If you would like to read the whole draft IRMP before feeding back your views then you can find a copy online at www.norfolk.gov.uk/IRMP or email haveyoursay@norfolk.gov.uk and ask us for a copy.

We have summarised sections of the plan which can you can read as you work your way through the feedback form.

If you need a copy of this consultation document in a different format please email haveyoursay@norfolk.gov.uk, call 0344 800 8020 or Text Relay on 18001 0344 800 8020 (textphone) and we will do our best to help.

Personal information, confidentiality and data protection

We will use any personal information to understand how different groups of people feel about Norfolk Fire and Rescue's draft IRMP.

We will process any personal information we receive from you in line with the General Data Protection Regulation (GDPR) (Regulation (EU) 2016/679), the Data Protection Act 2018 and Norfolk County Council's data protection policy and guidelines. This means that Norfolk County Council will hold your personal data and only use it for the purpose for which it was collected, being this consultation. You can find a copy of our privacy statement at https://www.norfolk.gov.uk/privacy

We want to feed back your views to our councillors. This includes quoting extracts from consultation responses in our report. We do not identify individuals when reporting our findings. For this purpose we ask that you are careful not to disclose personal information in your comments – for example the names of service users or children.

Under our record management policy we will keep this information for five years.

We will not share the information you provide us or pass your personal data on to anyone else. However, we may be asked under access to information laws to publish or disclose some, or all, of the information you provide in response to this consultation. We will only do this where such disclosure will comply with such relevant information laws which include the Freedom of Information Act 2000, the Data Protection Act 2018 and the Environmental Information Regulations 2004.

You can choose not to take part in the consultation, to stop responding at any time, or to ignore any personal questions that you do not want to answer. You can choose to provide your email address if you would like to save your response before submitting it or download a copy of your final response.

Norfolk Fire and Rescue Service

We are part of Norfolk County Council. Previous IRMPs have helped us reduce serious fires in businesses that provide sleeping accommodation, reduce false alarms from automatic alarms and achieve an emergency operational response rated good by our inspectorate. This draft IRMP is the basis for further improvements.

Our mission is to make Norfolk safer. We want our service to be at the heart of protecting communities across Norfolk. We strive to achieve this by;

- Preventing emergencies
- Protecting people, buildings and the environment
- Extinguishing fires
- Undertaking rescues.

We will achieve our mission by ensuring our services are relevant and that our systems, people and equipment are suitable for the situations we face and used in a flexible way to meet the needs of local communities.

As part of Norfolk County Council, we have adopted the approach of working ‘Together, for Norfolk’ and will continue to work with other agencies, including other blue light services, voluntary sector groups and other fire and rescue services. Together, we can help Norfolk’s communities to grow, thrive and become stronger.

Our Fire and Rescue Authority has legal responsibilities and powers and last year the Government also published a new Fire and Rescue national framework.

How we manage community risks

We have a legal duty to identify and assess all foreseeable risks that could affect our communities. We have to decide how best to use our resources. Our IRMP looks at all of the different risks to ensure we have plans to manage them in an effective and efficient way.

As well as producing an IRMP, we also engage with communities to understand community risk. We do this by:

- Meeting with groups to ensure we are aware of changing risks
- Sharing information and identifying vulnerable groups through early help hubs across Norfolk
- Engaging with the community at local events and public meetings, listening to concerns and views
- Working with other NCC and local authority services, such as Trading Standards and Environmental Health to identify risk
- Co-locating with the police, a recent move which enables swifter sharing of information and closer working.

We manage risk by using service risk registers, which highlight any concerns, carrying out activities to reduce risk, learning lessons and having full debriefs after incidents so we can learn from them and identifying locations that pose a risk to our crews.

We are aware of sites in Norfolk where dangerous substances are kept or used and we have plans for the control of major accident hazards (COMAH).

We also have Major Accident Control Regulations which relate to military sites.

The Norfolk Community Risk Register is produced by the Norfolk Resilience Forum (NRF) and identifies hazards that may lead to an emergency. We are a member of NRF. The forum has a legal duty to produce a register of risks and this helps us to focus our planning arrangements.

As part of NRF, we are involved in planning for potential community risks and co-produce multi-agency response and recovery plans and carry out joint exercises. We also carry out training at a local level to ensure our staff are prepared for incidents highlighted in the community risk register.

In the event of a serious or major incident we contribute to the joint multi-agency command, control, coordination and communication arrangements. All our commanders are trained and focused on delivering a joined-up response to emergencies, with JESIP (Joint Emergency Services Interoperability Principles) as their guiding principles.

There is a national framework and formal agreements with our neighbouring fire and rescue services in place for mutual assistance in responding to large community risks.

How we manage our resources

This IRMP sets out how we manage resources. We are currently carrying out an organisational review of our structure to ensure that we are well organised to deliver our mission. We need to ensure that our service remains relevant to the needs of our communities and our structure will reflect how we manage risk.

This IRMP sets out our budget needs which are reviewed annually to look at efficiencies and cost pressures, which may be linked to changes in community risks.

This IRMP looks at our assets. Our buildings and estates are part of Norfolk County Council (NCC). We are developing a 10-year strategy for vehicles and equipment replacement.

We match our staffing levels to community risk. All our crews are trained to extinguish domestic, commercial and industrial fires. Crews in King’s Lynn and Great Yarmouth are also trained on how to put out fires on vessels in port.

We also have staff training to deal with wildfires and provide vehicles with off-road capability to get our resources to where they are needed.

We have water carriers and a high-volume pump as extra resource to our standard appliances.

All our crews are trained to perform rescues from height using ladders. We also have a safe working platform (known as an area ladder platform) and our urban search and rescue team has a specialist rope rescue team for use at heights or in inaccessible spaces.

All crews are trained to rescue people from road traffic collisions and transport incidents.

We provide hazardous material environmental protection staff who are trained to deal with such incidents. Crews are trained to attend incidents involving radiological or nuclear materials.

Community risk profile

We have analysed data from nine years of fires to look at our fire station locations and the kinds of incidents we face. Our population is increasing, we operate in rural areas and our road infrastructure is improving, all of which impact on our work.

The situations we face are changing. Coastal flooding, cold and snow all lead to high community risks, and climate change is leading to extreme weather, for example prolonged dry periods contributing to increased wildfires. There has been a reduction in deliberate fires, fires in business and non-domestic premises and serious fires.

The types of rescue we undertake has also changed.

We know that older people are more vulnerable to dying in fire and that smoking is the largest cause of fatal house fires. We also know that 42% of fatal fires were in homes without a working smoke detector and that cooking is the biggest cause of accidental house fires.

The number of people killed or seriously injured on our roads is increasing.

Proposal 1 - Strengthen our community fire protection services

As part of our draft plan we have updated our understanding of the fire safety risks in our communities and revised our fire safety inspection programme. Since the Grenfell Tower tragedy, there has also been national work looking at fire safety.

Because of these changes we are proposing to put more resources into fire protection to increase the amount of support we provide to businesses to help them ensure their buildings are safe and for us to inspect more buildings.

We are currently looking at what resources we can reinvest from our existing budget into this vital work. However, we think that we are likely to need additional funding to support us with this.

We are looking at our current budget to see if we can use this to put more resources into community fire protection. However, it is likely that we will need up to £230,000 more a year if we want to provide more fire safety inspectors. We would also need £30,000 for two years to train any new inspectors.

We have also asked for £100,000 towards fire prevention services for vulnerable people including fitting smoke detectors where necessary.

Q. What do you think about our proposal? How, if at all, do you think that the proposal might affect you? Please write in below:

Q. What more, if anything, do you think we could do to support businesses to help them ensure their buildings are safe? Please write in below:

Prevention and protection

The number of accidental fires in Norfolk homes has stayed around the same each year, however as more homes are being built all the time this means that the percentage of homes experiencing a fire in Norfolk has reduced.

The most common cause of fires in the home is cooking and fires occur more in homes where people live alone. The majority of fires occur in homes with people of working age.

We use data to help us identify homes most likely to experience fire so that we can understand risks in our communities and use this to shape prevention work. We carry out home safety visits to vulnerable residents.

The majority of people who died in fires in Norfolk over the last nine years were aged 60+, with many over 80. This is similar to the national picture.

The majority of fatal fires in Norfolk over the last nine years occurred in built-up areas.

The majority of fatal accidental house fires in Norfolk were caused by smoking and started in the bedroom or living room.

People's ability to escape a home once an alarm sounds is something we look at during our home fire risk checks as some of those who died in house fires had a disability/lack of mobility.

Boat fires continue to be at a low level.

The main causes of fires in non-domestic premises continues to be electrical fittings, appliances and cooking. There is a reduction in fires in buildings such as hospitals, prisons and care homes, which we refer to as sleeping accommodation. We focus our fire safety inspections on this area. Industrial, warehouse and agricultural premises fires have also reduced, but continue to make up the majority of non-domestic fires.

Deliberate fires have generally reduced, although there was an increase during the hot summer of 2018. We work closely with business owners, local authorities and Norfolk Constabulary to reduce the risk of arson. We also work to educate the public, including children, and offer an education programme to families and carers when children show an unhealthy interest in fires.

We work with other services at Norfolk County Council and the Police on road safety, and our new safer systems approach will shift attention towards influencing road user behaviour.

We inspect buildings based on risk, which means we target resources at buildings which have a higher potential risk of death and injury if a fire occurs or where fire safety concerns have been raised.

Our inspection programme is flexible and can be adapted as new risks emerge, for instance following the Grenfell Tower fire we carried out an inspection of all high-rise buildings in Norfolk.

We work closely with other groups, including environmental health teams, the Environment Agency and Norfolk Constabulary to plan inspections. We also work with the National Fire Chiefs Council to learn from serious fires in other areas.

We have a dedicated community safety team and also use our fire crews to help deliver community fire protection services. Our team includes fire safety inspectors, fire safety advisors and business engagement and compliance is completed by crews.

We work with businesses in a supportive way to help them keep staff, customers and premises safe.

We use formal enforcement and prosecutions when we need to.

Response

We have a legal duty to prepare for fighting fires, protecting people and property from fire, rescuing people from road traffic collisions and dealing with other specific emergencies such as a terrorist attack.

We can also do other things to respond to the needs of communities and prepare for other risks to life and the environment. These powers allow us to decide, in consultation with our communities, how best to use our resources to improve our ability to respond to risks.

We have organised our emergency response based on needs identified in previous IRMPs. The plans have shaped our service, so we now have new fire stations in several areas and enhanced fire cover in two towns.

Following learning from national major incidents, we have located our emergency control room in the same office as Norfolk Constabulary's control room.

We have on-call firefighters covering 39 fire stations and rely on staff from local communities to provide cover. We also staff five Norfolk fire stations around the clock with full-time crews.

At Thetford, we have a Day Duty System which means that our fire station is crewed throughout the working week from 9am to 5pm and we use on-call staff to provide cover during other times.

We have an Urban Search and Rescue Team based in Dereham, who also crew fire engines when they are on duty. On-call firefighters offer cover at other times.

The time it takes for us to get a full crew together to attend an incident is quicker in the day and slower at night, when staff are asleep.

Incidents occur around the clock; however, we are more likely to attend road traffic collisions at peak travelling times and fires started by cooking appliances in the evening.

Since the last IRMP we have purchased a drone which is proving successful in helping save lives and getting a better view of incidents.

Proposal 2 - Develop a new concept of operations

We always aim to respond in the best way we can and how we respond to emergencies is called our 'concept of operations'. We have developed our concept of operations over time by reviewing how effective we have been.

Things have moved on since our last IRMP and changes in technology, vehicles, equipment and systems of work mean that there are now potentially better ways of doing things.

We want to look at what new technology and approaches are available and think about how we can respond better and deal with risks in our communities in the best way.

We are therefore proposing to review our concept of operations to make sure we take full advantage of these new developments to keep firefighters and communities safe. We are also proposing to speak to other fire and rescue services to explore how they deal with incidents and whether we would benefit from making changes.

It is too early to say how our proposed review would change how we respond to emergencies. If the review goes ahead we would carry out further consultation on any significant proposed changes to the way that we operate. For now, we would like to find out if you're happy for us to explore new ways of working and go ahead with a review.

Q. What do you think about our proposal? How, if at all, do you think that the proposal might affect you? Please write in below:

Q. If there is anything you would like to tell us that would help us with our review, please write this in below:

Special services

We have special services for non-fire incidents, such as animal or people rescues, flooding or incidents involving hazardous materials.

In 2015 we changed our approach to road traffic collisions, meaning we now only attend where people are trapped.

We are currently involved in a trial where we help the ambulance service gain access to a property to reach a patient. This service was traditionally provided by Norfolk Constabulary. We are currently looking at how this has been working.

In 2016 we carried out a pilot project where we responded to people suffering heart attacks and delivered medical care alongside paramedics. Twenty-two crews took part.

Proposal 3 - Explore the potential to undertake co-responding

At the moment, our firefighters give medical care at incidents. However, we do not send them specifically to respond to medical emergencies.

Currently ambulances respond to medical incidents such as cardiac arrests, but we believe that if we were nearer to the scene than an ambulance and were able to respond, patients could be treated more quickly, and we could help to save lives.

We are therefore proposing to explore the potential for responding to medical incidents such as cardiac arrests in conjunction with the ambulance service. This would involve discussing co-responding with our staff and partners and examining the potential for extra funding to pay for this additional service.

Q. What do you think about our proposal? How, if at all, do you think that the proposal might affect you? Please write in below:

Proposal 4 - Maintain our specialist water rescue capability

The risk of flooding in Norfolk is very high and we currently have specialist water rescue teams, which can help rescue people in lakes, rivers and during floods.

These teams were originally funded by Central Government but that is no longer the case.

We believe these teams are still essential and we are proposing to fund this service through council tax which comes through Norfolk County Council.

We have four specialist teams, previously funded by central government and based in King’s Lynn, Dereham, Carrow and Thetford. They can perform swim rescues and are sent to prepare for coastal tidal surges. Now the government grant isn't available it costs us £60,000 a year to run this service.

Norfolk Fire & Rescue Service works as part of the Norfolk Resilience Forum to develop flood response plans. We have a responsibility to carry out rescues and protect property and infrastructure by removing floodwater.

All our fire crews are trained to carry out bankside water rescues.

Q. What do you think about our proposal? How, if at all, do you think that the proposal might affect you? Please write in below:

Measuring our performance

We currently measure how long it takes from a crew being alerted to an incident to the time it takes for them to arrive at the scene.

Our inspectorate and the Home Office measure performance from the time a 999 call is answered to the time the fire appliance is on the scene.

Our performance is measured against performance indicators, including reducing deliberate fires, accidental fires, fire deaths and injuries.

We have local indicators that help us manage local issues such as the time taken to answer emergency calls, number of home fire risk checks we carry out and availability of our on-call firefighters.

Our performance is managed using performance reviews, monitored by our senior team and our service is held to account by elected members at NCC.

We also recently had our first external performance review, carried out by Her Majesty’s Inspectorate of Constabulary and Fire & Rescue Services.

We currently set our own emergency response standard - the time we aim to arrive on scene following a call. We measure this for fires, other emergencies and non-emergency incidents.

Our switch to not automatically attending fire alarms has led to a reduction in our response times, as many of the calls we previously attended were in urban areas we could respond quickly.

As we are reliant on on-call staff, we sometimes don’t have crew available at the closest fire station to an incident and we have to send a response from a neighbouring station. This can affect our response times.

Our fire stations are located across the county. A requirement of an on-call member of staff is to live or work within five minutes of a fire station. Because of Norfolk's rural nature this means that in some areas it can take 4/5 minutes to get a crew together. Our full-time crews can be on the fire engine within a minute.

Proposal 5 - Change the way we measure performance against our emergency response standards

The time it takes for our fire appliances to reach a scene is known as an emergency response standard.

Across the country, fire and rescue services measure this in different ways. However, our inspectorate has recommended developing a common national approach and hopes these new national standards will be ready by the end of 2020.

We are proposing to adopt the new national standards once they are announced, which will mean bringing our approach to measuring performance in line with other fire and rescue services.

There are three different ways that fire authorities currently measure the time it takes to respond to an emergency. It all depends on when they start the clock. This can either be when:

- The incident room receives the call
- The crew is alerted
- The crew drives out

Here in Norfolk, we measure response times from the moment the crew is alerted.

The inspectorate has recommended that all fire authorities should use the same measure but hasn't yet said which of the three approaches they want us to take. A consistent approach would enable the inspectorate to compare standards across the sector.

Whatever approach the inspectorate chooses it will only affect the way we report our response times. It won't change the time it takes us to arrive on the scene and we will still be able to set our own targets. We would also still be able to see how our performance has changed over time.

If we had the same measure as other fire authorities it would be easier for us to see how our response times compare to other areas and to learn from this.

Q. What do you think about our proposal? How, if at all, do you think that the proposal might affect you? Please write in below:

Q If you have any comments about measuring our performance in general, please write these in below:

Overall

Q. How well informed do you feel about Norfolk Fire and Rescue Service? Please select one only: Please tick (✓) one answer only:

Very well informed	Informed	Not very well informed	Not well informed at all	Don't know

Q. Overall, how worried are you about the risk of the following? Please tick (✓) one answer on each row only:

	Very worried	Fairly worried	Not very worried	Not at all worried	Not applicable / don't know
Fire in your home					
Fire in your workplace					
Fire in your community					

Q. If you are fairly or very worried please tell us why by writing in below:

Q. If there is anything else you would like to tell us about our draft IRMP, Norfolk Fire and Rescue Service in general or any concerns you have about risks in your community please write this in below:

About you

If you are filling this in for someone else, please answer the following questions from their point of view.

Q. Are you responding as...? Please tick (✓) one answer only:

- An individual / member of the public ☐
- A family ☐
- On behalf of a voluntary or community group ☐
- On behalf of a statutory organisation ☐
- On behalf of a business ☐
- A Norfolk County Councillor ☐
- A district or borough councillor ☐
- A town or parish councillor ☐
- A Norfolk Fire and Rescue service employee ☐

Q. If you are responding on behalf of another organisation, what is the name of the organisation, group or business? Please note: if you are responding on behalf of an organisation it should be in an official capacity.

Please write your answer in the box:

If you are responding on behalf of an organisation, please provide an email contact below:

Q. Are you...? Please tick (✓) one answer only:

Male	☐
Female	☐
Prefer to self-describe (please specify below)	☐
Prefer not to say	☐

If you prefer to self-describe please specify here:

Q. How old are you? Please tick (✓) one answer only:

Under 18	☐	55-64	☐
18-24	☐	65-74	☐
25-34	☐	75-84	☐
35-44	☐	85 or older	☐
45-54	☐	Prefer not to say	☐

Q. Do you have any long-term illness, disability or health problem that limits your daily activities or the work you can do? Please tick (✓) one answer only:

Yes	☐
No	☐
Prefer not to say	☐

Q. How would you describe your ethnic background? Please tick (✓) one answer only:

- White British ☐
- White Irish ☐
- White other ☐
- Mixed / multiple ethnic group ☐
- Asian or Asian British ☐
- Black / African / Caribbean / Black British ☐
- Prefer not to say ☐
- Other ethnic background - please describe below ☐

Q. What is your first language?

Please write your answer in the box:

Q. What is the first part of your postcode? (e.g. NR4)

Please write your answer in the box:

Next steps

We will take a report about what you said about our draft IRMP in this consultation to our Cabinet on 13 January 2020. The feedback will also be reported at Full Council on 17 February 2020.

Our county councillors will consider the consultation responses we receive very carefully before agreeing the final IRMP.

Having a final IRMP is just the start. We want to work more closely with residents, businesses and our partner organisations to take our plan forward. There will be more opportunities for you to have your say and get involved in the future.

Q. Please use this space to tell us if you do not want all or part of your response to be made public (i.e. published verbatim in our report) or shared with councillors. Specifically state which parts you wish us to keep confidential.

You can fill in our online feedback form at: www.norfolk.gov.uk/irmp

You can send back a paper feedback form to:
Freepost Plus RTCL-XSTT-JZSK, Norfolk County Council, Ground floor - south wing, County Hall, Martineau Lane, Norwich NR1 2DH.

However, if you want to help the council save money please use a stamp and send to this address: Stakeholder and Consultation Team, Norfolk County Council, Ground floor - south wing, County Hall, Martineau Lane, NR1 2DH.

You may wish to keep a copy of your response to our consultation for your own records.

Your opinions are valuable to us. Thank you for taking the time to read this document and respond.

IN TRAN communication for all

If you need this document in large print, audio, Braille, alternative format or in a different language please email us at HaveYourSay@norfolk.gov.uk or contact Customer Services on 0344 800 8020 or Text Relay on 18001 0344 800 8020 (textphone) and we will do our best to help.

October 2019

Appendix B:

Details and findings of public consultation on the draft Norfolk Fire and Rescue IRMP 2020-2023

A: About the public consultation

Once the draft IRMP document was prepared and approved by Cabinet members in October 2019, we launched a public consultation.

This ran for almost six weeks and was hosted by Norfolk County Council's online Consultation Hub. In addition to the online option, paper copies, large print copies and Easy Read versions were made available. We also made copies available for people to request via email or telephone.

The aim of the consultation was to get feedback on five specific proposals within the Draft IRMP 2020-2023 and also seek views on the wider document. The consultation also allowed for people to raise any community safety concerns.

Promotion of public consultation

In order to ensure that as many residents and organisations could take part in the consultation, it was promoted intensively across the county. Channels of promotion included the following;

- **Media release** announcing the launch of the consultation and how people could take part. This received coverage including on television (BBC Look East) and in print media (Eastern Daily Press, Lynn News). It also received localised radio coverage. (KL:FM)

- **Social media promotion** on Twitter and Facebook. This included general posts encouraging response to the consultation as well as posts specifically around encouraging engagement in each of the five proposals. Those engaging with NFRS on these channels were encouraged to formally share their views by filling in the online consultation document. The cover and header photos on the social media channels for both Norfolk County Council and Norfolk Fire & Rescue Service were also changed to promote the consultation link throughout the consultation period.

- **Online**. Information placed on Norfolk County Council's website, including carousel images on the home page and NFRS page which included clickable buttons to take users straight through to the consultation.

- **Internal communications**. Information on the staff intranet for NFRS employees and in an email from the Chief Fire Officer, the CES bulletin and in NCC's Friday Takeaway staff weekly e-bulletin.

- **E-consultation.** Emails were sent to all 1,500+ members of NCC's Your Voice online consultation panel.

- **Letters** were sent to all NCC elected members, parish, town and district councils in Norfolk. They were also sent to other key partners and stakeholders including, but not limited to, the Norfolk's Police and Crime Commissioner, Norfolk Constabulary, National Fire Chiefs' Council and Norfolk Resilience Forum. Letters were also sent to a number of disability organisations in Norfolk (including Break, Nansa, Equal Lives and Opening Doors) inviting them to take part and welcoming face to face meetings with service users.

- **NCC print news.** The consultation featured in Your Norfolk, the resident magazine which reaches more than 418,000 households in Norfolk.

- **NCC online news.** The consultation link was sent to more than 4,500 people signed up to receive Your Norfolk Extra, the news e-bulletin produced by NCC.

- **Marketing materials.** 10,000 leaflets were printed detailing the consultation proposals and featuring the online link showing how to participate. 200 posters were produced promoting the consultation. These were distributed via all Norfolk libraries (including the mobile library service), as well as by NFRS firefighting crews and community safety staff in their day to day engagement work with local communities.

Note: A general election period was announced at the end of October, resulting in a period of purdah for NCC from Wednesday 6 November. This did have some impact on how we were able to promote the online consultation.

Public Engagement Events

As well as the above methods of reaching the public, we hosted a number of public engagement events at main libraries across Norfolk. The events were promoted via media and targeted social media adverts specific to location.

These events allowed residents the opportunity to discuss the IRMP proposals with NFRS staff, consisting of operational crews and community safety staff, supported by the NCC communications and engagement team.

Events were held in Wymondham, Cromer, Norwich, Great Yarmouth, Thetford and King's Lynn.

As well as general and targeted social media posts, libraries displayed posters advertising the events in advance.

Engagement sessions were timed to coincide with library events often attended by vulnerable groups of residents. While using the library venues as a base, during the events NFRS staff also went out onto the streets of the towns to reach more people in each local area.

During the public consultation events we spoke to around 800 members of the public.

Staff Engagement

A series of staff sessions were held so NFRS employees could discuss the proposals face-to-face with Norfolk's Assistant Chief Fire Officers. These were held at fire station venues in Great Yarmouth, Norwich, Thetford, King's Lynn and Dereham with all staff invited to attend. A total of 58 staff went along.

Stakeholder Engagement

Our Assistant Chief Fire Officer hosted meetings with some of our stakeholders to discuss the proposals in more detail. Letters sent to all stakeholder bodies encouraged them to contact the fire service if they wanted more details on the consultation and to have discussions around the IRMP proposals.

These also included meeting with our representative bodies; the FBU, FRSA and Unison.

B: Consultation Feedback

Respondent Numbers

There were 95 responses received for this proposal: of these, 59 people (almost two-thirds) replied as individuals and sixteen replied as NFR employees. One response from a significant partner was received after the consultation closed bringing the total to 96: analysis of the late response has been included in this document and number of comments incorporated into the overall total of comments for each proposal. However, please note that as the late response was not entered through NCC's online consultation tool, all numerical totals are calculated for 95 responses.

An individual / member of the public	59	62.1%
On behalf of a voluntary or community group	0	
On behalf of a statutory organisation	8	8.4%
On behalf of a business	1	1.0%
A Norfolk County Councillor	0	
A district or borough councillor	0	
A town or parish councillor	8	8.4%
A Norfolk Fire and Rescue Service employee	16	16.8%
Not Answered	3	3.2%
Total (may not total 100% due to rounding)	**95**	**99.9%**

How we received the responses

Of the 95 responses received, the majority (78) were online submissions to the consultation. One additional late response was received in addition.

Online submission	78	82.1%
Email	4	4.2%
Paper feedback form	13	13.7%
Total	**95**	**100.0%**

Responses by groups, organisations and businesses

Sixteen respondents told us they were responding on *behalf* of a group, organisation or business. The organisations cited were:

- Barford and Wramplingham Parish Council

- Borough Council Of King's Lynn & West Norfolk
- Corpusty & Saxthorpe Parish Council
- Deopham & Hackford Parish Council
- FBU (Fire Brigade Union)
- FRSA (Fire and Rescue Services Association)
- Hingham Town Council
- Holme-next-the-Sea Parish Council
- Hoveton Parish Council
- King's Head, Cromer
- Norfolk Constabulary
- Norfolk Resilience Forum
- North Norfolk District Council
- Overstrand Parish Council
- Surlingham Parish Council
- Tivetshall Parish Council

A response was received from Weston Longville Parish Council but the option of responding on behalf of a group, organisation or business was not selected.

Summary of findings

- Respondents are in general agreement with the proposals: there was very little disagreement possibly because the proposals are mainly a continuation/strengthening of existing policies, exploratory, or concerning service improvements. Many ideas and suggestions in relation to each proposal, but also concerning more general themes, were provided.
- Proposal 1: Strengthen our community fire protection services was supported in 46 out of 74 responses
- Proposal 2: Develop a new concept of operations was supported in 43 out of 71 responses
- Proposal 3: Explore the potential to undertake co-responding was supported in 66 out of 81 responses
- Proposal 4: Maintain our specialist water rescue capability was supported in 51 out of 79 responses
- Proposal 5: Change the way we measure performance against our emergency response standards was supported in 42 out of 71 responses
- The majority of respondents said they feel very or fairly well informed about NFR and (perhaps as a result of feeling so informed) levels of concern about risk of fire in the home, workplace and community are relatively low.
- Some respondents commented (negatively) on the IRMP document specifically the level of information provided.

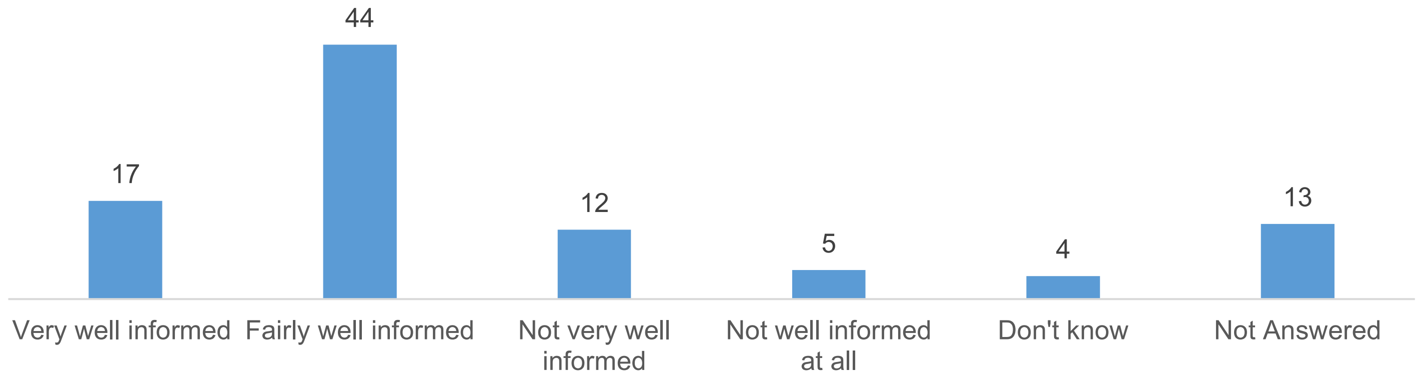
Proposal 1: Strengthen our community fire protection services **(Tables 1 and 2)**	**Proposal 1 was supported (46/74).** Respondents said they support the proposal **because it will keep their communities safer for everyone** but investment in strengthening community fire protection services - referred to a 'key' or essential service by nine people - should not be at the expense of other parts of the services ("taking from Peter to pay Paul"). The value of activities described in Proposal 1 to prevent harm and support vulnerable people was noted. Respondents agreed that investing in community fire prevention services (including recruitment, retention and training of staff) was important and that additional revenue should be raised so that money was not diverted from other parts of the service; some asked if developers and businesses could meet or contribute to some of the costs. The importance of the advice and education provided by NFR was also noted. It should be noted that there were six comments in which **the role of businesses to take responsibility for their own fire safety (as far as possible) was noted**, eg. "It is businesses responsibility to learn this [fire safety] and protect their business! Information can be provided on line! Public money should NOT be spent on businesses." / "Include fire safety advice to businesses through the council tax/business rates

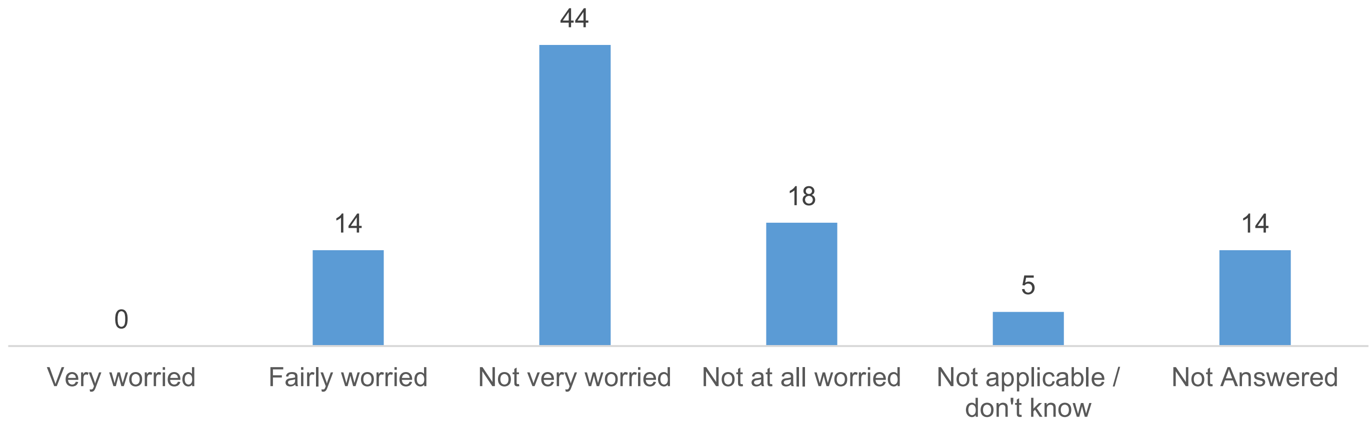
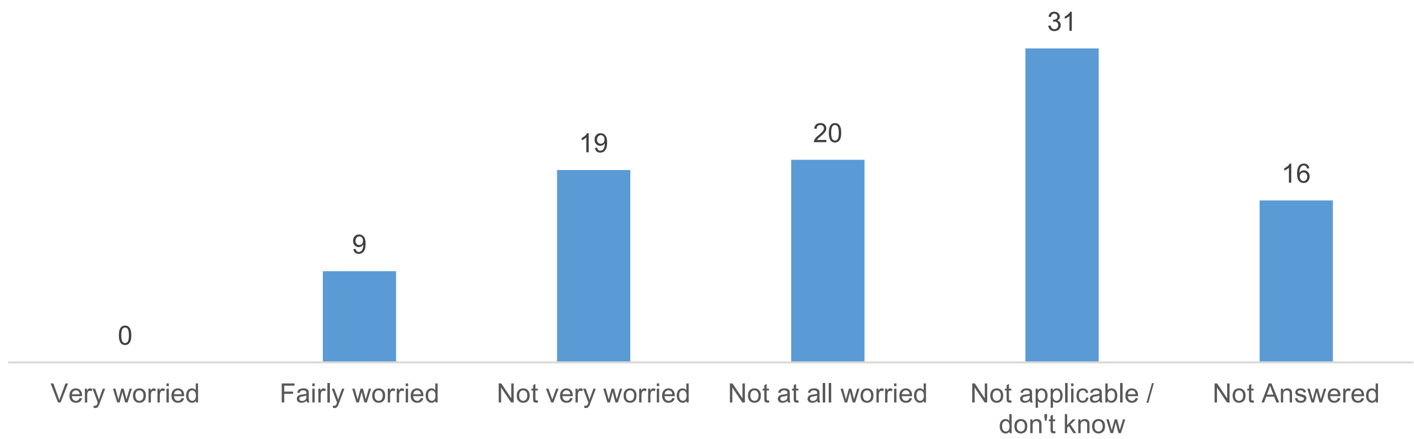
	process, including their responsibilities to produce a written fire risk assessment where applicable, fire safety arrangements and a fire strategy to keep their employees safe." There were a further six comments about the need for buildings to be inspected and findings to be enforced. **Ideas and suggestions** - In addition to suggestions about NFR providing advice and carrying out inspections, there were further comments about additional support NFR might provide. Ideas relating to supporting businesses to ensure their buildings are safe include: • NFR to maintain/be included in a council-run change of business use database so that the current useage of buildings is understood and accurate information given to fire fighters. • Carry out annual fire drills. • Create online resources to allow businesses to self check and for the checking to be linked to their insurance. • Establish a fire safety champion among local shop keepers or their association to share fire safety advice. • Establish a helpline for employees to call if they are concerned that their working conditions are unsafe with regards to fire safety. • Offer an annual seminar/webinar for businesses where safety advice is offered and key findings from different fire investigations that affect the industry are shared. • Attend business networking events to promote safety message. • Review the use of firefighters to undertake business engagement and refer issues to trained fire safety advisors. • "Firstly ensure that the current applicable legislation is enforced on a regular basis. Then provide guidance and advice that can demonstrate how to comply at reasonable cost. Currently some of these people are reliant on 'safety' providers who prey on the fear of compliance and then charge high prices for the services. If the fire service provided that service either free or at cost then that might help to encourage business to ask for help and comply. This could then almost be a self funding service." **In response to the supplementary question, 'What more, if anything, do you think we could do to support businesses to help them ensure their buildings are safe?'** respondents said NFR should provide advice, guidance and support through a variety of online, printed and face to face methods and should carry out regular inspections of business premises: however, the role of businesses to take responsibility for the safety of their buildings, staff and customers was noted. The importance of having up to date information about the current use of a building was stated. (50 comments)

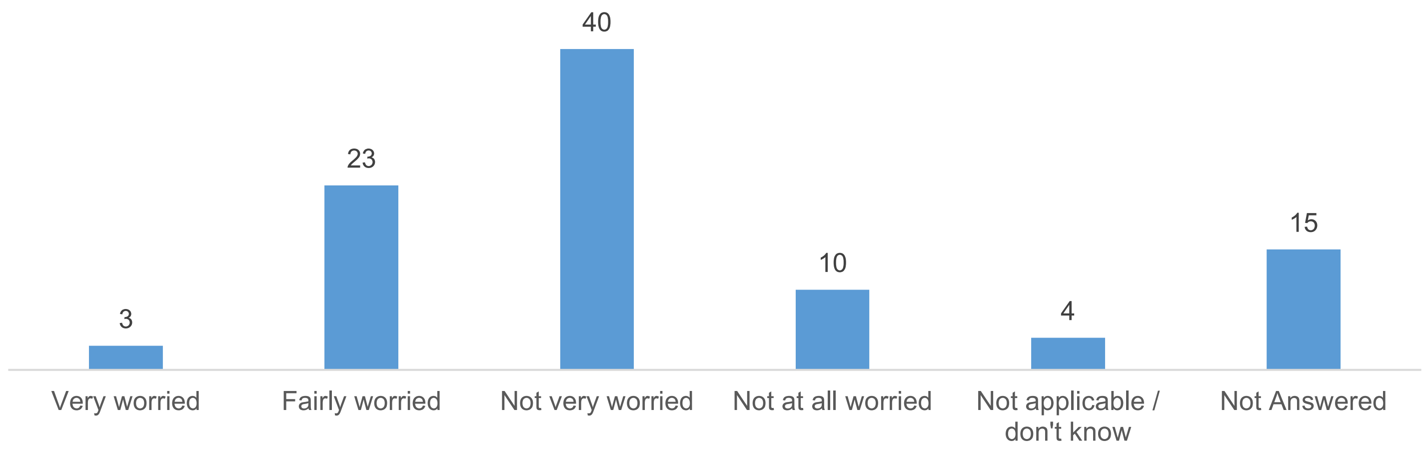
Proposal 2: Develop a new concept of operations **(Tables 3 and 4)**	**Proposal 2 was supported (43/71).** Respondents said they support the development of a new concept of operations **because NFR operates in a rapidly changing world and so needs to be flexible and learn from best practice elsewhere**: they support the proposal because it seems a sensible approach. There were 15 comments about the use of new technology including learning from other Fire and Rescue services and moving some services online and seven comments about NFR's approach to partnership working both within and outside the county. Concerns about potential loss of staff were expressed, as were fears that agreement with Proposal 2 would give a 'blank canvas for change' to changes affecting staff which should be consulted about. Funding (the potential to save money, a need to invest further, and NCC's role is securing appropriate resource) was referenced. **Ideas and suggestions** - In addition to comments about technology and approaches to working, some respondents suggested other ideas for NFR to consider in their new concept of operations including: • "I think FF clothing should be looked at to make it easier for Firefighter to do their job. Also have emigration factor, are you aware if anyone on fire crew can interpret - a language barrier may hinder rescue operations. This must be looked at to see what technology can help." • "Increase the fire dogs to identify cause." • Fine people for making delibrate malicous call outs • " …It makes sense to allow bigger fire & rescue services to trial new technology firstly, and then use their experiences as a case study for whether the technology would be effective for use in our County. It would also seem logical to consider what technologies other emergency services, such as the constabulary and the ambulance trust, are using in Norfolk and what there experiences have been, as well as whether any of this can be utilised by the fire & rescue service." • "What if an on-call fire stations have only a crew of two or three, wouldn't it be in the communities interest to send either an under crewed fire engine or rapid response vehicle to an incident? They could support those in need, deal with anything small or wait for support to arrive for bigger incidents, this would be better than the inferred expectation on the public to act." **In response to the supplementary question which invited further thoughts 'if there is anything you would like to tell us that would help us with our review, please [tell us**]'' comments tended to focus on wider improvements and included ideas about processes, equipment and vehicles. (25 comments)
Proposal 3: Explore the potential to	**Proposal 3 was supported (66/81).**

undertake co-responding **(Table 5)**	Respondents said they support the proposal **because it makes sense (is commonsense, is logical, sensible, a good idea, a 'must-do') and faster response times could save lives** (46 comments). There were 20 comments which, although expressing broad agreement with Proposal 3, also stated a proviso concerning training, staff welfare, prioritising need and conflict around core services. There were seven comments which expressed disagreement with Proposal 3; most disagreement was focused on the risk of merging the functions of various emergency services and losing service-specific expertise. The impact of Proposal 3 on staff, including the risk of potential negative impact on individual's wellbeing (23 comments) and work with partners, including relationships between (and the relative roles of) other emergency services (22 comments) were also mentioned. Respondents also discussed the necessity of adequately funding Proposal 3, including a consideration of additional payments for staff undertaking co-responding duties. There were six comments in which services in Proposal 3 were described as key services (essential, vital, a 'must' etc). **Ideas and suggestions** - Respondents suggested the following: • Wider provision of defibrillators at sites of high footfall which would enable the public to become more familiar with their use. • Inclusion of firefighters into the GoodSamApp used by EEAST ("It's rare to have a call out on this app and only used for confirmed cardiac arrests but in rural areas like Hingham where retained staff are on standby it would be a huge help to have hands on a patient preforming early CPR"). • Closer monitoring of staff wellbeing, including giving crews the option of rotating the role, taking a break from it or opting out all together might help them feel less trapped by the idea of this considerable responsibility • Consider a single manned fast response vehicle (possibly an area officer in service car). • Consider equipping OSO's and Flexi-duty with defibrillators in their vehicles to increase the ability to respond. • Sharing of premises [with East of England Ambulance Service] in rural areas so ambulances could be readily available in the rural areas where they know they have coverage problems. • "It might be better to support first responders in a training role or accommodation role rather than use your own crews for this task."
Proposal 4: Maintain our specialist water rescue capability	**Proposal 4 was supported (52/79).** Respondents said they agree with the proposal **because many areas of Norfolk are at risk of flooding, there is increased risk of flooding in the future, and it is a key service which should be maintained**.

(Table 6)	Some respondents linked predicted rise in flooding events with climate change. There were 33 comments in which the services in Proposal 4 were described as key services (essential, vital, a 'must' etc). There was agreement that water rescue services should be funded and although most people who commented about paying for the service through Council Tax were happy to do so, the role of Central Government to fund such services was noted and suggestions made that its decision to withdraw the funding be challenged. Matters relating to staff (training and location) were also mentioned. **Ideas and suggestions** - Respondents suggested the following: • Divert funds from Norfolk County Council Emergency or Resilience budget if such exists. • Introduce boat [role unspecified] for Norfolk Broads (instead of unit in Thetford). • Move water/animal rescue resources from Thetford to Great Yarmouth for better availability and resource distribution (five comments) • Ensure that continuity of training/competence and replacement of equipment received adequate funding. • Further investment in training additional crews in swift water Rescue • Expand specialist water rescue capacility • Introduce specialist teams to more stations. • "Given the significant water risks in Norfolk, NFRS should improve it's ability to rescue people from water. In the absence of national funding, NFRS should focus on preparing crews for local incidents rather than spending money on training and equipping them to respond to national deployment incidents." • "We rely on other services and NGO's to bolster the flooding response in our County and this should be reciprocated with us providing teams compliant with team typing for response to national resilience events." • "It might be worth considering exercising with/support for other organisations with flood rescue capability in the county. For example Mundesley Volunteer Inshore Lifeboat Ltd which, as per their Flood Rescue Operations Working Statement, has 'up to 8 Fully Equipped Flood Rescue Personnel – certified trained to water awareness and water entry level - plus up to 10 equipped certified DEFRA Module 3 Swiftwater Rescue Technicians."
Proposal 5: Change the way we measure performance against our emergency response standards	**Proposal 5 was supported (42/71).** Respondents said they agree with the **proposal because it seems a fair and consistent approach which standardises performance and enables comparisons (and possibly improvements) to be made**. There were fifteen comments about how emergency response times should be calculated: some

(Tables 7 and 8)	respondents noted accessibility to stations, or whether they are staffed 24/7 or retained would affect response times. Fifteen comments were received which queried the rationale, usefulness, or feasibility of measuring emergency response times and adopting a nationwide approach, or of performance measure more generally. Five respondents disagreed with the general concept of performance measurement. In response to the **supplementary question which invited further comments about measuring NFR performance in general**, respondents said that staff carrying out performance measurement must be suitably qualified and independent from NFR and measuring performance should be used for improvement purposes with due regard to maintaining staff morale. (25 comments)
How well informed do you feel about Norfolk Fire and Rescue Service?	The majority of people (61/95 or 64%) feel very or fairly well informed about Norfolk Fire and Rescue Service. 

Overall, how worried are you about the risk of fire in your home?	Although the majority of people (62/95 or 65%) are not very or not at all worried by the risk of fire in their home, 14 people are fairly worried. 
Overall, how worried are you about the risk of fire in your workplace?	A large group of people (39/95 or 41%) are not very or not at all worried by the risk of fire in their workplace. The issue is not applicable to 31 respondents and this may reflect the views of people who are not currently in the workplace. 

Overall, how worried are you about the risk of fire in your community?	Although the majority of people (50/95 or 52%) are not very or not at all worried by the risk of fire in their community, 23 people are fairly worried. 
If you are fairly or very worried please tell us why. **(Table 9)**	There were 36 comments: respondents who said they feel fairly or very worried about risk of fire in their home, workplace or community attribute their fears to: • personal experiences of fire • their personal circumstances (such as housing) • concern about their ability to keep vulnerable people safe • other people's unawareness of the risks and lack of knowledge about fire prevention • de-regulation of building and planning standards which creates a less safe environment.
Is there is anything else you would like to tell us about our draft IRMP, Norfolk Fire and Rescue Service in general or any concerns you have about risks in your community?	No consistent themes emerged and all individual additional comments have been read and considered in the redrafting of the final document. (49 comments)

Appendix 1: Summary of evidence (all comments are direct quotations).

Table 1: Proposal 1 - Strengthen our community fire protection services (74 responses)

Theme	Issues	Number of times mentioned	Comments
Support and agreement.	Proposal 1 was supported. Respondents said they support the proposal because it will keep their communities safer for everyone. Some respondents (8) who support Proposal 1 do so with a provio (eg. investment in strengthening community fire protection services should not be at the expense of other parts of the services - “taking from Peter to pay Paul”).	46	It would help to keep my community safer which has to be good thing. A focus on Community Fire prevention is supported. Ensuring that the environment is as safe as possible is essential so fire safety inspections of businesses and hotels are very necessary. Community safety is so important and education, re-visits to check on properties essential. Smoke alarm's save lives and to be able to provide these as part of an HFRC is a must. I support this because I think this will benefit norfolk in the future, young and old. This will affect me because I live in an old peoples complex. Schools and nurseries need to be made safe. Good idea to do this - especially after Grenfell. As the saying goes, "Prevention is always better than cure" but this cannot be at the expense of personnel on the ground to deal with incidents when they occur.
Prevention	There were 21 comments about the potential of Proposal 1 to prevent harm including loss of life	21	Prevention is an important aspect and therefore I think that these plans are sound. If you can prevent incidents by "plugging the gap", or provide individuals and businesses with the necessary advice and guidance needed to help them operate more safely, in time this can actually save the service money, because it should result in less incidents.

	and/or to prevent additional spend.		Fire prevention measures are vital in public buildings such as community halls, libraries, sports centres etc. Any increase in fire alarms, revising what materials have been used and better training of staff are all important. I agree and think that prevention should take priority and the additional spend will reduce the overall numbers of fires in the long run. I think it is important to prevent any repeat of a Grenfell incident locally, and if the Fire Service has identified in detail how the extra monies will be used to prevent this, then the increase should be granted. Sensible and worthwhile. Prevention and education are always the best option.
Funding	There were nineteen comments about the cost of Proposal 1. Respondents agreed that investing in community fire prevention services was important, that additional revenue should be raised so that money was not diverted from other parts of the service; some asked if developers and businesses could meet some of the costs.	19	These are small sums of money in relation to the value of property and the costs in terms of (potential) loss of life. I think the proposal is fine. You cannot keep a community safe on the cheap, so the amounts you are requesting are more than reasonable. Shouldn't businesses pay for advice, after all they have to pay for insurance, their fire extinguishers etc. I think more fire service funding is needed. I think £230,000 is too little and this vital department should be funded properly by increasing the budget for this department by £500,000 and provide enough inspecting officers for the counties Risk profile. Where will any funding from "existing resources" come from? how will you be spending this? how many inspectors will you get for £230,000 a year? What are you going to do with them? the proposal is very vague. **…** There must be a clear improvement plan to demonstrate that the investment will be used effectively. We also do not want to see investment in CFP and

			reduction in operational capabilities. … [NCC to allocate] enough resources to a prioritised risk based inspection programme.
Vulnerability	There were fifteen comments about how Proposal 1 could help vulnerable people, especially older people and families.	15	I think having more money for your service is a good idea, especially as the population of Norfolk increases and also the number of elderly & vunerable people increases - meaning you have to help more people. Services for the vulnerable, this is something I support fully but would like to see more done to encourage families to check to reduce fire service reliance ensuring the fire service have more time to engage with the most vulnerable who may not have that support network Given the number of fires relating to elderly people living alone. Is there a case for working with parish councils in rural areas to alert this particular group to potential hazards? I agree that it is important to focus on community fire risk. In particular, I am pleased to see the focus on fire prevention and vulnerable people.
Staff	There were ten comments about staff: specifically concerning training of staff, the need for more inspectors, and recruitment.	10	The current wage structure for community fire safety does nothing to encourage loyalty and NFRS will continue to spend their meagre resources training new staff only for them to move to more gainful employment with their free training. If the remuneration reflected the knowledge base required to efficiently perform the role, there would be a reduction in the budget required for continually training new inspectors. It is good to focus on prevention but (speaking as operational crew) there is a lot of pressure on watches to meet targets, making the job feel very corporate and number-focussed. With teams that were specifically tasked with carrying out these additional duties it would take pressure of watches and increase the time that personnel spend with members of their community due to not being called away from homes if a fire call comes in. There should be at least 4 full time inspectors in each district plus a suitable number of other officers/ admin/ support staff to ensure a decent large team is in place and is regularly developed.

Advice	There were nine comments about the importance of education and advice provided by NFR.	9	I think this is a good idea as I work in a doctors surgery and I have vulnerable patients at work so it would be good to get support and advice on fire safety. Sensible and worthwhile. Prevention and education are always the best option. I think people are generally complacent and need suppress [?] and awareness raising. Community safety is so important and education, re-visits to check on properties essential
Key service	There were seven comments in which services in Proposal 1 were described as key services (essential, vital, a 'must' etc).	7	This appears essential. Smoke alarm's save lives and to be able to provide these as part of an HFRC is a must. Fire prevention measures are vital in public buildings such as community halls, libraries, sports centres etc.
Inspections	There were six comments about the need for building inspections.	6	Ensuring that the environment is as safe as possible is essential so fire safety inspections of businesses and hotels are very necessary. I understand prior to the RRFSO (2005) that the Fire Service used to employ Fire Safety staff to meet the community risk. Now, with less staff, you undertake a risk-based approach and only audit premises where people are most at risk - such as care homes. Who checks the fire safety in other premises that are out of scope? For the last 14 years NFRS, like other FRS services around the country, have seen a 40% reduction in fire safety visits. Considering Norfolk is attracting more business at a time when its population is increasing and ageing (living longer) I am concerned that many premises are not being inspected and this poses a greater risk to the community.
Corporate responsibility	There were six comments about the responsibilities of businesses to keep their premises safe.	6	Businesses should have self verification per the oil industry, with trained individuals given this responsibility pls additional skills. The Fire service should only spot check businesses with heavy fines for non compliance or insurance premium consequences.

Table 2: Proposal 1 (Supplementary Question) - What more, if anything, do you think we could do to support businesses to help them ensure their buildings are safe? (50 responses)

Theme	Issues	Number of times mentioned	Quotes
Advice	Respondents said NFR should provide advice, guidance and support through a variety of online, printed and face to face methods.	19	Clear guidelines for what they can do to meet your standards. Give them advice on fire protection. Staff training and awareness of dangerous substances and advice on certain storage particulars. Also on fire equipment, such as extinguishers, emergency lighting and doors to be kept clear. Include fire safety advice to businesses through the council tax/business rates process, including their responsibilities to produce a written fire risk assessment where applicable, fire safety arrangements and a fire strategy to keep their employees safe. Perhaps leaflets circulated to make businesses more aware of what they should be checking themselves and a requirement for them to perform fire risk assessments regularly. How about a seminar/webinar maybe once a year which businesses are invited to attend/view and where safety advise is provided as well as any key findings from different fire investigations that affect the industry? Are you to provide free advice for Business premises after an advisory inspection? Businesses should get a free assessment of potential dangers, although they should pick up the costs where problems identified. Current legislation puts the responsibility on business and organisations to provide for staff and public safety while on their premises. While larger companies have the financial and access to professional assistance, smaller

			companies may not be aware, confident or financial ability to seek professional assistance. A single point of contact for further advice would be helpful rather than reliance on advice on the web - easily accessible though it is.
Inspection	Respondents said that NFR should carry out regular inspections of business premises.	15	Additional inspections of premises to ensure that they are not only meeting minimum requirements, but doing all they can to ensure the safety and security of their staff, customers and property. Providing more inspectors to check for fire risks is a major step and I feel that if that is accomplished it will be a great start. Businesses should get a free assessment of potential dangers, although they should pick up the costs where problems identified. Also, REGULAR checks are needed as management often get complacent on safety if it is not brought up the agenda. Enforced site visits and compliance. I think with businessses perhaps they need fire safety checks & inspections to reduce risk. Especially if they are businesses where there might be more risk of problems. Maybe you could charge different rates for this for different sized businesses - ie less for charities & small businesses and more for bigger ones. To cover some of the costs of providing the service. Maybe due to cost, inconvenience or incompetence, businesses that really need support are often the type that have a disregard to Fire Safety in general. Unfortunately, most of these premises currently are not inspected due to the scope of the risk-based inspection program. With more staff the scope of the RBIP should be widened to capture all premises. A full data gathering exercise to identify ALL the businesses in Norfolk. This should be updated regularly

Table 3: Proposal 2 - Develop a new concept of operations (71 responses)

Theme	Issues	Number of times mentioned	Quotes
Support and agreement	Proposal 2 was supported. Respondents noted that NFR operates in a rapidly changing world and so needs to be flexible and learn from best practice elsewhere: they support the proposal because it seems a sensible approach. Some respondents (7) who support Proposal 2 do with a provio (eg. approaches must be 'tried and tested' and not at the cost of a poorer service).	43	You must keep up with changes and take full advantage of new developments that have the potential to improve the service we provide. The risks and challenges Norfolk faces change all the time so I agree that this area needs to be reviewed. It seems very sensible to look at what new technologies can offer and I am happy for NFRS to explore these. Agree that advantage should be taken of latest technological advances etc. I am surprised that the Fire Service doesn't already have systems in place to consult other fire and rescue services re best practice improvements etc. This should be a priority. I think incorporating new technologies and exploring how other services do this is very important and should be supported. One day I might need these services, and the most efficient systems would be there to help me. I think it is a very good idea to talk to other fire and rescue services, not just about what changes they have made that work, but also to ask them about changes they have made that haven't worked. We are better learning and growing from the mistakes of others instead of making the same ones again. It sounds as though you are embracing change. This can only be a good thing. Innovation is essential for response. Software and hardware is always changing. The fire crews deserve the best equipment to save lives and be safe. I like this idea.
Technology	There were 15 comments about the use of new technology including learning from	15	I think this is good as most people use the internet and the police has now moved to online queries from the public so maybe the fire service could aswell. Drones and social media might be the way to go for the future.

	other Fire and Rescue services and moving some services online.		If NCC would like NFRS to become technologically competent, they might like to invest in modern technology for the personnel working within; Working on PCs with Windows 7 and Office 2010 is not conducive to staying relevant, we can't even open many documents sent by clients because our systems aren't compatible. How can we be expected to best serve our public, working with equipment handed down by Noah? Keeping up to date with technological developments is important. It makes sense, but at this time there is very little to go on. What I would say is that in my mind it makes sense to allow bigger fire & rescue services to trial new technology firstly, and then use their experiences as a case study for whether the technology would be effective for use in our County.
Staff	There were nine comments about staff, particularly concerning fear of job losses.	9	There is very little detail with this proposal. I am therefore concerned that supporting this proposal will allow discussions to commence around staff savings that will lead to an erosion of firefighter and public safety. I say this with consideration to the 2011 Concept of Operations that sanctioned Fire Appliances to be crewed with 4 FF's instead of the recommended 5. Will this Concept of Operations look to go further and adopt a similar front line to Suffolk Fire and Rescue Service and allow appliances to be crewed with 3 FF's? Will it look at closing fire stations? It is fine to explore new approaches but I hope this is not an excuse to close fire stations and sack people. The current race to the bottom to see how few staff we can get on a fire appliance must stop. The minimum staffing must be 5 and we urge NFRS managers to not consider looking to reduce this further.
Funding	There were nine comments about funding including potential to save money.	9	As a matter of course all brigades should be sharing information about good and bad practices. You are a public service and are not in competition with each other. However I think you should be careful of altering your services just because of a potential reduced budget.

			Efficiency and cost-saving should never come at the expense of safety - both of the public and of fire crews. Communication with other services to learn and adapt is vital. If equipment/personnel can be shared between Counties then massive saving can be made. Invest in the service not reduce.
Working with partners	There were seven comments about NFR's approach to partnership working both within and outside the county.	7	It is essential that the service is constantly looking at new technologies and adapting to these. Communication with other services to learn and adapt is vital. If equipment/personnel can be shared between Counties then massive saving can be made. This is why the Service should not be County concentric but National so resources can be best allocated and shared. All the Counties that border Norfolk have the same challenges and demographic so why look at Norfolk in isolation? I think it is a very good idea to talk to other fire and rescue services, not just about what changes they have made that work, but also to ask them about changes they have made that haven't worked. We are better learning and growing from the mistakes of others instead of making the same ones again. I think an integrated service like Australia would work. It would also seem logical to consider what technologies other emergency services, such as the constabulary and the ambulance trust, are using in Norfolk and what there experiences have been, as well as whether any of this can be utilised by the fire & rescue service.

Table 4: Proposal 2 (Supplementary Question) – Anything else to help with review (25 responses)

No additional consistent themes emerged that were not present in the first part of the question. Additional comments tended to focus on wider improvements to the service. Comments included: • Reviews to be carried out by suitably qualified staff, changes evaluated and monitored. • Ensure that call out times in rural areas are maintained by keeping stations open and a suitable range of appliances available. • More small stations instead of fewer large ones. • Replace large vehicles with smaller ones for urban areas. • Educate schools pupils about fire safety. • Learn from fire and rescue services in other countries. • Create a separate rapid response force which precedes the turnout of larger/more vehicles. • Increase number of inflatable boats for water rescues. • Body worn cameras for staff. • Carry out an independent review done. • Work with planning to look at where housing is growing • Offer a rates concession to local employers with staff who are retained fire-fighters. • Trail different ways of working (eg. crewing appliances with varying numbers of staff and responding to incidents in different ways) during period of IRMP. • Carry out exercises with/support for other organisations in the county, eg. those with flood rescue capability. • Adopt UK Power Network system for contacting people via text messaging and keeping them updated at times of emergency / power cut.

Table 5: Proposal 3 - Explore the potential to undertake co-responding (81 responses)

Theme	Issues	Number of times mentioned	Quotes
Support and agreement	Proposal 3 was supported. Respondents said they agreed with the proposal because it makes sense (is commonsense, is logical, sensible, a good idea, a 'must-do') and faster response times could save lives.	46	It's a brilliant idea where seconds matter. CPR needs to be started as soon as possible by anyone who is at hand. I 100% agree with this. If a crew can get to a patient quicker than the ambulance trust or constabulary and are not already on a job, then of course it is totally logical for them to respond. If doing so saves just one life, it's all worth it. I am all for co responding. I joined to save life and I see this as an extension of what we do. This is a good proposal. Training fire fighters with more first aid skills will surely bring benefits across the service and could also support fire responders. In more rural areas such as our community this may also help residents get help quicker. This sounds like an excellent idea and I have heard of it working well in other countries. For people either living on their own or in isolated areas it can only be seen as beneficial and extra funding for this would be perfectly justifiable. I think it seems like a logical use of resources with potential to save lives. This method of responding to people in need of life saving intervention was demonstrated to be of significant value to the communities of Norfolk during a trial conducted by NFRS in the last few years.
Staff	There were 23 comments about staff (mainly concerning training and their wellbeing) in regards to Proposal 3.	23	Co-responding will be good, but the crews must be given additional training & protection to allow them to carry out the role effectively. The potential for early life-saving intervention is incredibly attractive. However, it is important that this proposal takes into account the views of your crews. Many will consider this adjustment to their role likely to negatively impact their mental

			well-being (due to the nature of the calls) and adequate support must be in place to address this. Main caveat has to be ensuring the mental welfare of responding personnel is fully supported throughout. The conversation has been opened up for the re-introduction of co-responding for cardiac arrest calls. Whilst IEC is a brilliant course, it is impossible to prepare crews for the emotional and psychological impact of death and fatalities in the space of a few days, a reality that is integrated within education for healthcare professionals over their 2-6year training period. Whilst the individual's view on co-responding may differ, I think we all are in agreement that it is this impact that is going to have another very negative effect on continuity of service with the reintroduction of co-responding. Perhaps what also needs to be added to the conversation is the increasing and improvement of wellbeing services, as well as the right to advocate for one's own psychological welfare should the impact of traumatic responses prove detrimental. Giving crews the option of rotating the role, taking a break from it or opting out all together might help them feel less trapped by the idea of taking on this considerable responsibility. The conversation about mental health is one that also needs to be opened up if we are to start talking about cardiac arrest responses. Discussing co-responding without the wider picture reduces it down to a very simple and trivial matter that the public may not understand when answering this question. Of course they are in favour of co-responding. But, are they in favour of traumatised firefighters and an exponential increase in sickness rates, which ultimately affects their safety? Very good idea to train your crews to deal with cardiac arrest. At my advanced age this would be particularly reassuring.
Working with partners	There were 22 comments about working with partners (Police, ambulance service) and the relationship between	22	I don't think the Fire Service should cover up reductions in Police resources. This seems like good idea, especially as the ambulance service is struggling to cope but but I would prefer to see the ambulance service improved and would much rather be treated by a paramedic than a fireman.

	various emergency services.		There are also fears that this co-response is simply a way of papering over the cracks in the ambulance services, which does a disservice to both NFRS and EEAST. As a specialist service, only the Fire Service can respond to fire and rescue. The extra resources required should be re directed to the Ambulance Service to provide faster and better coverage. However, while common sense suggests that both services could provide first responder there would be much criticism if there were several casualties in a fire due to a delayed fire engine, if that delay were due to attending a cardiac arrest incident. The ambulance service should be funded correctly to enable them to be able to provide a better service for the population it should not be dumped on the fire service like lollipop staff have been. The fire service budget should be for the fire service. With the reduced budgets for all public services I think that you should be careful in taking on other organisations roles and responsibilities. It might start as a support role initially but could end up as a vital role not carried out by any one else at some point in the future. Co responding is not a risk to NFRS. It is an NHS risk and that of the relevant Ambulance authority. What is required is significant investment in the front line ambulance services to mitigate the risk to the public.
Support with proviso	There were 20 comments which, although expressed broad agreement with Proposal 3, also stated a proviso concerning training, staff welfare, prioritising need and conflict around core services.	20	It seems like a lot of resource to send to a medical emergency. Would the whole crew and tender attend? That seems like a lot of resource being deployed. On the face of it, it sounds like a good idea but having recently been involved in a medical emergency, an ambulance has all the relevant equipment, plus trained paramedics who can deliver treatment, and convey to hospital. With the best will in the world, fire fighters are not paramedics, cannot administer drugs and at best could only deliver a first response which may save a life, but would not be the whole package. What happens if during the medical emergency there is another call out to fight a fire ? What takes priority?

			If the fire service can safely offer medical aid on the spot and in better time then that is fine. But it should not come at the expense of fighting fire, saving lives of people and animals trapped or in other forms of accident or danger. I think all four emergency services should work together if a life can potentially be saved. This is a great idea so long as it is not taken advantage of and is only used when the Ambulance can't get there first.
Funding	There were 16 comments about the cost of Proposal 3	16	The problem of course is funding for training. I would like to know whether fire-fighters will receive additional payment for taking on this difficult additional role. The fire service budget should be for the fire service. Fire and Rescue should were possible respond to medical emergencies , payment from the NHS should be part of this arrangement along with increased payments to Fire responders. To ensure an effective and efficient service can be delivered it is recommended that the Fire and Rescue Authority secures suitable funding, to deliver a crucial service to improve the welfare of the people of Norfolk. Whilst you state you will discuss funding, it would appear that funding would have to come from the NHS to pay for the additional costs to NFRS, surely this funding would be better spent on professional front line ambulance staff.
Disagreement	There were seven comments in which people disagreed with Proposal 3.	7	The ambulance service should be funded correctly to enable them to be able to provide a better service for the population it should not be dumped on the fire service like lollipop staff have been. All operational activity involves exposure to risk. In the case of co-responding, there is a significant risk to the wellbeing of responders. I have seen no evidence that the benefits of co-responding are sufficient to justify that risk. Therefore, I do not support this proposal.

			Want fire service to be a fire service, should assist each other but not to be doing the others job. As a specialist service, only the Fire Service can respond to fire and rescue. The extra resources required should be re directed to the Ambulance Service to provide faster and better coverage.
Key service	There were six comments in which services in Proposal 3 were described as key services (essential, vital, a 'must' etc).	6	Very important - difference between life and death. A number of other fire and rescue services have been delivering this capability for many years and as a result many lives have been saved.

Table 6: Proposal 4 - Maintain our specialist water rescue capability (79 responses)

Theme	Issues	Number of times mentioned	Quotes
Agreement and support	Proposal 4 was supported. Respondents said they agree with the proposal (four with a proviso) because many areas of Norfolk are at risk of flooding, there is increased risk of flooding in the future, and it is an essential service which should be maintained.	52	Living in Kings Lynn in quite close proximity to the Great Ouse, flooding is potentially something that could adversely affect me quite badly, so although obviously biased, I am a great believer in maintaining our resilience despite the best efforts of government to drown us. I agree that flooding is a major risk for Norfolk and that these crews should be maintained. There have been a number of close calls with regards to major flooding over the last few years and I think it is very important for the FRS to maintain this capability. In this part of the Uk it is much needed. Particularly in Autumn and Winter and also if there are big storm surges. Particularly due to the length and remoteness of much of Norfolk's coast and also the many water areas - rivers & Broads.

			Having seen these teams working it's a massive benefit in the preserving of life, sometimes more than fighting fires which with modern alarm systems has become more for saving property and preventing financial loss. Because of the proximity to water in many parts of Norfolk, I think this service needs to continue, and should be funded. Due to the geography of Norfolk then flooding is going to be an issue. It is essential to have specialist trained to deal with such emergencies. This is a good proposal and particularly relevant service in Norfolk which should be available. Strongly support the proposal to retain specialist water rescue capability given the risk of coastal flooding and the number of waterways in the county.
Key service	There were 33 comments in which the services in Proposal 4 were described as key services (essential, vital, a 'must' etc).	33	As the risk increases so should ability to deal with any situation so the training seems essential. Absolutely essential in coastal areas. This is a vital function for Norfolk given the number of waterways in the form of the Broads, and the large area of coastline. It is clearly an essential service. Watre rescue vital, especially with climate change. With climate change, this seems like an essential service. The Town Council agree that retention of this specialist service is essential (in the absence of Government Funding, there is little option than to fund through the Council Tax).

Funding	There were 32 comments about funding for the service: including Central Government's decision to stop funding the service and the role of NCC to 'push back' against this decision.	32	I feel quite certain that most members of the public would not begrudge their council tax being spent on this resource, however, I am interested to know how other services around the country are coping with this retracting in funding for water rescue capability and the government's justification for such a short-sighted decision in the midst of a climate crisis. Very sad to learn that central government is delegating responsibility without (Iexpect) increasing funding. It is a real shame that central government does not fund this, but this does need to continue. In the grand scheme of things, £60k is a very small ask. Again, spending this £60k a year could save a massive bill if the worst were to happen in the County and our emergency services were to be unprepared and need to draft in outside help as this would likely need to be repaid. Lobby government to get the funding reinstated. Does the county council have an 'emergency or resilience' budget? Might be a good idea to divert funds from that. I think we should try to get the money back from the central government to fund thus essential service. Local areas need to be funded again so let's fight for what they have taken away. Further investment in training additional crews in Swift water Rescue will be vital to enable resilience if you are to offer the required level of cover that the investment will require. It makes sense to go back to central government for funding for this essential service. I think the government should still be providing money for flood responses. In this part of the Uk it is much needed. With the loss of Central Government funding it is now on the FRS to find its own funding stream for water rescue. [Suggestion] to CFO's and the NFCC that they

			should be lobbying government to make it a statutory requirement for funding for flooding and water rescue. It is important to ensure continuity of training, competence and equipment replacement that adequate funding is allocated to this resource. Water rescue is key in Norfolk and should be adequately funded. The £60K a year this service costs is dwarfed by the (currently used) UK Value of a Prevented Fatality at £1.80m and by the (more accurate) J-value which values the life of an average UK citizen at £8.59m; it is good value for money.
Flooding	There were 29 comments which referred to previous incidents of flooding or the potential for increased risk of flooding. An additional nine comments referred to climate change and the implications for further or future flooding.	29	Delighted to read that you take flooding so seriously, especially in the light of recent events in Yorkshire. With the East coast sitting at the top of the risk register for flooding we cannot remove this valuable resource for the county. Flood on my road are always attended promptly but a team of fire fighters. With new builds springing up everywhere, the water table / sewers / surface water will always be an unknown so the idea of the teams being able to continue with the extra service would be great. Given the climate and flooding forecasts, it would be sensible to have this facility in Norfolk Norfolk Fire service responded to [name of village] to pump out houses and also in villages along the river following the recent torrential rain, which we are assured will become more the norm. In variably the tides are becoming higher and flooding is already frequent as the pumping stations are not able to cope. This is a vital service - and one where demand is likely to increase as a result of climate change and sea level rise. In 2013 Holme next the Sea suffered a tidal inundation - and we expect more in the future, so the service is crucial for our communit

			With climate change, this seems like an essential service. / The specialist teams are important in this area, increased flooding etc due to climate change. / In a changing climate such as the one we now find ourselves facing, the threat of flooding is becoming more likely …
Council tax	There were 11 comments about paying for the services in Proposal 4 through council tax.	11	I wouldnt mind paying the extra £ in council tax to help fund this. Would be worth tax payers paying a bit more if knew it was going to this. I feel quite certain that most members of the public would not begrudge their council tax being spent on this resource, however, I am interested to know how other services around the country are coping with this retracting in funding for water rescue capability and the government's justification for such a short-sighted decision in the midst of a climate crisis. I think it is essential to keep these teams operational and any increase in council tax to pay for it is completely justified and I for one would be willing to pay for it. Nothing wrong with getting funding from the council tax a bit of a dirty trick by central government not funding it anymore, it might put a few pounds on the yearly bill but its all worth it. Further clarity is also needed on how funding will be created by council tax usage as we do not set a precept for FRS. This should have been explained to all concerned as this could be considered another tax.
Staff	There were eight comments about the location or training of staff.	8	Further investment in training additional crews in Swift water Rescue will be vital to enable resilience if you are to offer the required level of cover that the investment will require. More stations should have specialist teams as the risk is high in Norfolk. I think there are opportunities to consider the location of trained crews, I understand one such unit is at Thetford and is only staff during the day however there are no trained boat teams at Yarmouth.

			Having trained the teams to the high standards they now have, it has to be maintained.

Table 7: Proposal 5 – Change the way we measure performance against our emergency standards (71 responses)

Theme	Issues	Number of times mentioned	Quotes
Agreement and support	Proposal 5 was supported. Respondents said they agreed with the proposal because it seems a fair and consistent approach which standardises performance and enables comparisons (and possibly improvements) to be made. Some respondents (6) who support Proposal 5 do with a provio (eg. change should only be adopted if it improves response times).	42	I think that having one national standard way of measuring response is the only way and should have been adopted before. I agree that a consistent approach alongside other services is the best way forward. I think it makes sense to adopt the national framework. There should be a uniform measure across all services to measure response times and we would support this proposal if that could be implemented. It sounds a fair system. All working from the same sheet, so to speak. I thoroughly agree with a standardised approach throughout the country. If there are to be national standards then we completely need to adopt these. This allows the service to directly compare and contrast with neighbouring and other similar services and therefore can lead to improvement. Standardisation seems very sensible.

			It should be a national standard not local as a true reflection of how you are meeting the time required. Again fully support this decision - far easier to measure our performance against standards recommended through this common approach.
Emergency response time calculations	There were fifteen comments about how emergency response times should be calculated: some respondents noted that the location of stations, or whether they are staffed 24/7 or retained would affect response times.	15	I believe response times should be measured from the time of the call, as that is the time the person on the telephone will give to any waiting newshound. Whichever method is adopted it must be consistent and there should also be some factor derived for allowing for full-time or On-Call attendance, as averaging these on a Nationwide basis negatively scores brigades largely made up of On Call stations. Agree there should be a common national approach and this should be from when the incident room receives the call. I think performance can only be measured by how long it takes an appliance to attend after receiving the initial 999 call. So once the call is passed to a crew, the clock starts then. Yes I think it is a good thing to standardise the measurement of performances. To do so, it makes more sense to measure the time from when the call is received. That way, Control (a vital part of our service) can also be involved in the incident timings as a whole. I think with repsonse times for part time firefighters your data should take account of the fact that due to traffic or other concerns it might not always be easy to get part time firefighters ready as quickly as full time ones. Would like to see it from when crew goes out - unfair on crews to be judged before they got to fire station. False criticism. Station location: Some stations are harder to get to quicker for on call stations than others going normal road speed. / I think with repsonse times for part time firefighters your data should take account of the fact that due to traffic or other

			concerns it might not always be easy to get part time firefighters ready as quickly as full time ones. / But how would it work for towns like Thetford who only staff the station in office hours and have to call out firemen It obviously takes them longer to arrive?
Measuring performance	Fifteen comments were received which queried the rationale, usefulness, or feasibility of measuring emergency response times and adopting a nationwide approach, or of performance measure more generally.	15	If the standards are being changed the service must ensure that it is not simply a "moving of the goal posts" in order to make the service appear to be more effective or efficient than it actually is. This is a particular concern when considering the need to improve fiscal efficiency: if response times suddenly appear to improve due to the change in standards, it makes it easier to justify the closure of stations or removal of front-line appliances. This is unacceptable. The proposal is all good but measuring uniform performance is probably not possible due to the varying requirements, and varying staff. Analysis of targets and the money wasted on that is unimportant compared to responding to emergencies. Over analysis is poor use of time and money. Cut out the bureaucracy and targets completely, Save time and money having to tick boxes to satisfy Government. Every call and situation is different and I would hazard a guess that all retained crews respond as quickly as possible not due to any targets but in the desire to help save lives? Too much time is taken measuring performance. This proposal is not as important to me as the other four. Statistics are important but in this very rural area you'll never be comparable to many other areas in the U.K. Just do your best as you always do. I agree this is currently a target that can't be achieved. Since the abolition of the A,B,C and D risk classifications authorities have had a race to the bottom manipulating times to meet their own requirements. … leading to … cuts and station closures around the country. We hope … that a national approach will halt the manipulation of emergency response.

Disagreement	There were five comments in which people disagreed with Proposal 5.	5	Analysis of targets and the money wasted on that is unimportant compared to responding to emergencies. Over analysis is poor use of time and money. Too much time is taken measuring performance. Cut out the bureaucracy and targets completely, Save time and money having to tick boxes to satisfy Government. Every call and situation is different and I would hazard a guess that all retained crews respond as quickly as possible not due to any targets but in the desire to help save lives?

Table 8: Proposal 5 (Supplementary Question) – Other comments about measuring our performance in general (25 responses)

Additional comments focused on: • Staff carrying out performance measurement must be suitably qualified and independent from NFR. • Measures should be used as an improvement tool not as a 'stick'. • Measuring performance should be used with regard to staff morale: "Working for the ambulance service I've seen first-hand and how many moment of targets can affect staff morale and safety. Is imperative however performance is measured that crews are able to continue you with their duties without having to concern themselves with targets". / "The best measure is moral. If personnel are happy then everything becomes so much easier to achieve. The bottom line in all these proposals is that it takes dedicated people to actually be on the ground dealing with situations. You cannot put out a fire or respond to a RTA over the phone or from a computer, it takes people. Debriefs would give far more valuable information than any stop watch and would help build moral so win,win." • Set a SMART target.

Table 9: Overall, how worried are you about risk of fire in your home, community or workplace? If are you fairly or very worried, please tell us why (36 responses)

Respondents said they were very or fairly worried about risk of fire because of the following issues:	
Personal experience	I have experienced a fire in a school when I was teaching, my parents had a serious house fire which has made them terrified it might happen again. They had always been very conscious of frie risk and the fire was not their fault. A fire in my community resulted in the death of a resident. I would have great difficult getting out of my property in the case of fire. Once one has been close to an incident I suppose one is more aware a fire could be started at any time.
Personal circumstance	Live in a thatched property. Have been cars/bins set alight where I live. I live in a council property where the council have been retro fitting gas central heating with the pipes outside the property and on the outside of the walls inside the flats and I think that is dangerous. Working in a venue that has a great deal of stored goods, books and clothes which are highly inflammable. I keep the electrical wiring up to date in my Victorian terraced home, but still worry that there could be an issue. Also that means of escape may not be easy. In terms of the community, I am concerned about the large numbers of HMOs in my area and the increased risk they pose to residents eg students cooking late at night when drunk etc. Where I live I have some neighbours with addiction problems that can be quite up & down in themselves. I worry they might accidentally start fires. Alot also smoke in the evening indoors, when they should be doing it outside. For some voluntary work I do, I do basic fire safety checks. Where I live Im not sure how often my landlord does them. There have been some car fires in the past in the area I live also. Husband worries about leaving on electrical items. 20 years ago our dishwasher burst into flames.
Keeping vulnerable people safe	I work in the NHS so worry about a fire in the workplace and the affect it has on getting patients to safety. I have small children and im a single parent so worry about a fire in our home and what id do to get us out safely. I work in a school where building works are not done properly in my opinion.

Perception of insufficient awareness of risk	Simply fire prevention and safety education appears to be lacking. I think people should be more self aware because if something did happen you never know where that fire will spread so yes i am worried abot this issue. Other people not very well educated on dangers of fire - smoking, electrical appliances. I turn off at night. The community is a big risk as not enough fire prevention has been carried out in recent years due to bad decisions during austerity. I live in an area with lots of vulnerable people who slip through the net and the first time they flag up not having a working smoke alarm maybe more work is needed visiting forums and drop ins for that seems a sensible way to sit have a chat with a group and find out just how many don't have alarms or a fire evacuation plan.
Deregulation of standards	Combined with the deregulation of fire safety standards, it seems that another large scale disaster - such as Grenfell - is looming. The quality of housing is reducing due to the de-regulation in fire safety.
Other	There are a lot of older houses with wood frames and thatch roofs. Plus more people seem to be using open fires or wood burners for heat. Small issues bother me firewoks etc. Poor response times often caused by lack of crews continue to be a worry as there is a clear lack of leadership within the service when it comes to dealing with these issues. Add to this the proposal to withdraw pumps from certain stations to be replaced by Toyota vehicles with very limited capacity is frankly ludicrous. A clear example of this is the proposal to remove a pump from Fakenham replacing it with a Toyota vehicle. Whilst there are currently two pumps at Fakenham reducing this to one would leave Fakenham without any cover when the water tender is called out with the attendant pump. Nearest pump cover would be at least 15 minutes away from Wells. Massingham or Holt which is frankly unacceptable. With the proposed residential growth in the Fakenham area it makes little sense to reduce capacity. I am worried because in an aging society the mobility of people is becoming more of an issue, the number of care homes in Norfolk is increasing and the subsequent challenge of a less well resourced FRS being able to respond to the demands of inspecting these premises to ensure they are safe is increasing accordingly. The aim of The Regulatory Reform (Fire Safety) Order 2005 (FSO) to put the onus of responsibility for fire safety onto the responsible person and to

	consolidate and replace the raft of previous legislation was quite forward thinking, even revolutionary to some within the service, but it has its own major drawbacks. Each responsible person (RP) has a very different take on how they are meant to meet their responsibilities and the process of risk assessment permits far greater leeway than a purely prescriptive means of ensuring compliance with the law. Where some may adopt the belt and braces approach to fire safety, there are others that will do the bare minimum, safe in the knowledge the FRS would be unlikely to win a court battle (unless after the event). These businesses are becoming more prevalent and are finding loopholes in the FSO which mean it is nearly impossible to establish the RP and thus making it less likely to be able to prosecute an individual for their failings. (Certain Pub chains spring to mind).

Other information relevant to the consultation

EQIA - Other than comments about vulnerable groups of people which have been discussed earlier, there were no comments relevant to EQIA. Comments about **rurality** (23) tended to focus on response times ("Rural areas will always be difficult to reach" / "The IRMP response map makes it obvious that response times, particularly in rural areas are poor, particularly when considering the geographical area that can be covered within 10 minutes. As a result, the closure of fire stations or removal of front-line appliances simply cannot be considered") rather than rural areas being at risk of receiving a poorer service. One comment about rurality proposed a joint approach to the problem of availability in rural areas: "… cannot argue the point about treating patients more quickly, especially in rural areas, however we must draw you back to NHS funding and effectively how the East of England Ambulance Service work. They must look at ambulance positioning and be much more proactive with movements etc. A more sensible approach would be the sharing of premises in rural areas so ambulances could be readily available in the rural areas where they know they have coverage problems". There was one comment concerning the particular vulnerability of older people living alone in rural areas ("Given the number of fires relating to elderly people living alone. Is there a case for working with parish councils in rural areas to alert this particular group to potential hazards?"). Reference was made to fire prevention on farms, forest and heath in the additional comments section.

Legal challenge - There were no comments concerning potential or proposed legal challenges to any of the proposals.

Consultation – There were 41 comments about the IRMP document (all direct quotations):

More information was needed in order to comment	➢ As there are no specifics in the proposal it is too early to comment. ➢ I cannot comment on whether an additional £60,000 pa is a sound proposal as there is nothing in the way of data to either support of refute it.

	➢ We would need to see a lot more information to be able to comment further. ➢ Provide full and transparent details as to the scope of the concept of operations before asking the public to agree to support the proposal. ➢ Can NFRS please publish figures on the level of cover provided by each boat team so that we as member of public are able better able to understand the service provided. ➢ how are you performing? this document utterly lacked any information on your performance. yes you say how many incidents you attend, but it's not broken down by station or council district, and no information is given on response times. How quick does Fakenhams Fire Engines on average get to incidents? What percentage of time are they able to crew their Fire Engines? This all needs to be published to the public. ➢ This is a very poor document. It has a lot of statements and no useful information. How are the stations across Norfolk performing? Where is it failing? What can it do better? What needs to be changed? All of the proposals are vague, with at least 2 of them saying we are going to make a change but we don't know what, 1 proposal is just about how water rescue is going to be funded but not an actual change in service. ➢ To the lay person concept of operations means nothing. To fire and rescue service personnel it could have a plethora of meanings. Whilst you state you will look at new technologies and approaches you do not give any examples of what these look like. Nowhere in this proposal is how you will consult or negotiate on these proposals. This proposal … is very unclear and leaves too much open to interpretation.
The proposals relate to issues that should not be the basis for consultation.	➢ I am staggered that the proposal is to speak to other fire services! Surely this has been done on an ongoing basis. ➢ This is not worth considering. £60k for the coverage of Norfolk is not worth the salary time to discuss it. Of course it should be funded but not form part of these 'proposals'! Serious proposals please! ➢ The proposal is to adopt the National Standards? Give me a break, you have NO choice. This is not a proposal, this information! ➢ A standard response makes sense as it allows comparison. However again I ask why are you consulting on this if it is a National Standard. Also what will the new standard be? you've said what you report against at the moment, but not what you will report against as the standard hasn't been defined. So again I'm asking how can you even consult on implementing something that you don't even know what that will be? ➢ XXX does not understand how this has appeared in an IRMP. Co responding is not a risk to NFRS. It is an NHS risk and that of the relevant Ambulance authority

The consultation document was difficult to understand	➢ The whole document is rather woolly and poorly written. ➢ I didn't like the descriptions of priority groups - the shorthand was a useful descriptor but I couldn't find a glossary to tell me what Dependent Greys, Pocket Pensioners, and Streetwise Singles mean.
Concern about consultation process	➢ It is a matter of concern that there is no public meeting at either Fakenham, Dereham and Swaffham- do people living in these areas have less say than those in the larger towns? ➢ How on earth can you even present "we're going to review this" as a proposal??? You should be setting out a proposal here, or just setting this as an interim IRMP with a full IRMP being issued as soon as the new concept of operations has been reviewed.
Satisfaction with consultation process	➢ Thank you for asking my opinion about your plans. It took a while to read, but was worthwhile to work through". ➢ Thank you for the opportunity to comment on the IRMP.
The proposals are not grounded in adequate evidence	➢ Your HMICFRS report states that you need improvement in how you "understand the risk of fire and other emergencies", in particular a comprehensive understanding of current and future risk. If you don't have accurate data on the current risk in Norfolk, how can you anticipate the future. Do you truly know what size of Fire Safety department you need to meet that risk?"
Other topics should have been included	➢ … Pandemic influenza, release of nuclear and biological materials by terrorists, impact of traffic increases associated with wind power generation construction in the next decade on fire and rescue response times.

Other information

Other information about respondents

Respondent gender

Male	48	50.5%
Female	35	36.8%
Prefer to self-describe	0	
Prefer not to say	3	3.2%
Not answered	9	9.5%

Respondent age

Under 18	0	

18-24	0	
25-34	5	5.3%
35-44	7	7.4%
45-54	20	21.0%
55-64	21	22.1%
65-74	19	20.0%
75-84	9	9.5%
85 or older	0	
Prefer not to say	6	6.3%
Not answered	8	8.4%

Do you have any long-term illness, disability or health problem that limits your daily activities or the work you can do?

Yes	15	15.8%
No	68	71.6%
Not answered	12	12.6%

How would you describe your ethnic background?

White British	82	86.3%
White Irish	0	
White other	1	1.1%
Mixed / multiple ethnic group	0	
Asian or Asian British	0	
Black / African / Caribbean / Black British	0	
Other ethnic background - please describe below	0	
Not Answered	12	12.6%

What is your first language?

English	75
Not answered	20

Norfolk County Council

Appendix C

Proposed Norfolk Fire and Rescue Authority Integrated Risk Management Plan 2020–23

Equality Assessment – Findings and Recommendations

17 December 2019

Tim Edwards
Assistant Chief Fire Officer
Norfolk Fire and Rescue Service

This assessment helps you to consider the impact of service changes on people with protected characteristics. You can update this assessment at any time so that it informs ongoing service planning and commissioning.

For help or more information please contact Neil Howard, Equality & Accessibility Officer, email neil.howard@norfolk.gov.uk, Tel: 01603 224196

Contents

The purpose of an equality assessment

The purpose of an equality assessment is to enable decision-makers to consider the impact of a proposal on different individuals and communities prior to the decision being made. Mitigating actions can then be developed if adverse impact is identified.

The Legal context

Public authorities have a duty under the Equality Act 2010 to consider the implications of proposals on people with protected characteristics. The Act states that public bodies must pay due regard to the need to:

- Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act[1];
- Advance equality of opportunity between people who share a relevant protected characteristic[2] and people who do not share it[3];
- Foster good relations between people who share a relevant protected characteristic and people who do not share it[4].

The full Act is available here.

The assessment process

This assessment comprises two phases:

- **Phase 1** – evidence is gathered on the proposal – looking at the people who might be affected, the findings of related assessments and public consultation, contextual information about local areas and populations and other relevant data. Where appropriate, engagement with residents, service users and stakeholders takes place, to better understand any issues that must be taken into account.

- **Phase 2** – the results are analysed. If the assessment indicates that the proposal may impact adversely on people with protected characteristics, mitigating actions are identified.

The proposal

In accordance with the Fire and Rescue National Framework for England 2018, all fire and rescue authorities are required to produce an Integrated Risk Management Plan (IRMP) that sets out the authority's strategy, in collaboration with other agencies, for reducing the commercial, economic and social impact of fires and other emergency incidents.

The current IRMP for Norfolk and Fire and Rescue Service expires at the end of March 2020, and there is a need to put a new plan in place.

In summary, the proposed new Plan comprises a document setting out the conclusions of an assessment of the community risk in Norfolk and how the service intends to allocate and organise its resources to meet and mitigate this risk.

The IRMP also includes the following 5 specific proposals for development and change:-

Proposal 1: Strengthen our community fire protection services

Proposal 2: Develop a new concept of operations

Proposal 3: Explore the potential to undertake co-responding

Proposal 4: Maintain our specialist water rescue capability

Proposal 5: Change the way we measure our performance against emergency response standards

Who is affected?

The proposal will affect everyone who lives, work in and visits Norfolk. This includes adults, children and staff with the following protected characteristics:

People of all ages	**YES**
A specific age group (please state if so): People aged over 60 (as they are at most risk of death in a dwelling fire)	**YES**
Disability (all disabilities and long-term health conditions)	**YES**
Gender reassignment (e.g. people who identify as transgender)	**YES**
Marriage/civil partnerships	**YES**
Pregnancy & Maternity	**YES**
Race (different ethnic groups, including Gypsies and Travellers)	**YES**
Religion/belief (different faiths, including people with no religion or belief)	**YES**
Sex (i.e. men/women/intersex)	**YES**
Sexual orientation (e.g. lesbian, gay and bisexual people)	**YES**

Analysis of the people affected

Norfolk Fire and Rescue staff

Norfolk Fire and Rescue staffing levels as at March 2019 (full-time equivalent):

- Firefighters - 278 wholetime and 451 on-call
- Non-uniformed - 75

- Control room - 21

Norfolk communities

The proposed IRMP contains a summary of the demographic information used to assess the community risk in Norfolk, and therefore forms the basis of the IRMP. In particular, the IRMP has taken account of:-

- Increased population
- Increasing percentage of older and disabled people in the population, and the number of younger people
- The county's ethnic and cultural diversity, including Gypsy, Roma and Travelling communities
- That Norfolk is the 5th most rural county in the country
- There is an increase in housing with modern fire safety measures
- Road infrastructure is improving

Other demographic trends will impact on the overall risk profile, such as gender and people newly arrived in Norfolk from abroad. Annex 1 sets out why people with certain protected characteristics may be more vulnerable than others in fires or emergencies.

Key considerations in relation to Norfolk communities and the delivery of fire and rescue services, taken from the detailed risk assessment and analysis set out in the IRMP are:-

- Climate change and flooding continues to be a major consideration for the fire and rescue service to focus on in the years ahead
- The number of accidental dwelling fires in Norfolk remains stable, but when viewed as a proportion of all housing it has reduced. Younger people in single occupancy homes make up the majority of people who experience a fire in the home
- Although the number of deaths from accidental dwelling fires remains relatively low (3.44 fire deaths per year on average over 9 years) in Norfolk, older vulnerable people in our communities constitute the majority of fire deaths. This finding is not unique to Norfolk and has also been identified in National studies
- Analysis has shown that cooking continues to be the main cause of accidental dwelling fires, with smoking the main cause of fires that result in a fire death.
- Deliberate fire setting has declined in recent years but there was an increase during last year's heatwave
- The number of serious fires (primary fires) has reduced over the years but has now plateaued
- Norfolk Fire and Rescue Service have been successful in driving down false alarms from commercial premises, but this reduction has also now plateaued
- Smoke detector ownership continues to be an issue; with 44% of dwelling fires last year not have a working smoke detector
- Fires in non-domestic premises continue to reduce, especially in premises that provide sleeping accommodation, which is a focus for fire safety inspections

Further information on the data and information considered is set out in the proposed IRMP.

Public consultation and engagement

A public consultation on the proposed IRMP has been carried out. This included a number of consultation events to engage staff and Norfolk communities about the future of the service. These activities were carried out in a variety of ways, across a variety of media, to maximise the opportunities for participation. In particular, there was a focus on hearing direct from staff and Norfolk communities on their views about the risks they are facing and how they could be mitigated.

No specific concerns were raised as part of the public consultation and engagement process about potential negative or detrimental impacts on people with protected characteristics. In general terms, those engaged were supportive of the proposals.

The service has also been able to consider contextual information gathered as part of other service engagement activities and take this into account. In particular:-

- The service is also a member of the Norfolk Resilience Forum. This is the Forum which oversees individual and multi-agency responses to incidents such as wildfires, flooding and other large scale non-fire incidents within Norfolk. It provides an opportunity to share information, intelligence and approaches with other key service providers. The Forum also develops a shared community risk profile for Norfolk, which has formed a key element of the IRMP.

- The service has recently commenced a programme of joint community engagement sessions with Norfolk Constabulary. The first of these sessions, held in Fakenham, provided clear and useful views from local communities about the importance placed on the local operational response bases in their area.

Allocation of resources to address community risk

The approach proposed in the IRMP is to maintain and enhance existing operational arrangements.

An assessment by an external technical professional has confirmed that fire stations continue to be located in the most appropriate locations, taking into account communities and local demographics, recent and anticipated infrastructure improvements and developments and the resource available to deliver the service.

Emergency response times and standards will continue as existing.

A number of activities will continue to be carried out with a focus on protecting those most at risk of fire, and to prevent any incidents occurring, in particular the younger and older people who are most affected by fires and road traffic accidents, and other people classed as vulnerable. These prevention and protection activities include:-

- Hoarding and Self-Neglect – delivery of relevant elements of the Norfolk Safeguarding Adult Board’s Hoarding and Self-Neglect Strategy. This work utilises Early Help Hubs to bring agencies together to work with a Hoarder in a holistic way, whilst still tackling any health, fire or other safety issues caused by the hoarding.

- Fire Inspections – carrying out additional fire inspections focussed on non-domestic dwellings that pose the highest risk of fire fatality (for example premises that have sleeping accommodation).

- Home Fire risk checks – carrying out additional checks in residents homes to ensure that they are aware of how to escape in the event of a fire and how to prevent fires. We will continue to fit smoke alarms free of charge during this inspections, if needed. These inspections are targeted at those who are most vulnerable, in particular older people.

The service will also continue to carry out a number of activities working in collaborative and in partnership with others to help ensure that the resources available are used efficiently and effectively, therefore freeing up resource to provide additional activities. This includes:-

- Formalised collaborative working with blue light partners through a Collaboration Agreement Memorandum Norfolk Fire and Rescue Service and Norfolk Constabulary. This has resulted in a number of enhancements and improvements to service delivery for communities, including a shared Police/Fire emergency control room leading to faster and more efficient sharing of incident information and faster shared response if required.

- Continued to build partnership working through opportunities such as Early Help Hubs (multi-agency professional meetings held in each district council area aimed at prevention or early intervention); joint working with Environmental Health and the Environment Agency to tackle issues in housing and the environment as well as working with the Police and District Councils to tackle Modern Slavery. Partnership working should benefit all people with protected characteristics as it ensures appropriate joint working to help intervene, safeguard or protect as early as possible.

- Working with partners in Public Health, Norfolk Constabulary and Norfolk Ambulance Service to reduce the instances and impact of Road Traffic Collisions.

Potential impact

Proposed IRMP 2020-23

The proposed IRMP should impact positively on people with protected characteristics. This is because there are some enhancements to service standards and delivery which would see Norfolk communities receive additional resource and support to help keep them safe.

It is also because the core aim of the IRMP is to identify who is most at risk from dying or being injured in a fire or emergency, to ensure that resources are targeted effectively to mitigate this. Some communities in Norfolk have protected characteristics that increase their vulnerability in a fire or emergency – the reasons for this are set out in Annex 1.

The IRMP enables the Council to identify which communities are most at risk in Norfolk and keeps these characteristics and risks under systematic and continual review.

There is no evidence to indicate that this proposal would have a disproportionate or detrimental impact on people with protected characteristics. This is because no changes are proposed to reduce service standards, quality or delivery. In particular, the Cabinet Member has provided clarification on a number of occasions that there are no proposals to:

- Close fire stations
- Reduce the vehicle fleet, including removing 2nd appliances from stations
- Reduce crewing levels on vehicles

The next section looks in more detail at the five specific proposals contained within the proposed IRMP:

Proposal 1: Strengthen our community fire protection services

There is evidence to suggest that this proposal would have a positive impact on people with protected characteristics. This is because it will increase the resources allocated to community fire protection services, and this resource will continue to be targeted at those most at need, in particular those who are considered to be vulnerable and/or are over 60 years of age and therefore more at risk of dying in a dwelling fire. The changes do not reduce service standards, quality or delivery. The service will continue to target resources to those most at need.

Proposal 2: Develop a new concept of operations

There is no evidence to indicate that this proposal would have any detrimental impact on people with protected characteristics. This is because there are no specific proposed changes to service standards, quality or delivery. The service intends to review its operations and any proposed outcomes from this work will be subject to a separate equality impact assessment.

Proposal 3: Explore the potential to undertake co-responding

There is no evidence to indicate that this proposal would have any detrimental impact on people with protected characteristics. This is because there are no specific proposed changes to service standards, quality or delivery. The service intends explore the potential to undertake this change in operations and any proposed outcomes from this work will be subject to a separate equality impact assessment.

Proposal 4: Maintain our specialist water rescue capability

There is evidence to suggest that this proposal will have a positive impact on people with protected characteristics. This is because the proposal is to secure additional dedicated funding to maintain this capability, which has been set up to mitigate against the coastal flooding, identified as ‘High Risk’ for Norfolk communities.

Securing additional funding will mean the service will no longer need to fund this capability from other resources, and essentially ‘frees up’ some funding for the service to use to ensure other essential services can continue to be delivered.

Proposal 5: Change the way we measure our performance against emergency response standards

There is no evidence to indicate that this proposal would have any detrimental impact on people with protected characteristics. This is because no changes are proposed to service standards, quality or delivery.

A separate impact assessment will be undertaken (if required) when the new national standards are announced to test whether the new standards could have a positive or detrimental impact on people with protected characteristics.

The general principle of adopting a set of National standards provides the opportunity to better monitor and compare performance of the Norfolk and other services, including making it easier to identify areas of best practice and learning. This approach could lead to service improvements and potential positive impacts.

Recommended actions

Although this assessment has not identified any adverse impact from the proposal, the following actions will be carried out by the service to ensure that they can continue to improve/enhance the service and mitigate against any potential future adverse impact.

	Action	Lead	Date
1.	Continue to progress the actions set out in the service Improvement Plan developed following the HMICFRS Inspection. In particular, ensuring diversity and inclusion are well-understood and become important values of the service.	Tim Edwards	As set out in the HMICFRS Improvement Plan
2.	Review and consider the ideas and suggestions submitted as part of the public consultation on the proposed IRMP, in particular to consider how these may enhance service delivery and understanding of community risk.	Tim Edwards	Ongoing
3.	Building on the joint community engagement events carried out with Norfolk Constabulary, consider how the service can best engage with communities to improve transparency and accountability and enhance the understanding of community needs.	Tim Edwards	Ongoing
4.	Complete Equality Impact Assessments for any specific proposals arising from the 5 areas of development and change, where these changes may impact on service standards, quality or delivery, so that the potential impact can be considered as part of any decision making process.	Tim Edwards	As proposals are developed

Evidence used to inform this assessment

- Proposed Norfolk Fire and Rescue IRMP 2020-23 – document and background papers
- Findings/feedback from the consultation on the proposed IRMP
- Business intelligence and management data, as quoted in this report and the draft IRMP
- Equality Act 2010
- Public Sector Equality Duty

Further information

For further information about this equality impact assessment please contact Tim Edwards, Assistant Chief Fire Officer at tim.edwards@fire.norfolk.gov.uk

IN TRAN communication for all

If you need this document 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.

Protected characteristics - vulnerability in a fire or emergency

Some communities in Norfolk - and the UK as a whole – have protected characteristics that increase their vulnerability in a fire or emergency.

Understanding how different demographics of the population perceive and respond to fire and emergencies has been an important factor informing the proposed IRMP:

Age - Older/Younger

Historically, fire deaths and injuries have been looked at together and they show that elderly people are more at risk from fire. This risk factor significantly increases if they are living alone in a remote location without a fitted and working smoke alarm and the risk increases further if those individuals have restricted mobility.

With young people, similar principles apply as with older people above, as younger children may lack the understanding of dangers associated with fire and therefore the ability to respond accordingly to self-evacuate and raise the alarm.

Young children can be tempted to experiment with fire by natural curiosity, such as playing with matches and lighters, which may be easily accessible in households with smokers, where open fire cooking takes place or properties heated with open fires/wood-burners.

This is also the case inside and outside of the home as historically secondary fires (grasses, bushes, outbuildings etc) statistics increase during the summer holidays, however children's access to matches has the most significant danger when playing with matches and lighters in the home.

Disability

'Disability' covers a broad range of impairments, including physical, learning, mental or cognitive. A disability may have an effect on an individual's ability to recognise a fire risk or fire event starting in the home and consequently to react and if necessary evacuate without any assistance or support, particularly when living alone.

Fire and other emergencies can be an extremely challenging time for anyone, however they become even more challenging for someone who may not have the ability to self-evaluate or self-respond in these situations.

Ethnicity

For people whose first language is not English, they may not be able to read, understand or process safety information or warnings or contact emergency services.

New migrant communities may be more likely to live in houses of multiple occupation that have increased fire risk or live in poor quality rented accommodation.

Gypsies, Roma and Travellers

Traditionally, gaining trust from any agency with Gypsy, Roma and Travelling communities can be problematic due to the nomadic lifestyles led by many as well as a sense of privacy and self-reliance within these communities.

The nature of the homes inhabited by the travelling Gypsy, Roma and Travelling communities means they are highly combustible and the materials can quickly be consumed by fire (e.g. in caravans / mobile homes / tents).

It is often difficult to gain access to these caravans and mobile homes to check whether smoke alarms are fitted and working or other appropriate fire prevention measures are in place.

It is therefore difficult to assess smoke alarm ownership and how many fire-related incidents actually occur within the Gypsy, Roma and Traveller communities as they often prefer to deal with issues themselves, without outside help.

General vulnerability

Considering the information above, there are a number of contributory factors that increase vulnerability from fire in the home.

The first and main overarching vulnerability is the absence of a fitted working smoke alarm to give early warning in the event of fire.

However, each of the factors mentioned above may increase vulnerability and risk of harm caused by a fire event.

As well as these factors, risk increases by combining these factors with any one of a combination of lifestyle, habits, behaviours and cultural expectations (such as use of candles or traditional methods of cooking using open flames).

The more at risk factors or characteristics an individual has, increases their vulnerability to be able to deal with a fire incident, be able to raise the alarm and/or self-evacuate without assistance.

For example, if someone smokes, it is a primary contributory factor to causes of fire in the home which can become more significant if the person has restricted mobility and does not dispose of cigarettes safely or through their smoking and alcohol/ substance misuse, is unaware that they may not have disposed of a cigarette properly.

Medication (both being used as prescribed and abuse of prescription medication), alcohol-misuse, untidiness, clutter or hoarding, will all contribute to increasing the severity of the fire and limit an individual’s ability to deal with it at an early stage of development without fire service intervention.

The majority of fires attended by NFRS occur in the kitchen, as above, with individuals with limited mobility, and whose mobility did not allow them to deal with the incident themselves without help.

In conclusion, the greater the number of individual characteristics and/or factors that an individual has (for example, mobility limitations, limited or restricted mental capacity, lifestyle habits that increase risk) will decrease their ability to react to a fire.

The more factors, the higher the vulnerability to risk of harm from a fire or other emergency incident.

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[1] **Prohibited conduct:**

Direct discrimination occurs when someone is treated less favourably than another person because of a protected characteristic they have or are thought to have, or because they associate with someone who has a protected characteristic.

Indirect discrimination occurs when a condition, rule, policy or practice in your organisation that applies to everyone disadvantages people who share a protected characteristic.

Harassment is “unwanted conduct related to a relevant protected characteristic, which has the purpose or effect of violating an individual’s dignity or creating an intimidating, hostile, degrading, humiliating or offensive environment for that individual”.

Victimisation occurs when an employee is treated badly because they have made or supported a complaint or raised a grievance under the Equality Act; or because they are suspected of doing so. An employee is not protected from victimisation if they have maliciously made or supported an untrue complaint.

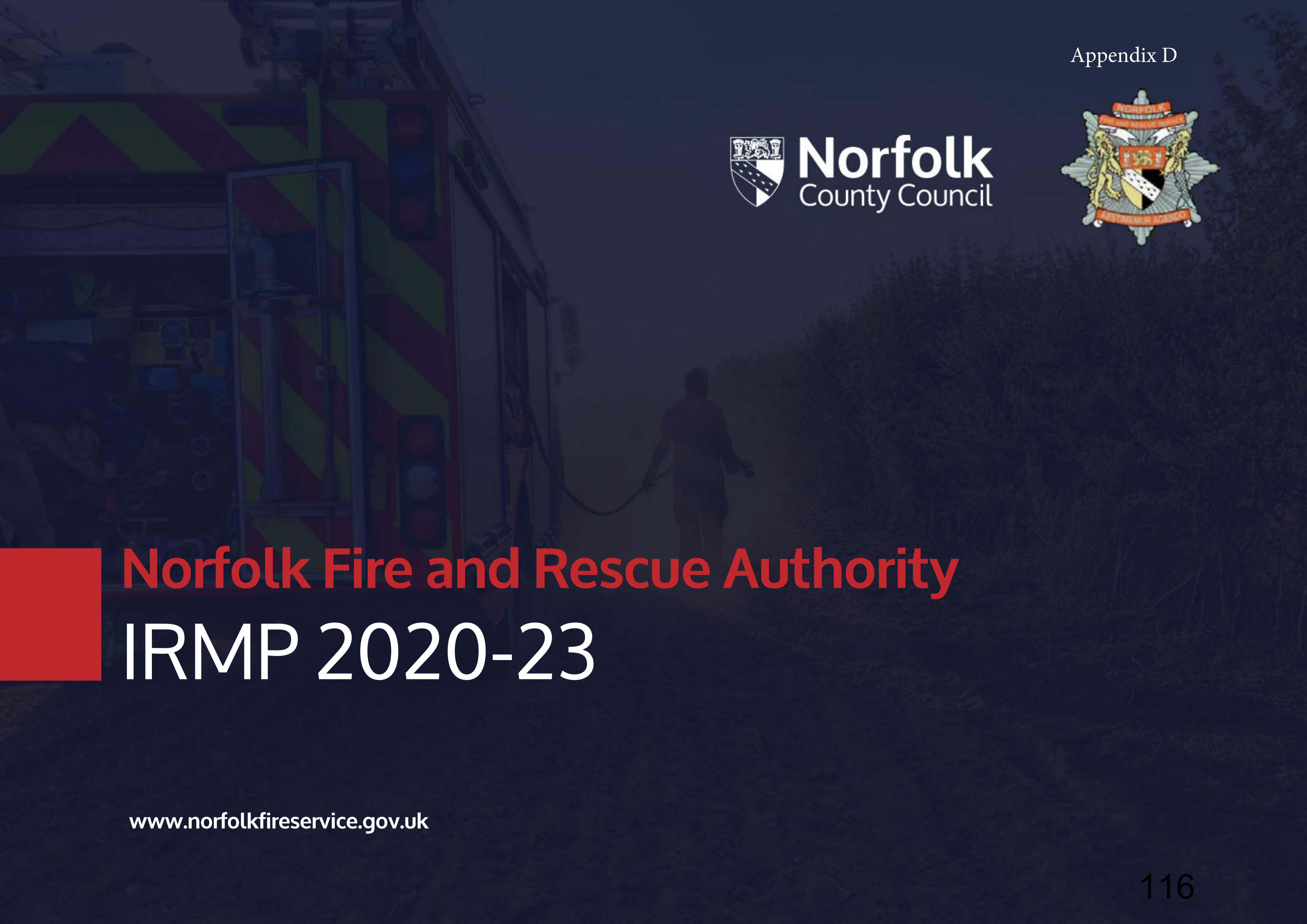
2 The protected characteristics are:

Age – e.g. a person belonging to a particular age or a range of ages (for example 18 to 30 year olds).
Disability - a person has a disability if she or he has a physical or mental impairment which has a substantial and long-term adverse effect on that person's ability to carry out normal day-to-day activities.
Gender reassignment - the process of transitioning from one gender to another.
Marriage and civil partnership
Pregnancy and maternity
Race - refers to a group of people defined by their race, colour, and nationality (including citizenship) ethnic or national origins.
Religion and belief - has the meaning usually given to it but belief includes religious and philosophical beliefs including lack of belief (such as Atheism).
Sex - a man or a woman.
Sexual orientation - whether a person's sexual attraction is towards their own sex, the opposite sex or to both sexes.

3 The Act specifies that having due regard to the need to advance equality of opportunity might mean:

- Removing or minimizing disadvantages suffered by people who share a relevant protected characteristic that are connected to that characteristic;
- Taking steps to meet the needs of people who share a relevant protected characteristic that are different from the needs of others;
- Encouraging people who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such people is disproportionately low.

4 Having due regard to the need to foster good relations between people and communities involves having due regard, in particular, to the need to (a) tackle prejudice, and (b) promote understanding.



Appendix D

Norfolk County Council

Norfolk Fire and Rescue Authority

IRMP 2020-23

www.norfolkfireservice.gov.uk

Foreword to our IRMP

Welcome to Norfolk Fire and Rescue Service's Integrated Risk Management Plan (IRMP) for 2020-2023. This document sets out to identify foreseeable changes in community risks for Norfolk that the fire and rescue service has responsibility for and the strategies we intend to use to mitigate these risks.

The Fire and Rescue Service national context is changing and, following the tragedy of Grenfell Tower, has led to a refocus on our statutory community fire protection services.

The development and change set out in this IRMP are focused on improvement. We carried out extensive consultation on the proposals within our IRMP and thank those that took part. Your comments have helped to shape this final document.

Councillor Margaret Dewsbury, Cabinet Member for Communities and Partnerships, Norfolk County Council.

Introduction to your
Fire and Rescue Service

Norfolk Fire and Rescue Service is a service delivered on your behalf by Norfolk County Council.

Over recent years of consecutive IRMPs, Norfolk has seen a reduction in serious fires in businesses that provide sleeping accommodation, a reduction in false alarms from automatic fire alarms and our service has developed an emergency operational response that has recently been judged as good by our inspectorate.

Since our last IRMP in 2016 we have utilised our Urban Search and Rescue (USAR) teams to provide extra fire cover at Dereham and we regularly review its effectiveness.

Our fire and rescue service is also leading the country in how it collaborates with other services through our blue light Memorandum of Understanding (MOU). With a shared headquarters and control room with Norfolk Constabulary, **the service is delivering better services and saving taxpayers' money which helps us to make the service affordable now and in the future.**

However, there is more that can and must be done to ensure we deliver an outstanding service. This IRMP is the basis for improvement that will ensure the service is the best it can be.

Stuart Ruff, Chief Fire Officer

Our vision and mission

Our vision is that Norfolk Fire and Rescue Service will be at the heart of protecting the communities of Norfolk.

Based on this vision, our long standing mission is Making Norfolk Safer. This is achieved through the prevention of emergencies, the protection of people, buildings and the environment, extinguishing fires and undertaking rescues.

To help us guide the development of Norfolk Fire and Rescue Service over the coming years we have developed a forward view:

Norfolk Fire and Rescue Service;
Relevant, Capable and Agile

Forward view

By 2025 we will have helped deliver stronger communities by working 'Together, for Norfolk ' and in collaboration with our Blue Light partners. We will do this by continuing to ensure our services are relevant and by being a capable organisation; with our systems, people and kit deployed flexibly to meet our communities' needs.

We will have continued to deliver an effective Fire and Rescue Service and will be seen as a key service to resolving major incidents; delivering an integrated response with other blue light services, the voluntary sector, neighbouring fire and rescue services and other agencies.

We will have embraced technology and ways of working that have enabled us to deliver an outstanding service. We will be an agile organisation; with our people empowered to make decisions at the right level. Innovation and adoption of best practice will be the norm; whilst we ensure we consistently meet organisational and relevant national standards.

Our service will be diverse, inclusive and a great place to work.

Our people will be able to develop themselves and undertake specialist roles.

We will have reduced our service's environmental impact and have continued to introduce new vehicles, equipment and capabilities in response to our changing climate.

Our Values

Take accountability – do what we say we will
Make strategy happen – take action which makes Norfolk a better place
Be evidence based – target our work to make the biggest difference
Be business-like – think smarter to ensure value for money
Be collaborative – better working together

Norfolk County Council

Our role as a service of Norfolk County Council

As a service delivered by Norfolk County Council we play an important role in working across council services and other agencies to deliver the six-year NCC plan Together, for Norfolk. The plan outlines how we will deliver our outcomes.

Together, for Norfolk

Collaborating with families and communities
From collaborative 'early help hubs', which deliver services to people and families in their communities, to strategic groups that aim for improved working between agencies, we already participate in a number of different partnerships across all sectors, which work to meet the needs of local people in more effective, consistent and financially viable ways.

Joining forces with our partners
Wherever possible, we'll continue to collaborate with our partners and aim to coordinate and integrate all our plans and outcomes, to make the best use of resources available, achieve the maximum impact on the most pressing problems that we face, and celebrate and build on what is good about our County.

A genuine desire to work together
Despite ongoing funding challenges, our public sector partners share this desire to work in a more joined-up way, and our plans to integrate further with the local NHS will enable us to improve the experiences of those of us who find themselves in crisis.

Growing the economy, building the homes that are needed, encouraging inward investment, as well as delivering vital services (such as providing early help, improving public health or safeguarding vulnerable children and adults) depend on us working closely with our local partners, local people and local communities. How we collaborate to deliver those services will define our success in the future.

The way we work better together will be even more ambitious in future and will focus on:

- Bringing together resources across organisations where it makes sense
- Cross-organisations teams to support key initiatives and programmes
- Collaborative investment in our workforce to ensure it is fit for the future

Together, we can help Norfolk's economies, people and communities to grow, thrive and become stronger

Statutory framework and legislation

The following legislation provides the main legal basis and outlines the statutory responsibilities and powers of Norfolk Fire and Rescue Authority.

- The Fire and Rescue Services Act 2004
- The Civil Contingencies Act 2004
- Regulatory Reform (Fire Safety) Order 2005
- Policing and Crime Act 2017
  More information on these can be found in the appendix, page 63.

In 2018, the Government published a new Fire and Rescue National Framework which sets out the Fire Authority's main responsibilities and these are shown.

Norfolk Fire and Rescue Authority is required to:

- Contribute to safer communities by developing an Integrated Risk Management Plan (IRMP) to identify, assess and mitigate all foreseeable fire and rescue related risks faced by the communities of Norfolk.
- Work in partnership with the people of Norfolk and a wide range of partners locally and nationally to deliver a capable, resilient service.
- Be accountable for our actions and decision making.
- Have scrutiny arrangements in place.
- Provide assurance to the people of Norfolk and to Government (through our Statement of Assurance, ***found here***)

Our integrated risk management planning

Integrated Risk Management Planning is how we identify and plan to mitigate Norfolk's community risks through our prevention, protection and response services.

The National Framework for Fire and Rescue Authorities 2018 places a legal duty on Norfolk Fire and Rescue Authority to produce a plan that identifies and assesses all foreseeable fire and rescue related risks that could affect the communities it serves.

With finite numbers of people and equipment, a judgement has to be made on how best to deploy these resources and the IRMP process takes an overview of the full range of risks to ensure we have plans to manage all of them in an effective and efficient way.

Our IRMPs over the years have contributed to the long term evolution of our service. The next phases of our integrated risk management planning are mechanisms to further develop the service and deliver our vision:

IRMP 2020-23	Annual delivery plans	**Forward view 2020 - 25**
IRMP 2023-26	Annual delivery plans	
IRMP 2026-29	Annual delivery plans	**Forward view 2025 - 30**

Delivering our vision that Norfolk Fire and Rescue Service **will be at the heart of protecting the communities of Norfolk.**

How we manage our resources

Our people

At the centre of our People Strategy is the principle of enabling our staff to become the best they can be, operating as one team. It is our people who will enable us to deliver an excellent service and that is why we are focused on creating a great place to work.

To ensure we are well organised to deliver this IRMP, an organisational review is underway. The organisation will be structured to ensure it remains relevant to the needs of our communities and our structure will reflect how we manage risk.

Our people full time equivalent at end of March 2019:
- Firefighters; 278 wholetime, 451 on-call
- 75 non-uniformed
- 21 control room operators

Our finance

The IRMP sets out the budget requirement for the service, which feeds into the County Councils Medium Term Financial Strategy. This is reviewed on an annual basis where we look for opportunities for savings and efficiencies, as part of this process we also review any areas of costs pressures that may be linked to change in service and community risk profiles.

Our assets

Our buildings and estates form part of Norfolk County Council's portfolio and we utilise the NCC estate strategy, with its focus on One Public Estate, to encourage closer working with our partners and to reduce our costs.

Our vehicles are replaced on a rolling programme and to support the delivery of our new IRMP we are developing a new 10 year vehicle and equipment replacement logistics strategy. This strategy will be shaped by the proposed refresh of our operational doctrine.

Our performance

Our performance is measured against performance indicators. Our strategic level indicators, some of which were former national indicators, include reducing: deliberate fires; accidental dwelling fires; fire deaths and injuries; and accidental non-domestic fires. Our local level indicators enable managers to manage local issues closely such as: emergency response standards; on-call availability; the time taken to answer 999 calls; and the number of home fire risk checks completed.

Our performance is managed through the organisation using performance reviews and is monitored by our Service Management Team and Chief Fire Officer, who is held to account by elected members for our performance.

External performance reviews

Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) undertook a week long inspection of Norfolk Fire and Rescue Service (NFRS) in February 2019.This is the first time that HMICFRS have inspected fire and rescue services across England. They produced a report on our service and following this report we created an Improvement Plan. This document can be ***found here.***

Community Risk Profile

How we develop our community risk profile

Our community risk profile is how we identify and assess all of the foreseeable fire and rescue-related risks in the county of Norfolk. The risk profile considers the aspects of our county that have a bearing on the strategies we need to develop, the services we need to deliver and how we organise our resources.

We have used a wide set of information sources and data sets, including analysis of nine years of fire and rescue incident data.

As part of our community risk profile refresh, a specialist company (ORH Ltd) were commissioned to provide support in analysing emergency response standards and modelling station locations in relation to major infrastructure development in the county.

For an example of the information sources used in the community risk profile, please see appendix 1.

Norfolk community risk profile on a page

County context	Community context	People context
Increasing population	Coastal flooding, cold and snow are very high community risks	Although fire deaths are relatively low, older people (especially those over 80) are more vulnerable to dying in a dwelling fire
Increasing percentage of older people in the population	Changes to climate drives wildfires and extreme weather	The majority of people injured in fire are younger people
Fifth most rural county in the country	Deliberate fire setting has reduced but the reduction has plateaued	Smoking and smoking materials are the largest cause of fatal dwelling fires
Increased housing with modern fire safety measures	Fires in businesses and non-domestic premises are reducing	42% of fatal dwelling fires did not have a working smoke detector
Improving road infrastructure	Serious fires have reduced but this reduction has now plateaued	The majority of deaths from accidental dwelling fires occur in rural towns and villages
	Types of rescue undertaken have diversified	The majority of dwelling fires occur in single occupancy homes
		Cooking is the major cause of accidental dwelling fires
		The number of people killed or being seriously injured on the roads is increasing

How we will mitigate these risks

- Prepare for emergencies through the Norfolk Resilience Forum
- Match our capabilities to risk
- Deliver our community safety strategy
- Deliver our operational response strategy

Our county Norfolk

Norfolk has a balance of urban and rural districts with Norwich the most urban and North Norfolk the most rural.
60% of our population aged 65+ live in a rural area.

Currently more than 120,000 people in Norfolk live in areas categorised as the most deprived 20% in England. Mainly located in the urban areas of Norwich, Great Yarmouth, Thetford and King's Lynn; together with some identified pockets of deprivation in rural areas, coastal villages and market towns.

Access to green space is important to the quality of life, fresh air and exercise, benefiting both physical and mental health. Breckland has the largest proportion of its area made up of accessible green space. Health services in Norfolk are commissioned by five CCG's and approximately one third of spending on social care is commissioned by Norfolk County Council.

Housing continues to provide challenges as rent and prices rise, as well as the demand for specialist housing for an aging population.

Employment within Norfolk is slightly higher than that of England although the average earnings are slightly lower.

The rural nature of Norfolk presents opportunities in providing access to natural greenspace, but presents a higher risk of being killed or seriously injured on the roads.

Across Norfolk, the rural-urban classification varies from urban within Norwich to mainly rural in Breckland, North Norfolk and South Norfolk. **88%** of North Norfolk is classed as rural. This variation across the county provides challenges to the delivery of services.

Rural-urban classification*

Norfolk has a higher population in rural and hub towns compared to the East of England and England, with a lower percentage of population in urban areas.

The rural nature of Norfolk and higher population in rural areas of the county provides challenges for us in delivering an affordable and effective operational response and delivery of prevention and protection services across the county.

** DEFRA 2011 https://www.norfolkinsight.org.uk/environment/*

Norfolk's housing profile

In Norfolk, the percentage of housing that is bungalows and detached houses is greater than the rest of the East of England and England. There is an increase in provision of flats in the urban areas, especially in Norwich, which has seen an increase in student accommodation. Norwich has nine high rise residential flats and one student accommodation, with two further high rise buildings being constructed.

Following the Grenfell Tower fire a number of blocks of flats across the county were tested for flammable aluminium composite cladding and five blocks were identified to have this cladding in Geoffrey Watling Way, Norwich. We worked with the building owners to help them put in additional fire control measures to reduce the risk of a fire starting and to provide early detection. Should a fire occur at one of these blocks we have also put in place an enhanced operational response whilst a long term solution is delivered.

Norfolk's population profile

Norfolk generally has an older population that is projected to increase at a greater rate than the rest of England. Almost all of the population increase over the last five years has been in those aged 65 and over.

Norfolk's population is predominantly white (96.5%) with a smaller percentage of black and minority ethnic population than the East of England or the rest of England. This present challenges for improving diversity through recruitment.

Over the next ten years the population is expected to increase by 50,700, with most increase in the 65 and over age bands. Outcomes for older people in Norfolk are generally good and older people's rating of their health related quality of life is higher than the rest of England.

Emergency admissions for injuries related to falls is lower than the rest of England, but there were still 1,200 emergency admissions for broken hips in 2016/17. Across Norfolk as a whole, there are nearly 50,000 emergency hospital admissions for people aged 65 and over each year.
People whose day-to-day activities are limited by their health or disability are just over 1 in 5. It is estimated that prevalence of physical disability aged 16 to 64 is 11.8%, a little less than 62,000 people, which is slightly higher than England at 11.1% (Public Health 2017).

People with learning disabilities have poorer health than the general population, much of which is avoidable. For example men with learning disabilities die on average 13 years younger than men in the general population and women 20 years younger. Learning disability prevalence (all ages) in Norfolk is higher in Norfolk than the rest of England (Public Health 2017).

Norfolk population projections for all persons by year

2020	913,600
2021	918,800
2026	944,100
2041	1,002,300

Norfolk businesses by industry

Norfolk has a higher percentage of businesses involved in agriculture, manufacturing, retail, accommodation and food services and health in comparison to the rest of the East of England and England.

Transport
Norfolk's key strategic connections by road are to London and the south and an east-west road connection. Rail lines link Norfolk to the Midlands and north of England, London and the south, Midlands and the north of England via Cambridge, the south and Europe via St Pancras / Thameslink from King's Lynn. Norfolk's other gateways are Norwich Airport and the Ports at King's Lynn and Great Yarmouth.

Airports
Fixed wing and rotary aircraft operate from Norwich Airport, ranging in size from small single seat aircraft to large passenger planes.

Ports and Harbours
There are seven ports and harbours in Norfolk, with King's Lynn Docks, Great Yarmouth Quays and Great Yarmouth Outer Harbour constituting the largest; accommodating commercial shipping and the occasional cruise ship.

For how we are aligning our resources and capabilities to respond to incidents involving transport please see the response section.

Our heritage
There are 541 Grade I listed buildings and they form an important part of Norfolk's Cultural heritage and economy.

The protection of Norfolk's Heritage is factored into both our fire safety risk based inspection programme and how we plan for our emergency response, such as developing site specific plans, salvage plans and exercises.

Our environment

The natural environment of Norfolk ranges from Thetford Forest, which is the largest lowland pine forest in Britain covering over 19,000 ha, to agricultural land, heaths, rivers, marshes and coastal environments. There are 90 miles of coastline and 250 miles of navigable inland waterways including the Norfolk Broads.

The Norfolk Coast includes an Area of Outstanding Natural Beauty, covering more than 450 km² of coastal and agricultural land; from The Wash in the west, through coastal marshes and cliffs, to the sand dunes at Winterton in the east. With a large coastline the coastal stations can only rely on support coming from inland reducing the number of resources that might ordinarily be available to other stations.

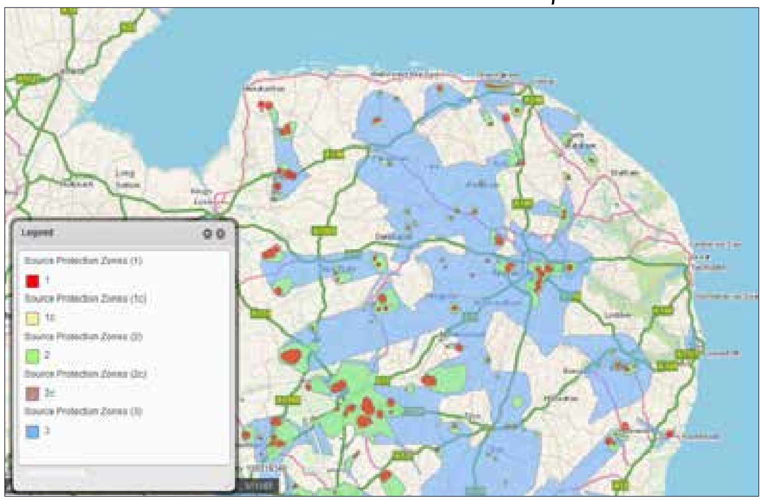
In the event of increased wildfire agricultural land and forestry adds additional risk to the county which requires consideration on how we deal with incidents and forms part of our concept of operations covered within the response section. Appendix 3 provides more detail about severe weather events.

The protection of our environment is one of the key priorities for our incident commanders, who prepare for incidents by identifying site specific risks in their communities and by undertaking operational exercises and training scenarios.

For further details on how we match our operational capability to environmental risk please see our response section.

Sites of Special Scientific Interest.

Groundwater source protection zones.



Severe weather

In Norfolk over the past few years we have experienced a range of extreme weather, often in a single year, such as 2018 which saw heavy snowfall and prolonged cold temperatures in the winter and a heatwave in the summer.

We use the National Heatwave and NHS Cold Weather plan and their alerts to make sure we have proactive plans and preparations in place, which allows us to work with our partners to ensure community safety.

Wildfire

Severe wildfire is listed in the National Risk Assessment (NRA) and National Risk Register and is classified as a low risk in the Norfolk Community Risk Register.

Wildfires pose a specific community risk in Norfolk relating to forestry, standing crops and heathland.

Flooding

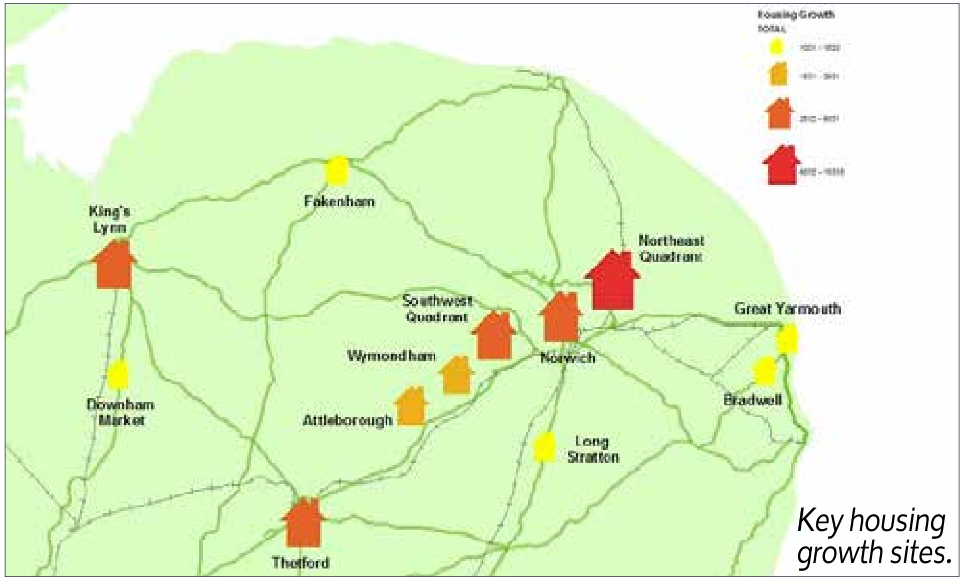
Norfolk's Community Risk Register identifies the threat of flooding as a "Very High" risk.

In total, some 42,200 properties in Norfolk are in main river or tidal floodplains and are considered to be at risk of flooding.

In addition, the risk of property from surface water flooding countywide is estimated in the region of 36,000 properties. Many more people work in, visit or travel through areas potentially vulnerable to flooding and may be unfamiliar with the risk.

Flood risk, copyright Flood Warning Service

Infrastructure development



Key housing growth sites.

The Norfolk Sustainable Infrastructure Development Plan (SIDP) sets out the Norfolk wide high level strategic infrastructure priorities for the next 10 years and is reviewed annually.

Norfolk Fire and Rescue Service meet regularly to discuss the development of infrastructure and uses the SIDP to identify future changes in risk and opportunities to improve services.

Changes to housing and infrastructure
The Norfolk Strategic Planning Framework suggests Norfolk authorities will need to collectively plan for an additional 84,000 homes by 2036.

It is anticipated that the following schemes will present a change to risk profiles and further modelling will be conducted over the next few years as the schemes progress:

- A11 Corridor
- Great Yarmouth Third River Crossing
- Thetford Sustainable Urban Extension (SUE)
- Broadland Growth Triangle and the Broadland Northway

Predicted number of incidents following the development of the Growth triangle.

Station	Annual changes in number of incidents from base position
Carrow	+38
Earlham	+ 28
Sprowston	+ 123
Wroxham	+ 37
Overall	+ 221

Station Location

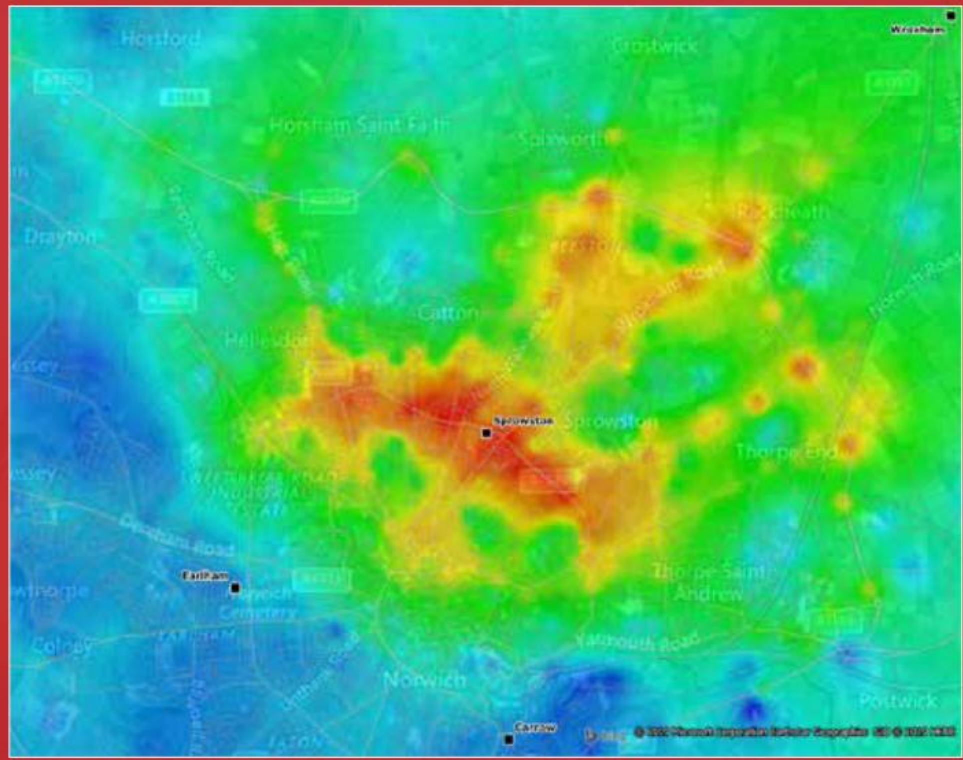
ORH ltd were commissioned to model the potential changes in demand to the increase in housing and infrastructure.

We also asked them to identify the optimum location for a fire station in north Norwich which would minimise response times to the Broadland Growth Triangle and take advantage of the access provided by the Broadland Northway and the potential western link extension.

The future road network in the Growth Triangle is unknown, so the current road network with the Broadland Northway and potential routes for a Norwich Western Link Road were added to the road network for use in the location optimisation modelling.

Broadland growth triangle - changes in demand
ORH ltd modelling predicts a 5.8% increase in demand for Norwich stations and as would be expected, the greatest demand will be experienced by Sprowston fire station.

Although new housing and road infrastructure may slightly increase demand, the modern fire safety requirements of new housing (such as fire doors and hard wired smoke detectors) means that damage in new housing is generally less than traditional housing without modern fire safety measures.



Optimal location of a northern Norwich fire station.

Current Station Location   Best Location   Worst Location   Optimal Site Search

Analysis shows that the current location of Sprowston continues to be in the optimal location to minimise response times based on our current understanding of the growth triangle.

Norfolk Community risk

The Norfolk Community Risk Register (CRR) is produced by the Norfolk Resilience Forum and helps identify hazards that may lead to an emergency. The forum has a legal duty (under the Civil Contingency Act) to produce a register of risks that may impact on our county. This helps us to focus our planning arrangements to mitigate these risks.

As a member of the Norfolk Resilience Forum we work with our partners to identify strategic community risks and quantify both the likelihood of the event happening and the severity of the impact of the event.

If a risk is included in the CRR, it doesn't mean it will happen. It means it is a possibility, and organisations need to have made arrangements to reduce its impact. Risks are rated as either Very High, High, Medium and Low.

Examples of relevant community risks to Norfolk Fire and Rescue Service

Very high: Flooding – Coastal; Cold and snow.

High: Heat wave.

Moderate: Fires involving scrap/recycling; surface water flooding; Storms and gales; road or tanker accident containing dangerous goods; Fire or explosion at a gas LPG or LNG terminal or flammable gas storage; very large toxic release; railway accident.

Low: Incident leading to evacuation of vessel on inland waterways; Fire or explosion at a range of indiustrial sites including fuel distribution sites or sites storing flammable and/or toxic liquids in atmospheric pressurised storage tanks; Radiation exposure from stolen goods; aviation accident; severe wildfires; Fire or explosion at gas pipeline following ignition of flammable gas under high pressure.

Control of Major Accident Hazards (COMAH)

COMAH applies mainly to the chemical industry, but also to some storage activities, explosives and nuclear sites, and other industries where the threshold quantities of dangerous substances identified in the Regulations are kept or used.

There are two types (tiers) of establishment which are subject to COMAH, known as 'Upper Tier' and 'Lower Tier' depending on the quantity of dangerous substances they hold. Upper Tier establishments will hold greater quantities of dangerous substances, meaning that additional requirements are placed on them by the Regulations.

Norfolk has eight upper tier COMAH sites and 20 lower tier sites. We help mitigate the risk of these sites through our resilience forum planning, exercising and sending an enhanced number of appliances to any incidents on these sites.

Major Accident Control Regulations (MACR)

MACR relates to military sites and implements arrangements to achieve results at least as good as those achieved by non-MOD controlled sites which fall within scope of COMAH.

Norfolk is home to operational bases at RAF Marham, Feltwell and Robertson Barracks at Swanton Morley, as well as the Stanford Training Area.

How we prepare for community risks

Norfolk Fire and Rescue plays a key role in the preparedness and planning for potential community risk through the Norfolk Resilience Forum (NRF).

We co-produce multi-agency response and recovery plans to ensure our response is fully integrated and undertake joint exercising against these plans.

We also conduct an annual training needs analysis at the strategic, district and station level. This analysis identifies the training that firefighters and their commanders need to undertake against specific risks identified in the community risk register, to ensure they are fully prepared to respond to the risk.

Mutual assistance for responding to large scale community risks is secured through the fire and rescue service National Coordination Advisory Framework (NCAF) and through formal agreements with our neighbouring fire and rescue services.

How we integrate our response to major incidents to mitigate the impact of an event

In the event of a serious or major incident we contribute to the joint multi-agency command, control, coordination and communication arrangements (C4).

To improve the exchange of information and co-ordination during emergencies, we have co-located with Norfolk Constabulary to develop a joint communications and control room. To provide additional resilience, we are also part of a fire and rescue service East Coast and Hertfordshire consortium which is looking to develop a networked common command and control system across the four counties.

All of our commanders are trained and focused on delivering a joined up response to emergencies, with the Joint Emergency Services Interoperability Principles (JESIP) as their guiding principles. To ensure intra-operability with other fire and rescue services, we are standardising our operations by adopting National Operational Guidance (NOG) as quickly as possible. Where our current operations do not meet NOG, we are re-engineering our ways of working to meet the guidance and we only derogate in exceptional circumstances.

Please see the response section for how we match our operational capability to community risk.

Prevention

Accidental dwelling fires

The number of accidental dwelling fires has remained fairly constant in Norfolk. As a proportion of total dwellings it has reduced. The total number of dwellings increased from **371,000 in 2008** to **420,00 in 2018.**

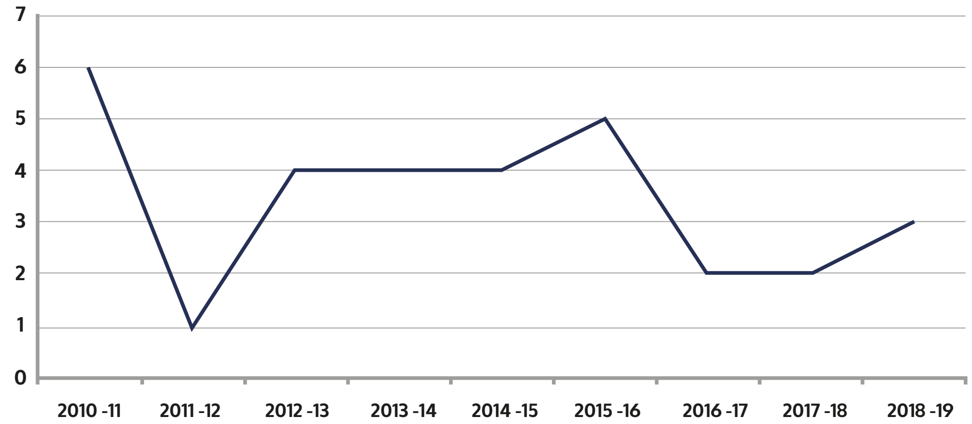
Who is vulnerable from dying or being injured in accidental dwelling fires?
The number of deaths in Norfolk from accidental dwelling fires over the past nine years has fluctuated from between **one and six people per year.**

The majority of people who died in accidental dwelling fires over the past nine years were older people (21 people aged 60+) with the largest proportion of older people over 80 years old.

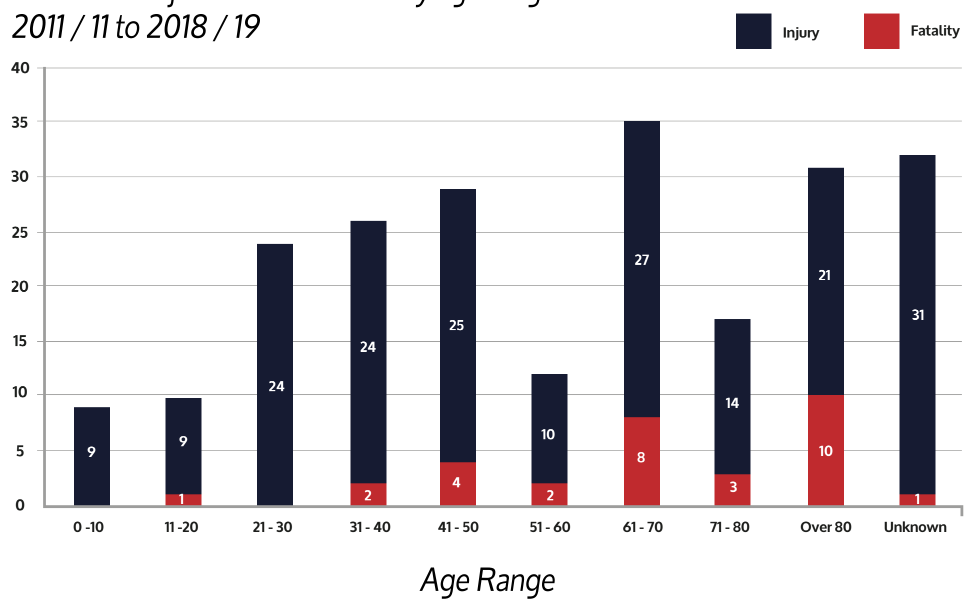
This is in line with previous national studies which has shown "Those aged 80 and over have a higher fire-related fatality rate, accounting for five per cent of the population but 20 per cent of all fire-related fatalities in 2016/17" (Home Office 2017).

Where did the fires occur?
Over the past nine years the majority of fatal accidental dwelling fires occurred in built up areas of the county; with 10 fatalities in urban city and towns and seven in rural towns. In rural areas, such as rural villages, and in sparse settings there were 14 fatalities, this reflects the age profile of rural areas.

Deaths from Accidental Dwelling Fires in Norfolk 1st April 2010 - 31st March 2019



Number of injuries and fatalities by age range 2011 / 11 to 2018 / 19



What causes accidental dwelling fires?

Over the past nine years the majority of accidental dwelling fires in Norfolk have consistently been caused by cooking and cooking appliances. This is in line with previous national studies.

What type of occupancy experiences accidental dwelling fire?

When occupancy type is subdivided, the largest number of accidental dwelling fires occur in homes where people live alone.

What type of premises do accidental dwelling fires occur in?

The majority of accidental dwelling fires occur in single occupancy houses, flats and bungalows. There have been three accidental dwelling fires on traveller and gypsy sites over the last nine years.

Who experiences accidental dwelling fires?

Over the past nine years the majority of accidental dwelling fires in Norfolk occur in dwellings with younger occupants who are under the pensionable age. This is in line with previous national studies.

Targeting fire safety messages

Although people under the pensionable age make up the majority of age ranges experiencing a fire, by using the Mosaic geodemographic classification, which is essentially a study of people based on where they live undertaken by a system called Mosaic produced by company called Experian, we can identify homes most likely to experience a fire on a geographical basis.

This information can be used to help understand people in these groups so that we can develop appropriate communications and interventions to help reduce the risk of accidental dwelling fire in the future. This information can also be used with other data, such as people registered at a doctors surgery aged over 65 years, to prioritise interventions by our crews when they are targeting prevention activity in a geographic areas. The table in appendix 8 lists all those types in Norfolk with a fire risk index greater than 120.

Using this data we can determine that the three highest rated groups are:

- **Dependant Greys** (Ageing social renters with high levels of need in centrally located developments of small units)
- **Pocket pensioners** (Penny-wise elderly singles renting in developments of compact social homes)
- **Streetwise Singles** (Hard-pressed singles in low cost social flats searching for opportunities)

Hoarding

The National Fire Chiefs Council identifies the risk of hoarding and fires as the inability to escape a fire, fire spread and intensity, increased smoke and many people do not want people to access their space to make repairs that would reduce the chance of a fire occurring.

As part of the Norfolk Safeguarding Adults Board's Self Neglect and Hoarding Strategy, we work with our partners through early help hubs to help resolve hoarding and mitigate the risk to occupants.

Deliberate fires

Although deliberate fires have reduced since 2010/11 they have plateaued with a small increase in 2018/19 related to the heatwave. In 2018/19 there were 690 deliberate fires, with 64% of these being secondary (low value) fires.

Deliberate fires and arson can be devastating for communities and businesses and so we work closely with business owners and local authorities to reduce the risk of arson. Through our fire intelligence unit we liaise on a daily basis with Norfolk Constabulary to exchange data to assist in reducing the threat from arson.

In order to reduce the likelihood of children setting fires, we use interventions, such as our Firesetters Education Programme, to work with families and carers whose children show an unhealthy interest in fires.

Road traffic collisions

Safe system approach

A review in 2018 led by elected members will result in a new "safe system" strategy approach that considers all the factors (road, vehicles, road use and speed) to prioritise initiatives focused on prevention and reducing risks.

This will mean that all partners will be encouraged to shift attention away from a single focus to influencing wider road user behaviour.

Protection

Our risk based inspection programme

Our resources are targeted at those premises which have the highest potential risk of death or injury, should a fire occur.

Generic risk
National guidance* provides a way for fire and rescue services to target their resources based on societal life risk fires using historical national data. Societal life risk is defined as the risk of five or more fatalities occurring in any one incident. In simple terms, fires occurring in non-domestic premises where people sleep provide the greatest risk of multiple deaths should a fire occur.

Assessed risk
Assessed risk is where an inspection has occurred or where an inspector has used their judgement. A 'High assessed risk' is either due to concerns about the fire safety measures following an inspection or the inherent risk of the premises. This risk is recorded on our fire safety management information system (CFRMIS) and drives our re-inspection programme.

Norfolk Fire and Rescue Service risk based inspection programme focuses on premises with the highest societal risk, which is sleeping accommodation.

Borough, City and District Councils enforce fire safety in common areas of houses in multiple occupation and flats, except where the escape route goes through a commercial premises, in which case we are the lead authority.

Our risk based inspection programme is flexible in nature and can be adapted as risks emerge, for example, following the Grenfell Tower fire all residential high-risk buildings across the county were inspected.

** CLG 2009.*

Frequency and causes of fires occurring in non-domestic premises in Norfolk.

There is a downward trend in fires in all non-domestic premises, with the largest reduction seen in the number of fires in sleeping accommodation, which is the focus of our fire safety inspections. Industrial, warehouse and agriculture premises fires have also reduced, but they continue to constitute the majority of our non-domestic fires.

There have been three fire fatalities in non-domestic premises over the past nine years (all related to manufacturing and industrial processes) and three people suffered serious injuries from accidental fires.

The main cause of fire in non-domestic premises continues to be electrical fittings, appliances and cooking.

How we join forces with our partners

In addition to pre-programmed inspections, we undertake intelligence led and reactive inspections. Examples include;

Joint working with Environmental Health Officers
We share information and undertake joint inspections of houses of multiple occupation and flats where concerns have been identified.

Joint inspections with the Environment Agency
We undertake joint inspections with the Environment Agency for licensed waste/recycling poor performing sites (PPS). This also acts as a control measure against the community risk register entry of fires involving scrap/recycling.

Joint action against modern day slavery
Working with Norfolk Constabulary our inspectors visit premises that intelligence suggests may be involved in modern day slavery; our powers are used to ensure any premises are safe.

Post fire inspections.
Our inspectors undertake a post fire audit of non-domestic premises that have experienced a fire to investigate whether there was a breach of the legislation.

International/national/regional learning:
Working with the National Fire Chiefs Council our inspectors learn from serious fires experienced in other areas and undertake local based inspections based on this learning. Recent examples include inspecting all high rise towers in Norfolk following the Grenfell Tower fire and the inspections of escape rooms in Norfolk following an incident in Poland.

How we match capability to risk
Competency levels

To ensure we achieve an integrated approach to managing risk, we use both dedicated fire safety staff and operational crews to deliver our community fire protection services.

Fire Safety Inspector
A Fire Safety Inspector can complete inspections of all regulated premises, including generic and assessed high risk sites, or those incorporating fire engineering principles. They can investigate and report on breaches of fire safety legislation for the commencement of legal prosecutions. They can report on submissions in liaison with building control bodies and advise on fire safety issues relating to the construction, demolition and/or refurbishment of regulated premises. They are qualified to take enforcement action for a breach of fire safety legislation.

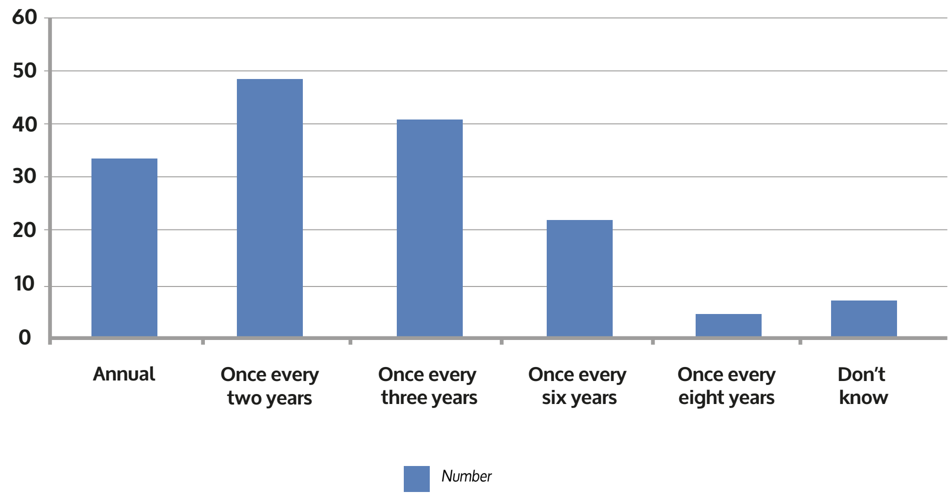
Fire Safety Advisor
A Fire Safety Advisor can offer advice and educate those responsible for fire safety in regulated premises.

Business engagement and compliance
Our operational crews undertake visits to medium and low generic risk sites to support businesses with arson audits, ensure escape routes are clear and to help them familiarise themselves with the site should a fire occur.

Our business engagement

Although our focus is on enforcing the relevant fire standards, we do this with a supportive and proportionate approach, working with organisations to help them ensure the safety of their staff, premises and customers.

How often do you think we should inspect your premises?



We use formal enforcement and prosecutions when we find deficiencies that are very serious, or when, despite working with an organisation, they have failed to improve their fire safety standards. Our approach is shaped by the principles set out in the Statutory Code of Compliance for Regulators and the Enforcement Concordat.

Our risk based inspection programme is always based on the risk we believe premises pose to their occupants, but we wanted to ensure that as we developed our new risk based inspection programme for this IRMP it felt proportionate to businesses.

So we surveyed all of the persons in Norfolk who are responsible for our high generic risk premises with an assessed risk of high, medium, and low, asking them what they thought was a proportionate re-inspection frequency for their premises. We also took the opportunity to ask them how well our inspectors supported them in making sure their premises were safe from fire and what else we could do to support them

Ten per cent of organisations responded to our engagement and we have used this valuable feedback in setting our re-inspection frequencies on page 50 and developing our strategy.

Suggestions from respondents for how we can improve our support include;

- Regular email updates/newsletter on fire safety matters
- A help desk contact number/email for fire safety enquiries

We will consider how we can implement these suggestions.

Response

Operational response

Under the Fire and Rescue Services Act 2004, fire and rescue authorities (FRAs) have a range of statutory duties to prepare for:

- fighting fires and protecting people and property from fires
- rescuing people from road traffic collisions
- and dealing with other specific emergencies, such as a terrorist attack

In addition, all FRAs are able to do other things to respond to the particular needs of their communities and the risks they face, this is achieved by:

- Ensuring that fire and rescue authorities can do things that are not specifically set out in the Act but which will help them meet their statutory duties.
- Giving authorities powers to prepare properly for other risks to life and the environment.
- Allowing authorities, where they have capacity, to use staff and equipment for any other purpose they believe appropriate.

How we organise
our emergency response

How we organise our emergency response capability and the location of our emergency response resources is the result of previous IRMPs.

As a result, we have delivered new fire stations at North Earlham, King's Lynn, moved a city centre fire station to Carrow as well as providing enhanced fire cover at Dereham and Gorleston.

Fire Control

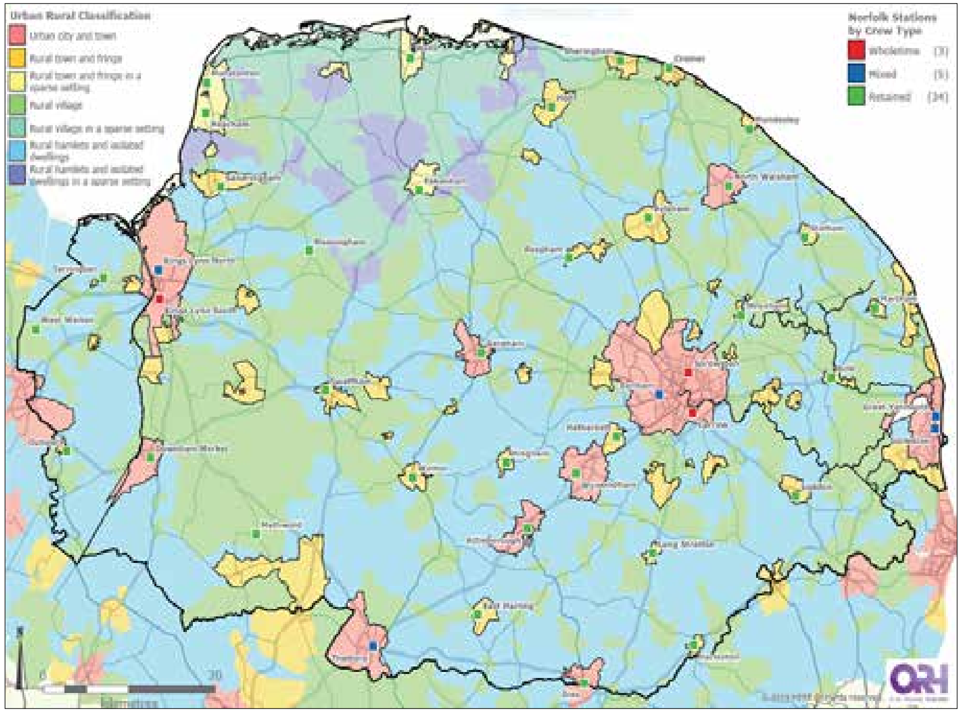
All emergency incidents start with an emergency call and our teams of fire control operators handle 999 calls, manage risk critical information and support our fire crews and commanders to resolve the incident.

Following the learning from national major incidents such as the 7/7 bombings in London, we have co-located with Norfolk Constabulary to further improve how we respond together and share information.

On Call

Our emergency fire cover in Norfolk is predominately on-call covering 39 teams and relies on the commitment of our people to provide cover.

This cover is not guaranteed due to a number of reasons, not least that employment is predominantly in the towns and urban areas, making it harder for us to recruit for daytime cover in the more rural areas.



Urban / Rural areas.

Wholetime Duty System

Firefighters working on the wholetime system work two days then two nights. This system requires four shifts, known as watches, to provide guaranteed fire cover 24/7 at five of our stations.

Day Duty System

At Thetford, firefighters on our Day Duty System (DDS) work during the day between Monday and Fridays with on-call firefighters providing cover in the evenings and weekends

Dereham USAR

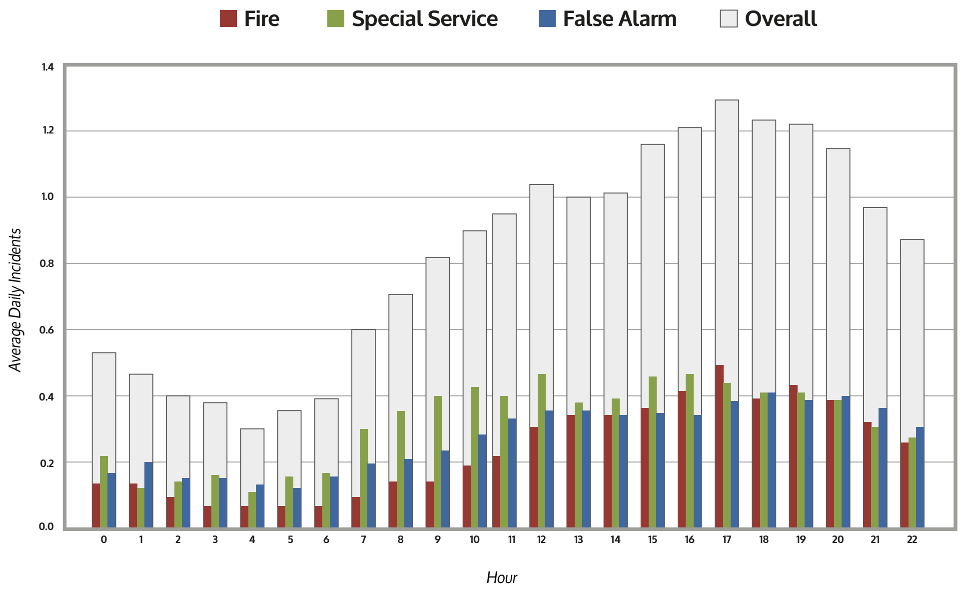
Our National Urban Search and Rescue (USAR) teams based at Dereham Fire Station crew the fire appliances on the station when they are in residence. In this way, we are able to provide enhanced fire cover during the day for 12 hours throughout the week. Our on-call team continue to crew the second appliance when USAR are on station and for both appliances when USAR are not on station.

Turnouts

Our team's turnout to incidents is quicker during the day when they are often already on the appliance or working close to the station if they are on-call, and slower at night when they are asleep.

When do incidents occur?

As would be expected, road traffic collisions predominately occur when people are traveling through the day. False alarms and fires peak in the evening when people are cooking.



Our incident response profile

Understanding our response profile
Primary fires

Primary fires are all those fires with a monetary value associated with them, such as buildings, cars, tractors and boats.

Secondary fires have no monetary value such as rubbish and waste ground.

There has been a small downward trend in all primary fires since 2010/11 with the exception of outdoor fires (woods and fields of crops) in 2018/19 which saw an increase linked to the heat wave. The rate of decline has levelled off.

This trend is replicated across the country.

In 2001/2, the rate of primary fire varied by fire and rescue services between 2.5 and 6.5 fires per 1,000 people.

By 2012/13, the rates in all fire and rescue services were between one and two fires per 1,000 people.

Over the last five years, the rates of fires for all fire and rescue services remained stable.

In Norfolk, 2018/19 saw a slight increase in primary fires due to the heat wave with an increase in primary from 1.4 to 1.5 fires per 1,000 people.
Source: ORH Ltd

Fires (including Assist other FRS)	2010 - 2011	2018 - 2019
Secondary fires	1,433	1,234
Primary fires	1,482	1,401
Total Fires	**2,915**	**2,635**

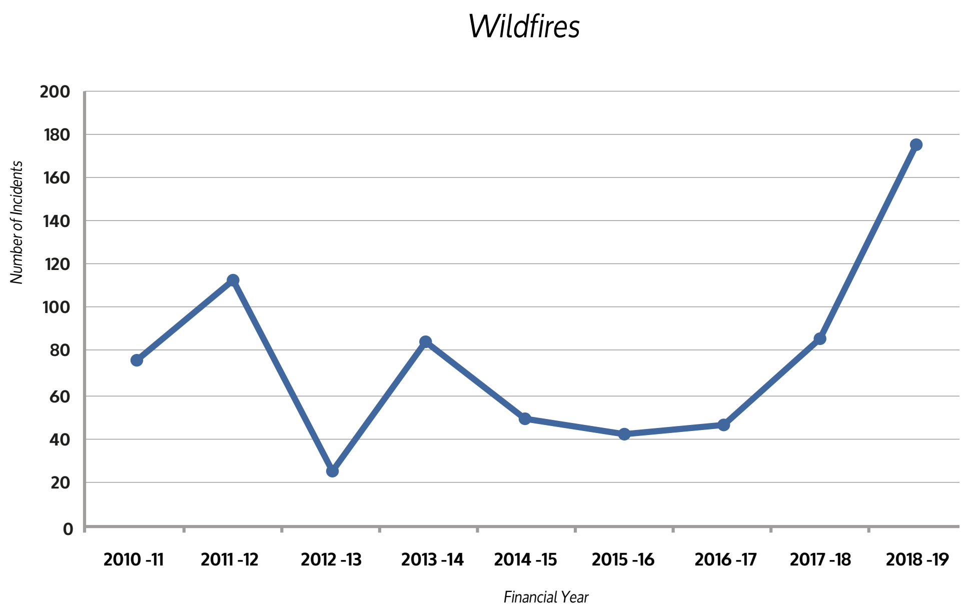
Increased wildfires

The number of wildfire incidents increased substantially in the summer of 2018 due to the heatwave.

We use the Fire Severity Index (FSI) to vary the number of appliances we send to wildfire risks, such as forestry and standing crops. By working with landowners such as the Forestry Commission through the East of England Fire Operations Group, we ensure our planning and response to wildfire is coordinated and we support them in promoting the dangers of fire to visitors of the forests.

Local work is also undertaken with private landowners to encourage the use of effective fire breaks and fire management in woodland.

We have plans to further develop our wildfire preparedness and capability in the coming year by working with partners through the new Eastern Wildfire Group, developing a National Tactical Wildfire Advisor to support our preparedness and response to wildfires in Norfolk and by learning from other regions and countries. Although our new fleet now includes off road fire appliances and vehicles, our replacement plan will be shaped by our proposed refreshed concept of operations, which will include a review of our wildfire capabilities.



False alarms from non- domestic premises automatic fire alarms

Norfolk Fire and Rescue Service receive calls from receiving centres that monitor fire alarm systems.

In order to minimise the number of times a fire appliance is mobilised to false alarms, we request the occupant checks for signs of fire. We call this 'call challenge'.

Our response to false alarms is one of the lowest rates in the country, allowing our resources to be available for other incidents.

This call challenge applies only to those premises that do not have a generic high risk (we call these 'In scope') namely; industrial premises, commercial premises, offices, shops, licensed premises without sleeping accommodation, places of worship and public buildings.

We do not call challenge those premises that are classed as having a generic high risk, such as care homes, flats, hospitals and hotels. Schools are also out of scope for call challenge. Although we automatically send a fire appliance to these premises, our fire safety teams work with premises owners to reduce their incidents of false alarms.

By using call challenge and by working with premises owners, since 2010/11 we have reduced our attendance at false alarms for in scope premises by 79% and for out of scope premises by 36%. This rate of reduction has now plateaued and we are currently reviewing our policy to identify further opportunities to reduce our attendance at false alarms.

All False Alarms (including assisting other FRS)	2010 - 2011	2018 - 2019
AFAs	2,600	1,270
False Alarms Good Intent	988	1,211
Hoax Calls	96	62
Total False Alarms	**3,684**	**2,543**

False alarms from malicious 999 calls

Occasionally we receive false alarms that are malicious. We will often attend to ensure it is a false alarm and this ties up resources that are needed elsewhere. By working closely with other agencies, we identify persistent offenders which helps to reduce the number of these calls we receive.

We have seen a reduction of **35%** since 2010/11 of incidents we attended that turned out to be a malicious call helping to ensure we are available for real emergencies.

Reports of fires that were false alarms but were well intended

We often receive 999 calls from members of the public who see smoke or hear a domestic smoke detector sounding in a neighbouring house. We will always mobilise a resource to these types of incident, but it often turns out that the smoke is from controlled bonfires or from another ongoing incident. These incidents are classified as 'false alarm good intent'.

In 2017/18 – 2018/19 we saw an increase in false alarm good intent calls, possibly caused by increased vigilance during the heat wave and wildfire season.

Special Services

The biggest change over the past nine years is an increase in special services. These are all non-fire related incidents and generally relate to rescues of people and animals, hazardous materials and flooding.

Non-Fire Incidents (including Assist other FRS) (Special services)	2010 - 2011	2018 - 2019
RTCs	1,671	724
Other non-fire incidents	853	1,785
Total Non Fire Incidents	**2,524**	**2,509**

Road traffic collisions
In 2015/16 the East of England Ambulance Service introduced a new mobilising system. This change allowed us to improve how we mobilise our crews to road traffic collisions (RTCs), ensuring we only attend when it is suspected that someone was either physically or medically trapped in the wreckage. This has seen a reduction in the number of RTCs we attend.

Forced entry for medical emergencies
A trial has been running since the 11th of March 2016 which sees our fire crews using their existing powers of entry into private dwellings to allow access for paramedics to deliver medical care. This is a function that has traditionally been undertaken by Norfolk Constabulary.

The trail is being formally evaluated and the next stage is looking to see how we can mobilise the nearest resource, be it fire or police.

Emergency medical care – corresponding
We participated in a national trial in 2016 with fire crews co-responding with paramedics to people suffering cardiac arrests. Twenty two fire crews participated in the pilot (the largest number in the region) from stations at Sprowston, Earlham, Carrow, Kings Lynn, Thetford, North Walsham and Sheringham.

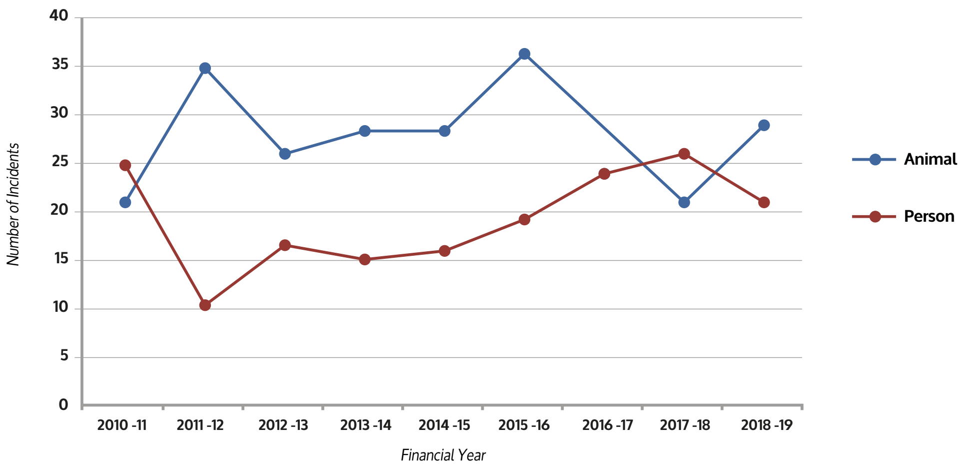
Outcomes of the pilot were extremely encouraging with examples of crews delivering medical care with paramedics that have achieved cardio pulmonary resuscitation, improving the chances of survival for the patient.

Flooding and Water Rescue

Norfolk Fire and Rescue Service has a statutory power (under the Fire and Rescue Services Act 2004) but not a duty to respond to flooding.

As a category 1 responder we work through the Norfolk Resilience Forum to develop multi-agency flood response plans. We have a responsibility for undertaking rescues with other agencies and voluntary responders, protecting property and critical infrastructure through water removal and assisting in the command, control and coordination of an event.

Water Rescues of People and Animals Excluding Flooding
1st April 2010 to 31st March 2019



We currently have 4 ‘team type B’ specialist teams that were previously funded through grants from DEFRA, these teams are based at King’s Lynn, Dereham, Carrow and Thetford. There are also 12 locally funded teams, aligned to the ‘team type D’.

All of our fire crews are sent to someone who falls in the water to undertake a bankside rescue. Firefighters in type D teams are trained to undertake wading rescues and use inflatable rafts and our type B teams undertake swim rescues and have rigid inflatable boats.

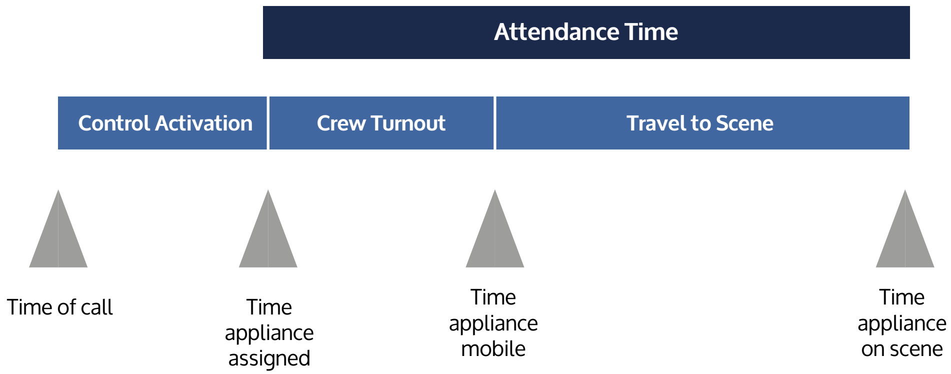
In preparedness for coastal tidal surges, type B teams, accompanied by type D teams, are pre-deployed to forward command posts in Great Yarmouth, King’s Lynn and North Norfolk.

How we measure our performance

We receive emergency calls through a variety of means; from direct telephone calls from members of the public, to automatic calls from a business fire alarm system or calls for assistance from other emergency services or agencies.

The diagram below shows how the component parts of dealing with an emergency incident are defined and measured:

- The time of call to the time a fire appliance is assigned to an incident is dealt with by our control room staff.



- The time the appliance is assigned to the time it is mobile will vary from a short time (less than a minute) for our wholetime staff who are on station, to a longer period for our on-call staff who work in local communities and who respond via a pocket alerter when a call occurs. This is called the turnout time. We use historical data for each individual on-call station to calculate the average turnout time for that station when we consider which station to mobilise to an incident.

- From the time the appliance is mobile to the time it is on scene is the travel time from station to the incident itself.

Our current attendance time is measured from the time a station is alerted to the time the fire appliance arrives at the scene.

The Home Office and HMICFRS measure fire and rescue services performance from the time the 999 call is answered to the time the first fire appliance is on scene.

How we match our operational capability to the community risk

Fires and pumping

Relevant community risk register entries (please see page 20)

Moderate: Fires involving scrap/recycling; Surface water flooding; Fire or explosion at a gas LPG or LNG terminal or flammable gas storage;

Low: Fire or explosion at a range of industrial sites including fuel distribution sites or sites storing flammable and/or toxic liquids in atmospheric pressurised storage tanks; Aviation accident; severe wildfires; Fire or explosion at gas pipeline following ignition of flammable gas under high pressure

All of our front line fire crews are trained to extinguish domestic, commercial and industrial fires. Training focuses on how to extinguish fires utilising breathing apparatus as respiratory protective equipment. Specialist capabilities such as cold cutting is requested as and when required from Cambridgeshire and Suffolk Fire and Rescue Service.

Sufficient firefighting foam (compressed air foam system CAFS, low expansion and high expansion) is available for extinguishing liquid fuel fires and deep seated fires.

We will train crews in King's Lynn and Great Yarmouth and the surrounding fire stations to extinguish fires on vessels in port.

Our tactical commanders at King's Lynn and Great Yarmouth receive additional training in commanding incidents on vessels.

We train all of our tactical and advanced tactical commanders on wildfires and provide an off road capability to provide access, equipment transportation and extinguishing media.

We will provide access to call off arrangements for heavy plant machinery to assist in us in extinguishing waste fires.

We supplement pumping appliances with water carriers and a high volume pump hosted and deployed on behalf of the National Resilience lead authority.

Appliance provision for fires and pumping:

General purpose type B fire appliances: response to fires and pumping, breathing apparatus, ladders, quick strike foam provision.

Rural fire appliances:
Response to fires and pumping, breathing apparatus, ladders, off road 4x4 capability, with CAFS.

Water Carriers: Bulk distribution of water and foam

Off road vehicles: Wildfire, water mist system

Rescues

Relevant community risk register entries

Very high: Flooding – Coastal; Cold and snow

Moderate: Fires involving scrap/recycling; surface water flooding; Storms and gales; railway accident.

Low: Incident leading to evacuation of vessel on inland waterways; Aviation accident.

All of our fire crews are trained to perform rescues from height through the use of ladders. Aerial ladder platforms provide a safe working platform for rescues up to 32m. For heights higher than 32m or for inaccessible rescues, a rope rescue team is provided through Urban Search and Rescue (USAR) teams.

All of our fire crews are trained to undertake confined space rescues, with winch capabilities provided on our heavy rescue appliances and with a USAR specialist capability.

All of our fire crews are trained to rescue people from road traffic collisions and transport incidents.

All fire appliances are provided with hydraulic rescue equipment, supplemented by four heavy rescue appliances carrying enhanced equipment and with USAR providing a specialist capability.

USAR provides rescues from collapsed structures.

Our fire crews are trained and equipped to deliver intermediate medical care with clinical governance aligned with the East of England Ambulance Service.

All of our fire crews are trained to undertake bankside rescues of casualties in water, supplemented by water first responder type D teams to undertake wading and raft based rescues and team type B teams to undertake swift water rescues, via surface rescue boats and by swimming.

We respond to flooding incidents to protect property at risk of flooding and remove flood water from buildings and infrastructure. Rescues from fallen trees is provided by our USAR chainsaw operatives.

All of our fire crews are trained to safely work with trapped large animals; with dedicated animal rescue teams to undertake the rescues.

Appliance provision for rescues:

General purpose type B fire appliances: hydraulic rescue equipment, ladders, safe working near water equipment and throw bags, safe working at height.

Rural fire appliances; off road capabilities, hydraulic rescue equipment, ladders, winches, water rescue equipment, safe working at height.

Heavy Rescue Pumps: enhanced hydraulic rescue and cutting equipment, ladders, winches, confined space rescue.

Technical Rescue Unit: Specialist water and animal rescue, working at height.

Aerial Ladder Platform: Rescue from height.

Urban Search and Rescue: Rescues from building collapse, sub surface, height and stabilisation of dangerous structures, rope rescue, specialist cutting equipment including chain saws.

4 x 4 vehicles; transportation of equipment and personnel.

Hazardous materials

Relevant community risk register entries

Moderate: Road or tanker accident containing dangerous goods; very large toxic release;

Low: Fire or explosion at a range of industrial sites including fuel distribution sites or sites storing flammable and/or toxic liquids in atmospheric pressurised storage tanks; Radiation exposure from stolen goods;

We provide hazardous environmental material protection advisers (HEMPAs) to provide advice to commanders on mitigating the effects of an accidental release of a hazardous material and the protection of the environment. HEMPA's are also trained to provide an Initial Assessment Team (IAT) to test substances in the field to identify hazards and to quantify the risk.

We work in partnership with the Environment Agency to transport and deploy large quantities of protective equipment to mitigate the effect of hazardous materials on the environment.

All of our fire crews are trained to use gas tight suits and undertake decontamination.

We deploy a mass decontamination capability on behalf of the National Resilience lead authority. All fire crews are trained and equipped to attend a chemical or biological attack as the initial operation response (IOR).

All of our fire crews are trained to attend incidents involving radiological or nuclear materials supported by monitoring and testing equipment.

Appliance provision for hazardous materials

General purpose type B fire appliances: Gas tight suits, level 1 environmental protection; dosimeters.

Rural fire appliances; Gas tight suits, level 1 environmental protection; dosimeters.

Heavy Rescue Pumps: Gas tight suits, level 1 environmental protection; dosimeters; survey meters.

Environmental Protection Units; Gas tight suits; full decontamination; covering drums; decanting; environmental protection.

Mass decontamination unit: equipment to decontaminate large number of people.

Terrorism

All of our fire crews will attend the aftermath of a terrorist attack to provide intermediate emergency medical care, to decontaminate the public and first responders, to rescue trapped casualties, to make structures safe and to extinguish fires.

We also provide National Incident Liaison Officers to assist Incident Commanders in deploying capabilities during a terrorist attack. Additionally, we provide a Marauding Terrorist Attack Specialist Response Team (SRT) that will be deployed during a terrorist attack to extinguish fires and treat and extricate casualties alongside the ambulance service and the police.

This function is deployed on behalf of the National Resilience lead authority.

Strategies

Our Community Safety Strategy (prevention and protection) 2020-23

How we will reduce the volume, impact and harm from emergency incidents

- We will join forces with our partners in Norfolk Constabulary and local authorities to work together and drive a reduction in arson
- We will improve community engagement following any serious incident or volume of repeat incident types. Activities include working with partners and communities to undertake arson reduction, undertake Home Fire Risk Checks and communications campaigns
- We will use local and national operational learning to ensure our preventative work is effectively targeting those most at risk and identify emerging risk
- We will evaluate all community safety activity to understand how to make it more effective and identify its impact.
- We will continue to integrate the delivery of community safety activities in the role of our firefighters
- We will strengthen our provision of prevention services in rural areas.

How we will help those most at risk through early help

- Exchange timely risk information through co-location partnership arrangements and referrals
- Look to develop a common community risk profile assessment methodology with our partners
- Develop and contribute to cross-organisations teams to support key initiatives and programmes
- Improve engagement and collaboration with families and communities to help identify vulnerability and develop community resilience
- Support the strategic Safeguarding Board, sharing information across our partners, with a multi-agency pathway to ensure that risk is identified and lessons are learnt
- The proactive use of all media channels to promote and provide guidance to help individuals, families and communities stay safe.

How we will work in partnership to deliver community safety education and development.

- Work in partnership to support youth development, such as the Prince's Trust Team Programme
- Provide Fire Cadet Units to support youth development and promote the role of the fire and rescue service as a career
- Lead the delivery of the multi-agency Crucial Crew safety educational experiences, accessible to year six school children across Norfolk
- Provide tailored intervention and education programmes for young people and children addressing 'Firesetting' behaviours
- Work with partners to promote safe driving through the new Safe System Approach
- Work with partners to promote the installation and testing of smoke detection and where appropriate sprinkler installations
- Work with partners to increase our capacity to improve the safety of vulnerable people through co-designed services.

How we will work with our communities and other regulators to inspect and protect Norfolk's businesses, buildings and heritage

- Engage with businesses to continue to drive down the number of false alarms from automatic fire alarms
- Work with partners to improve our engagement and support for businesses and organisations to minimise their risk from fire
- Deliver our risk based inspection programme
- Work with partners to deliver a joined up inspection programme that reduces duplication and helps prioritise inspection activity
- Take a proportionate approach to enforcing the fire safety requirements of the regulatory reform (Fire Safety Order) 2005
- Support businesses and organisations in complying with the legislation and taking consistent and focused enforcement action, including prosecutions, for serious contraventions
- Through our risk based inspection programme and regional working, we will support the protection of heritage from fire.

Our Operational Response Strategy 2020-23

The aim of our operational response strategy is to ensure that, should an incident occur, we can minimise the impact of that incident by providing a timely, appropriate and resilient response capability. Our response strategy comprises a number of key elements from the National operational concept of operation through to our local doctrine, as described below.

Our Fire Control

On receipt of emergency calls we will assess requirements and, where appropriate, deploy the nearest most suitable assets. We will look to maintain contact with callers to provide support, gain further information and, where applicable, provide immediate lifesaving guidance and also liaise with other agencies. Contact will also be established and maintained with all assigned operational assets throughout the emergency event. We will continue to drive down malicious calls through our call challenge procedures.

Our Incident Commanders

We will utilise the nationally recognised Incident Command System (ICS), which provides a framework for managing operational incidents and ensuring the health, safety and welfare of all personnel on the incident ground. There are four incident command levels covering initial, intermediate, advanced and strategic incident command.

Supporting the Fire and Rescue Service National Coordination Centre (FRSNCC)

The FRSNCC facilitates the deployment of national resilience assets (see below) to major incidents around the country. We will both provide and request assistance through the FRSNCC as required.

Our Response Levels

We have identified three levels of response which provide a framework for how we respond to incidents. Associated with each level are a number of capabilities. For all but the simplest type of incident, it is likely that a combination of response level capabilities will be utilised. The response levels are as follows:

Local response capability is an all hazards response and is designed to deal with the initial stages of any incident. This capability is delivered by both our on-call and wholetime firefighters operating from a number of fire stations around the county. All of our firefighters are trained to operate at this level in order to support this capability.

Specialist response is a specialist capability. We will maintain a number of special appliances including our Aerial Ladder Platforms, Technical Rescue Units, Environmental Protection Units and a Command Support Unit. Specialist teams are formed from within our existing staff who receive additional skills training as appropriate.

National response. The FRS has a vital role to play in providing a national resilience capability against risks such as chemical, biological, radiological or nuclear incidents, terrorist attacks or other major emergencies. Within Norfolk we will provide on behalf of the national lead authority, Urban Search and Rescue (USAR), team typed flood response, specialist teams to respond to marauding terrorist attacks, mass decontamination and high volume pumping.

Our Weight of Attack

Ensuring our initial response is appropriate to the incident type, is sustainable and that firefighters can operate within safe systems of work is essential to our response capability. Our initial response is described within our Pre-Determined Attendance (PDA) procedures which have been derived from operational learning, scenario planning and best practice. They are reviewed on a regular basis to reflect changes in risk and national guidance.

Scale and Concurrency

Historical analysis of incident types provides an indication of the scale and concurrency of incidents we attend. Based on this information we have assessed that, at any one time, we should plan to be able to respond to two large scale incidents (five plus fire appliances) plus numerous other small incidents (one - three fire appliances). In the event of spate conditions exceeding 48 hours duration or the declaration of a major incident or emergency we would consider requesting over the border, regional or national assistance.

Operational Risk Information

We recognise the importance of providing accurate and timely risk information to our operational crews. We will embed the national Provision of Risk Information System (PORIS) to provide incident commanders with timely, accurate and accessible information on known building and site risks.

Our Operational Assurance

We regularly review our performance at operational incidents to identify good practice and areas for improvement. This information is then shared throughout the service and with partners this is used to amend policies and procedures where appropriate, informs training delivery or influences the design and purchase of new equipment and tests our IRMP.

Our Operational Doctrine

We recognise the benefits of the National Operational Guidance programme and will continue to update our operational procedures. We will also work to ensure our operational doctrine reflects the national Joint Emergency Services Interoperability Principles.

Our plans for 2020-2023

We will:

- Strengthen our community fire protection services.
- Develop a new concept of operations.
- Explore the potential to undertake co-responding
- Maintain our specialist water rescue capability.
- Adopt national performance measures against emergency response standards if they are introduced.

How will we deliver our plans?

Over the next three years we will deliver these plans through:

- Further engagement with our staff, stakeholders and communities to further understand risk and identify how Norfolk Fire and Rescue Service will effectively and efficiently respond to that risk.
- Where we identify improved ways of working we will begin trialling opportunities for changing the way we deliver our services.
- We will change the way we undertake prevention and protection activities to strengthen our services.
- We will review the outcomes of the trials and finalise plans ready for delivery.

Appendix 1.

Constructing the IRMP – Methodology

In order to undertake analysis on demand, risk and site optimisation ORH Ltd were employed.

The 2020-23 IRMP uses a comprehensive data set including nine years of Norfolk Fire and Rescue Service incident data.

Sources of other data sets and information used include:

- Norfolk's Joint Strategic Needs Assessment
- Adult Social Services, Norfolk County Council
- Public Health England
- The Valuation Office Agency
- Norfolk Infrastructure Delivery Plan 2018-28
- Area Action Plans
- The Home Office
- The Broads Authority
- data.police.uk
- The Environment Agency
- The Health and Safety Executive
- Norfolk Fire and Rescue Service incident data
- Office of National Statistics
- Ministry of Housing, Communities and Local Government
- Previous IRMPs

This IRMP has been developed in accordance with national guidance https://www.gov.uk/government/collections/integrated-risk-management-planning-guidance.

Appendix 2.
Additional relevant legislation

Fire and Rescue Services (Emergencies) (England) Order 2007
Makes it mandatory for FRS to: make provision for decontaminating people following the release of chemical, biological, radiological or nuclear (CBRN) substances; make provision for freeing people from collapsed structures and non-road transport wreckages; use, on request, specialist CBRN or Urban Search and Rescue resources outside their own areas.

Regulatory Reform (Fire Safety) Order 2005
Applies to all non-domestic premises in England and Wales and requires all responsible persons in those premises to carry out a fire risk assessment and implement and maintain a fire management plan. FRSs are responsible for the enforcement of this legislation.

Health and Safety at Work etc. Act 1974
Places a duty on all employers to ensure, so far as it is reasonable practicable, the health, safety and welfare at work of all employees.

European Working Time Directive Implemented through the Working Time Regulations (1998) it provides direction on organisation of working time.

Localism Act 2011
Enables a general power of competence for Best Value Authorities

The Equality Act 2010
Brought together the laws on equality into one piece of legislation with the aim of simplifying their application. The purpose of the Act is to provide protection against discrimination and promote equality of opportunity for individuals and groups with protected characteristics.

References

Broads Authority (2019) Annual health and safety report and the annual review of marine incidents. https://www.broads-authority.gov.uk/__data/assets/pdf_file/0020/1571501/Health-and-Safety-ba170519.pdf

CFOA (2014) Climate Change Adaptation http://www.cfoa.org.uk/download/58444

CLG (2009) Integrated Risk Management Planning Guidance Note 4; A risk assessment based approach to managing a fire safety inspection programme https://webarchive.nationalarchives.gov.uk/20121029133723/http://www.communities.gov.uk/documents/fire/pdf/IRMPguidancente4

DEFRA (2018) National Adaptation Programme https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/727252/national-adaptation-programme-2018.pdf

HMICFRS (2019) Fire and Rescue Service inspections 2018/19 Summary of findings from Tranche 2

https://www.justiceinspectorates.gov.uk/hmicfrs/wp-content/uploads/fire-and-rescue-service-inspections-2018-19-tranche-2.pdf

Home Office (2017) Focus on trends in fires and fire-related fatalities https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/650869/focus-trends-fires-fatalities-oct17.pdf

Health and Safety Executive COMAH establishments http://www.hse.gov.uk/comah/comah-establishments.htm

MHCLG (2015) Indices of Deprivation https://www.gov.uk/government/statistics/english-indices-of-deprivation-2015

MHCLG (2018) English Housing Survey Headline Report, 2017-18 https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/774820/2017-18_EHS_Headline_Report.pdf

Norfolk County Council Norfolk Learning Disabilities Strategy 2018-2022 https://www.norfolk.gov.uk/care-support-and-health/disabilities/learning-disabilities/learning-disabilities-partnership-board

Norfolk Prepared Community Risk Register http://www.norfolkprepared.gov.uk/

Norfolk Safeguarding Board Self Neglect and Hoarding Strategy 2019 https://www.norfolksafeguardingadultsboard.info/assets/SELF-NEGLECT-and-HOARDING/NSAB-SNandH-Strategy2.1-JUN2019FINAL.pdf

Parliamentary Office for Science and Technology Climate Change and UK Wildfire (2019) https://researchbriefings.files.parliament.uk/documents/POST-PN-0603/POST-PN-0603.pdf

The Fire and Rescue Services Act 2004

The Fire and Rescue Services Act 2004 sets the legislative framework within which the service operates. Through implementing legislation we work internally, with partners and with the community.

The Act puts prevention at the heart of what the fire and rescue service does, for example, a duty for all fire and rescue authorities to promote fire safety and other powers to help create safer communities, particularly for the most vulnerable in society.

Civil Contingencies Act 2004

The Civil Contingencies Act imposes a number of duties on us to assess the risk of an emergency occurring, to prepare and coordinate with our partners and to maintain plans for responding to a wide range of emergencies and ensure business continuity.

Regulatory Reform (Fire Safety) Order 2005

Norfolk Fire and Rescue Authority is the enforcing authority for this legislation within Norfolk. Norfolk Fire and Rescue Service inspectors use the powers of the legislation to work with responsible persons to help ensure fire safety for non-domestic premises.

The Policing and Crime Act (2017)

The Act places a statutory duty on fire and rescue authorities, police forces, and ambulance trusts to:

- Keep collaboration opportunities under review;
- Notify other emergency services of proposed collaborations that could be in the interests of their mutual efficiency or effectiveness; and
- Give effect to a proposed collaboration where the proposed parties agree that it would be in the interests of their efficiency or effectiveness and that it does not have an adverse effect on public safety.

In 2018 collaboration in Norfolk was further strengthen by the signing of a formal Memorandum of Understanding between Norfolk's Police and Crime Commissioner, Norfolk County Council, Norfolk Fire and Rescue Service and Norfolk Constabulary on emergency services collaboration.

Home Office fire reform programme

In 2016, the Home Office outlined an ambitious programme of reform for the fire and rescue sector. It includes:

- Transforming local governance of fire and rescue by enabling mayors and police and crime commissioners to take on responsibility for fire and rescue services where a local case is made;
- Establishing Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) as an independent inspection regime for fire and rescue authorities;
- Developing a comprehensive set of professional standards to drive sector improvement;
- Supporting services to transform commercially with more efficient procurement and collaboration;
- Increasing the transparency of services with the publication of greater performance data and the creation of a new national fire website; and
- Driving forward an ambitious programme for workforce reform.

Report to Cabinet

Item No. 8

Report title	**Finance Monitoring Report 2019-20 P8: November 2019**
Date of meeting	**13 January 2020**
Responsible Cabinet Member	**Cllr Andrew Jamieson (Cabinet Member for Finance)**
Responsible Director	**Simon George (Executive Director of Finance and Commercial Services)**
Is this a key decision?	**Yes**

Introduction from Cabinet Member

This report gives a summary of the forecast financial position for the 2019-20 Revenue and Capital Budgets, General Balances, and the Council's Reserves at 31 March 2020, together with related financial information.

Executive Summary

Subject to mitigating actions, the forecast revenue outturn for 2019-20 is an overspend of **£3.696m** on a net budget of £409.293m. General Balances are £19.6m and service reserves and provisions are forecast to total **£73.1m**.

Recommendations

1. **Exempt item**: Recommend to County Council an addition to the capital programme to fund Scottow Enterprise Park deferred purchase costs, as set out in exempt appendix 3;

2. Note the period 8 forecast general fund revenue overspend of **£3.696m** noting also that Executive Directors will take measures throughout the year to reduce or eliminate potential over-spends;

3. Note the period 8 forecast shortfall in savings of £4.916m, noting also that Executive Directors will take measures throughout the year to mitigate savings shortfalls through alternative savings or underspends;

4. Note the forecast General Balances at 31 March 2020 of £19.623m, before taking into account any over/under spends;

5. Note the expenditure and funding of the revised current and future 2019-22 capital programmes.

1. Background and Purpose

1.1. This report and associated annexes summarise the forecast financial outturn position for 2019-20, to assist members to maintain an overview of the overall financial position of the Council.

2. Proposals

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

3. Impact of the Proposal

3.1. The impact of this report is primarily to demonstrate where, if applicable, the Council is anticipating financial pressures not forecast at the time of budget setting, together with a number of other key financial measures.

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
- Changes to the approved budget
- Reserves
- Savings
- Treasury management and
- Payments and debt performance

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.

6. Financial Implications

6.1. As stated above, the forecast revenue outturn for 2019-20 is an overspend of **£3.696m** (P7 £3.819m**)** linked to a forecast shortfall in savings of **£4.916m**. Forecast reserves and provisions amount to **£73.1m**, and general balances **£19.6m**.

Within the forecast overspend are significant financial pressures identified in Children's Services and Adult Social Services, balanced by underspends in other areas, primarily Finance General.

The Children's Services net overspend is due mainly to high and increasing levels and complexity of need across placement and support budgets, including children looked after, young people leaving care and children at risk of harm, and transport costs. Transport costs are forecast to rise due to pressures relating to the costs of home to school transport, particularly Special Educational Needs, Disabilities and Alternative Provision (SEND & AP) transport. Within Adults, there are pressures on Purchase of Care budgets, mainly related to Older People and Mental Health services. A full narrative is given in Appendix 1.

The Council's capital programme contains new schemes approved by County Council on 12 February 2019, as well as previously approved schemes brought forward and schemes subsequently approved during the year. The programme will be updated following approval of the 2020-23 budget.

7. Resource Implications

7.1. There are no direct staff, property or IT implications arising from this report.

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.

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

8.3. **Equality Impact Assessment**
In setting the 2019-20 budget, the Council consulted widely. Impact assessments are carried out in advance of setting the budget, the latest being published as "Budget proposals 2019-2020 Overall Summary: Equality & rural impact assessment report".

The Council's net 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.

Chief Officers have responsibility for managing their budgets within the amounts approved by County Council. Chief Officers will take measures throughout the year to reduce or eliminate potential over-spends. For example, further underspends may be generated through plans to use capital receipts from the sale of land to Repton Property Developments Limited to reduce the minimum revenue provision charge, and to fund transformation.

10. Select Committee comments

10.1. None / not applicable.

11. Recommendation

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

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: Harvey Bullen **Tel No. :** 01603 223330

Email address: harvey.bullen@norfolk.gov.uk

IN TRAN communication for all

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Appendix 1: 2019-20 Revenue Finance Monitoring Report Month 8

Report by the Executive Director of Finance and Commercial Services

1 Introduction

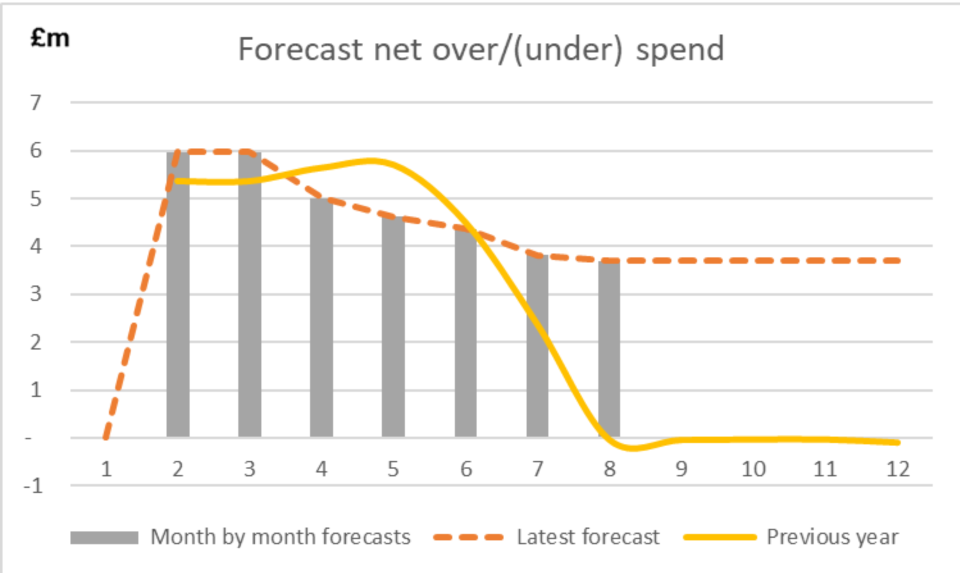
1.1 This report gives details of:

- the latest monitoring position for the 2019-20 Revenue Budget
- forecast General Balances and Reserves at 31 March 2020 and
- other key information relating to the overall financial position of the Council.

2 Revenue outturn – over/underspends

2.1 **At the end of November 2019** an **overspend of £3.696m** is forecast on a net budget of £409.293m.

Chart 1: forecast /actual revenue outturn 2019-20, 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 of 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: 2019-20 forecast (under)/over spends by service

Service	Revised Budget	Net (under)/ over spend	%	RAG
	£m	**£m**		
Adult Social Services	240.753	2.699	1.1%	A
Children's Services	181.136	12.200	6.7%	R
Community and Environmental Services	153.822	-0.346	-0.2%	G
Strategy and Governance	8.747	-0.057	-0.7%	G
Finance and Commercial Services	30.377	0	0.0%	G
Finance General	-205.542	-10.800	5.3%	G
Totals	**409.293**	**3.696**	0.9%	G

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:** Existing commitments within NCC Funded Children's Services indicate significant pressures during 2019-20 particularly within placements and support for children looked after, young people leaving care, as well as support and intervention around families to enable children and young people to stay safe at home, including staff costs where they are the intervention as well as third party support.

2.5 The service pressures have been long identified by the department, including front line social care staffing pressures where there is a need to have sufficient resource to manage demand and focus on the presenting complexity of need. The impact of these pressures continues to be reviewed and are being addressed through a sustained multi-year programme of transformation.

2.6 Market conditions have resulted in a significant, unexpected unit cost increase for Special Educational Needs, Disabilities and Alternative Provision (SEND & AP) home to school transport for 2019-20. These pressures have increased by £0.3m since prior reporting and are reported alongside £0.9m of Education Services pressures rising from demand for services and pressures within trading market places.

2.7 The expenditure placement forecast for children looked after remains stable. However, pressures are seen as a result of the increased duties in relation to supporting care leavers, £0.7m, a significant increase in the Special Guardianship Orders forecast due to children leaving care and entering into permanent arrangements with long-term carers, £0.5m, and the level of direct funding to be received from health partners reducing by £0.9m

2.8 Further details relating to the Children's Services position are included in Revenue Annex 1.

2.9 **Dedicated Schools Grant**: A review of the financial year's commitments for each of the blocks of the Dedicated Schools Grant (DSG) have highlighted pressures within the High Needs Block. The pressures for the High Needs Block were anticipated and built into the plan shared with the Secretary of State when the application to move funds from the Schools Block to the High Needs Block for 2019/20 was agreed.

2.10 The DfE have recently issued a consultation upon the grant conditions of the DSG that could have implications upon the planned contributions from NCC General Fund to the DSG. Having reviewed the proposed grant conditions, the budgeted £2m contribution from NCC General Fund in 2019/20 has been removed from the DSG forecast. The ongoing impact of these revised grant conditions will be considered as part of the Council's strategic budget planning.

2.11 The current outturn forecast indicates an overall overspend on the DSG in the region of £7.5m. This in-year overspend will be combined with the cumulative overspend of £10.887m brought forward from prior years.

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 The Council submitted its DSG recovery plan to the DfE at the end of June and are awaiting a meeting with the DfE to explore this plan further. The Council also submitted a response to the DfE's call for evidence at the end of July.

2.14 **Adult Social Services**: The forecast outturn as at Period 8 (end of November 2019) is an overspend of £2.699m. The main area of overspend is on Older People and Mental Health services within the Purchase of Care budget, which relates to direct provision of care services. This is largely due to the underlying position, which in 2018-19 was mitigated through the use of £4.2m of winter pressures funding and expected shortfall in delivery of demand management savings in this financial year.

2.15 Despite a year on year reduction in the number of packages of care and the net spend, the number of packages of care that are currently being delivered to service users exceed those budgeted for to achieve savings. Work is ongoing to manage this and identify actions to reduce the pressure. The senior management team is directly overseeing a recovery plan, focused primarily on purchase of care costs that could be influenced during the year. The overspend is lessened by additional recharges from the NHS for specific cases to cover health related costs.

2.16 The forecast overspend in P8 reduced by £1.227m. This is due to a range of variances to the forecast, primarily the release of provision to reflect the latest review of debt forecasts.

2.17 **CES:** Community and Environmental Services are currently forecasting an underspend of £0.346m for 2019/20, with forecast underspends around staff vacancies and forecast additional income within Highways. However, the department is managing a number of issues:

2.18 Fire Service – We anticipated there would be continuing cost pressures within 2019/20 and proposed to manage these through budget control of other areas, where possible, and a planned use of reserves. The longer-term impacts of managing these issues being picked up through the 2020/21 budget planning cycle and the development of the 2020 IRMP (integrated Risk Management Plan).

2.19 Following the outcomes of the HMICFRS (Her Majesty's Inspectorate of Constabulary, Fire and Rescue Services) inspection, and the subsequent improvement plan that has been developed, we have had the opportunity to work up in more detail the estimated additional costs of the various activities.

2.20 The additional pressure arises from the delivery of the Improvement plan and the need to ensure appropriate capacity/resources in place to deliver this. For 2019/20 this is likely to be an additional £0.201m. Where possible we will manage this within the wider CES departmental budget and we will continue to look at opportunities to offset this with further budget control within the service.

2.21 Museums Services – based on the latest information and updated forecasts we are projecting a deficit for 2019/20 of £0.155m. This is subject to several factors which are difficult to estimate, and the Museums Service will be working hard to mitigate the immediate impact on earned income through a new programme of exhibitions and additional events, including those relating to the acquisition of Walton Bridges by JMW Turner. This is partially offset by small underspends elsewhere within the services.

2.22 **Corporate services:** The Strategy and Governance directorate is forecasting a modest underspend at this early stage of the year, with Finance and Commercial Services forecasting a balanced budget.

2.23 **Finance General:** The forecast underspend in Finance General increased by £2.2m this month as a result of the additional use of capital receipts to repay debt, and a dividend relating to the sale of shares in Norwich Airport. The net impact of revised business rates projections, insurance fund assumptions, flexible use £2m of capital receipts to support transformation costs, along with revised redundancy costs, interest receivable and interest payable assumptions have resulted in a forecast underspend of £10.8m.

2.24 Further underspends may be generated through plans to use capital receipts from the sale of land to Repton Property Developments Limited to reduce the MRP charge, and to fund transformation.

3 Agreed budget, changes and variations

3.1 The 2019-20 budget was agreed by Council on 11 February 2019 and is summarised by service in the Council's Budget Book 2019-22 (page 21) as follows:

Table 2: 2019-20 original and revised net budget by service

Service	**Approved net base budget**	**Revised budget P7**	**Revised budget P8**
	£m	£m	£m
Adult Social Services	247.606	240.753	240.753
Children's Services	211.667	181.212	181.136
Community and Environmental Services	160.712	155.122	153.822
Strategy and Governance	8.657	8.747	8.747
Finance and Commercial Services	26.395	29.001	30.377
Finance General	-245.744	-205.542	-205.542
Total	**409.293**	**409.293**	**409.293**

Note: this table may contain rounding differences.

3.2 During period 8, a number of Fire Service property budgets were re-allocated to the Corporate Property Team reflect changes to responsibilities.

3.3 The Council's overall net budget for 2019-20 has remained unchanged.

4 General balances and reserves

General balances

4.1 On 11 February 2019 Council agreed the recommendation from the Executive Director of Finance and Commercial Services for a minimum level of General Balances of £19.536m through 2019-20. The balance at 1 April 2019 was £19.623m. The forecast for 31 March 2020 is unchanged at £19.623m, before any over or underspends

Reserves and provisions 2019-20

4.2 The use of reserves anticipated at the time of budget setting was based on reserves balances anticipated in January 2019. Actual balances at the end of March 2019 were higher than planned, mainly as a result of grants being carried forward, and reserves use being deferred.

4.3 The 2019-20 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 £85.6m to £61.3m, a net use of £24.5m.

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

Reserves and provisions by service	Budget book forecast balances 1 April 2019	Actual balances 1 April 2019	Increase in opening balances after budget setting	2019-20 Budget book forecast March 2020	Latest forecast balances 31 March 2020
	£m	£m	£m	£m	£m
Adult Social Services	27.463	32.101	4.638	13.619	16.896
Children's Services (inc schools, excl LMS/DSG)	6.521	8.184	1.663	1.568	1.962
Community and Environmental Services	34.030	37.992	3.962	29.935	35.847
Strategy and Governance	1.809	2.680	0.871	1.422	3.042
Finance & Commercial Services	1.746	3.147	1.401	1.510	2.469
Finance General	14.247	17.429	3.182	13.215	12.915
Reserves and provisions	**85.816**	**101.533**	**15.717**	**61.269**	**73.131**

4.4 Forecast overall provisions and reserves (excluding capital, DSG and LMS reserves) at 31 March 2020 are approximately £12m in excess of 2019-20 budget book assumptions. This is due primarily to the increases in reserves, including unspent grants and contributions, brought forward after budget setting. In addition to the service reserves above, the Council also holds LMS reserves, forecast to be £12.001 at 31 March 2020, and a negative DSG reserve forecast to be £18.387m. A paper explaining the DSG position is elsewhere on this agenda.

4.5 **Provisions included in the table above**

The table above includes provisions of £28m comprising £9m insurance provision, £12m landfill provision (this provision is not cash backed), £6m provisions for bad debts, and a small number of payroll related provisions.

5 Budget savings 2019-20 summary

5.1 In setting its 2019-20 Budget, the County Council agreed net savings of £31.605m. Details of all budgeted savings can be found in the 2019-20 Budget Book. A summary of the total savings forecast to be delivered is provided in this section.

5.2 The latest monitoring reflects total forecast savings **delivery of £26.689m** and a **total shortfall of £4.916m** forecast at year end.

5.3 The RAG status and forecast savings delivery is anticipated as shown in the table below:

Table: Analysis of 2019-20 savings forecast and RAG status

RAG status and definition	Adult Social Care	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
Savings shortfall	**-4.584**	**-0.332**	**0.000**	**0.000**	**0.000**	**0.000**	**-4.916**
Red **Significant concern** saving may not be delivered, or there may be a large variance (50% and above).	-0.567	0.000	0.000	0.000	0.000	0.000	**-0.567**
Amber **Some concern** saving may not be delivered or there may be some variance (up to 50%).	-6.000	-0.168	0.000	0.000	0.000	0.000	**-6.168**
Green **Confident** saving will be delivered (100% forecast).	-6.743	-6.322	-3.891	-0.931	-0.945	-1.122	**-19.954**
Total forecast delivery	**-13.310**	**-6.490**	**-3.891**	**-0.931**	**-0.945**	**-1.122**	**-26.689**
Total budget savings	**-17.894**	**-6.822**	**-3.891**	**-0.931**	**-0.945**	**-1.122**	**-31.605**

Commentary on savings shortfalls

5.4 Five savings have been rated as RED, and two rated as AMBER, where partial delivery of savings is forecast. This equates to an overall forecast savings shortfall of £4.916m (16% of total budgeted savings).

Apart from an adverse movement of £0.210m in P6, the overall position remains broadly unchanged since period 6. A full commentary was provided in the 4 November 2019 Cabinet Finance Monitoring report.

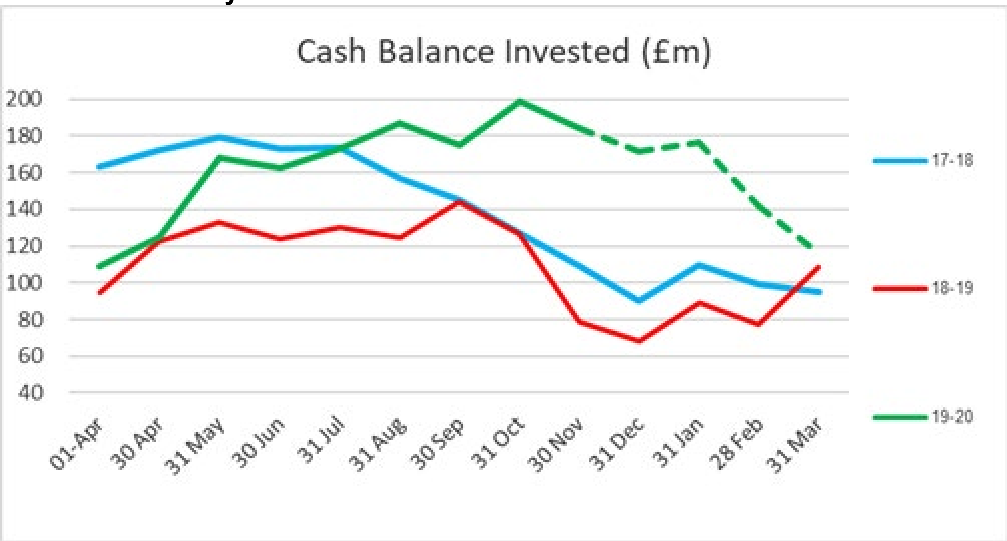
Future year's savings

5.5 Budget savings for 2020-21–2023-24 are set out elsewhere on this agenda.

6 Treasury management summary

6.1 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 three years, to March 2020.

Chart 2: Treasury Cash Balances



6.2 On 1 November 2019, HM Treasury announced that the Council's bid for access to £17.1m at the discounted local infrastructure rate PWLB borrowing had been approved for investing in the river crossing in Yarmouth. To take advantage of historically low interest rates, on 29 November 2019 the Council borrowed £17.1m from the PWLB to 1 March 2060 (40 years) at a rate of 1.7%.

6.3 The graph above reflects the total of £87.1m borrowed in the year to date. This is £7.1m more than originally forecast, following the infrastructure borrowing in November. No further borrowing is anticipated in 2019-20.

6.4 With a spike in grant income in October and the additional borrowing, temporarily increasing balances, the forecast closing balance of approximately £120m is slightly higher than closing balances in March 2018 and 2019.

6.5 PWLB and commercial borrowing for capital purposes was £706m at the end of November 2019, including the new loan of £17.1m. Associated annual interest payable is £28.9m.

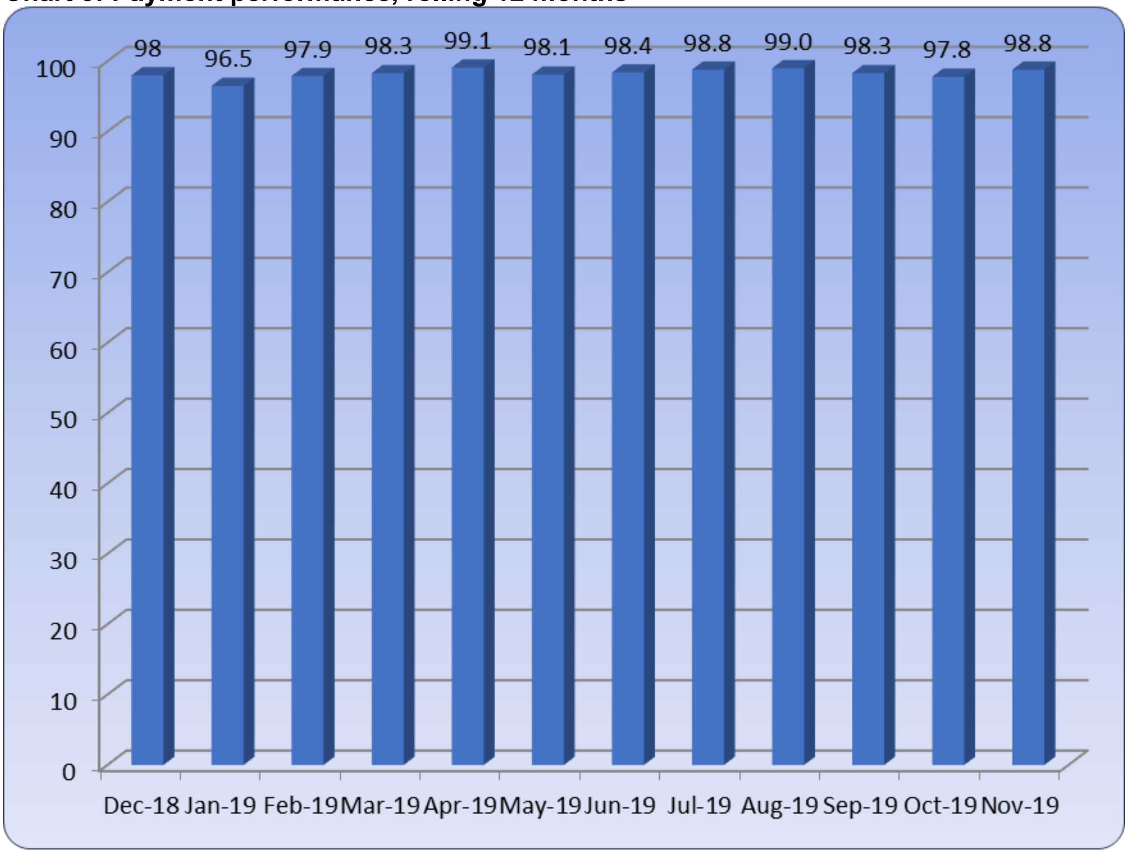
6.6 On 9 October 2019 HM Treasury announced that 1% will be added to all new PWLB borrowing rates, with immediate effect. This will affect new non-infrastructure borrowing. Borrowing at the infrastructure rate has been unaffected.

6.7 New borrowing is applied to the funding of previous capital expenditure, effectively replacing cash balances which have been used on a temporary basis to avoid the cost of 'carrying' debt in the short term.

7 Payment performance

7.1 This chart shows the percentage of invoices that were paid by the authority within 30 days of such invoices being received. Some 420,000 invoices are paid annually. Over 98% were paid on time in November. The percentage has not dropped below 96% in the last 12 months.

Chart 3: Payment performance, rolling 12 months



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

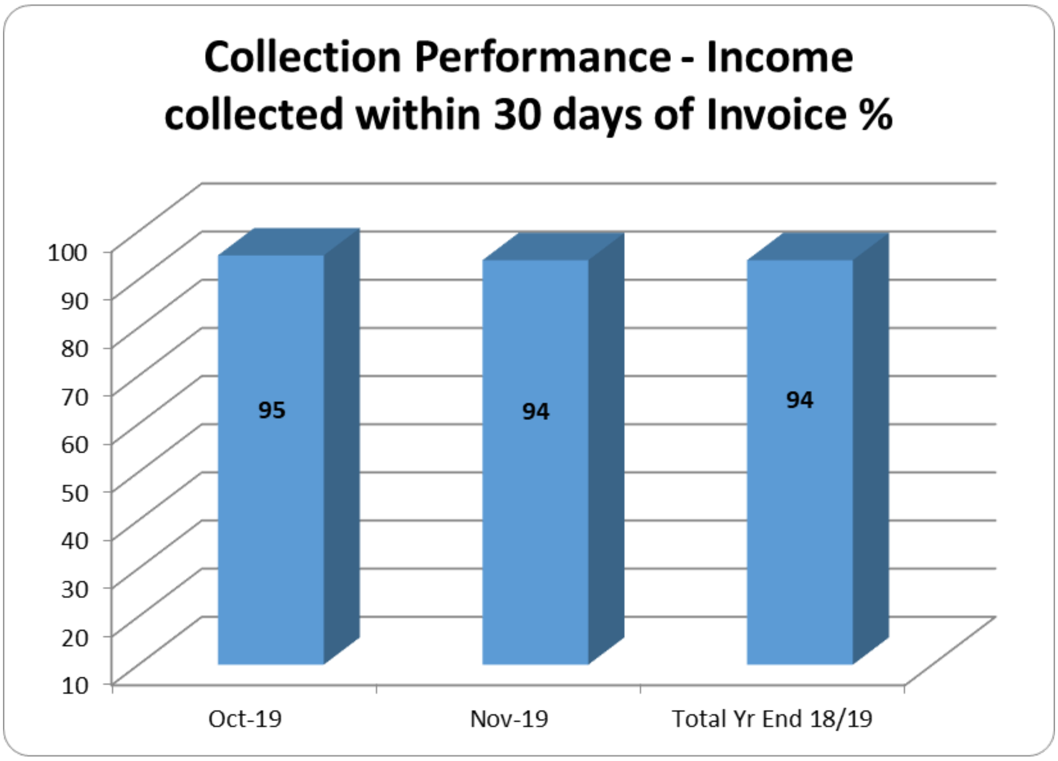
8 Debt recovery

8.1 **Introduction**: Each year the County Council raises over 150,000 invoices for statutory and non-statutory services totalling over £1bn. In 2018-19 94% of all invoiced income was collected within 30 days of issuing an invoice, and 98% was collected within 180 days.

Debt collection performance measures

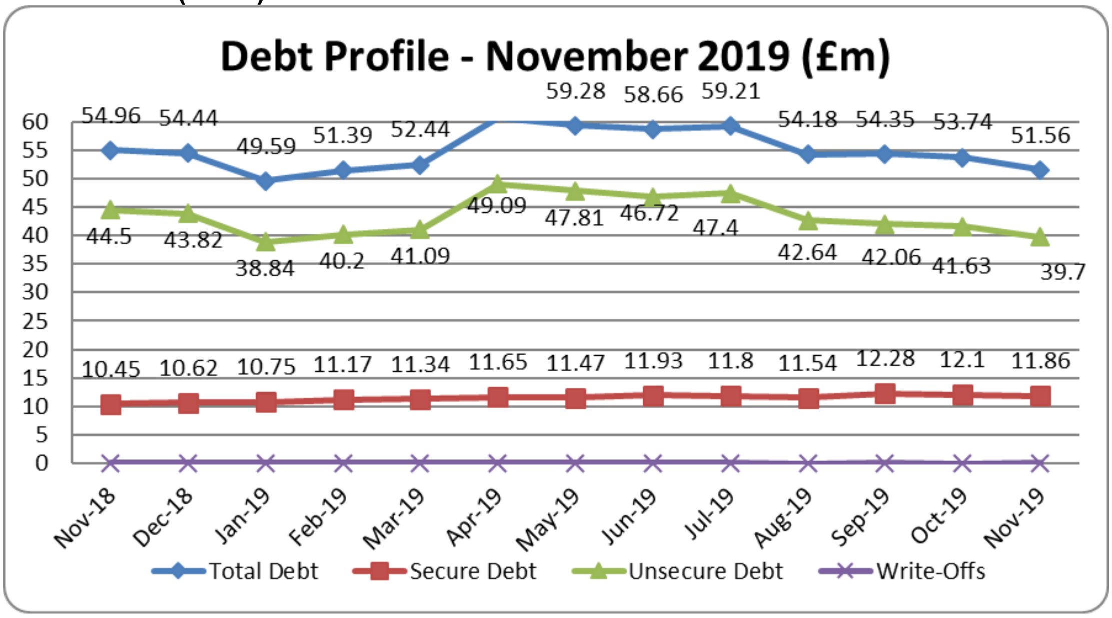
8.2 The proportion of invoiced income collected within 30 days for invoices raised in the previous month – measured by value – was 95% in October 2019.

Latest Collection Performance



8.3 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)



Of the £39.7m unsecure debt at the end of November, £7.8m is under 30 days. The largest area of unsecure debt relates to charges for social care, £26.2m, of which £7.2m is debt with the CCG's for shared care, Better Care Pooled Fund, continuing care and free nursing care.

8.4 Secured debts amount to £11.9m. Within this total £3.8m relates to estate finalisation where the client has died, and the estate is in the hands of the executors.

8.5 **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.

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

8.7 For the period 1 April 2019 to the end of November 2019, 639 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 £347,338.47.

8.8 Two debts over £10,000 totalling £36,925.35 were approved for write off in May 2019 and written off in the 2018-19 accounts.

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	240.753	2.699	1.1%	243.452
Children's Services	181.136	12.200	6.7%	193.336
Community and Environmental Services	153.822	-0.346	-0.2%	153.476
Strategy and Governance	8.747	-0.057	-0.7%	8.690
Finance and Commercial Services	30.377	0	0.0%	30.377
Finance General	-205.542	-10.800	5.3%	- 216.342
Forecast outturn this period	**409.293**	**3.696**	0.9%	**412.989**
Prior period forecast	409.293	3.819	0.9%	413.112

Reconciliation between current and previously reported underspend

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

	£m
Forecast overspend brought forward	**3.819**
Movements November 2019	
Adult Social Services	-1.227
Children's Services	3.700
Community and Environmental Services	-0.346
Strategy and Governance	
Finance and Commercial Services	
Finance General	-2.250
Outturn over/(under) spend	**3.696**

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

Adult Social Services	**Over spend**	**Under spend**	**Changes**
	£m	**£m**	**£m**
Business Development		-0.112	0.039
Commissioned Services	0.603		-0.115
Early Help & Prevention		-0.316	0.117
Services to Users (net)	2.546		-0.017
Management, Finance & HR		-0.022	-1.251
Forecast over / (under) spends	**3.149**	**-0.450**	**-1.227**
Net total	**2.699**		
Children's Services	**Over spend**	**Under spend**	**Changes**
	£m	**£m**	**£m**
Social Care including placements	10.700		2.100
Education Services including Home to School Transport	4.700		1.200
Early Help, Prevention & Commissioning	0.600		0.200
Performance, Challenge & Quality	0.200		0.200
Re-allocation of budget provision for High Needs Block due to proposed change in DSG grant conditions		-2.000	
Schools capital funded by borrowing		-2.000	
	16.200	**- 4.000**	**3.700**
	12.200		
Dedicated schools grant			
Post 16 Further Education High Needs Provision	1.000		
Independent special school places	5.100		
Maintained special schools		-0.500	
Alternative provision	0.800		
Short Stay School for Norfolk	1.000		
Personal Budgets	0.300		
Specialist Resource Bases		-0.200	
Other	0.100		
Schools block	-	-0.100	
NCC contribution			
Increase in net deficit to be carried forward		-7.500	
Forecast over / (under) spend	**8.300**	**-8.300**	**-**
Net total		**-**	

Community and Environmental Services	Over spend	Under spend	Changes
	£m	£m	£m
Culture & Heritage	0.136		
Support & Development		-0.065	
Economic Development	0.049		
Highways & Waste		-0.488	
Community Information & Learning	0.005		
Public Health		-0.184	
Fire Service	0.201		
Provision for CES departmental risks			0.346
Forecast over / (under) spend	**0.391**	**-0.737**	**-0.346**
Net total		**-0.346**	

Strategy, Finance and Finance General	Over spend	Under spend	Changes
	£m	£m	£m
Strategy and Governance			
Communications		-0.055	
Democratic Services		-0.002	
Forecast over / (under) spend	**-**	**-0.057**	
		-0.057	
Finance and Commercial Services			
Forecast over / (under) spend		**0**	
Finance General (see below for narrative)			
Net impact of revised business rates projections		-2.700	
Legislator dividend		-0.500	-0.500
Insurance fund		-1.000	
Interest on balances		-0.650	-0.100
Interest on LIF loans		-0.800	
Lower than anticipated costs of redundancy / use of organisational review reserves		-1.500	
Additional use of capital receipts to repay debt		-1.650	-1.650
Use of capital receipts to support transformation costs		-2.000	
Forecast over / (under) spend		**-10.800**	**-2.250**
Net total		**-10.800**	

Children's Services Commentary

Existing commitments within NCC Funded Children's Services indicate significant pressures during 2019-20 particularly within placements and support for children looked after, young people leaving care, as well as support and intervention around families to enable children and young people to stay safe at home, including staff costs where they are the intervention as well as third party support, and home to school transport for children and young people with high special educational needs.

The service pressures have been long identified by the department. These are being addressed through a sustained multi-year programme of transformation. The primary reasons for the pressures are:

- that the level of pressure rose during the latter part of 2018/19 beyond that which was covered by the additional growth monies allocated, resulting in additional pressures for 19-20 particularly because of the full year effect of what was seen in quarter 4 of last year;
- that the savings to be achieved through transformation during 2019/20 have begun to impact with the expected impact anticipated already in the outturn forecast. The various initiatives aimed at reducing the number of children in care and changing the placement mix continue to be profiled to impact in phases throughout 2019/20;
- front line social care staffing pressures, where there is a need to have sufficient resource to manage demand and focus on the presenting complexity of need to allow for increased levels of intervention earlier to reduce escalation of need and to prevent and reduce placement spend;
- the increased duties in relation to supporting young people leaving care that were not fully funded by new burdens funding and that are having an increasing impact as the eligible cohort age and the complexity of need of those leaving care increase;
- the current commitments currently show more children with higher costs than we anticipated having when the budget was set, with the transformation expected to impact later in the year.

During this financial year, there has been a significant, unexpected unit cost increase due to very challenging market conditions outside of the County Council's control and not anticipated when the budget was set for Home to School transport for children with Special Educational Needs and Disabilities and in receipt of Alternative Provision, resulting in a forecast overspend of £3.8m. The rurality of Norfolk means that pupils often have to travel significant distance to attend a school that meets their educational needs and it is not always viable for journeys to be shared. The £120m capital SEND transformation programme will ensure that children are able to attend a school place closer to their home, which in turn will reduce down the spend on SEND transport in future years as this provision comes on board.

In relation to the financial costs for children looked after, there have been significant, positive trends since the beginning of the year that will continue to reduce the pressure over time and have mitigated further increase in placement pressures. As a result of the positive impact of the Transformation Programme through effective earlier intervention, the number of children in care has reduced from a high of 1227 in January 2019 to 1129 at the end of November (of which 60 were unaccompanied asylum-seeking children). Significant focus is now being employed to ensure that children are able and supported to leave care as soon as it is safe for them to do so. We would expect this to result in an increase in the number of children ceasing care as well as reducing the average length of time that a child is in care for.

As well as enabling a reduction in the number of children looked after, Children's Services are already seeing a good level of success in relation to one of the key changes targeted in our placement mix with a significant. A large proportion of cost is driven by residential placement numbers, these have remained stable since the start of the year. Key to bringing down the overall pressure will be the level of success we have in moving away from this provision. Our new semi-independent provision is forecast to deliver approximately £0.5m savings in 2019-20, the increased in-house fostering provision and reduction in independent fostering is performing better than anticipated with approximate savings also forecast at £0.5m, and the enhanced fostering service has recently begun.

This forecast includes significant assumptions with respect to the anticipated impact of the transformation programme as it continues to evolve and as changes are embedded in business as usual. Review of placements costs over the most recent months show a reduction in monthly spend that supports the expectation that the transformation impact would begin to take effect as the year progressed. Ongoing review is required to inform future forecasts, alongside reviewing the accuracy of predictions both in relation to growth and savings. This will allow more specific forecasting and a clearer of picture of where the year-end position will be. The department is already taking a number of actions to enable this clarity to be gained and to keep a careful track of progress, alongside colleagues within support services.

Since the previous reporting, assumptions built into forecasts have been reviewed in relation to expected changes prior to the end of the financial year. This review has highlighted financial risks in relation to:

- the level of assumed income contributions from health for joint funded packages, £0.9m: health have begun to directly contribute to care and support packages, which has been a saving to the Council in terms of gross placement expenditure, but has resulted in a reduction to the income forecast. Further significant work is being undertaken with the CCGs (and to continue following the current CCG reorganisation) to agree protocols for sharing of costs where there are both health and social care needs;
- the anticipated spend in relation to supporting children who have Special Guardianship Orders, SGOs, following increased numbers of orders being made, £0.5m: whilst there has been a significant reduction in the number of children looked after, there was initial optimism about the number that would be due to a return home as opposed to those who would achieve permanency through other routes, such as an SGO, which may continue to incur a financial commitment for the authority whilst being in the best interests of the child and ensuring that they remain out of care;
- increased costs to support care leavers in line with the Council's duty, £0.7m: previous legislative changes resulted in increased duties for all local

authorities in relation to eligible care leavers that were not fully funded with new burdens funding. It has been difficult to forecast the impact of these changes as the care leaver population ages and the complexity of need seen at 18 increases; and

- Education Services in relation to SEND inclusion due to the level of demand and the statutory obligations of the Council and in relation to services that the Council trades with schools where the market place continues to become increasingly challenging (a significant piece of work to review all Education related traded services has been commissioned by Corporate Board and is underway to ensure that the future needs of schools can be met through cost effective and efficient services).

To partially mitigate previously identified pressures, Children’s Services plan to capitalise £2m of equipment spend and revenue contributions to capital expenditure by schools in line with the approach utilised in 2018-19 alongside utilising £2m that had been budgeted as a contribution from the NCC General Fund to support the DSG High Needs pressure that is assumed to be no longer required following a recent DfE consultation in relation to DSG grant conditions. Taking these mitigating actions into account, the projected overspend at period 8 for NCC Funded Children’s Services has increased by £3.7m to £12.2m.

Work has been undertaken to understand the potential impact of these pressures seen in 2019-20 upon future years, in particular 2020-21, to these findings, to date, have been built into the Council’s strategic budget planning elsewhere of this Cabinet’s agenda.

Finance General forecast over and underspends

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

Net impact of revised business rates projections (underspend £2.700m)

This forecast underspend relates to the net impact of revised business rates projections from district councils, received after the Council set its budget in February 2019.

Legislator dividend (underspend £0.500m)

This forecast underspend is the result of a dividend anticipated from Legislator 1656 Limited following a sale of the company's shares in Norwich Airport.

Insurance fund (underspend £1.000m)

This forecast underspend is the result of a forecast over-provision in the light of recent insurance fund valuations.

Interest on balances (forecast underspend £0.650m)
The 2019-20 interest payable/receivable budget was prepared on the basis of a number of assumptions including cash flows, interest rates and the extent of actual borrowing. The cost and timing of borrowing has resulted in a forecast underspend.

Interest on LIF loans (underspend £0.800m)

This forecast underspend is an estimate of interest which will be accrued during 2019-20 on Local Infrastructure Fund loans made to developers to accelerate the construction of new homes in Norfolk.

Lower than anticipated costs of redundancy (forecast underspend £1.500m)
Based on the latest projections, officer forecasts for 2019-20 suggest that spend on redundancy costs will be £1.5m lower than was anticipated at the time of budget setting

Additional use of capital receipts to repay debt (underspend £1.650m)

This forecast underspend is the result of the availability of capital receipts available in the year to date over and above the £2m budget and the £2m receipts required to support transformation costs (ref Appendix 2 Capital monitoring paragraph 3.3).

Use of capital receipts to support transformation costs (underspend £2.000m)

On 25 September 2017 Policy and Resources Committee considered a report entitled Demand Management & Prevention Strategy: Children's Services. This resulted in the allocation of a one-off investment of £12-£15m into children's services over the four years 2018-22. It is proposed that subject to the achievement of property sales in 2019-20, £2m of capital receipts will be allocated to fund transformation through the "flexible use of capital receipts" in accordance with the policy approved by County Council on 12 February 2018.

Appendix 2: 2019-20 Capital Finance Monitoring Report

Report by the Executive Director of Finance and Commercial Services

1 Capital Programme 2019-20

1.1 On 11 February 2019, the County Council agreed a 2019-20 capital programme of £307.858m with a further £240.734m allocated to future years', giving a total of £548.592m.

1.2 Additional re-profiling from 2018-19 resulted in an overall capital programme at 1 April 2019 of £617m. Further in-year adjustments have resulted in the outturn capital programme shown below:

Table 1: Capital Programme budget

	2019-20 budget	Future years
	£m	**£m**
New schemes approved February 2019	87.207	167.28
Previously approved schemes brought forward	220.651	73.454
Totals in 2019-22+ Budget Book (total £548.592m)	**307.858**	**240.734**
Schemes re-profiled after budget setting	58.373	5.766
Other adjustments after budget setting including new grants	4.821	
Revised opening capital programme (total £617.551m)	**371.051**	**246.500**
Re-profiling since start of year	-138.861	138.861
Other movements	56.478	112.066
Capital programme budgets (total £786.096m)	**288.668**	**497.428**

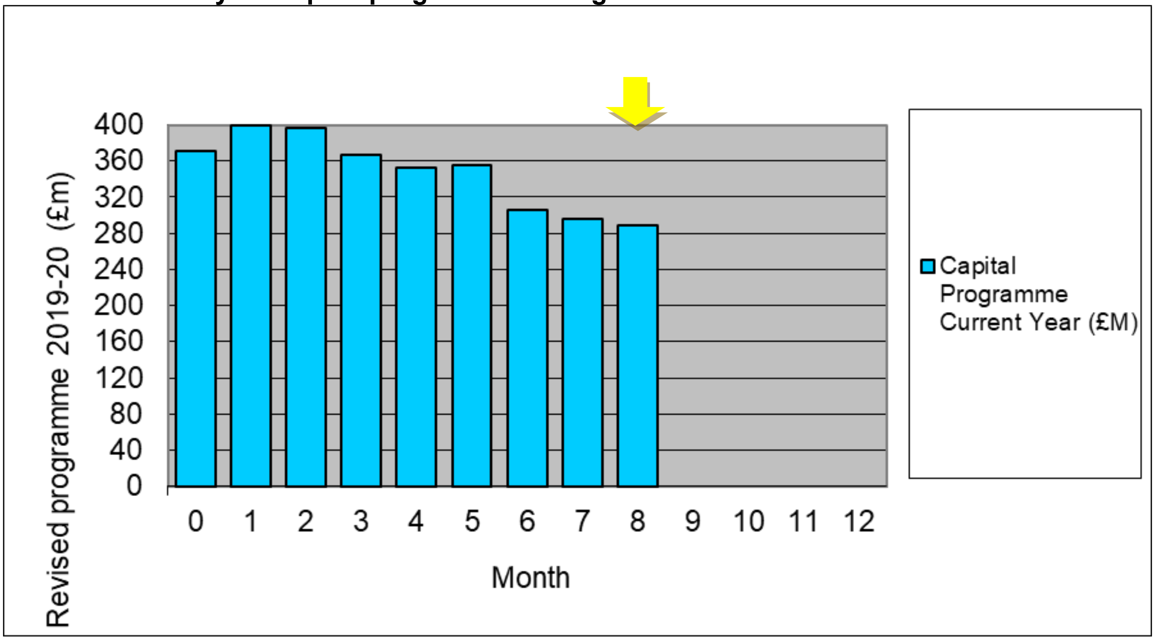
Note: this table and the tables below contain rounding differences

The "future years" column above includes new schemes approved as part of the 2019-22 capital strategy and programme.

Changes to the Capital Programme

1.3 The following chart shows changes to the 2019-20 capital programme through the year.

Chart 1: Current year capital programme through 2019-20



1.4 Month "0" shows the 2019-20 outturn future capital programme with a number of highways schemes added in month 1. The arrow shows the latest current year position. The current year programme will change as additional funding is secured, and as schemes are re-profiled to future years where timings become more certain.

1.5 The current year's capital budget for each service is set out in the table below:

Table 2: Service capital budgets and movements 2019-20

Service	Opening programme	Previously reported Programme	Reprofiling since previous report	Other Changes since previous report	2019-20 latest Capital Budget
	£m	£m	£m	£m	£m
Children's Services	154.474	89.533	-8.107	3.041	84.467
Adult Social Care	18.388	14.103	0.000	0.000	14.103
Community & Environmental Services	119.188	141.382	-5.689	0.662	136.354
Finance & Comm Servs	79.001	51.466	2.152	0.125	53.744
Total	**371.051**	**296.484**	**-11.643**	**3.828**	**288.667**
				-7.816	

Note 1: this table may contain rounding differences

.

1.6 The revised programme for future years (2020-21 to 2021-22 and beyond) including £240.734m new and reprofiled schemes approved County Council 11 February 2019, is as follows:

Table 3: Capital programme 2020-22

Service	Previously reported future programme	Reprofiling since previous report	Other Changes previous report	2020+ Future Capital Budget
	£m	£m	£m	£m
Children's Services	161.738	8.107	2.174	172.019
Adult Social Care	39.226	0.000	0.000	39.226
Community & Environmental Services	207.560	5.689	0.393	213.642
Finance & Comm Servs	75.459	-2.152	-0.766	72.541
Total	**483.983**	**11.643**	**1.802**	**497.428**
			13.445	

Note: this table may contain rounding differences

1.7 The funding for a large number of schemes has been reprofiled from the current to future years, on the basis of more up to date expenditure predictions. Further details can be found in Capital Annex 1.

1.8 Actual expenditure to P8 is as follows:

Table 4: Actual expenditure to date

Service	Expenditure year to date
	£m
Children's Services	28.742
Adult Social Care	10.167
Community & Environmental Services	41.873
Finance and Commercial Services	8.742
Total to date	**89.524**

Capital accounting accruals at 31 March 2019 represented approximately 2 months expenditure. Taking this into account the rate of capital spend is averaging £15m per month. Total spend in 2019-20 is therefore forecast to be approximately £180m, compared with £158.5m in 2018-19. The current level of spend indicates that a significant amount of re-profiling of schemes into 2020-21 will take place as the timing of schemes becomes more certain.

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

Funding stream	2019-20 Programme	Future Years Forecast
	£m	£m
Prudential Borrowing	131.067	302.813
Use of Capital Receipts		
Revenue & Reserves	0.155	-
Grants and Contributions:		
DfE	52.867	38.355
DfT	50.143	122.994
DoH	8.270	0.566
MHCLG	0.284	0.049
DCMS	0.768	5.048
Developer Contributions	20.079	16.245
Other Local Authorities	6.306	-
Local Enterprise Partnership	9.594	-
Community Infrastructure Levy	2.986	-
National Lottery	2.646	9.652
Other	3.504	1.707
Total capital programme	**288.667**	**497.429**

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 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 2019, gave the best estimate at that time of the value of properties available for disposal in the three years to 2021-22, totalling £23.6m. Revised estimates, particularly around the value of development land and the potential to re-use rather than dispose of properties, resulted in an updated mid-year forecast:

Table 6a: Disposals longer term forecast

Financial Year	Property sales forecast £m
2019-20	10.296
2020-21	9.483
2021-22	1.322
2022-23	2.075
2023-24	0.805
	23.981

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

Table 6b: Capital receipts current financial year £m

Capital receipts 2019-20	**£m**
Capital receipts reserve brought forward	0.413
Actual net property sales to P8	1.605
Other property sales secured	0.250
Loan repayments received	1.403
Airport shares disposals	1.797
Other loan repayments (group companies) due 2019-20	0.226
	5.694
Forecast use of capital receipts	
Budget 2019-20 to repay debt	2.000
Additional use of available capital receipts to repay debt	1.650
Flexible use of capital receipts to support transformation costs	2.000
Balance to fund capital expenditure or carry forward	0.044
	5.694

In addition to the receipts from the disposal of property shown above, further sales are anticipated in the final quarter of 2019-20.

4 New schemes to be added to the Capital Programme

4.1 There is one new item to be added to the capital programme which is an exempt appendix to this report.

Capital Annex 1 – Changes to capital programme since last Cabinet finance monitoring report

			19-20	19-20	20-21+	20-21+	
Service	**Project**	**Funding Type**	**Change (£m)**	**REPROFILE**	**Change (£m)**	**REPROFILE**	**Reason**
Adult Social Care							
Children's Services							
	A1 - Major Growth	Basic Need		- 0.650		0.650	Silfield Prmary reprofiled pending resolution of land issues
		S106		- 1.350		1.350	
		S016		- 0.002		0.002	Poringland Primary reprofiled
	A3 - Area Growth & Reorganisation	Basic Need		- 1.873		1.873	Little Plumstead - Project on hold pending confirmation of pupil numbers
	B1 - SEN	NCC Borrowing		- 3.075		3.075	SEND - reprofiled for allocation in future years
	B4 - Early Years	External		- 0.117		0.117	Reprofiled for allocation to Trowse and Lynnsport
	C2 - Major Capital Maintenance	External		- 1.050		1.050	Reprofiled Condition funding allocated to future years.
	A4 - Growth Minor Adj	S106		0.010		- 0.010	£0.010m for Little Melton moved back to 19/20 to cover in year expenditure
	Developer Contributions	S106			2.174		S106 income received for Sprowston and Long Stratton
	D Other	External	0.072				Contributions and refunds on Schools ECAPAA
	D Other	External	- 0.098				Contributions and refunds on Schools ECAPFM
	D Other	External	0.007				Contribution from school on ECAPDC
	D Other	NCC Borrowing	2.000				Childrens Services Capitalisation agreed at Cabinet
	D Other	External	1.060				Devolved Formula Capital Grant 19/20 allocated to schools in accordance to DfE formula.
Total Children's services			**3.041**	**-8.107**	**2.174**	**8.107**	
CES	Great Yarmouth Energy Park	NCC Borrowing		-1.375		1.375	Project held up due to Legal Agreement not yet being signed
	Experience Targetted Tourism	NCC Borrowing		-0.150		0.150	Reprofiled to current expectations
Libraries	Cygnet House, Long Stratton S106	External	0.004				Income received period 8
	Library Building Improvements	NCC Borrowing		-0.208		0.208	Reprofiled to current expectations
	Misc S106 projects	External		-0.026		0.026	Reprofiled to current expectations
Museums	Castle Keep	NCC Borrowing		-1.950		1.950	Delayed spend pending contractor appointment
	Castle Keep	External		-1.034		1.034	Delayed spend pending contractor appointment
	SeaHenge/Strangers Hall	NCC Borrowing		-0.009		0.009	Reprofiled to current expectations
Highways	Various inc Western Link Reprofiling	NCC Borrowing		-0.936	0.393	0.936	Reprofiling and adjustment to fully reflect previous approved capital funding brought forward.
	Various inc Transforming Cities	External	0.658				Net increase of external grant funding over a number of Highways projects, primarily relating to Transforming Cities, Norwich Cycle Share.
Total CES			**0.662**	**-5.689**	**0.393**	**5.689**	
Finance and Commercial Services							
County Farms	Farms Capital Improvement	NCC Borrowing	1.158				Increased as per Cabinet approval
Finance	Capital Loans Facility	NCC Borrowing		5.132		- 5.132	Reprofiled to relect likely borrowing requirements, inlcluding Repton
	Hunstanton Capital Receipt	NCC Borrowing	0.113				Added as per Cabinet report
	Trading Standards Database	NCC Borrowing	0.038				Added as per Cabinet report
	Local Full Fibre Network (LLFN)	DCMS - External	-1.185		- 0.766		Budget reduced to correct previous indicitive profile and to reflect latest modelling and expected recovery of costs from DCMS.
Offices/County Hall		NCC Borrowing		- 2.980		2.980	Reprofiled to best estimates as forecasts Jan 20
Total Finance			**0.125**	**2.152**	**-0.766**	**-2.152**	
Total			**3.828**	**-11.643**	**1.802**	**11.643**	

Cabinet

Item 9

Decision making report title:	**Social Infrastructure Fund**
Date of meeting:	**13 January 2020**
Responsible Cabinet Member:	**Cllr Andrew Proctor, Leader of Norfolk County Council** **Cllr Andrew Jamieson, Cabinet Member for Finance**
Responsible Director:	**Simon George, Executive Director, Finance and Commercial Services**
Is this a key decision?	**Yes**

Introduction from Cabinet Member and Executive Summary

Norfolk County Council receives many requests to invest in projects that benefit the community. As we seek to do more work with communities through business transformation to improve resilience of communities it is increasingly important we support the development of infrastructure which benefits local groups and voluntary sector organisations. To better deal with these requests, secure benefits for Norfolk residents, and to formalise an auditable approval process for the projects the Council supports, it is proposed to set up a capital social infrastructure fund with an annual budget of £1 million. This paper sets out how the council will manage this fund and proposes criteria for eligibility and expenditure.

Recommendations

1. **Approve earmarking £1 million in the annual capital budget starting in 2020/21 for a social infrastructure fund**
2. **Approve the proposed internal management arrangements set out in the paper**
3. **Approve the proposed criteria and rules for a social infrastructure fund set out in the appendices**
4. **Invite officers to develop the detailed application processes, paperwork and timetables**

1. Background and Purpose

1.1. In May 2019 Norfolk County Council approved its new ambitious 6 year plan Together, For Norfolk, setting out the priorities for the Council in the period 2019-2025. The plan states the outcomes the council wants to achieve are a growing economy, thriving people and strong communities. Part of this is the council's desire to strengthen community capacity so that people are more socially active and more connected to their communities and where community groups and voluntary organisations are able to deliver services which people need in their community.

1.2. The Council also has received a number of requests to support community projects. We have recently invested £500,000 in the development of community sports facilities through the Community Sports Foundation at the Nest, and £500,000 in the Nook; a new East Anglia Children's Hospices facility in Framlingham Earl.

1.3. Now the Council would like to formalise this process and to help develop community capacity by establishing a £1 million capital only Social Infrastructure Fund.

2. Proposals

2.1. Voluntary community and social enterprise (VCSE) groups would be eligible to apply for funding from the Social Infrastructure Fund. Groups would need to be properly constituted and have a bank account in the name of their organisation.

2.2. Grants funding will be awarded to groups wishing to invest in new facilities that are open to the whole community (groups with restricted memberships will not be eligible). Grants will be between £100,000 and £500,000 to ensure they have sizeable impact on communities.

2.3. Norfolk County Council would publish a "call for projects" from voluntary and community groups at the start of each financial year. In this way the council would be able to specify any particular requirements it may have in each call, and direct the funding to areas where gaps in provision or community need have been identified, if it wanted. Respondents would then have to show how their proposal met both the call requirements and the general criteria of the funding.

2.4. At least one call will be held per year. There might be scope to hold further calls depending on the allocation of funding and whether e.g. the funding was aligned to other funders. Funding that it is not allocated in one year would be rolled over into the next.

2.5. It is proposed that rules governing the fund will be relatively light touch to enable wide engagement, whilst still providing audit assurance to the Council that the funds are being properly used. Organisations will not need to demonstrate match funding, for example, but may use Norfolk County Council grants to match other funding streams if required.

2.6. It is proposed that the fund should be managed within Finance and Commercial Services. Audit oversight would be provided by Norfolk Audit Services and would be done on the basis of randomly sampling a small percentage of monitoring and claims work. It should be borne in mind that both teams usually charge fees for undertaking this type of work. A Social Infrastructure Fund Board would be set up to both provide strategic leadership of the calls process, identifying areas for investment, and making funding decisions (delegated from Cabinet) on receipt of appraisal summaries of submitted projects.

2.7. A draft application form and guidance are attached, as well as a draft appraisal form. Advice will be provided to organisations on how to draft their applications at workshops when a call for funding is published.

2.8. Further work needs to be undertaken to develop branding and marketing of the fund.

2.9. Once applications are received officers will undertake appraisals of applications and provide one-page summaries of each project and funding recommendations to the Social Infrastructure Board.

2.10. Key milestones in the management of the fund would be:

- Meeting of Social Infrastructure Board to agree call for projects
- Call for projects issued
- Deadline for applications
- Appraisals of projects completed
- Social Infrastructure Board meet to make funding decisions and to agree future calls, and consider any risks and mitigating actions relating to the fund
- Grant offer letters issued to successful applicants and rejection letters sent to unsuccessful ones
- Monitoring reports submitted and reviewed
- Project closure reports submitted and reviewed

2.11. Each year a selection of work undertaken through this fund would be assured by internal audit, who would report back to the Social Infrastructure Board.

2.12. The make up of the Social Infrastructure Board would include at least:

- Andrew Proctor, Leader
- Andrew Jamieson, Cabinet Member for Finance
- Margaret Dewsbury, Communities and Partnerships

2.13. Terms and conditions for funding and detailed requirements for monitoring of both spend and outcomes will be set out in the grant offer letter.

2.14. Reports on the investments made under this fund will be made to Cabinet annually.

3. Impact of the Proposal

3.1. The proposals in this report will enable the Council to deliver the priorities in Together, for Norfolk and support aspects of business transformation which are reliant on developing stronger and more resilient communities.

4. Evidence and Reasons for Decision

4.1. Setting up a Social Infrastructure Fund is considered to be the most effective way of supporting community and voluntary sector groups in a clear, auditable and transparent way.

5. Alternative Options

5.1. The Council could continue to support requests for funding from community and voluntary sectors groups in an ad hoc way, as it has done in the past. However, this is more difficult to accommodate from a budget perspective as investments are unplanned. In addition, the existence of the fund will encourage VCSE and other groups to invest in their infrastructure which in turn will reinforce the resilience of the community.

6. Financial Implications

6.1. Approving the proposals would add an extra line into the Council's capital budget and would require the allocation of £1m per annum starting in 2020/21.

The impact on future year's revenue budgets will depend on the nature of the project. Based on recent Public Works Loan Board (PWLB) borrowing rates and typical asset lives, the cost to future revenue budgets of using £1m will be approximately £0.060m pa. Borrowing costs are included within the minimum revenue provision (MRP) budget in the medium-term financial strategy (MTFS).

7. Resource Implications

7.1. **Staff:**

Some resource would need to be dedicated to managing the fund, appraising projects and managing payments. It is envisaged that this work will be minimal and can be managed through existing capacity.

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)**

None

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

None

8.5. **Sustainability implications** (where appropriate)
None

8.6. **Any other implications**

None

9. Risk Implications/Assessment

9.1. Officers will consider risks associated with each application, raising these with proposed mitigation on an exception basis with the Social Infrastructure Board. Likely risks to be considered are set out in the table below:

Risk	Mitigation	Supporting documentation
Applicant is not an eligible organisation with credible track record of delivery	NCC will undertake due diligence checks on the organisation	• Application Form • Most recent accounts • Copy of constitution • Bank account details
Applicant submits fraudulent claim for expenditure	Evidence of capital spend required	• Receipts to be submitted with claim • Authorised officer sign off • Evidence of claim checks by NCC
Applicant does not allow funded facilities to be used by any part of community	Eligibility criteria and fund guidance will make this explicit	• Guidance • Condition of grant offer letter • Monitoring visit
Revenue funding streams are insufficient to sustain the capital grant investment	The sources and sustainability of the revenue funding will be explored at application stage	• Application form • Most recent accounts • Evidence of revenue match funding source and amount (e.g. grant offer letter if applicable)

9.2. In addition, at each meeting of the Social Infrastructure Board, officers will provide a risk register for the fund as a whole.

10. Select Committee comments

10.1. Not applicable

11. Recommendations

11.1.
- Approve earmarking £1 million in the annual capital budget starting in 2020/21 for a social infrastructure fund
- Approve the proposed internal management arrangements set out in the paper
- Approve the proposed criteria and rules for a social infrastructure fund set out in the appendices
- Invite officers to develop the detailed application processes, paperwork and timetables

12. Background Papers

12.1. Not applicable

Officer Contact

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

Officer name:	Jane Locke	**Tel No.:**	**01603 223 035**
Email address:	jane.locke@norfolk.gov.uk		

IN TRAN communication for all

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

Norfolk County Council

Social Infrastructure Fund Application Form

Please ensure that you have read and understood the accompanying guidance notes before you complete this application form.

Section 1: Your organisation

Name of organisation	
Address	
Contact Name	
Position	
Email	
Telephone	
Please give a brief description of your group:	

Section 2: Your project

Project name	
Please tell us why you need this grant and how any funding will be used	
Who will benefit from this project and what do you hope to achieve	

Section 3: Helping deliver Together, for Norfolk priorities

Please tell us how your project contributes to outcomes set out in the County Council plan Together, for Norfolk

Section 4 Funding your project

What is the total cost of your project?	
How much are you applying for?	
Are the costs classed as capital?	
If you are applying for a % of the project costs how will you fund the remainder?	
Have you applied for grant funding elsewhere? List other funders	
If yes, what are the results of these applications?	
How will on going revenue costs be met?	
Have you previously received a grant from Norfolk County Council	

Please provide a detailed breakdown of how the money will be spent. Please add more lines as required	
Items	£
Land acquisition	
Design fees	
Construction costs	
Project management fees	
VAT	
Total	

Section 5: Delivery and milestones

What is your project start date	
What are the key milestones for your project?	
What is your project end date?	

Section 6: Supporting documentation

You are required to enclose the following documents to support your application:	
A minimum of three quotes from different suppliers for your work	Y/N
A detailed breakdown of all costs associated with your application for funding	Y/N
A copy of a recent bank statement for all accounts held in the name of your organisation	Y/N
A copy of your most recent annual accounts or audited accounts	Y/N
Your equal opportunities policy or statement	Y/N
Your constitution or other governing document	Y/N
A copy of your last annual report and/or AGM minutes	Y/N
Your child protection policy, where appropriate	Y/N
Your safeguarding vulnerable adults policy, where appropriate	Y/N

Section 7: Declaration

In signing this declaration we agree that:

1. The information provided in this application is correct
2. We have read and understood the guidance accompanying the application
3. We will complete a return a six-monthly monitoring reports while the project is live and a project completion report once it has been completed
4. We will provide evidence of defrayal of the grant with monitoring reports
5. Any funds not utilised in the project will be returned to the Council
6. We will open our books to Norfolk County Council auditors upon request
7. We will acknowledge Norfolk County Council's funding in all publicity relating to the project

Signatures

Chairperson	Treasurer	Secretary
Date:	Date:	Date:
Please print:	Please print:	Please print:

Norfolk County Council

Social Infrastructure Fund Guidance

1. Introduction

1.1 Norfolk County Council has established a capital grants scheme for voluntary and non-profit making groups. Grants are available for groups who are in involved in community projects and initiatives that benefit the residents of Norfolk

1.2 In awarding funds we aim to ensure that the application process is easy to understand and made to clear to all applicants, while at the same time ensuring sufficient information is gathered to promote value for money, fairness in decision making, public accountability and avoidance of fraud or misuse of funds, reflecting the highest standards of public sector financial management

1.3 Projects and initiatives will be assessed on their ability to contribute to the achievement of the County Council Plan, Together, For Norfolk.

2. Criteria

2.1 The following criteria must be met in order to be eligible for funding under this scheme:

2.1.1 Grants will be given only to voluntary and non-profit making groups and organisations to support community initiatives that benefit residents of Norfolk

2.1.2 Grants will be awarded for capital costs only, therefore operational running costs, general maintenance costs or ongoing staffing costs will not be funded. Capital costs include cost of acquisition and construction and costs incurred too subsequently to enhance or replace a significant part of an asset. And asset for this purpose must have a useful life of more than one year, and can include intangible assets such as computer software, as well as tangible assets such as buildings. Further guidance on what can be classed as capital is included in Appendix 1

2.1.3 Applications will be considered from properly constituted groups only, who are registered with the relevant authorities and hold a bank account. Applications will not be accepted from individual

2.1.4 Projects from faith organisations can only be funded if they can demonstrate a clear benefit for the wider community

2.1.5 Organisations or groups that operate a policy of exclusivity or have a closed membership group and is thereby not open to any member of the public will not be considered for funding

2.1.6 Grant applications will not be considered from political organisations

2.1.7 Grants will not be awarded retrospectively. Grants will only be awarded for work still to be purchased at the time the application is made.

3. The application process

3.1 Applications can only be considered in response to a call for projects. There will be at least one call for projects per year. Further calls will be dependent the size of allocations made in the first round. Funds not allocated within the financial year will be rolled over to future years.

3.2 Applications for funding should be made on our application form and supported by all requested supporting documentation. Forms can be downloaded from norfolk.gov.uk/social-infrastructure-fund

3.3 You can fill in an electronic version of the application form and email it to us, but we must receive a hard copy of the application with at least two signatures along with the supporting documentation in order for us to process it.

3.4 The following supporting documents must be submitted with the application

3.4.1 A minimum of three quotes for the work to be carried out from three different independent suppliers

3.4.2 A detailed breakdown of all costs associated with your application for funding

3.4.3 A copy of a recent bank statement for all accounts held in the name of your group

3.4.4 A copy of your most recent Annual Accounts or Audited Accounts

3.4.4 Your Equal Opportunities Policy or Statement (where not explicit in Constitution)

3.4.5 Your Constitution or other governing documents

3.4.6 A copy of your last Annual Report and AGM minutes

3.4.7 Your Child Protection Policy, if relevant

3.4.8 Your Safeguarding Vulnerable Adults Policy, if relevant

3.5 Incomplete applications or applications that do not include all the above documentation cannot be considered for funding

3.6 We may contact you to ask for more details about your project or possibly arrange to visit your organisation. We will be pleased to help you with any queries you may have in relation to the supporting information for are required to provide in advance of submitting your completed application.

3.7 Norfolk County Council will appraise the projects and score each against the scoring table below. A maximum possible score will be 15 points. Any projects that score below 5 points will be rejected.

SIF Scoring	Aims of the project	Benefits: who will benefit and how	Strategic fit: Helping deliver Together, for Norfolk	Capital costs, funding, and ongoing costs clear; VFM	Project planning and milestones	Total
Not explained	0	0	0	0	0	0
Response poor as to provide little confidence that the requirements have neen met	1	1	1	1	1	5
An acceptable response with some weaknesses but where the weakness does not cause fundamental concerns and is outweighed by strengths	2	2	2	2	2	10
An excellent response	3	3	3	3	3	15

3.8 A detailed timetable will be set out for decision making when each call is launched. However it is expected that from the opening of the call for projects to the issue of offer letters will take approximately six months.

4. How to complete the application form

4.1 Section 1: Your organisation

Please provide the name of your organisation as it appears on your constitutions and bank account as well as its registered address and postcode, a contact name and title of someone we can discuss the application with and their contact details.

4.2 Section 2: Your project

Please can you provide a summary of the project submitted for funding and how any money granted to you would be used. What are the aims and objectives of the project?

Who will benefit from the delivery of your project e.g. local children, elderly residents, a number of community groups that use your facilities? What are the planned outcomes from your project e.g. to improve local community facilities, to promote heritage and culture, to promote health and well-being, to get more people to attend you group, providing local activities or meeting evidenced community needs? from the delivery of your project?

4.3 Section 3: Helping deliver Together, for Norfolk

Norfolk County Council has set out its key priorities in Together, for Norfolk: An ambitious plan for our County 2019-2025. In this section you are invited to explain how your project will support at least one of the priorities and outcomes outline in the plan. How will you project help with the delivery of this plan and address the challenges and opportunities set out in it. For example, your project might invest in creating community sports facilities. This could help to deliver Together, for Norfolk by helping people using those facilities to feel more connected to their communities and to enjoy better health and increased wellbeing.

4.4 Section 4: Funding your project

The grant funding provided by this fund is for capital projects only. As Norfolk County Council is wanting to invest in larger projects that make real difference in our communities we will not invest in projects seeking funding under £100,000 or over £500,000. You will need to confirm that you project costs are classed as capital as set out in 2.1.2 and in appendix 1.

In this section and in the accompanying breakdown of project costs, you are required to provide a detailed breakdown of all project's costs. You may apply for 100% of your project costs, or you may be applying for just a proportion, and you will need to specify this here. If you are not applying for all your project costs please can you explain how you are funding the remainder of the costs? Are you applying to another funder for further grant funding? If so, who are you applying to, and what is the status of your application. If you are applying for partial project costs you will need to provide letters confirming the remainder of the required funds are in place before drawing down grant funding from NCC.

What are the ongoing running costs and staffing costs associated with running your project? How will pay for these? You will need to demonstrate here that your organisation has a credible plan to meet these ongoing costs.

Please confirm if your organisation has previously received a grant from NCC. If yes, please provide details and amounts, and the results achieved from these previous investments.

In the application form please provide a breakdown of costs into broad headings. Detailed costs should be provided in your attached breakdown. How have these costs been estimated? For costs where you will contract with a third party (such as a builder, for example) please provide three quotes from three different suppliers for the works to be contracted.

4.5 Section 5: Delivery and milestones

When do you expect your project to start? What are the key milestones for your project? These could include land purchase agreed, construction contract let, start on site, and completion of build, for example.

5. Unsuccessful or ineligible applications

5.1 Applicants whose applications are unsuccessful, or ineligible will be notified by letter and receive feedback on the reasons for the failure of the grant application within two weeks of the decision.

6. Payment of funding

6.1 Grant can be drawn down in full at the start of the project, on the return of an appropriately signed offer letter, and can be paid directly into your organisation's bank account.

7. Monitoring and project completion

7.1 As part of the conditions of funding you will be required to complete and return 6 monthly project monitoring reports while the project is live and a project closure report once it has been completed.

7.2 The monitoring report and project closure report will provide an evidence base for the Council's internal audit process. As part of theses reports you will be required to provide supporting documentation e.g. receipts, invoices, bank statements etc to evidence the expenditure of the funding awarded.

7.3 Throughout the duration of the project and until the project closure report has been agreed, you will agree to open your books to the Council's internal auditors upon reasonable request.

7.4 Grants awarded must be spent only on the purpose for which is stated in your application. If for any reason your circumstances change and you wish to vary the way in which you spend your grant you are required to contact us and request written permission to do so.

8. Promotion of our funding support

8.1 We require that groups and organisation recognise Norfolk County Council's funding support by highlighting this on all promotional materials in relation to the project or initiative such as press releases, posts, flyers, websites, signage etc.

Norfolk County Council

Appendix 1: Charges that can be classified as capital

New Acquisitions (Land, Vehicles, Plant etc.) and Reclamation of Land

Item	*Chargeable to Capital?*
Any costs incurred before the intention to acquire or construct a particular asset has been confirmed	No
Feasibility studies / option appraisals / risk assessments	No, unless they contribute directly to the scoping of the asset ultimately acquired
Project management fees – external	Yes where directly attributable to the acquisition, but not if scheme is abortive
Internal project management costs directly related to specific acquisitions.	Yes, but not if scheme is abortive. Subject to effective time recording and costing being performed and evidence retained.
Internal staff time spent on: abortive projects, training, programme management and co-ordination, assigning resources between projects, budgeting and reporting.	No
Site selection / bidding for funds / identification of possible schemes	No
Purchase costs	Yes
Stamp duty / Import duty / Non-refundable purchase taxes (does not apply to VAT for NCC)	Yes
Site preparation and clearance	Yes
Initial delivery and handling costs	Yes
Professional fees eg legal, architects, surveyors, engineers	Yes, where directly attributable to the acquisition but not if scheme is abortive.
Finance fees / interest	No
Abnormal costs, eg design errors, industrial disputes, wasted resources and slippage	No
Nomination rights	No
Purchase of software and software licences	Yes, provided the software is to be used for a period of at least one year.
Estimated cost of dismantling and removing asset and restoring site	Unlikely. Possible to the extent that it is recognised as a provision in the accounts.

Administration and general overhead costs	No

Construction, Preparation, Installation and Replacement

Item	*Chargeable to Capital?*
Feasibility studies / option appraisals risk assessments	No, unless they contribute directly to the development of a specific project
Site selection / bidding for funds / identification of possible schemes	No
Purchase Costs	Yes
Project management fees	Yes where directly attributable to the construction, preparation, installation or replacement but not if scheme is abortive.
Internal project management costs directly related to specific schemes	Yes but not if scheme is abortive. Subject to effective time recording and costing being performed and evidence retained.
Internal staff time spent on: abortive projects, training, programme management and co-ordination, assigning resources between projects, budgeting and reporting, training.	No
Construction Costs	Yes
Installation Costs	Yes
Import duty / Non-refundable purchase taxes (does not apply to VAT for NCC)	Yes
Site preparation and clearance	Yes
Initial delivery and handling costs	Yes
Professional fees eg legal, architects, surveyors, engineers	Yes where directly attributable to the construction, preparation, installation or replacement but not if scheme is abortive.
Finance fees / interest	No
Abnormal costs, such as those relating to design errors, industrial disputes, wasted resources and slippage	No
Estimated cost of dismantling and removing asset and restoring site	Yes, to the extent that it is recognised as a provision in the accounts (not likely at NCC)
Nomination rights	No

Development of software	Yes, provided the software is to be used for a period of at least one year

Enhancements

Item	*Chargeable to Capital?*
Feasibility studies / risk assessments	No, unless they contribute directly to the development of a specific project
Project management fees	Yes where directly attributable to the enhancement but not if scheme is abortive or if no enhancement.
Routine maintenance of roads, bridges and footpaths, eg repairing potholes	No
Structural maintenance of roads, bridges and footpaths	Yes
Re-roofing of significant element of building	Yes
Replacement of tiles	No
Installation of Central Heating	Yes, where additional not replacement
Installation of Double Glazing	Yes, where additional not replacement
Replacement of broken windows	No
Road widening	Yes
Bridge strengthening	Yes
Painting and decorating	No
Day-to-day servicing, repair and maintenance	No
Installation of new engine in vehicle	Yes
Major overhauls	Yes, if replacement or refurbishment of significant parts included, no if simply a major service.
Replacement of major parts	Yes, if asset is enhanced
Professional fees eg legal, architects, surveyors, engineers	Yes where directly attributable to an enhancement. No if scheme is abortive or if no enhancement.
Finance fees / interest	No
Nomination rights	No

Norfolk County Council

Social Infrastructure Fund – Appraisal Summary

Project Name			
Eligible			
Summary of project			
Project Score	**Comments**		**Score**
Aims of the project			
Benefits: who and how			
Strategic fit with TFN			
Costs, funding, VFM			
Project planning			
Total score	**Overall comment:**		
Total Cost	£	**% requested**	xx%
Funding in place for remainder?			
Strengths			
Weaknesses			
Risks			
Recommendation			
Appraised by			
Reviewed by			

Cabinet

Item 10

Decision making report title:	**NCC Nurseries Limited Business Plan**
Date of meeting:	**13 January 2020**
Responsible Cabinet Member:	**Cllr Andrew Proctor (Leader and Cabinet Member for Strategy and Governance)**
Responsible Director:	**Simon George (Executive Director of Finance and Commercial Services)**
Is this a key decision?	**Yes**

Introduction from Cabinet Member

This report and the attached annex provide details of the Business Plan for NCC Nurseries Limited to 31st March 2021.

Executive Summary

In order to aid good governance, Cabinet is tasked with reviewing and approving the business plan of the recently created, wholly owned company, NCC Nurseries Limited.

Recommendations

Cabinet is asked to:

- Review and approve the NCC Nurseries Limited Business Plan to 31st March 2021 to ensure they reflect the aspirations of the shareholder.

1. Background and Purpose

1.1. At its meeting on 2nd December 2019, Cabinet was informed of the Urgent Decision taken by the Leader to create NCC Nurseries Limited.

1.2. In accordance with the Financial Regulations, the Business Plan for the period to 31st March 2021 is presented to Cabinet for final approval and sign off.

1.3. The Business Plan has been approved by the NCC Nurseries Board at its meeting on 16th December 2019.

2. Proposal

2.1. Cabinet is asked to review and approve the NCC Nurseries Limited Business Plan for the period to 31st March 2021.

3. Impact of the Proposal

3.1. NCC Nurseries Limited Directors are clear on the Shareholder's requirements, and Cabinet is fulfilling its responsibilities to monitor and receive reports on the Business Plan of a County Council wholly owned company.

4. Evidence and Reasons for Decision

4.1. NCC Nurseries Limited Board has approved a Business Plan and is subsequently seeking Cabinet's consent to operate the Company in accordance with the Business Plan.

5. Alternative Options

5.1. The County Council, as Shareholder, could set alternative objectives for the newly created company and request a revised Business Plan.

6. Financial Implications

6.1. These are set out within the attached Business Plan.

7. Resource Implications

7.1. **Staff:**

The Company is employing its own staff. However, due to the need for a speed and safe intervention, NCC staff are providing direct support in line with NCC's responsibility to intervene where concerns arise regarding the quality of provision. Additionally, NCC staff are providing professional services.

7.2. **Property:**

For the purposes of the business the company will be utilising a County Council owned property that has been operating as nursery by the previous provider. The company has entered into short-term premises licences agreements to operate the other nurseries and these will be reviewed in due course and may impact on the Company's ability to continue to provide provision from the existing sites.

7.3. **IT:**

None for NCC.

8. Other Implications

8.1. **Legal Implications**

None for NCC

8.2. **Human Rights implications**

None for NCC

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

If the Business Plan is not approved or Cabinet asks for it to be revised, the company will not be able to operate and the County Council will not meet its responsibility to ensure that there is sufficient Early Year's childcare provision in part of the County, which is also an area of high need / deprivation.

8.4. **Health and Safety implications**

The Directors are responsible for discharging the Health and Safety duties of the Company.

8.5. **Sustainability implications**

None.

9. Risk Implications/Assessment

9.1. The County Council can choose whether to intervene or not when market failure occurs within this sector. However, the County Council has a duty to ensure that there is sufficient Early Year's childcare provision across the County, and where a significant provider in an area fails, then if there is not sufficient alternative provision the County Council is at risk of failing to meet its statutory duties.

9.2. As the previous provider was no longer financially viable there is an inherent risk that in taking on these nurseries, they may not be financially viable. However, in mitigation, there are other financially viable nurseries run in this area of the county and the previous provider did not just operate nursery provision. The Directors acknowledge the financial risk and are proposing to review the financial viability of each nursery after a few months of operation.

10. Select Committee comments

10.1. None

11. Recommendation

11.1. Cabinet is asked to:

- Review and approve the NCC Nurseries Limited Business Plan to 31st March 2021 to ensure they reflect the aspirations of the shareholder.

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

Officer name:	Simon George	**Tel No.:**	01603 222400
Email address:	Simon.george@norfolk.gov.uk		

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

NCC Nurseries Limited

Cabinet
13 January 2020
Item 10 (Appendix A)

Agenda Item No: 1

Report to:	**Board**
Report title:	**Business Plan**
Date of meeting:	**16 December 2019**
Author:	**Harvey Bullen, Director**
Executive summary This report asks the Board to approve the business plan.	

1.0 Introduction

1.1 Norfolk County Council agreed to setting up the company on 26th November 2019. The company was incorporated by Companies House on 27th November 2019.

1.2 The business plan is based on providing nursery provision of up to 315 places based at up to 6 sites in the Great Yarmouth area.

2.0 Business Plan

2.1 The Business Plan is a key requirement from the shareholder and will be considered at its 13th January 2020 cabinet meeting.

2.2 It covers the objectives, strategy and financial forecast for the company for the period to 31st March 2021.

3.0 Recommendation

3.1 Board are asked to:
(i) Review the business plan.
(ii) Approve the business plan.

Author Contact

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

Author Name:	**Tel No:**	**Email address**:
Harvey Bullen	01603 223330	harvey.bullen@norfolk.gov.uk

Appendix A

Business Plan 2019/21

Author:	NCC Nurseries Limited Board
Version:	1.0
Date:	16 December 2019
Adopted by Board:	16 December 2019

NCC Nurseries Limited, a company registered in England and Wales
with company number 12336752 and whose registered office is
County Hall, Martineau Lane, Norwich, Norfolk, United Kingdom, NR1 2DH

Contents

1.0 EXECUTIVE SUMMARY

1.1 This document sets out the Business Plan for NCC Nurseries Limited for the immediate foreseeable future with an emphasis on the next sixteen months to 31 March 2021. The Business Plan is based on providing nursery provision of up to 315 places based at up to 6 sites in Great Yarmouth and Gorleston.

1.2 Broadly, it provides the company's vision and broad strategic objectives, as well as the financial forecasts that sit behind the Business Plan.

1.3 The Business Plan demonstrates that through its current projections NCC Nurseries Limited is due to break even over the period to 31 March 2021.

2.0 INTRODUCTION

2.1 NCC Nurseries Limited was established in 2019 with the primary objective to provide immediate nursery provision to fulfill Norfolk County Council's duty to secure sufficient Early Years' childcare following the closure of a significant provider in an area of high need.

2.2 The secondary objective is to ensure that the operating model of the nurseries is financially sustainable.

2.3 The third objective is to seek alternative providers to deliver the nursery provision and for the company to withdraw from the sector at an appropriate time.

3.0 MISSION

3.1 To provide a childcare and early education through provision that meets all the safeguarding, welfare and learning and development statutory requirements for the Early Years foundation stage.

4.0 SERVICE

4.1 The company will employ staff and enter into property leases to provide nursery provision in the Great Yarmouth and Gorleston area.

5.0 MANAGEMENT ARRANGEMENTS

5.1 Each nursery has an identified manager who will report to an OFSTED Registered Manager for NCC Nurseries Limited.

5.2 The Board will receive reports from the OFSTED Registered Manager on a periodic basis to enable the Directors to manage the company and to fulfil their company director's responsibilities.

6.0 COMPANY STRUCTURE AND GOVERNANCE ARRANGEMENTS

6.1 NCC Nurseries Limited is a private company limited by shares wholly owned by Norfolk County Council (NCC) which has ultimate control of its business activities.

6.2 The Company has been established in accordance with the Companies Act 2006 including the appointment of a Board of Directors for the Company and the adoption of Articles of Association.

6.3 All board directors are approved by the shareholder (NCC) and comprise the following:

Two Officers	Selected from with County Council teams as having the appropriate experience	Mr. H Bullen Miss S. Jones

6.4 The County Council's shareholder function is discharged through its Cabinet with the actual work delegated to the Executive Director of Finance and Commercial Services as the Shareholder Representative.

6.5 Due to the shareholder's requirement that NCC Nurseries Limited quickly intervene to re-provide the nursery provision, support services will be purchased from Norfolk County Council and the company is being provided with a range of professional services.

7.0 FUNDING

7.1 The County Council as shareholder and commissioner of early years provision is the key funder for the company. The company will receive its funding from:

- Norfolk County Council (Early Years Funding – Dedicated Schools Grant)
- Private funding – parents paying for nursery provision

7.2 Norfolk County Council will fund the cost of the initial intervention as a result of market failure and the Council's duty to ensure that there is sufficient Early Years childcare provision.

8.0 RISK

8.1 This business plan has been produced based upon limited information due to the need to recreate provision quickly. Until the business has been operational for two to three months, there will remain significant uncertainty as to the number of parents who will utilise the provision, the number of sessions that will be commissioned and the ongoing operational costs. Therefore, the business plan may need to be revised to ensure that it meets the objective of the company being financially viable.

8.2 Due to the speed required to recreate provision, the company bears the risk of not being able to employ sufficient, trained and experienced staff to recreate the provision safely. To mitigate this risk, the relevant staff previously employed by the failed company have been offered employment by NCC Nurseries Limited. The majority of former nursery staff have accepted offers of employment on the company's terms and conditions with NCC Nurseries Limited and are being supported, in the first instance, by NCC staff to provide managerial oversight and direction. This is in line with NCC's responsibility to intervene where concerns arise regarding the quality of provision.

8.3 Due to the speed required to recreate the provision, the company bears the risk that the quality of the buildings utilised, the equipment available, the staff training, experience and managerial ability will result in the quality of provision being below statutory expectations. To mitigate this risk, NCC are providing direct Early Years professional support in line with NCC's responsibility to intervene where concerns arise regarding the quality of provision. Additionally, NCC are providing professional support services to guide and advise the company and to ensure that the company's Directors discharge their duties.

9.0 BUDGET

9.1 The company's financial objective is to be financially viable. Due to the initial set up and intervention costs, the company is planning to break-even in the first reporting period to March 2021.

9.2 The table below is a high-level, business plan which is supported by detailed workings for each nursery based upon the information available at time preparation.

Budget to March 2021	**£m**
Total income	-1.100
Total Expenditure	1.100
Operating Balance	**0.000**

9.3 The initial budget has been produced based upon limited information due to the need to recreate provision quickly. Until the business has been operational for two to three months, there will remain significant uncertainty as to the level of income, the ongoing operational costs and, therefore, the financial viability of each individual nursery.

9.4 During the reporting period, the Directors will review each nursery regarding its financial viability, and this may have a significant impact upon the overall company's financial position. The financial viability review will include consideration of the charges to parents and carers for privately funded provision. The Directors may need to liaise with the Shareholder's Representative with respect to producing a revised business plan.

Cabinet

Item 11

Decision making report title:	**NCC HH Limited Business Plan**
Date of meeting:	**13 January 2020**
Responsible Cabinet Member:	**Cllr Andrew Proctor (Leader and Cabinet Member for Strategy and Governance)**
Responsible Director:	**Simon George (Executive Director of Finance and Commercial Services)**
Is this a key decision?	**Yes**

Introduction from Cabinet Member

This report and the attached annex provide details of the Business Plan for NCC HH Limited to 31st March 2021.

Executive Summary

In order to aid good governance, Cabinet is tasked with reviewing and approving the business plan of the recently created, wholly owned company, NCC HH Limited.

Recommendations

Cabinet is asked to:

- Review and approve the NCC HH Limited Business Plan to 31st March 2021 to ensure they reflect the aspirations of the shareholder.

1. Background and Purpose

1.1. At its meeting on 2nd December 2019, Cabinet was informed of the Urgent Decision taken by the Leader to create NCC HH Limited.

1.2. In accordance with the Financial Regulations, the Business Plan for the period to 31 March 21 is presented to Cabinet for final approval and sign off.

1.3. The Business Plan has been approved by the NCC HH Board at its meeting on 16th December 2019.

2. Proposal

2.1. Cabinet is asked to review and approve the NCC HH Limited Business Plans for the period to 31st March 2021.

3. Impact of the Proposal

3.1. NCC HH Limited Directors are clear on the Shareholder's requirements, and Cabinet is fulfilling its responsibilities to monitor and receive reports on the Business Plan of a County Council wholly owned company.

4. Evidence and Reasons for Decision

4.1. NCC HH Limited Board has approved a Business Plan and is subsequently seeking Cabinet's consent to operate the Company in accordance with the Business Plan.

5. Alternative Options

5.1. The County Council, as Shareholder, to set alternative objectives for the newly created Company and to request a revised Business Plan.

6. Financial Implications

6.1. These are set out within the attached Business Plan

7. Resource Implications

7.1. **Staff:**

The Company is employing its own staff. However, due to the need for a speedy and safe intervention, NCC staff are providing direct support in line with NCC's responsibility under Section 19 of the Education Act 1996. Additionally, NCC staff are providing professional services.

7.2. **Property:**

For the purposes of the business the company will enter into a short-term premises licence agreement to operate the school and this will be reviewed in due course.

7.3. **IT:**

None for NCC.

8. Other Implications

8.1. **Legal Implications**

None for NCC

8.2. **Human Rights implications**

None for NCC

8.3. **Equality Impact Assessment (EqIA) (this <u>must</u> be included)**

If the Business Plan is not approved or Cabinet asks for it to be revised, the company will not be able to operate and the County Council will not meet its responsibility under Section 19 of the Education Act 1996, which is a duty to make arrangements for the provision of suitable education for children who are of compulsory school age and who, by reason of illness, exclusion from school or otherwise, may not receive suitable education unless such arrangements are made.

8.4. **Health and Safety implications**

The Directors are responsible for discharging the Health and Safety duties of the Company.

8.5. **Sustainability implications**

None.

8.6. **Any other implications**

None.

9. Risk Implications/Assessment

9.1. As the previous provider was no longer financially viable there is an inherent risk that in taking on this school it may not be financially viable. In mitigation, the Directors acknowledge the financial risk and will liaise with the Shareholder Representative with respect to producing a revised Business Plan if necessary.

9.2. Whilst the school was run by the previous provider, it was rated as inadequate by OFSTED and in special measures with NCC intervening and supporting the provider to move towards providing safe, secure and appropriate learning opportunities. To mitigate concerns regarding the OFSTED judgement an Executive Headteacher has been appointed and, additionally, NCC will continue to provide intervention and support as would be expected for any school in this position.

10. Select Committee comments

10.1. None

11. Recommendation

11.1. Cabinet is asked to:

- Review and approve the NCC HH Limited Business Plan to 31st March 2021 to ensure they reflect the aspirations of the shareholder.

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

Officer name: Simon George **Tel No.:** 01603 222400
Email address: Simon.george@norfolk.gov.uk

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NCC HH Limited

Cabinet
13 January 2020
Item 11 (Appendix A)

Agenda Item No: 1

Report to:	**Board**
Report title:	**Business Plan**
Date of meeting:	**18 December 2019**
Author:	**Harvey Bullen, Director**
Executive summary This report asks the Board to approve the business plan.	

1.0 Introduction

1.1 Norfolk County Council agreed to setting up the company on 26th November 2019. The company was incorporated by Companies House on 27th November 2019.

1.2 The business plan is based on providing alternative educational provision for up to 19 places for existing students of Horatio House school until the completion of GCSEs by year 11 students in early summer 2020.

2.0 Business Plan

2.1 The Business Plan is a key requirement from the shareholder and will be considered at its 13th January 2020 cabinet meeting.

2.2 It covers the objectives, strategy and financial forecast for the company for the period to 31st March 2021.

3.0 Recommendation

3.1 Board are asked to:
(i) Review the business plan.
(ii) Approve the business plan.

Author Contact

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

Author Name:	**Tel No:**	**Email address:**
Harvey Bullen	01603 223330	harvey.bullen@norfolk.gov.uk

Appendix A

Business Plan 2019/21

Author:	NCC HH Limited Board
Version:	1.0
Date:	18 December 2019
Adopted by Board:	18 December 2019

NCC HH Limited, a company registered in England and Wales
with company number 12336758 and whose registered office is
County Hall, Martineau Lane, Norwich, Norfolk, United Kingdom, NR1 2DH

Contents

1.0 EXECUTIVE SUMMARY

1.1 This document sets out the Business Plan for NCC HH Limited for the immediate foreseeable future with an emphasis on the next sixteen months to 31 March 2021. The Business Plan is based on providing alternative educational provision for up to 19 places for existing students of Horatio House school until the completion of GCSEs by year 11 students in early summer 2020.

1.2 Broadly, it provides the company's vision and broad strategic objectives, as well as the financial forecasts that sit behind the Business Plan.

1.3 The Business Plan demonstrates that through its current projections NCC HH Limited is due to break even over the period to 31 March 2021.

2.0 INTRODUCTION

2.1 NCC HH Limited was established in 2019 with the primary objective to provide immediate alternative educational provision, following the failure of the previous provider, to meet the needs of the existing pupils who were on the school roll of Horatio House until year 10 students are found alternative placements and year 11 students complete their GCSEs (June 2020).

2.2 The secondary objective is to ensure that the operating model of the school is financially viable.

3.0 MISSION

3.1 To provide an appropriate alternative safe education for the existing pupils until completion of GCSE's (June 2020).

4.0 SERVICE

4.1 The company will employ staff, enter into a property lease to provide alternative education provision in a suitable school building and also arrange other 'off-site' alternative provision within both the Norwich and Great Yarmouth areas.

5.0 MANAGEMENT ARRANGEMENTS

5.1 The company has employed an Executive Headteacher who will report to the C. Snudden as Director of NCC HH Limited. The Executive Headteacher will be responsible for ensuring that appropriate line management arrangements are in place for the teaching and support staff employed by the company.

5.2 Norfolk County Council will be establishing a local governance committee, which will report regularly and directly to the Directors. There will be a Terms of Reference for its work and a Scheme of Delegation incorporating the clear roles and responsibilities and reporting avenues between the local governing committee and the Directors. These will be based around the DfE principles of good governance and the Independent School Standards expectations. This committee will be made up of two independent experienced chairs of governors from Norfolk Schools and a LA Lead Officer for Governance.

5.3 The Executive Headteacher and a representative of the local governance committee will both be required to report periodically to the Board, as well as to attend Board meetings. This has been detailed within the contract with the Executive Headteacher.

6.0 COMPANY STRUCTURE AND GOVERNANCE ARRANGEMENTS

6.1 NCC HH Limited is a private company limited by shares wholly owned by Norfolk County Council (NCC) which has ultimate control of its business activities.

6.2 The Company has been established in accordance with the Companies Act 2006 including the appointment of a Board of Directors for the Company and the adoption of Articles of Association.

6.3 All board directors are approved by the shareholder (NCC) and comprise the following:

• Two Officers	Selected from with County Council teams as having the appropriate experience	Mr. H. Bullen Mrs. C. Snudden

6.4 The County Council's shareholder function is discharged through its Cabinet with the actual work delegated to the Executive Director of Finance and Commercial Services as the Shareholder Representative.

6.5 Due to the shareholder's requirement that NCC HH Limited quickly intervene to re-provide the alternative education provision, support services will be purchased from Norfolk County Council and the company is being provided with a range of professional services.

7.0 FUNDING

7.1 The County Council as shareholder and commissioner of High Needs Block Dedicated Schools Grant provision is the only funder for the company.

7.2 Norfolk County Council will fund the cost of the initial intervention as a result of market failure, including ensuring that the young people are in receipt of an education under the County Council's Section 19 duties of the Education Act 1996 prior to the school re-opening Some of these costs may need to be funded from the NCC General Fund as they may not be eligible to be funded form the Dedicated Schools Grant.

8.0 RISK

8.1 This business plan has been produced based upon limited information due to the need to recreate provision quickly. The key costs are staffing, and premises related. The Company has re-employed the teachers and support staff previously employed by the failed provider and are employing an Executive Head Teacher to oversee the provision. Due to the short-term nature of the employment, there is a significant risk that staff will find alternative, longer-term employment and the company may need to incur additional supply costs to provide safe, secure and appropriate learning environment.

8.2 The existing premises are not in a suitable state to provide an appropriate, safe and secure learning environment for the pupils. As part of the intervention, steps are being taken to address this issue before reopening the school (currently planned to be on a new site), and alternative arrangements are in place to support pupils in the meantime. At this early stage, costs have been estimated to address the contingency planning, but these are provisional and may change / increase once work begins.

8.3 Whilst the school was run by the previous provider, it was rated as inadequate by OFSTED and in special measures with NCC intervening and supporting the provider to move towards providing safe, secure and appropriate learning opportunities. Due to the speed required to recreate the provision, the Directors made the decision to offer re-employment to all staff employed in relation to the school by the previous provider, and to mitigate concerns regarding the OFSTED judgement an Executive Headteacher has been appointed. Additionally, NCC will continue to provide intervention and support as would be expected for any school in this position.

9.0 BUDGET

9.1 In order to meet the company's objective to be financially viable, the company is anticipating that it will break-even for the reporting period to March 2021.

9.2 The table below is a high-level, business plan which is supported by detailed workings for the school based upon the information available at the time of preparation.

Budget to March 2021	£m
Total income	-0.500
Total Expenditure	0.500
Operating Balance	**0.000**

9.3 During the reporting period, the Directors will review the Business Plan and may need to liaise with the Shareholder's Representative with respect to producing a revised Business Plan.

Cabinet

Item No 12

Decision making report title:	**Fee levels for adult social care providers 2020/21**
Date of meeting:	**13 January 2020**
Responsible Cabinet Member:	**Cllr Bill Borrett (Cabinet Member for Adult Social Care, Public Health and Prevention)**
Responsible Director:	**James Bullion, Executive Director for Adult Social Services**
Is this a key decision?	**Yes**

Introduction from Cabinet Member

Norfolk County Council (the Council) invests more than £280m a year in purchasing adult social care services from the market. The Council has legal duties under the Care Act 2014 to promote the effective and efficient operation of this market including its sustainability including setting and maintaining adequate fee levels.

Executive summary

The Care Act requires the Council to promote the effective and efficient operation of the care market to secure the sustainable supply of high quality care services for adults in Norfolk. The Council purchases almost all adult social care services from the care market investing more than £280m annually. The prices that the Council pays must continue to reflect the actual cost of care having due regard to inflationary pressures to secure sustainable supply.

The Council continues to recognise the importance of the provider market and the key role it plays in supporting the implementation of Adult Social Services' key strategies and approaches including Living Well, Promoting Independence and the Commissioning and Market Shaping Framework. The proposals in this paper would see an additional £12.011m for fee increases to support the Norfolk Care Market's sustainability.

The Council has developed an inflationary pressures price adjustment mechanism working with the provider market. This mechanism reflects increases in the national minimum/living wage announced in the Autumn budget statements as well as national estimates for inflation and actual wage rates from the National Minimum Data Set (NMDS). This means that the increases proposed are above the core price inflation included in the growth pressures.

Additional growth pressures have been included within the budget plans for 2020/21 to manage both increase in prices arising from the 2018 cost of care exercise and impact of provider cost increases driven by the national living wage in 2020/21 and future years. On 31st December 2019, the Government announced the national living wage for 2020-21 at £8.72. Whilst the increase in national living wage for the care workforce is welcomed, this represents a significant financial impact for the council. Each 1p increase in the national living wage costs approximately £0.200m. The announcement was 5p higher than previous assumptions and gives rise to approximately a £1m affordability gap based on our assessment of care costs. Detailed calculations are being undertaken and a verbal update will be provided at the Cabinet meeting. Due to the announcement being late in the budget planning process there are limited alternative options. The proposals enable an additional £12.011m for fee increases, which is estimated to meet the announced national living wage, but not the full impact of inflation on all other costs. This report sets out the recommended approach for 2020/21.

Recommendations:

Cabinet is recommended to consider and agree the approach to fee uplifts for the 2020/21

financial year as set out below:

a) **In respect of contracts where an inflation index or indices are referenced an uplift is implemented to match any changes in the relevant index or indices**
b) **In respect of contracts where there is a fixed price for the duration of the contract, no additional uplift in contract prices takes place**
c) **In other contracts, where the Council has discretion in relation to inflationary uplifts, that uplifts are considered in line with those set out in this report**
d) **In the case of residential and nursing care any final uplift including other adjustments is subject to formal consultation with implementation being through the use of Chief Officer delegated powers following that process**

1. Proposal

1.1 The proposal is to implement fee uplifts for the 2020/21 financial year in accordance with specific contractual obligations where they exist and otherwise as set out in the table below:

Table 1 Inflation Uplifts by Sector

Sector	**2020/21**
Home Support spot/framework Band 1	4.61%
Residential and Nursing older people	4.55%
Residential and Nursing working age adults (including physical disabilities)	4.40%
Day Care	3.99%
Supported Living	3.63%
Supported Accommodation	3.63%
Direct Payments*	4.00%
Carers	4.61%
Other	2.00%

* Direct payments are proposed to be increased by 4.00%. It has been estimated that 44% of the £27m spend on Direct Payments is used to employ a personal assistant. An inflationary increase of 7.13%, has been allowed for this element of spend. The remaining areas of Direct Payment spend has had a CPI increase of 2.00% applied.

2. Evidence

2.1 **The legal framework Care Act 2014**

2.1.1 The Care Act places duties on local authorities to facilitate and shape their market for adult care, and support as a whole, so that it meets the needs of all people in their area who need care and support, whether arranged or funded by the state, by the individual themselves or in other ways.

2.1.2 The ambition is for local authorities to influence and drive the pace of change for their whole market leading to a sustainable and diverse range of care and support providers, continuously improving quality and choice, and delivering better, innovative and cost-effective outcomes that promote the wellbeing of people who need care and support.

2.1.3 The statutory guidance to the Care Act requires local authorities to commission services having regard to cost effectiveness and value for money. The guidance also states, however, that local authorities must not undertake any actions that might threaten the sustainability of the market as a whole, that is the pool of providers able to deliver the services required to an appropriate quality - for example by setting fee levels below an amount which is not sustainable for providers in the long term. The guidance emphasises the need to ensure that fee levels are sufficient to enable providers to meet their statutory obligations to pay at least the national minimum wage and provide effective training and development of staff.

2.2 **Contracts**

2.2.1 The Council spends over £280m a year in securing the care services needed through a large number of contracts. These contracts contain legally binding provisions regarding fee levels and often the treatment of inflationary and deflationary pressures on the fee levels which vary from contract to contract. The various contractual requirements are described below.

2.2.2 At current usage rates the fee levels proposed in this report would add £12.011m to the value of our total investment in the care market in 2020/21. This is considered to be essential to enable the Council to continue to discharge its legal obligations as well as securing stable supply in the longer term

2.3 **Indexation of prices**

2.3.1 These contracts specify an annual variation by reference to a specific price index or indices. In these cases, the Council is contractually obliged to apply whatever the indexation requires by way of price variation.

2.4 **Fixed prices**

2.4.1 These contracts set a fixed price for the duration of the contract. The Council is not contractually obliged to adjust prices in these types of contracts.

2.5 **Pre-agreed tendered prices**

2.5.1 In these contracts the provider is required to set out in advance the prices they require over the life of the contract including their assessment of inflation with no facility for altering those prices. In these circumstances the Council is not contractually obliged to make any changes to prices but has a discretion to consider changes in wholly exceptional circumstances.

2.6 **Prices subject to annual inflation consideration**

2.6.1 These contracts typically require the Council to consider any changes in provider costs that may have occurred in the previous year and/or may occur in the forthcoming year and to make adjustments to reflect these changes at its discretion. In exercising it's discretion, the Council must have due regard to its market shaping duties under the Care Act. The proposed inflationary uplifts in respect of contracts where the Council is required to consider inflation each year are shown in Table 1 above.

2.7 **Home Support**

2.7.1 From November 2019, NCC has implemented a new Framework Agreement across the whole Home Support market. To date 57 home care providers have been successful in meeting the requirements to be added to this agreement and be able to provide care on behalf of NCC. The Framework Agreement delivers the following benefits:

a) It creates consistency by using one contract across all providers
b) It gives flexibility to commission a block of packages or a set number of hours of care within a geographical area
c) It allows NCC to be able to transfer packages to another provider quickly. This is important, especially when a provider ceases trading and we need other provider(s) to take on the care packages

2.7.2 NCC's key focus is the ongoing work with the market to create effective partnerships that supports the ambition of high-quality care being delivered to vulnerable people in

Norfolk.

2.7.3 In April 2018 a framework pricing structure was implemented as a trial in Norwich, South and North Norfolk, which established banded pricing levels. This provided increased investment into the Home Support market, to promote an effective and sustainable market. The banded pricing was developed to drive growth in certain areas of Norfolk, where it can be challenging to source care. However, this approach has not had the desired result and there continues to be areas of Norfolk, where work continues to secure sufficient levels of care and support to meet individual needs. Subsequently, it was agreed by Adult Social Services Senior Management Team on 5 August 2019, to revert back to a single price (Band 1) for any new packages of Home Support following the implementation of the new Framework Agreement in November 2019.

2.7.3 **Table 2 – Home Support Framework Pricing**

Contract	Hourly rate 20/21
Framework rate	£19.08
Band 2* (no change)	£19.68
Band 3* (no change)	£21.72
Spots*	£19.08

*for existing contracts only

2.7.4 The recommended uplift will continue to support the strategic intention to support and develop the Home Support market. The new process will allow for providers to continue to invest into the care workforce recognising pressures such as national Living Wage. NCC will use the benefit of the Framework Agreement to work with providers to grow care capacity and capability in identified areas of need, both in terms of geography and to meet complex needs.

2.7.5 It is important to note that block contracts continue to operate in geographical areas of West Norfolk, East Norfolk and North Norfolk. These block contracts are subject to pre-agreed tendered prices, as per the definition stated in section 2.5.

2.8 **Independent residential and nursing care for older people**

2.8.1 In the case of residential and nursing care for older people provided by the independent market the Council undertook a cost exercise with the market in 2018/19. Following a consultation process, this agreed a cost of care increase which will be delivered over a two-year period of 2019-20 and 2020-21. Cost of care increases proposed are independent of any inflationary uplift and this is detailed in Table 3.

2.8.2 The cost model has been developed with providers and consideration has been given to value for money, sustainability and quality. Actual costs of care were considered by applying relevant inflationary uplifts to pay and non-pay elements in the cost model. Adjustments were made for potential increased staffing due to complexity and regulation among other factors.

2.8.3 For residential and nursing care there is a requirement to complete a consultation process prior to the implementation of any usual prices for 2020/21. It is intended to commence this process on 14 January 2020 closing on 11 February 2020. It is proposed that implementation of the new prices will be undertaken through the exercise of delegated powers as approved at the 29 April 2016 Committee meeting.

2.8.4 Detailed below are the proposed usual prices for residential and nursing care provided by the independent sector for older people in 2020/21, including the cost of care increase and inflationary pressures for older people, adjusted for affordability. For completeness the inflationary element is also set out in Table 1 above.

Table 3 Residential and Nursing Care – cost of care and inflationary uplift

Older People	A	B	C	D	E
Single Room Only Band	2019/20 Usual Price	20/21 Cost of Care % increase	20/21 Price inflation % increase	20/21 Total % price increase	Proposed 2020/21 Usual Price
Residential - Standard	£536.49	1.22%	4.55%	5.82%	£567.74
Residential - Enhanced	£618.37	2.14%	4.55%	6.79%	£660.34
Nursing - Standard	£553.94 + FNC of £165.56 = £719.50	0.85%	4.55%	5.44%	£584.07 + FNC of £165.56 = £749.63
Nursing - Enhanced	601.30+ FNC of £165.56 = £766.86	1.89%	4.55%	6.53%	£640.54 + FNC of £165.56 = £806.10

The Funded Nursing Care (FNC) is set nationally by the Government and the figure included in the above table may be subject to change

2.9 **Independent residential and nursing care for working age adults (WAA)**

2.9.1 Packages of care for WAA have a range of pricing structures in place and in many cases are specific to needs being met. An overarching review of all WAA care packages is being undertaken and hence current costs will be inflated with no other changes and no cost of care adjustments.

2.10 **Day Care and Supported Living and Supported Accommodation**

2.10.1 The annual cost for these services has been assessed and uplifts outlined in Table 1, subject to the contract clause between NCC and a provider, concerning any uplifts in prices. These uplifts are above the Office of Budget Responsibility (OBR) forecast for inflation over the next year and reflect the diversity of provision in the market and projected demand for these services going forward. Day Care and Supported living continue to be reviewed in terms of strategic relevance and cost over the coming year.

2.11 **Approach for evaluating cost changes for 2020/21.**

2.11.1 The Council processes introduced during 2016 enabled the development of an inflation adjustment mechanism which underpins the proposed uplifts to support the Council in the exercise of its discretion as set out in Table 1 above. This approach remains unchanged.

2.11.2 The basis for evaluating price changes is set out below:

Table 4

Cost	Market Sector	Evidence
Pay	All	National minimum dataset
Prices	All	Office of Budget Responsibility October estimates for inflation. This year the OBR has not released economic forecasts since April, so evidence has been taken from latest information available and Bank of England estimates.
Pensions	All	Relevant auto enrolment rate

2.11.3 The key cost drivers affecting care provision are:

a) General inflation is based on the County Council's financial planning forecast of 2.0%. This is considered reasonable when compared to various projections including the OBR March forecast for inflation of 1.9% in 2020-21; the Bank of England November inflation reports, which predicts 1.2% in 2020 Quarter 2, but with rises towards 2% in 2021 and actual inflation that has ranged between 2.1% in April and July 2019 and 1.5% in October 2019
b) The national living wage had been estimated to increase from £8.21 to £8.67 from April 2020, but following the Government's announcement on 31st December 2019, will increase to £8.72, representing a 6.2% increase. The national minimum dataset information sets out actual pay rates which tend to be slightly above the national living wage. The Council recognises however that in order to compete in the labour market increases in pay rates in line with increases in the national minimum wage rates will be required. In addition, the Council recognises that pay differentials need to be supported to aid retention of skilled and experienced staff

2.11.4 It is proposed that Direct Payments budget is increased by 4.00%. Direct payments reflect costs relating to both services and direct employment. The increase therefore needs to enable those that directly employ staff i.e. as personal assistants, to pay in line with the national living wage. The proposal would enable the hourly rate for care to increase to £9.01. Other costs would be increased by inflation at 2.0%. In addition, other mechanisms are in place that will ensure that an individual is able to meet their assessed unmet eligible needs, including reviews of needs and support plans to ensure that they accurately reflect those needs.

2.12 **Consideration of affordability – budget planning**

2.12.1 Having taken due consideration of cost pressures in the various care market sectors together with quality and sustainability the Council needs to take into consideration the level of increase that is affordable in the light of other pressures and priorities.

2.12.2 The financial context continues to be challenging. Overall, councils will see a reduction in central government support to local government of £16bn between 2010 and 2020, with a local impact of £216m. Independent estimates show the national social care funding gap is set to reach £2.1bn by 2020 and locally in this financial year we are targeting delivery of £18m savings and a significant remaining gap for the period 2021-2024 as set out in the Revenue Budget elsewhere on the agenda.

2.12.3 The Strategic and Financial Planning paper elsewhere on this agenda sets out the wider financial position including the impact of the 2019 Spending Round and assumptions about the 2020-21 Local Government Finance Settlement. The medium term financial strategy agreed by the County Council in February 2019 identified a funding gap of £70.9m between 2020 and 2023. As part of the revised financial strategy in May 2019, additional savings were required including an additional £9m of savings within adult social care. Government announcements in the Autumn identified one-off funding for adult and children's social care, however further pressures, changes in planning assumptions and the future impact of individual budget overspends, combined with the one-off nature of the funding has required savings targets for future years to remain. At October 2019 significant emerging service pressures totaling over £30m were identified for 2020-21. This is before the latest announcement regarding the national living wage for 2020-21. New savings for adult social care of £9.5m across the period 2020-24 were proposed to support achieving a balanced budget for 2020-21, although a gap remained for future years. The detailed Medium Term Financial Strategy position, including the overall gap, is reported to this Cabinet meeting elsewhere on the agenda, following the 2020-21 budget planning process and assumptions about the local government finance settlement.

2.12.4 The Council's plans are based on the government's spending plans.

2.12.5 There is no specific support for the implications of legislative changes to national living wage on provision of social care and these costs have to be met within the Council's financial means. The future financing of social care will be set out in a Green Paper, which was intended to be published in 2017, however this was postponed and further announcements are expected from the new Government.

2.12.6 The Council's medium term financial plans include budget assumptions for council tax increase. The Council is currently consulting on a general council tax increase of 1.99% for 2020/21. The Government announced in the Autumn that the Adult Social Care precept could be increased in 2020/21 by 2%. It is estimated that this could deliver £8.131m additional funding for adult social care.

2.12.7 The Local Government Finance settlement included announcements regarding a continuation of the adult social care winter funding for a further year totaling £4.179m and Improved Better Care Fund grant of £5.903m. In addition, social care grants for children's or adult social care included continuation of previous grant of £7.137m and a further one-off grant of £17.617m.

2.12.8 The winter funding is one off ring-fenced funding for adult social care and is subject to inclusion within the Better Care Fund and Department of Health and Social Care reporting. The purpose is to support provision of social care to alleviate pressures within the NHS.

2.12.9 In total the service is budgeting for additional net pressures of £34.678m in 2020/21.

2.12.10 The budget plans for 2020/21 have included growth for inflationary cost pressures for pay and non-pay budgets (price inflation at 2.0%); legislative changes (pre the latest Government announcement regarding the national living wage), demographic cost pressures for adult social care of £6.1m.

2.12.11 These plans for adult social care services require net savings to be delivered amounting to £22.9m in 2020/21 to enable services to both be delivered within reduced funding and to enable increased investment in the service to support unavoidable cost pressures.

2.12.12 Delivery of net savings of £22.9m would enable a further £20.5m to be invested in the care market to cover demand, inflationary increase, the impact of the national living wage increase, and to implement the remaining increase identified through the previous cost of care review for older people residential and nursing care. The announcement of the national living wage at £8.72 creates an affordability gap of some £1m. It is not considered possible to make further savings above £22.9m and therefore the cost envelope for market increases has needed to remain at £12.011m. This will enable the national living wage to be met but would not meet the full cost of the potential price inflation for other costs.

2.12.13 Based on our original assumptions, the proposed level of investment within the budget plans enables a core inflationary increase totalling £6.5m; additional costs arising through the older people residential cost of care review of £1.035m; and an additional £6.9m to manage the impact of the national living wage. The actual cost of the national living wage is now estimated to be approximately £1m higher, which will need to be met within the growth for core inflationary pressures.

2.12.14 Application of the process described in 2.11 in conjunction with factors including effective operation in the market, alternative ways of working and innovative business practice, as well as the overall affordability for the Council, have resulted in the proposed uplifts detailed in Table 1. (section 1.1)

3 Financial Implications

3.1 The financial impact of the recommended price uplifts, excluding cost of care totals is £12.011m in 2020/21. This increase is included in the budget proposals set out to Cabinet elsewhere on this agenda. In addition, the budget proposals to be agreed by County Council will include a further increase in fee levels for older people residential and nursing to reflect the second phase (25%) of changes arising from 2018 cost of care review. These changes are included in the usual price proposals set out in Table 3 of this report. The additional cost of care increase totals £1.035m for 2020/21.

4. Resource Implications

4.1 The objectives detailed in the report can be met within the proposed budget and resources.

5. Other Implications

5.1 **Legal Implications**

5.2 **Human Rights implications**

5.3 **Equality Impact Assessment (EqIA)**

5.4 **Health and Safety implications**
None identified

5.5 **Sustainability implications**

5.6 **Any other implications**
Non identified

6. Issues, risks and innovation

6.1 The Care Act requires Councils with adult social care responsibilities to promote the effective and efficient operation of the market so that sustainable value for money quality services are available to care consumers. If a provider fails, the Council has specific responsibilities to ensure that services remain available to meet needs.

6.2 Cabinet has approved a new Commissioning and Market Shaping Framework which supports the development of detailed sector-based plans that will be further developed working with providers and care consumers to realise the Promoting Independence strategy.

6.3 Combined with the strengths-based approach to care needs assessment and review greater effectiveness and efficiency will be secured.

6.4 The proposed fee uplifts represent a significant investment for the Council and provides an above inflation increase. However, the financial position for the Council means that it is not possible to fully fund all the identified inflation and legislative pressures that could be incurred by the market during 2020-21. Market risks will continue to be monitored throughout the year as part of the work within the commissioning teams.

7. Alternative options

7.1 Cabinet could seek further savings from elsewhere in order to meet all assumed pay and price increases for the care market. However, due to the late stage in the budget planning process, and the extent of savings already required for 2020-21, it is felt that this could present additional risks and is not recommended.

8. Background

8.1 The previous Committee reports dealing with the Cost of Care considered on 29 April 2016 and 10 October 2016 are relevant to the proposals regarding uplifts in the residential and nursing care market sectors.

8.2 **Background Papers** –

Usual price of residential and nursing care in Norfolk 29 April 2016 – p4
Usual price of residential and nursing care in Norfolk 10 October 2016 - p55

9. Recommendations

9.1 **Cabinet is recommended to consider and agree the approach to fee uplifts for the 2020/21 financial year as set out below:**

a) In respect of contracts where an inflation index or indices are referenced an uplift is implemented to match any changes in the relevant index or indices
b) In respect of contracts where there is a fixed price for the duration of the contract, no additional uplift in contract prices takes place
c) In other contracts, where the Council has discretion in relation to inflationary uplifts, that uplifts are considered in line with those set out in this report
d) In the case of residential and nursing care any final uplift including other adjustments is subject to formal consultation with implementation being through the use of Chief Officer delegated powers following that process

Officer Contact

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

Officer Name:	**Tel No:**	**Email address**:
Gary Heathcote	07525 923095	gary.heathcote@norfolk.gov.uk
Susanne Baldwin	01603 228843	susanne.baldwin@norfolk.gov.uk

Cabinet

Item 13

Decision making report title:	**Norfolk County Council Revenue Budget 2020-21 and Medium Term Financial Strategy 2020-24**
Date of meeting:	**13 January 2020**
Responsible Cabinet Member:	**Cllr Andrew Proctor (Leader of the Council)** **Cllr Andrew Jamieson (Cabinet Member for Finance)**
Responsible Director:	**Simon George (Executive Director of Finance and Commercial Services)** **Fiona McDiarmid (Executive Director of Strategy and Governance)**
Is this a key decision?	**Yes**

Introduction from Cabinet Member

This report includes a suite of appended papers as follows that support the council's budget setting process for 2020-21.

- Appendix 1: Norfolk County Council Revenue Budget 2020-21
- Appendix 2: Medium Term Financial Strategy 2020-21 to 2023-24
- Appendix 3: Statement on the Adequacy of Provisions and Reserves 2020-21 to 2023-24
- Appendix 4: Statement on the Robustness of Estimates 2020-21 to 2023-24
- Appendix 5: Findings of Public Consultation
- Appendix 6: Equality and Rural Impact Assessment

Collectively, these papers set out the overall direction of travel for strategic and financial planning for 2020-21 to 2023-24 and provide the detailed information to support Cabinet's Revenue Budget and council tax recommendations to the County Council, including the Executive Director of Finance and Commercial Services' (Chief Finance Officer) assessment of the robustness of the overall budget.

The papers:

- explain the background to planning for the 2020-21 Revenue Budget, including the wider funding context for the County Council;
- identify the growth and savings proposals for budget planning in both the 2020-21 Revenue Budget and the Medium Term Financial Strategy for 2021-22 to 2023-24;
- propose the level of council tax in 2020-21;
- set out forecasts of the level of reserves and provisions across the life of the Medium Term Financial Strategy;
- provide the Executive Director of Finance and Commercial Services' view on the robustness of the estimates used in the preparation of the 2020-21 Budget; and
- outline the findings of public consultation and equality and rural impact assessment, along with proposed mitigations.

Executive Summary

The 2020-21 Revenue Budget is being prepared in the context of an almost unprecedented level of uncertainty. Nevertheless, the council must comply with statutory requirements to set a balanced

Revenue Budget for 2020-21. Norfolk County Council is due to agree its budget for 2020-21, and Medium Term Financial Strategy to 2023-24, on 17 February 2020.

This represents the first budget to be set since the change of governance from the committee system. The Cabinet has coordinated the budget setting process, establishing the parameters for Service Departments in order to develop a robust and deliverable whole-council budget. Departments have developed, reviewed and advised on budget plans for their service areas, taking into account the overall planning context as set out by the Cabinet.

This report forms a key part of the strategic and financial planning framework for the council. It builds on reports received by Cabinet in May and October to set out the detailed Revenue Budget proposals for 2020-21.

In developing the 2020-21 Budget, the council has:

- reviewed performance in the delivery of savings during 2019-20;
- considered the overspend pressures within the current year, 2019-20;
- considered the resources available to support the delivery of services in 2020-21 and the remainder of the medium term financial strategy period;
- developed new savings proposals for 2020-21 and beyond;
- considered the need for further investment to support service delivery; and
- re-assessed the deliverability and timing of existing planned savings for 2020-21 onwards.

At the time that the 2019-20 Budget was set, the council had identified a gap of £70.857m for the two years of the Medium Term Financial Strategy 2020-21 and 2021-22. The current financial monitoring position indicates an overspend for 2019-20 but the council remains confident that this will be managed to deliver a balanced outturn position for the year. The proposals set out in these reports will enable the council to close the previously identified gap for 2020-21, as well as dealing with the significant additional pressures which have emerged through the budget setting process. The budget gap for 2021-22 currently identified in the updated Medium Term Financial Strategy is of a similar order to the gap closed for this year's Budget, and the council's past performance and robust planning methodology therefore provides assurance that the council will be able to find the necessary savings to close the gap in 2021-22 as well.

As a result of this work, the council's budget proposals for 2020-21 as set out in the appendices to this report see the council's total resources of £1.4bn aligned to the *Together, for Norfolk* strategy, and focussed on meeting the needs of residents and businesses. Continuing the approach adopted in previous years, and recognising the substantial ongoing pressures in these areas, **the 2020-21 Budget provides for the council to make further significant investment into both adults and children's social care services**, including:

- **Adults:** £7.622m for inflation, £6.100m for demographic pressures, £7.935m in respect of pay and price market pressures (including National Living Wage) to continue to support the care market, and £9.221m to respond to wider budget pressures including costs addressed through one-off means in 2019-20.
- **Children's:** £3.734m for inflation, £11.000m for budget pressures across Children's Services including Children Looked After, £4.500m for home to school transport pressures, and £7.050m for staffing pressures including investment in the Service's new operating model and resolving the structural budget gap.

Non social-care services are also receiving growth in 2020-21, including £0.887m for the Fire Service in line with proposals in the Integrated Risk Management Plan (IRMP) detailed elsewhere on this agenda, £0.525m for highways pressures, and a budget rising to £0.350m by 2021-22 to support the council's Environmental Policy agreed in November 2019. Overall, **the Budget includes service**

growth pressures of over £65m in 2020-21, representing a sustained and significant investment in maintaining and strengthening the council's key services.

The Provisional Local Government Finance Settlement was delayed due to the impact of the general election held on 12 December 2019. The budget was therefore largely prepared using planning assumptions based on the limited information provided at the Spending Round announced 4 September 2019 in order to inform the financial and planning context for the County Council for 2020-21. The Provisional Settlement was ultimately published 20 December 2019 and resulted in some changes which have been reflected in the Budget. In this context, the appended reports summarise the saving proposals for 2020-21, the proposed cash limited revenue budget based on all current proposals and identified pressures, and the level of council tax. A separate report on the agenda details the proposed capital programme.

Also appended is the feedback received to consultation on the level of council tax and Adult Social Care precept for 2020-21, a summary of wider comments received on the council's saving proposals, and the findings and mitigating actions proposed from rural and equality impact assessments.

The information in this report and its appendices is intended to enable Cabinet to consider how proposals contribute to delivering an overall balanced budget for the whole council, and take a considered view of all relevant factors to inform budget proposals for 2020-21 and the financial strategy to 2023-24, in order to recommend these to County Council when it meets on 17 February 2020 to agree the final budget and Medium Term Financial Strategy for 2020-24.

Taking into account the council's overall budgetary position, consultation responses, and the recommendation of the Executive Director of Finance and Commercial Services, this report has been prepared on the basis of an **increase in general council tax of 1.99% and 2.00% for the Adult Social Care precept** in 2020-21. This reflects the provisional referendum thresholds outlined by the Government at the time of the Spending Round and in the provisional Settlement.

Recommendations

1) **To note the statements regarding the uncertain planning environment, robustness of budget estimates, assumptions and risks relating to the 2020-21 budget, and (due to the unique level of uncertainty for budget setting this year) authorise the Executive Director of Finance and Commercial Services, in consultation with the Leader of the Council and the Cabinet Member for Finance, to make any changes required to reflect Final Local Government Finance Settlement information (if available), or changes in council tax and business rates forecasts from District Councils, in order to maintain a balanced budget position for presentation to Full Council.**

2) **To note the findings of public consultation as set out in Appendix 5, and consider these when recommending the budget changes required to deliver a balanced budget as set out in Appendix 1.**

3) **To consider and comment on the findings of equality and rural assessments, as set out in Appendix 6 to this report, and in doing so, note the council's duty under the Equality Act 2010 to have due regard to the need to:**

   - **Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act;**
   - **Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and**
   - **Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.**

4) **To delegate authority to the Leader of the Council to approve a response to the consultation undertaken on the provisional Settlement.**

5) **To note the budgetary implications of the latest advice from the Government in relation to deficits on the High Needs Block of the Dedicated Schools Grant as set out in section 5 of Appendix 1.**

6) **To note the decision by Norfolk Leaders, acting as the Pool Board, in respect of the membership of the 2020-21 Business Rates Pool, use of 2018-19 funds available, and the associated risks, as set out in section 8 of Appendix 1.**

7) **To note the potential implications of the new CIPFA Financial Management Code as detailed in section 14 of Appendix 1, and agree to develop an action plan to enhance the council's compliance with the code for the 2021-22 financial year to be presented to Cabinet for approval during 2020-21 as part of the budget setting process.**

8) **To agree to recommend to County Council:**

   a) **The level of risk and budget assumptions set out in the Robustness of Estimates report (Appendix 4), which underpin the revenue and capital budget decisions and planning for 2020-24.**
   b) **The principle of seeking to increase general fund balances in 2020-21 and that any additional resources which become available during the year should be added to the general fund balance wherever possible.**
   c) **The findings of public consultation (Appendix 5), which should be considered when agreeing the 2020-21 Budget (Appendix 1).**
   d) **An overall County Council Net Revenue Budget of £427.660m for 2020-21, including budget increases of £110.148m and budget decreases of -£91.781m as set out in Table 11 of Appendix 1, and the actions required to deliver the proposed savings.**
   e) **The budget proposals set out for 2021-22 to 2023-24, including authorising Executive Directors to take the action required to deliver budget savings for 2021-22 to 2023-24 as appropriate.**
   f) **With regard to the future years, that further plans to meet the remaining budget shortfalls in the period 2021-22 to 2023-24 are developed and brought back to Cabinet during 2020-21.**
   g) **To note the advice of the Executive Director of Finance and Commercial Services (Section 151 Officer), in section 6 of Appendix 1, on the financial impact of an increase in council tax, and confirm, or otherwise, the assumptions that:**
      i) **the council's 2020-21 budget will include a general council tax increase of 1.99% and a 2.00% increase in the Adult Social Care precept, an overall increase of 3.99% (shown in section 6 of Appendix 1) based on the current discretions offered by Government and as recommended by the Executive Director of Finance and Commercial Services.**
      ii) **the council's budget planning in future years will include council tax increases of 1.99% for planning purposes, as set out in the Medium Term Financial Strategy (MTFS Table 4 in Appendix 2). These council tax assumptions have regard to the level of referendum threshold expected to be set for the year, and take into account the Government's historic assumptions that local authorities will raise the maximum council tax available to them. The final level of council tax for future years is subject to Member decisions annually.**
      iii) **no future increases in the Adult Social Care precept in 2021-22 onwards are assumed based on current Government policy but that these will be subject to Member decisions annually within and informed by any parameters defined by the Government.**

iv) if the referendum threshold were increased in the period 2021-22 to 2023-24 to above 1.99%, or any further discretion were offered to increase the Adult Social Care precept (or similar), then it is likely that the Section 151 Officer would recommend the council take advantage of this flexibility in view of the council's overall financial position as set out in the assumptions in section 5 of Appendix 1.

h) That the Executive Director of Finance and Commercial Services be authorised to transfer from the County Fund to the Salaries and General Accounts all sums necessary in respect of revenue and capital expenditure provided in the 2020-21 Budget, to make payments, to raise and repay loans, and to invest funds.

i) To agree the Medium Term Financial Strategy 2020-24 as set out in Appendix 2, including the two policy objectives to be achieved:

i) Revenue: To identify further funding or savings for 2021-22 and 2023-24 to produce a balanced budget in all years 2020-24 in accordance with the timetable set out in the Revenue Budget report (Table 1 of Appendix 1).

ii) Capital: To provide a framework for identifying and prioritising capital requirements and proposals to ensure that all capital investment is targeted at meeting the Council's priorities.

j) The mitigating actions proposed in the equality and rural impact assessments (Appendix 6).

k) Note the planned reduction in non-schools earmarked and general reserves of 37.9% over five years, from £88.709m (March 2019) to £55.109m (March 2024) (Reserves Table 6 in Appendix 3);

l) Note the policy on reserves and provisions in Section 3 of Appendix 3;

m) Agree, based on current planning assumptions and risk forecasts set out in Appendix 3:

i) for 2020-21, a minimum level of general balances of £19.623m, and

ii) a forecast minimum level for planning purposes of

- **2021-22, £25.982m;**
- **2022-23, £26.343m; and**
- **2023-24, £26.431m.**

as part of the consideration of the budget plans for 2020-24, reflecting the transfer of risk from Central to Local Government, and supporting recommendations;

n) Agree the use of non-school Earmarked Reserves, as set out in Reserves Table 5 of Appendix 3.

1. Background and Purpose

1.1. The council's approach to medium term service and financial planning is based on the preparation of a rolling Medium Term Financial Strategy, with an annual budget agreed each year. The County Council agreed the 2019-20 Budget and Medium Term Financial Strategy (MTFS) to 2022 at its meeting 11 February 2019.

1.2. This report brings together a range of information including details of Cabinet decisions, the outcomes of Service Department and Corporate planning, input from Scrutiny Committee during the year, the results of public consultation and rural and equality impact assessments, and latest information about the provisional Local Government Finance Settlement. This is intended to enable Cabinet to consider how the proposals contribute to delivering an overall balanced budget for the whole council, and take a considered view of all relevant factors to agree budget plans for 2020-21 and the financial strategy to 2023-24, in order to recommend these to Full Council when it meets to agree the final budget and strategy for 2020-24.

2. Proposals

2.1. This is the first budget prepared since the council returned to the Cabinet system. The strategic and financial planning approach to setting the budget this year builds on the robust and well-established framework used in the Committee system. Cabinet considered the MTFS position in May 2019, which provided Members with a starting point to inform wider budget setting work across the organisation. This report identified a forecast gap of £70.857m for the period to 2021-22 including an indicative gap of £40.000m for 2020-21. Cabinet agreed the allocation of savings targets into three blocks (Business Transformation, Corporate Finance, and Services) and an allocation to Departments. In October, Cabinet then considered the detail of Service Department and Business Transformation proposals intended to close the budget gap for 2020-21, and agreed to begin public consultation on the level of council tax and Adult Social Care precept. The consultation also provided the opportunity for the public to comment more generally on any of the council's new proposals for 2020-21 onwards. During the budget setting process, the Scrutiny Committee has also provided input to the budget, particularly at its meetings in June, July, September and October 2019.

2.2. This paper now sets out the latest information on the financial and planning context for the County Council for 2020-21 to 2023-24. It summarises the pressures, changes and savings proposals for 2020-21 for all Service Departments, to present the proposed cash limited revenue budget. The detailed work undertaken through the 2020-21 budget setting process has supported the identification of robust savings and also enabled significant investment into key service areas, which will ultimately allow the council to set a realistic and balanced budget for 2020-21. Norfolk County Council is due to agree its new Budget and Medium Term Financial Strategy for 2020-21 to 2023-24 on 17 February 2020.

3. Impact of the Proposal

3.1. The recommendations set out in this report are intended to enable Full Council to agree a balanced budget and the level of council tax for 2020-21. The proposals will impact upon the nature and type of services provided by the council, as well as delivering transformation to underlying council structures and operating models. In particular, they will:

- provide for growth and investment in key services, and the implementation of budget savings across council departments, which will help to shape service and financial activity for the year to come;
- position the council to respond positively to announcements made in the Spending Round 2019 and provisional Settlement for 2020-21;
- contribute to the council setting a balanced budget for 2020-21;
- inform future development of the 2021-22 budget and the MTFS beyond 2023-24; and
- assist the council in managing the significant future uncertainty around the Fair Funding Review, Business Rates Retention, and future funding levels as a whole by establishing a robust platform to build on in 2020-21.

3.2. Success in operating within the approved budget for the year, and the achievement of identified savings, will both be monitored throughout the year and reported to Cabinet as part of regular financial reporting. The budget setting process for 2021-22 will also be reported to Cabinet in line with the timetable set out in the appended papers.

4. Evidence and Reasons for Decision

4.1. The full suite of information and evidence to support the council's 2020-21 budget proposals is laid out in the appended papers. The Cabinet needs to recommend a budget in order for the council to fulfil the legal requirement to set a balanced budget for 2020-21 and determine the level of council tax for the year. The need to identify savings is driven by both service cost pressures and the wider funding position of local government as set out elsewhere in the appended papers.

4.2. The proposals in this report are informed by the council's constitution, local government legislation, best practice recommendations for financial and strategic planning (including the CIPFA Financial Management Code) and feedback from residents and other stakeholders via the public consultation on the 2020-21 Budget as detailed within this report.

5. Alternative Options

5.1. The papers appended to this report represent the culmination of the process to develop detailed budgets and saving proposals for 2020-21 to be recommended to Full Council. However, at this stage it remains the case that no proposals have been agreed, meaning that a range of alternative options remain open.

5.2. In particular, there are a number of areas where Cabinet could choose to consider different parameters for the budget and recommendations to Full Council, such as:

- Varying the level of council tax and/or Adult Social Care precept for 2020-21, cognisant of the referendum principles for the year, and the implications for the level of savings to be found and the overall budget position;
- Considering alternative saving proposals, taking into account the time constraints required to develop proposals, undertake public consultation (where necessary), and meet statutory deadlines for the setting of council tax.
- Changing other assumptions within the MTFS (including reducing assumptions about budget pressures or varying the level of council tax) and therefore altering the level of savings required in future years.

5.3. The deliverability of the overall budget and saving proposals is kept under review by the Section 151 Officer in order to advise on final budget setting proposals. Final decisions on the Budget need to be taken by the County Council in February 2020 informed by final Local Government Finance Settlement figures, forecasts supplied by District Councils, and the findings of EQIA and public consultation activity.

6. Financial Implications

6.1. The budget papers appended to this report set out details of proposals which will contribute to the council's long-term financial sustainability and enable the setting of a balanced Budget for 2020-21. This includes the level of council tax for the year, and the savings which will need to be delivered by each department, subject to formal approval by Full Council in February.

6.2. In the event that additional budget pressures, or any removal of savings for 2020-21 were identified by Cabinet or Full Council, there would be a requirement to identify equivalent further savings or increased income for 2020-21.

6.3. A number of significant financial implications have been described in this report and the supporting papers. As highlighted in the report and appendices, there has been a high level of uncertainty throughout the budget process about the impact of the Local Government Finance Settlement for 2020-21. The provisional Settlement was announced 20 December 2019, but final figures remain to be confirmed in January. The implications of changes for future years, now expected to be implemented in 2021-22 (including the Fair Funding Review and 75% Business Rates Retention) remain the subject of very considerable uncertainty and although they have been reflected as far as possible in the council's 2020-21 planning processes, these impacts will need to be refined as further information is made available by Government.

7. Resource Implications

7.1. **Staff:** A number of the specific proposals set out in this report have various staffing implications and staff consultation will therefore need to be undertaken as appropriate as the proposals are further developed and implemented following approval by the County Council.

7.2. **Property:** The budget will have various property implications including the further disposal and rationalisation of certain properties. Consultation and engagement will therefore need to be undertaken as appropriate as the proposals are further progressed through to implementation following approval by the County Council. In addition, existing saving plans include activities linked to property budgets and assumptions around levels of capital receipts to be achieved.

7.3. **IT:** A number of the specific proposals set out in this report will have various IT implications, including the development, implementation and exploitation of new systems and approaches. Existing saving plans include activities linked to IMT budgets.

8. Other Implications

8.1. Legal Implications

None specifically identified. This report forms part of the process to enable the council to set a legal and balanced budget for 2020-21. Specific legal considerations apply to the requirements around the setting of council tax and undertaking public consultation and these are addressed within the appended papers.

8.2. Human Rights implications

None identified.

8.3. Equality Impact Assessment (EqIA)

Equality issues in relation to brought forward saving proposals were considered in the Equality Impact Assessment of the 2019-20 Budget.

A public consultation process on the 2020-21 Budget has been undertaken as set out in the papers appended to this report. As in previous years, this public consultation has informed Equality and Rural Impact Assessments in respect of the 2020-21 Budget, prior to Member decision-making in January and February 2020.

When exercising public functions, the council must give due regard to the need to promote equality for people with protected characteristics and eliminate unlawful discrimination. Equality and rural impact assessments have been carried out on all 53 new proposals within the budget for 2020-21, and the proposal to increase council tax and the Adult Social Care precept.

Summary of findings

There is no evidence to indicate that the proposed budget for 2020/2021 would have a detrimental impact on people with protected characteristics or in rural areas. This is because no changes are proposed to assessment processes, eligibility of needs, service or workforce standards or benefits, quality or delivery.

As a responsible authority, following approval of the proposed budget for 2020-21, work will take place to develop detailed implementation plans for each budget allocation element. It is possible that as a result of this it may be necessary to carry out additional equality impact assessments and obtain further Cabinet approval. A mitigating action is recommended in Appendix 6 to address this.

The proposal to increase council tax and the Adult Social Care precept will impact directly on most resident households. The nature of this impact will depend on individual circumstances. On balance, the greatest factor to take into account is that an increase in council tax will benefit Norfolk's most vulnerable people and their families and carers. This is because it will enable the council to continue to protect essential services which directly benefit and support older and disabled adults, children and families to remain independent and at home for as long as possible.

The full assessment findings for the proposed budget are attached for consideration at Appendix 6.

Four mitigating actions are proposed. These are also set out at Appendix 6.

It is important to note that the assessments only consider the impact of the council's new budget proposals for this year. For obvious reasons, they do not detail the various positive impacts of the council's day-to-day services on people with protected characteristics and in rural areas – such as the proposed programme of capital investment set out elsewhere on this agenda; promoting independence for disabled and older people; supporting children and families to achieve the best possible outcomes; keeping vulnerable adults and children safe, and lobbying nationally on the big issues for residents and businesses – such as transport and better broadband for Norfolk.

The task for Cabinet is to consider the impacts set out in this document and balance them alongside the many other factors to be taken into account, to achieve a balanced budget that focuses the council's resources of £1.4bn where it is most needed.

8.4. Health and Safety implications

None identified.

8.5. Sustainability implications

At its meeting 15 April 2019, the County Council recognised the serious impact of climate change globally and the need for urgent action, and committed to cutting down unnecessary resource use and waste, reducing its impact on the world, and shaping a more efficient, sustainable and competitive economy. Following this, on 25 November 2019, the County Council approved a new Environmental Policy. The proposed 2020-21 Budget recognises the implications of the new policy and therefore makes provision of £0.350m (£0.175m in 2020-21 rising to an ongoing £0.350m from 2021-22 onwards) within the revenue budget allocation as recommended by the County Council. Provision for the £1.000m of capital expenditure to support the Environmental Policy is addressed within the Capital Programme report, elsewhere on the agenda.

Individual proposals within the 2020-21 Budget may also have an impact on the environmental sustainability of the County Council, particularly those relating to Business Transformation and smarter working principles – such as better utilisation of our property estate, measures intended to promote greener business mileage (including promoting improved travel choices, better use of technology and flexible working approaches), and digitisation of paper, print, and physical record storage (with associated reductions in courier activity). Where individual budget proposals relate to (re)procurement activity, the council will also review contracts as they become due for renewal, with regard to any indirect impacts of the supply chain.

8.6. **Any other implications**

Significant issues, risks, assumptions and implications have been set out throughout the budget papers appended to this report.

9. Risk Implications/Assessment

9.1. A number of significant risks are set out throughout the papers appended to this report.

9.2. At the time of preparing budget papers, the provisional Local Government Finance Settlement for 2020-21 had just been published and the overall level of government funding for next year therefore remains an area of risk (pending the final Settlement being confirmed), and in spite of the Spending Round announcements. In addition, there remains uncertainty about the levels of funding for 2021-22 and beyond. Subject to the final details of the Local Government Finance Settlement and any other associated announcements, there may be a need for further actions to be taken in response to maintain a balanced budget position for 2020-21, and this position will need to be kept under careful review throughout the remainder of the budget setting process. There remains a particular risk in relation to the Comprehensive Spending Review and the Fair Funding Review that a failure by the Government to provide adequate resources to fund local authorities could lead to a requirement for further service reductions, particularly where the Fair Funding Review results in a redistribution between authority types or geographical areas.

9.3. 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. These Corporate risks include:

- RM002 - The potential risk of failure to manage significant reductions in local and national income streams.
- RM006 - The potential risk of failure to deliver our services within the resources available over the next 3 years commencing 2018-19 to the end of 2020-21.

9.4. Decisions about significant savings proposals with an impact on levels of service delivery have required public consultation in previous years. New 2020-24 saving proposals, and the council's Budget as a whole, have been subject to equality and rural impact assessments as described elsewhere in this report.

9.5. High level risks associated with budget proposals are described as part of the report on the Robustness of Estimates. The Robustness of Estimates and the Statement on the

Adequacy of Provisions and Reserves also set out financial risks that have been identified as part of the assessment of the level of reserves and provisions in order to evaluate the minimum level of general balances. In setting the Budget, the council can accept different level of risks, for example, minimising risk through investment in services, reducing higher risk savings, or putting in place additional reserves for specific risks. The robustness of the budget estimates are evaluated, setting out budget assumptions and areas of risk, to enable Members to consider the assumptions and risks that will underpin further decisions for agreeing the budget and level of general balances. The assumptions set out in the Robustness of Estimates report directly impact on the risk assessment of the level of general balances.

9.6. Executive Directors have responsibility for managing their budgets within the amounts approved by County Council. Executive Directors will therefore take measures throughout the year to identify, and then reduce or eliminate, potential overspends.

10. Select Committee comments

10.1. None.

11. Recommendations

11.1. **Recommendations as set out in the Executive Summary.**

12. Background Papers

12.1. Caring for our County, the vision for Norfolk: Link
Together, For Norfolk – an ambitious plan for our County 2019-2025: Link
County Council Budget 2019-20, 11 February 2019: Link
Budget Book 2019-20: Link
Strategic and Financial Planning – Business Planning and Budget 2020-21, 20 May 2019 Cabinet Paper (Item 9): Link
Strategic and Financial Planning – Budget 2020-21, 7 October 2019 Cabinet Paper (Item 15): Link
Plan to develop Peer Challenge Recommendations into Action Plan, 2 December 2019 Cabinet Paper (Item 16): Link

Finance Monitoring Report 2019-20 (on this agenda)
Capital Programme 2020-21 to 2022-23+ (on this agenda)
Treasury Management Strategy 2020-21 (on this agenda)
Dedicated Schools Grant (on this agenda)
Fee Levels for Adult Social Care Providers 2020-21 (on this agenda)
Norfolk Fire & Rescue Integrated Risk Management Plan 2020-2023 (on this agenda)

CIPFA FM Code: https://www.cipfa.org/policy-and-guidance/publications/f/financial-management-code
CIPFA Resilience Index: https://www.cipfa.org/services/financial-resilience-index

Officer Contact

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

Officer name:	Titus Adam	**Tel No.:**	01603 222806
Email address:	titus.adam@norfolk.gov.uk		

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Norfolk County Council
Revenue Budget 2020-21

1. Introduction and financial context

1.1. All local authorities are operating in a highly uncertain financial climate and Norfolk County Council is no exception. 2019-20 was the final year of the four-year funding allocations provided for the period 2016-17 to 2019-20, and the provisional Local Government Finance Settlement[1] was not announced until late in the process of preparing the 2020-21 Budget. These allocations remain to be confirmed in the Final Settlement due in January 2020. As a result, the council has had limited certainty about core elements of funding for 2020-21 although some indications were provided at the Spending Round announced in September 2019. The lack of confirmed allocations meant that the council faced an almost unprecedented level of uncertainty about funding levels for 2020-21. The picture for 2021-22 onwards is significantly more unclear, due to the lack of information about any future Comprehensive Spending Review (CSR), and the impact of delayed reforms to the local government finance system (including the Fair Funding Review (FFR), 75% Business Rates Retention Scheme (BRRS), and long term funding for social care).

1.2. Following the general election and the Queen's Speech delivered 19 December 2019[2], it appears that limited additional funding is currently being targeted towards local government, and a long-term solution to the challenge of adequately funding Adult Social Care remains desperately overdue. The council therefore continues to call for a prompt resolution to the Fair Funding Review, to deliver adequate and sustainable funding levels for county councils. When coupled with the substantial ongoing reductions in core government grant that have taken place since 2010, the overall level of uncertainty means that the financial environment for local government remains extremely challenging for the foreseeable future. Local authorities continue to face a growing gap between funding and service pressures, driven in part by demographic changes, unfunded burdens such as the National Living Wage, and the needs of vulnerable social care users becoming increasingly complex. Children's services, in both social care and education (particularly the High Needs Block), are also under very significant stress. Other services such as transport, planning, environment, and trading standards have been subject to significant restrictions which have also seen increasing pressure placed on discretionary and preventative services. Nationally there has been a widespread retrenchment towards statutory service provision across local government. So, although local government expects to receive very welcome additional and repeat funding following the Spending Round 2019 announcements, these are expected to be substantially absorbed by ongoing demand and demographic pressures and will thus fall far short of reversing the sustained level of reductions experienced since 2010-11.

1.3. In the period from 2010-11 to 2019-20, Norfolk County Council's share of cuts has seen the authority absorb reductions of £219.955m in core Government funding while the actual cost pressures on many of the council's services have continued to go up. For example, last year alone, extra demands on children's services and adult's social care services arising from circumstances outside of the council's control – such as inflation, and changes in Norfolk's population profile – cost another £34.373m. Dealing with ongoing spending pressures and funding reductions of this scale requires the

[1] https://www.gov.uk/government/speeches/provisional-local-government-finance-settlement-2020-to-2021-statement

[2] https://www.gov.uk/government/speeches/queens-speech-december-2019

council to keep its business and operations under constant review, and to continually seek to deliver services in the most effective way possible, for the lowest cost. This imperative, alongside the council's vision and strategy, and the council plan *Together, for Norfolk*, have informed the preparation of the council's 2020-21 Budget and Medium Term Financial Strategy (MTFS). The council's detailed budget planning work has enabled the development of a robust set of proposals for 2020-21, which close the budget gap of £35.886m identified in the 2019 Medium Term Financial Strategy, support the continued investment in key services, and allow a balanced budget for 2020-21 to be put forward for approval.

1.4. The latest estimate of the council's overall budget position for 2020-21 as a result of the above, and other emerging issues, is set out in the remainder of this paper. It is possible that the position will need to be updated between Cabinet and the County Council meeting in February to incorporate any final Settlement information and also to reflect any final changes to District Council business rates and council tax forecasts due at the end of January.

2. County Council strategy and transformation

2.1. Norfolk County Council, along with all other local authorities and public services, is undergoing profound, complex change due to changing demographics, finances and practice models. There is a need to manage the change well to ensure we are providing the best possible service for the people of Norfolk.

2.2. This report to Cabinet sets out how the council's vision and strategy drives the development of the 2020-21 Budget and Medium Term Financial Strategy.

2.3. *Caring for our County*, the vision for Norfolk approved by Members in February 2018, outlines the council's commitment to playing a leading role in:

- Building communities we can be proud of;
- Installing infrastructure first;
- Building new homes to help young people get on the housing ladder;
- Developing the skills of our people through training and apprenticeships;
- Nurturing our growing digital economy; and
- Making the most of our heritage, culture and environment.

2.4. On 7 May 2019, Full Council formally adopted Norfolk County Council's plan, *Together, for Norfolk*, as part of its policy framework. The new whole-council plan brings together the vision in *Caring for our County* and the council values and principles, and provides a clear view of the priorities and significant activity that the council needs to deliver alone or with partners over the next six years.

2.5. *Together, for Norfolk* focuses on partnership working and collaboration, and aims to drive economic growth, improve social mobility, and lead to a better quality of life and outcomes for the people of Norfolk. The plan emerged directly from the needs assessment carried out as part of the county's deep analysis of social mobility, following the publication of the report by the Social Mobility Commission in 2018. The plan's outcomes framework has three overriding ambitions which drive the Council's priorities: A growing economy, thriving people, and strong communities. Our plan also underpins and contributes to the delivery of the New Anglia Local Enterprise Partnership Norfolk and Suffolk Economic Strategy.

2.6. The plan provides a whole-council view of significant activities, including, significant service change or redesign, infrastructure, assets and technology, including capital programmes or projects, strategy or policy development. *Together, for Norfolk* supports and is aligned to our Medium Term Financial Strategy to ensure continued visibility and oversight of critical strategic initiatives.

2.7. Our services support our ambitions by ensuring children and young people have the best start in life, protecting vulnerable people, developing strong infrastructure, maintaining a safe road system and helping improve the economy. Our primary transformation programme in the council is *Norfolk Futures*, a five year programme, currently in its second year. The programme provides the direction and vehicle for delivering against our priorities. It also encompasses the council's approach to transformation of its organisation and services, major elements of which are:

1. **Safer children and resilient families**
The council ambition is to have a greater focus on prevention at scale. By supporting families and communities at the right time in the right place we will reduce the number of children coming into care and high volume of contacts and referrals into our statutory services, supporting better outcomes for children and families. We will ensure that, where children do need to come into care, there are sufficient placements for children and young people that meet their needs.

2. **Promoting independence for vulnerable adults**
By enabling more people to live independently for longer, the council aims to prevent, reduce and delay the need for formal care. We will focus on improvements to front door arrangements, early help and intervention, helping people stay connected with others in their communities, reablement and social work practice, as well as integration with the local health system. For younger adults with disabilities, we want them to have access to work, housing and social activities which contribute to a good quality of life and wellbeing.

3. **Local service strategy**
Under this priority, we will work with partners to identify joint priorities and deliver and co-ordinate services that meet the needs of communities, through a network of multi-function hubs developed around libraries and other existing community assets.

4. **Smarter working**
This programme is an enabler to our service transformation and brings together smarter information and advice, business transformation, innovation through technology, commercialisation and the property strategy, to change the way we work and enable the sustainable delivery of our strategies.

2.8. Smarter Working and Organisational Development are enablers to our service transformation and the figure below shows how the different programmes join up.

2.9. Norfolk Futures is guided by four core principles that will frame the transformation we will lead across all our work. This is all underpinned by evidence and political support, to change how the council works and how we work with the people of Norfolk.

- Offering our help early to prevent and reduce demand
- Joining up our work so that similar activities and services are easily accessible, done once and done well;
- Being business like and making the best use of digital technology; and
- Using evidence and data to target our work where it can make the most difference.

2.10. The council is also looking to change the way we work to reflect new systems and technology. With increased digital technology come significant opportunities to transform and innovate our services. As an organisation, we will be more flexible about when and where we work, and how we creatively use space and technology to find new and more efficient ways of doing things in a modern and business-like way.

2.11. By 2025 the council plan, transformation programme and underpinning departmental plans will have moved the council towards a more sustainable future with affordable, effective services, taking account of the current context where demand for our services is driven both by demographic and social trends, and where increasingly complex and more expensive forms of provision are becoming prevalent.

3. The council's strategy and planning process for the 2020-21 Budget

3.1. The council's budget planning for 2020-21 has been undertaken in line with the following overarching timetable. The proposed outline timetable for next year's budget setting is also set out below, and adopts a similar approach to this year.

Table 1: Budget planning timetable 2020-21 and proposed 2021-22

Activity/Milestone	Time frame
2020-21	
Cabinet review of the financial planning position for 2020-24 – including formal allocation of targets	20 May 2019
Service review of budget pressures and development of detailed savings proposals 2020-24	May – September 2019
Spending Round 2019	4 September 2019

Activity/Milestone	Time frame
Cabinet considers full savings proposals and agrees proposals for public consultation	7 October 2019
Public consultation on 2020-21 Budget and council tax and Adult Social Care precept options	23 October to 10 December 2019
Provisional Local Government Finance Settlement 2020-21	20 December 2019
Cabinet considers outcomes of service and financial planning, EQIA and consultation feedback and agrees revenue budget and capital programme recommendations to County Council	13 January 2020
Final Local Government Finance Settlement	TBC January / February 2020
Scrutiny Committee 2020-21 Budget scrutiny	28 January 2020
Confirmation of District Council tax base and Business Rate forecasts	31 January 2020
County Council agrees Medium Term Financial Strategy 2020-21 to 2023-24, revenue budget, capital programme and level of council tax for 2020-21	17 February 2020
2021-22 Proposed	
*Government Spring Budget 2020**	*TBC February 2020*
Cabinet review of the financial planning position for 2021-25 – including formal allocation of targets and action plan to respond to CIPFA Financial Management Code	TBC May 2020
Service review of budget pressures and development of detailed savings proposals 2021-25	May – September 2020
*Spring Statement 2020(?)**	*TBC Spring 2020*
*Comprehensive Spending Review to be launched**	*TBC Spring / Summer 2020*
*Further indicative details and consultation on Fair Funding Review and Business Rates Retention**	*TBC Summer / Autumn 2020*
Cabinet considers full savings proposals and agrees proposals for public consultation	TBC October 2020
*Chancellor's Autumn Budget 2020(?) – including outcomes of Comprehensive Spending Review**	*TBC October / November 2020*
Public consultation on 2021-22 Budget and council tax and Adult Social Care precept options	TBC October to December 2020
Reporting to **Cabinet** as appropriate	November – December 2020
*Provisional Local Government Finance Settlement announced including outcomes of Fair Funding Review, implementation of 75% Business Rates Retention and provisional council tax and precept arrangements**	*TBC around 5 December 2020*
Confirmation of District Council tax base and Business Rate forecasts	31 January 2021
Cabinet considers outcomes of service and financial planning, EQIA and consultation feedback and agrees revenue budget and capital programme recommendations to County Council	1 February 2021
*Final Local Government Finance Settlement**	*TBC January / February 2021*
Scrutiny Committee 2021-22 Budget scrutiny	17 February 2021
County Council agrees Medium Term Financial Strategy 2021-22 to 2024-25, revenue budget, capital programme and level of council tax for 2021-22	22 February 2021

**Assumed Government activity*

3.2. The current year's Budget and Medium Term Financial Strategy (MTFS) for the period 2019-20 to 2021-22 was agreed 11 February 2019 including £79.427m of savings and with a remaining gap of £70.857m. The MTFS provided the starting point for the council's 2020-21 Budget planning activity. Full details of cost pressures assumed in the council's MTFS are set out in the 2019-20 Budget Book[3].

3.3. The latest information about the council's 2019-20 budget position is set out in the financial monitoring report elsewhere on the agenda. The council's overarching budget planning for 2020-21 is based on the assumption that a balanced 2019-20 outturn position is delivered (i.e. that savings are achieved as planned and there are no overall overspends). Ongoing pressures and non-delivery of savings within the forecast 2019-20 position have been provided for as detailed later in this paper.

3.4. In May 2019, Cabinet considered the council's overall budget position in the context of emerging budget risks and uncertainties. Cabinet agreed an approach to service planning and budget setting including the allocation of savings targets to services. Since then, Service Departments have undertaken detailed budget planning to identify savings proposals, cost pressures and key risks for the 2020-21 Budget, and on 7 October 2019, Cabinet confirmed that the approach would be to continue to seek to identify savings of £40m and extend Medium Term Financial Strategy planning to 2023-24 based on:

- The three-block approach to closing the £40m 2020-21 gap endorsed by Cabinet on 20 May 2019.
- Agreeing that a process to address the 2021-22 gap of £35m should be considered when there is greater certainty about the multi-year Spending Review, 75% Business Rates Retention, and the Fair Funding Review.

3.5. Cabinet received details of the Chancellor's Spending Round announcements which were anticipated to provide additional resources beyond the level assumed in the February MTFS. This additional funding, once confirmed, was expected to enable a number of pressures to be mitigated to ensure a robust budget could be set for 2020-21. However, the short-term nature of the Spending Round announcement (for 2020-21 only) meant that risks remained around the provision of this funding in future years. Taking this context into account, Cabinet considered the new savings proposals for 2020-21 which had been identified to address the forecast budget gap, along with details of the underlying strategy for each Department, which helped to inform the development of proposals, and agreed to begin public consultation on the 2020-21 Budget.

3.6. The budget position and associated assumptions are kept under continuous review. The latest financial planning position and details of all Service Department savings proposals, are set out for Cabinet to consider in this report prior to budget-setting by County Council in February 2020.

4. Proposed Revenue Budget 2020-21

4.1. As previously discussed, the proposed 2020-21 Budget has been developed in a context of very considerable uncertainty. However, the Spending Round 2019 did indicate that a considerable amount of funding, which had previously been assumed to be one-off in nature, would in fact be continuing in 2020-21. The proposals for next year therefore seek to maximise the opportunity this presents to ensure that the 2020-21 Budget is as robust and deliverable as possible, given the council's wider service

[3] https://www.norfolk.gov.uk/-/media/norfolk/downloads/what-we-do-and-how-we-work/budget-and-council-tax/budget-book-2019-22.pdf

pressures and funding challenges. This includes (in particular) reducing the planned reliance on uncertain or higher risk capital receipts, which are one off in nature and would themselves give rise to significant further budget pressures in future.

4.2. In spite of the fact that indicative funding announcements in the Spending Round were better than previously assumed, the council continues to expect to need to draw on its earmarked reserves over the period, and is not expecting to make significant contributions into reserves. This mainly reflects the timing of spend funded from specific grants and does not include any draw on the council's general balances. The use of reserves is also in part a reflection of the various severe cost pressures which the council faces across almost all service areas. It is important to recognise that as a result, the council is **not** in a position to be able to remove or reverse any of the key service saving proposals agreed as part of the 2019-20 budget, including those savings which are due for implementation during 2020-21.

4.3. The Revenue Budget proposals set out in this document form a suite of proposals which will enable the County Council to set a balanced Budget for 2020-21. As such, recommendations to add growth items, amend or remove proposed savings, or otherwise change the budget proposals, will require Cabinet (or ultimately, County Council) to identify offsetting saving proposals or equivalent reductions in planned expenditure.

4.4. The Executive Director of Finance and Commercial Services is required to comment on the robustness of budget proposals, and the estimates upon which the budget is based, as part of the annual budget-setting process. This assessment is set out in the Robustness of Estimates report (Appendix 4).

4.5. The overall net budget proposed for 2020-21 is £427.660m. The provisional Local Government Finance Settlement for 2020-21 was published 20 December 2019 but remains to be confirmed in January and therefore amendments may be required to reflect any changes, although these are considered unlikely.

4.6. Table 2 below summarises the overall proposed final budget for 2020-21, including the cash limited budgets by service. Details of the proposed changes for each service are shown in section 9. The structure of the budget is based on the current Service Departments within the organisational framework.

4.7. The net budget reflects the council tax requirement only, that is, the amount to be funded by council taxpayers. All income from the Business Rates Retention Scheme is accounted for as council income. The net budget also includes current information received from the District Councils on their respective council tax base, Collection Funds and expected Business Rates.

4.8. At the time of preparing this report in December 2019, estimates of business rates collection, and the impact of Districts' council tax decisions are not fully known and therefore may change prior to reporting to County Council. In addition, the Local Government Finance Settlement is also not finalised and so the proposed 2020-21 Budget may need to be altered to reflect any changes to government funding amounts for 2020-21 following the final Settlement publication, expected to be announced by the end of January 2020. Likewise, final changes to the District Councils' collection funds and the final Business Rates position will not be confirmed until the end of January and may alter the proposed 2020-21 Budget.

4.9. In relation to council tax, if the County Council agrees to increase council tax by 3.99% overall (1.99% in relation to general council tax and 2.00% for the Adult Social Care precept), this would generate £16.255m additional funding in 2020-21. Further details about council tax are included within section 6 of this report.

4.10. Service and budget planning for 2020-21 has been based on a number of assumptions about changes in core government funding, which remain to be confirmed. The details of all such assumptions and the remaining key risks are set out in section 5 of this report. The policy and position of the council's policy and position of reserves and balances is set out in Appendix 3 and recommends a minimum level of general balances, reflecting budget risks and uncertainty around future government funding.

4.11. There is currently a forecast overspend on the 2019-20 budget of £3.696m (Period 8 as reported at January 2020), but it is anticipated that a balanced overall outturn position will be achieved at year-end as discussed in further detail in the Financial Monitoring report. The non-delivery of savings in 2019-20 has been considered as part of the 2020-21 budget process with mitigating actions in place as set out elsewhere in this report and in financial monitoring.

4.12. Cabinet is asked to recommend to County Council the 2020-21 Budget proposals, subject to any changes they may have. The proposed overall budget is shown in the table below and detailed in the remainder of this report.

Table 2: Net 2020-21 Revenue Budget

Service Department	2019-20 Base Budget	Budget increases - cost pressures	Budget decreases - savings	2020-21 Recommended Budget before funding and cost neutral changes	Net funding changes	Net cost neutral changes	2020-21 Recommended Net Budget
	£m	£m	£m	£m	£m	£m	£m
Adult Social Services	247.606	34.648	-22.897	259.357	-3.739	0.123	255.741
Children's Services	211.667	23.301	-7.250	227.718	-13.879	-20.379	193.461
Community and Environmental Services	160.712	7.205	-5.013	162.904	-1.006	1.451	163.349
Strategy and Governance Department	8.657	-0.066	0.613	9.204	0.000	0.161	9.365
Finance and Commercial Services	26.395	0.903	-1.389	25.909	0.000	5.026	30.935
Finance General	-245.745	10.591	-2.308	-237.462	-1.346	13.618	-225.191
Total	**409.293**	**76.582**	**-38.244**	**447.631**	**-19.971**	**0.000**	**427.660**

Note: Tables throughout the budget reports are rounded to the nearest £0.001m and therefore may not sum exactly.

4.13. Any new budget pressures, changes to planned savings, or removal of proposals will require alternative savings to be identified by the relevant Service Department in order to maintain a balanced budget position.

4.14. Note:

- Budget increases of £76.582m include £16.387m inflationary pressures, £7.996m legislative pressures, £19.005m of demand and demographic pressures and £33.194m of pressures arising from policy decisions (see detailed Service Budgets in section 9).
- Details of £38.244m savings are also shown within the relevant Service Department in section 9. Of the budget savings, £2.464m relate to one-off savings in 2020-21, which will result in a pressure in subsequent years. These are detailed in Table 4 below. The budget also includes one-off use of reserves as detailed in the Reserves and Balances report (Appendix 3).
- The net funding increase of £19.971m includes £22.513m funding increases and £2.542m funding decreases as shown in Table 3.
- Further details of the £31.024m of cost neutral changes are provided in the detailed Service Budgets in section 9.
- The change in the net revenue budget between 2019-20 and 2020-21 is £18.368m. The breakdown of this is set out in Table 5 below.

Table 3: Breakdown of net funding changes

	2020-21 £m
Funding increases	
New 2020 Social Care grant	-17.617
Additional 2019-20 social care funding	-0.002
Revised Public Health grant	-0.685
Brexit Grant funding (from Finance General)	-0.088
Fire Pension grant	-0.233
New Homes Bonus grant	-0.009
Business Rates Pilot	-3.879
Total funding increases	**-22.513**
Funding decreases	
Core funding and business rates retention	0.064
Levy account surplus	2.340
Extended Rights to Free Travel Grant	0.050
Brexit Grant Funding (to CES)	0.088
Total funding decreases	**2.542**
Net funding changes	**-19.971**

Table 4: One-off savings

		2020-21	2021-22	2022-23	2023-24
Department	**Saving**	**£m**	**£m**	**£m**	**£m**
ASS009	Debt management (one-off) – reclaiming money owed by other organisations.	-0.500	0.500	0.000	0.000
PHE004	Use of Public Health reserves	-1.164	-0.500	1.664	0.000
FCS001	Making a one-off saving from our organisational change and redundancy budgets.	-0.500	0.500	0.000	0.000
FCS002	Recognising additional income forecast from our business rates pilot.	-0.300	0.300	0.000	0.000
	Total	**-2.464**	**0.800**	**1.664**	**0.000**

4.15. Note:

- These figures exclude funding increases (base adjustments), such as from the improved Better Care Fund and social care funding, and cost neutral changes. A summary is provided within Table 11 and details provided within Table 20.
- The 2020-21 Budget and Medium Term Financial Strategy (MTFS) also includes one-off use of resources such as the use of Public Health Reserves to deliver public health outcomes and which will result in future budget pressures. The implications of one-off funding are discussed in further detail in section 5 of the MTFS.

Table 5: Change in Net Revenue Budget 2019-20 to 2020-21

	£m
Budgeted council tax 2019-20	409.293
Increase due to:	
Tax base change (increase 4,145 Band D equivalent)	5.646
General council tax increase (1.99%)	8.120
Adult Social Care precept (2.00%)	8.135
Forecast reduction in Collection Fund	-3.533
Budgeted council tax 2020-21	**427.660**

4.16. The table below sets out a summary of the savings proposals for 2020-21 to 2023-24. The council has identified a net £15.272m of **new** savings proposals in this budget round to help enable the council to set a balanced budget for 2020-21. Since reporting proposed savings for public consultation to Cabinet in October 2019, the following changes have been identified for inclusion in budget planning:

- Capitalisation of highways works to deliver £0.541m in 2020-21 (CES021).
- Delay £0.240m of proposed efficiencies in staffing and operations to progress the Adult Learning service towards its goal of being cost neutral to 2021-22 (CES001).
- Changes to the planned approach to delivering Public Health savings, removing the proposal to review staffing levels and an increased use of reserves over the period 2020-21 to 2021-22.
- Some of the proposed Business Transformation savings have been removed or delayed following validation of the proposals, with £0.760m now planned to be delivered in 2020-21.

Table 6: Summary of recurring net budget savings by Department

	2020-21 Saving £m	2021-22 Saving £m	2022-23 Saving £m	2023-24 Saving £m	Total Saving £m
Adult Social Services	-22.897	-7.344	-0.235	0.000	**-30.476**
Children's Services	-7.250	-6.400	-2.000	0.000	**-15.650**
Community and Environmental Services	-5.013	-2.765	1.264	0.000	**-6.514**
Strategy and Governance Department	0.613	0.000	0.000	0.000	**0.613**
Finance and Commercial Services	-1.290	-0.650	0.000	0.000	**-1.940**
Finance General	-1.647	0.800	0.000	0.000	**-0.847**
Business Transformation	-0.760	-4.388	-1.412	-0.412	**-6.972**
Grand Total	**-38.244**	**-20.747**	**-2.383**	**-0.412**	**-61.786**

4.17. As in previous years, budget planning across the council has also included work to review in detail the deliverability of planned savings and to understand service pressures. Following this activity, the 2020-21 Budget sees further investment in council budgets through both the removal of previously planned savings and recognition of budget overspend pressures. The changes to previously agreed savings proposed in this report reflect a considerable effort to ensure that the 2020-21 Budget will be both robust and deliverable. Across the whole MTFS, the **net saving position above reflects the removal or delay of £5.974m of saving proposals brought forward from previous budget rounds**.

4.18. Details of the key elements of the Council's proposed revenue budget are set out here.

Income

4.19. The Council has four main funding streams:

- Business Rates Retention Scheme
- Council Tax
- Specific Grants
- Fees and Charges

4.20. The main issues to consider are:

1. **Business Rates Retention Scheme**
The provisional Local Government Funding Settlement was announced late in December 2019. This included details of the council's Settlement Funding Assessment (SFA) allocations for 2020-21, which include the authority's Revenue Support Grant (RSG) and business rates baseline funding level which were in line with the estimates made based on the information provided at the Spending Round 2019. The business rates baseline within SFA is uprated annually in line with CPI (previously RPI up to 2017-18). Until recently, in order to ensure that local government spending was within the national departmental expenditure limits, after taking into account the business rates baseline funding, RSG has been used as a balancing figure and subsequently was reducing year on year in line with the Government's deficit reduction plan. Planned reductions in RSG gave rise to a

"negative RSG adjustment" for some local authorities in 2019-20 (Norfolk was not affected), which the Government decided to address via forgone business rate receipts. Following the Spending Round 2019, it was assumed that RSG would be uplifted in line with CPI for 2020-21 and this has been confirmed in the provisional Settlement figures.

The tables below show the breakdown of the 2020-21 Settlement Funding Assessment compared to the 2019-20 allocations, and the component elements. The council has received this funding as part of the 75% Business Rates Pilot in 2019-20, but in 2020-21 SFA will revert to the normal 50% retention system. The pilot means that Norfolk councils' main funding for 2019-20 is being delivered via amended baseline funding levels incorporating RSG, Rural Services Delivery Grant (RSDG) and the original 2019-20 Baseline Funding level. 2019-20 figures have therefore been restated to provide appropriate comparatives where possible. In overall terms, the provisional Settlement shows an increase of £3.118m or 1.6% to core government funding compared to the 2019-20 actual amounts. It should be noted these figures remain subject to confirmation in the final Settlement in January 2020.

Table 7: Provisional Settlement Funding Assessment changes

	2019-20 Comparative [4]	2020-21 Provisional	% Change (2019-20 actual to 2020-21 provisional)
	£m	£m	%
Upper-tier funding within Baseline Funding Level	144.775	147.134	1.6%
Fire and Rescue within Baseline Funding Level	7.758	7.884	1.6%
Total Baseline Funding Level	**152.533**	**155.019**	**1.6%**
Upper-tier funding within RSG	34.791	35.357	1.6%
Fire and Rescue within RSG	4.019	4.085	1.6%
Total Revenue Support Grant	**38.810**	**39.442**	**1.6%**
Total Settlement Funding Assessment	**191.343**	**194.461**	**1.6%**

[4] Notional comparative figures; SFA in 2019-20 is actually all received via Business Rates Baseline due to operation of 75% Business Rates Pilot.

Table 8: Breakdown of Provisional Settlement Funding Assessment

	2019-20 Comparative[5]	2020-21 Provisional	Change (2019-20 actual to 2020-21 provisional)
	£m	£m	£m
Settlement Funding Assessment	**191.343**	**194.461**	**3.118**
Notional breakdown:			
Revenue Support Grant	38.810	39.442	**0.632**
Business Rates Baseline	152.533	155.019	**2.485**
Via: Top-up	*125.847*	*127.897*	***2.050***
Retained Rates	*26.687*	*27.122*	***0.435***

2. Council Tax

The level of council tax remains a matter for local councils and the four options open to the council are to:

- Decrease council tax;
- Freeze council tax;
- Increase council tax below the council tax referenda limits; or
- Increase council tax above the council tax referenda limits and undertake a council tax referendum within Norfolk.

These budget papers have been prepared on the basis of a 1.99% increase in general (basic) council tax and a 2.00% increase in the Adult Social Care precept. The council has previously opted to raise the full 8% adult social care precept available over the period 2016-17 to 2018-19. The Government's assumptions within the settlement about local authorities' abilities to raise council tax mean that any decision to raise council tax by less than the Government's inflation assumptions, will result in underfunding of the council compared to Government expectations.

3. Other Income

A table on total Government grant funding is shown below. Agreement with health partners has previously been reached on the use of Improved Better Care Fund monies for 2017-18 to 2019-20 and these plans are reflected in the Budget. Further details are provided in the Medium Term Financial Strategy (Appendix 2).

[5] Notional comparative figures; SFA in 2019-20 is actually all received via Business Rates Baseline due to operation of 75% Business Rates Pilot.

Table 9: List of key grants and funding

	2019-20	2020-21	2021-22	2022-23	2023-24
	Budget[6]	Estimated	Estimated	Estimated	Estimated
	£m	£m	£m	£m	£m
Un-ring-fenced					
Business Rates Baseline (50% scheme)	139.870	138.514	138.514	138.514	138.514
Revenue Support Grant	38.810	39.442	39.442	39.442	39.442
Rural Services Delivery Grant	3.981	3.981	3.981	3.981	3.981
New Social Care Grant	0.000	24.755	24.755	24.755	24.755
Social Care and Winter Pressures Funding[7]	11.317	0.000	0.000	0.000	0.000
Levy Surplus	2.340	TBC	TBC	TBC	TBC
Section 31 Grant (compensation for Government business rate initiatives)	17.634	16.505	16.505	16.505	16.505
New Homes Bonus	2.926	2.934	2.934	2.934	2.934
School Improvement Monitoring and Brokering Grant	0.635	0.635	0.635	0.635	0.635
Fire Pension Grant	1.629	1.629	1.629	1.629	1.629
Fire Revenue	1.041	1.047	1.047	1.047	1.047
Inshore Fisheries	0.152	0.152	0.152	0.152	0.152
Local reform and community voices	0.588	0.588	0.588	0.588	0.588
Extended rights to free travel (Local Services Support Grant)	0.865	0.865	0.865	0.865	0.865
PFI Revenue Grant (street lights, salt barns (until 2020) and schools)	8.046	7.905	7.905	7.905	7.905
Social Care in Prisons	0.349	0.349	0.349	0.349	0.349
Independent Living Fund Grant	1.379	1.379	1.379	1.379	1.379
Lead Local Flood Authority Grant	0.087	0.087	0.087	0.087	0.087
Improved Better Care Fund	34.275	38.454	38.454	38.454	38.454
War Pensions Scheme Disregard	0.265	0.265	0.265	0.265	0.265
Ring-fenced					
Public Health	38.031	38.716	38.716	38.716	38.716
Dedicated Schools Grant[8]	609.519	646.495	646.495	646.495	646.495
Pupil Premium Grant	32.441	32.441	32.441	32.441	32.441
Locally collected tax (forecasts)					
Council tax (assuming increase 2.99% 2019-20, 3.99% 2020-21 (including ASC precept) and 1.99% 2021-24)	409.293	427.660	443.487	457.980	473.507
Pooled funding					
NHS Funding (incl. Better Care Fund)	59.336	60.929	60.929	60.929	60.929

[6] 2019-20 comparatives restated for 50% Business Rates System
[7] Provided as £7.139m within new social care grant and £4.179m iBCF in 2020-21.
[8] DSG is before Academy recoupment

Expenditure – underlying trends

4.21. The aim of the budget planning process is to deliver a robust budget that supports the council's priority areas but is affordable within the available levels of funding. The major areas of cost affecting Norfolk County Council that have been incorporated into the 2020-21 budget plans are:

1. **Price inflation**
   Significant elements of the council's services continue to be delivered externally to the County Council – through partners, private sector contracts, and via the council's own company (Norse) – meaning that contractual arrangements are a key driver of the Council's cost pressures. A significant proportion of the council's spend is via third party contracts and the effective management of these contracts to ensure both value for money and proper standards of service, is critical.

2. **Demographics**
   Demand for services continues to rise, both through the age profile of the county and through changes to need. Preventative strategies are in place, but are not always sufficient to stem the growth in levels of demand. In areas such as supporting vulnerable children, there are various initiatives in place aimed at reducing the number of children looked after and changing the placement mix, which are profiled to impact in phases throughout 2019-20. However, current commitments show that despite fewer children being looked after, the complexity of need and thus cost of support in care or to remain with their family have resulted in higher costs than were anticipated when the 2019-20 Budget was set, which will have a knock-on effect on the pressures to be provided for in 2020-21.

3. **Pay award and the National Living Wage**

   The costs of the National Living Wage increase in 2020-21 for both the council's directly employed staff and contracted services, along with the impact of the assumed 2% pay award for 2020-21 (this remains subject to confirmation).

4. **Increased costs of borrowing**
   Increased costs are anticipated from 2020-21 in line with borrowing undertaken in 2019-20 and expectations around interest rate growth, inflation and the potential need to borrow for cash flow or capital purposes. The Public Works Loan Board has increased its basic rate for new borrowing by 1% in early October 2019 and this will have an impact on future borrowing costs. The council continues to seek to minimise borrowing costs, including by accessing lower rates for infrastructure investment where possible.

4.22. In addition, the Capital Programme will be funded from external capital grants, prudential borrowing, revenue budgets and/or reserves. The majority of new schemes are funded from capital grants received from central government departments. The largest capital grants are from the Department for Transport and the Department for Education, and this is reflected in the balance of the programme. Capital receipts can only be used to fund capital expenditure (which in turn reduces the future revenue impact of borrowing), to repay debt, or (as a result of additional flexibilities from the 2015 Spending Review) to support the revenue costs of reform projects (invest to save and transformation). As set out in the Capital Programme report elsewhere on the agenda, the council may consider using capital receipts to support transformation activity where there are sufficient unallocated capital receipts available to make use of the freedoms provided by the 2015 Spending Review. The Revenue Budget for 2020-21 proposes the removal of previously planned use of £5.000m of capital receipts in

2020-21 and £10.000m in 2021-22 for transformation activity and/or debt repayments in order to ensure that the overall MTFS is robust and deliverable.

4.23. Subject to the timing of borrowing and the application of the Minimum Revenue Provision (MRP) policy, the future annual revenue cost of prudential borrowing can be significant (as much as 10% of the amount borrowed). The amount and timing of these costs is reflected in the revenue budgets where appropriate and in particular assumes additional borrowing for future years. Separate reports to Cabinet, elsewhere on this agenda, set out the detail of the Treasury Management Strategy and the Capital Strategy including the 2020-23+ programme and funding plans.

4.24. Financial planning assumptions for future years take account of the latest monitoring position for 2019-20, as reported to Cabinet elsewhere on this agenda. Further details of the financial planning context are set out in the Medium Term Financial Strategy 2020-24.

4.25. The Statement on the Robustness of Estimates 2020-24 (Appendix 4) sets out the Executive Director of Finance and Commercial Services' (Section 151 Officer) view on the robustness of the estimates made for the purposes of the calculation of the precept and therefore in agreeing the County Council's budget. The factors and budget assumptions used in developing the 2020-24 budget estimates are set out as part of that judgement. The level of reserves has been analysed in terms of risk and is reported to Cabinet as part of these budget papers. The recommended level of general balances is £19.623m for 2020-21 and the Medium Term Financial Strategy 2020-24 assumes that general balances will remain at or above this level.

Expenditure and savings – proposals

4.26. Table 11 to Table 14 set out in detail the proposed cash limited budget for all Service Departments for 2020-21, and the medium term financial plans for 2021-22 to 2023-24. These are based on the identified pressures and proposed budget savings shown in the table below. Cost neutral adjustments are also reflected within the Service Department budgets.

4.27. As previously set out, significant uncertainty remains around the following areas:

- District council tax and business rate forecasts are not finalised, these remain subject to change until final forecasts are received at the end of January.
- The provisional Local Government Finance Settlement was published on 20 December but the final settlement is not expected to be confirmed until the end of January 2020.

4.28. Any changes arising following Cabinet recommendations, or as a result of these uncertainties, will be reported to Full Council for decisions as appropriate.

4.29. The table below provides a summary of the changes in budget planning from the February 2019 MTFS to the current position across the four years of the 2020-24 MTFS.

Table 10: Budget planning position 2020-21 to 2023-24 – changes from the 2019 MTFS position

Item	2020-21	2021-22	2022-23	2023-24	Total
	£m	£m	£m	£m	£m
Medium Term Financial Strategy 2019-22					
Cost pressures and funding decreases					
Economic and inflationary pressures	15.755	15.985	0.000	0.000	**31.740**
Legislative requirements	7.926	2.061	0.000	0.000	**9.987**
Demand and demographic pressures	10.405	10.880	0.000	0.000	**21.285**
Council policy decisions	7.282	21.895	0.000	0.000	**29.178**
Funding decreases	40.936	16.866	0.000	0.000	**57.802**
Total cost pressures and funding decreases	**82.304**	**67.688**	**0.000**	**0.000**	**149.992**
Council tax					
Collection Fund	3.931	0.000	0.000	0.000	**3.931**
Council tax increase %	-8.146	-8.457	0.000	0.000	**-16.603**
Tax base increase	-7.243	-7.519	0.000	0.000	**-14.762**
Total change in council tax income	**-11.457**	**-15.977**	**0.000**	**0.000**	**-27.434**
Savings and funding increases					
Adult Social Services	-17.257	-5.700	0.000	0.000	**-22.957**
Children's Services	-3.484	-2.000	0.000	0.000	**-5.484**
Community and Environmental Services	-3.707	-3.390	0.000	0.000	**-7.097**
Strategy and Governance	0.963	0.000	0.000	0.000	**0.963**
Finance and Commercial Services	-1.750	-0.650	0.000	0.000	**-2.400**
Finance General	-5.847	-5.000	0.000	0.000	**-10.847**
Sub-total savings	**-31.082**	**-16.740**	**0.000**	**0.000**	**-47.822**
Funding increases	-3.879	0.000	0.000	0.000	**-3.879**
Total savings and funding increases	**-34.961**	**-16.740**	**0.000**	**0.000**	**-51.701**
Original gap at MTFS 2019-20 to 2021-22 (surplus)/deficit as agreed by Full Council in February 2019	**35.886**	**34.971**	**0.000**	**0.000**	**70.857**
Cost pressures and funding decreases					
Economic and inflationary pressures for all services	0.633	3.091	19.790	19.790	**43.304**
Legislative requirements					
Adults - Pay and price market pressures (Purchase of Care costs linked to National Living Wage)	0.000	6.340	6.274	6.046	**18.660**
CES - A&B Class roads signage review	0.000	0.500	-0.500	0.000	**0.000**
CES - Tree investigation pressures	0.150	0.000	0.000	0.000	**0.150**
CES - Increase in Fire pension pressure 2020-21	0.080	0.000	0.000	0.000	**0.080**

Appendix 1: Norfolk County Council Revenue Budget 2020-21

Item	2020-21	2021-22	2022-23	2023-24	Total
	£m	£m	£m	£m	£m
CES - Blue Badges - hidden illness implementation pressure	0.120	0.000	0.000	0.000	**0.120**
CES - Revised Public Health expenditure for additional grant funding	0.685	0.000	0.000	0.000	**0.685**
CES - Brexit pressures (resilience)	0.088	-0.088	0.000	0.000	**0.000**
CES - Trading Standards - additional trading standards requirements following Brexit	0.090	0.000	0.000	-0.090	**0.000**
Finance General – Local Government Pension Scheme (LGPS) revaluation pressures (NCC)	2.550	-1.000	1.016	2.000	**4.566**
Finance General - LGPS reduction in pressures at revaluation (Other bodies)	-3.729	0.000	0.000	0.000	**-3.729**
Finance General - Apprenticeship Levy increase (forecast payroll growth)	0.036	0.000	0.000	0.000	**0.036**
Finance General - Environment Agency Levy increase	0.000	0.000	0.050	0.050	**0.100**
Finance General – Eastern Inshore Fisheries and Conservation Authority (EIFCA) Precept increase	0.000	0.000	0.011	0.011	**0.022**
Finance General - Extended Rights to Free Travel Grant pressure	0.000	0.000	0.050	0.050	**0.100**
Demand and demographic pressures					
2022-23 onwards core demographic pressures for all services	0.000	0.000	10.880	11.480	**22.360**
Children's Services – Demographic growth and provision for 2019-20 placement and child and family support overspend pressures	8.000	0.000	0.000	0.000	**8.000**
Children's Services – Home to school transport provision for 2019-20 overspend pressures and future growth in pupil numbers	4.500	0.500	0.500	0.500	**6.000**
CES - Recognition of reduced waste pressures due to lower than expected tonnage	-1.500	0.000	0.000	0.000	**-1.500**
CES - Highways maintenance demand pressures	0.300	0.100	0.000	0.000	**0.400**
CES - Highways new developments and infrastructure pressures	0.150	0.000	0.000	0.000	**0.150**
CES - Lead Local Flood Authority flood improvement schemes	0.150	0.000	0.000	0.000	**0.150**
Council policy decisions					
Adults - Recurrent pressures arising from 2019-20 service delivery	9.221	5.472	0.000	0.000	**14.693**
Adults - One off use of Adults reserves to address recurrent pressures	-1.221	1.221	0.000	0.000	**0.000**
Adults - Provision for pressures linked to Children's new operating model	0.320	0.000	0.000	0.000	**0.320**
Adults - Remove previously planned use of Adults Business Risk reserve	4.000	-4.000	0.000	0.000	**0.000**
Children's Services - Revise vacancy assumptions from 92.5% to 98.5% to address structural budget gap	3.800	0.000	0.000	0.000	**3.800**

Appendix 1: Norfolk County Council Revenue Budget 2020-21

Item	2020-21	2021-22	2022-23	2023-24	Total
	£m	£m	£m	£m	£m
Children's Services - Recruitment and retention investment offset by reduction in agency costs	0.300	-0.340	-0.880	-0.200	**-1.120**
Children's Services - Funding for investment in new operating model	2.950	-0.820	-0.700	0.000	**1.430**
Children's Services - Remove General Fund contribution to High Needs Block deficit	-3.000	0.000	0.000	0.000	**-3.000**
CES - Waste cost pressures in 2021-22 from contract reprocurement (costs subject to Brexit / exchange rate / capacity)	0.000	2.400	0.000	0.000	**2.400**
CES - Fire service cost pressures following Integrated Risk Management Plan (IRMP) review	0.887	0.000	0.000	0.000	**0.887**
CES - Council revenue costs linked to DfT Transforming Cities funding	0.200	0.000	0.000	0.000	**0.200**
CES - Economic Development provision for feasibility studies and projects	0.100	0.000	0.000	0.000	**0.100**
CES - Customer Services additional costs in relation to the Community Directory	0.058	0.000	0.000	0.000	**0.058**
CES - Revenue pressures arising from Environmental Policy agreed at Council November 2019	0.175	0.175	0.000	0.000	**0.350**
CES - Growth pressures on revenue element of Library Service material fund budget	0.040	0.000	0.000	0.000	**0.040**
Strategy and Governance - Transfer of Coroners Officer administrative staff from police	0.000	0.048	0.051	0.105	**0.204**
Strategy and Governance - Budget for Leader's Office Business Manager post established in 2019-20	0.052	0.000	0.000	0.000	**0.052**
Strategy and Governance - Critical capability uplift to ensure Intelligence and Analytics support across all services	0.500	0.000	0.000	0.000	**0.500**
Finance and Commercial Services - HR and Finance System replacement revenue costs	0.000	0.412	-0.360	-0.052	**0.000**
Finance and Commercial Services - Transfer to renewable energy sources agreed by Corporate Board June 2019	0.015	0.000	0.000	0.000	**0.015**
Finance and Commercial Services - Procurement resources to strengthen the sourcing team, and provide contract transition function	0.160	0.000	0.000	0.000	**0.160**
Finance and Commercial Services - Revised staffing structure to increase resilience in Budgeting and Accounting to support Adults and Children's	0.080	0.000	0.000	0.000	**0.080**
Finance General - Establish pool car revenue budget	0.060	0.000	0.000	0.000	**0.060**
Finance General - reduce previously planned use of capital receipts	5.000	5.000	0.000	0.000	**10.000**
Finance General - Minimum Revenue Provision pressures (unwinding of previous savings)	3.000	3.000	3.000	3.000	**12.000**
Finance General - Treasury Management cost pressures including debt restructuring and end of principal repayment from Learning Skills Council	1.215	0.216	1.642	2.902	**5.975**

Appendix 1: Norfolk County Council Revenue Budget 2020-21

Item	2020-21	2021-22	2022-23	2023-24	Total
	£m	£m	£m	£m	£m
<u>**Savings and funding increases**</u>					
Changes to savings brought forward from 2019-20 MTFS					
Adults - Removal of "Social Prescribing" saving ASC050 following pilot	0.600	0.600	0.000	0.000	**1.200**
Adults - Removal of undeliverable element of "Maximising potential through digital solutions" saving ASC036	1.000	0.000	0.000	0.000	**1.000**
Adults - Add Social Services charging policy phase 2 savings (ASC046) agreed in 2019-20 budget round for 2022-23 onwards	0.000	0.000	-0.235	0.000	**-0.235**
CES - Technical adjustment to remove Public Health savings from 2019 MTFS and replace with detailed 2020 MTFS proposals	1.500	1.500	0.000	0.000	**3.000**
CES - Removal of "Providing a joined-up Library and Children's Service" saving CMM042	0.500	0.000	0.000	0.000	**0.500**
CES - Delay "Income generation – Norfolk Museums Service" CMM043 to reflect timing of Castle development activity	0.400	0.000	-0.400	0.000	**0.000**
Strategy and Governance - Removal of NPLaw income target P&R083	0.150	0.000	0.000	0.000	**0.150**
Finance and Commercial Services - Removal of "Finance Exchequer Services savings" P&R090 delivered through one-off measures	0.460	0.000	0.000	0.000	**0.460**
Net new saving proposals 2020-21 Budget Round					
Adult Social Services - new 2020-21 saving proposals	-7.240	-2.244	0.000	0.000	**-9.484**
Children's Services - new 2020-21 saving proposals	-3.766	-4.400	-2.000	0.000	**-10.166**
Community and Environmental Services - new 2020-21 saving proposals	-2.206	-0.375	0.000	0.000	**-2.581**
CES - Public Health - new 2020-21 saving proposals	-1.500	-0.500	1.664	0.000	**-0.336**
Strategy and Governance - new 2020-21 saving proposals	-0.500	0.000	0.000	0.000	**-0.500**
Finance and Commercial Services and Finance General - new 2020-21 saving proposals	-0.800	0.800	0.000	0.000	**0.000**
Business Transformation - new 2020-21 saving proposals	-0.760	-4.388	-1.412	-0.412	**-6.972**
Changes to funding assumptions from 2019-20 MTFS					
2019-20 Social Care Funding maintained (assumed ongoing)	-7.139	0.000	0.000	0.000	**-7.139**
2019-20 Winter Pressures Funding rolled into improved Better Care Fund (iBCF) (assumed ongoing)	-4.179	0.000	0.000	0.000	**-4.179**

Item	2020-21	2021-22	2022-23	2023-24	Total
	£m	£m	£m	£m	£m
2019-20 iBCF funding maintained	-5.903	0.000	0.000	0.000	**-5.903**
Rural Services Delivery Grant maintained (assumed ongoing)	-3.981	0.000	0.000	0.000	**-3.981**
Settlement Funding Assessment changes (Revenue Support Grant to receive 1.6% uplift in 2020-21 and changes to Business Rates Baseline assumptions - assumed ongoing)	-11.172	-12.937	0.000	0.000	**-24.109**
Additional Business Rates from Districts' October 2019 forecasts above baseline	-1.700	0.000	0.000	0.000	**-1.700**
2019-20 Fire Pension Grant maintained for 2020-21 (assumed ongoing)	-1.629	0.000	0.000	0.000	**-1.629**
Additional Public Health Grant allocation	-0.685	0.000	0.000	0.000	**-0.685**
New Social Care Grant announced at Spending Round 2019 (assumed ongoing)	-17.617	0.000	0.000	0.000	**-17.617**
New Homes Bonus Grant maintained (new bonus payable for 4 years instead of 6 - assumed ongoing)	-2.934	0.000	0.000	0.000	**-2.934**
2019-20 Brexit Grant funding maintained for 2020-21	-0.088	0.088	0.000	0.000	**0.000**
Changes in council tax assumptions					
Council tax % increase (assumes 1.99% in all years for planning purposes)	-0.006	-0.311	-8.885	-9.188	**-18.390**
Council tax collection fund (assumes collection fund unwinds)	-0.399	0.399	1.000	0.500	**1.500**
Council tax base (1.4% growth 2020-21, 1.8% 2021-22, 1.5% thereafter)	1.628	0.062	-6.607	-6.840	**-11.757**
Council tax 2% ASC precept 2020-21 (Spending Round 2019)	-8.135	0.000	0.000	0.000	**-8.135**
Proposed 2020-21 Revenue Budget and forecast MTFS gap (surplus)/deficit	**0.000**	**35.492**	**23.949**	**29.652**	**89.093**

4.30. Reflecting these proposed adjustments, the resulting budgets for the period of the MTFS are shown below.

Appendix 1: Norfolk County Council Revenue Budget 2020-21

Table 11: Summary Net Budget Changes 2020-21

	Adult Social Services	Children's Services	Community and Environmental Services	Strategy and Governance	Finance and Commercial Services	Finance General	Norfolk County Council
	£m	£m	£m	£m	£m	£m	£m
Base Budget 2019-20	247.606	211.667	160.712	8.657	26.395	-245.745	**409.293**
Growth							
Economic and inflationary	7.622	3.734	3.657	0.302	0.648	0.424	**16.387**
Legislative requirements	5.935	0.017	1.213	0.000	0.000	0.831	**7.996**
Demand and demographic	5.550	12.500	0.875	0.080	0.000	0.000	**19.005**
Policy decisions	15.541	7.050	1.460	-0.448	0.255	9.336	**33.194**
Funding reductions	0.000	0.000	0.000	0.000	0.000	2.542	**2.542**
Cost neutral increases	2.711	0.002	4.593	0.454	5.679	17.585	**31.024**
Total budget increase	**37.359**	**23.303**	**11.798**	**0.388**	**6.582**	**30.718**	**110.148**
Reductions							
Total savings	-22.897	-7.250	-5.013	0.613	-1.389	-2.308	**-38.244**
Funding increases	-3.739	-13.880	-1.006	0.000	0.000	-3.888	**-22.513**
Cost neutral decreases	-2.588	-20.381	-3.142	-0.293	-0.653	-3.967	**-31.024**
Total budget decrease	**-29.224**	**-41.511**	**-9.161**	**0.320**	**-2.042**	**-10.163**	**-91.781**
Base Budget 2020-21	**255.741**	**193.461**	**163.349**	**9.365**	**30.935**	**-225.191**	**427.660**

Funded by: Council tax	-424.262
Collection Fund surplus	-3.398
	-427.660
2020-21 Budget Gap	0.000

Appendix 1: Norfolk County Council Revenue Budget 2020-21

Table 12: Summary Net Budget Changes 2021-22

	Adult Social Services	Children's Services	Community and Environmental Services	Strategy and Governance	Finance and Commercial Services	Finance General	Norfolk County Council
	£m	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**
Base Budget 2020-21	255.741	193.461	163.349	9.365	30.935	-225.191	**427.660**
Growth							
Economic and inflationary	8.190	4.548	4.265	0.461	0.898	0.714	**19.076**
Legislative requirements	6.340	0.000	0.412	0.000	0.000	1.061	**7.813**
Demand and demographic	6.100	3.500	1.800	0.080	0.000	0.000	**11.480**
Policy decisions	6.693	-1.160	2.575	0.048	0.412	21.111	**29.679**
Funding reductions	0.000	0.000	0.088	0.000	0.000	3.929	**4.017**
Cost neutral increases	0.000	0.000	0.000	0.000	0.000	0.000	**0.000**
Total budget increase	**27.323**	**6.888**	**9.140**	**0.589**	**1.310**	**26.815**	**72.065**
Reductions							
Total savings	-7.344	-6.400	-2.765	0.000	-0.650	-3.588	**-20.747**
Funding increases	0.000	0.000	0.000	0.000	0.000	0.000	**0.000**
Cost neutral decreases	0.000	0.000	0.000	0.000	0.000	0.000	**0.000**
Total budget decrease	**-7.344**	**-6.400**	**-2.765**	**0.000**	**-0.650**	**-3.588**	**-20.747**
Base Budget 2021-22	**275.720**	**193.950**	**169.724**	**9.954**	**31.596**	**-201.963**	**478.979**

Funded by: Council tax	-440.487
Collection Fund surplus	-3.000
	-443.487
2020-21 Budget Gap	0.000
2021-22 Budget Gap	35.492

Appendix 1: Norfolk County Council Revenue Budget 2020-21

Table 13: Summary Net Budget Changes 2022-23

	Adult Social Services	Children's Services	Community and Environmental Services	Strategy and Governance	Finance and Commercial Services	Finance General	Norfolk County Council
	£m	£m	£m	£m	£m	£m	£m
Base Budget 2021-22	275.720	193.950	169.724	9.954	31.596	-201.963	**478.979**
Growth							
Economic and inflationary	8.376	4.724	4.509	0.476	0.926	0.780	**19.791**
Legislative requirements	6.274	0.000	-0.500	0.000	0.000	1.077	**6.851**
Demand and demographic	6.100	3.500	1.700	0.080	0.000	0.000	**11.380**
Policy decisions	0.000	-1.580	0.000	0.051	-0.360	4.643	**2.754**
Funding reductions	0.000	0.000	0.000	0.000	0.000	0.050	**0.050**
Cost neutral increases	0.000	0.000	0.000	0.000	0.000	0.000	**0.000**
Total budget increase	**20.750**	**6.644**	**5.709**	**0.607**	**0.566**	**6.550**	**40.826**
Reductions							
Total savings	-0.235	-2.000	1.264	0.000	0.000	-1.412	**-2.383**
Funding increases	0.000	0.000	0.000	0.000	0.000	0.000	**0.000**
Cost neutral decreases	0.000	0.000	0.000	0.000	0.000	0.000	**0.000**
Total budget decrease	**-0.235**	**-2.000**	**1.264**	**0.000**	**0.000**	**-1.412**	**-2.383**
Base Budget 2022-23	**296.234**	**198.593**	**176.697**	**10.561**	**32.161**	**-196.826**	**517.421**

Funded by: Council tax	-455.980
Collection Fund surplus	-2.000
	-457.980
2020-21 Budget Gap	0.000
2021-22 Budget Gap	35.492
2022-23 Budget Gap	23.949

Table 14: Summary Net Budget Changes 2023-24

	Adult Social Services	Children's Services	Community and Environmental Services	Strategy and Governance	Finance and Commercial Services	Finance General	Norfolk County Council
	£m	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**
Base Budget 2022-23	296.234	198.593	176.697	10.561	32.161	-196.826	**517.421**
Growth							
Economic and inflationary	8.376	4.724	4.509	0.476	0.926	0.780	**19.791**
Legislative requirements	6.046	0.000	-0.090	0.000	0.000	2.061	**8.017**
Demand and demographic	6.700	3.500	1.700	0.080	0.000	0.000	**11.980**
Policy decisions	0.000	-0.200	0.000	0.105	-0.052	5.902	**5.755**
Funding reductions	0.000	0.000	0.000	0.000	0.000	0.050	**0.050**
Cost neutral increases	0.000	0.000	0.000	0.000	0.000	0.000	**0.000**
Total budget increase	**21.122**	**8.024**	**6.119**	**0.661**	**0.873**	**8.793**	**45.593**
Reductions							
Total savings	0.000	0.000	0.000	0.000	0.000	-0.412	**-0.412**
Funding increases	0.000	0.000	0.000	0.000	0.000	0.000	**0.000**
Cost neutral decreases	0.000	0.000	0.000	0.000	0.000	0.000	**0.000**
Total budget decrease	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**-0.412**	**-0.412**
Base Budget 2023-24	**317.356**	**206.617**	**182.815**	**11.222**	**33.035**	**-188.445**	**562.601**

Funded by: Council tax	-472.007
Collection Fund surplus	-1.500
	-473.507
2020-21 Budget Gap	0.000
2021-22 Budget Gap	35.492
2022-23 Budget Gap	23.949
2023-24 Budget Gap	29.652

5. Key risks and assumptions for the 2020-21 Budget

5.1. In setting the annual budget, Section 25 of the Local Government Finance Act 2003 requires the Executive Director of Finance and Commercial Services (Section 151 Officer, S151) to report to members on the robustness of budget estimates and the adequacy of proposed financial reserves. This informs the development of a robust and deliverable budget for 2020-21.

5.2. The Executive Director of Finance and Commercial Services' judgement on the robustness of the 2020-21 Budget is set out in Appendix 4, and will be substantially based upon the following considerations:

Changes in Budget planning

- Significant service pressures, totalling over £65m, which have been identified for 2020-21 and been incorporated into the Budget in January after being reviewed and validated;
- Work to review and validate the deliverability of the significant planned saving programmes has been undertaken so that changes can be reflected in final budget setting. As a result, it is considered that the MTFS agreed in February 2019 included a small number of saving proposals now judged to be at risk of either non-delivery or delay. These savings totalling £3.110m have been removed or delayed as appropriate from 2020-21 (£5.974m over the full MTFS period).
- Following review of budget plans, it is now proposed that the level of saving to be released within Public Health Grant in 2021-22 in order to provide support for other areas of Public Health related expenditure in existing service budgets is reduced by £1.000m to £0.500m, and this has been reflected in the proposed budget. This results in Public Health delivering total additional savings of £2.000m over the next two years rather than the originally planned £3.000m. It should be noted that Public Health savings currently assume the use of Public Health reserves in 2020-21 and 2021-22. The means of delivering the balance of the saving (£1.664m) on an ongoing basis from 2022-23 remains to be identified. The precise level of reserve use will be dependent on the level of activity and costs incurred within the Public Health Grant budgets in 2020-21.
- Forecast pension costs for both the County Council and associated companies have been revised following the 2019 valuation of the Local Government Pension Scheme (LGPS).
- Options to reduce the level of reliance on capital receipts across the life of the MTFS have been identified and reflected in planning.
- The proposed budget also reduces the planned use of the Adults Business Risk Reserve, which would have given rise to a pressure in 2021-22.
- Budget planning reflects final changes to inflation forecasts for 2020-21, however it should be noted that inflation figures are estimates only for future years and these will continue to change.

Risks

- The S151 Officer has considered the **adequacy of the overall general fund balance**, as well as the need for providing a general contingency amount within the revenue budget. This assessment is informed by the increasing level of the council's net budget, uncertainty about business rates income, Government funding and the implications of Brexit, and the council's overall value for money position. In broad terms, the general fund balance provides for around 17 days of the council's net budget activity. The pressures within the proposed revenue budget are such that there is not currently an opportunity to immediately address these issues, and it is not considered appropriate at this point that further budget

reductions should be made to accommodate an increase in reserves. However, having regard to the reserves and balances risk assessment, the S151 Officer recommends a principle of seeking to increase general fund balances and that any additional resources which become available during 2020-21 from (but not limited to) the following sources, should be added to the general fund balance wherever possible:
  - in year revenue underspends as reported through the monthly revenue monitor to Cabinet;
  - one off revenue funds which become available such as one off unbudgeted income;
  - any other resources which become available on an unforeseen or unbudgeted basis.
- The latest information about the 2019-20 budget monitoring position is set out in the Financial Monitoring report elsewhere on the agenda. A number of the issues identified in the 2019-20 position are provided for in the pressures included in the 2020-21 Budget, however the underlying assumption for budget setting is that the 2019-20 Budget is delivered (that all savings are achieved as planned and there are no significant unfunded overspends).
- The 2020-21 Budget provides for **salary inflation** of 2% for council employed staff, however the pay award for the year has not yet been agreed, and unions have submitted a claim for 10%. In broad terms every 1% pay increase represents an additional £2.5m pressure to the council.
- Pay inflation from 2021-22 onwards is assumed and included in budget planning at 3% per year, broadly reflecting national pressures and expected increases to the level of the minimum wage / national living wage, however increases may also have further implications for some of the lower points on the council's current salary scales and this will need to be refined as pay negotiations progress.
- There is a risk that the **Adults Business Risk Reserve** may be required to fund new pressures in 2020-21 linked to the non-delivery of savings and / or deprivation of liberty safeguards (DOLS) in the event that they arise during the year. Where these reflect ongoing costs, they will potentially give rise to further significant budget pressures from 2021-22 onwards. The level of pressure linked to DOLS is estimated to be £2m for a full year, however the timing of any pressures and whether these would attract funding from Government is currently unclear.
- The council has not submitted a disapplication request in respect of the **High Needs Block** (HNB) of the Dedicated Schools Grant (DSG) for 2020-21, following a decision by Schools' Forum on 22 November 2019 to transfer 0.5% from the Schools Block (SB) to the HNB. However, there is no easy solution to these funding challenges, and the system overall lacks sufficient funding to meet the needs of all pupils, given the increasing complexity of needs for significant numbers. Future uncertainty in relation to all DSG funding makes it extremely difficult for both schools and the council to plan ahead and to understand the implications of any decisions made. Nevertheless, the council recognises that the needs of current students must be considered alongside the offer for the future, and it is critical that mainstream schools have the funding locally to invest in creative solutions to achieve increased inclusivity. Removing funding from the mainstream schools (SB) risks escalation of need that cannot be met at a lower level, driving more pupils into higher needs provision that is significantly more expensive. The overall situation will need to be reviewed ahead of 2021-22 in terms of the education funding landscape following the general election and the DfE expectations regarding cumulative DSG deficits. Additionally, consideration will need to be given to the demand on the HNB, the level of overspend on the HNB (cumulative and in-year), and progress with the DSG recovery plan. The HNB forecast position is based on achieving a substantial level of savings in 2020-

21 and the extent to which these are achieved will have a significant impact on the overall DSG deficit position as illustrated in the table below.

Table 15: High Needs Block deficit sensitivity to savings delivery[9]

	Savings Achieved	In-year deficit	Cumulative deficit
	£m	£m	£m
2020-21 Savings target delivered	7.411	-0.443	**-18.830**
2020-21 Savings target undelivered	0.000	-7.854	**-26.241**

If during 2020-21 there is no material additional funding from Government, or the system has not started to address the overspend, this may result in the Local Authority making the decision to submit a disapplication request for 2021-22. However, taking into account the above issues, **the council's budget planning for 2020-21 has removed the funding provided from council tax resources in 2019-20 to support the DSG deficit position** on the basis that the Government has proposed a specific accounting treatment for DSG deficits[10], which diverges from normal accounting practice and allows councils to carry a negative balance on these reserves. This treatment is being dictated by Government but will need to be kept under review as it potentially remains a significant issue for Norfolk County Council and will result in a material deficit balance in the council's Statement of Accounts until the DSG recovery plan has been delivered.

- A risk has been identified relating to the council's successful bid to the Department for Education (DfE) to be included in the national Strengthening Families and Protecting Children programme and, specifically, the "**No Wrong Door" (NWD) model**, which combines residential care and foster care in specialist hubs. As a result of the bid, the council will fund the capital costs (if any) of establishing the hub buildings, while DfE will provide the majority of the revenue funding to operate two hubs for two years with a minimum amount of £4.6m. The council is required to fund an element of the revenue costs, estimated at £0.650m per hub per year (i.e. a total of £1.3m per year). However, the model is based on an assumption that the council will rapidly achieve savings greater than this so that no additional revenue burden will arise as the savings cover the costs. DfE revenue funding is deployed first and so provides the "pump-priming funding" and over time the proportion of DfE revenue cost input tapers until the point at which the council is fully funding the model on a sustainable basis. A risk therefore remains that a revenue pressure may arise in 2020-21 if the project does not deliver the anticipated level of savings as quickly as expected.
- The council has established two companies in response to the **insolvency of the Great Yarmouth Community Trust**[11] in order to maintain nursery provision in Great Yarmouth and to take on the running of Horatio House independent school.

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[9] Forecast based on 2019-20 period 8 assuming 0.5% Schools Block to High Needs Block transfer in 2020-21.
[10] https://consult.education.gov.uk/funding-policy-unit/revised-arrangements-for-the-dsg/
[11] https://www.norfolk.gov.uk/news/2019/12/nursery-jobs-and-childcare-places-offered-in-great-yarmouth
Norfolk County Council does not run Great Yarmouth Community Trust, a longstanding Norfolk charity which has supported many children and families over the years. The county council also does not normally run nurseries or enter into contracts with them. It passes on funding from the government for free places for two-to-four-year-olds. The council has a role in ensuring there are sufficient childcare places in each Norfolk community. Because the Trust was responsible for such a high proportion of nursery provision in Great Yarmouth, the council is stepping in on this occasion.

It is currently assumed that there will be no 2020-21 revenue budget pressure for the council associated with taking over the activities previously delivered by the Trust. This is because the costs of Horatio House will be met within the Dedicated Schools Grant, and nursery provision will be operated on a commercial basis.

- The 2020-21 Budget provides for significant **investment into Children's Services** to address a range of budget pressures. The level of growth assumed in future years is substantially lower and there is therefore a risk that this may prove to be insufficient in the event that further pressures were to be identified during the 2021-22 budget planning process. This would result in a larger gap emerging for the 2021-22 Budget than is currently assumed.
- A risk is emerging in relation to potential pressures within the council's waste budgets which relates to the potential implementation of import taxes on Refuse Derived Fuel (RDF) in the Netherlands from January 2020. In the event that these are implemented, and subject to contractors' decisions about export RDF material, there is a risk of a significant budget pressure arising in 2020-21. The Budget currently makes no provision for these potential additional costs due to the uncertainty around a number of variables which would have an impact on the overall level of the pressure.
- On 31 December 2019, the Government announced[12] National Living Wage increases which will come into effect from 1 April 2020. These reflect a 6.2% increase from £8.21 to £8.72 for workers aged over 25. This level of increase in the National Living Wage is allowed for in the council's own pay scales, but will have implications for some of our third party providers, particularly in respect of Adult Social Care as discussed in further detail in the Fee Levels for Adult Social Care Providers 2020-21 report elsewhere on the agenda. As such, the late announcement of this increase will have significant financial implications for the council as every penny increase in the National Living Wage represents a pressure of approximately £0.200m for Adult Social Care. The impact of this for 2020-21 needs to be considered in further detail and may represent a pressure for the 2020-21 Budget which has not currently been fully provided for.

Assumptions

- The Chancellor's Spending Round announcements, as confirmed in the provisional Settlement, are expected to provide significant additional resources in 2020-21 beyond the level assumed in the February 2019 MTFS. Further details are provided in section 7 below. It is anticipated that this additional funding will enable a number of the pressures identified in the Budget to be mitigated to ensure a robust position can be established for 2020-21. However, as set out elsewhere in these papers, details of the final Local Government Finance Settlement remain to be confirmed.
- Assumptions have also been made that elements of funding will continue in 2021-22 and beyond. However, the short-term nature of the Spending Round announcement (for 2020-21 only) means that **risks remain around the provision of this funding in future years and therefore a material impact and potential cliff-edge may emerge in 2021-22 if these assumptions have to be subsequently reversed**. In particular, assumptions about the future funding changes to be delivered through the Comprehensive Spending Review and Fair Funding Review have been revised based on recent announcements including those made at the Spending Round 2019. Previously, the council's assumptions about funding reductions were based on the Government's stated intention to end Revenue Support Grant, with an expectation that all Revenue Support Grant would therefore cease after 2019-20. This would have resulted in a "cliff edge" in

[12] https://www.gov.uk/government/news/government-announces-pay-rise-for-28-million-people

2020-21, which is not now expected to materialise. Such significant funding reductions would be out of line with recent experience and would not reflect the fact that Government has sought to provide additional levels of one-off funding for key areas such as social care. After considering recent announcements by Government, manifesto pledges for additional funding leading up to the December 2019 general election, and taking all funding sources in the round, the council's current budget planning is now based on an assumption that Revenue Support Grant, social care funding from 2019-20 and 2020-21, winter pressures funding and improved Better Care Fund allocations, Rural Services Delivery Grant, and New Homes Bonus will all be ongoing.

- A **1.99% increase in general council tax in 2020-21 and 1.99% in subsequent years** based on the current amounts allowed by Government before a local referendum is required. The assumed council tax increases are subject to Full Council's decisions on the levels of council tax, which will be made before the start of each financial year.
- An **increase of 2.00% in the Adult Social Care precept** from the 2019-20 level, based on the new flexibility offered by Government. No increases in the Adult Social Care precept are assumed in 2021-22 and beyond as the Government has not yet announced what options will be available to local authorities.
- In future years there will be an opportunity to consider the required level of council tax and Adult Social Care precept in light of any future Government announcements relating to the Fair Funding Review and Comprehensive Spending Review. However, it is the view of the Executive Director of Finance and Commercial Services that the pressures within the current budget planning position are such that the council will have very limited opportunity to vary these assumptions, and **in the event that the Government offered the discretion for larger increases in council tax, or further increases in the Adult Social Care precept, this would be the recommendation of the Section 151 Officer** in order to ensure that the council's financial position remains robust and sustainable.
- In addition to an annual increase in the level of council tax, the **budget assumes annual tax base increases of 1.8% in 2021-22 and 1.5% for subsequent years**. If these do not occur, the budget gap would be increased. Growth of 1.5% would be broadly in line with long term trends, however the actual tax base increase forecast for 2020-21 is 1.4%. It should be noted that council tax forecasts from District Councils for tax base and collection fund have not yet been finalised and updated information will be provided at the end of January 2020.
- 2019-20 Budget and savings will be delivered in line with current forecasts and plans (no overall overspend).
- Use of additional Adult Social Care funding for 2019-20 and 2020-21 as agreed with partners and in line with conditions, and that market pressures can be absorbed within existing budgets.
- Transformational change and growth pressures forecast in Children's Services relating to vulnerable children and families, and home to school transport, can be delivered within the additional funding allocations.
- Assumptions have been made in relation to the allocation of the new 2020-21 Social Care grant between Children's Services and Adults. This apportionment reflects one year only and will need to be reviewed in 2021-22 in light of the pressures experienced across all social care activities. Indications are that this funding will be ongoing and the long term allocation therefore needs to be considered further.
- The High Needs Block overspend and brought forward DSG deficit position can be addressed by the Recovery Plan and treated in line with the accounting

treatment proposed by Government and as such places no pressure on the local authority budget (as discussed in more detail in the risks section above).

- Pressures forecast within waste and highways budgets can be accommodated within the additional funding allocations.
- The assumed use of one-off funding including £1.221m of Adults reserves.
- That all the savings proposed and included for 2020-21 can be successfully achieved.
- The council is currently in the process of procuring a new HR and Finance System, following approval of the business case presented in May 2019[13]. The budget makes provision for the revenue and capital costs associated with the system, which is expected to deliver savings from 2022-23, with full benefits achieved from 2023-24, subject to implementation during the 2021-22 financial year. At this point, the preferred supplier has not been identified and, as reported to Cabinet in May 2019, the plan for implementation is to be refined in conjunction with the selected supplier at the conclusion of the procurement process. It is therefore not yet appropriate to reflect the anticipated savings in the Revenue Budget and MTFS, but once the plan has been reviewed there will be greater clarity about the scope of the project and the assumptions and impact of savings. This will enable the planned savings to be recognised early in the 2021-22 Budget process and should assist in closing the gap position in later years of the MTFS.

5.3. Taking these issues into account, it is the recommendation of the Section 151 Officer that early planning is undertaken in respect of 2021-22 and the scope to address pressures within the constraints of the overall budget should be reviewed in the round during 2020-21 when further specific details of the longer term funding allocations are known. **It will be essential that the council is able to produce a realistic plan for reducing the budget requirement in future years through the early identification of saving proposals for 2021-22, or the mitigation of currently identified pressures**, and that all proposals are considered in the context of the significant budget gap identified for that year.

6. Council tax

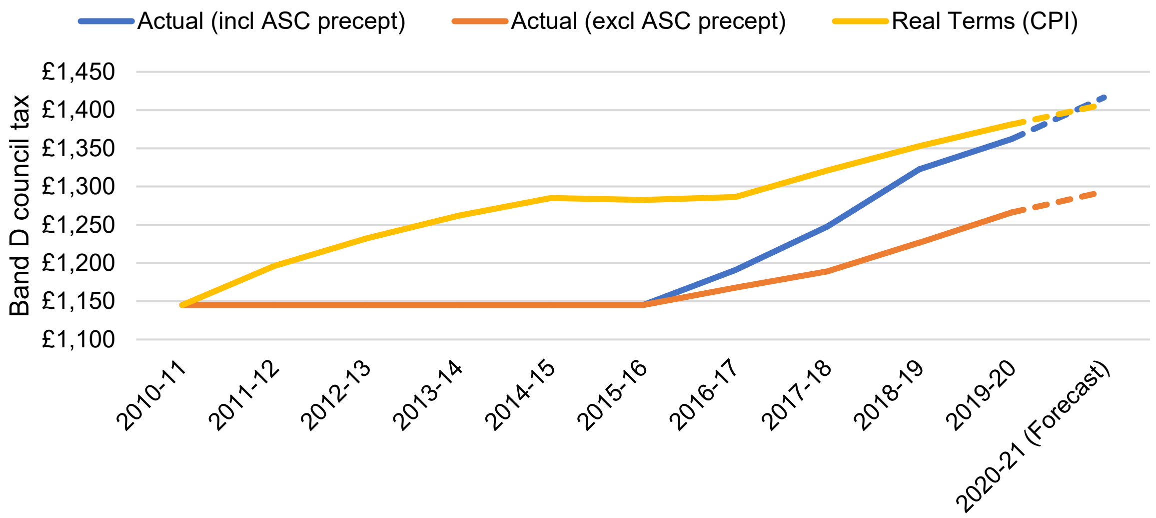
6.1. The council tax / precept is set in the context of restrictions and requirements imposed by Government. In particular, the Localism Act requires that any council tax increase in excess of a limit determined by the Secretary of State for Housing, Communities and Local Government and approved by the House of Commons, will be decided by local voters, who, through a local referendum, will be able to approve or veto the proposed increase. The threshold for 2020-21 has been provisionally announced as 4% (2% for general council tax and 2% for the Adult Social Care precept). This is usually finalised alongside the publication of the Final Local Government Finance Settlement.

6.2. As set out in the assumptions section above, the County Council's planning is based on an increase of 1.99% in general council tax and 2.00% on the Adult Social Care precept, which are forecast to raise approximately £8.120m and £8.135m respectively based on the latest tax base forecasts. This contributes to closing the 2020-21 budget gap and mitigating the gap in future years. An overall council tax increase of 3.99% therefore enables a substantially more robust budget for 2020-21 and helps to reduce risks for the council over the Medium Term Financial Strategy period.

[13] HR and Finance System Business Case (agenda item 10, Cabinet, 20 May 2019)

6.3. The increased referendum threshold level of 4% was announced at the Spending Round 2019 to enable local authorities to raise additional funds to support social care budgets. The chart below illustrates that with a 3.99% increase in 2020-21, Norfolk County Council's council tax is now broadly in line with the level it would have been if CPI increases had been applied since 2010-11. However, excluding the effect of the Adult Social Care precept, general council tax remains substantially lower than it would otherwise have been.

Chart 1: Actual council tax levels compared to CPI increases

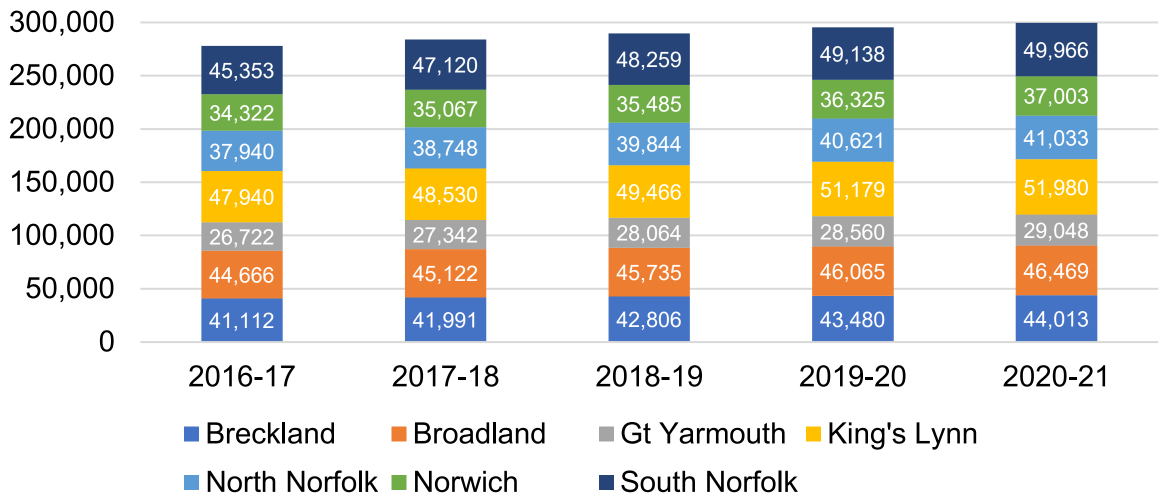


6.4. The Government will examine council tax increases and budget increases when final decisions have been made throughout the country. County Councils are required by regulations to declare their level of council tax precept by the end of February.

6.5. The council is required to state its council tax / precept as an amount for an average Band D property, together with information on the other valuation bands i.e. Bands A to H. Band D properties had a value in April 1991 of over £68,000 and up to £88,000.

6.6. To calculate the level of the County Council's council tax / precept, District Councils supply information on the number of properties in each of their areas. This information also includes estimated losses in council tax / precept collection and any deficits or surpluses on District Council collection funds. Over the past five years, Norfolk has experienced average growth in the tax base of 1.88%. The chart below shows the change in tax base in each district since 2016-17.

Chart 2: Change in Norfolk Band D equivalent tax base 2016-17 to 2020-21 (forecast)



6.7. As has been previously reported to Members, the council has utilised the flexibility provided by Government in 2016-17 for authorities with Adult Social Care responsibilities to increase their council tax by 8% more than the core referendum principle over the period 2016-17 to 2019-20, on the basis that the additional precept raised is allocated to Adult Social Care. The Government has now offered a further flexibility to increase the Adult Social Care precept by 2% in 2020-21, and this report proposes that this opportunity should be taken in order to provide additional resources to meet Adult Social Care pressures. The Government generally assumes that councils will increase council tax at the referendum limit, make use of the flexibility to raise a social care precept where available, and will benefit from ongoing levels of council tax base growth. Failure to raise council tax in line with the Government's assumptions will effectively result in underfunding and would lead to the Council experiencing a different change in spending power than the Government forecasts. In addition, a failure to maximise locally available resources makes the council's position more difficult when calling for additional funding from Government.

6.8. Under the Local Government Finance Act 1992, the Section 151 Officer is required to provide confirmation to Government that the adult social care precept is used to fund Adult Social Care. This must be done within seven days of the Council setting its budget and council tax for 2020-21.

6.9. Details of the findings of public consultation on the level of council tax are set out in Appendix 5 to inform decisions about budget recommendations to County Council.

Implications of council tax proposals

6.10. Taking into account the findings of consultation set out elsewhere in this report, Cabinet is asked to consider and confirm, or otherwise, the assumption that the council's 2020-21 budget will include a general council tax increase of 1.99% and an Adult Social Care precept increase of 2.00% as recommended by the Executive Director of Finance and Commercial Services (Section 151 Officer). This will need to be considered at the County Council meeting on 17 February 2020.

6.11. The Medium Term Financial Strategy assumes increases of general council tax of 1.99% from 2021-22 for planning purposes, but with no increases in the Adult Social

Care precept assumed. If the referendum threshold were increased in 2021-22 and subsequent years to above 1.99%, or any further discretion were offered to increase the Adult Social Care precept (or similar), then it is likely that the Section 151 Officer would recommend the council take advantage of this flexibility in view of the council's overall financial position.

6.12. The calculation of total payments of £427.660m due to be collected from District Councils in 2020-21 based on a council tax increase of 3.99%, together with the instalment dates and the council tax level for each valuation band A to H is set out below.

6.13. The council is also required to authorise the Executive Director of Finance and Commercial Services to transfer from the County Fund to the Salaries and General Accounts, all sums necessary in respect of revenue and capital expenditure provided in the 2020-21 budget in order that he can make payments, raise and repay loans, and invest funds.

Council Tax Precept 2020-21 (Council Tax increase 3.99%)

6.14. The number of properties, in each council tax band and in each district is converted into 'Band D' equivalent properties to provide the council tax base. The number of properties in each district is shown below.

6.15. The council tax base is then multiplied by the 'Band D' amount to calculate the council tax income (the precept). The precept generated in each district is shown below.

Table 16: Council tax precept 2020-21

	£m
2020-21 Council Tax Requirement	427.660
Less:	
Estimated Surplus on District Council Collection Funds etc.	3.399
Precept Charge on District Councils	**424.261**
Council Tax for an average Band "D" Property in 2020-21	£1,416.51
Council Tax for an average Band "B" Property in 2020-21	£1,101.73

Table 17: Total payments to be collected from District Councils in 2020-21

District Council	**Tax Base**	**Collection Fund Surplus / (Deficit)**	**Precept**	**Total Payments Due**
	(a)	**(b)**	**(c)**	**(d)**
		£	**£**	**£**
Breckland	44,013.20	-£134,032	£62,345,138	£62,211,106
Broadland	46,469.00	£38,235	£65,823,803	£65,862,038
Great Yarmouth	29,048.00	£214,672	£41,146,782	£41,361,454
King's Lynn and West Norfolk	51,979.70	£603,866	£73,629,765	£74,233,631
North Norfolk	41,033.00	£533,055	£58,123,655	£58,656,710
Norwich	37,003.00	£1,654,623	£52,415,120	£54,069,743
South Norfolk	49,966.00	£488,361	£70,777,339	£71,265,700
Total	**299,511.90**	**£3,398,780**	**£424,261,601**	**£427,660,381**

Council tax collection

6.16. The precept (column (c) above) for 2020-21 will be collected in 12 instalments from the District Council Collection Funds, as follows:

Table 18: 2020-21 Precept instalments

Payment	Date	%
1	30 April 2020	8%
2	19 May 2020	9%
3	19 June 2020	9%
4	20 July 2020	9%
5	19 August 2020	9%
6	21 September 2020	9%
7	19 October 2020	9%
8	19 November 2020	9%
9	21 December 2020	9%
10	19 January 2021	9%
11	19 February 2021	3%
12	19 March 2021	8%
		100%

6.17. Where a surplus on collection of 2019-20 council tax (column (b) above) has been estimated, the District Council concerned will pay to the County Council its proportion of the sum by ten equal instalments, as an addition to the May 2020 to February 2021 precept payments.

6.18. Where a deficit on collection of 2019-20 council tax (column (b) above) has been estimated, the District Council concerned will receive from the County Council its proportion of the sum by ten equal instalments, as a reduction to the May 2020 to February 2021 precept payments.

2020-21 Council tax bands

6.19. In accordance with Section 40 of the Local Government Finance Act 1992, the County Council amount of the council tax for each valuation band be as follows:

Table 19: Norfolk County Council 2020-21 council tax bands

Band	£
A	944.34
B	1,101.73
C	1,259.12
D	1,416.51
E	1,731.29
F	2,046.07
G	2,360.85
H	2,833.02

7. Government funding assumptions

7.1. On the 29 October, parliament voted to enable the general election which was held on 12 December 2019. The election campaign has resulted in a delay to both the announcement of the Autumn Budget 2019 (previously scheduled for 6 November and now expected early February 2020) and the provisional Local Government Finance Settlement (originally expected around 5 December in line with the timescales recommended by the Hudson Review, and actually published 20 December). As a result, the precise timing of further detailed announcements for Local Government, and future year allocations, remains unknown and throughout much of the process, the council's 2020-21 Budget has been prepared with more limited information about Government funding allocations than would usually be the case.

Spending Round 2019

7.2. Significant reliance through the planning process was placed on the indicative plans set out by the Chancellor of the Exchequer, Sajid Javid, when he announced the one year Spending Round on 4 September 2019 including departmental funding allocations for 2020-21. The associated briefing[14] stated that the "*Spending Round provides more money to support vital public services while being delivered within the government's existing fiscal rules.*" However, the Chancellor confirmed that the government would review the fiscal framework (including the fiscal rules) alongside updated economic and fiscal forecasts at the time of the (now delayed) Autumn Budget. Nationally, the Spending Round represented a £13.8bn increase in day to day spending for 2020-21.

7.3. As reported to Cabinet in October, the Spending Round did not provide detailed allocations of Local Authority funding at individual council level; however, it did indicate additional resources in 2020-21 and set out a number of announcements with implications for local government. Overall the Spending Round provided an increase in funding for 2020-21 compared to original MTFS assumptions through the continuation of current one-off or short term funding allocations and the new funding. The Government now assumes that Local Authorities will raise council tax by 4% in 2020-21 (reflecting the 2% core and 2% Adult Social Care precept flexibility). Key announcements included:

7.4. **Health and Social Care**

- An additional £1.5bn of funding for Social Care – consisting of £1bn of new grant funding for adult and children's social care, and £0.5bn through flexibility to raise a further 2% Adult Social Care precept. The Spending Round document emphasises that the Government "*remains committed to putting adult social care on a fairer and more sustainable footing and will bring forward proposals in due course*"[15]. Based on previous allocations, this would equate to approximately £17.6m in additional grant for Norfolk plus £8m available through the further precept flexibility.
- A real term increase to the Public Health Grant budget, so that local authorities can continue to provide prevention and public health interventions. This is assumed to amount to approximately £0.685m for Norfolk although subsequent announcements by Public Health England have indicated a 1% real terms

[14] https://www.gov.uk/government/news/spending-round-2019-what-you-need-to-know
[15] https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/829177/Spending_Round_2019_web.pdf

increase in Public Health Grant in 2020-21[16] so the final increase may be higher than this, but may come with additional responsibilities.

- A 3.4% real terms increase through the NHS contribution to adult social care through the Better Care Fund.
- The Spending Round confirms continued funding for the Troubled Families programme.

7.5. **Schools**

- Schools budgets are to be set for the period to 2022-23 rising by £2.6bn in 2020-21, £4.8bn in 2021-22 and £7.1bn in 2022-23, compared to 2019-20 funding, with an additional £1.5bn annually for teacher employer pension contributions.
- The Government is continuing with implementation of the schools National Funding Formula – with per pupil funding to rise with inflation in 2020-21. The minimum per pupil amount for 2020-21 will increase to £3,750 for primary schools and £5,000 for secondary schools.
- An additional £780m nationally for Special Educational Needs and Disabilities (SEND). Based on previous allocations, this would equate to approximately £10m in additional grant for Norfolk.

7.6. **Overall funding**

- Business rate baseline funding levels and Revenue Support Grant to increase in line with inflation.
- Overall, Government expected the Spending Round to reflect a £2.9bn increase in Core Spending Power (including social care funding and the precept) and provide in total an increase of £3.5bn in the resources available to local authorities. This reflects the continuation of a number of funding streams previously expected to end in 2019-20 (such as social care and winter pressures funding and iBCF funding).
- The Chancellor confirmed a full multi-year spending review will be conducted in 2020 for capital and resource budgets beyond 2020-21.

7.7. **Other announcements with relevance for local government**

- £422m to tackle homelessness and rough sleeping.
- £24m for the Building Safety Programme.
- £241m for the Towns Fund to support the regeneration of high streets, town centres and local economies.
- £200m to transform bus services.

7.8. Following the Spending Round announcements by the Chancellor, the Secretary of State for Housing, Communities and Local Government wrote to Local Authorities to confirm a delay in the development of changes to the Business Rates Retention System and Fair Funding Review. As a result, these will now not be implemented in 2020-21. Existing 75% Business Rates Retention pilots will run for 2019-20 only and allocations will then revert to the underlying 50% system in 2020-21 as discussed more fully in paragraph 4.20 and section 8 of this report.

[16] https://www.lgcplus.com/services/health-and-care/public-health-will-get-1-real-terms-growth-selbie-reveals-13-09-2019/

Provisional Local Government Finance Settlement

7.9. The provisional Local Government Finance Settlement was announced via a written statement on 20 December 2019[17]. The provisional Settlement provided details of how Spending Round announcements will impact on specific funding streams including Revenue Support Grant and Rural Services Delivery Grant at an individual authority level. The Ministry of Housing, Communities and Local Government (MHCLG) consulted on the detailed methodology for the 2020-21 Settlement as part of a technical consultation and has now issued a subsequent consultation on the provisional Settlement[18], which closes 17 January 2020.

7.10. In essence, the provisional Settlement confirmed a number of the announcements set out in the Spending Round and the following technical consultation without making any further significant changes. The Settlement did not provide any indication of funding beyond 2020-21, but it is assumed that multi-year settlements will be restored following the planned 2020 Comprehensive Spending Review. The key announcements in the provisional Settlement included:

- Council tax referendum thresholds proposed as 2% for general council tax plus 2% for the Adult Social Care Precept;
- Revenue Support Grant and business rates baseline funding levels increased in line with inflation, other grants (including Rural Services Delivery Grant) maintained at 2019-20 levels;
- New social care grant of £1bn nationally and changes to delivery of existing grants including winter pressures funding rolled into improved Better Care Fund (iBCF);
- Continuation of New Homes Bonus in 2020-21, but with consultation on a replacement, more targeted, approach to be undertaken spring 2020 for the 2021-22 financial year;
- No Business Rates Retention Pilots in 2020-21 apart from continuation of 100% pilots in Devolution Deal Areas;
- The provisional Settlement made no specific mention of the Fair Funding Review or the implementation of 75% Business Rates Retention; and
- A full business rates reset is planned for 2021-22.

7.11. The provisional Settlement will be confirmed in the Final Settlement, which is expected to be announced around the end of January 2020. A number of separate grants and funding announcements (including for example, final allocations of Public Health grant) remain to be confirmed. Further announcements about actual funding levels for 2020-21 could have a material impact on the council's overall budget planning position, and may need to be reflected in the final Budget papers presented to Full Council in February.

8. 2019-20 Business Rate Pilot and Business Rate pooling decisions for 2020-21

8.1. As reported in the 2019-20 Budget papers, the council submitted a successful application to become a 75% Business Rates Pilot in 2019-20 in conjunction with the District Councils in Norfolk. The pilot means that Norfolk as a whole will benefit from retaining an additional 25% of any business rates growth experienced in 2019-20 over

[17] https://www.gov.uk/government/speeches/provisional-local-government-finance-settlement-2020-to-2021-statement
[18] https://www.gov.uk/government/consultations/provisional-local-government-finance-settlement-2020-to-2021-consultation

and above the level that would have been retained under the previous 50% Business Rates Pool. The actual level of this additional growth will be confirmed after 2019-20 and will be shared between county and districts.

8.2. The County Council acts as lead authority for the pilot and is undertaking monitoring during the 2019-20 financial year. The pilot is currently forecast to deliver a benefit of around £7m to Norfolk as a whole, with the direct financial benefits to the County Council's budget expected to materialise in 2020-21. The Budget currently assumes that the pilot will deliver a one-off benefit of £3.879m in 2020-21 and this will need to be kept under review as details of the actual business rates growth in 2019-20 become known.

8.3. Since the start of the pilot, a challenge has been heard by the High Court in relation to an NHS Trust business rates challenge, which was previously identified as a key risk. NHS Trusts made a claim that they should benefit from charitable status for the purposes of business rates. If successful, this would result in a substantial cost for local authorities. A judgement was given on 12 December 2019 which saw the NHS Trusts lose the challenge. At this stage it remains unclear whether the judgement will be appealed but NHS Trusts have until the 24 February 2020 to decide whether to do so. If an appeal were successful, it remains the case that it could have a material impact on the outcome of the pilot.

8.4. The Ministry of Housing, Communities and Local Government (MHCLG) has also confirmed (17 September 2019) that 2019-20 pilots will operate for one year only, and has set out details of pooling arrangements for 2020-21. The council's 2020-21 Budget therefore assumes that the council will revert to 50% Business Rates Retention from April 2020.

8.5. The potential for NHS Trusts to appeal means that a small risk remains around pooling decisions for 2020-21, which were required by 25 October 2019, because a successful appeal would mean some Norfolk councils being in a position of needing support from the wider pool, reducing the benefit of pooling. There is a risk that the impact of the NHS Trust challenge could fall in either 2019-20 (affecting the pilot) **or** 2020-21 (affecting any future pool).

8.6. Norfolk Leaders, acting in their capacity as the Business Rate Pool/Pilot Board, have considered this position and agreed to submit a request for **all** Norfolk councils to continue as a Business Rates pool in 2020-21, noting the risk of a net cost from pooling of around £3.5m if NHS Trusts were to be successful during 2020-21. In addition, while recognising the risk of an impact to the overall pool, Leaders have also agreed to release 2018-19 Business Rates retained growth, subject to all members of the pool satisfying their necessary governance arrangements.

8.7. It is important to note in this context that the Local Government Finance Act 1988 provides that members of a pool have a period of 28 days from the date of publication of the provisional Local Government Finance Settlement (20 December 2019) to make a request to revoke a pool. In such a case the only option would be to dissolve the pool entirely, not alter membership. In other words, changes to the make up of the pool were required by 25 October 2019, but a decision to pool could still be revoked entirely within 28 days of the provisional Settlement (i.e. by 17 January 2020).

8.8. Members are asked to note the position and the decision of the Pool/Pilot Board in respect of membership of the 2020-21 Pool and associated risks.

9. Investing in Norfolk's priorities – Service Department budget planning

Adult Social Services

9.1. The service has a clear vision – to support people to be independent, resilient and well. Our strategy to achieve this is Promoting Independence – which is shaped by the Care Act with its call to action across public services to prevent, reduce and delay the demand for social care. We are working across the service, and with our partners, to support people earlier before their ability to manage deteriorates. The council commissions support in an integrated arrangement with Norfolk's Clinical Commissioning Groups, and is working in integrated teams with community health providers. In addition, our approaches to meeting people's eligible social care needs are focused on an individual's strengths and existing support around them; to help people retain their lives and engagement within their communities. Across health and social care, we are embedding a shared 'home first' culture which helps people keep and regain independence.

9.2. As well as improving outcomes for people, this approach has helped the service to deliver the significant financial savings needed to continue to meet the increasing demands for social care across Norfolk. Within the overall strategy for Promoting Independence our financial strategy for achieving savings is focussed on:

- Investing in early intervention and targeted prevention to keep people independent for longer
- Investing in excellent social work which helps people regain and retain independence, and reduces, prevents and delays the need for formal social care
- Commissioning services which enable and re-able people so they achieve and maintain as much independence as they can and reducing the amount of formal social care they need
- Reducing the proportion of people who are placed in permanent residential and nursing care
- Leading and developing the market for social care so that it is stable and sustainable and aligns with the ambitions of promoting independence.
- Working with health partners to reduce system demand and improve outcomes
- Increasing the use of technology to enable more people to live independently for longer
- Charging people appropriately for their care and providing welfare rights support
- Strengthening the contract management of our commissioned contracts and pursuing efficiencies in all areas of our work.

9.3. The service is working within a challenging health and social care system, with impacts from the demands faced within the NHS and the stability of market providers. This has impacted on demand for social care and has affected pressures for 2020/21. It has meant that additional funding from the adult social care precept has been needed to support additional costs arising for adult social care and has not enabled previous savings to be reduced.

9.4. In preparing the additional sustainability and savings proposals for the coming years, the service has primarily concentrated on invest to save measures through prevention and opportunities for delivering benefits across the health and social care system. This recognises the integrated approach to care across Norfolk and the importance of a joined up system to maximise other efficiencies, for example from commissioned services.

9.5. We also want to improve personalisation of care, offering more choice to individuals about how eligible care needs are met and in turn supporting improved value for money.

9.6. We have taken some difficult decisions around our charging policy and as a result, changes will continue to be implemented in a phased way over the coming years. The changes reduce the amount people of working age are able to keep before having to make a contribution towards the cost of their care.

9.7. We continue to work with our care providers and together with health organisations will be seeking ways to develop the right capacity to provide good value for money. In addition, during this year the council successfully bid with Suffolk County Council and health partners to secure European Social Funding to work with the local care workforce to improve training, career progression, recruitment and retention.

Table 20: Detailed budget change forecast Adult Social Services 2020-24

Adult Social Services					
		Final Budget change forecast 2020-24			
Reference		2020-21 £m	2021-22 £m	2022-23 £m	2023-24 £m
	OPENING BUDGET	**247.606**	**255.741**	**275.720**	**296.234**
	ADDITIONAL COSTS				
	Economic / Inflationary				
	Basic Inflation - Pay (2% for 20-21, 3% 21-22 to 23-24)	1.128	1.691	1.722	1.722
	Basic Inflation - Prices	6.494	6.500	6.654	6.654
	Legislative Requirements				
	Pay and Price Market Pressures	6.900	6.340	6.274	6.046
	Additional adult market pressures - Cost of Care (ASC reserve funded)	1.035	0.000	0.000	0.000
	Winter Plan actions	-2.000	0.000	0.000	0.000
	Demand / Demographic				
	Demographic growth	6.100	6.100	6.100	6.100
	Leap year pressure in Adult Social Care	-0.550	0.000	0.000	0.600
	NCC Policy				
	Use of reserves	0.776	0.000	0.000	0.000
	Recurrent pressures arising from 2019-20 service delivery	9.221	5.472	0.000	0.000
	One off use of Adults reserves to address recurrent pressures	-1.221	1.221	0.000	0.000
	Use of ASC Business Risk Reserve in 2019-20	2.000	0.000	0.000	0.000
	Reversal of savings previously funded by one-off measures	5.111	0.000	0.000	0.000
	iBCF - 2022-23 Other spend adjustment	-6.061	-1.760	0.000	0.000
	iBCF - 2022-23 Grant Cfwd Adjustment	-1.760	0.000	0.000	0.000
	iBCF - 2022-23 Reserve usage Adjustment	7.155	1.760	0.000	0.000
	Living Well Homes for Norfolk Invest to save	-0.047	-0.140	0.000	0.000
	Living Well 3 Conversations Invest to save	0.000	-0.242	0.000	0.000
	ASC pressures linked to Target Operating Model	0.320	0.000	0.000	0.000
	Use of ASC Business Risk Reserve - towards invest to save	0.047	0.382	0.000	0.000
		34.648	**27.323**	**20.750**	**21.122**
	SAVINGS				
ASC006 /ASC011 /ASC015	Promoting Independence for Younger Adults - Customer Pathway - where the focus will be on connecting people with ways to maintain their wellbeing and independence thereby reducing the numbers of service users receiving care in a residential setting	-5.000	0.000	0.000	0.000
ASC006 /ASC011 /ASC015	Promoting Independence for Older Adults - Customer Pathway - where the focus will be on connecting people with ways to maintain their	-5.000	0.000	0.000	0.000

Adult Social Services					
		Final Budget change forecast 2020-24			
Reference		2020-21 £m	2021-22 £m	2022-23 £m	2023-24 £m
	wellbeing and independence thereby reducing the numbers of service users receiving care in a residential setting				
ASC035	Investment and development of Assistive Technology approaches	-0.500	-0.700	0.000	0.000
ASC036	Maximising potential through digital solutions	-1.000	-3.000	0.000	0.000
ASC037	Strengthened contract management function	-0.200	-0.200	0.000	0.000
ASC038	Procurement of current capacity through NorseCare at market value	-1.000	0.000	0.000	0.000
ASC044	Extra care housing programme	0.000	-0.200	0.000	0.000
ASC046	Revise the NCC charging policy for working age adults to apply the government's minimum income guarantee amounts	-3.000	0.000	-0.235	0.000
ASC049	Shift to community and preventative work within health and social care system – demand and risk stratification	-1.000	-1.000	0.000	0.000
ASC051	Adjustment to payment timescale for direct payment to improve cashflow in line with audit recommendations	1.000	0.000	0.000	0.000
ASC052	One off use of repairs and renewals reserves no longer required	0.043	0.000	0.000	0.000
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.	-3.000	-2.000	0.000	0.000
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.	-0.750	-0.250	0.000	0.000
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.	-0.200	-0.150	0.000	0.000
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.	-0.140	0.000	0.000	0.000
ASS005	Supporting disabled people to access grants that are available for access to education and support to attend university.	-0.050	0.000	0.000	0.000
ASS006	Increasing opportunities for personalisation and direct payments, which will help both increase choice of services and value for money, through more efficient commissioning.	-0.500	0.000	0.000	0.000
ASS007	Reviewing how we commission residential care services to save money by making sure we have the right services in the right place.	-0.500	-0.234	0.000	0.000
ASS008	Developing consistent contracts and prices for nursing care by working more closely with health services.	-0.190	-0.110	0.000	0.000

Adult Social Services					
		Final Budget change forecast 2020-24			
Reference		2020-21 £m	2021-22 £m	2022-23 £m	2023-24 £m
ASS009	Debt management (one-off) - reclaiming money owed by other organisations.	-0.500	0.500	0.000	0.000
ASS010	Reducing the money we spend on supporting providers to develop a market of affordable, quality, social care.	-0.010	0.000	0.000	0.000
ASS011	Reviewing staffing levels in back office and support services.	-0.100	0.000	0.000	0.000
ASS012	Funding of the Norfolk Swift Response Service by Health.	-1.300	0.000	0.000	0.000
		-22.897	**-7.344**	**-0.235**	**0.000**
	BASE ADJUSTMENTS				
	New 2020-21 Social Care Grant - Spending Round 2019 - Adults	-3.739	0.000	0.000	0.000
		-3.739	**0.000**	**0.000**	**0.000**
	COST NEUTRAL ADJUSTMENTS				
	Depreciation transfer	0.814	0.000	0.000	0.000
	Debt management transfer	0.002	0.000	0.000	0.000
	REFCUS	1.500	0.000	0.000	0.000
	ASS to CES - PH Voluntary Sector Infrastructure	-0.142	0.000	0.000	0.000
	ASS to CES - PH Citizen Advice Bureau	-0.191	0.000	0.000	0.000
	ASS to CES - PH Beacon Domestic Abuse	-0.040	0.000	0.000	0.000
	CS to ASS - Transition Officer & Lead	0.021	0.000	0.000	0.000
	ASS to CES - Top slicing for stationery	-0.001	0.000	0.000	0.000
	CS to ASS - Transition lead post funding to be transferred to Preparing for Adult Life (PFAL) team	0.021	0.000	0.000	0.000
	FCS to ASS - Funding for Liquid Logic Support Team	0.093	0.000	0.000	0.000
	CS to ASS - Funding for Liquid Logic Support Team	0.260	0.000	0.000	0.000
	ASS to FCS - Changes to charging	-0.275	0.000	0.000	0.000
	ASS to FG - NorseCare and IM pensions	-1.338	0.000	0.000	0.000
	ASS to CES - PH domestic abuse	-0.060	0.000	0.000	0.000
	ASS to CES - PH Community Development Workers	-0.300	0.000	0.000	0.000
	ASS to CES - PH Falls prevention	-0.200	0.000	0.000	0.000
	ASS to CES - PH Health at work	-0.040	0.000	0.000	0.000
		0.123	**0.000**	**0.000**	**0.000**
	NET BUDGET	**255.741**	**275.720**	**296.234**	**317.356**

Children's Services

9.8. Children's Services are focussed upon Norfolk's Vital Signs for Children (Signs of Safety, Well-being and Stability), with a well-established transformation programme that has a strategic approach comprising of five strands:

- Inclusion;
- Prevention and early intervention;
- Effective practice model;
- Edge of care support and alternatives to care; and
- Managing the care market and creating the capacity that we need.

9.9. Children's Services continues to operate in a challenging context; continuing to experience high and increasing levels of need across numerous areas of service and, in particular, in relation to children with special educational needs and children at risk of harm. The service also continues to respond to new issues within society, and the range of responsibilities for the department is widening to tackle issues such child sexual and criminal exploitation and the threat of radicalisation. Following the appointment of the new and permanent senior leadership team, the service has been driving forward the identified priorities and transformation programme, including increased strategic partnership working to generate and drive system change in Norfolk that, as the County Council alone, could not be delivered.

9.10. The services' financial strategy for achieving savings is on an invest to save basis that aligns with this strategic approach, enabling the service to respond to the changing needs within communities and the current and future financial challenges by developing innovative new approaches, in particular:

- 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;
- 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; and
- 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.

9.11. Whilst improving outcomes for children and families, this approach has helped the service to limit the pressures being faced by the council as a result of increasing levels and complexity of need through the delivery of financial savings aligned with the service's strategy. For example, the introduction of the Childrens Advice and Duty Service (the "front door") has been transformational with significant improvements to information sharing, analysis and recording, a reduction in inappropriate referrals and assessments elsewhere in the service through its strong decision-making. Family Values Project (In-House Fostering Recruitment) has already delivered a significant shift to date from external, high cost provision through Independent Fostering Agencies, to our cost-effective and high quality in-house fostering service, and this impact is anticipated to increase over the coming years. Additionally, the new in-house semi-independent accommodation is forecast to deliver in excess of £0.5m of savings in 2019-20, which will have an ongoing, full year effect into 2020-21 and beyond.

9.12. Each of the new savings proposals for 2020-21 comprise of individual but related projects that, together, will deliver the transformation needed to provide financial sustainability as well as to deliver financial savings:

Prevention, early intervention and effective social care:
Integration of social work Assessment & Intervention Teams into Family Assessment and Safeguarding Teams, investment in Family Focus teams, implementation of the Vital Signs practice model, introduction of new specialist roles to work alongside core teams, embedding of dedicated supervised contact and parenting assessment teams, investment in additional coordination & support capacity, and investment in mobile working.

Alternatives to care:
Implementation of our social impact bond in conjunction with partners (Stronger Families), embedding of a Family Networking Approach and expansion of Family Group Conference approach, development of short stay alternatives to care options, targeted reunification including supporting positive exits from care and implementing the Inside Out project, and targeted interventions and crisis support for families with children with disabilities.

Transforming the care market and creating the capacity that we need:
Implementation of our Family Values Project (In-House Fostering Recruitment), development of our Enhanced Fostering offer to enable residential step down, introduction of new Semi-Independent Accommodation, smarter commissioning through a Valuing Care approach, implementation of a new approach to supporting Unaccompanied Asylum Seekers, and a review of residential provision for Children with Disabilities (including emergency provision).

9.13. Additionally, the service has recently been successful in a bid for government funding to support young people in or at risk of coming into care that will result in the service adopting the nationally recognised “No Wrong Door” project originally developed in North Yorkshire. This project is expected to reduce the cycle of older children moving between multiple placements and to reduce the high number of high cost placements, which will contribute towards the overall outcomes of the transformation programme.

9.14. Whilst the budget plans include savings of £7.250m, primarily to be delivered through delivery of the transformation programme, it should be noted that the financial planning contains very significant investment in Children’s Services, £19.567m, that both recognises the existing financial pressures that have been experienced during 2019-20, as well as investment to enable the service to implement an enhanced operating model that is expected to bring improved outcomes for children and families alongside reducing the demand for high-cost intervention and provision when needs have escalated. An additional £3m funding has been identified for demographic pressures, particularly in relation to social care placements and support for families and children.

9.15. The overall decrease in the Children’s net budget in 2020-21 reflects the inclusion of £13.878m funding from the new 2020-21 social care grant and net cost neutral reductions of £20.379m which include £17.626m of revenue expenditure funded by capital relating to a reassessment of the amount which the council expects to spend on Academy school capital. The budget includes significant investment into Children’s Services as discussed above and shown in Table 2.

Table 21: Detailed budget change forecast Children's Services 2020-24

Children's Services					
		Final Budget change forecast 2020-24			
Reference		2020-21 £m	2021-22 £m	2022-23 £m	2023-24 £m
	OPENING BUDGET	**211.667**	**193.461**	**193.950**	**198.593**
	ADDITIONAL COSTS				
	Economic / Inflationary				
	Basic Inflation - Pay (2% for 20-21, 3% 21-22 to 23-24)	1.448	2.197	2.263	2.263
	Basic Inflation – Prices	2.286	2.352	2.461	2.461
	Legislative Requirements				
	Teachers' Pension increased employers' contribution	0.017	0.000	0.000	0.000
	NCC Policy				
	92.5% to 98.5% Structural Budget Gap	3.800	0.000	0.000	0.000
	Recruitment & Retention Investment offset by Agency Reduction	0.300	-0.340	-0.880	-0.200
	New operating model investment	2.950	-0.820	-0.700	0.000
	Demand / Demographic				
	Children's Services budget pressures including demographic growth and provision for 2019-20 placement and child & family support overspend pressures	11.000	3.000	3.000	3.000
	Home to School Transport provision for 2019-20 overspend pressures and future growth in pupil numbers	4.500	0.500	0.500	0.500
	Remove contribution to High Needs Block contingency reserve (council tax funded)	-3.000	0.000	0.000	0.000
		23.301	**6.888**	**6.644**	**8.024**
	SAVINGS				
CHL041	Redesign of Early Childhood and Family Services	-1.700	0.000	0.000	0.000
CHL047	Cost efficiencies delivered by strategic partnership and joint commissioning with Mental Health services	-0.200	0.000	0.000	0.000
CHL049	Norfolk Futures Safer Children and Resilient Families Programme: Better outcomes for children and young people and reducing demand for services	-1.584	-2.000	0.000	0.000
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.	-1.000	-1.000	-0.500	0.000
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.	-1.200	-1.400	0.100	0.000

Children's Services					
		Final Budget change forecast 2020-24			
Reference		2020-21 £m	2021-22 £m	2022-23 £m	2023-24 £m
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.	-3.500	-4.000	-1.600	0.000
CHS004	Merging existing children looked after transformation savings (CHL049) into new proposals (CHL001-3), which will replace and augment the existing deliverable plans.	1.584	2.000	0.000	0.000
CHS005	Reverse elements of CHL047 – Cost efficiencies delivered by strategic partnership and joint commissioning with Mental Health services.	0.350	0.000	0.000	0.000
		-7.250	**-6.400**	**-2.000**	**0.000**
	BASE ADJUSTMENTS				
	Additional 2019-20 Social Care funding	-0.002	0.000	0.000	0.000
	New 2020-21 Social Care Grant - Spending Round 2019 - Children's	-13.878	0.000	0.000	0.000
		-13.879	**0.000**	**0.000**	**0.000**
	COST NEUTRAL ADJUSTMENTS				
	Depreciation transfer	-0.758	0.000	0.000	0.000
	Debt management transfer	0.002	0.000	0.000	0.000
	REFCUS transfer	-17.626	0.000	0.000	0.000
	CS to CES - Road Crossing Patrols	-0.269	0.000	0.000	0.000
	CS to CES - PH Beacon Domestic Abuse	-0.040	0.000	0.000	0.000
	CS to ASS - Transition Officer & Lead	-0.021	0.000	0.000	0.000
	CS to CES - ECFS Calls	-0.027	0.000	0.000	0.000
	CS to CES - PH Positive activities in refuges	-0.093	0.000	0.000	0.000
	CS to CES - PH Substance misuse workers	-0.233	0.000	0.000	0.000
	CS to CES - PH Children's Services activities delivering Public Health outcomes TBC	-0.144	0.000	0.000	0.000
	CS to CES - PH Community development (community and partnership teams)	-0.200	0.000	0.000	0.000
	CS to CPT transfer of properties	-0.688	0.000	0.000	0.000
	CS to ASS - Transition lead post funding to be transferred to Preparing for Adult Life (PFAL) team	-0.021	0.000	0.000	0.000
	CS to ASS - Funding for Liquid Logic Support Team	-0.260	0.000	0.000	0.000
		-20.379	**0.000**	**0.000**	**0.000**
	NET BUDGET	**193.461**	**193.950**	**198.593**	**206.617**

Schools' Funding

9.16. Schools funding is primarily provided by the Department for Education (DFE) through the Dedicated Schools Grant (DSG), which is paid to the County Council who then have responsibility to delegate this funding to schools in accordance with the agreed formula allocation.

9.17. The DSG is split into four funding blocks: The Schools Block, the High Needs Block, the Early Years Block and the Central School Services Block. Movements up to 0.5% from the Schools Block to the other blocks have to be agreed by Norfolk Schools Forum. Any request above the 0.5% has to be agreed by the Secretary of State. The High Needs Block in Norfolk remains under significant pressure as set out in the risks section in section 5 of this paper.

9.18. Further detail of schools funding for 2020-21 is set out in the Dedicated Schools Grant report elsewhere on this agenda.

Community and Environmental Services

9.19. Community and Environmental Services (CES) has responsibility for the delivery of a wide range of services; there is no hierarchy as each area has a vital role to play in achieving better outcomes for Norfolk and we have a key role to play in supporting the delivery of the *Together, for Norfolk* strategy.

9.20. To support the three outcomes of the *Together, for Norfolk* strategy, we are investing in some key service areas:

- **Growing the Economy** – We continue to invest in the Highway asset to ensure that we deliver critical planned infrastructure investment across our County including the £120m Great Yarmouth Third River Crossing; the Western Link to the Broadland Northway (previously NDR), which is reflected in the planned capital programme.

- **Thriving People** – CES play a key role in supporting access to well-paid, high-value, skilled jobs through the achievement of higher accredited learning and those in need of improved foundation skills can access learning through our Adult Education and Growth and Development services. We are redeveloping Wensum Lodge in Norwich which will support skills development and economic growth within the County, as well as seeing the transformation of an underutilised site into a thriving cultural asset, benefitting both creative businesses and individuals alike.

- **Strong Communities** – The council recently approved a new Environmental Policy and recommended £1.35m funding be made available to deliver on the priorities set out in the Policy. We are proposing investment within the Fire and Rescue service to support these critical activities and to deliver the priorities in the proposed new Integrated Risk Management Plan for the service, including additional funding for safety and prevention. We are set to start work on the Norwich Castle gateway to Medieval England project, a major capital development that will transform the visitor offer at Norwich Castle Museum & Art Gallery and showcase one of Europe's finest medieval buildings. The project will deliver full disabled access to all levels of the Keep, including the battlements, making it the most accessible building of its kind in Europe.

9.21. The service continues to look for opportunities to deliver budget savings. The range of services and outcomes means that a single approach would not be beneficial. Instead, CES is focussing on service redesign across the following broad approaches:

- Efficiency and cost reduction
- Commercialisation and income generation
- Collaboration and partnerships
- New technology and digital transformation

9.22. CES services are primarily delivered locally within communities, and there is a focus on minimising the impact of any changes on front line services.

9.23. The Department also leads on the Local Service Strategy. Under this priority, services will be redesigned and proactively targeted in the places where they are most needed in our market towns, Norwich, Great Yarmouth and King's Lynn.

Table 22: Detailed budget change forecast Community and Environmental Services 2020-24

Community and Environmental Services					
		Final Budget change forecast 2020-24			
Reference		2020-21 £m	2021-22 £m	2022-23 £m	2023-24 £m
	OPENING BUDGET	**160.712**	**163.349**	**169.724**	**176.697**
	ADDITIONAL COSTS				
	Economic / Inflationary				
	Basic Inflation - Pay (2% for 20-21, 3% 21-22 to 23-24)	1.438	2.021	2.082	2.082
	Basic Inflation - Prices	2.219	2.244	2.426	2.426
	Legislative Requirements				
	A and B Class signing review pressure	0.000	0.500	-0.500	0.000
	Norwich City highway tree asset investigations (Cavanagh v Witley Parish Council)	0.150	0.000	0.000	0.000
	Public Health expenditure pressures for revised grant allocation	0.685	0.000	0.000	0.000
	Blue Badges - hidden illness implementation pressure	0.120	0.000	0.000	0.000
	Fire pension employer rate pressure	0.080	0.000	0.000	0.000
	Trading Standards - additional trading standards requirements following Brexit	0.090	0.000	0.000	-0.090
	Assumed Brexit costs	0.088	-0.088	0.000	0.000
	Demand / Demographic				
	Waste pressure - demand and demographic (tonnage)	0.200	1.700	1.700	1.700
	Highways Maintenance pressures	0.375	0.100	0.000	0.000
	Highways new developments and infrastructure	0.150	0.000	0.000	0.000
	LLFA drainage improvement schemes	0.150	0.000	0.000	0.000
	NCC Policy				
	Waste pressure - unit costs (Brexit / exchange rate / capacity)	0.000	2.400	0.000	0.000
	Fire pressures following IRMP review cost pressure implications	0.887	0.000	0.000	0.000
	DfT Transforming Cities - Revenue Support	0.200	0.000	0.000	0.000
	Economic Development - feasibility studies / projects	0.100	0.000	0.000	0.000
	Revenue pressures arising from Environmental Policy agreed at Council 25/11/2019	0.175	0.175	0.000	0.000
	Customer Services - additional costs in relation to the Community Directory	0.058	0.000	0.000	0.000
	Inflation pressure on Library material fund	0.040	0.000	0.000	0.000
		7.205	**9.052**	**5.709**	**6.119**
	SAVINGS				
CMM043	Income generation – Norfolk Museums Service	0.000	0.000	-0.400	0.000
CMM045	Income generation – Norfolk Community Learning Services	-0.125	0.000	0.000	0.000

Community and Environmental Services					
		Final Budget change forecast 2020-24			
Reference		2020-21 £m	2021-22 £m	2022-23 £m	2023-24 £m
CMM046	Income generation – Library and Information Service	-0.111	0.000	0.000	0.000
CMM056	Reduction in Strategic Arts Development Fund	-0.010	0.000	0.000	0.000
CMM059	Library service back office efficiencies	-0.010	0.000	0.000	0.000
CMM060	Increased income – Trading Standards and library service	-0.070	0.000	0.000	0.000
CMM061	Review of contract inflation assumptions	-0.006	0.000	0.000	0.000
CMM062	Restructure of teams – various changes to team structures (reduction in overall numbers of posts)	-0.120	0.000	0.000	0.000
EDT032	Waste strategy - implementing a new waste strategy focussed on waste reduction and minimisation with a target to reduce the residual waste each household produces by at least one kilogram per week	0.000	-1.850	0.000	0.000
EDT050	Improved management of on-street car parking	-0.350	0.000	0.000	0.000
EDT063	Vacancy management	-0.025	0.000	0.000	0.000
EDT065	Household Waste Recycling Centres – reuse shops	-0.050	0.000	0.000	0.000
EDT066	Review and management of contracts in Highways and Waste	-0.079	0.000	0.000	0.000
EDT067	Highways commercialisation	-0.161	-0.040	0.000	0.000
EDT068	Re-model back office support structure	-0.090	0.000	0.000	0.000
EDT069	Highways Services	-0.100	0.000	0.000	0.000
CES001	Additional efficiencies in staffing and operations to progress the Adult Learning service towards its goal of being cost neutral.	0.000	-0.240	0.000	0.000
CES002	Achieving economies of scale in our Customer Service Centre by expanding the services that we deliver.	0.000	-0.100	0.000	0.000
CES003	Reviewing processes and operating model to drive further efficiencies within Customer Services.	-0.177	0.000	0.000	0.000
CES004	Reducing the costs of our recycling centre contracts.	-0.150	0.000	0.000	0.000
CES005	Adjusting our budget for recycling centres in line with predicted waste volumes.	-0.200	0.000	0.000	0.000
CES006	Saving money by renegotiating our highways contracts.	-0.250	0.000	0.000	0.000
CES007	Saving money by purchasing fire service equipment, rather than leasing it.	-0.250	0.000	0.000	0.000
CES008	Reviewing posts in our Culture and Heritage service to ensure that we have the right number of staff with the right mix of skills.	-0.120	0.000	0.000	0.000
CES009	Saving money in our post room by reducing staff and the costs of our contracts.	-0.065	0.000	0.000	0.000
CES010	Reviewing staffing and vacancies in Trading Standards to ensure that we have the right number of staff with the right mix of skills.	-0.089	0.000	0.000	0.000

Community and Environmental Services

Reference		Final Budget change forecast 2020-24			
		2020-21 £m	2021-22 £m	2022-23 £m	2023-24 £m
CES011	Reviewing vacancies in Waste Services to ensure that we have the right number of staff with the right mix of skills.	-0.032	0.000	0.000	0.000
CES012	Saving money by maintaining recycling credit payments to Voluntary and Community Groups at 2019-20 levels.	-0.005	0.000	0.000	0.000
CES013	Saving money on treating street sweeping arisings by re-procuring our contract.	-0.010	0.000	0.000	0.000
CES014	Adjusting budget for recycling credits in line with predicted recycling volumes.	-0.008	0.000	0.000	0.000
CES015	Saving money by maintaining recycling credit rates to District Councils for some materials at 2019-20 levels.	-0.040	0.000	0.000	0.000
CES016	Matching the contribution made by Districts to the Waste Partnership communications budget.	-0.010	0.000	0.000	0.000
CES017	Reviewing the operation of Museum catering facilities to make them more commercial.	0.000	-0.035	0.000	0.000
CES018	Saving money and increasing income by reviewing Culture and Heritage service room hire arrangements to make more cost effective use of space.	-0.020	0.000	0.000	0.000
CES019	Reducing the learning and development budget, to reflect the increase in apprenticeships, e-learning and other on-the-job training.	-0.030	0.000	0.000	0.000
CES020.1	Income generation across various Community and Environmental Services budgets. (Trading Standards calibration)	-0.025	0.000	0.000	0.000
CES020.2	Income generation across various Community and Environmental Services budgets. (Trading Standards trusted trader)	-0.024	0.000	0.000	0.000
CES020.3	Income generation across various Community and Environmental Services budgets. (Norfolk Records Office)	-0.020	0.000	0.000	0.000
CES020.4	Income generation across various Community and Environmental Services budgets. (Relocation from Gressenhall)	-0.045	0.000	0.000	0.000
CES020.5	Income generation across various Community and Environmental Services budgets. (Escape Room income)	-0.015	0.000	0.000	0.000
CES020.6	Income generation across various Community and Environmental Services budgets. (Planning)	-0.030	0.000	0.000	0.000
CES020.7	Income generation across various Community and Environmental Services budgets. (Enterprise Zone support)	-0.015	0.000	0.000	0.000
CES020.8	Income generation across various Community and Environmental Services budgets. (Developer travel plans)	-0.030	0.000	0.000	0.000
CES020.9	Income generation across various Community and Environmental Services budgets. (Equality and Diversity)	-0.005	0.000	0.000	0.000
CES021	Highways works - capitalisation of activities to release a revenue saving	-0.541	0.000	0.000	0.000

Community and Environmental Services					
		Final Budget change forecast 2020-24			
Reference		2020-21 £m	2021-22 £m	2022-23 £m	2023-24 £m
PHE002	Adjusting the budget for our Healthy Lifestyles and Stop Smoking services in line with predicted take-up of services	-0.280	0.000	0.000	0.000
PHE003	Review the sexual health services we commission and work better with providers to make services more efficient and reduce budget in line with predicted spend	-0.056	0.000	0.000	0.000
PHE004	Use of Public Health reserves	-1.164	-0.500	1.664	0.000
		-5.013	**-2.765**	**1.264**	**0.000**
	BASE ADJUSTMENTS				
	Revised Public Health grant	-0.685	0.000	0.000	0.000
	Brexit Grant funding	-0.088	0.088	0.000	0.000
	Funding for Fire pension employer rate pressure	-0.233	0.000	0.000	0.000
		-1.006	**0.088**	**0.000**	**0.000**
	COST NEUTRAL ADJUSTMENTS				
	Depreciation transfer	2.169	0.000	0.000	0.000
	Debt management transfer	0.016	0.000	0.000	0.000
	CES to S&G - Complaints Reporting	-0.008	0.000	0.000	0.000
	S&G to CES - Head of Paid Service	0.011	0.000	0.000	0.000
	CS to CES - Road Crossing Patrols	0.269	0.000	0.000	0.000
	ASS to CES - PH Voluntary Sector Infrastructure	0.142	0.000	0.000	0.000
	ASS to CES - PH Citizen Advice Bureau	0.191	0.000	0.000	0.000
	ASS to CES - PH Beacon Domestic Abuse	0.040	0.000	0.000	0.000
	CS to CES - PH Beacon Domestic Abuse	0.040	0.000	0.000	0.000
	S&G to CES - PH Health & Well Being	0.189	0.000	0.000	0.000
	ASS to CES - PH domestic abuse	0.060	0.000	0.000	0.000
	ASS to CES - PH Community Development Workers	0.300	0.000	0.000	0.000
	ASS to CES - PH Falls prevention	0.200	0.000	0.000	0.000
	ASS to CES - PH Health at work	0.040	0.000	0.000	0.000
	CS to CES - PH Positive activities in refuges	0.093	0.000	0.000	0.000
	CS to CES - PH Substance misuse workers	0.233	0.000	0.000	0.000
	CS to CES - PH Children's Services activities delivering Public Health outcomes TBC	0.144	0.000	0.000	0.000
	CS to CES - PH Community development (community and partnership teams)	0.200	0.000	0.000	0.000
	CES to FCS - TFM Premises Budgets	-1.733	0.000	0.000	0.000
	FCS to CES - Income generation – Library and Information Service	0.003	0.000	0.000	0.000
	CS to CES - ECFS Calls	0.027	0.000	0.000	0.000
	CES to FCS Buildings depreciation from NCLS to CPT	-0.124	0.000	0.000	0.000
	FCS to CES Premises inflation from CPT to NCLS	0.003	0.000	0.000	0.000

Community and Environmental Services					
		Final Budget change forecast 2020-24			
Reference		2020-21 £m	2021-22 £m	2022-23 £m	2023-24 £m
	CES to FCS - Fire Premise to CPT	-1.273	0.000	0.000	0.000
	CES to S&G Transfer following Full Council Budget amendment (Norfolk Futures)	-0.005	0.000	0.000	0.000
	ASS to CES – Top slicing for stationery	0.001	0.000	0.000	0.000
	S&G to CES – 0.3fte G grade post Democratic Services to Trading Standards	0.026	0.000	0.000	0.000
	CES to FCS Rent and wayleave income to CPT	0.005	0.000	0.000	0.000
	CES to FG lease budgets CFL018 CFL047 CFL065	0.190	0.000	0.000	0.000
		1.451	**0.000**	**0.000**	**0.000**
	NET BUDGET	**163.349**	**169.724**	**176.697**	**182.815**

Strategy and Governance

9.24. The Strategy and Governance department will support the council to be an effective organisation, providing a set of central professional functions which are future-looking and sustainable. The department will support the council to positively anticipate change, manage risk, make improvements and develop clear strategies and analyse its performance, to take advantage of opportunities and respond to challenges that face local government today.

9.25. The Strategy and Governance department will provide an integrated and effective service that supports the council to have a strategy driven approach and deliver critical central services, drive change and transformation to become better at what it does. It will do so by:

- Developing the **strategic planning framework** and ensuring that there is clear focus on long term goals and ambitions;
- Supporting the **business planning processes**, making sure all long-term goals are translated into actions;
- Developing the NCC people vision and **workforce plans** to ensure the right workforce, skills and ways of working now and in the future;
- Enabling **evidence and intelligence led decision** making by providing accessible information and resources in a timely and meaningful way;
- Delivering strategic **performance reporting** and **statutory returns**, ensuring the council remains focused on the delivery of its priorities whilst meeting its statutory obligations;
- Developing **strategic communications and marketing** support, telling the story of Norfolk and ensuring that citizens are kept at the heart of all that we do;
- Working across the council and the local government system to grow **innovative partnership** initiatives;
- Raising the council and the County's **profile** by influencing local, national and regional agendas; and
- Ensuring there is strong governance that keeps the organisation **safe and legally sound** supporting elected members to shape and deliver the council's key priorities.

Table 23: Detailed budget change forecast Strategy and Governance 2020-24

Strategy and Governance					
		Final Budget change forecast 2020-24			
Reference		2020-21 £m	2021-22 £m	2022-23 £m	2023-24 £m
	OPENING BUDGET	**8.657**	**9.365**	**9.954**	**10.561**
	ADDITIONAL COSTS				
	Economic / Inflationary				
	Basic Inflation - Pay (2% for 20-21, 3% 21-22 to 23-24)	0.305	0.464	0.479	0.479
	Basic Inflation – Prices	-0.003	-0.003	-0.003	-0.003
	Demand / Demographic				
	Coroners - additional cost for storing bodies	0.080	0.080	0.080	0.080
	NCC Policy				
	Norfolk Futures transformation budget	-1.000	0.000	0.000	0.000
	Leader’s Office Business Manager (Scale K)	0.052	0.000	0.000	0.000
	Critical capability uplift to ensure Intelligence & Analytics support across all services	0.500	0.000	0.000	0.000
	Coroners Officers administrative team (12 FTE) transfer from Police	0.000	0.048	0.051	0.105
		-0.066	**0.589**	**0.607**	**0.661**
	SAVINGS				
CMM047	Registrars Service – external income	-0.150	0.000	0.000	0.000
P&R086	Coroners relocation to County Hall	-0.050	0.000	0.000	0.000
P&R099	Managing Director's Department savings to be identified including use of one-off reserves in 2018-19	-0.187	0.000	0.000	0.000
P&R099	Remove MDD savings delivered through one-off measures	1.000	0.000	0.000	0.000
P&R103	Saving resulting from a review of Norfolk Futures budgets, risks, and assumptions to achieve a saving without a direct impact on delivery of the transformation programme.	0.500	0.000	0.000	0.000
SGD001	Reviewing staffing and vacancies across Strategy and Governance to make savings by continuing to hold vacancies and seeking more opportunities to bring in project funding for staff, particularly in Strategic Services and Intelligence and Analytics.	-0.320	0.000	0.000	0.000
SGD002	Reducing our spending on supplies and services by 5%.	-0.155	0.000	0.000	0.000
SGD003	Reducing our spending on ICT.	-0.025	0.000	0.000	0.000
		0.613	**0.000**	**0.000**	**0.000**
	COST NEUTRAL ADJUSTMENTS				
	CES to S&G - Complaints Reporting	0.008	0.000	0.000	0.000
	S&G to CES - Head of Paid Service	-0.011	0.000	0.000	0.000
	FG to S&G - Increased security at Council	0.013	0.000	0.000	0.000
	S&G to CES - PH Health & Well Being	-0.189	0.000	0.000	0.000

Strategy and Governance					
		Final Budget change forecast 2020-24			
Reference		2020-21 £m	2021-22 £m	2022-23 £m	2023-24 £m
	S&G to FCS - Registrars & Coroners to Property	-0.067	0.000	0.000	0.000
	CES to S&G Transfer following Full Council Budget amendment (Norfolk Futures)	0.005	0.000	0.000	0.000
	CES/S&G - 0.3fte G grade post Democratic Services to Trading Standards	-0.026	0.000	0.000	0.000
	Information Management Team from IMT to Democratic Services	0.429	0.000	0.000	0.000
		0.161	**0.000**	**0.000**	**0.000**
	NET BUDGET	**9.365**	**9.954**	**10.561**	**11.222**

Finance and Commercial Services

9.26. Finance and Commercial Services provides capacity to enable the Council to act swiftly, innovatively and effectively in the context of rapid change. The Department is focused on delivering the following key objectives:

- Enhancing financial performance;
- Supporting and training service managers;
- Effective management of property assets to make best use and maximise the return on investments;
- Efficient and effective contract management;
- Providing information which supports good decision making;
- Reducing the costs of our services whilst improving their effectiveness, utilising new technology and implementing smarter ways of working; and
- Rolling out technological infrastructure, improving customer service and saving money.

9.27. These objectives have informed the approach to identifying budget proposals which minimise the impact on front line services.

Table 24: Detailed budget change forecast Finance and Commercial Services 2020-24

Finance and Commercial Services					
		Final Budget change forecast 2020-24			
Reference		2020-21 £m	2021-22 £m	2022-23 £m	2023-24 £m
	OPENING BUDGET	**26.395**	**30.935**	**31.596**	**32.161**
	ADDITIONAL COSTS				
	Economic / Inflationary				
	Basic Inflation - Pay (2% for 20-21, 3% 21-22 to 23-24)	0.447	0.677	0.698	0.698
	Basic Inflation - Prices	0.201	0.220	0.228	0.228
	NCC Policy				
	Revenue pressure for HR and Finance System replacement	0.000	0.412	-0.360	-0.052
	Procurement resources to strengthen the sourcing team, and provide contract transition function	0.160	0.000	0.000	0.000
	B&A Adults – revised staffing structure to increase resilience	0.036	0.000	0.000	0.000
	B&A Children's – revised staffing structure to increase resilience	0.044	0.000	0.000	0.000
	Transfer to renewable energy sources (Corporate Board 04/06/19)	0.015	0.000	0.000	0.000
		0.903	**1.310**	**0.566**	**0.873**
	SAVINGS				
B&P002	Property – centralisation of budgets – further centralisation of existing property budgets in Services will allow maximisation of savings opportunities – savings estimated at 5% of current budget each year	-0.400	0.000	0.000	0.000
DIE001	IMT – various savings within IMT including: · Exit from the HPE contract · Restructuring and headcount reduction (management and technical support costs) · Income generation, particularly services for schools	-0.700	0.000	0.000	0.000
P&R027 /P&R058 /P&R060	Delay of Property savings	-0.650	-0.650	0.000	0.000
P&R090	Finance Exchequer Services savings	0.460	0.000	0.000	0.000
BTP005	Reviewing all of Norfolk County Council's traded services to make sure they are run on a fair commercial basis - IMT Schools	-0.099	0.000	0.000	0.000
		-1.389	**-0.650**	**0.000**	**0.000**
	COST NEUTRAL ADJUSTMENTS				
	Depreciation transfer	1.426	0.000	0.000	0.000
	Debt management transfer	0.005	0.000	0.000	0.000
	REFCUS	-0.121	0.000	0.000	0.000
	CES to FCS - TFM Premise Budgets	1.733	0.000	0.000	0.000
	S&G to FCS - Registrars & Coroners to Property	0.067	0.000	0.000	0.000

Finance and Commercial Services

Reference		Final Budget change forecast 2020-24			
		2020-21 £m	2021-22 £m	2022-23 £m	2023-24 £m
	FCS to CES - Income generation – Library and Information Service	-0.003	0.000	0.000	0.000
	CES to FCS Buildings depreciation from NCLS to CPT	0.124	0.000	0.000	0.000
	FCS to CES Premises inflation from CPT to NCLS	-0.003	0.000	0.000	0.000
	CS to FCS transfer of properties	0.688	0.000	0.000	0.000
	FCS to S&G Information Management Team from IMT to Democratic Services	-0.429	0.000	0.000	0.000
	CES to FCS - Fire Premise to CPT	1.273	0.000	0.000	0.000
	FG to FCS transitional relief on Fire Station business rates	0.060	0.000	0.000	0.000
	FCS to ASS - Funding for Liquid Logic Support Team	-0.093	0.000	0.000	0.000
	ASS to FCS - Changes to charging	0.275	0.000	0.000	0.000
	FCS to CES Rent and wayleave income from Libraries	-0.005	0.000	0.000	0.000
	FCS to FG lease budget CFL068	0.029	0.000	0.000	0.000
		5.026	**0.000**	**0.000**	**0.000**
	NET BUDGET	**30.935**	**31.596**	**32.161**	**33.035**

Finance General

9.28. Finance General is a corporate budget, which includes council wide expenditure and income. This is a net income budget as total income exceeds total expenditure. A net income budget is shown as a negative figure.

9.29. Finance General includes employee related costs such as corporate pension payments due to changes following the actuarial valuation of the pension fund. Pension deficit recovery is identified as a cash sum and is budgeted for in Finance General. Other expenditure includes redundancy and pension payments arising from organisational review; grant payments; audit fees; member allowances; and capital financing costs. Income includes funding through the Business Rates Retention System; interest from investments; and depreciation on capital from services.

Table 25: Detailed budget change forecast Finance General 2020-24

Finance General					
		Final Budget change forecast 2020-24			
Reference		2020-21 £m	2021-22 £m	2022-23 £m	2023-24 £m
	OPENING BUDGET	**-245.745**	**-225.191**	**-201.963**	**-196.826**
	ADDITIONAL COSTS				
	Economic / Inflationary				
	Basic Inflation - Pay (2% for 20-21, 3% 21-22 to 23-24)	0.372	0.660	0.725	0.725
	Basic Inflation - Prices	0.052	0.053	0.054	0.054
	Legislative Requirements				
	NCC Pensions valuation 31 March 2019 for 2020-21 to 2022-23	3.617	0.152	0.168	1.152
	Other Pensions valuation 31 March 2019 for 2020-21 to 2022-23	-2.796	0.848	0.848	0.848
	Apprenticeship Levy increase (payroll growth)	0.036	0.000	0.000	0.000
	Environment Agency Levy increase	0.050	0.050	0.050	0.050
	Increased IFCA Precept	0.011	0.011	0.011	0.011
	Assumed Brexit pressures	-0.088	0.000	0.000	0.000
	NCC Policy				
	Minimum Revenue Provision	5.500	21.000	3.000	3.000
	Treasury Management costs	3.677	0.216	1.643	2.902
	Debt restructuring unwinding	0.055	0.000	0.000	0.000
	Establish pool car scheme revenue budget	0.060	0.000	0.000	0.000
	Implementation of council tax activities	0.011	-0.105	0.000	0.000
	End of principal repayment from Learning Skills Council	0.033	0.000	0.000	0.000
		10.591	**22.886**	**6.500**	**8.743**
	SAVINGS				
P&R098	Delay in Norse dividend saving	-0.750	0.000	0.000	0.000

Finance General					
		Final Budget change forecast 2020-24			
Reference		2020-21 £m	2021-22 £m	2022-23 £m	2023-24 £m
P&R105	Deliver a saving by paying part of the Council's employer pension contributions to the Norfolk Pension Fund in advance so that it can generate increased investment returns.	-1.000	0.000	0.000	0.000
P&R107	Increased income from ESPO dividend	-0.080	0.000	0.000	0.000
P&R110	Airport pensions	-0.017	0.000	0.000	0.000
P&R111	Insurance fund surplus contribution	1.000	0.000	0.000	0.000
FCS001	Making a one-off saving from our organisational change and redundancy budgets.	-0.500	0.500	0.000	0.000
FCS002	Recognising additional income forecast from our business rates pilot.	-0.300	0.300	0.000	0.000
BTP001-5	2020-21 Business Transformation savings	-0.661	-4.388	-1.412	-0.412
		-2.308	**-3.588**	**-1.412**	**-0.412**
	BASE ADJUSTMENTS				
	Core funding and business rates retention	0.064	0.000	0.000	0.000
	Levy account surplus	2.340	0.000	0.000	0.000
	New Homes Bonus Grant	-0.009	0.000	0.000	0.000
	Business Rates Pilot	-3.879	3.879	0.000	0.000
	Extended Rights to Free Travel Grant	0.050	0.050	0.050	0.050
	Brexit Grant Funding	0.088	0.000	0.000	0.000
		-1.346	**3.929**	**0.050**	**0.050**
	COST NEUTRAL ADJUSTMENTS				
	Depreciation transfer	-3.651	0.000	0.000	0.000
	Debt management transfer	-0.025	0.000	0.000	0.000
	REFCUS transfer	16.246	0.000	0.000	0.000
	FG to S&G - Increased security at Council	-0.013	0.000	0.000	0.000
	FG to FCS transitional relief on Fire Station business rates	-0.060	0.000	0.000	0.000
	ASS to FG - NorseCare and IM pensions	1.338	0.000	0.000	0.000
	CES to FG lease budgets CFL018 CFL047 CFL065	-0.190	0.000	0.000	0.000
	FCS to FG lease budget CFL068	-0.029	0.000	0.000	0.000
		13.618	**0.000**	**0.000**	**0.000**
	NET BUDGET	**-225.191**	**-201.963**	**-196.826**	**-188.445**

10. Public Consultation

10.1. Under Section 3(2) of the Local Government Act 1999, authorities are under a duty to consult representatives of a wide range of local people when making decisions relating to local services. This includes council tax payers, those who use or are likely to use services provided by the authority, and other stakeholders or interested parties. There is also a common law duty of fairness which requires that consultation should take place at a time when proposals are at a formative stage; should be based on sufficient information to allow those consulted to give intelligent consideration of options; should give adequate time for consideration and response and that consultation responses should be conscientiously taken into account in the final decision.

10.2. In 2020-21 the council has consulted on the proposal to increase council tax by 1.99% and to increase the Adult Social Care precept by 2.00%. The council also invited comments on the approach to budget savings or any of the individual proposals themselves.

- Consultation took place between 23 October 2019 and 10 December 2019 with consultation feedback available for Cabinet in January 2020;
- Proposals were published and consulted on via the Council's consultation hub, Citizen Space: https://norfolk.citizenspace.com/consultation/budgetconsultation2020-2021/;
- Letters were sent to key partners and stakeholders;
- Consultation documents were made available in large print and easy read as standard, and other formats on request;
- The council made extra effort to find out the views of people who may be affected by the proposals and carry out impact assessments;
- Opportunities for people to have their say on budget proposals and council tax were promoted through the Your Norfolk residents' magazine, news releases, online publications, and social media; and
- Every response has been read in detail and analysed to identify the range of people's opinions, any repeated or consistently expressed views, and the anticipated impact of proposals on people's lives.

Your views on our budget consultation 2020-21: consultation feedback

10.3. We received 203 responses to this consultation. The majority (158 or 77.8%) replied as individuals. Eleven respondents told us they were responding on behalf of a group, organisation or business.

10.4. The majority of those responding (101) either strongly agreed (48) or agreed (53) with our proposal to increase Norfolk County Council's share of the council tax by 1.99% in 2020-21.

10.5. The main reasons people gave for their agreement was that they felt that there was a cost associated with providing services and/or the cost of providing services was increasing. People felt that services needed to be maintained or protected, especially frontline services and adult social care. Some of those agreeing felt that the increase was fair and affordable. People also cited the reduction in Government funding and their feeling that there was no alternative but to increase council tax.

10.6. Of those who were not supportive of the proposal (77), 51 strongly disagreed and 26 disagreed.

10.7. Many of those against an increase stated that earnings were not keeping up with increases in council tax or that an increase affected those on fixed incomes, such as pensioners. Others felt the proposed increase was unaffordable, that council tax keeps increasing or that the proposed increase was too large.

10.8. People called for the council to make greater efficiencies. Some questioned whether council tax was providing value for money, the need for more Government funding was raised and there were some who felt that council tax in general, or our proposal, was unfair.

10.9. When asked about our proposal to raise the adult social care precept by 2% in 2020-21 the majority of those responding (113) either strongly agreed (58) or agreed (55).

10.10. People stated that their response was for the same reasons as they agreed with our proposals around general council tax – that they understood that services cost and felt that social care was needed. Several felt that adult social care was a priority, that frontline services should be protected and that we had a responsibility to support vulnerable people. People also referred to the Government cuts to local government funding. Some felt the increase was fair whilst others thought the increase could be even higher. Some took the opportunity to comment on charges for social care in general and our adult social care charging policy in particular.

10.11. Of those who were not supportive of the proposal (62), 45 strongly disagreed and 17 disagreed.

10.12. People stated that their response was for the same reasons as they disagreed with the general part of council tax increasing, in particular that their earnings were not keeping up and the increase was unaffordable. Some expressed the view that the adult social care precept was unfair or were concerned that the council would waste the income generated.

10.13. A full summary of the consultation feedback on the proposals above can be seen at Appendix 5. This also includes a summary of the comments that people made in respect of our overall approach to budget in departments and specific budget proposals.

11. Representatives of non-domestic ratepayers

11.1. The Council has a statutory duty under Section 65 of the Local Government Finance Act 1992 to consult with representatives of non-domestic ratepayers. A meeting with representatives of the business sector was held on 18 December 2019. Representatives were provided with a summary of the financial challenges facing the council in 2020-21, and an overview of the proposals for budgets.

12. Medium Term Financial Strategy

12.1. The Medium Term Financial Strategy builds on the 2020-21 Revenue Budget to provide a longer term view of the council's financial prospects, risks and challenges in order to inform future financial planning. The MTFS is set out in Appendix 2.

13. Capital

13.1. A summary of the Capital Programme is set out in the separate Capital Programme report elsewhere on the agenda.

14. Future developments and issues

14.1. The Chartered Institute of Public Finance and Accountancy (CIPFA) recognises that the challenging financial environment has placed local authority finances under intense pressure. High profile failures of other local authorities have inevitably raised concerns about weaknesses in financial management across the sector. In response, CIPFA has published a Financial Management Code (the FM Code) and a Financial Resilience Index, both of which may have implications for the council's budget setting process in future years as described in further detail below.

The Financial Management Code

14.2. The FM Code is intended to provide guidance about good and sustainable financial management, along with assurance that resources are being managed effectively. As such the code requires authorities to demonstrate that processes are in place which satisfy the principles of good financial management. It identifies risks to financial sustainability and sets out details of a framework of assurance which reflects existing successful practices across the sector. Crucially, the code establishes explicit standards of financial management, and highlights that compliance with these is the collective responsibility of elected members, the chief finance officer and the wider Corporate Board.

14.3. Although the FM Code is not statutory, CIPFA considers that it "*it is difficult to envisage circumstances in which the absence of statutory backing for the FM Code would provide a reason for non-compliance.*"[19] The code builds on elements of other CIPFA codes and in particular has clear links with The Prudential Code for Capital Finance, the Treasury Management in the Public Sector Code of Practice and the Code of Practice on Local Authority Accounting in the United Kingdom.

14.4. The code is based on the following principles:

- Organisational **leadership** – demonstrating a clear strategic direction based on a vision in which financial management is embedded into organisational culture.
- **Accountability** – based on medium-term financial planning that drives the annual budget process supported by effective risk management, quality supporting data and whole life costs.
- Financial management is undertaken with **transparency** at its core using consistent, meaningful and understandable data, reported frequently with evidence of periodic officer action and elected member decision making.

[19] CIPFA Financial Management Code, page 12, https://www.cipfa.org/policy-and-guidance/publications/f/financial-management-code.

- Adherence to professional **standards** is promoted by the leadership team and is evidenced.
- Sources of **assurance** are recognised as an effective tool mainstreamed into financial management, including political scrutiny and the results of external audit, internal audit and inspection.
- The long-term **sustainability** of local services is at the heart of all financial management processes and is evidenced by prudent use of public resources.

14.5. These principles are underpinned by seventeen Financial Management Standards with which the council will need to demonstrate compliance. The manner in which this is to be achieved is not prescribed, and CIPFA will be issuing further supporting guidance during the 2020-21 financial year. However, the Code sets out that it relies on "*the local exercise of professional judgement backed by appropriate reporting. To ensure that self-regulation is successful, compliance with the FM Code cannot rest with the CFO acting alone,*" and emphasises that it "*should not be considered in isolation and accompanying tools, including the use of objective quantitative measures of financial resilience, should form part of the suite of evidence to demonstrate sound decision making.*"

14.6. The FM Code has been published to take effect from1 April 2020, but 2020-21 is a "shadow year," and full compliance is not expected until 2021-22. Although many of the requirements of the FM Code represent good practice which should already be reflected in the council's planning, policies and systems, it is therefore proposed that the council undertake a review during 2020-21 in order to develop an action plan to be presented to Cabinet as appropriate to ensure compliance with the FM Code ahead of the full implementation alongside the 2021-22 Budget. It should be noted that there are a number of clear synergies between the FM Code and the recommendations emerging from the recent LGA Peer Review, which recognised that "*the council has successfully addressed the financial challenge to date in balancing its budget*"[20] but also recommended in relation to finance and budget setting that:

- Pressure needs to be maintained in order to ensure anticipated benefits from the authority's investments, aimed at reducing demand in social care, come to fruition and the financial sustainability of the council is protected.
- The council needs to carefully manage the long-term budget commitments that result from significant new capital investment.
- There should be the establishment of an approach whereby greater consistency and clarity exists with the budget, in relation to Directorates spending in line with what is made available to them year on year and their delivery against their agreed savings targets.

14.7. The council's response to the FM Code will therefore need to take account of, and in turn inform, the action plan which has been developed in response to the Peer Review.

The Financial Resilience Index

14.8. CIPFA has also developed and published (16 December 2019) a Financial Resilience Index, which presents aggregated statistics on councils across a suite of indicators and is intended to provide a tool for recognising potential signs of risk to councils' financial stability, and prompting appropriate action.

[20] Corporate Peer Challenge Norfolk County Council Feedback Report, Annex A to Item 16, 2 December 2019 Cabinet Paper.

14.9. The index is an analytical tool designed to provide councils with an understanding of their position in terms of financial risk. The index is made up of a set of indicators, which show a council's position on a range of measures associated with financial risk, and can be used to compare similar authorities. It has been created from publicly available data and financial statistics. The current version of the index uses data from the last complete financial year, i.e. 2018-19. Further details of the results and implications of the index are set out in the Statement on the Robustness of Estimates (Appendix 4).

15. Summary

15.1. The information included in budget papers needs to be considered when Cabinet recommends a budget to the County Council. Issues that need to be considered and where decisions are required are:

- Additional costs and savings options;
- Level of general balances;
- Level of reserves and provisions;
- Robustness of estimates;
- Overall level of the 2020-21 Revenue Budget and proposals for 2021-22 to 2023-24;
- Overall level of the 2020-21 to 2022-23+ Capital Programme;
- Prudential Code indicators for 2020-21;
- Level of the council tax / precept for 2020-21 and for the period 2021-22 to 2023-24;
- Implications of the Revenue Budget for 2021-22 to 2023-24;
- Responses from the public consultation on the budget; and
- The outcome of equality and rural impact assessments and proposed mitigations.

15.2. The proposed 2020-21 Budget represents a balanced and deliverable package of measures which can be provided within the council's expected resources for the year. However, a number of significant risks and uncertainties remain, as set out within this paper, which will need to continue to be kept under close review up to final budget setting by the County Council in February 2020.

Norfolk County Council
Medium Term Financial Strategy 2020-21 to 2023-24

1. Introduction

1.1. The Medium Term Financial Strategy (MTFS) 2020-24 replaces the Medium Term Financial Strategy 2019-22.

1.2. In preparing the 2020-24 MTFS the council faces unprecedented levels of uncertainty about both funding allocations and the final details of the funding system for the future. The financial implications for the latter three years of the MTFS (2021-24) are unknown, and therefore remain subject to considerable change and uncertainty. This will contribute to making budget planning activity for 2021-22 particularly challenging.

1.3. In the context of this uncertainty, the MTFS sets out the latest available information about national and local factors which are likely to impact upon budget planning decisions. This year, the MTFS has been produced in the context of the new CIPFA Financial Management Code. The MTFS forms a key part of the council's financial management approach and supports the identification and management of the key risks to the council's financial sustainability. As such it details funding changes and explains the strategy for how the council intends to manage these, to make transformative change, and plan new initiatives, while continuing to meet its statutory responsibilities in the medium term.

1.4. As detailed more fully in the Revenue Budget paper, the funding of social care remains a major issue for the County Council. Pressures are being experienced in key areas such as Adult Social Care and Children's Services (including children looked after, family support to enable children to remain at home, home to school transport and the High Needs Block of Dedicated Schools Grant).

1.5. Alongside the ongoing impact from changes such as the National Living Wage, these and other pressures continue to give rise to significant additional costs for the organisation and have contributed to a budget deficit forecast in the later years of this financial strategy. As a result, the council will need to develop early and robust responses, including significant further savings plans, during future budget planning rounds. Taking account of the significant uncertainty about funding, and in view of the scale of the challenge to be addressed in 2021-22, the council will need to undertake early and wide-ranging budget planning to identify a sufficient level of realistic and deliverable savings.

2. National Factors

2.1. At the time of preparing this Strategy in December 2019, the last major fiscal event was when the former Chancellor of the Exchequer, Philip Hammond, announced the Autumn Budget 2018[21] in October 2018. The Government's 2018 Budget was based on planning for all eventualities in relation to the UK leaving the European Union (EU), but reserved the right to upgrade the Spring Statement 2019 to a full Budget if there were material changes to economic or fiscal forecasts, although in the event this was not necessary.

[21] https://www.gov.uk/government/collections/budget-2018

2.2. Therefore, when the former Chancellor announced the **2019 Spring Statement**, on 13 March 2019, it was essentially an update on the overall UK economy as informed by the Office for Budget Responsibility's (OBR) forecasts, and there were no major tax or spending changes. The Spring Statement was predicated on an EU exit deal being agreed. The OBR forecast indicated that economic growth in the UK and globally had slowed since the Budget in October, leading near-term GDP forecasts being revised down. This was offset by better than expected tax receipts in the final months of 2018-19, which was assumed to be ongoing. Together with downward pressure on debt interest spending from lower market interest rates, the overall outcome was a modest medium-term improvement in the public finances. Most of this was taken up in lower borrowing, but there was some fiscal loosening with higher planned public services spending. The key announcement of the Spring Statement was to confirm that the Government planned to hold a full multi-year spending review over the summer to conclude alongside the Autumn Budget 2019, which was intended to set the departmental budgets for three years, subject to an EU deal being agreed.

2.3. However, in July 2019, Boris Johnson was elected leader of the Conservative Party and became Prime Minister, undertaking a Cabinet reshuffle, with Sajid Javid appointed as Chancellor of the Exchequer. Uncertainty around the process of Britain leaving the EU, restricted the scope to undertake a full Comprehensive Spending Review as previously planned. As a result, on 4 September 2019, the new Chancellor announced the outcomes of a one-year Spending Round for 2020-21 only. A full multi-year spending review is expected to be conducted during 2020 for capital and resource budgets beyond 2020-21, which is due to reflect the nature of the future relationship with the EU and set out further plans for long-term reform.

2.4. In October 2019, parliament passed the Early Parliamentary General Election Act 2019 to enable a snap general election to be held 12 December 2019. The early general election resulted in the cancellation of the planned Autumn Budget 2019, originally scheduled for 6 November, and to the delay of publication of the 2020-21 provisional Local Government Finance Settlement, expected early December but ultimately announced 20 December 2019. The next Budget is expected in early February 2020.

2.5. The Office for Budget Responsibility (OBR) had also intended to publish an updated Economic and Fiscal Outlook to set out forecasts for the UK's public finances alongside the Autumn Budget 2019. When the Autumn Budget was cancelled, the OBR planned to publish a technical restatement of the March 2019 forecast, but on Cabinet Secretary advice publication was delayed until after the General Election. The restated March 2019 forecast[22] was ultimately published 16 December 2019 in the form that it was signed off by the Budget Responsibility Committee on 6 November. According to the OBR, the restated forecast "*increases measured public sector net borrowing by roughly £20 billion a year, which means that the deficit would still be in excess of £30 billion in the final year of the forecast in 2023-24. By contrast, the restatement lowers our forecast for net debt.*"

2.6. The general election on 12 December 2019 resulted in a majority conservative government. A Queen's speech was delivered 19 December 2019 and on 20 December 2019 the Withdrawal Agreement Bill was passed. Subject to European Parliament approval, the UK will formally leave the EU on 31 January with a withdrawal deal, which will be followed by a transition period until 31 December 2020. During the

[22] https://obr.uk/restated-march-2019-forecast/

transition period the UK and EU will negotiate a free trade deal to take effect from 1 January 2021. The Bill rules out any extension of the transition period.

The process of leaving the EU and impact upon European programmes that Norfolk County Council is involved in

2.7. Until now, there has been continuing uncertainty around the process and terms upon which the Britain will leave the EU, and on 28 October 2019 the Prime Minister accepted the EU's offer of an extension until 31 January 2020. As set out above, the results of the general election have provided greater clarity about the timetable and process for the UK's departure.

2.8. The decision to leave the EU taken in June 2016 will have a long-term impact on the European funding available to the county. It also creates a potential workforce risk, as the nature of any immigration policy decided after leaving the EU may result in issues for the care sector.

2.9. Norfolk County Council and "Norfolk plc" has historically benefited from European programmes and we have built up substantial expertise in designing, managing and delivering European projects and programmes. However, the referendum decision also provides an opportunity to influence alternative future funding schemes to benefit our local area.

2.10. European funding in Norfolk has been spent on a variety of activity such as:

- Economic growth and regeneration (for example supporting small businesses to start and grow);
- Skills, worklessness and employment support (for example, supporting unemployed people back into work);
- Environmental protection (for example, support for landowners to create wildlife habitats);
- Research and development (for example, support for universities to undertake research); and
- Agricultural support via the common agricultural policy (for example, subsidies for farmers, and grants for rural economic growth).

2.11. In the immediate period following the EU referendum, activity across the range of EU funded programmes available to Norfolk stalled, awaiting advice from central government on how to proceed. Some development time was lost as applicants waited for further news before taking the decision to apply for EU funds.

2.12. In October 2016, the then Chancellor announced that all EU funded projects contracted before we leave the EU would be honoured in full. This guarantee includes honouring funding for projects which are due to complete in the years following the UK's departure from the EU. The guarantee is subject to projects meeting two criteria: 1) value for money and 2) fit with national priorities; both of which are tested when projects are assessed. This guarantee has now been extended to cover the transition period, so all projects contracted before 31 December 2020 are covered. This is a welcome extension, since it gives the council additional time to commit the funding allocated so that businesses and organisations can continue to benefit from EU-funded schemes available in our local area until funding contracts expire.

2.13. The Economic Programmes team have been promoting the EU funding opportunities to potential applicants to maximise drawdown and benefit in Norfolk before we leave the EU and in fact the LEADER programme was fully committed in the summer of 2019. Some additional projects have been approved in December 2019 when some previously awarded grants were returned. This presents a different issue in that there will be no funding remaining to be allocated through LEADER during the transition period; the council has lobbied for transition funding to cover this gap but the message from DEFRA/Rural Payments Agency is that this is not currently available.

2.14. The Government has pledged to replace EU funding with the Shared Prosperity Fund[23]. However, as at September 2019, the detailed proposals for this fund have not yet been published and an expected consultation document has not yet been issued. The council will respond to this, as with other funding consultations, to ensure that the Norfolk voice continues to be heard and influences the shape of future funds.

2.15. The council continues to monitor the special position of the INTERREG France (Channel) England programme which we manage. Whilst UK partner funds are guaranteed by HM Treasury, the position of French partners is less clear. We are working closely with the Ministry for Housing, Communities and Local Government (MHCLG), the Department for Business, Energy and Industrial Strategy (BEIS) and the French authorities to resolve this.

Government policy and economy forecasts

2.16. The UK's future relationship with Europe, alongside other policies and decisions by the Government, have a significant impact on the council's planning.

2.17. Alongside the spending round[24], in September 2019, the Government published an update to its preferred measure of illustrative core spending power, which suggests that Local Government's core spending power will increase by £2.9 billion in total in 2020-21, largely relating to the Government's forecast of increased revenues associated with the 2% increase to local council tax in relation to the adult social care precept and an additional grant of £1 billion in social care funding.

2.18. The Bank of England's Monetary Policy Committee (MPC), increased Bank Base Rate from 0.50% to 0.75% on 2 August 2018[25]. The minutes from the MPC's meetings indicate that future increases will be "gradual" and "limited". Both investment earnings rates and new borrowing rates remain low by historical standards.

2.19. The council's treasury management objectives remain safeguarding the timely repayment of principle and interest, whilst ensuring liquidity for cash flow and the generation of investment yield. The council works closely with its external treasury advisors to determine the criteria for high quality institutions, including high quality banks and financial institutions, and local authorities. The council applies a minimum, acceptable credit-rating criteria to generate a pool of highly creditworthy UK and non-UK counterparties which provides diversification and avoids concentration risk. These are detailed further in the Annual Investment and Treasury Strategy 2020-21 (elsewhere on the agenda).

[23] https://researchbriefings.files.parliament.uk/documents/CBP-8527/CBP-8527.pdf
[24] Para 2.28, Spending Round 2019 https://www.gov.uk/government/topical-events/spending-round-2019
https://www.gov.uk/government/publications/spending-round-2019-document/spending-round-2019
[25] Bank Base Rate increase, 2 August 2018, Monetary Policy Committee
http://www.bankofengland.co.uk/boeapps/iadb/Repo.asp

2.20. The council makes non-treasury investments for policy purposes, for example capital loans to subsidiaries and other companies. These are addressed further in the Annual Investment and Treasury Strategy 2020-21.

2.21. The level of commissioning undertaken by the council sees a wide range of services being delivered by partners and through private sector contracts. Contractual obligations are often linked with the Consumer Price Index (CPI), meaning these rates will impact on the council's budget setting activity and medium term planning. CPI[26] is currently running at 1.5% (November 2019 data, published 18 December 2019). Over the previous 12 months, it reached its highest in April and July (2%) and is currently at its lowest level.

2.22. Some of our waste, highways, and care contracts are experiencing pressures requiring inflation well over CPI. Increases in care costs are driven primarily through pay costs and the National Living Wage increase is likely to incur nearly a 6.2% increase. Details regarding how inflationary increases within identified cost pressures have been calculated are included within the Robustness of Estimates report.

2.23. The Government continues to prioritise the integration of the National Health Service and social care in order to improve services for patients and deliver efficiencies. Plans for integration are set out in the local Sustainability and Transformation Programme (STP), which detail the challenges facing health and social care services over the next five years. By 2021 the Norfolk and Waveney STP[27] is intended to drive high quality care through integrated delivery, making significant progress towards financial sustainability. Further details about the STP are provided in the "Organisational Factors" section below.

3. The Government's deficit reduction programme

Deficit reduction 2010-11 to 2015-16

3.1. From October 2010, the Government implemented significant spending reductions with the aim of reducing the national deficit, which fell more heavily on local government than many other parts of the public sector. Norfolk County Council has absorbed a reduction of **£123.791m** in core funding from Government between 2010-11 and 2015-16.

Deficit reduction plans 2016-17 to 2019-20

3.2. In November 2015, the Government announced the outcomes of the Spending Review 2015. This set out plans for departmental budgets for the following four years, up to 2019-20.

3.3. The Autumn Budget 2018 signalled the beginnings of a move away from austerity, but had limited impact on local government funding allocations for 2019-20. The Government's relaxation of austerity and manifesto promises in the December 2019 general election mean that the current period of fiscal consolidation may end earlier than expected, but the uncertainty about leaving the EU and the potential associated economic impact, along with other Government spending commitments, makes it unclear whether this will mean the end of the financial challenges facing local

[26] Historic CPI indices, 18 December 2019, Office for National Statistics https://www.ons.gov.uk/economy/inflationandpriceindices
[27] Norfolk and Waveney STP https://www.healthwatchnorfolk.co.uk/ingoodhealth/

government in the medium term. The Government has however previously signalled that Departmental Expenditure Limits will increase in line with inflation from 2020-21.

3.4. The provisional Local Government Finance Settlement 2016-17 set out an offer of a four-year funding settlement. As a pre-requisite to access these allocations, the council submitted an Efficiency Plan to Government, which was accepted. This meant that the council received the multi-year settlement allocations published as part of the 2016-17 settlement for the period to 2019-20 (adjusted for future events such as transfers of functions). From 2015-16 to 2019-20 these allocations saw the council lose **£96.164m** from the Settlement Funding Assessment (SFA).

3.5. This will mean that over the ten-year period 2010-11 to 2019-20, the council will have received reductions in core funding from Government of some **£219.955m**.

3.6. Following a decade of austerity (since 2009-10) the population of Norfolk has increased by over 6%, and our gross expenditure budget (excluding schools) has reduced by 16.6% in real terms. This equates to over £320 reduction in spend per person in Norfolk which is a larger reduction than the national average of £300 per person.

4. Local factors

4.1. In responding to these national pressures, Norfolk County Council is operating in the context of significant change in both the scope and scale of public services and absorbing the government's associated sustained reductions in levels of funding. This pressure on resources has come at a time of increasing levels of demand, and complexity of needs, for many of the services the council provides.

4.2. The council remains focussed on meeting the twin challenges of increasing demand and reducing central government funding, whilst minimising the impact on the front-line delivery of services, and delivering the six year business plan *Together, for Norfolk*. This Medium Term Financial Strategy has been developed to support this work to ensure that the council's gross budget of £1.4bn is spent to best effect for Norfolk people.

4.3. There are a number of local factors that impact upon services provided or commissioned by Norfolk County Council and therefore affect the budget, yet are (at least in part) outside of the council's control. The most significant of these relate to demographics, the local economy, and ecological pressures.

Demographics

4.4. Norfolk's population is an estimated 903,680 in mid-2018[28] – an increase of around 5,280 on the previous year[29].

4.5. Over the six years between 2012 and 2018, Norfolk's population has increased by 4.5% (or around 38,800 people), compared with an increase of 5.0% in the East of England region and 4.6% in England.

4.6. Over the six-year period from 2012 to 2018, in terms of broad age groups, numbers of children and young people (aged 0-15) in the county increased by around 7,505

[28] ONS mid-2018 population estimates (June 2019)
[29] ONS Revised population estimates for England and Wales: mid-2012 to mid-2018

(increase of 5.2% compared with an increase of 6.1% nationally); numbers of working age adults (aged 16-64) increased by around 6,700 (increase of 1.3% compared with an increase of 2.2% nationally); and numbers of older people (aged 65 and over) increased by around 24,587 (increase of 12.6% compared with an increase of 12.4% nationally).

4.7. The estimates for mid-2018 confirm that Norfolk's population has a much older age profile than England as a whole, with 24.3% of Norfolk's population aged 65 and over, compared with 18.2% in England.

4.8. The ONS 2016-based population projections are trend-based[30], and on this basis, Norfolk's overall population is projected to increase from 2016 to 2026 by around 52,400 people– this is an increase of 5.9% which is below the East of England projected increase of 7.3% and broadly the same as the national projected increase of 5.9%. Norfolk's oldest age groups are projected to grow the quickest over the ten years to 2026, with numbers of 75 to 84-year-olds projected to increase by around 41% and numbers of those aged 85 and over projected to increase by around 24%. This age group is the most likely to require social care, so increases in the size of this older group are likely to have a high impact on the demand for social care services. Numbers of those aged 15 to 29 are projected to fall by around two per cent, with all other age groups projected to increase over the ten years to 2026. Of course, the age structure of the population varies across Norfolk's local authority areas, but in the main, looking forward to 2026, Norfolk continues to have an ageing population.

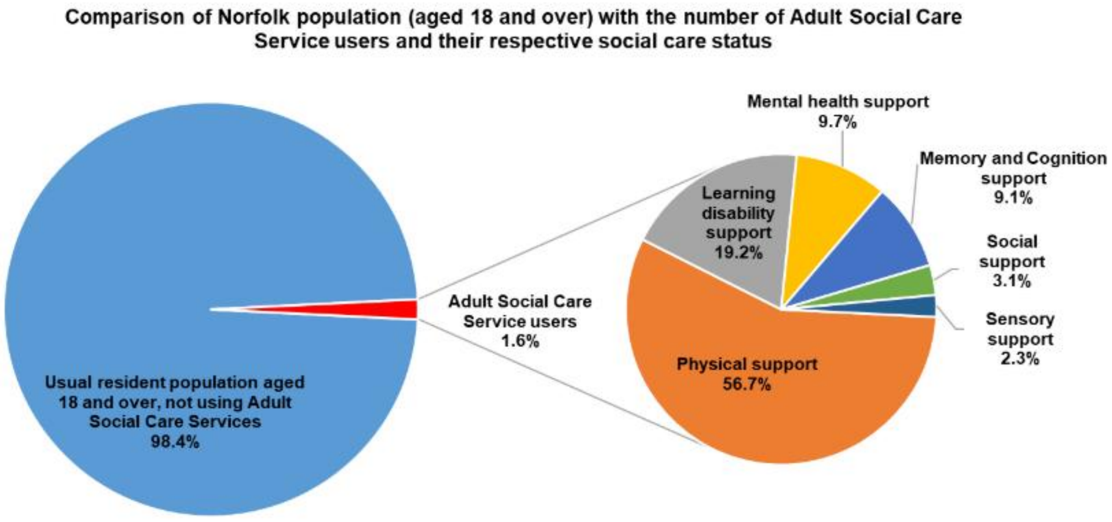
4.9. Looking further ahead, there is projected growth from 2016 to 2041 of around 110,600 people in Norfolk – this is an increase of 12.4% which is below the East of England projected increase of 15.3% and above the national projected increase of 12.1%.

4.10. For both timescales, the largest increase in numbers is projected to be in South Norfolk, and the smallest increase in numbers is projected to be in Great Yarmouth. Norfolk's population is projected to exceed one million by 2041.

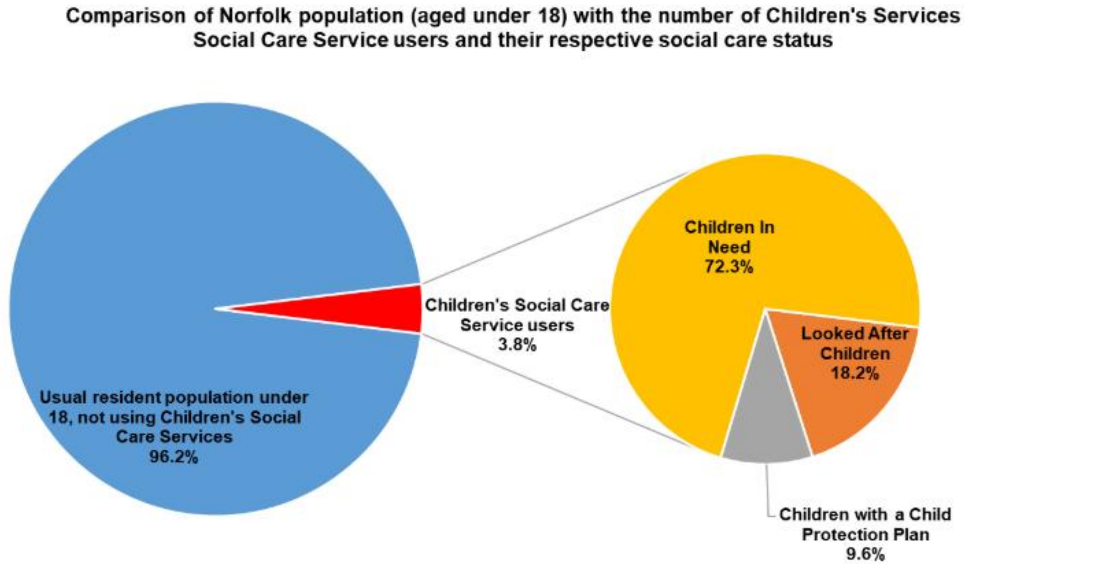
4.11. Further demographic information is provided below, relating to the proportions of adults (aged 18 and over) and children (aged under 18) in Norfolk's population, compared with the proportions who are social care service users, along with their respective social care status.

[30] ONS 2018-based subnational population projections (May2019) are based on the Revised population estimates for England and Wales: mid-2012 to mid-2018

MTFS Chart 1: Adults demographic information



MTFS Chart 2: Children's demographic information



Population data from mid-2018 ONS estimates; service data all 31/03/2018.

Social Mobility

4.12. Social mobility is a complex, systemic issue affecting many areas and people in Norfolk. To address social mobility, we want to prevent causes of social and economic exclusion and to foster sustainable, prosperous communities. To do this, we need to work across all our services and at all levels of government, private and third sectors. Fair funding for rural areas is also fundamental to us being able to achieve our ambitions for the people of Norfolk.

4.13. Improving social mobility across all generations will provide more sustainable benefits for growth for Norfolk, as high levels of employment are generally protective against inequalities and cycles of decline in geographic communities.

4.14. Although often perceived as an urban issue, the 2017 social mobility commission report[31] highlights problems in our rural and coastal areas. In the commission's ranking of social mobility, the districts of Breckland, Great Yarmouth, King's Lynn and West Norfolk, North Norfolk and Norwich are amongst the worst 10% in England.

4.15. Social mobility is also linked to inter-related factors such as health and well-being, affordable housing and deprivation. Deprivation trend data shows us that Norfolk has experienced an increase in relative deprivation over time.

4.16. The key issues for Norfolk are:

- When comparing Indices of Multiple Deprivation (IMD) from 2015 to 2019, there has been a slight relative increase in deprivation. In the 2015 IMD data Norfolk as a whole ranked 88th out of 151 upper tier local authorities, but is now ranked 84th (1 being the most deprived, 151 being the least deprived).
- Based on 2018 population estimates, there are approximately 135,030 people living in the 20% most deprived areas in Norfolk. The areas remain largely urban around Norwich, Great Yarmouth and Kings Lynn, although there are some rural areas in the most 20% deprived.
- Norfolk has an economy somewhat reliant on tourism and agriculture that means that employment opportunities for residents can be both seasonal and low wage, with limited scope for progression. This particularly impacts rural areas and the coast with over 50% of people on low wages living in rural or coastal areas.
- Average earnings in Norfolk are significantly below national and regional levels.
- Typically, access to services is focused on urban areas as the economic case to deliver to smaller numbers in rural areas is challenging. However, in combination with decreasing access to public transport, it is difficult for residents to access support.
- Currently, Norfolk doesn't have a well-established culture of training at all stages of employment, which impacts on progression within the workplace.
- Access to affordable childcare for low income families is a major barrier to social mobility and removes parents, particularly mothers, from the work place for long periods of time.

4.17. A whole council approach, working in partnership with others across the whole public sector system, is needed to address the many inter-related issues that affect social mobility and our local economy.

Local Economy

4.18. The County Council has worked with the **Local Enterprise Partnership (LEP)** to develop the draft Local Industrial Strategy which builds on the Norfolk and Suffolk Economic Strategy which looks to support our key economic strengths, focusses on our major sectors and embraces inclusive growth. Delivering the priorities for Norfolk set out in the new strategy will be the primary economic development priority for the council.

4.19. Promoting the development and expansion of the local economy will become ever more significant as the Government implements plans for localisation of business rates. Already, the council's priorities place the people of Norfolk at the forefront of our plans and investments. Through the Growth and Development team, the council aims

[31] The Social Mobility Commission's "State of the Nation 2017: Social Mobility in Great Britain" report (and accompanying Social mobility index)

to promote, secure and manage funding to support Norfolk's economic growth. The County Council supports the implementation of a wide range of initiatives intended to deliver growth, including working closely with the Local Enterprise Partnership (New Anglia LEP) on a number of projects such as the development of Enterprise Zone sites across the County. The council is part of the Greater Norwich Growth Board which oversees the delivery of the Greater Norwich City Deal and supports infrastructure improvements which will drive growth.

4.20. Despite these interventions it is however important to recognise the potential impact of decisions outside the council's control. For example, the decision to leave the European Union has already had an impact on the investment and operational decisions by many businesses, both locally and nationally and the continued uncertainty is likely to carry on having an impact on growth in the local economy. It remains to be seen what the impact of the eventual outcome will be, but this council, along with other partners, has sought to assess the impact of certain scenarios, to engage with businesses to hear their views and to encourage businesses to make contingency plans through the Business Brexit Sounding Board which we have established following our successful Brexit information event held earlier this year.

4.21. It is also important to note that since the introduction of the Business Rates Retention Scheme in 2013-14, Norfolk has not seen any significant growth or decline in the amount of business rates collected. This is a significant concern for Norfolk for future years, when considering the increasing levels of demand, the move towards Business Rates localisation and the potential changes to Revenue Support Grant. Most significantly, local authorities have relatively limited ability to influence some of the major factors which can impact on the level of business rates collected, including for example the current NHS Trusts challenge, and decisions made by large employers (such as the closure of the Britvic and Colman's/Unilever sites in Norwich and the Construction Industry Training Board (CITB) relocation from its base in Bircham Newton), which can result in large changes to rates income.

Ecology: Waste

4.22. The County Council is responsible for dealing with the left over rubbish (residual waste) collected by all local authorities in Norfolk. Increases in households and the effects of economic growth mean that the amount of left over rubbish and the cost of dealing with it will increase significantly. To help mitigate these effects, the aim of the waste service is to reduce the amount of waste, improve recycling, or reduce unit costs.

4.23. These objectives require additional measures to be put in place by all local authorities in Norfolk and they are actively working on this together as the Norfolk Waste Partnership. This includes looking at alternative funding models to incentivize and facilitate service changes by the District Councils that reduce total system costs.

4.24. The long term trends for household numbers in Norfolk, as well as effects of the general economy, consumer confidence and weather patterns remain uncertain. These variables, as well as things such as service changes by other authorities and changes in legislation, can all have a major effect on the cost of this service, meaning that the suitable approach to managing budgets for this service is to make justifiable and evidence based allowances in medium and longer term plans that are continually subject to review.

Ecology: Flooding

4.25. Norfolk is identified in the Norfolk Local Flood Risk Management Strategy[32] as the area 10th most at risk of local flooding. The county has approximately 34,000 properties at flood risk from local sources during a rainfall event with a 1 in 100 annual chance of occurring. These local sources include flooding from surface runoff, groundwater and from the 7,500 km of watercourses within Norfolk. The County Council's two core aims as Lead Local Flood Authority are to reduce the existing local flood risk for communities and to prevent new development from increasing flood risk. Whilst not directly the authority's responsibility, the county also has nearly 100 miles of coastline and is vulnerable to tidal inundation and surges.

4.26. In the event of a major flooding incident, it is likely that the council would have recourse to the Bellwin scheme of emergency financial assistance to Local Authorities[33]. This would enable the council to be reimbursed for 100% of eligible expenditure above a threshold set by the government. The most recently published threshold for Norfolk was £1.164m in 2017-18 (i.e. this is the maximum liability for the County Council in the event of a major incident eligible for support under the Bellwin rules). However, the annual threshold is 0.2% of the net revenue budget for the year. If the scheme is activated more than once during the year, the threshold is compared with the cumulative expenditure.

5. Organisational factors

Organisational structure and governance changes

5.1. The result of the full County Council elections in May 2017 saw the Authority moving from an authority where no party had overall control to a Conservative controlled authority.

5.2. The County Council moved to an Executive Leader and Cabinet governance structure in May 2019. Aligned to the change in governance, changes to the senior management structure have been implemented, based on five Executive Directors leading the following departments: Children's Services; Adult Social Services; Community and Environmental Services; Finance and Commercial Services; and Strategy and Governance. The statutory Head of Paid Service role is undertaken by the Executive Director of Community and Environmental Services.

5.3. Following these changes, the council commissioned a Corporate Peer Review by the Local Government Association (LGA) which was undertaken in October 2019. The Peer Review recognised that good work was being done across the authority, that changes were being bedded in, and the council is being more outward facing in working with partners and communities. An action plan to respond to the detailed findings of the Peer Review has been developed.

5.4. A local government pay award is yet to be agreed for 2020-21 onwards, however the Medium Term Financial Strategy provides for a projected increase of 2% in 2020-21 and 3% from 2021-22 onwards. To take into account the National Living Wage (NLW), the lowest spinal point rate rose to £9.00 per hour in 2019-20. This was to ensure that

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[32] Norfolk Local Flood Risk Management Strategy

[33] Bellwin Scheme thresholds published October 2017 https://www.gov.uk/government/publications/bellwin-scheme-guidance-notes-for-claims

the new pay spine would reflect future forecast NLW amounts per hour for 2020-21 onwards, which have now been confirmed as £8.72.

The Sustainability and Transformation Programme (STP)

5.5. The Sustainability and Transformation Programme (STP) covers the Norfolk and Waveney area and involves all health and social care organisations. In line with the NHS Long-Term Plan, it is a programme to collectively address the demands facing the NHS and social care system, setting out collective change to services to address the challenges from tighter financial constraints, people living longer and with more complex health and care needs, changes to the type of care people want, as well as new opportunities for treatment and workforce challenges. Alongside the Care Act 2014, the NHS Long-Term Plan 2019 has reiterated the requirement for the 'whole system' to work collaboratively, with Primary Care Networks as a core new focus for shaping and delivering community integrated services.

5.6. The Norfolk and Waveney STP is working towards becoming an Integrated Care System from April 2020. Following consultation, the five clinical commissioning groups will become a single organisation known as NHS Norfolk and Waveney CCG from April 2020.

5.7. Overall, the various Health organisations in Norfolk and Waveney are working more collaboratively, and in addition to the merger of the CCGs, the three acute Trusts are working to one Urgent Emergency Care Board, and Norfolk Community Health and Care (NCHC) and Norfolk and Suffolk Foundation Trust (NSFT) are looking to work in partnership. The STP has a number of Boards and workstreams that underpin these developments.

5.8. From a County Council perspective, the officers of the Executive teams are involved in all key developments and lead core areas for the whole system. For example, Social Prescribing and Enhanced Services to Care Homes.

5.9. The wider system has a total budget of over £1.6bn to spend on health and social care each year. However, spend is more than this and there is currently a significant financial deficit; mainly incurred at the acute hospitals. The financial context is well rehearsed and challenging across the Norfolk and Waveney STP. The aspiration is the sharing of the problem and calculating the overspend as a whole, treating it as "the Norfolk pound" and developing whole system solutions rather than taking the traditional silo approach.

5.10. The council's 2020-24 budget plans for adult and children's social care and public health reflect the relevant aspects of the STP programme of work. Joint funding plans, including the Better Care Fund, are agreed with health partners in line with Department of Health and Social Care guidance.

5.11. Plans within the STP include significant involvement from council services. In particular, the Norfolk and Waveney STP Primary Care Strategy is significant for the way we shape our services. The Primary Care Strategy covers the following areas:

- Boosts out of hospital/care – finally dissolving the historic divide between Primary and Community Services;
- Reducing pressure on emergency services;
- Giving people more control over their health and more personalised care when they need it;
- Digitally enabled care; and

- Local NHS organisations focusing on population health.

Consultation with citizens and equality and rural impact assessments

5.12. The council has undertaken **public consultation** and produced **equality and rural impact assessments** in relation to the 2020-21 Budget and MTFS proposals. Detailed information about the findings of these are included in the Revenue Budget paper (Appendix 1) and in Appendix 5 and Appendix 6.

Resource plans, funding, service pressures and savings

5.13. The plans and assumptions in the council's budget and Medium Term Financial Strategy have been reviewed as part of the preparation of the 2020-21 Budget to ensure that they are robust and deliverable. The Executive Director of Finance and Commercial Services' recommendation of a 3.99% council tax increase is made on the basis that this will enable a more robust budget for 2020-21 and for future years, however the outlook for 2021-22 remains challenging.

5.14. Experience of the implementation of savings plans demonstrates that in some cases the cost, complexity and time required to deliver transformational change is likely to be greater than that originally allowed. As a result, the removal or delay of a number of previously agreed savings has been proposed over the life of the MTFS.

5.15. As set out elsewhere, the Spending Round 2019 as reflected in the provisional Settlement, has provided some more certainty about funding levels for 2020-21 for local authorities. However, there is now very considerable uncertainty around the final three years of the Medium Term Financial Strategy (2021-24).

5.16. Savings are being delivered through a range of approaches. The table below provides a summary of the savings within current budget planning which were subject to specific consultation as part of the development of the 2019-20 budget. Efficiency related savings continue to be targeted as a priority.

MTFS Table 1: Categorisation of savings

	2020-21	**2021-22**	**2022-23**	**2023-24**	**Total**
	£m	**£m**	**£m**	**£m**	**£m**
Savings in current budget planning subject to consultation in 2019-20	-3.000	0.000	0.000	0.000	**-3.000**
Other savings	-35.244	-20.747	-2.383	-0.412	**-58.786**
Total savings	-38.244	-20.747	-2.383	-0.412	**-61.786**

Implications of one-off funding allocations

5.17. Council funding (especially relating to adult social care services) in recent years has predominately been provided on a one-off basis. Whilst the council has aimed to align one-off funding to one off expenditure, such as invest to save proposals, this is not always possible. In particular, the use of winter funding is targeted at managing demand arising from timely discharge from hospital which predominately reflects recurrent costs. In the event that these short-term funding allocations are not made permanent, they will materially increase the pressures arising in 2021-22. This illustrates sharply the case that continues to be made by the council for a sustainable financial solution for adult social care.

General and Earmarked Reserves and provisions

5.18. General reserves are an essential part of good financial management and are held to ensure that the council can meet unforeseen expenditure and respond to risks and opportunities. The level of reserves held has been set at a limit consistent with the council's risk profile and with the aim that council tax payer's contributions are not unnecessarily held in provisions or reserves.

5.19. Earmarked Reserves support the council's planning for future spending commitments. In the current climate of limited resources, the planned use of Earmarked Reserves allows the council to smooth the impact of funding reductions and provides time for the implementation of savings plans. As part of the year-end closure of accounts, a detailed review of the reserves and provisions held by the council is undertaken. The Medium Term Financial Strategy assumes an overall reduction in the level of Earmarked Reserves. Further details of the anticipated use of Earmarked Reserves are included in the Statement on the Adequacy of Provisions and Reserves 2020-24 (Appendix 3).

5.20. When taking decisions on using reserves, it is important to acknowledge that reserves are a one-off source of funding. Once spent, reserves can only be replenished from other sources of funding or reductions in spending. Therefore, reserves do not represent a long term solution to the continued funding reductions facing the council.

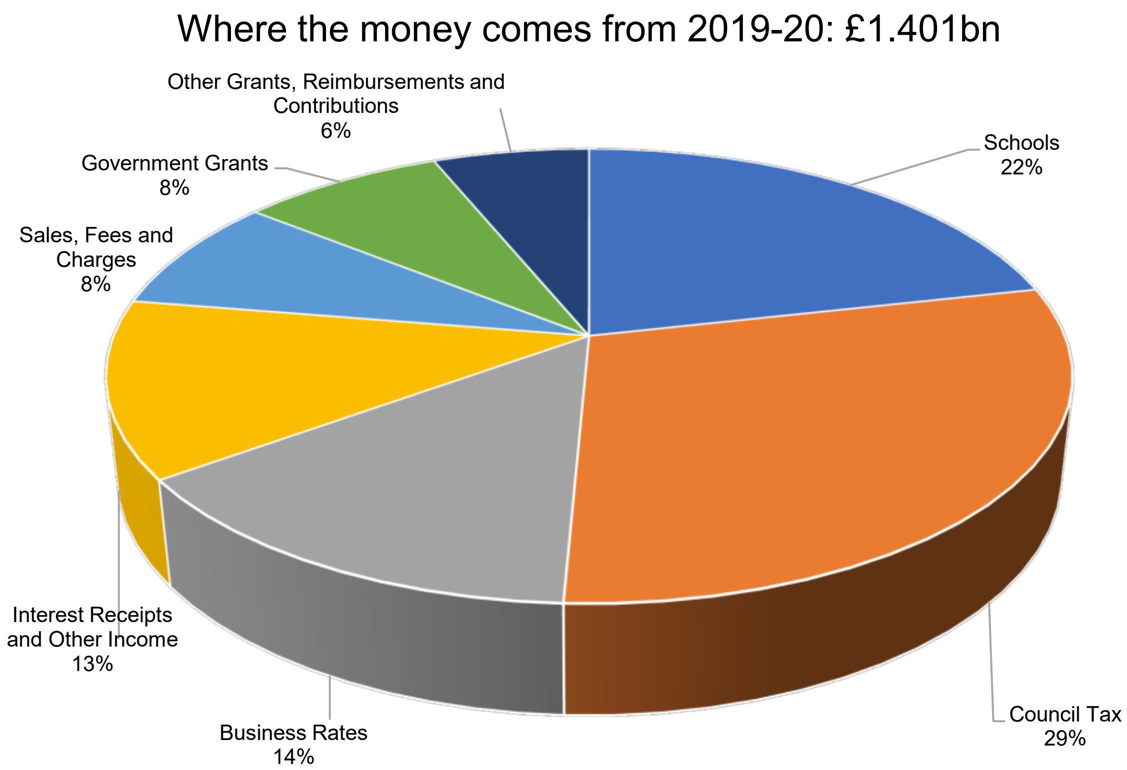
6. Local Government Funding

6.1. Local Government funding has three major components:

- money received through council tax;
- money received through partial retention of locally generated Business Rates; and
- money redistributed by Government in the form of Revenue Support Grant (RSG) and specific grants.

6.2. Councils also generate income through sales, fees and charges. The breakdown of this funding in 2019-20 is shown in the pie chart below.

MTFS Chart 3: Council funding sources 2019-20



Business Rates (14%)

6.3. Since April 2013, councils have no longer received Formula Grant, but instead received funding from a mix of locally retained business rates and government grants that are allocated from centrally retained business rates.

6.4. The introduction of the business rates retention scheme has resulted in a direct link between local business rates growth and the amount of money councils have to spend on local people and local services. The scheme provides incentives for local authorities to increase economic growth, through retention of a share of the revenue generated from locally collected business rates. The new scheme does not alter the way that business rates are set, and they continue to be set nationally by central government.

6.5. Local authorities benefit from 50% of business rates growth (or indeed suffer the consequences of business rates decline) in their area. The scheme is complex, involving a system of tariffs, top-ups and levies, however, at its simplest, for every £100 change in rates in Norfolk, £50 would go to central government, £40 to the district councils and £10 to Norfolk County Council.

6.6. Baselines are fixed in-between reset periods and only adjusted for inflationary increases to allow local authorities to retain generated growth for a period of time. The next reset is expected in 2021-22 following a review of relative needs and resources, intended to deliver an updated and responsive distribution methodology to be implemented from 2021-22. Until then, upper tier authorities are restricted in gains but also protected from reductions somewhat, as a large proportion of income is received through index linked top-ups.

6.7. All local authorities in Norfolk have agreed to establish a Norfolk Business Rates Pool. The Pool allows Norfolk to retain additional business rates funding in the county through retaining levy payments which otherwise would have been paid over to central government.

6.8. The Pool allocates the retained levy to a Joint Investment Fund shared by the Parties for allocation to support Norfolk's economic growth strategy on the basis of the following principles:

i) The purpose of the Norfolk business rates pool is to make strategic investments designed to support Norfolk priorities within the Local Enterprise Partnership's Strategic Economic Plan to support Norfolk's economic growth strategy; and

ii) Priority is given to schemes which:-

- Lever funding from LEP growth and European funds.
- Support projects which will lead to:
  - Job creation
  - Further business rates growth
  - Housing growth
  - Improved skills and qualifications
  - New business creation/expansion
- Ready to start on site and have all relevant permissions, licences, land ownership arrangements in place.

6.9. If a member of the Pool decided it no longer wished to be designated as part of the Pool for 2020-21 it was required to notify the Ministry for Housing, Communities and Local Government (MHCLG) by 17 January 2020. If any council in the Pool requested a revocation of the designation before this date, the rest of the Pool cannot continue. The Secretary of State would then revoke the designation and all local authorities identified as part of the Pool would revert to their individual settlement figures.

6.10. The primary challenge within the current Business Rates scheme is the level of financial risk that councils face due to appeals and business rate avoidance, with little scope for these risks to be managed under the current arrangements. Some councils are of the view that the risks outweigh the rewards available to councils through incentives to grow the local economy. The Government has implemented a new three-stage approach to business rates appeals: "Check, Challenge, Appeal," aimed at providing a system which is easier to navigate, with an emphasis on early engagement to reach a swift resolution of cases. The new system came into force on 1 April 2017, to coincide with the national revaluation of rateable values.

6.11. In respect of the 2020-21 budget, updated District Council forecasts are being collated and the level of income the council will receive is not yet confirmed. Potential business rate appeals and requests for charitable and other reliefs continue to add uncertainty to future rates income.

Changes to the Business Rates Retention Scheme

6.12. All Norfolk councils are in a Norfolk pilot of 75% business rates retention in 2019-20. The Government has now confirmed that it will not invite applications for a further round of pilots in 2020-21. Further details about pooling arrangements for 2020-

21 and the performance of the 75% Business Rates pilot are provided in the Revenue Budget report (Section 8 of Appendix 1).

6.13. The Government has previously stated that it remains committed to increasing business rates retention to 75% for all areas and is aiming to implement this in 2021-22, although no further details were provided at the provisional Settlement in December 2019.

6.14. It remains anticipated that 75% retention is to be achieved by rolling in existing grants including Revenue Support Grant and potentially Public Health Grant, although the details have not yet been published. The incentive to grow business rates locally will be strengthened as it is anticipated that the system will allow for 75% growth to be retained locally from the 2021-22 reset onwards. The Government intends to make these changes as part of a move towards financial self-sufficiency for local government. It is expected that the new system will continue to incorporate an element of redistribution of rates nationally to ensure that all authorities are funded to deliver their statutory duties and to mitigate the impact of variation in the level of business rates income across the country.

6.15. There remains considerable uncertainty at this point about the detailed plans for implementation of the proposals for 2021-22. A key issue for the County Council will be to ensure that the review of funding needs accurately captures the pressures faced by Norfolk, particularly in respect of social care, demographic issues, and the specific local pressures arising from sparsity, rurality and social mobility.

Revenue Support Grant (RSG) (4%)

6.16. The amount of funding the council receives is published as the Settlement Funding Assessment. As shown in the table below, the council remains heavily reliant on RSG and therefore cuts to this funding stream have a significant impact on the budget. Following the 2019 Spending Round, the council's budget planning assumes that Revenue Support Grant is uplifted by 1.6% in 2020-21, with similar changes to Business Rates Baseline and this has been confirmed by the provisional Settlement.

6.17. The table below shows Norfolk's assumed Settlement Funding Assessment, which reflects the actual 2019-20 funding allocations. It should be noted that although RSG allocations continue to be separately identifiable, for Norfolk in 2019-20 RSG was in practice delivered through the 75% Business Rates Pilot. There is currently no information about Settlement Funding beyond 2020-21 and the MTFS gap assumes this will be unchanged from the assumed 2020-21 allocations.

MTFS Table 2: Settlement Funding Assessment

	2019-20 (comparative)		2020-21 (assumed)	
	£m	%	£m	%
Settlement Funding Assessment	**191.343**	100.0%	**194.461**	100.0%
Received through:				
Revenue Support Grant	38.810	20.3%	39.442	20.3%
Baseline Funding Level	152.533	79.7%	155.019	79.7%
Via Top-Up	*125.847*		*127.897*	
Retained Rates	*26.687*		*27.122*	

Specific government grants (8%) and schools funding (22%)

6.18. The table below summarises the amount of specific grants due to be received in 2019-20, along with provisional figures for 2020-21. In most cases the allocations for the years beyond 2019-20 have not yet been confirmed by the Government and there is therefore limited information available about amounts beyond next year. Ring-fenced funding below includes funding to schools, over which the County Council has no control.

MTFS Table 3: Grants and Council Tax

	2019-20 Actual (restated comparative) £m	**2020-21 Provisional £m**
Un-ringfenced	239.502	252.364
Ring-fenced	679.991	717.652
Council tax (council tax increase of 2.99% 2019-20, 3.99% 2020-21)	409.293	427.660
Local Business Rates	26.687	27.122

6.19. Details of significant specific grants are set out below:

Ring-fenced grants

6.20. **Public Health** – Public Health grant continues to be ring-fenced grant in 2020-21 for public health services. The Government has not yet confirmed grant allocations for 2020-21. The Budget currently assumes an inflationary increase but recent announcements have suggested there could be a real term increase in Public Health funding equating to inflation plus 1 per cent, however it is not yet clear whether there will be any new burdens to be funded from this additional money. Public Health covers a wide range of services that may be provided directly to communities or to other organisations that deliver services supporting the health and wellbeing of our population.

6.21. **Dedicated Schools Grant (DSG)** – Schools funding is provided through the Dedicated Schools Grant (DSG) and other grants. The DSG is allocated to local authorities who then delegate the funding to schools in accordance with the agreed formula allocation. Grants are allocated by local authorities to schools as per the Department of Education (DfE) conditions of grants, which vary depending upon the purpose and aims of the funding. The Local Authority will receive its Dedicated Schools Grant allocation for 2020-21 based on the new national funding formula. Pupil premium will continue as a separate, ring-fenced grant.

6.22. It is the local authority's decision how the Schools Block is distributed as, at present, there is no requirement upon local authorities to allocate the block as per the national funding formula unit values. However, central government policy indicates a move towards a 'hard' formula in future and, therefore, the implications of this need to be considered by local authorities when determining their local formula. The options for the local formula for Norfolk were co-produced with Norfolk Schools Forum and all schools were consulted on the options available.

6.23. The Government has announced DSG for 2020-21 totalling £646.495m, this compares to a total DSG allocation of £609.519m in 2019-20 (as at the November 2019 DSG update). The DSG is before academy recoupment.

6.24. **Pupil Premium Grant (PPG)**[34] – 2020-21 allocations have not yet been announced. In 2019-20, disadvantaged pupils: primary were allocated £1,320, which is aimed to help primary schools raise attainment and ensure that every child is ready for the move to secondary school. £935 was allocated for disadvantaged pupils: secondary, these amounts remained unchanged from 2017-18. Disadvantaged pupils are those who have been registered for free school meals at any point in the last six years.

6.25. The pupil premium plus (for children looked after) is £2,300 per pupil and remains the same as in 2018-19. The eligibility for this includes those who have been looked after for one day or more, and (from 2015-16) children who have been adopted from care or have left care under a special guardianship or child arrangement order. Schools receive £2,300 for each eligible pupil adopted from care who has been registered on the school census and the additional funding will enable schools to offer pastoral care as well as raising pupil attainment.

6.26. Children with parents in the armed forces continued to be supported through the service child premium. In 2019-20, the service child premium remained at £300 per pupil.

Un-ring-fenced grants

6.27. **NHS funding (Better Care Fund)** – Since 2015, the Government's aims around integrating health, social care and housing, through the Better Care Fund (BCF), have played a key role in the journey towards person-centred integrated care. This is because these aims have provided a context in which the NHS and local authorities work together, as equal partners, with shared objectives. The plans produced are owned by Health and Wellbeing Boards, representing a single, local plan for the integration of health and social care in all parts of the country.

[34] Pupil Premium Grant allocations 2019-20 https://www.gov.uk/government/publications/pupil-premium-allocations-and-conditions-of-grant-2019-to-2020/pupil-premium-conditions-of-grant-2019-to-2020

6.28. The BCF is developed alongside CCGs (and District Councils in relation to the effective deployment of disabled facility grant, which is passported in full to District Councils). The service continues to work closely with health partners within the Sustainability and Transformation Partnership (STP) and Transforming Care Programme (TCP) and particularly as the wider system works towards Integrated Care System status; the budget plans reflect priorities within the programme, including supporting carers, use of reablement, winter planning and high impact change model to improve delayed transfers of care from hospital.

6.29. The BCF will continue in 2020-21 and is expected to be uplifted by 3.2% in real terms from its existing minimum contribution.

6.30. Disabled Facilities Grant (DFG) allocations are transferred to District Councils through the BCF. This enables Housing Authorities to meet their statutory duty to provide adaptations to the homes of people with disabilities to help them live independently for longer. From 2016-17 the DFG allocations have included amounts to offset the discontinuation of the Social Care Capital Grant. Allocations for 2019-20 were announced in May 2019 and showed an increase nationally of £37m when compared to 2018-19.

6.31. **Social Care Grant** – The provisional Settlement confirmed £1bn of new funding nationally within allocations of a new Social Care Grant for 2020-21 (in addition to the social care support grant from 2019-20). In total this provides £24.755m for Norfolk in the new Social Care Grant which is intended to help address cost pressures across both Adults and Children's social care.

6.32. **Improved Better Care Fund** – From 2017-18 the County Council has received additional funding for Adult Social Care via Improved Better Care Fund (iBCF) allocations funded from changes to the New Homes Bonus grant. The three year plan covering the period 2017-2020 setting out the use of this funding was agreed by the County Council and health partners in July 2017. The iBCF will continue to support delivery of services in line with the agreed plans. The funding represents a mix of recurrent and one-off funding and the council has created a reserve to ensure that the agreed plans are delivered over multiple years. The adult social care budget reflects these movements and use of reserves.

6.33. The Spring 2017 Budget subsequently included an additional £2bn of **one-off funding supplementary to the improved better care fund** to councils in England over three years to spend on adult social care services. £1 billion of this funding was provided in 2017-18 to ensure that "*councils can take immediate action to fund care packages for more people, support social care providers, and relieve pressure on the NHS locally.*" Norfolk received £18m in 2017-18, followed by £11m in 2018-19 and £6m in 2019-20. The use of this funding was agreed locally with health partners.

6.34. The provisional Settlement in December 2019 set out proposals to continue to pool iBCF with the Better Care Fund. It also indicated that iBCF funding will continue at 2019-20 levels, and in addition that £4.179m of Winter Pressures Funding provided in 2019-20 would be rolled in, with ringfencing removed, meaning **ongoing iBCF funding of £38m from 2020-21**.

6.35. **Local Reform and Community Voices grant** – allocations for this grant, which consists of three funding streams (Deprivation of Liberty Safeguards in Hospitals; local Healthwatch funding; and funding for the transfer of Independent NHS Complaints Advocacy Service to local authorities) have not been announced for 2019-20 or future years. It may be that the grant has been reduced or removed, but in the past allocations have not been published until after the start of the financial year and it is therefore assumed that this funding continues in 2020-21 and in future financial years, however if not received, a pressure of £0.588m will arise.

6.36. **Independent Living Fund (ILF)** – the ILF provides support for disabled people with high support needs, to enable them to live in the community rather than in residential care settings. From 1 July 2015 responsibility for supporting ILF users in England passed to local authorities, with associated grant funding being provided. Provisional allocations have been published through to 2019-20, and no changes are currently expected for 2020-21 following the provisional Settlement.

6.37. **Social Care in Prisons grant** – the Social Care Act establishes that local authorities are responsible for assessing and meeting the care and support needs of offenders residing in any prison, approved premises or bail accommodation within its area. This grant is to provide additional funding to undertake this new burden. Allocations have not yet been announced for 2019-20 onwards but it is assumed that the funding continues. If the funding is not received a pressure of £0.349m will arise in Adult Social Care for this and future financial years.

6.38. **New Homes Bonus Funding** – New Homes Bonus (NHB) is a grant paid by central government to local councils for increasing the number of homes and their use. The New Homes Bonus is paid for each new home, linked to the national average of the council tax band, originally for a period of six years. As part of the provisional Settlement, the Government has confirmed that the national baseline for housing growth will continue to be 0.4%, effectively reducing the number of eligible properties in the calculation of the grant. Since 2018-19 NHB payments have been made for four, rather than five years. No changes were announced for 2020-21 within the provisional Settlement, but a consultation on reforming the grant will be undertaken to be implemented from 2021-22.

6.39. **Rural Services Delivery Grant** – Rural Services Delivery Grant (RSDG) recognises the extra costs of delivering services in rural areas. The provisional Settlement confirmed that allocations of Rural Services Delivery Grant will remain at £81m nationally for 2020-21.

6.40. **Winter Pressures Funding** – The provisional Settlement confirmed that winter pressures funding originally announced in October 2018 would no longer be ringfenced for that purpose and has been rolled into the iBCF (see above).

Council Tax (29%)

6.41. Council tax is a key source of locally raised income. This helps make up the difference between the amount a local authority needs to spend and the amount it receives from other sources, such as business rates, government grants, and fees and charges.

6.42. In 2016-17 the Government introduced a new discretion for local authorities providing adult social care to raise additional council tax as an Adult Social Care precept. This gave authorities the option to raise an additional precept of 2%, on top of their existing discretion to raise council tax within the referendum limit (at the time also 2%). In 2017-18, the Government further extended the flexibility around the Adult Social Care precept, allowing councils to raise it by 3% in 2017-18 and 2018-19, but in this event having no rise permitted in 2019-20. The council took advantage of this flexibility to raise the maximum Adult Social Care precept by 2018-19 meaning no increase was applied in 2019-20.

6.43. The Government included within the local government technical consultation (October 2019), a core council tax referendum principle of up to 2% and an adult social care precept of 2% on top of the core principle. The Medium Term Financial Strategy is based on the following council tax assumptions for planning purposes (in view of the current discretions available and subject to Member decisions in each year).

MTFS Table 4: Council Tax assumptions

	2019-20	2020-21	2021-22	2022-23	2023-24
Assumed increase in general council tax (based on CPI)	2.99%	1.99%	1.99%	1.99%	1.99%
Assumed increase in Adult Social Care precept	0.00%	2.00%	0.00%	0.00%	0.00%
Total assumed council tax increase	**2.99%**	**3.99%**	**1.99%**	**1.99%**	**1.99%**

6.44. It should be noted that in the event of an increase in the referendum limit, or given the scope to further increase the Adult Social Care precept, it is likely that the Section 151 Officer would recommend the maximum available council tax be raised in future years, in view of the council's wider financial position. Further background information about council tax is provided below and in the Revenue Budget report.

Council Tax assumptions within Core Spending Power for 2016-17 onwards

6.45. In 2016-17 the Government introduced a measure of "core spending power", intended to reflect the resources over which councils have discretion. However, in reality, the council has limited discretion over how much to raise council tax, and cannot significantly influence whether businesses pay Business Rates, or the level of allocated central government funding. Core spending power risks painting an unrealistic picture of how well a council might be faring. For example, Norfolk's core spending power has risen from £606.336m in 2015-16 to £697.984m in 2020-21, an increase of £91.648m, however £76.421m of this increase has been delivered through increased council tax and £39.331m through the adult social care precept, effectively transferring the burden to local council tax payers. During this time the council has also had to plan to make substantial savings to meet wider cost pressures and reductions in funding and enable the setting of a balanced budget.

6.46. The assessment of core spending power was used in 2016-17 as a mechanism to distribute reductions in Revenue Support Grant for the period up to 2019-20 to ensure that within each tier of Local Government (upper-tier, lower-tier, fire and rescue, and GLA other services), authorities of the same type received the same percentage change in settlement core funding. The inclusion of council tax in this calculation represented a significant change in Government policy. The Spending Review document at the time stated that this was intended to "*rebalance support including to those authorities with social care responsibilities by taking into account the main resources available to councils, including council tax and business rates.*"[35]

[35] *Spending Review and Autumn Statement 2015*, para 1.242, p59, https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/479749/52229_Blue_Book_PU1865_Web_Accessible.pdf

6.47. Nonetheless, by previously using core funding as a mechanism for the distribution of funding in the settlement, the Government has effectively assumed that councils will raise council tax at the referendum threshold, will raise the Adult Social Care precept if available, and that historic levels of tax base growth will persist. As a result, any decision to raise council tax by less than the maximum available will lead to underfunding when compared to the Government's expectations, and may make it more difficult to lobby for additional central government funding.

7. Revenue strategy and budget

7.1. The primary objective of the Medium Term Financial Strategy 2020-24 is to show a balanced four year position. At present further savings or additional revenue funding need to be identified to meet the shortfall shown in the period 2021-22 to 2023-24 below:

MTFS Table 5: Provisional medium term financial forecast budget shortfall

	2020-21	2021-22	2022-23	2023-24
	£m	£m	£m	£m
Additional cost pressures and forecast reduction in Government grant funding	79.124	72.065	40.826	45.593
Forecast council tax increase	-18.368	-15.827	-14.492	-15.528
Identified saving proposals and funding increases	-60.757	-20.747	-2.383	-0.412
Budget shortfall	**0.000**	**35.492**	**23.949**	**29.652**

7.2. The council's revenue budget plans deliver a balanced budget for 2020-21, but a shortfall remains in the subsequent years 2021-22 to 2023-24 (an **overall deficit in the Medium Term Financial Strategy of £89.093m**). It should be noted that the 2021-22 gap is effectively consistent with the original gap for that year in the 2019 MTFS (which was £34.971m) and also in the same order as the gap which has been closed for 2020-21 (2019 MTFS 2020-21 gap was £35.886m).The Medium Term Financial Strategy (MTFS) is intended to aid forward planning and help mitigate financial risk. The detailed timetable for the identification of the required savings and future year budget setting is set out in the Revenue Budget report (Appendix 1).

7.3. Uncertainty remains around a number of key areas which could impact on the MTFS in future years:

- uncertainty regarding previous one-off funding beyond 2020-21 and in particular the use of one-off funding to deliver recurrent services.
- pressure on budgets from needs led services, relating to adults and children's social care, where the number of service users and the complexity of need continues to increase.
- the level of Dedicated Schools Grant funding provided to deliver High Needs Block SEND provision, and the progress in recovering the deficit position on these budgets;
- the impact of the decision to leave the EU on local government funding and the wider local economy;

- whether the financial demands of wider government spending decisions will necessitate changes in the way local services are delivered and organisations are configured as demonstrated by the wider debates about reorganisation taking place across local government;
- the assumed implementation of 75% Retention of Business Rates and the fair funding review in 2021-22, whether there will be any additional responsibilities transferred to Local Government as part of this process, and the level of any further funding reductions;
- the ability of local tax payers to continue to absorb increases in council tax and the Adult Social Care precept; and
- further integration of health and social care, including Transforming Care Plans, which aims to move people with learning disabilities, who are currently inpatients within the health service, to community settings.

7.4. CIPFA’s new Financial Management Code sets out a requirement for councils to consider a long-term financial view which recognises financial pressures. This should include an assessment of the sensitivity of the council’s position to a range of alternative scenarios. The table below therefore provides a summary long term financial outlook for the council, based on currently known pressures and an assumption that government funding continues at the same level as 2020-21.

MTFS Table 6: Draft long term financial forecast budget shortfall

	Medium Term Financial Strategy				Long Term Financial Outlook						Total
	2020-21	**2021-22**	**2022-23**	**2023-24**	**2024-25**	**2025-26**	**2026-27**	**2027-28**	**2028-29**	**2029-30**	
	£m	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**
Growth Pressures											
Economic and inflationary	16.387	19.076	19.791	19.791	20.693	21.449	22.101	22.765	23.454	24.146	**209.653**
Legislative requirements	7.996	7.813	6.851	8.017	5.999	0.000	0.000	0.000	0.000	0.000	**36.676**
Demand and demographic	19.005	11.480	11.380	11.980	11.000	11.000	11.000	11.700	11.100	11.100	**120.745**
Policy decisions	33.194	29.679	2.754	5.755	0.111	0.118	0.124	0.000	0.000	0.000	**71.735**
Funding decreases	2.542	4.017	0.050	0.050	0.000	0.000	0.000	0.000	0.000	0.000	**6.659**
Savings and funding increases											
Identified savings	-38.244	-20.747	-2.383	-0.412	0.000	0.000	0.000	0.000	0.000	0.000	**-61.786**
Funding increases	-22.513	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	**-22.513**
Council tax changes	-18.368	-15.827	-14.492	-15.528	-12.707	-14.635	-15.075	-15.529	-15.996	-16.478	**-154.635**
Forecast Gap (Surplus)/Deficit	**0.000**	**35.492**	**23.949**	**29.652**	**25.096**	**17.932**	**18.150**	**18.936**	**18.558**	**18.768**	**206.534**

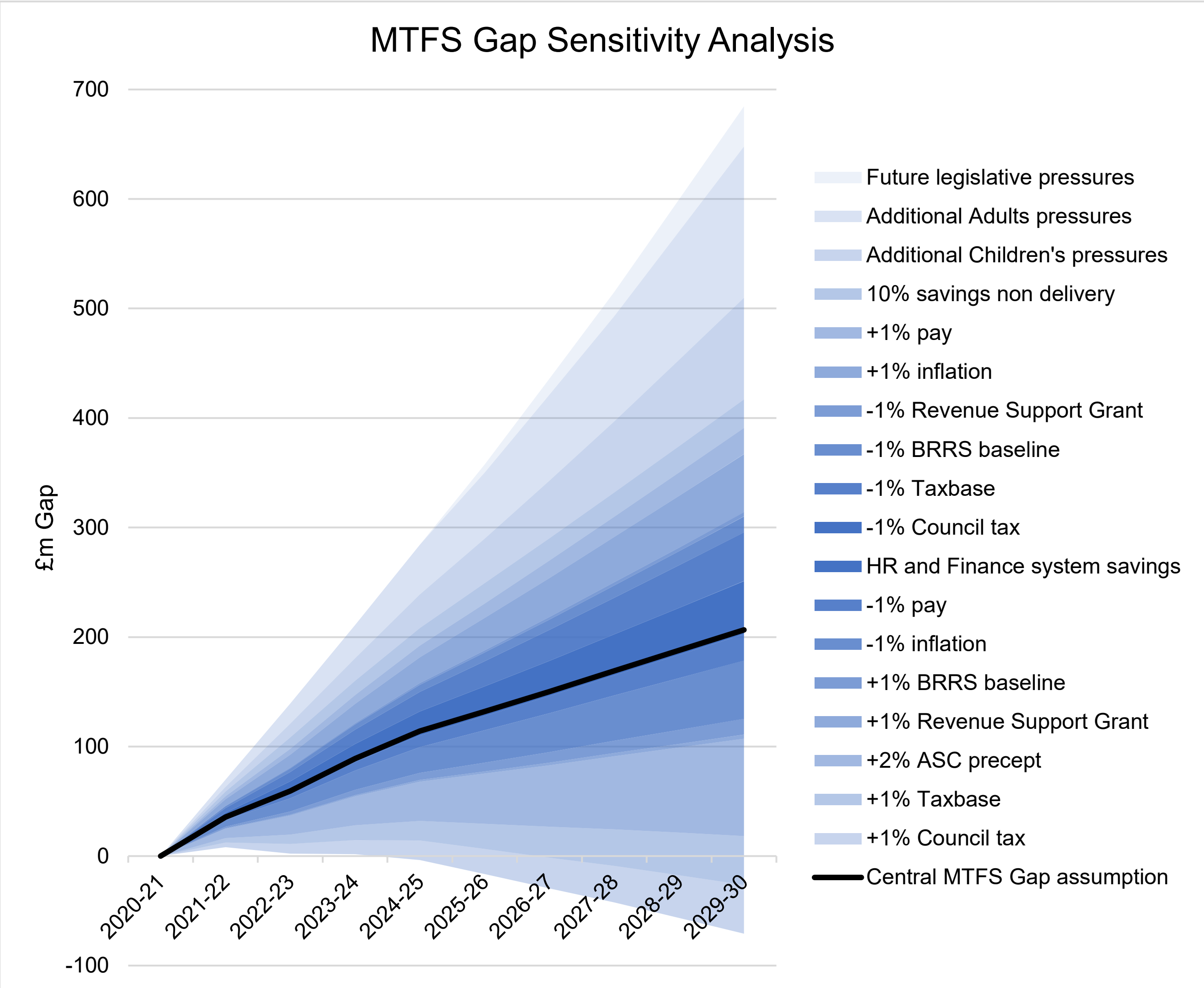
7.5. The long term outlook suggests a cumulative budget gap over £200m by 2029-30, if no mitigating actions are taken. However, the level of this gap is highly sensitive to changes in assumptions and is ultimately likely to be materially different. In particular, the level of uncertainty within these forecasts inevitably increases for later years. The sensitivity of the budget in 2020-21 to changes in key assumptions is shown in the following table.

MTFS Table 7: Assumption sensitivity

Change in assumption	£m
10% savings non delivery	+/- 4.324
+/-1% pay inflation	+/- 2.656
+/-1% general inflation	+/- 5.910
+/-1% Revenue Support Grant	+/- 0.394
+/-1% Business Rates baseline	+/- 1.550
+/-1% Council tax base	+/- 4.243
+/-1% Council tax	+/- 4.243

7.6. The graphic below illustrates the range of sensitivity around the central MTFS forecast shown in **MTFS Table 6**. The graphic indicates that if all upside assumptions occurred, there would be no gap in 2029-30, however if all downside risks materialise, the gap could potentially be well in excess of £600m. The reality is likely to be somewhere around the central forecast, but this provides members with a sense of the uncertainty linked to potential variation and level of risk.

MTFS Chart 4: MTFS Gap Sensitivity Analysis



8. Capital strategy and budget

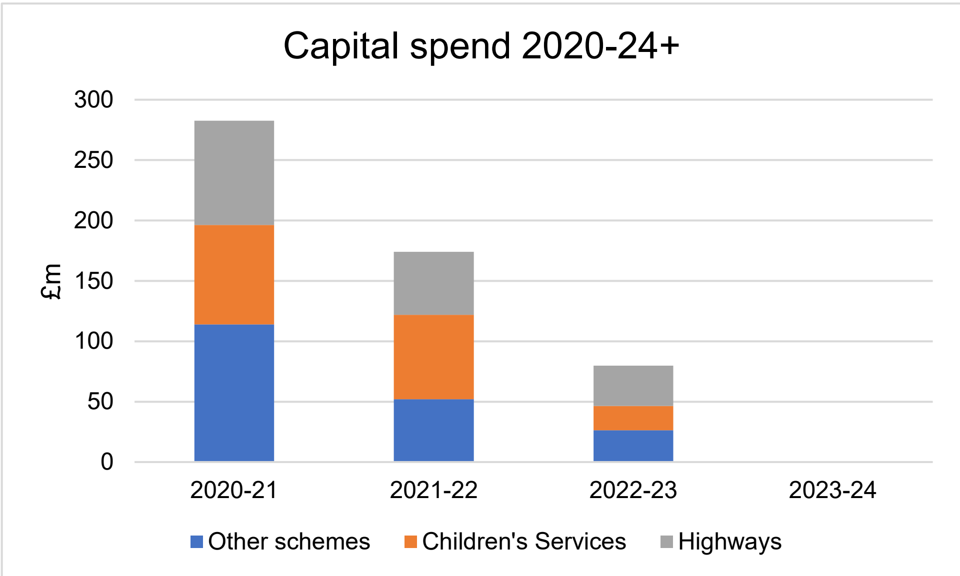
8.1. The Capital Strategy provides a framework for the allocation of resources to support the council's objectives. The capital strategy is intended to:

- give a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services along with an overview of how associated risk is managed and the implications for future financial sustainability; and
- demonstrate that the authority takes capital expenditure and investment decisions in line with service objectives and properly takes account of stewardship, value for money, prudence, sustainability and affordability.

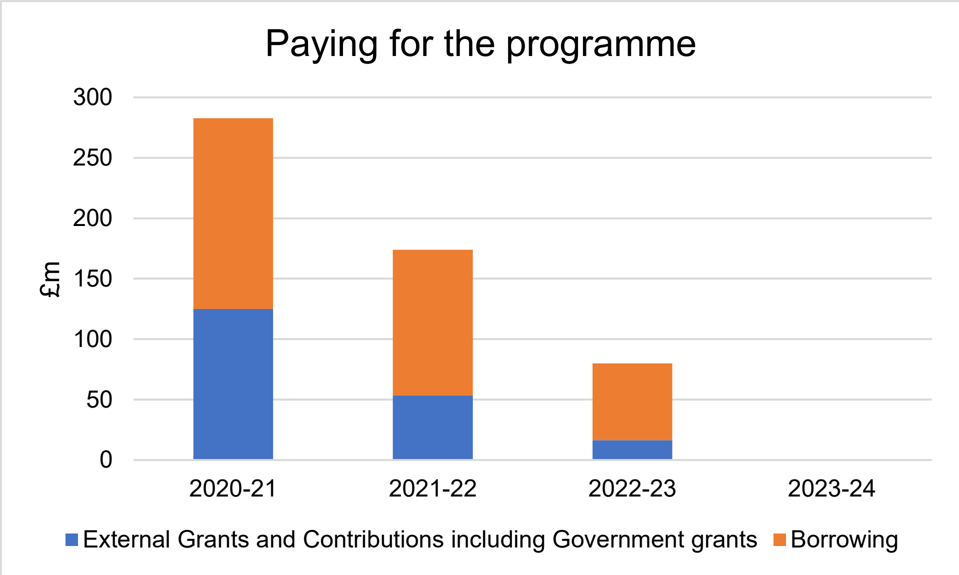
8.2. A proposed capital programme for 2020-24+ of £536.577m is included elsewhere on the agenda.

8.3. The bar charts below show the split of capital spend and how it is funded.

MTFS Chart 5: Capital Programme expenditure 2020-24+



MTFS Chart 6: Capital Programme funding 2020-24+



8.4. The main use of capital receipts over the next three years will be to apply the first £2m directly to the re-payment of debt as it falls due in order to support the revenue budget, and to support costs incurred expanding and maintaining the farms estate. Any surplus will either be retained to support future demands and reduce borrowing or to fund transformation projects as permitted under the flexible use of capital receipts strategy (including service restructuring and demand management). The amount and timing of capital receipts is subject to a great deal of uncertainty, particularly in respect of development land. The programme of potential sales is regularly updated and the latest forecasts suggest that capital receipts of around £14m are anticipated over the next three years, of which £6.0m is forecast to be directly applied to debt repayments.

County Farms

8.5. The County Farms Estate is managed in accordance with the policy approved by the council in October 2017. Following two recent acquisitions, the size of the estate has been maintained in excess of the minimum 16,000 acres as required under the constitution and now extends to 16,854. The Farms Estate generates circa £2.305m annual rent income for the council and this is projected to rise to £2.345m. After deducting direct landlord's expenditure in maintaining and improving the Estate, and the cost of management, a net contribution of £0.531m is made to the council's revenue budgets.

8.6. There is a significant backlog of repairs and maintenance across the Estate which is now being addressed. This has a consequent effect on the Estate's ability to make a more substantial revenue contribution. For example, £96,242 was spent on statutory fixed wire testing and remedial works in 2018-19. The majority of the backlog has been cleared during 2019-20 leading to an enhanced revenue yield.

8.7. A programme of planned improvements is continuing to be implemented, funded both from the Capital Programme for larger schemes and from the trading account for revenue improvement schemes. In 2018-19 the estimated expenditure of capital and revenue improvements amounts to just over £0.709m. Revenue repair budget is £0.684m for 2019-20 and the capital budget currently totals £2.403m.

9. Summary

9.1. The Medium Term Financial Strategy sets out details of the high level national and local factors which are considered likely to impact on the council's budget planning over the next four years. It provides information about how the council intends to respond to these challenges and needs to be taken into account when the County Council makes decisions about the Budget. The MTFS in particular provides an overview of the likely implications of 2020-21 budget decisions for the future years 2021-22 to 2023-24, and outlines the potential longer-term issues facing the council, such as (for example) the further localisation of business rates and the fair funding review.

9.2. The overarching purpose of the Medium Term Financial Strategy is to support the council in developing balanced budget plans over the three year period, and to support this objective a proposed planning timetable for setting a balanced budget for 2021-22 is included within the 2020-21 Revenue Budget report.

9.3. The Medium Term Financial Strategy links closely with the new CIPFA Financial Management Code and as such it is an important component of the authority's financial management framework. In particular, the Medium Term Financial Strategy is one of the tools which supports the council to develop plans which will assist in maintaining financial resilience in the medium term. It will be further refined in 2020-21 in order to fully align it with the requirements of the Financial Management Code when it is implemented in 2021-22.

Norfolk County Council
Statement on the Adequacy of Provisions and Reserves
2020-21 to 2023-24

1. Introduction

1.1. This report sets out the Executive Director of Finance and Commercial Services' statement on the adequacy of provisions and reserves used in the preparation of the County Council's budget. As part of budget reporting to Cabinet and the County Council, the Executive Director of Finance and Commercial Services is required under the Local Government Act 2003 to comment on the adequacy of the proposed financial reserves. Members must consider the level and use of reserves and balances to inform decisions when recommending the revenue budget and capital programme.

1.2. Reserves are an essential part of good financial management and are held to ensure the council can meet unforeseen expenditure and to smooth expenditure across financial years. They enable councils to manage unexpected financial pressures and plan for their future spending commitments. While there is currently no universally defined level for councils' reserves, the reserves a council holds should be proportionate to the scale of its future spending plans and the risks it faces as a consequence of these. Norfolk County Council's policy has been to set limits consistent with the council's risk profile and with the aim that council taxpayer's contributions are not unnecessarily held in provisions or reserves.

1.3. This report sets out the County Council policy for reserves and balances and details the approach to setting a risk assessed framework for calculating a recommended level of general balances. This explicitly identifies the risks, over ten categories, and the quantification of those risks, in arriving at the recommended level. Taking into account the overall position, it is considered that the current level of general balances is adequate and the minimum level is therefore proposed at £19.623m.

1.4. Details of the County Council's other reserves and provisions are also provided alongside an assessment of their purpose and expected usage during 2020-24.

2. Purpose of holding provisions and reserves

2.1. The council holds both provisions and reserves. **Provisions** are made for liabilities or losses that are likely or certain to be incurred, but where it is uncertain as to the amounts or the dates on which they will arise. The council complies with the definition of provisions contained within CIPFA's Accounting Code of Practice. **Reserves** (or Earmarked Reserves) are held in one of three main categories:

- Reserves for special purposes or to fund expenditure that has been delayed – reserves can be held for a specific purpose, for example where money is set aside to replace equipment or undertake repairs on a rolling cycle, which can help smooth the impact of funding.
- Local Management of Schools (LMS) reserves that are held on behalf of schools – the LMS reserve is only for schools and reflects balances held by individual schools. The balances are not available to support other County Council expenditure.
- General balances – reserves that are not earmarked for a specific purpose. The general balances reserve is held to enable the County Council to manage

unplanned or unforeseen events. The Executive Director of Finance and Commercial Services is required to form a judgement on the level of the reserve and to advise Cabinet accordingly.

2.2. Reserves are held for both revenue and capital purposes. However, some are specific e.g. Usable Capital Receipts can only be used for capital purposes. The following section of this report constitutes the council's policy on reserves and provisions and can be used to provide guidance in assessing their level.

3. Norfolk County Council Policy on Reserves and Provisions

3.1. **Objective**

3.1.1. The objective of holding provisions, reserves, and general balances is to ensure the council can meet unforeseen or uncertain expenditure, and to meet specific future commitments as they fall due.

3.1.2. The level of provisions and reserves are continually reviewed to ensure that the amounts held are within reasonable limits. Those limits should be consistent with the council's risk profile and should ensure that council taxpayers' contributions are not unnecessarily held in provisions or reserves.

3.2. **Provisions**

3.2.1. Provisions are made for liabilities or losses that are likely to be incurred, or certain to be incurred, but uncertain as to the amounts or the dates on which they will arise. The council complies with the definition of provisions contained within CIPFA's Accounting Code of Practice.

3.2.2. The provision amounts are reported to Cabinet on a regular basis and are continually reviewed to ensure that they are still needed and that they are at the appropriate amount. If necessary, the amount is increased or decreased as circumstances change to ensure that the provisions are not over or understated.

3.3. **Reserves**

3.3.1. The council's reserves consist of the following main categories:

- Reserves for special purposes or to fund expenditure that has been delayed
- Local Management of Schools (LMS) reserve
- Dedicated Schools Grant (DSG) reserve
- General balances (Reserves that are not earmarked for a specific purpose)

3.3.2. Further details of these categories is set out below. The council complies with the definition of reserves contained within CIPFA's Accounting Code of Practice.

3.3.3. Similar to provisions, reserves are reported to Cabinet on a regular basis and are continually reviewed in the context of service specific issues and the council's financing strategy. Reserves are held for revenue and capital purposes. Some reserves, such as general balances, could be used for either capital or revenue purposes, whilst others may be specific e.g. Usable Capital Receipts can only be used for capital purposes.

3.3.4. **Reserves for special purposes or to fund expenditure that has been delayed.**
Reserves can be held for a specific purpose. An example of a reserve is repairs and renewals. Money is set aside to replace equipment on a rolling cycle. This effectively spreads the impact of funding the replacement equipment when the existing equipment is no longer fit for purpose.

3.3.5. **LMS reserve**
The LMS reserve is only for schools and reflects balances held by individual schools. These balances are not available to support other County Council expenditure.

3.3.6. **DSG reserve**
The DSG reserve represents the cumulative position of the ringfenced DSG funding provided by the DfE. From the 2018-19 outturn, DSG reserves or deficits have been reported as a separate ring-fenced reserve. A DSG deficit does not need to be covered by an equivalent amount in a local authority's general reserves.

3.3.7. **General balances**
The general balances reserve is held to enable the County Council to manage unplanned or unforeseen events. The Executive Director of Finance and Commercial Services is required to form a judgment on the level of this reserve and to advise Cabinet and County Council accordingly.

In forming a view on the level of general balances, the Executive Director of Finance and Commercial Services takes into account the following:

- Provision for Unforeseen Expenditure
- Uninsured risks
- Comparisons with other similar organisations
- Level of financial control within the Council

3.3.8. **Provision for Unforeseen Expenditure**
Unforeseen expenditure can be divided into two categories:

- Disasters
- Departmental Overspends

In a disaster situation, the council can have recourse to the Government using the Bellwin rules under which the council would have to fund the first £1.164m of costs (2017-18 threshold). Central government would provide grant funding of 100% for eligible expenditure incurred above this amount. Examples of natural disasters are severe flooding and hurricane damage.

The council also needs to be able to fund a departmental overspend, should one occur.

3.3.9. **Uninsured risks**
A combination of external insurance cover and the council's insurance provision provides adequate cover for most of the council's needs. Considerable emphasis has been placed upon risk management arrangements within the council in order to minimise financial risks.

However, there are some potential liabilities, such as closed landfill sites, some terrorism cover, and some asbestos cover, where it is not economical or practical to purchase external insurance cover. The County Council needs to have some provision in the event of such a liability arising.

3.3.10. **Comparisons with similar organisations**
As part of assessing the minimum level of general balances to be held, comparisons are made with other County Councils. Based on the latest Cabinet monitoring report, the forecast level of general balances at 31 March 2020 is £19.623m, prior to allowing for the revenue budget year end position. The County Council holds balances of 4.9% as a percentage of its net 2019-20 budget (Council Tax Requirement). This percentage can only be used as a guide as each council's circumstances are different. However, the percentage of general balances compared to the net revenue expenditure is below average in comparison to other County Councils, which is 6.2%.

3.3.11. **Level of financial control within the council**
Factors that are taken into account in assessing the level of financial control are:

- The state of financial control of the Revenue Budget and the Capital Programme;
- The adequacy of financial reporting arrangements within the council;
- Adequate financial staffing support within the council, including internal audit coverage;
- Working relationships with Members and Executive Directors;
- The state of financial control of partnerships with other bodies; and
- Any financial risks associated with companies where the council is a shareholder.

In evaluating the level of general balances, as part of producing the 2020-21 Budget, the Executive Director of Finance and Commercial Services has used a framework based on considering all risk areas and then quantifying the risk using the related budget and applying a percentage factor, which will vary according to the assessed level of risk. The total value against each risk provides an estimate of the level of balances required to cover the identified risk and overall provides an assessment of the level of general balances for the County Council.

The ten areas of risk considered in the general contingency are set out in the report to the Cabinet budget meeting, including an explanation of the potential risks faced by the council. The report also details the calculation of the general balances. The balances reflect spending experience and risks to which the council is exposed.

3.3.12. **Minimum Level of General Balances**
Taking all of the above factors into account, the Executive Director of Finance and Commercial Services currently advises that the council holds the following minimum level of general balances for 2020-21 and indicative minimum levels for planning purposes for 2021-22 to 2023-24.

Reserves Table 1: Norfolk County Council general balances requirement

2019-20 (31/03/2020 Forecast)		2020-21	2021-22	2022-23	2023-24
£m		£m	£m	£m	£m
19.623	Assessment of the level of General Balances	19.623	25.982	26.343	26.431

Having considered the adequacy of the overall general fund balance, the Executive Director of Finance and Commercial Services considers that it is not appropriate to make further budget reductions to accommodate an increase in the level of general balances, but having regard to the reserves and balances risk assessment, any additional resources which become available in 2020-21 should be added to the general fund balance wherever possible.

Executive Directors are expected to comply with financial regulations and deliver their services within the budget approved by the County Council and therefore departments are not expected to draw upon the £19.623m.

If the level of general balances is reduced to below the minimum balance, currently £19.623m, the shortfall will need to be replenished as soon as possible or as part of the following year's budget.

4. Current context

4.1. The minimum level of general balances is recommended at £19.623m for 2020-21. The projected actual level at 31 March 2020 is £19.623m, prior to allowing for the revenue budget year end position, which is currently forecasting an overspend of £3.696m (period 8 as per the monitoring report to Cabinet 13 January 2020). Executive Directors are continuing to take action to secure achievement of a balanced outturn position for the year. The budget proposals for 2020-21 do not include any use of general balances. The level of minimum balance is informed by an assessment of the financial risk to which the council is exposed, whilst also taking account of the level of financial controls within the council. Financial management and reporting arrangements are considered to be effective and this has been commented on by the external auditors.

4.2. Norfolk County Council's provisions and reserves are reported to Cabinet on a monthly basis and are subject to continual review. As previously discussed, in comparison with other County Councils, the Council holds a lower than average percentage of general balances and this is borne out by the position shown in the newly published CIPFA Financial Resilience Index as discussed in further detail in of section 3 Appendix 4.

4.3. In setting the annual budget, a review of the level of reserves is undertaken, alongside any under or overspend in the current year, to determine whether it is possible to release funding to support the following year's budget or whether additional funding is required to increase the level of reserves. That review is informed principally by an assessment of the level of financial risk to which the council is exposed and an assessment of the role of reserves in supporting future spending plans.

4.4. The overall level of general balances needs to be seen also in the context of the earmarked amounts set aside and the council's risk profile. Whilst it is recognised that all county councils carry different financial risk profiles, the position in Norfolk is that the level of its general balances is below that of most other counties. The Executive Director of Finance has therefore **recommended a principle of seeking to increase general fund balances in 2020-21** and that any additional resources which become available during the year should be added to the general fund balance wherever possible (as set out in further detail in section 5 of Appendix 1).

5. Assessment of the level of general balances

5.1. The framework for assessing the level of general balances is based on considering all risk areas and then quantifying the risk using the related budget and applying a percentage factor, which will vary according to the assessed level of risk. The total value against each risk provides an estimate of the level of balances required to cover the identified risk and overall provides an assessment of the level of general balances for the County Council. It takes into consideration the most significant risks and issues including the following:

- Level of savings and transformation. One of the most significant risks continues to be the level of transformation that has to take place across the council to deliver the required budget savings. Risk has been considered as part of the assessment of the robustness of the budget proposals, and reflected in the reprofiling and removal of some savings. The remaining risks will be monitored within and across services as part of the council's ongoing risk management process and mitigating actions will be identified and monitored. Robust financial monitoring controls are in place and additional monitoring of the transformation programme is being undertaken.
- Managing the cost of change. The council will need to budget for the cost of any redundancies necessary to achieve the required budget savings and service restructuring to the extent they are not contained in the budget proposals. The council has a separate redundancy reserve for this purpose.
- The effect of economic and demand changes. There is always some degree of uncertainty over whether the full effects of any economy measures and / or service reductions will be achieved. Whilst the budget process has been prudent in these assumptions and those assumptions, particularly about demand led budgets, should hold true in changing circumstances, an adequate level of general contingency provides extra reassurance the budget will be delivered on target. Changes in the economic climate may also influence certain levels of income to be received at a lower level than previous years.
- Cost of disasters. The Bellwin Scheme of Emergency Financial Assistance to Local Authorities provides assistance in the event of an emergency. In a disaster situation, the council can claim assistance from the Government using the Bellwin rules. Thresholds were set for 2017-18 and mean the council would have to fund emergency costs below £1.164m. Central Government would then provide 100% grant funding for any eligible expenditure incurred above this amount. Examples of natural disasters eligible for the scheme would include severe flooding and hurricane damage.
- Uncertainty arising from the introduction of new legislation or funding arrangements such as the moves towards retention of Business Rates and for Norfolk in 2019-20, the impact of the Business Rates Pilot.
- Risk of changes to the levels of grant funding and factors affecting key income streams such as council tax and business rates.
- Unplanned volume increases in major demand led budgets, particularly in the context of high and accelerating growth.
- The risk of major litigation, both currently and in the future.
- The need to retain a general contingency to provide for any unforeseen circumstances which may arise.

- The need to retain reserves for general day to day cash flow needs.

5.2. The ten areas of risk considered in the general contingency are detailed below with an explanation of the potential risks faced by the council.

Reserves Table 2: Key financial risks for Norfolk County Council general balances calculation

Area of risk	Explanation of risk
1) Legislative changes	Key government policy and legislative changes will impact on the council's budget plans. Forecasts have been based on the latest information available but there is risk of variation and there is in particular greater risk in future years, where estimates cannot be based on firm government announcements. Key elements include: • **Government grant:** 2020-21 represents a one year funding allocation. Uncertainty about the outcomes of the Comprehensive Spending Review (CSR), Fair Funding Review (FFR), and 75% Business Rates Retention Scheme (BRRS) means that the council faces a very significant level of uncertainty about funding levels from 2021-22. • **Business Rates:** Council funding is affected by the level of business rates collected. The council receives a share of the combined rates across all Norfolk councils, which helps smooth out any specific peaks and troughs, however appeals and applications for relief such as NHS Foundation Trusts can result in significant volatility. • **Council tax base and collection fund:** Council funding is impacted if there is a reduction in the tax base or in the amount collected by the billing authorities. The budget is based on a forecast 1.8% increase in tax base in 2021-22 and 1.5% for both 2022-23 and 2023-24. This is broadly in line with historic trends but higher than the growth rate forecast for 2020-21 and so represents a financial risk to budgeted income if trends do not continue. • **NHS/Social Care Funding:** The improved Better Care Fund (iBCF) funding represents a mix of recurrent and one-off funding. Detailed information for future years for the Better Care Fund, including any uplifts, is still awaited. Planning assumptions are based on a continuation of the use and level of funding. The provisional Settlement confirmed that previously one-off winter funding of £4.179m will be un-ringfenced and existing social care funding of £7.139m plus additionally announced social care funding of £17.617m will also be provided in 2020-21. The MTFS assumes these will be ongoing, but outcomes of the CSR and FFR are awaited to determine whether this is correct. • **Pay:** The National Living Wage was introduced from 2016-17, starting at £7.20. The rate for 2020-21 has been confirmed as £8.72. Further details are provided in the Statement on the Robustness of Estimates.
2) Inflation	Pay inflation has been assumed at 2% for 2020-21 and 3% for 2021-22 to 2023-24. The County Council is currently part of the national agreement and therefore pay awards for 2020-21 onwards will be influenced by any agreements reached – negotiations for 2020-21 have not been concluded and the union side have submitted a claim for a 10% increase. Every 1% variation in pay amounts to just over £2.5m for the council. There is therefore a risk that pay awards could vary from this assumption over the planning period, and particularly in 2020-21.

Area of risk	Explanation of risk
	Price inflation has been included based on contractual need. There is a risk that inflation will be required during the planning period, even where there is no current contractual element. In addition, many contracts are negotiated post budget agreement and therefore forecast inflation levels may be different in practice. Inflation on fees and charges is set by NCC – a 2% increase has been assumed for 2020-21 and in the following years. However, there is a risk that market forces may require this to be varied during the planning period.
3) Interest rates on borrowing and investment	Budgeted interest earnings on investments are based on guaranteed fixed deposit returns, available instant liquidity rates and market forecasts provided by our Treasury Advisors. Current rates are at historically low levels and are not forecast to increase at any significant pace over the next couple of years. The revenue cost of borrowing is based on the rates of interest payable on the council's existing debt and assumptions in respect of capital expenditure to be funded from borrowing which has yet to be borrowed.
4) Government funding	The provisional Settlement provided only indications for one year of funding allocations in 2020-21, which still remain to be confirmed in the final Local Government Finance Settlement. Uncertainty about the outcomes of the Comprehensive Spending Review (CSR), Fair Funding Review (FFR), and 75% Business Rates Retention Scheme (BRRS) means that the council faces a very significant level of uncertainty about funding levels from 2021-22. A number of issues may also impact on future funding levels: • The final outcome of the process for the UK to leave the European Union and any consequential impact on the national economy, which may have a significant impact on the levels of funding for the public sector at national level. • Although there has been an apparent relaxation of the drive to deliver deficit reduction targets, the prioritisation of spending and investment decisions may mean that the Government places further reductions on government departments that would affect local government, particularly if there are changes in the wider economy. • The operation of a 75% Business Rates Pilot in 2019-20 results in the council having a potentially higher degree of exposure to changes in business rates income during 2019-20 which has implications on 2020-21 budgeted income, however the business rates retention scheme includes a funding safety net level which serves to mitigate the level of risk. • On occasion general issues arise on funding which place the council at risk of clawback. • Key funding for integrated health and social care is via the Department of Health and Social Care and is dependent on the agreement of plans and further information regarding payment by results.
5) Employee related risks	Staffing implications of budget planning proposals have been evaluated and reflected within the financial plans, including the cost of redundancy. However, variations could occur as detailed implementation plans are developed.

Area of risk	Explanation of risk
6) Volume and demand changes	Many of our largest budgets are demand led and these present long standing areas of risk. Forecasts for social care are based on current outturn predictions and applied to population forecasts. Costs could vary if the population varies, or if the proportion of people either requiring or eligible for care is different to the forecast. Budgets for children looked after and support for vulnerable children take into account the County Council's strategy for minimising the number of children in care. Financial risks include delivery of the strategy and external factors that can lead to an increase in the number of children looked after and/or the complexity of need due to societal changes. Waste forecasts are based on the latest available information. If tonnage levels increase, this will lead to an increased pressure.
7) Budget savings	The Medium Term Financial Strategy includes £61.786m budget savings to be delivered across four years. A full assessment of all proposals has tested the robustness of each saving to minimise the financial risk, however a risk remains that the programme is delivered at a slower rate, or that some savings are not achievable at the planned level. In addition, further savings need to be identified to close the £89.093m funding shortfall between 2021-22 and 2023-24.
8) Insurance and emergency planning provision	Unforeseen events and natural disasters can increase the level of insurance claims faced by the council. The council's insurance arrangements, including actuarial review of the fund, additional provisions for unforeseen and unreported claims, service risk management and emergency planning procedures minimise this risk.
9) Energy, security and resilience	Resilience risks include: • Were a disaster to occur, we must have a reserve in place to pick up the costs that will fall to the council. • Norfolk includes flood risk areas and emergency procedures are in place to manage this. • Resilience of IMT can create a risk that might have financial implications for the council.
10) Financial guarantees /legal exposure	Certain contracts contain obligations that, if not fulfilled, would attract a penalty. The Council has PFI Schemes for street lighting and schools. However, there is no risk to the financing of these schemes at present.

5.3. The following table details the calculation of the general balances having regard to the identified areas of risk.

Reserves Table 3: General balances calculation

Area of Risk	2020-21			2021-22			2022-23			2023-24		
	Budget	Risk Level	Value	Budget	Risk Level	Value	Budget	Risk Level	Value	Budget	Risk Level	Value
	£m	%	£m	£m	%	£m	£m	%	£m	£m	%	£m
Legislative Changes												
Government Grant (RSG)	39.442	0.00%	0.000	39.442	0.50%	0.197	39.442	0.50%	0.197	39.442	0.50%	0.197
Business Rates	155.019	0.25%	0.388	155.019	0.50%	0.775	155.019	0.50%	0.775	155.019	0.50%	0.775
Council Tax Variation to Base/Collection	427.660	0.25%	1.048	443.487	0.50%	2.217	457.980	0.50%	2.290	473.507	0.50%	2.368
NHS/Social Care Funding	124.138	0.00%	0.000	124.138	1.00%	1.241	124.138	2.00%	2.483	124.138	2.00%	2.483
Apprenticeship Levy	0.946	0.25%	0.002	0.965	1.00%	0.010	0.985	1.00%	0.010	1.004	1.00%	0.010
Landfill Tax - waste recycling (price)	25.849	1.00%	0.258	28.771	1.00%	0.288	31.237	1.00%	0.312	31.237	1.00%	0.312
	773.054		**1.696**	**791.823**		**4.728**	**808.800**		**6.067**	**824.347**		**6.145**
Inflation												
Employees	279.341	0.00%	0.000	287.863	0.50%	1.439	296.725	0.50%	1.484	296.725	0.50%	1.484
Premises	25.385	0.50%	0.127	25.543	0.50%	0.128	25.790	0.50%	0.129	25.790	0.50%	0.129
Transport	59.451	0.50%	0.297	59.740	0.50%	0.299	60.802	0.50%	0.304	60.802	0.50%	0.304
Supplies and Services	108.469	0.50%	0.542	114.442	0.50%	0.572	127.279	0.50%	0.636	127.279	0.50%	0.636
Agency and Contracted	458.298	0.50%	2.291	471.839	0.50%	2.359	483.981	0.50%	2.420	483.981	0.50%	2.420
Income (Fees and charges)	128.116	0.50%	0.641	130.320	0.50%	0.652	132.833	0.50%	0.664	132.833	0.50%	0.664
	1,059.061		**3.899**	**1,089.747**		**5.449**	**1,127.411**		**5.637**	**1,127.411**		**5.637**
Interest Rates												
Borrowing	32.140	0.25%	0.080	32.356	0.25%	0.081	33.999	0.25%	0.085	36.902	0.50%	0.185
Investment	0.281	0.25%	0.001	0.281	0.25%	0.001	0.281	0.25%	0.001	0.281	0.50%	0.001
	32.421		**0.081**	**32.637**		**0.082**	**34.280**		**0.086**	**37.183**		**0.186**
Grants												
Public Health Grant funding	38.716	0.00%	0.000	38.716	1.00%	0.387	38.716	1.00%	0.387	38.716	1.00%	0.387
Other General Fund Grants	21.816	0.25%	0.055	21.816	0.25%	0.055	21.816	0.25%	0.055	21.816	0.25%	0.055
	60.532		**0.055**	**60.532**		**0.442**	**60.532**		**0.442**	**60.532**		**0.442**

Appendix 3: Norfolk County Council Statement on the Adequacy of Provisions and Reserves 2020-21 to 2023-24

Area of Risk	2020-21			2021-22			2022-23			2023-24		
	Budget	Risk Level	Value	Budget	Risk Level	Value	Budget	Risk Level	Value	Budget	Risk Level	Value
	£m	%	£m	£m	%	£m	£m	%	£m	£m	%	£m
Employee Related Risks												
Pensions actuarial valuation	15.619	0.00%	0.000	14.619	5.00%	0.731	14.787	5.00%	0.739	15.939	5.00%	0.797
	15.619		**0.000**	**14.619**		**0.731**	**14.787**		**0.739**	**15.939**		**0.797**
Volume / Demand Changes												
Capital Receipts	2.000	5.00%	0.100	2.000	7.50%	0.150	2.000	10.00%	0.200	2.000	10.00%	0.200
Customer and Client Receipts	128.116	0.75%	0.960	130.320	0.75%	0.977	132.833	0.75%	0.996	132.833	0.75%	0.996
Demand Led Budgets (Adult Social Care third party and transfer payments)	349.886	0.50%	1.732	355.129	1.00%	3.551	363.083	1.00%	3.631	363.083	1.00%	3.631
Children Looked After placements and family support	89.820	1.00%	0.898	95.119	1.00%	0.951	97.533	1.00%	0.975	97.533	1.00%	0.975
Winter Pressures	3.159	10.00%	0.316	3.180	10.00%	0.318	3.201	10.00%	0.320	3.201	10.00%	0.320
Landfill Tax - waste recycling (volume)	25.849	1.00%	0.258	28.771	1.00%	0.288	31.237	1.00%	0.312	31.237	1.00%	0.312
Public Health third party spend	35.455	1.00%	0.355	35.367	1.00%	0.354	35.367	1.00%	0.354	35.367	1.00%	0.354
Social care and Better Care Fund Spend	124.138	1.00%	1.241	124.138	1.00%	1.241	124.138	1.00%	1.241	124.138	1.00%	1.241
	758.423		**5.861**	**774.024**		**7.831**	**789.392**		**8.030**	**789.392**		**8.030**
Budget Savings												
Budget Reductions	38.244	7.50%	2.868	20.747	7.50%	1.556	2.383	7.50%	0.179	0.412	7.50%	0.031
	38.244		**2.868**	**20.747**		**1.556**	**2.383**		**0.179**	**0.412**		**0.031**
Insurance/Public Liability Third Party Claims												
Uninsured Liabilities	0.000		4.000	0.000		4.000	0.000		4.000	0.000		4.000
Bellwin rules	1,163.554	0.10%	1.164	1,163.554	0.10%	1.164	1,163.554	0.10%	1.164	1,163.554	0.10%	1.164
	1,163.554		**5.164**	**1,163.554**		**5.164**	**1,163.554**		**5.164**	**1,163.554**		**5.164**
TOTAL			**19.623**			**25.982**			**26.343**			**26.431**

5.4. The required level of general balances is therefore identified as £19.623m in 2020-21, rising to £26.431m by 2023-24. It is essential in setting a balanced budget that the council has money available in the event of unexpected spending pressures. The “balances” need to reflect spending experience and risks to which the council is exposed.

5.5. The latest budget monitoring position reported to Cabinet forecasts general balances at 31 March 2020 of £19.623m, prior to allowing for the revenue budget end of year position, which is currently forecasting an overspend of £3.696m. Work is being undertaken by Executive Directors to deliver a balanced outturn position and this is expected to be achieved.

5.6. The increase in the minimum level of risk-based balances needed in the later years of the Medium Term Financial Strategy reflects the increased level of risk around budget assumptions, such as pay awards, where the longer forecasting horizon increases the level of uncertainty, and in particular the increased levels of risk relating to council tax base assumptions and uncertainty about government funding allocations, which add £4.836m to the assessed balance required by 2023-24. The actual level of balance ultimately required will reduce as the planning timeframe shortens and the uncertainty diminishes.

6. Review of Earmarked Reserves and Provisions

6.1. As part of the 2020-21 budget planning process, a detailed review has been undertaken in respect of each of the reserves and provisions held by the council. In general, the earmarked reserves and provisions are considered by the Executive Director of Finance and Commercial Services to be adequate and appropriate to reflect the risks they are intended to cover. However, it is considered that changes could be made to some reserves, due to changing circumstances. Reserves Table 4 summarises the earmarked reserves for each service department. The balances for individual reserves are shown in the subsequent detailed table (Reserves Table 5). The Executive Director of Finance and Commercial Services also considers that it would be appropriate to further review the level of earmarked reserves during 2020-21 in order to rationalise and consolidate the earmarked reserves held and consider the scope to apply a minimum threshold for the establishment of an earmarked reserve.

Appendix 3: Norfolk County Council Statement on the Adequacy of Provisions and Reserves 2020-21 to 2023-24

Reserves Table 4: Summary of Earmarked Reserves and Provisions 2019-24

Department	**Balance at 31/03/19 £m**	**Forecast at 31/03/20 £m**	**Forecast at 31/03/21 £m**	**Forecast at 31/03/22 £m**	**Forecast at 31/03/23 £m**	**Forecast at 31/03/24 £m**
Adult Social Services	32.101	16.896	10.371	10.109	10.109	10.109
Children's Services	4.429	0.827	0.091	0.091	0.091	0.091
Community and Environmental Services	36.992	35.847	32.612	29.569	27.332	27.332
Strategy and Governance	3.590	3.042	3.265	2.189	2.413	2.738
Finance and Commercial Services	2.724	2.469	2.472	2.482	2.482	2.482
Finance General	17.446	12.915	12.915	12.915	12.915	12.915
Total (excluding schools)	**97.283**	**71.995**	**61.727**	**57.355**	**55.343**	**55.668**
Reserves for capital use	0.413	1.000	1.000	1.000	1.000	1.000
Schools	3.752	1.134	3.230	3.382	3.132	3.132
School - LMS	12.289	12.001	4.212	4.212	4.212	4.212
DSG Reserve	-10.887	-18.387	-18.830	-14.242	-8.182	-3.360

Reserves Table 5: Detailed table of Reserves and Provisions 2019-24

Title and purpose of Reserve / Provision	Planned future use	Opening Balances 31/03/2019	Forecast Balances 31/03/2020	Forecast Balances 31/03/2021	Forecast Balances 31/03/2022	Forecast Balances 31/03/2023	Forecast Balances 31/03/2024
		£m	**£m**	**£m**	**£m**	**£m**	**£m**
Earmarked Reserves							
All Services							
Building Maintenance: This reserve is to ensure that the capital value of the Council's building stock is maintained and facilitates the rolling programme of building maintenance. It also allows NPS Property Consultants Ltd to respond to emergencies by carrying out repairs from day to day and as the need arises.	There is no current planned use of this reserve.	0.073	0.073	0.073	0.073	0.073	0.073
Information Technology: The reserve is used by multiple services to set aside money for specific IT projects.	The reserve is used by multiple services to set aside money for specific IT projects.	3.721	2.794	2.100	1.917	1.745	1.745
Repairs and Renewals: This fund is to meet the cost of purchasing and repairing specific equipment.	The need for the reserve has changed over time as more equipment is procured via leases. Use of the reserve over the next four years is expected.	3.136	2.888	2.637	2.409	2.268	2.268
Unspent Grants and Contributions: This reserve contains the balances on the council's unconditional grants and contributions.	Mostly grants and contributions which will be used to fund spend over the budget planning period.	26.554	13.097	5.977	4.201	3.060	3.060
		33.484	**18.853**	**10.787**	**8.600**	**7.146**	**7.146**
Adult Social Services							
Business Risk Reserve: Reserves established to manage key risks.	Some of the Adult Social Care reserve is forecast to support delivery of the 2019-20 budget.	7.080	4.508	4.085	4.085	4.085	4.085

Title and purpose of Reserve / Provision	Planned future use	Opening Balances 31/03/2019	Forecast Balances 31/03/2020	Forecast Balances 31/03/2021	Forecast Balances 31/03/2022	Forecast Balances 31/03/2023	Forecast Balances 31/03/2024
		£m	£m	£m	£m	£m	£m
Prevention Fund: This includes the Living Well in the Community Fund, Prevention Fund and Strong and Well revenue funding as agreed by Members to support prevention work, mitigate the risks in delivering prevention savings and to help build capacity in the independent sector.	Expected to be fully utilised by the end of 2021-22.	0.564	0.143	0.033	0.000	0.000	0.000
Social Services Residential Review: This reserve contains funds set aside to support delivery of Mental Health services within Adult Social Services.	Expected to be fully utilised by the end of 2020-21.	1.116	0.228	0.000	0.000	0.000	0.000
		8.760	**4.878**	**4.118**	**4.085**	**4.085**	**4.085**
Community and Environmental Services							
Adult Education Income: The County Council is required to approve a budget for the Adult Education service five to six months in advance of the funding announcement by the Skills Funding Agency. In addition, the Skills Funding Agency can also impose penalties on the service in the event that targets are not met and these are dependent on results assessed at year end. This reserve enables the Council to manage risks associated with potential changes in Skills Funding Agency working.	Some use of this reserve is planned over the budget planning period.	0.677	0.564	0.441	0.401	0.401	0.401

Title and purpose of Reserve / Provision	Planned future use	Opening Balances 31/03/2019	Forecast Balances 31/03/2020	Forecast Balances 31/03/2021	Forecast Balances 31/03/2022	Forecast Balances 31/03/2023	Forecast Balances 31/03/2024
		£m	£m	£m	£m	£m	£m
Bus De-registration: This is funding to meet costs associated with the commercial deregistration of bus services.	There is no planned usage of the reserve, but will be drawn upon as required over the period.	0.031	0.026	0.026	0.026	0.026	0.026
Demand Responsive Transport: This reserve is to enable pump priming of demand responsive transport services as changes are made in supporting public transport by increasing public transport patronage rather than directly subsidising transport operators.	There is no current planned use of this reserve.	0.004	0.004	0.004	0.004	0.004	0.004
Economic Development and Tourism: This is primarily the Apprenticeship Scheme balance and committed EU project funding.	Funding for apprenticeships and EU Projects are mainly committed over the budget planning period.	2.111	1.770	1.326	0.927	0.683	0.683
Fire Operational/PPE/Clothing: This reserve is to meet variable demands for new operational equipment and personal protective equipment.	The reserve is for items such as hazmat suits and training in dealing with chemicals.	0.312	0.279	0.279	0.279	0.279	0.279
Fire Pensions: This reserve is to smooth higher than anticipated costs due in respect of ill health retirements, injury retirements and retained fire fighters who qualify for the Whole Time Uniformed scheme.	Reserve will be drawn upon as required over the period.	0.355	0.289	0.289	0.289	0.289	0.289
Fire Retained Turnout Payments: This reserve is to meet variable demands from larger incidents and higher than expected turnouts.	There is no current planned use of this reserve.	0.031	0.031	0.031	0.031	0.031	0.031

Appendix 3: Norfolk County Council Statement on the Adequacy of Provisions and Reserves 2020-21 to 2023-24

Title and purpose of Reserve / Provision	Planned future use	Opening Balances 31/03/2019	Forecast Balances 31/03/2020	Forecast Balances 31/03/2021	Forecast Balances 31/03/2022	Forecast Balances 31/03/2023	Forecast Balances 31/03/2024
		£m	£m	£m	£m	£m	£m
Highways Maintenance: This reserve enables a wide range of maintenance schemes to be undertaken. An annual amount is transferred to the works budget. The reserve is also used to carry forward balances on the Highways Maintenance Fund.	The balance mainly relates to commuted sums to meet future liabilities. These sums are paid by Developers to cover the additional maintenance work arising from their developments. The profile of use of the reserves reflects the future liabilities and planned general Highways expenditure.	6.521	7.101	6.648	6.278	5.906	5.906
Historic Buildings: This is used to buy and restore historic buildings at risk of being demolished and to make grants towards the restoration of buildings.	This reserve is used as and when required. There is currently no planned use after 2019-20.	0.049	0.028	0.028	0.028	0.028	0.028
Park and Ride: The reserve is for future site works.	There is currently no planned usage of the fund, but it is retained to meet potential necessary site works.	0.012	0.012	0.012	0.012	0.012	0.012
Prevention Fund: This includes a commuted sum from Developers to cover new bus routes and lump sums received from the Government for improvements to bus services.	This is held for a specified use and forecast to be used in full in 2019-20.	0.160	0.000	0.000	0.000	0.000	0.000

Appendix 3: Norfolk County Council Statement on the Adequacy of Provisions and Reserves 2020-21 to 2023-24

Title and purpose of Reserve / Provision	Planned future use	Opening Balances 31/03/2019	Forecast Balances 31/03/2020	Forecast Balances 31/03/2021	Forecast Balances 31/03/2022	Forecast Balances 31/03/2023	Forecast Balances 31/03/2024
		£m	£m	£m	£m	£m	£m
Residual Insurance and Lottery Bids: When a cash settlement was agreed with our insurers in respect of the library fire the proceeds were paid into an earmarked reserve. Subsequent costs have been funded from this source, and outstanding costs for buildings and books have been transferred to earmarked reserves. A few issues remain outstanding (e.g. Records conservation).	The reserve incorporates externally funded grants earmarked towards projects. Included within this are sums required to complete the conservation of damaged documents. The timings for use of this reserve are not yet known.	0.154	0.128	0.128	0.128	0.128	0.128
Road Safety: This reserve reflects the surplus resulting from Speed Awareness Courses run by the council on behalf of the Police, to be reinvested within Road Safety.	There is currently no planned use of this reserve.	0.207	0.207	0.207	0.207	0.207	0.207
Street Lighting PFI Sinking Fund: This reserve has been created as a result of the Street Lighting PFI scheme and reflects receipt of government PFI grant and contributions which will be needed in future financial years to meet contract payments.	Reductions in the level of this reserve are expected over the next four years.	4.707	4.061	3.876	3.691	3.506	3.506
Waste Management Partnership Fund: This reserve is for waste management initiatives.	Expected to be fully utilised by the end of 2021-22.	0.852	0.625	0.125	0.000	0.000	0.000
		16.182	**15.125**	**13.420**	**12.301**	**11.500**	**11.500**

Appendix 3: Norfolk County Council Statement on the Adequacy of Provisions and Reserves 2020-21 to 2023-24

Title and purpose of Reserve / Provision	Planned future use	Opening Balances 31/03/2019	Forecast Balances 31/03/2020	Forecast Balances 31/03/2021	Forecast Balances 31/03/2022	Forecast Balances 31/03/2023	Forecast Balances 31/03/2024
		£m	£m	£m	£m	£m	£m
Strategy and Governance							
NPLaw: This reserve has been created to support the development and increased activities of the business and smooth variations in trading.	The reserve has been built up from Nplaw Trading and as such belongs to the Partners of the scheme.	0.458	0.458	0.458	0.458	0.458	0.458
		0.458	**0.458**	**0.458**	**0.458**	**0.458**	**0.458**
Finance and Commercial Services							
Archive Centre Sinking Fund: This reserve is to maintain the Archive Centre in accordance with a lease agreement between the County Council and the University of East Anglia.	There is no current planned use of this reserve.	0.266	0.276	0.286	0.296	0.296	0.296
		0.266	**0.276**	**0.286**	**0.296**	**0.296**	**0.296**
Finance General							
Business Risk Reserve: Reserves established to manage key risks.	To be used to support delivery of the 2019-20 budget.	2.357	0.017	0.017	0.017	0.017	0.017
Election Reserve: This is to cover the cost of holding County Council elections.	Regular ongoing contributions to the reserve are planned each year. The reserve will be used in 2021-22 for the next election and will then be built up again.	0.325	0.650	0.975	0.000	0.325	0.650
Insurance Reserve: This reserve reflects monies set aside for future potential insurance liabilities that are in excess of those provided for in the Insurance Provision.	Some of the insurance reserve / provision will be used to support the delivery of the 2019-20 budget following assessment of the required level of balances.	2.918	1.918	1.918	1.918	1.918	1.918

Appendix 3: Norfolk County Council Statement on the Adequacy of Provisions and Reserves 2020-21 to 2023-24

Title and purpose of Reserve / Provision	Planned future use	Opening Balances 31/03/2019	Forecast Balances 31/03/2020	Forecast Balances 31/03/2021	Forecast Balances 31/03/2022	Forecast Balances 31/03/2023	Forecast Balances 31/03/2024
		£m	£m	£m	£m	£m	£m
Organisational Change and Redundancy Reserve: This reserve was created to provide one-off funding to support and invest in transformational change e.g. change initiatives such as Workstyle and to fund redundancy costs.	The timing of when the reserve is used is dependent upon future events and it is expected it will be mainly used to fund redundancy costs.	4.167	2.461	2.454	2.454	2.443	2.443
Strategic Ambitions Reserve: This reserve supports the council in achieving its aspirations and strategic ambitions for Norfolk.	There is no current planned use of this reserve.	0.169	0.165	0.165	0.165	0.165	0.165
		9.936	**5.211**	**5.529**	**4.554**	**4.868**	**5.193**
Non-Schools Total		**69.086**	**44.802**	**34.598**	**30.295**	**28.353**	**28.678**
Reserves for Capital Use							
Usable Capital Receipts		0.413	1.000	1.000	1.000	1.000	1.000
Schools Reserves							
LMS Balances: This reserve represents estimated surpluses and deficits against delegated budgets for locally managed schools. These funds are retained for schools in accordance with the LMS arrangements approved by the DfE and are not available to the Council for general use.	The future usage will be part of individual school's financial plans.	12.289	12.001	4.212	4.212	4.212	4.212

Title and purpose of Reserve / Provision	Planned future use	Opening Balances 31/03/2019	Forecast Balances 31/03/2020	Forecast Balances 31/03/2021	Forecast Balances 31/03/2022	Forecast Balances 31/03/2023	Forecast Balances 31/03/2024
		£m	£m	£m	£m	£m	£m
Children's Services Education Equalisation: To fund the variance in the number of Home to School/College Transport and School Catering days in a financial year as a result of the varying dates of Easter holidays.	Expected to be required and used in 2019-20 and future years' balances will be dependent upon the dates of future school years.	0.413	0.000	0.000	0.000	0.000	0.000
Norwich Schools PFI Sinking Fund: This reserve has been created as a result of the Norwich Schools PFI scheme and reflects receipt of government PFI grant and schools contributions which will be needed in future financial years to meet contract payments.	Use of this reserve had been agreed to reduce the level of the Children's Services forecast 2017/18 revenue overspend. The reserve is being replenished over the planning period.	0.000	0.196	0.372	0.524	0.524	0.524
Building Maintenance: This is money put aside to spend on building maintenance of schools.	Expected to be utilised in 2019-20 and replenished in future years.	2.470	0.080	2.000	2.000	1.750	1.750
Schools Sickness Insurance: This reserve is a mutual insurance scheme operated on behalf of schools.	Use of the reserve will depend upon the demand of member schools.	0.099	0.099	0.099	0.099	0.099	0.099
Schools Non-Partnership maintenance fund: This reserve is held on behalf of schools for building maintenance activities.	The future usage will be part of individual school's financial plans.	0.619	0.607	0.607	0.607	0.607	0.607
Schools Non-Teaching Activities: This reserve is held on behalf of schools, including school-based Children Centre balances.	The future usage will be part of individual school's financial plans.	0.123	0.123	0.123	0.123	0.123	0.123

Appendix 3: Norfolk County Council Statement on the Adequacy of Provisions and Reserves 2020-21 to 2023-24

Title and purpose of Reserve / Provision	Planned future use	Opening Balances 31/03/2019	Forecast Balances 31/03/2020	Forecast Balances 31/03/2021	Forecast Balances 31/03/2022	Forecast Balances 31/03/2023	Forecast Balances 31/03/2024
		£m	£m	£m	£m	£m	£m
School playing surface sinking fund: This reserve is to maintain and replace the astro turf playing surface at schools in accordance with a lease agreement between the schools' governing body and the County Council.	In line with lease agreement.	0.029	0.029	0.029	0.029	0.029	0.029
Schools Total		**16.041**	**13.135**	**7.442**	**7.594**	**7.344**	**7.344**
DSG Reserve: DSG is a ring-fenced grant, provided outside the local government finance settlement. The reserve represents the cumulative position of the ringfenced funding provided by the Department for Education.	The DSG deficit arises from the historic underfunding of the High Needs Block which supports high needs places in state special schools, independent schools and Alternative Provision as well as high needs provision in mainstream schools. The level of the deficit reflects our current forecasts, which are based on a plan to recover the current deficit position over the medium term.	-10.887	-18.387	-18.830	-14.242	-8.182	-3.360
Provisions							
Adult Social Services							
Provision for doubtful debts: A provision to cover bad debts.	This provision will change as bad debts are reviewed during the year, although the timing of this use cannot be predicted. A significant proportion is for specific debts with an element for general service-user related debts.	5.532	5.437	5.437	5.437	5.437	5.437

Title and purpose of Reserve / Provision	Planned future use	Opening Balances 31/03/2019	Forecast Balances 31/03/2020	Forecast Balances 31/03/2021	Forecast Balances 31/03/2022	Forecast Balances 31/03/2023	Forecast Balances 31/03/2024
		£m	£m	£m	£m	£m	£m
Children's Services							
Provision for doubtful debts: A provision to cover bad debts.	Expected to be used in full in 2019-20.	0.795	0.000	0.000	0.000	0.000	0.000
Community and Environmental Services							
Closed landfill long term impairment provision: Provision created to fund long term impairment costs arising from Closed Landfill sites, as per Government legislation and External Audit recommendation.	This is required to cover the legal requirements, but there is currently no specific call on the provision identified. A fixed amount from revenue is released each year to cover impairment costs.	12.362	12.362	12.297	12.230	12.159	12.159
Provision for doubtful debts: A provision to cover bad debts.	No current specific requirement, the provision will be used in the event of bad debts being written off. The timing of this use cannot be predicted.	0.037	0.037	0.037	0.037	0.037	0.037
Fire Service: This provision is held to meet variations on Fire Service staffing costs.	There is no current specific requirement for the use of this provision.	0.048	0.048	0.048	0.048	0.048	0.048
Finance General							
Insurance: Provision for insurance claims.	Contractual commitment based on reported claims and provision for incurred but unreported claims.	9.310	9.310	9.310	9.310	9.310	9.310
Redundancy: A provision to meet redundancy and pension strain costs.	This provision is forecast to be used in full in 2019-20.	0.113	0.000	0.000	0.000	0.000	0.000
Non-Schools Provisions Total		**28.197**	**27.193**	**27.128**	**27.060**	**26.990**	**26.990**
Non-Schools Reserves and Provisions Total		**97.283**	**71.995**	**61.727**	**57.355**	**55.343**	**55.668**

6.2. The planned change in total non-school's reserves is a reduction of 37.9% over five years as shown in the following table.

Reserves Table 6: Change in reserves 2019-24

	March 31, 2019	March 31, 2024	Reduction %
	£m	£m	
General Balances	19.623	26.431	
Earmarked Reserves	69.086	28.678	
Total	**88.709**	**55.109**	**37.9%**
The comparative figures for last year were:			
	March 31, 2018	**March 31, 2022**	**Reduction %**
General Balances	19.536	26.550	
Earmarked Reserves	65.644	22.494	
Total	**85.180**	**49.044**	**42.4%**

6.3. When taking decisions on utilising reserves or not it is important that it is acknowledged that reserves are a one-off source of funding and once spent, can only be replenished from other sources of funding or reductions in spending. The practice has been to replenish reserves as part of the closure of accounts, however this can be difficult to predict, and these contributions are therefore not reflected in the figures shown. The forecast year end position of all reserves and provisions is reported to each meeting of Cabinet.

6.4. It should be noted that the Department for Education (DfE) consulted in November 2018[36] on proposals to require local authorities to report DSG reserves or deficits as a separate ring-fenced reserve in annual returns. What this meant for local authorities was that DSG deficits do not need to be covered by an equivalent amount in local authorities' general reserves. Consequently, new lines were added to the 2018-19 RO returns and local authorities are now expected to state their cumulative DSG deficit every year. In October 2019, the government consulted again[37] to clarify that DSG is a ring fenced grant separate from other general local authority funding. This consultation emphasised that the "*Government's intention is that DSG deficits should not be covered from general funds but that over time they should be recovered from DSG income. No timescale has been set for the length of this process.*"

6.5. The DSG deficit arises from the historic underfunding of the High Needs Block (HNB) which supports high needs places in state special schools, independent schools, and Alternative Provision. Norfolk is currently carrying an outstanding DSG deficit from previous financial years, with a forecast £18.830m deficit forecast for the end of 2020-21 provided planned savings of £7.411m are achieved. On the basis of the accounting treatment proposed by government, this deficit DSG reserve position is not reflected in the reserve balances presented within this report but is included for completeness within the detailed Reserves Table 4 above.

[36] *Consultation on the implementation of new arrangements for reporting deficits of the dedicated schools grant*, Department for Education, 12 November 2018: https://www.gov.uk/government/publications/esfa-update-14-november-2018/esfa-update-local-authorities-14-november-2018#information-consultation-on-the-new-arrangements-for-reporting-deficits-of-the-dedicated-schools-grant-dsg

[37] https://consult.education.gov.uk/funding-policy-unit/revised-arrangements-for-the-dsg/

7. Summary

7.1. Members could choose to agree different levels of reserves and balances, which could increase or decrease the level of risk in setting the revenue and capital budget. This would change both the risk assessment for the budget and the recommended level of balances.

7.2. The proposed level of reserves and balances set out in this report is considered to provide a prudent and robust basis for the Revenue Budget 2020-21 and will ensure the Council has adequate financial reserves to manage the delivery of services and the proposed savings in the financial years covered by the associated Medium Term Financial Strategy.

Norfolk County Council
Statement on the Robustness of Estimates
2020-21 to 2023-24

1. Introduction

1.1. As part of the budget setting process, the Executive Director of Finance and Commercial Services (Section 151 Officer) is required under Section 25 of the Local Government Act 2003 to report on the robustness of the estimates made for the purposes of the calculation of the precept and therefore in agreeing the County Council's budget. The level of risk and budget assumptions underpin decisions when setting the revenue budget and capital programme, and affect the recommended level of general balances held. Members must therefore consider the details of these as set out in this report when recommending or agreeing the revenue budget and capital programme. This report includes the Section 151 Officer's formal statement and provides more detailed information on the risks, robustness of revenue estimates, and capital estimates used in the preparation of the County Council's budget.

2. Approach to providing assurance on robustness of estimates

2.1. The budget proposals are estimates of spending and income made at a point in time prior to the start of the next financial year. As such, this statement about the robustness of estimates does not provide an absolute guarantee but does provide Members with reasonable assurances that the draft budget has been based on the best available information and assumptions, and has been subject to scrutiny by relevant staff, Executive Directors, and Members.

2.2. The requirement to report on the robustness of estimates has been met through key budget planning processes during 2019-20, including:

- Departmental reviews of budgets including consideration of the deliverability of planned savings to inform decision making, which has led to the removal or delay of a number of savings to ensure that the proposed budget is robust;
- Review by finance staff of all cost pressures and regular reports to Executive Directors to provide challenge and inform approach;
- Issue of guidance to all services on budget preparation;
- Routine monitoring of current year budgets to inform future year planning, with the result that further investment into social care budgets is planned for 2020-21 to meet 2019-20 overspend and other pressures;
- An organisational approach to planning with Cabinet providing guidance early on and throughout the process;
- Member review and scrutiny of developing proposals through officer budget challenge sessions which considered all services in July and September 2019.
- Member review and challenge via Cabinet in the May, October, and January meetings;
- Public review and challenge through budget consultation for specific proposals where required via the Council's consultation hub Citizen Space, including impact assessment of proposals;
- Assurance from fellow Executive Directors that final budget proposals to be considered by County Council are robust and are as certain as possible of being delivered;

- Member and Executive Director peer review of all service growth and savings throughout the budget planning process.

2.3. In addition, and as set out in the Scheme of Authority and Financial Responsibility, Executive Directors are responsible for the overall management of the approved budget and the appointment of Responsible Budget Officers (RBOs) who are responsible for ensuring that authorised budgets are managed in the most effective and efficient manner in accordance with agreed plans and financial controls. Therefore managers with RBO responsibilities also play a key part in monitoring the financial position, identifying variances and financial risks and planning for service changes including forecast contractual, demographic, legislative and policy changes. In preparing estimates, considerable reliance is placed on Executive Directors and RBOs carrying out these responsibilities effectively.

3. CIPFA Financial Resilience Index and Financial Management Code

3.1. As set out in the Revenue Budget report (Appendix 1), CIPFA has published a Financial Resilience Index[38] which sits alongside the new Financial Management Code (FM Code). Both of these have helped to inform the council's 2020-21 budget setting process and the Executive Director of Finance has referred to the range of indicators shown in the index, and the requirements of the FM Code, in order to reach his conclusions on the robustness of estimate statement for 2020-21.

3.2. The index suggests that when compared to all other county councils:

- Norfolk holds a comparatively **low level of reserves**.
- Norfolk has a relatively **high level of gross external debt**.
- Norfolk **spends a relatively high proportion** of its net revenue budget[39] **on social care** (for both Adults and Children).
- Council tax funds a relatively low proportion of net revenue expenditure (i.e. the council is **relatively more reliant on government grant**). This is linked to the relatively low tax base in Norfolk (a higher proportion of lower-banded properties compared to the England average).
- Norfolk **experiences relatively limited growth in business rates** income above the Business Rates Baseline.

3.3. It is important to note that the indicators within the index look at retrospective data and only provide an insight into the relative position of similar authorities. The council's level of reserves and external debt are considered annually as part of the budget setting process and monitored regularly throughout the year. Although for a number of historical reasons the council's level of reserves and external debt are respectively lower and higher than other county councils, this position reflects the council's overall strategies of avoiding holding taxpayers' resources unnecessarily in reserves and investing in strategic infrastructure projects. Both the level of reserves held, and the level of external debt, are considered appropriate in light of the council's strategy and the risks it is exposed to. Further details of these considerations are set out throughout the budget papers.

[38] https://www.cipfa.org/services/financial-resilience-index/financial-resilience

[39] It should be noted that the index refers to net revenue expenditure as used in government financial returns, this includes central government funding e.g. Settlement Funding allocations and is therefore higher than the council's net revenue budget (which is council tax only).

3.4. The council is well aware of the key financial risks that it faces, reporting on them regularly to members as part of both financial monitoring and within the council's risk register. All risks are kept under ongoing review. In addition, the council has taken a number of steps to minimise these risks and ensure that it remains financially resilient in the short to medium term. Actions have included:

- Regularly communicating financial pressures and risks to key stakeholders including to government as part of consultation responses and other lobbying activity.
- Making difficult decisions locally in order to maximise income and minimise cost pressures (for example, raising council tax and the adult social care precept, implementing difficult savings) to do everything in its power to protect its financial position.
- Submitting responses to consultations including those on the Fair Funding Review and development of 75% Business Rates Retention (and participating as a pilot authority in 2019-20), to seek to maximise the funding available for rural shire counties.
- Providing for budget pressures in Adults and Children's social care as a priority over other service areas, while recognising that the system as a whole is not sustainable in the long term and a national funding solution is required.
- Considering and responding as appropriate to the value for money findings of external audit and the findings in relation to financial management from the LGA peer review undertaken in October 2019.
- Ongoing budget-setting work for 2020-21 to set a robust, balanced budget, and regular monitoring of the 2019-20 position including capital and treasury management.
- Annually undertaking a risk-based assessment of the level of general balances required and agreeing the Reserves policy.

3.5. The council keeps its financial position under careful review, and in 2020-21 will be looking in particular at any further actions needed to enhance compliance with the new CIPFA Financial Management code.

4. Risk Assessment of Estimates

4.1. The council manages risk registers corporately, for each service and for key projects. These incorporate all types of risk, including financial. In addition, a formal risk assessment has been undertaken of the revenue budget estimates in order to support the recommendation of the level of general balances. This risk assessment is detailed in the Statement on the Adequacy of Provisions and Reserves 2020-24 report (Appendix 4).

4.2. Budget proposals and emerging pressures were reported to Cabinet in October, along with identified key risks associated with these. This enables Members to assess the risk associated with achievability of the savings identified and supports consideration now of the overall robustness of the budget plans for 2020-21.

4.3. Early identification of risks enables Executive Directors to take mitigating action and to enable higher risk budgets to be more closely monitored during the year. The key budget risks that will require ongoing attention are:

- **Local sources of income:** In relation to council tax and business rates, District Council forecast figures are to be confirmed 31 January 2020;

- **Government funding:** The final 2020-21 settlement has not yet been published, meaning that some uncertainty remains about next year's allocations, as discussed in detail elsewhere. In addition, significant reforms to key government grant funding are anticipated in the delayed Fair Funding Review and there is major uncertainty about plans for 75% Business Rates Retention from 2021-22. A list of revenue grants is included within Table 9 of the Revenue Budget 2020-21 report (Appendix 1);
- **General pay and prices:** Inflationary pressures affecting the council's contracted spend and uncertainty about the level of future pay awards;
- **Adult Social Services:** Managing increased demand for services and complexity of need, and facilitating adequate investment to deliver financially sustainable service provision;
- **Children looked after:** Meeting the challenge of delivering improvements within Children's Services to achieve both better outcomes and financial sustainability within the service, whilst also dealing with increased demand and complexity of needs;
- **High Needs Block (HNB):** Managing increased demand for high needs places in state special schools, independent schools, and Alternative Provision which currently represent a shortfall in funding within Dedicated Schools Grant (DSG). Although the Government has now prescribed an accounting treatment for the DSG deficit and confirmed that there is no expectation for local government to fund the DSG from council resources, this position is not guaranteed and will remain a subject of scrutiny for External Auditors. If the council is unsuccessful in resolving the DSG deficit position over the medium term, the pressures and level of forecast overspend are such that it could represent a very real threat to the overall financial viability of the whole council. The position of the DSG budget in future years will therefore continue to have a very significant bearing on the Executive Director of Finance and Commercial Services' judgement about the council's financial resilience and the robustness of its Budget.
- **Major capital schemes:** These include the **Great Yarmouth Third River Crossing, Broadland Northway Western Link, and the investment in specialist school places and services**, all of which are significant capital projects required to be met within planned capital funding; and
- **Organisational Change:** Managing significant transformation and staffing changes, including the delivery of planned business transformation and smarter working savings, and the realisation of expected savings from the replacement of the HR and Finance system.

4.4. The budget estimates span a four year period, 2020-24, and whilst forecast using the best available information, the planning assumptions and forecasts for future years will necessarily be based on less robust data and known factors. This is particularly exaggerated in 2021-22 for the reasons set out in more detail in the Revenue Budget report and Medium Term Financial Strategy. As part of the ongoing budget planning and monitoring cycle, these assumptions and emerging state of affairs are reviewed allowing the development of more detailed planning for the next financial years and revised medium term financial plans.

5. Robustness of Revenue Estimates

5.1. Within the framework set by the council's new business plan, *Together, for Norfolk*, the service and budget planning process has focussed on the key priorities for service departments, including those services that are required by law, and involves a continuous review of the way that services are provided. Cost pressures to manage unavoidable inflationary, legislative and demand pressures have been included in the revenue budget estimates.

5.2. During July and September 2019, Cabinet members and Executive Directors undertook budget challenge sessions to consider budget plans and spending proposals. This provided an opportunity to evaluate initial proposals, risks arising from savings proposals, and emerging planning issues for services. The most significant spending implications affecting the Council continue to relate to Adults and Children's Services, and in particular:

- The majority of Children's Services spend is demand led, and across all areas of the children's agenda the council continues to see high and rising levels of need and demand. This includes a significant increase in the number of children with complex Special Educational Needs and Disabilities who require high levels of support and intervention whilst living in the community as well as within residential settings, and significant pressures in placements and support budgets for children looked after, keeping children safe at home and care leavers. Priorities for the service include continuing the implementation of the Safer Children and Resilient Families transformation plan to ensure that the right interventions are in place for the right children and families at the right time so that needs are effectively met rather than escalating, to continue to work towards being rated 'good' (with outstanding features) as defined by Ofsted, and the implementation of a new operating model. A comprehensive strategy is in place to mitigate the increasing levels of demand, but the national pressures and trends result in risk remaining.
- Managing rising demographic pressures through embedding strategies for Adults service delivery to promote independence. In particular invest to save in early intervention and targeted prevention to keep people independent for longer, developing integrated arrangements with Health (Better Care Fund and the Sustainability and transformation plan (STP)) including actions to improve delayed transfers of care. Supporting a stable care market though funding price inflation and market pressures (including national living wage and cost of care increases).

5.3. As part of the budget process, Cabinet and Executive Directors have considered all the budget reductions and growth pressures and these are reflected in the proposed budget. In addition, some of the key risks identified, including risks relating to the achievability of savings, have been taken into consideration in the Cabinet's budget recommendations, which will enable some budget risks to be managed down and this is reflected in the risk assessment of the recommended level of general balances.

5.4. Budget planning for 2020-21 has included extensive work to review the deliverability of savings and understand service pressures. As a result, the 2020-21 Budget sees a significant investment in Departmental budgets through both the removal of previously planned savings and recognition of budget overspend pressures, to provide assurance about the robustness of the revenue budget and the deliverability of savings. This represents the net removal or delay of £3.110m previous budget round savings from next year's budget.

5.5. The Council's budget planning assumes that any undeliverable savings have been removed in the exercise detailed above and therefore that all the remaining savings included for 2020-21 are deliverable.

5.6. The table below shows the current budget position and the following three years based on the recommendations set out in the Revenue Budget report (Appendix 1) and the current budget forecast for 2019-20. The Medium Term Financial Strategy does not reflect plans to fully meet the funding shortfall between 2021-22 to 2023-24. As part of developing the budget for future years, work will continue to identify further proposals for service provision in order to identify ways to address these deficits in future years. The Revenue Budget report sets out in section 5 details of the assumptions which inform the Section 151 Officer's judgement of the robustness of estimates and in particular confirms that **early planning to address the 2021-22 Budget gap will be essential along with the production of a realistic plan for reducing the budget requirement** in future years through robust saving proposals, or the reduction of currently identified pressures.

Robustness Table 1: Forecast Budget Deficit 2019-20 to 2023-24

	2019-20 (Period 8 forecast)	2020-21 Budget	2021-22 Budget	2022-23 Budget	2023-24 Budget
	£m	£m	£m	£m	£m
Forecast outturn budget deficit	3.696	0.000	35.492	23.949	29.652

5.7. Work is underway by Executive Directors and budget holders to deliver a balanced outturn position at year end as reported in period 8 Financial Monitoring report (set out elsewhere on the agenda) which currently forecasts that the outturn position will be an overspend of £3.696m at year-end. On the basis of the work underway, it is however currently **expected that this position will be managed to achieve a balanced outturn position for 2019-20.** The non-delivery of unachievable future year savings from the 2019-22 budget round has been addressed as part of the 2020-19 budget process, however 2019-20 savings which have not been achieved in-year due to timing delays are assumed to be delivered in 2020-21.

5.8. The factors and budget assumptions used in developing the 2020-24 budget estimates are detailed over sixteen headings, including drivers of growth, savings and other planning assumptions and set out below.

Robustness Table 2: Summary of budget assumptions and approach

Budget Assumption	Explanation of financial forecast and approach
Growth Pressures	
1) Inflation	Pay inflation has been assumed at 2% for 2020-21 and 3% for 2021-22 to 2023-24. The County Council is currently part of the national agreement and therefore pay awards for 2020-21 onwards will be influenced by any agreements reached – negotiations for 2020-21 have not been concluded and the union side have submitted a claim for a 10% increase. Every 1% variation in pay amounts to just over £2.5m for the council. There is therefore a risk that pay awards could vary from this assumption over the planning period, and particularly in 2020-21. Pensions – The 2019 actuarial valuation of the pension fund has set the employer contribution rates from 1 April 2020 at 15.5% (unchanged) plus a lump sum for each of the three years 2020-23.

Appendix 4: Norfolk County Council Statement on the Robustness of Estimates 2020-21 to 2023-24

Budget Assumption	Explanation of financial forecast and approach
	Price Inflation is provided where a contractual increase is required. This is at the contractual rate where appropriate, or at the forecast rate for CPI, 2.0% for 2020-21 to 2023-24 years based on the Office for Budget Responsibility's Economic and Fiscal Outlook forecasts.
2) Demand and Demographics	There are three key areas where demand and demographic pressures have a significant impact on the council's budget planning: • Gross demographic pressures in Adult Social Care totalling £6.100m reflecting rising demand for services as people live longer and transition of service users from Children's Services to adult social care. • Gross demand pressures of £15.500m in Children's Services reflecting additional costs including increasing demand and complexity of need for children looked after, keeping children safe at home and care leavers, alongside home to school transport pressures, particularly for children with special educational needs and disabilities. • There has been a significant increase in the number of children with Special Education Needs and Disabilities.
3) Legislative changes	The budget estimates include the following assumptions with regard to current and future legislative changes: • The Government implemented a National Living Wage (NLW) from 2016-17, starting at £7.20. In April 2020 it was increased to £8.72[40]. The Government has set out an aspiration to raise the NLW to 60% of median earnings by 2020 (for those aged 25 and over) and is currently considering the remit for the NLW beyond 2020[41]. The exact level at which the National Living Wage will be set in future years has therefore not been confirmed. Although assumed cost pressures relating to the National Living Wage have been included in budgets, there is a risk these could diverge in future. • Cost pressures assuming an increase above the core price inflation for pay and price market pressures have been included. • Cost pressures have been included associated with the increased income received for the Improved Better Care Fund. • The Spending Round 2019 indicated that the one-off winter funding provided in 2018-19 and 2019-20 of £4.179m would be continued in 2020-21, but would be rolled into the improved Better Care Fund and the ring-fence removed.
4) Policy decisions	The 2020-21 budget includes: • £7.050m investment in staff including a new, enhanced operating model in Children's Services and resolving the structural salary budget gap; • £9.221m to address recurrent pressures in Adult Social Services; • £0.887m of Fire Service pressures linked to the IRMP, £0.350m over two years for the council's new environmental policy, and £0.100m for economic development feasibility studies in Community and Environmental Services; and • £0.500m to support Intelligence and Analytics across all services.
5) Interest Rates	Budgeted interest earnings on investments are based on guaranteed fixed deposit returns, available instant liquidity rates and market forecasts provided by the council's Treasury Advisors.

[40] https://www.gov.uk/government/news/government-announces-pay-rise-for-28-million-people
[41] https://www.gov.uk/government/publications/the-national-living-wage-beyond-2020

Appendix 4: Norfolk County Council Statement on the Robustness of Estimates 2020-21 to 2023-24

Budget Assumption	**Explanation of financial forecast and approach**
Savings	
6) Income	Inflationary increases to fees and charges have been included within the budget proposals where appropriate. Other changes to income either through expected reductions in income, or initiatives to increase income generation, are reported as individual budget proposals.
7) Savings	Savings have been identified across all services and range from productivity efficiency savings, to reductions in service provision. All managers are responsible for ensuring that proposed savings are robust and delivered in accordance with plans. Measures throughout the planning process have supported review and challenge of the deliverability of savings and where appropriate a number of savings have been removed or re-profiled to later years. Changes or delays in delivering savings will result in variance to the budget and as such savings will be closely tracked throughout the year as part of the budget monitoring process and reported to Cabinet, with management actions identified as necessary.
Other Planning assumptions	
8) Funding changes	The provisional Settlement provided only indications for one year of funding allocations in 2020-21, which remain to be confirmed in the final Local Government Finance Settlement. Uncertainty about the outcomes of the Comprehensive Spending Review (CSR), Fair Funding Review (FFR), and 75% Business Rates Retention Scheme (BRRS) means that the council faces a very significant level of uncertainty about funding levels from 2021-22. The Council was successful in bidding, in partnership with Norfolk districts, to become a Business Rates Pilot in 2019-20. This results in a potentially higher degree of exposure to changes in business rates income during 2019-20 which has implications for 2020-21 budgeted income. The business rates retention scheme includes a funding safety net level which serves to mitigate the level of risk. The provisional Settlement confirmed that one-off winter funding of £4.179m, existing social care funding of £7.139m, plus additionally announced social care funding of £17.617m would be available in 2020-21. The Revenue Budget report sets out the detail of key grants and highlights that many key areas of funding are yet to be confirmed for 2020-21. In relation to schools, funding is provided through the Dedicated Schools Grant (DSG) and Pupil Premium, which is paid to the County Council and passed on to schools in accordance with the agreed formula allocation. It is assumed that all school pay and prices inflationary pressures will be absorbed within the DSG allocation. Norfolk faces severe pressures on High Needs Block (HNB) funding within DSG and submitted a disapplication request to transfer funding from the Schools block in 2019-20. No disapplication request has been submitted for 2020-21 but the council will need to keep this under review for subsequent years. The council has a plan to recover the DSG deficit position, however if

Budget Assumption	Explanation of financial forecast and approach
	this cannot be achieved, there will be significant implications for wider council budgets as set out elsewhere in the budget papers.
9) Financial risks inherent in any significant new funding partnerships; major contracts or major capital developments	Financial risks are included within the assessment of the level of general balances. The financial risks arising from major capital schemes such as the Great Yarmouth Third River Crossing, Western Link and investment in specialist school places continue to be closely monitored and reflected within the County Council's capital budget proposals.
10) Availability of funds to deal with major contingencies	All provisions and earmarked reserves have been reviewed to test their adequacy and continued need. A risk assessment of the level of general balances has been undertaken and the budget reflects the assessed level of balances required. The council also has recourse to the Bellwin scheme in the event of disasters or emergencies.
11) Overall financial standing of the authority	The council's treasury management activity manages both short term cash to provide security, liquidity and yield, and the council's longer term borrowing needs to fund capital expenditure through either long term borrowing or the utilisation of temporary cash resources pending long term borrowing. In accordance with the approved strategy, the council currently continues to borrow for capital purposes, while using cash balances on a temporary basis to avoid the cost of 'carrying' debt in the short term. At 30 November 2019, the council's outstanding debt totalled £706m. The council continues to maintain its total gross borrowing level within its Authorised Limit of £1,038m (prudential indicators) for 2019-20. The Authorised Limit being the affordable borrowing limit required by section 3 of the Local Government Act 2003. There are a number of treasury related indicators to restrict treasury activity within certain limits and manage risk. These include maturity profile of debt; and investments greater than 365 days. Monitoring is reported regularly to Cabinet on an exception basis. The council's treasury management activities are regularly benchmarked against those of other local authorities. The County Council has upper quartile investment performance; is cost effective; pays comparable rates of interest on its debt; and is effective at managing risk. At the end of November 2019 (2019-20 Period 8), the council's cash balances stood at £184m.
12) The authority's track record in budget and financial management	As at the end of November 2019 (Period 8) the 2019-20 revenue budget is forecast to overspend by £3.696m on a net budget of £409.293m (gross £1.401bn). Executive Directors are working to deliver a balanced outturn position at year-end. Ernst and Young, the council's external auditor, has issued an unqualified opinion on the 2018-19 accounts and concluded that the council made appropriate arrangements to secure economy, efficiency and effectiveness in its use of resources.[42]

[42] https://www.norfolk.gov.uk/-/media/norfolk/downloads/what-we-do-and-how-we-work/budget-and-council-tax/statement-of-accounts/annual-audit-letter-2018-19.pdf

Budget Assumption	Explanation of financial forecast and approach
13) The authority's capacity to manage in-year budget pressures	The level of general balances is assessed as part of the budget setting process, reviewed monthly and reported to Cabinet as part of the regular monitoring process. Review and challenge improves the accuracy of budget estimates, which aims to support management and the early identification of budget issues. The regular reporting of risk and monitoring of mitigating actions supports in-year budget management.
14) The strength of the financial information and reporting arrangements	Information on budget and actual spend is reported publicly and monitoring reports are published regularly throughout the year. The reports are on a risk basis, so that attention is concentrated on what is most important.
15) The end of year procedures in relation to budget under/overspends at authority and departmental level	Guidance on end of year procedures is reported annually and arrangements are monitored. Detailed year-end financial information is reported alongside services' performance monitoring. The proposed year end arrangements will be reported to Cabinet for approval.
16) The authority's insurance arrangements to cover major unforeseen risks	The County Council has a mix of self-insurance and tendered insurance arrangements. Premiums are set on an annual basis and reflected within the budget planning. Premiums are subject to annual variance due to external factors and internal performance, risk and claims management. General balances include assessment of financial risk from uninsured liabilities.

6. Robustness of capital estimates

6.1. As with the revenue budget, the capital programme is designed to address the authority's key priorities, including schemes which will help transform the way in which services are provided. To this end, the programme is prepared on the basis of a number of factors, including previously agreed projects, spend to save proposals, and infrastructure and property requirements.

6.2. Projects are costed using professional advice relative to the size and nature of the scheme. Where appropriate, a contingency allowance is included in cost estimates to cover unavoidable and unforeseeable costs. The programme is guided by a simple prioritisation model: schemes that score less than that achieved by the repayment of debt represent bad value for money. In this way, the Council will achieve the most economic use of its scarce capital resources.

6.3. The largest on-going capital programmes relate to transport infrastructure and schools. In both cases there is significant member involvement through Cabinet. For other large projects, appropriate oversight is put in place.

6.4. An estimate of potential capital receipts is made each year. The actual level of receipt in any one financial year can never be forecast in advance with any degree of certainty due to market conditions and interest from purchasers and reduced receipts may result in fewer capital projects going ahead or additional future revenue costs.

6.5. The risks associated with having to fund large unforeseen programme variations are addressed mainly as a result of the Council being able to amend the timing of projects between years. The ability to re-profile projects between years does not result in a significant funding risk because the vast majority of funding is not time-bound, although there are inflationary risks which have to be considered.

7. Summary

7.1. This appendix sets out details of the assessment of the robustness of the estimates used in preparing the proposed revenue and capital budget. There are no direct resource implications arising from this report, but it provides information and details of the assumptions used to support the Executive Director of Finance and Commercial Services' statement on the Robustness of the Estimates and provides assurances to Members prior to recommending and agreeing the revenue and capital budgets and plans for 2020-24.

7.2. Members could choose to agree different assumptions and therefore increase or reduce the level of financial risk in setting the revenue and capital budgets. This would potentially change the risk assessment for the budget and the recommended level of general balances held.

2020-21 Budget Consultation report

1. Background

In line with previous years, Norfolk County Council conducted an annual budget consultation. The Budget Consultation 2020/21 was open between 23 October and 10 December 2019. The consultation sought views from the public and stakeholders on the level of council tax, including the Adult Social Care precept. We also invited comments on the council's budget approach and proposals. In particular, the consultation asked for views on:

- Our proposal to increase Norfolk County Council's share of general council tax by 1.99% in 2020/21
- Our proposal to raise the social care precept by 2% in 2020/21

This year none of our outline budget proposals needed to go out to further public consultation as none of them directly impacted on service delivery. However, if once the budget is agreed and the Council starts to implement the proposals we discover that any of the proposals do impact on delivering services, then we may need to carry out detailed consultation on those proposals in the future.

2. Methodology

An online consultation was developed which ran for seven weeks, closing on the 10 December. This was hosted on the County Council's consultation hub. Paper copies, large print copies and Easy Read copies were available to download from the online site and also available on request by email and phone.

People could choose which proposals they wanted to comment on so not all respondents answered all questions. Some people also chose to say that they did not want their comments made public.

3. Promotion

In order to ensure as many residents as possible could take part in the consultation it was promoted through the following channels:

- Press releases encouraging participation, generating coverage in KLFM and Your Local Paper.
- Social media promotion on Twitter, Facebook and LinkedIn
- Information on the Council's website www.norfolk.gov.uk
- Information on the staff intranet and staff newsletters
- Email to the 1,509 members of the Council's Your Voice panel
- Letter to key stakeholders, including town and parish councils
- Posters in libraries
- Feature in Your Norfolk magazine distributed to over 418,000 households in Norfolk
- Special edition Your Norfolk extra email to 4,652 residents signed up to the service

In addition to the above we wrote to 435 organisations potentially affected by proposal *CES012: Saving money by maintaining recycling credit payments to Voluntary and Community Groups at 2019-20 levels*.

A general election was announced at the end of October and the Council entered the pre-election period on Wednesday 6 November. This restricted the amount of publicity that we could undertake from this date.

4. Analysis and reporting

Every response has been read in detail and analysed to identify the range of people's opinions, any repeated or consistently expressed views, and the anticipated impact of proposals on people's lives.

Where percentages are used, totals may not necessarily add up to 100% because of rounding. When summarising the feedback to the open questions relating to general council tax, adult social care and budget proposals in general, we have selected quotations to help illustrate key themes emerging from the consultation feedback.

We have also used direct quotations where people have commented on individual budget lines. All quotations used are verbatim. Please note that some respondents asked that we did not publish their comments.

Comments about individual services have been fed back directly to departments.

5. Respondent numbers

We received 203 responses to our consultation. Of these, 158 people or 77.8% replied as individuals.

Responding as:			
An individual / member of the public	158	77.8%	88.6%
A family	22	10.8%	
On behalf of a voluntary or community group	4	2.0%	3.5%
On behalf of a statutory organisation	3	1.5%	
On behalf of a business	0	0%	
A Norfolk County Councillor	1	0.5%	5.5%
A district or borough councillor	0	0%	
A town or parish councillor	4	2.0%	
A Norfolk County Council employee	6	3.0%	
Not Answered	5	2.5%	2.5%
Total	**203**	**100.1%**	**100.1%**

Of the 203 responses received, the overwhelming majority (197 or 97.0%) were online submissions to the consultation.

How we received the responses		
Online submission	197	97.0%
Email	6	3.0%
Paper	0	0%
Total	**203**	**100%**

Responses by groups, organisations and businesses

Eleven respondents told us they were responding on *behalf* of a group, organisation or business. The organisations cited were:

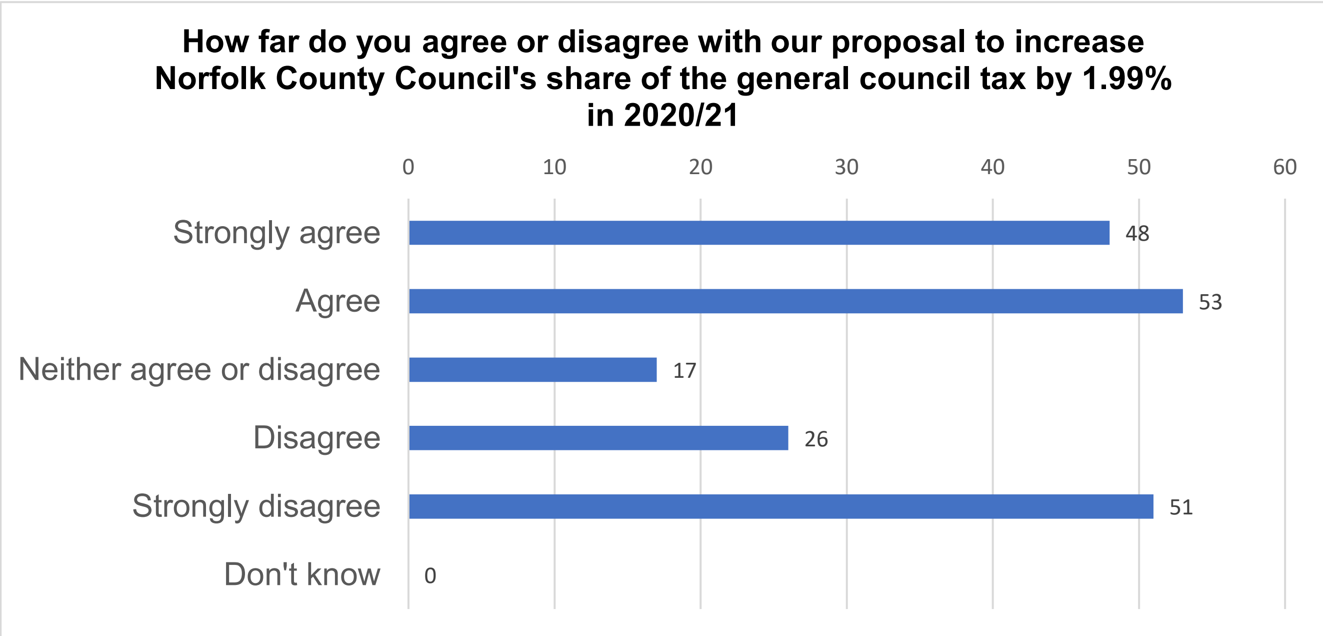
- 1st North Walsham Scout Group
- Joint response from Broadland District Council and South Norfolk Council
- Equal Lives
- North Norfolk District Council
- Norwich Older People's Forum
- Norfolk VCSE Sector Leadership Group
- Poringland Parish Council
- Repps with Bastwick Parish Council
- Stow Bedon and Breckles Parish Council
- Taverham Parish Council
- Wretham Parish Council

6. Survey responses Council Tax

Q: How far do you agree or disagree with our proposal to increase Norfolk County Council's share of general council tax by 1.99% in 2020/21?

We asked how far people agreed or disagreed with our proposal and 195 people responded to this question. Of these:

- 48 (24.6%) said they strongly agreed
- 53 (27.2%) said they agreed
- 17 (8.7%) said they neither agreed nor disagreed
- 26 (13.3%) said that they disagreed and
- 51(26.2%) said that they strongly disagreed



Of the eight respondents who did not answer the question above, three expressed that they either supported or did not oppose the proposed increase in their comments.

We included an open text box so that people could tell us the reason behind their answer and how, if at all, the proposal would affect them.

Of those **strongly agreeing** (48) or **agreeing** (53) with the proposal, people said that there was a cost associated with providing services and/or the cost of providing services was increasing. People felt that services needed to be maintained or protected, especially frontline services and adult social care. Some of those agreeing felt that the increase was fair and affordable. People also cited the reduction in Government funding and their feeling that there was no alternative but to increase council tax.

Of those **disagreeing** (26) or **strongly disagreeing** (51) with the proposal, people stated that earnings were not keeping up with increases in council tax or that an increase affected those on fixed incomes, such as pensioners. Others felt the proposed increase was unaffordable, that council tax keeps increasing or that the proposed increase was too large. People called for the Council to make greater efficiencies. Some questioned whether council tax was providing value for money, the need for more Government funding was raised and there were some who felt that council tax in general, or our proposal, was unfair.

People who said they **neither agree nor disagree** (17) expressed their unhappiness about Members' expenses and our adult social care charging policy. They also mentioned the level of inflation and that council tax keeps increasing. Two suggested that they might have accepted a small increase.

Table 1 Analysis of main comments by people who agree/strongly agree with the proposal to increase Norfolk County Council's share of general Council Tax by 1.99% in 2020/21			
Overall theme	**Issues raised**	**Number of times mentioned**	**Quotes**
The cost of services	Comments relating the cost of services and the need to pay for them.	20	I appreciate that care costs keep rising. People want better services therefore they should pay towards them. Nothing is free any more. Services need funding. Services have to paid for.
Protect services for Norfolk residents	Several agreed with our proposal to increase council tax in order to protect, maintain or improve services.	18	We need good public services across Norfolk. Happy to pay to increase services to all in the community to increase quality of the service and reduce waiting times to access support and services I am very concerned about the reduction in public services. This is not the whole answer but it will help. Council services have been cut extensively over the past few years and it is important to maintain those which are left.
	Some said it was particularly important to protect Adult Social Care services / other services.	14	To protect essential services especially social care.

Table 1 Analysis of main comments by people who agree/strongly agree with the proposal to increase Norfolk County Council's share of general Council Tax by 1.99% in 2020/21			
Overall theme	**Issues raised**	**Number of times mentioned**	**Quotes**
			We have already had service cuts and we should prioritise services to make our communities happier and healthier places. Providing the extra money for needed services (as opposed to having to cut them) will hopefully lead to our increasingly-elder population being able to stay healthier (physically and mentally) and live independently for longer. We need to put money into adult social care and care homes for the elderly
Affordability	Some respondents said that the increase was small, and/or they felt it would have little impact.	8	A very small increase for most. Because the rise is relatively small for the benefit of funding social care needs I can afford it
Fairness	Some felt that the increase was fair or reasonable.	7	Increase in council tax seems fair and affordable and will mean council not having to find extra savings. It means that everyone who pays council tax are contributing equally. To support Children and also the less fortunate elderly a small contribution per household is perfectly reasonable.

Table 1 Analysis of main comments by people who agree/strongly agree with the proposal to increase Norfolk County Council's share of general Council Tax by 1.99% in 2020/21			
Overall theme	**Issues raised**	**Number of times mentioned**	**Quotes**
Central government funding	Some respondents specifically acknowledged the impact of Government funding cuts / the funding deficit.	4	You have to put care first and the only way to do this is by increasing council tax as Government have strangled monies coming to Councils. Services have been cut to the bone and this is needed to address some of the funding deficit.
	Others talked about funding in more general terms.	7	Services have already been cut drastically. Unless we have a change of government, Norfolk County Council cannot expect much in the way of support from central government, so council tax will have to rise in order to pay for vital services. NCC is clearly underfunded, and must raise income wherever it can
Lack of alternatives	Some said that they felt that there was no alternative to increasing council tax.	5	I agree that County Council functions need to be better funded and at this time raising council tax seems the only option. You have little option.

Table 2 Analysis of main comments by people who disagree/strongly disagree with the proposal to increase Norfolk County Council's share of general Council Tax by 1.99% in 2020/21			
Overall theme	Issues raised	Number of times mentioned	Quotes
Council tax in relation to incomes and inflation	Many people commented that wages were not keeping up with the increase in council tax.	20	Given that most peoples' salaries have only increased 1% to 2% in recent years, this increase is too high. Those of us who earn just enough to pay full Council Tax will find this increase hard to find. Not sure how you expect the normal working person to keep finding more money back year, When there wages don't increase. My income has failed to keep pace with inflation for over a decade, and the tax is increasingly unaffordable. Household incomes across Norfolk are not significantly increasing and this additional household expenditure will put more pressure on families.
	Some people also mentioned the effect of any increase on those with a fixed income, such as a pension.	8	The increases in council imposed in the last couple of years has had a terrible effect on pensioners like myself, we are now struggling to find this horrendous amount of money. You seem to forget that we are on fixed pension incomes we are not at work because we are moon get employable, so how do you expect us to pay these increases?

Table 2 Analysis of main comments by people who disagree/strongly disagree with the proposal to increase Norfolk County Council's share of general Council Tax by 1.99% in 2020/21			
Overall theme	**Issues raised**	**Number of times mentioned**	**Quotes**
			We are pensioners and the council tax bill is becoming difficult to keep accommodating yearly increases like this . Pensioners like us get no council tax relief as we are just over the income limit & feel it unfair that we have to face the brunt of this regardless that we are not earning.
	People also commented about inflation in general / cost rises elsewhere.	4	It's higher than inflation. People are starving, it can't go on. Any increases should be restricted to inflation at most - 1.5%.
Cost of council tax	Several people expressed their view that council tax was unaffordable.	15	This would make A total increase of 3.99% is more than my annual salary increase and this makes it unaffordable. As a young person trying to rent and save for a home, after my rent, bills, council tax and trying to put away some money, I have very very little to live on at the end of this. This is not just a problem faced by me but many of my friends. If council tax rises this is another pressure on funds in an already unaffordable area to live for young people.

Table 2 Analysis of main comments by people who disagree/strongly disagree with the proposal to increase Norfolk County Council's share of general Council Tax by 1.99% in 2020/21			
Overall theme	**Issues raised**	**Number of times mentioned**	**Quotes**
	People also shared their concern about the amount of council tax continuing to increase.	10	This rise can not continue. It is not sustainable. Our council tax has gone up significantly in the last couple of years (around £20 per month). You have already increased council tax and this money should be government funded. Where do you draw the line.
	Some commented that the proposed rise was too large.	5	That is a shocking increase, you simply cannot expect people to pay such a massive hike when cost of living pay increases go up by nothing like this amount.
Efficiency and waste	People called on the Council to save money by being more efficient.	7	Because you should be able to save this amount by reducing the things you waste money on. There are many other ways in which the Council could be saving money, paying for services such as Room Bookings at Hethel Engineering Centre, NORSE everyday tasks that never seem to be fulfilled on time, Mobile Phone Contracts that should have been cancelled years ago that are still being paid monthly.

Table 2 Analysis of main comments by people who disagree/strongly disagree with the proposal to increase Norfolk County Council's share of general Council Tax by 1.99% in 2020/21			
Overall theme	**Issues raised**	**Number of times mentioned**	**Quotes**
	Some commented on specific areas they felt were a waste of Council funding.	4	Ndr was £56 million over budget, how much more money is being wasted by incompetence in the council? Stop wasting money on putting in cycle lanes on roads and doing unnecessary changes to the infrastructure!! You are wasting my money!!
Central government funding	Some respondents referred to Government funding.	6	Government needs to meet its obligations not local people being taxed twice. funding should come from central gov
Value for money	Some people commented that whilst council tax was increasing, they felt they were receiving fewer services, or got little in return for their council tax.	6	We pay more than we get As two pensioners who have lived in our 4 bedroom house for forty years how are we expected to pay the ever increasing council tax. Living in a small hamlet we get nothing for the tax we pay just a Refuse BIN COLLECTION, our lane is never swept, the odd police vehicle might drive through once in a couple of months,I would point out that we also have to pay a precept tax as well which keeps going up and for what? as the people who live in the Hamlet get absolutely nothing for this charge…

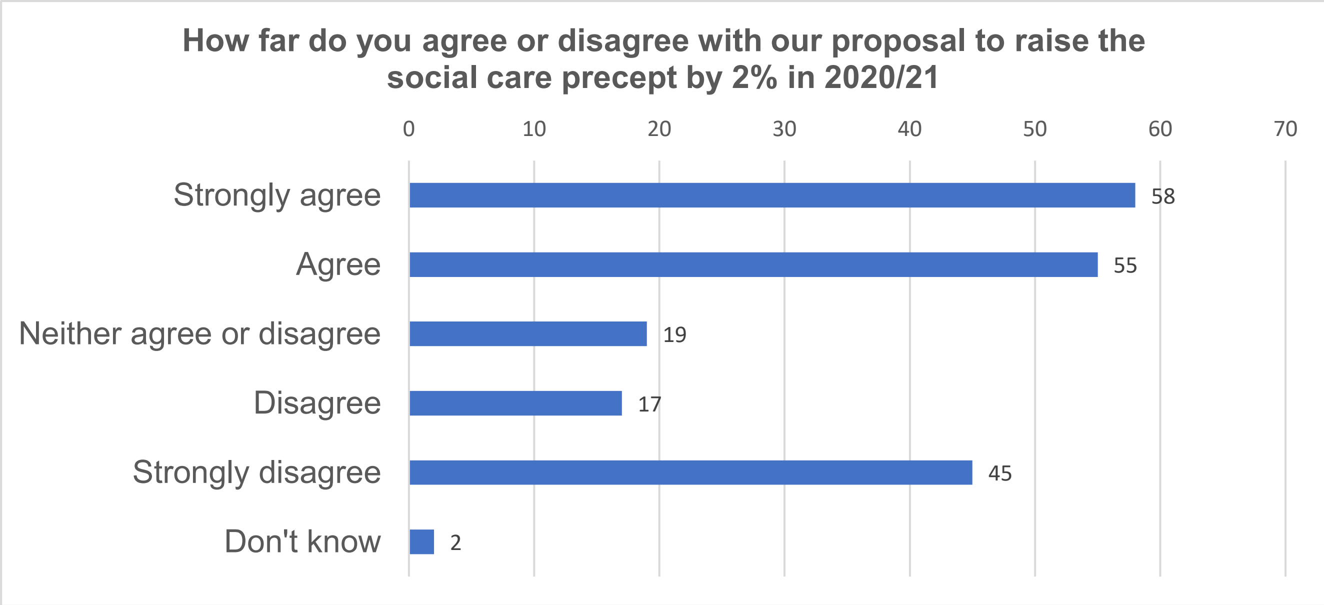
Table 2 Analysis of main comments by people who disagree/strongly disagree with the proposal to increase Norfolk County Council's share of general Council Tax by 1.99% in 2020/21			
Overall theme	**Issues raised**	**Number of times mentioned**	**Quotes**
Unfairness	People commented that either the council tax itself or the proposed increase was unfair.	5	Like many single, elderly women I am already too poor to pay income tax but pay 75% of council tax. My married colleagues have another income from their partners but effectivley pay less council tax than me. Tax the rich not the poor.

7. Survey responses adult social care precept

Q: How far do you agree or disagree with our proposal to raise the social care precept by 2% in 2020/21?

We asked how far people agreed or disagreed with our proposal and 196 people responded to this question. Of these:

- 58 (29.6%) said they strongly agreed
- 55 (28.1%) said they agreed
- 19 (9.7%) said they neither agreed nor disagreed
- 17 (8.7%) said that they disagreed and
- 45 (23.0%) said that they strongly disagreed
- 2 (1.0%) said they did not know



We included an open text box so that people could tell us the reason behind their answer and how, if at all, the proposal would affect them.

Of those **strongly agreeing** (58) or **agreeing** (55) with the proposal, people stated that their response was for the same reasons as they agreed with our proposals around general council tax - that they understood that services cost and felt that social care was needed. Several felt that adult social care was a priority and that frontline services should be protected. People also referred to the Government cuts to local government funding. Some mentioned increased demands for these services in Norfolk, especially given the ageing population. Some felt the increase was fair whilst others thought the increase could be even higher.

Of those **disagreeing** (17) or **strongly disagreeing** (45) with the proposal, people stated that their response was for the same reasons as they disagreed with the general part of council tax increasing, in particular that their earnings were not keeping up and the increase was unaffordable. Some expressed the view that the adult social care precept was unfair or were concerned that the Council would waste any income generated.

People who said they **neither agree nor disagree** (19) expressed their unhappiness about Members' expenses, mentioned funding adult social care centrally, Government funding in general and affordability for pensioners.

Table 1 Analysis of main comments by people who agree/strongly agree with the proposal to raise the social care precept by 2% in 2020/21			
Overall theme	**Issues raised**	**Number of times mentioned**	**Quotes**
The need for adult social care	The need for care, especially given Norfolk's ageing population.	12	Care Services are increasingly needed with an ageing population. Norfolk has an ageing population and higher than national average ageing population so this increase is needed.
	Increased demands.	6	Social care needs are likely to continue growing as we have an aging population and it is important that funding is in place to help those who need it People are living longer and need help in a variety of different ways including help with everyday tasks in the home and care away from the home when suffering with dementia Norfolk has a large elderly population that continues to grow. Providing the extra money for needed services (as opposed to having to cut them) will hopefully lead to our elderly population being able to stay healthier (physically and mentally) and live independently for longer
The cost of services	Comments relating to the cost of services and the need to pay for them.	10	NCC needs this money Obviously we all need to contribute to funding services.

Table 1 Analysis of main comments by people who agree/strongly agree with the proposal to raise the social care precept by 2% in 2020/21			
Overall theme	**Issues raised**	**Number of times mentioned**	**Quotes**
			Services have to be paid for and Care is necessary We need to fund the additional service somehow!
Maintaining valued adult social care services in the light of Government funding cuts	Adult social care seen as a priority, often in relation to comments about Government funding cuts.	8	With central government stripping the funding for this you guys need to make it a priority. You have to put care first and the only way to do this is by increasing council tax as Government have strangled monies coming to Councils. I don't think you have a choice. More money is required for social care funding. This has to be a priority. This is the only way we can generate the funds at this time. I think the government needs to make social care funding a priority.
	The service must be maintained / protected	7	Valuable service must not be neglected. The need to increase funding for vital services To protect essential services especially social care.
Protecting vulnerable people	Some commented that it was a social or moral responsibility and/or important to protect vulnerable people.	6	Because everybody has a friend or family member that need adult social care, so therefore I feel that people would be happier to pay towards adult

Table 1 Analysis of main comments by people who agree/strongly agree with the proposal to raise the social care precept by 2% in 2020/21			
Overall theme	**Issues raised**	**Number of times mentioned**	**Quotes**
			social care via the council tax to help and support it's most vulnerable adults of norfolk. I believe cohesive communities with a sense of well being foster financial investment and economic health. Therefore it is in everybody's interest that social care is delivered to the vest best standard as possible in order to support those in the community who are vulnerable and to work towards health, opportunity, security and a sense of belonging.
Our adult social care charging policy	Some took the opportunity to comment on charges for social care in general and our adult social care charging policy in particular.	6	The system cannot be cut anymore it is bad enough that you charge people for social care as it is. We need to support the most vulnerable in our society. They are having cuts to a Personal budgets, respite, transport and having their benefits taken from them because NCC has implemented the MIG. These people will and are becoming isolated. Their well-being will and us being adversely affected and also the lives of their carers
Fairness	Some stated that the increase was fair / acceptable.	5	This is a fair increase for the financial year. This figure seems more acceptable.

Table 1 Analysis of main comments by people who agree/strongly agree with the proposal to raise the social care precept by 2% in 2020/21

Overall theme	Issues raised	Number of times mentioned	Quotes
A larger increase needed	Comments that the adult social care precept could be higher.	5	Agree, but think it should be higher. A tiny price to pay for essential social services. You could double or treble the increase and it would make little difference to most people, while offering maximum benefit to those who need it most.

Table 2 Analysis of main comments by people who disagree/strongly disagree with the proposal to raise the social care precept by 2% in 2020/21			
Overall theme	**Issues raised**	**Number of times mentioned**	**Quotes**
Adult social care precept in relation to incomes and inflation	Several people commented that wages were not keeping up with the increase in council tax.	9	3.99% increase is significant on probably everyone's largest household bill. All other utility bills increase annually and wage increases do not for most cover all the increases leaving us all worse off. My issue is, my income has not risen for over 5 years, all my out going have. I struggle to pay my current council tax rate and just don't know how I would cope with an increase. Government cuts have hit everyone really hard over the years. Keeping passing on the short fall down the line, expecting the people at the bottom of the pile to pay for the short fall, makes life stressful, miserable and in the end question what we are here for. Why should contribution to Council services be greater than average pay rise each year.
Cost of council tax	Several people expressed their view that council tax was unaffordable.	9	I completely understand the need to raise more money to pay for services, as the government has cut funding. My issue is, my income has not risen for over 5 years, all my out going have. I struggle to pay my current council tax rate and just don't know how I would cope with an increase.

Table 2 Analysis of main comments by people who disagree/strongly disagree with the proposal to raise the social care precept by 2% in 2020/21			
Overall theme	**Issues raised**	**Number of times mentioned**	**Quotes**
			Many people are already struggling and this isn't including - police, village precept etc that will probably also go up and make it even harder for households.
Fairness	Views that the adult social care precept was unfair to those who worked or who did not claim benefits.	8	Once again it's the people who have tried to support themselves and are not on benefits who suffer from the increases in taxes. In my case, being single, I would have to sell my house to pay for my care, while others on benefits and social housing get their care for nothing. How is this right? Some people in this country have never worked, never saved and yet get everything given to them. With adult social care there is an excessive burden placed on the community to provide support. The children of elderly people perhaps should be means tested: if the parent has chosen to spend rather than save for their old age, or if children are earning well it seems immoral that others are expected to meet costs.
Council wastefulness	Some felt that the Council would waste any increased funds or spend it on things that they personally did not value.	5	The council will simply waste the money and not invest it appropriatley. If I felt it were going to be used appropriatley I would agree with this. Truth is it is just another cash cow for incompetence.

8. Business Transformation

91 people commented on budget approach in Business Transformation. The key themes to emerge included:

- **General support for our proposals (18)** The business transformation proposals appear to be sound **with provisos (2)** it is good in theory as long as it doesn't end up costing more in the end.
- **Comments relating to manager/staff ratios and need for frontline staff (10)** Same bull that's published every year but no real saving as too many new managers employed to oversee the changes rather than investing in trained front line staff to effectively deliver services.
- **Ideas for ways that we could save money in this area (8)** You have a very large office space, which could be rented out in sections to the private sector or combined with other government agencies like Broadland Council who operate out of a tiny venue, with zero parking.
- **Suggestions that we should already by implementing these proposals (7)** These don't seem very radical. These are all things that really should be happening already.
- **Concerns that our proposals won't meet our objectives (7)** Some of the proposed efficiency savings look optimistic. It is my experience that technology does not generate savings only reduction in headcount can achieve this.
- **A call to become more efficient (6)** All administration/finance departments should be streamlined to be as efficient as possible, targets should be set, deadlines adhered to, you need turn around times for everything.

We also received feedback on the following individual proposals:

Proposal	Number of times mentioned	Themes / quotes
BTP001 - Continuing our smarter working programme, which achieves efficiencies by changing the way we work.	4	Good news, would be interesting to see detail on what the councils initiatives would be - BTP001 for example has different savings in each of the next three years but zero benefit once we reach 23-24? Yes a great idea but only gives results when people are working effectively and productively.

Proposal	Number of times mentioned	Themes / quotes
		We hope your review of your traded services to make sure they are run on a fair commercial basis will carefully consider any cost implications for other local authorities and any knock-on impact these may have on the important services provided to the residents of our county.
BTP002 - Rationalising and making the most of our own properties to reduce external venue hire costs.	5	Seems to offer a clear opportunity for saving. Presumably the differences between the figures for the first 3 years listed reflect growing awareness of more efficient/cost saving practices. Why is it taken so long to implement? Properties that can be sold off should be if empty. renting properties for a peppercorn rents are not the way forward. Finally, we enthusiastically support your proposals to make the most use of your properties throughout the county and the opportunity to work with you on developing local service strategies to provide an integrated service offer to residents through increased locality working. … the savings proposed under reference BTP002 - Rationalising and making use of our own properties to reduce external venue hire costs are pretty modest and could be larger if shared use was to be made of other "public" estate assets such as District Council offices, increased sharing of space such as libraries with Towns and Parish Councils and there was more joined up thinking around public health and primary care commissioning and service delivery. I am surprised at the costs associated with the used of external venue hire, considering the vast property portfolio available to NCC and i would strongly recommend that this part of the proposal is speeded up as quickly as possible and maybe quicker than the time frame you are proposing.
BTP003.1 - Increasing council tax and business	4	Prevention and detection of fraud are - in my eyes - extremely important. Prior to retirement, I was the Senior Fraud Officer in a Private Bank, so I know how important it

Proposal	Number of times mentioned	Themes / quotes
rates income by preventing and detecting fraud.		is not to lose money to fraud. The best people should be in place to assist with the fight against fraud. Further, errors and mistakes are also important areas where money can be lost, so staff training must be of the highest order at all times. It would be useful if you were able to compare per capita spend with that in other authorities. For BTP003.1, how have you arrived at the figure of £1M and does it only apply in 2 financial years? Why? While we agree on the merits of increasing council tax and business rates collection, we need to be assured about the effectiveness and delivery of the fraud hub approach and believe that both the County's and the Districts' ambitions need to be considered when deciding how to tackle this issue. We welcome the opportunity to continue to work jointly on this with you. … would ask how the County Council proposes realising these savings / efficiencies given that the responsibility for collecting Council Tax and Business Rates, including detection and prevention of fraud rests with district and borough councils where there are varying levels of collection rates across the County.
BTP003.2 - Digitising print, post, scan and record storage leading to a reduction in direct costs.	1	An Electronic Document Management System was procured a number of years ago at a cost in excess of this amount and wasn't ever used in anger. Presumably you will now use the previously procured system?
BTP003.3 - Making the most of technology to make every day business transactions more efficient.	3	If technology can be better used then there is every reason to expect this happen in the next Tax year rather than delaying. It would be useful if you were able to compare per capita spend with that in other authorities. For BTP003.1, how have you arrived at the figure of £1M and does it only apply in 2 financial years? Why? The same question arises with BTP003.3. In that case

Proposal	Number of times mentioned	Themes / quotes
		it is a single year's saving. You also do not seem to mention how much it will cost in new systems, staff training etc. Is the saving net (i.e. does it include costs)? This is welcome in principle but is it feasible given that figital reach in Norfolk still leaves a lot to be desired.
BTP004 - Receiving discounts from suppliers by offering them early payments.	3	To keep changing suppliers costs money....perhaps terms should be agreed and costs agreed for a longer term to give security to the providers and maintain quality by quality control measures and fines when quality is not adhered to. Suppliers should be paid promptly anyway, not be expected to give a discount to persuade you to do what you should have done in the first place
BTP005 - Reviewing all of Norfolk County Council's traded services to make sure they are run on a fair commercial basis.	1	To keep changing suppliers costs money....perhaps terms should be agreed and costs agreed for a longer term to give security to the providers and maintain quality by quality control measures and fines when quality is not adhered to.

9. Adult Social Services

107 people commented on our budget approach in Adult Social Services. The key themes to emerge included:

- **General support for our proposals (16)** A sensible approach to prevent more costly interventions later and improve quality of life **with provisos (5)** The reablement program is a good idea in theory, but there are many who have terminal issues such as dementia or MND that can not be reabled, therefore a project to help those should also be in place
- **Comments relating to our adult social care charging policy (14)** You are saving money by charging the most vulnerable residents of norfolk, you are not supporting them to stay at home, as you are taking a large proportion of their benefits. How can this be justified. You are cutting support for the disabled, cutting their money, therefore leaving them isolated and with no money. This is not supporting it's taking it away. Adult social care is in crisis and your only making it worse for the working age disabled.
- **The need to work closer / differently with the NHS (9)** The partnership between the NHS and social care is poor with little direction and social services are blamed for delayed transfers of care, often without supporting evidence.
- **Calls to invest in adult social care (8)** You do not need to be saving from adult social care you need to be putting more funding in to it !
- **Calls for more / better trained care staff (8)** You need more social workers yet there aren't enough. This takes time and trining and at least 3-4 years of it to work...
- **Concerns that our proposals won't meet our objectives (7)** People who are actually eligible for a service are quite unable to be independent and require support. If they were able they wouldn't need a service. NCC are clouding over cracks with the talk of transformation.
- **Calls not to make savings in this area (7)** I do not believe there should be any reduction in funding to Adult Social Services.
- **Comments about promoting independence (6)** I agree that people should be at home where possible but only if good care and support is provided. This should be delivered by the council and not outsourced to the lowest bidder who only cares about profit margins
- **Ideas for how we could make savings / improvements in this area (6)** I wonder if the Council has looked into the feasibility of building modern almshouses (with a enlightened and very user friendly, contemporary vision, obviously). I believe the concept of appropriate housing for independent living, built around a courtyard and located close to the busy centre of communities would offer the elderly a more sociable and inclusive way of life, preventing the isolation and anxiety that can have such a debilitating affect on health and well being. It would also, perhaps, prove a money-saving initiative as any need for preventative care might be more efficiently notified with some level of nursing support offered to the almshouse community as a whole.

- **A call to become more efficient (5)** Provinding joined up service delivery with county, districts and NHS etc as a complete customer journey would make the whole process more eficient and reduce numbers of people involved. Making data flow between partners and requests automated etc to speed up service delivery, remove all bottlenecks in providnig services and focus on the customer needs not the organisational ones.

We also received feedback on the following individual proposals:

Proposal	Number of times mentioned	Themes / quotes
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.	6	Home Care cannot possibly be as cost effective as "residential" care in many cases. One Home Carer/Nurse cannot PROPERLY nor EFFICIENTLY look after the same number of patients in rural areas, in particular because of travelling distances as One Carer/Nurse can in "residential" care. THIS IS COMMON SENSE!!! The money would be better spent on re-introducing Community Hospitals where patients, including those having had operations, would be treated properly, efficiently and attended to more often. District Nurses should be "attached" to these Community Hospitals as well as G. P. Surgeries and Social Services. I'm not sure I'm understanding the way the figures are set out but if you are saying that you will spend £5m per year less on home-based reablement, that sounds exactly the opposite of what is needed. Or are you saying you will spend more, but that the result will be a £5m saving elsewehere? ASS001 and ASS003 will put additional pressure on the carers and families of patienst. It this is not handled carefully carers themselves may end up needing more support. In adult social care, we value the work we are doing with you on successful programmes such as District Direct and welcome the budget proposals to reduce the need for residential care by expanding home based and accommodation based reablement and working better across health and social care teams to help prevent falls. We believe the best way to achieve this goal is by investing in communities, with

Proposal	Number of times mentioned	Themes / quotes
		an emphasis on partnerships, capacity building and increasing the availability of community help, rather than relying on the voluntary sector alone. … has concerns about the savings proposed under references ASS001, ASS002 and ASS003 in that it perceives that demand for all of these services in Norfolk is high and will remain so given the ageing demographic which is much older than the national average and should therefore be recognised by Government. ASS001, ASS002, ASS003 - While we welcome the expansions of these services.
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.	4	Home Care cannot possibly be as cost effective as "residential" care in many cases. One Home Carer/Nurse cannot PROPERLY nor EFFICIENTLY look after the same number of patients in rural areas, in particular because of travelling distances as One Carer/Nurse can in "residential" care. THIS IS COMMON SENSE!!! The money would be better spent on re-introducing Community Hospitals where patients, including those having had operations, would be treated properly, efficiently and attended to more often. District Nurses should be "attached" to these Community Hospitals as well as G. P. Surgeries and Social Services. In adult social care, we value the work we are doing with you on successful programmes such as District Direct and welcome the budget proposals to reduce the need for residential care by expanding home based and accommodation based reablement and working better across health and social care teams to help prevent falls. We believe the best way to achieve this goal is by investing in communities, with an emphasis on partnerships, capacity building and increasing the availability of community help, rather than relying on the voluntary sector alone. … concerns about the savings proposed under references ASS001, ASS002 and ASS003 in that it perceives that demand for all of these services in Norfolk is high and

Proposal	Number of times mentioned	Themes / quotes
		will remain so given the ageing demographic which is much older than the national average and should therefore be recognised by Government. ASS001, ASS002, ASS003 - While we welcome the expansions of these services.
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.	4	Home Care cannot possibly be as cost effective as "residential" care in many cases. One Home Carer/Nurse cannot PROPERLY nor EFFICIENTLY look after the same number of patients in rural areas, in particular because of travelling distances as One Carer/Nurse can in "residential" care. THIS IS COMMON SENSE!!! The money would be better spent on re-introducing Community Hospitals where patients, including those having had operations, would be treated properly, efficiently and attended to more often. District Nurses should be "attached" to these Community Hospitals as well as G. P. Surgeries and Social Services. ASS001 and ASS003 will put additional pressure on the carers and families of patienst. It this is not handled carefully carers themselves may end up needing more support. … concerns about the savings proposed under references ASS001, ASS002 and ASS003 in that it perceives that demand for all of these services in Norfolk is high and will remain so given the ageing demographic which is much older than the national average and should therefore be recognised by Government. ASS001, ASS002, ASS003 - While we welcome the expansions of these services.
ASS004 - Working better across health and social care teams to help prevent falls, which in turn helps prevent hospital admissions	2	This seems a very sensible way forward as it is confusing for members of the Public to have 2 separate Falls Services, one in Health and one in Adult Social Care, so would be helpful to move towards a more integrated approach. In adult social care, we value the work we are doing with you on successful programmes such as District Direct and welcome the budget proposals to reduce the

Proposal	Number of times mentioned	Themes / quotes
and saves money on residential care.		need for residential care by expanding home based and accommodation based reablement and working better across health and social care teams to help prevent falls. We believe the best way to achieve this goal is by investing in communities, with an emphasis on partnerships, capacity building and increasing the availability of community help, rather than relying on the voluntary sector alone.
ASS005 - Supporting disabled people to access grants that are available for access to education and support to attend university.	2	I think this would be a very helpful investment as part of helping people to be as independent as possible and to help into universities and possibly also increasing chances of employment. ASS005, ASS006 - We would like more detail on these elements before commenting.
ASS006 - Increasing opportunities for personalisation and direct payments, which will help both increase choice of services and value for money, through more efficient commissioning.	2	ASS006 is flawed. Outsourcing increases rather than decreases the overall cost of service delivery as it adds further steps in the chain. Rather than outsource services, cheaper and better delivery is achieved by providing services in house. Oversight and management costs are reduced releasing more to be spent on the service delivery itself. This is true in all cases, save where there is a genuine cost arbitrage (eg moving work to a lower cost environment, which isn't possible when the work needs to be undertaken in situ) or genuine scope for economies of scale (which by and large only applies to manufacturing or niche specialist services). ASS005, ASS006 - We would like more detail on these elements before commenting.
ASS007 - Reviewing how we commission residential care services to save money by making sure we have the right services in the right place.	1	There is not enough explanation here. The residential care home sector is already stretched and there have been several closures in recent years. Squeezing them further could mean that self-funders have to pay more.
ASS008 - Developing consistent contracts and prices for nursing care by	0	

Proposal	Number of times mentioned	Themes / quotes
working more closely with health services.		
ASS009 - Debt management (one-off) - reclaiming money owed by other organisations.	1	How are there savings of £0.5m in 2020/21 as the one off debt recovery and then costs of £0.5m in 2021/22 which result in a net saving of 0. Surely this can't be correct? Unless the cost of the recovery equals the debt, then really is there any point!
ASS010 - Reducing the money we spend on supporting providers to develop a market of affordable, quality, social care.	0	
ASS011 - Reviewing staffing levels in back office and support services.	2	Staffing level reduction against a rising demand is a nonsense. Will this just put more pressure on social services if things don't go smoothly in the background? Will these people who lose their jobs in this role be reskilled and put into new positions?
ASS012 - Funding of the Norfolk Swift Response Service by Health.	4	This seems a very sensible way forward as it is confusing for members of the Public to have 2 separate Falls Services, one in Health and one in Adult Social Care, so would be helpful to move towards a more integrated approach. ASS012 is not appropriate. Given the significant numbers of vulnerable people on the unmet needs register, swifts is the only support they have. Reduce the level of support swifts can provide and you will massively increase the burden on families, the healthcare system and your front line social service workers. You will also be exposing already vulnerable and unsupported people to increased risk of harm.

Proposal	Number of times mentioned	Themes / quotes
		There is not enough explanation as to where the savings come from. Swifts is a vital service for people looking after frail elderly people. Changing the service could place additional pressure on other parts of the health and care system. … concerns over the proposed withdrawal or reduction in funding to the Norfolk Swift Response Service - reference ASS012, which it is concerned will result in costs being “shunted” elsewhere in the system - either within the County Council, District Councils, health and voluntary sectors.

10. Children's services

83 people commented on our budget approach in Children's Services. The key themes to emerge included:

- **General support given for the proposals (11)** this seems a logical approach **but with provisos (7)** As long as it done case by case, but more important is dealing with the cases you have now and making those children / young people are better served and looked after.
- **Unhappiness over recent changes to childrens centres (9)** You closed the way this was already being done!! Places like watton don't have a sure start centre or can get to one on public transport... this has created more issues, needing more money... so we are now covering issue you created through our money!
- **Calls not to make savings in this area (8)** Children's services have been cut enough in the past.
- **Ideas for how we could make savings / improvements in this area (6)** Please review whether substantial savings could be made by the voluntary sector providing the Early Help offer in Norfolk. Please externally commission any new services for children. Please review the quality of your commissioning teams and the amount of funding that is invested in commissioning teams.
- **Calls to invest in children's services (6)** We cannot sustain any more savings within Children's Services. Services are already underinvested in. Short Breaks, SEND and Social Worker Support all need investment. Putting aside the SEND Transformation Strategy Funding, more smarter funding is needed.
- **Concerns that our proposals won't meet our objectives (5)** Again We find it hard to comment due to the lack of detail in the proposals however being as the children's services have been improving of the last few years but still need to improve further we would question the rational of adding the pressure of cuts at this point.
- **Calls to help families as early as possible (5)** Investing in services working to prevent family breakdown has to be a priority, not least because it saves costs in the longer term.

We also received feedback on the following individual proposals:

Proposal	Number of times mentioned	Themes / quotes
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.	5	It is so sad regarding children's services....parents should be responsible and education begin in school with prospective parents. I have no answer for any of the above other than CHS001 to try at the earliest opportunity to educate and support. Better contraceptive support and educational support to discourage having children when families already have too many social problems. Early help is not early intervention, invest in more early intervention in particular with young people. Norfolk need a youth service, professional youth workers are trained to deal with poor mental health, ASB, NEATs. This is real early intervention We also welcome your proposed investment in prevention, early intervention and effective social care in children's services. As part of this strategy, we would welcome the support of Norfolk County Council's Children's Services in redesigning our successful Early Help Hubs to move them to the next stage of their development. … concerned that the savings proposed across proposals CHS001, CHS002 and CHS003, even allowing for the additional costs proposed by reference he CHS004 will result in a stalling if not reversal of the positive progress made in recent years in reducing the number of families in crisis and children entering the care system.
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	2	This sounds a very helpful way forward as part of also aiming to improve outcomes for young people as they move into adulthood. … concerned that the savings proposed across proposals CHS001, CHS002 and CHS003, even allowing for the additional costs proposed by reference he CHS004 will result in a stalling if not reversal of the positive progress made in recent years in reducing the number of families in crisis and children entering the care system.

Proposal	Number of times mentioned	Themes / quotes
from extended families keeping families safely together where possible and averting family crises.		
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.	2	For CHS003 (and some of the others, how will you measure "achieving better outcomes". Is there a nationally recognised audit or will you make this up as you go along? … concerned that the savings proposed across proposals CHS001, CHS002 and CHS003, even allowing for the additional costs proposed by reference he CHS004 will result in a stalling if not reversal of the positive progress made in recent years in reducing the number of families in crisis and children entering the care system.
CHS004 - Our Children's Services transformation programme is continuing to develop and so we can make more savings this year. We have therefore replaced our previous saving CHL049 with the three new savings above (CHS001, CHS002 and CHS003), which are clearer about the specific areas we are making savings in.	0	
CHS005 - Since we set last year's budget, our joint work across the children and young people's mental health system has developed into a	2	More money needs to be allocate dto mentl health as this is a huge issue in Norfolk. … welcomes the additional funds proposed to support the improved provision of Children's and Young Peoples Mental Health Services.

Proposal	Number of times mentioned	Themes / quotes
comprehensive redesign of the system as a whole. This change of direction means it no longer makes sense to deliver saving CHL047 that just focused on one part of the system.		

11. Community and Environmental Services

91 people commented on our budget approach in Community and Environmental Services. The key themes to emerge included:

- **Comments related to perceived increase in / problems with flytipping (13) and or charges for recycling (7)** I think that the council should rethink the charges for council tips. There is such a problem with fly tipping these days. Stiffer penalties would go some way to stopping this, as would fewer charges at council tips for individuals.
- **General support for our proposals (6)** This approach appears to be sound **but with provisios (2)** As long as the people in your community get the help they need then any saving would be good to help others.
- **Concerns that our proposals won't meet our objectives (6)** So many of these 'savings' have the potential to cost more in the long term. As just one example, the increase in fly-tipping, with all its associated costs, is an almost inevitable consequence of charging for waste disposal. No one wants inefficiencies but evry action has a consequence and politicians at all levels do not always seem very good at understanding what those might be.
- **Ideas for how we could make savings / improvements in this area (5)** Using the facilities in museums and the libraries more often for running courses and holding meetings.
- **Suggestions that we should already by implementing these proposals (5)** These should be done now. Common sense again.

We also received feedback on the following individual proposals:

Proposal	Number of times mentioned	Themes / quotes
CES001 - Additional efficiencies in staffing and operations to progress the Adult Learning service towards its goal of being cost neutral.	5	Why isn't this already cost neutral? "Additional efficiencies" - NCC has been saying this sort of thing across areas for years and years and still you use the same rhetoric. I could go on. Why have NCC not instigated such common sense options long before now? The idea that Adult Learning should be cost neutral (CES001) is an outstandingly stupid concept. What this means, in effect, is a reduction in the provision. Look at the demographics and ask people what sorts of courses they want to have. For those with

Proposal	Number of times mentioned	Themes / quotes
		a vocational aspect, look for sponsorship from local businesses. Engage with NUA and UEA in partnership. You could also apply for EU grants - but unfortunately Norfolk voted for Brexit. This could affect Adult Learning's contribution to reducing loneliness and isolation. Adult learning should be invested in to help adults into jobs not cut.
CES002 - Achieving economies of scale in our Customer Service Centre by expanding the services that we deliver.	1	… many of these savings are relatively small, but might not be realised or create demand / costs in other parts of the local authority system, such that a wider discussion across the local authority sector is required.
CES003 - Reviewing processes and operating model to drive further efficiencies within Customer Services.	1	"Reviewing processes and operating model to drive further efficiencies" NCC has been saying this sort of thing across areas for years and years and still you use the same rhetoric. I could go on. Why have NCC not instigated such common sense options long before now?
CES004 - Reducing the costs of our recycling centre contracts.	8	If this means that either users of local recycling centres will face increased charges or that discouragements to people to use these centre will result in more fly-tipping this may be a stealth tax as the victims will be subsidising the "savings". To keep our beautiful countryside there should be NO CHARGES at Recycling Centres, and NO CUTBACKS. Expecting Country Persons to clear up behind Rogue Dumpers who leave waste littering the Countryside as well as Roadsides is very unfair and often costly. Those clear ups done by the Council is very expensive to the Council. Not a lot of scope for savings here Cutting back on recycling centres has already lead to more fly tipping and greater cost to the police and land owner.

Proposal	Number of times mentioned	Themes / quotes
		Why are both recycling centres in Breckland shut at the same time, surely it would be more cost effective to have them open on different days so the same staff can operate both over the week? In respect of CES004/005, I believe that many residents are not over happy that Recycling Centres are unable more recently to accept fewer items, which might lead to an increase in fly-tipping. We try to recycle as much as we can, but it can be irritating to get to a Recycling Centre with items only to be told that they cannot be recycled or have to be added to landfill. Perhaps there needs to be an increase to budget to ensure that recycling and waste are effectively and better disposed of. CES004 and CES005 could result in a further increase in fly-tipping … that many of these savings are relatively small, but might not be realised or create demand / costs in other parts of the local authority system, such that a wider discussion across the local authority sector is required.
CES005 - Adjusting our budget for recycling centres in line with predicted waste volumes.	5	If this means that either users of local recycling centres will face increased charges or that discouragements to people to use these centre will result in more fly-tipping this may be a stealth tax as the victims will be subsidising the "savings". To keep our beautiful countryside there should be NO CHARGES at Recycling Centres, and NO CUTBACKS. Expecting Country Persons to clear up behind Rogue Dumpers who leave waste littering the Countryside as well as Roadsides is very unfair and often costly. Those clear ups done by the Council is very expensive to the Council. Why are both recycling centres in Breckland shut at the same time, surely it would be more cost effective to have them open on different days so the same staff can operate both over the week?

Proposal	Number of times mentioned	Themes / quotes
		In respect of CES004/005, I believe that many residents are not over happy that Recycling Centres are unable more recently to accept fewer items, which might lead to an increase in fly-tipping. We try to recycle as much as we can, but it can be irritating to get to a Recycling Centre with items only to be told that they cannot be recycled or have to be added to landfill. Perhaps there needs to be an increase to budget to ensure that recycling and waste are effectively and better disposed of. CES004 and CES005 could result in a further increase in fly-tipping.
CES006 - Saving money by renegotiating our highways contracts.	1	Only comment i can make is Have you seen the roads and pathways in Norfolk? if you can call some of them roads! A better deal is to make sure when the highways do a job they do it correctly, THET ALL and NOR ALL thats a laughable mistake and makes a mockery out of the County Council.
CES007 - Saving money by purchasing fire service equipment, rather than leasing it.	3	Our Fire & Rescue Service is a valuable service and needs to be appropriately funded. There is a difficult balance between leasing and owning, if you own equipment will need maintenance and servicing, will there be provision for the ongoing costs associated or as in some leases these costs are included.. so will there be any real saving? Don't forget to include maintenance, training & replacement costs. I doubt that buying fire service equipment will create a saving as the Council will now also have the cost of maintenance and replacement.
CES008 - Reviewing posts in our Culture and Heritage service to ensure that we have the right number of staff with the right mix of skills.	0	

Proposal	Number of times mentioned	Themes / quotes
CES009 - Saving money in our post room by reducing staff and the costs of our contracts.	1	the post service is appalling at the best of times - it would be good to see a more detailed proposal relating to how it will affect efficiency of service if staffing numbers are cut
CES010 - Reviewing staffing and vacancies in Trading Standards to ensure that we have the right number of staff with the right mix of skills.	1	Trading Standards does a lot of work on rouge traders and ensures food is safe, so no reduction.
CES011 - Reviewing vacancies in Waste Services to ensure that we have the right number of staff with the right mix of skills.	0	
CES012 - Saving money by maintaining recycling credit payments to Voluntary and Community Groups at 2019-20 levels.	8	Support this reduction. We would support the below amount of what is paid for recycling products. Any increase is amazing, staying the same would also be satisfactory. Many thanks for contacting us. The reduction in Recycling Credits is understandable but I question whether the savings outweigh the good that money can do in local communities. Instead of maintaining levels of recycling credits to 2019-20 levels, why not reduce the amount paid per tonne to, say, £50? this non-statutory incentive payment will still be a bonus to non-profit organisations but will save the council further thousands (hundreds of?) in payments whilst still giving these organisations an incentive to retain their collection points.

Proposal	Number of times mentioned	Themes / quotes
		I don't believe that you should hold the Recycling Credit rate at £60.36 per tonne, but should make an inflationary increase to £62.17 per tonne in 2020/21. I don't think that withholding £5,000 to save from your budget by penalising tiny, often volunteer supported, non-profit organisations and Parish councils is a very fair way to go. Many people support these recycling facilities because of the beneficiaries of the credits. They do sort out, very specifically, the items for the recycling facilities. These items will simply increase the unsorted recycled refuse if people are discouraged in any way from recycling in this manner. … many of these savings are relatively small, but might not be realised or create demand / costs in other parts of the local authority system, such that a wider discussion across the local authority sector is required. *My Council was disappointed and surprised to receive your email about considering a reduction in Recycling Credits in 2020/2021. For Parish Councils, this could as a result make them need to increase their precepts to cover the shortfall. This would mean that the cost to the tax-payer, who eventually pays, would be shifted from county council to parish council line on their Council Tax bills. Non-profit making organisations would be adversely hit at a time when the need for them is at its greatest because of the reduction in funding from both central and local government. Bottle banks greatly help meet targets for recycling. Seeing them is a valuable reminder of the need to recycle. That this proposal would only create an estimated saving to the County Council of £5,000 was a surprise. The time an effort put in to carrying out this consultation will probably cost NCC close to that amount. Add to that the time and effort spent by the some 400 bodies considering the matter and responding, and there is a net cost, not a saving at all! So, my Council asks that you continue to reward bodies who host recycling facilities, which was, we feel, the government's intention when introducing the legislation. (* Please note: This response was provided by two different parish councils)

Proposal	Number of times mentioned	Themes / quotes
CES013 - Saving money on treating street sweeping arisings by re-procuring our contract.	0	
CES014 - Adjusting budget for recycling credits in line with predicted recycling volumes.	1	We agree that using predicted waste volumes to adjust the budgets for recycling centres is important to avoid wasting money and build a more data-driven service that can adapt to future demands. We would like to work with you on this in order to minimise any negative impacts on waste-collection authorities and on our natural environment for example by potentially leading to increases in fly-tipping.
CES015 - Saving money by maintaining recycling credit rates to District Councils for some materials at 2019-20 levels.	2	Regarding the proposals to save money by maintaining recycling credit rates to District Councils for some materials, we are concerned that this may lead to unintended financial consequences for waste collection authorities such as ourselves and would urge you to reconsider this approach. While we fully appreciate that difficult decisions need to be made due to the massive funding pressures that local government is currently facing, we believe that by working together we may be able to find more creative solutions to such problems. … many of these savings are relatively small, but might not be realised or create demand / costs in other parts of the local authority system, such that a wider discussion across the local authority sector is required.
CES016 - Matching the contribution made by Districts to the Waste Partnership communications budget.	0	
CES017 - Reviewing the operation of Museum	2	Agree with all your proposals on this but feel the museum catering could be so much better in its offering, prices and event catering options - good luck!

Proposal	Number of times mentioned	Themes / quotes
catering facilities to make them more commercial.		All catering in NCC outlets (Museums, Offices, etc.) need to be provided in house but run on a commercial basis.
CES018 - Saving money and increasing income by reviewing Culture and Heritage service room hire arrangements to make more cost-effective use of space.	1	All NCC facilities (including C&HS) that can be used by external users should be run on a commercial basis and generate income when not required by the department or another NCC department.
CES019 - Reducing the learning and development budget, to reflect the increase in apprenticeships, e-learning and other on-the-job training.	2	£21.2 million is spent on community information and learning. I would like to see a full set of accounts to see where all this money is spent. More training is required to improve service delivery, not less, using Apprenticeships as cheap workers is not the answer, these people need to be supported and managed to effectively be trained in house which has a resource cost. I would add more funding to this to support those people who have to support apprentices with additional training in mentoring and how the apprenticeships should work.
CES020 - Income generation across various Community and Environmental Services budgets.	1	Income generation increases of £209k in a single year...impressive. but nothing in the next 3 years?

12. Public Health

57 people commented on our budget approach in Public Health. The key themes to emerge included:

- **The need to work closer / differently with the NHS (4)** The current 10 year plan from the NHS highlights living healthy to avoid illness in later life. Are the proposals for public health aligned with this plan?
- **General support for our proposals (3)** The proposals here involve very small savings and appear to be based upon changes in demand for or efficiencies being realised in the provision of preventative services, the detail of which is supported **but with provisos (1)**
- **Ideas for how we could make savings / improvements in this area (3)** Why not base public health at the libraries. Or at museums asd you have spaces. Rent out your buildings to agencies like Age UK charities to provide integrated hub services with other agencies.
- **Public health should be the responsibility of the individual (3)** All heath adjustments should be that families should be taught how to protect and look after themselves rather than except others to do it and more should be done to enhance the well-being of all.

We also received feedback on the following individual proposals:

Proposal	Number of times mentioned	Themes / quotes
PHE001 - Reviewing staffing and vacancies in public health to reduce budget in line with predicted spend.	2	Why has it taken so long to realise this needs to be looked into? Public health is an essential part of the STP system and any proposed cuts should be considered in that context. In particular PHE001 should be considered in the needs of the whole system and PHE003 in the context of system targets rather than predicted spend.
PHE002 - Adjusting the budget for our Healthy Lifestyles and Stop Smoking services in line with predicted take-up of services.	2	Why has it taken so long to realise this needs to be looked into? better education and management in schools would help

Proposal	Number of times mentioned	Themes / quotes
PHE003 - Review the sexual health services we commission and work better with providers to make services more efficient and reduce budget in line with predicted spend.	5	Why has it taken so long to realise this needs to be looked into? There is already a paucity of provision in this area with only Oak Street/?CASH clinic providing sexual helath services in Norwich. Please don't cut it back. Public health is an essential part of the STP system and any proposed cuts should be considered in that context. In particular PHE001 should be considered in the needs of the whole system and PHE003 in the context of system targets rather than predicted spend. Support to sexual health services and education around contraception is important. The current sexual health services are not working. When this service was run by NCC it was much better.
PHE004 - Use of reserves.	0	

13. Other services

58 people commented on our budget approach in other services. The key themes to emerge included:

- **General support for our proposals (7)** These proposals are well thought out and just need to be implemented well by NCC **but with provisos (1)**
- **Calls to cut the number of staff and / or their pay (5)** Reduce the salaries of the top 25% of council employees. Cut the number of managers.
- **Reduce members' expenses (5)** The increases in Councillors' allowances at the same time as continued cuts to vital services is not justifiable and is insulting to the people of Norfolk. Councillors from the ruling party should be ashamed of taking these funds away from front line services
- **Ideas for how we could make savings / improvements in this area (5)** You should make staff multi skilled, so they can move across departments, when one area is less busy they can help out in another. Staff need to be efficient, many councils staff are complacent, Each department needs set targets each week.

We also received feedback on the following individual proposals:

Proposal	Number of times mentioned	Themes / quotes
SGD001 - Reviewing staffing and vacancies across Strategy and Governance to make savings by continuing to hold vacancies and seeking more opportunities to bring in project funding for staff, particularly in Strategic Services and Intelligence and Analytics.	3	Stop out sourcing to companies like Capita who are NOT county based and therefore don't understand the needs of the county. Holding vacancies often a false economy. If the job needs doing, the post needs filling. If it doesn't need doing, you don't need the post. The only argument for a post being held vacant is if the work to be covered is time restricted - but if the delivery is mot needed at that particular time, then the post is not needed then and is not really 'vacant'. Holding posts vacant almost always leads to inefficiency - notably no effective hand-over from one post holder to another and added stress for others in the team leading to inefficient delivery in itself and to extra time being taken off for illness etc. Also massive adverse impacts on morale - felt most by those most committed to the

Proposal	Number of times mentioned	Themes / quotes
		work they do. Delaying filling posts is almost always evidence of poor management from above... Reviewing staff in Local Authorities normally means the staff at ground roots level rather than the Management who are naturally inclined to look after their own roles. Do it the other way round this time.
SGD002 - Reducing our spending on supplies and services by 5%.	0	
SGD003 - Reducing our spending on ICT.	4	NCC need to move away from ICT Shared Services and instead go out to market for more competitive pricing. it would be good to see a more detailed proposal around this as a lot of time and money has been put into ICT over the past few years with lots of issues coming out of poor contractual choices. Is it possible that by reducing spending on ICT you expose your computer systems to external vulnerabilities which are then costlier to recover
FCS001 - Making a **one-off saving from our organisational change and redundancy budgets.**	1	Again a one of saving for year 2020/21 but with a cost the same as the saving in year 2021/22 and then nothing for the two years after that.
FCS002 - Recognising **additional income forecast from our business rates pilot.**	1	Again a one of saving for year 2020/21 but with a cost the same as the saving in year 2021/22 and then nothing for the two years after that.

14. Other information

Other information relevant to the consultation
Organisations responding expressed the following views not captured elsewhere in this summary: Organisations expressed appreciation of the financial uncertainties that the Council was working under and expressed their desire to work in partnership together and develop creative approaches to supporting our communities. There were calls to lobby central Government for fairer funding for Norfolk which recognises its rurality, urban deprivation and the large and growing ageing population. Our general focus on prevention was welcomed and the Council was invited to join in with the District Council Network's call for a 3% prevention precept for district councils. Some organisations called for more information about proposals, in particular, a request for the modelling of demand that may be transferred onto other parts of the system. The need for robust equality impact assessments that considered rurality and those on low incomes was emphasised. Voluntary and Community sector organisations expressed concerns relating to the cost pressures on public sector contracts resulting in organisations no longer being financially viable. There were also concerns raised that the Council was bringing more services in-house which took investment out of the voluntary and community sector. Overall there were five specific requests from the voluntary and community sector: - To embed the Social Value Act criteria in all commissioning evaluation processes – carrying at least a 20% weight - A set of evaluation tools to be identified, developed, published and recognised by both sectors, and used across organisations consistently to provide comparable results, which are then made available - A forward plan to be maintained, highlighting key planning, service commissioning/development and strategic engagement opportunities - Any provider may request an open book review if they believe they are subsidising a contract - Any budget proposal that affects an external organisation is subject to an impact assessment done ins consultation with that organisation.

EQIA –

- **We received one comment relating to the impact of our proposals on carers, who are predominantly women:** Helping people stay at home is good up to a point but very much relies on unpaid or poorly paid carers, primarily women. Please make sure that all your policies/budgets changes are reviewed for their impact on women
- **We received one comment relating to rural impacts:** We are penalised for living in the country with no services.
- **We received comments relating to our approach to EqIA:** As with previous budget consultations we would emphasise the need for a robust equality impact assessment process that is acted upon. This process must continue beyond the high level proposal stage and evaluate the knock-on impact of budget decisions on services, communities and people. Whilst not legally protected characteristics we would request that all impact assessment processes also consider rurality and of those on low incomes.

Legal challenge - There were no comments concerning potential or proposed legal challenges to any of the proposals.

Consultation – We received 15 comments relating to the consultation which included:

- **Comments about lack of detail in general:** We would like to emphasise that for various proposals a lack of detail, particularly on how and where savings will be made, has made it difficult to fully comment on the potential impacts and outcomes of NCC's outlined budget savings.
- **Concerns a decision had already been made:** But I know you are going to do it anyway, so why bother asking us?
- **Requests for specific detail:** As with the other budget proposals, it us difficult to see if the cuts/savings are realistic as you only report tbs reduction not the size of the budget line at the start.
- **Issues with understanding:** I do not understand how the Adult Social Care precept would increase from £96.05 to £123.21 between years in the example given if it is only supposed to be a 2% increase.
- **Welcoming the opportunity to have a say on the budget:** Thank you for giving us the opportunity to help shape your budget for the year 2020-21.
- **Comments relating to transparency:** I have no idea what any of this means. I suspect that is your intent.

Responses by gender (158 individuals)

Gender		
Male	69	43.7%
Female	73	46.2%
Prefer to self-describe	2	1.3%
Prefer not to say	13	8.2%
Not answered	1	0.6%
Total	**158**	**100%**

Responses by age (158 individuals)

Age		
Under 18	0	0.0%
18-24	7	4.4%
25-34	8	5.1%
35-44	15	9.5%
45-54	31	19.6%
55-64	37	23.4%
65-74	41	25.9%
75-84	7	4.4%
85 or older	0	0.0%
Prefer not to say	8	6.3%
Not answered	2	1.3%
Total	**158**	**99.9%**

Responses by long-term illness, disability or limiting health problem (individuals)

Long-term illness, disability or limiting health problem		
Yes	21	13.3%
No	115	72.8%
Prefer not to say	18	11.4%
Not answered	5	2.5%
Total	**158**	**100%**

Responses by ethnic group (individuals)

Ethnic group		
White British	135	85.4%
White Irish	0	0%
White other	2	1.3%
Mixed / multiple ethnic group	1	0.6%
Asian or Asian British	0	0%
Black / African / Caribbean / Black British	0	0%
Other ethnic group	1	0.6%
Prefer not to say	13	9.5%
Not answered	3	2.5%
Total	**158**	**99.9%**

December 2019

Norfolk County Council

Proposed budget for 2020/2021

Overall summary
Equality and rural impact assessment report

For further information about this report please contact Jo Richardson, Equality & Diversity Manager:

Telephone: 01603 223816
Email: jo.richardson@norfolk.gov.uk
Text relay: 18001 0344 800 8020
Fax: 0344 800 8012

IN TRAN communication for all

If you need this document in large print, audio, Braille, alternative format or in a different language please contact Neil Howard on 0344 800 8020 or 18001 0344 800 8020 (Text relay).

Contents

Appendix 6: Revenue Budget 2020-21 – Equality and Rural Impact Assessment

Introduction

1. This report summarises the findings of equality and rural impact assessments of Norfolk County Council's proposed budget for 2020-21.

2. Equality and rural assessments enable elected members to consider the potential impact of decisions on different people and communities prior to decisions being taken. Mitigations can be developed if detrimental impact is identified.

3. Details of the assessment process are set out in Annex 1.

The legal context

4. Public authorities have a duty under the Equality Act 2010 to consider the implications of proposals on people with protected characteristics. The Act states that public bodies must pay due regard to the need to:

- Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act[1];
- Advance equality of opportunity between people who share a protected characteristic[2] and people who do not share it[3];
- Foster good relations between people who share a protected characteristic and people who do not share it[4].

5. The full Act is available here.

Summary of findings for 2020-21

6. There is no evidence to indicate that the proposed budget for 2020-21 would have a detrimental impact on people with protected characteristics or in rural areas. This is because no changes are proposed to assessment processes, eligibility of needs, service or workforce standards or benefits, quality or delivery.

7. Any organisational changes will be developed and implemented in line with NCC policies and guidance which ensure that people with protected characteristics will not be disproportionately affected compared to others. In addition, following approval of the proposed budget for 2020/21, work will take place to develop detailed implementation plans for each budget allocation element.

8. As a result of this it is possible that it may be necessary to carry out additional equality impact assessments and obtain further Cabinet approval. A mitigating action is therefore recommended to address this.

9. However, it should be noted that some budget proposals agreed by Full Council last year, such as the second phase of changes to the Adult Social Care charging policy, are due to be implemented in 2020-21. This is important to note, as the equality and rural impact assessments completed on these proposals at the time identified a potential for detrimental impact, particularly on disabled people. The Council does not wish to underplay the significance of any of the difficult decisions it has had to make in order to balance the Council's budget and protect as many essential services as possible.

10. The Council is proposing to increase council tax by 3.99% in 2020-21 (1.99% for general council tax and 2.00% for the Adult Social Care precept). This will impact on all residents eligible to pay council tax.

11. The nature of this impact will depend on individual circumstances and is considered in detail below. On balance, the greatest factor to take into account is that an increase in council tax will benefit Norfolk's most vulnerable people and their families and carers. This is because it will enable the Council to continue to protect essential services which directly benefit and support older and disabled adults and children and families to remain independent and at home for as long as possible.

Contextual issues to take into account

12. When considering the impact of its budget proposals, the Council is required to take into account other factors which may be impacting on residents – which could include population changes and trends; rurality; deprivation and poverty; the economy; health and wellbeing and crime and disorder.

13. A detailed analysis of these and many other factors has been set out in Norfolk's Story - 2019, and should be considered alongside this assessment.

14. A further factor to take into account is the rising cost of living and changes to welfare reform, and past changes to services such as a need for service users to start paying for some services or towards the cost of their care.

The importance of continuing to incorporate accessibility for disabled people into technological solutions

15. A key theme, as set out in *Together, for Norfolk*, is to work better and more efficiently, to maximise technological solutions, making services simpler to access and keeping people independent for longer.

16. In view of this, work to incorporate accessibility for disabled service users and staff into digital design remains an important priority for 2020-21. This is because badly designed and implemented web technology can make it difficult or impossible for disabled people using assistive technologies like text-to-speech readers or magnification software to access web information and self-service.

17. The Council is already a top performer in this area (in 2017, for the first time, it passed an independent stringent two-stage test by Socitm, scoring 2 out of 3. Nationwide, 4 out of 10 local councils' homepages failed basic tests for accessibility). However, there is still much to be done, and the Council is not complacent about the barriers that many disabled people face when using technology. A detailed analysis of this is included in Annex 2.

Conclusion

18. It is important to note that the assessments only consider the impact of the Council's budget proposals for this year. For obvious reasons, they do not detail the various positive impacts of the Council's day-to-day services on people with protected characteristics and in rural areas - such as the proposed programme of capital investment set out elsewhere on the agenda; promoting independence for disabled and older people; supporting children and families to achieve the best possible outcomes; keeping vulnerable adults and children safe, and lobbying nationally on the big issues for residents and businesses – such as transport and better broadband for Norfolk.

19. The task for the Cabinet is to consider the various impacts set out in this report, alongside the many other factors to be taken into account (covered elsewhere on the agenda) to achieve a balanced budget that focuses the Council's resources of £1.4bn where they are most needed.

Analysis of the proposed budget for 2020-21

20. Equality and rural impact assessments have been carried out on all 53 proposals within the budget for 2020-21, and the proposal to increase council tax and the Adult Social Care precept.

- Business Transformation / Smarter Working
- Adult Social Services
- Children's Services
- Community and Environmental Services
- Strategy and Governance Department
- Finance and Commercial Services

21. Each proposal been assessed to identify whether there is a potential for disproportionate or detrimental impact on people with protected characteristics or in rural areas. The findings are detailed below.

Business Transformation budget proposals 2020-21

	Title of proposal	Potential impact
1.	**Continuing our smarter working programme**, which achieves efficiencies by changing the way we work (reference BTP001)	This proposal will impact positively on service users, as it will enable the Council to maintain or exceed existing levels of service provision at no additional cost to the Council. There is no evidence to indicate that this proposal would have a disproportionate or detrimental impact on people with protected characteristics or in rural areas. This is because: • No changes are proposed to assessment processes, eligibility of needs, service standards, quality or delivery. • Accessibility will be integrated into the design of smarter working technologies, to ensure that disabled people and people in rural areas are not inadvertently disadvantaged. If someone, due to a disability or rural location is for some reason unable to utilise a smarter working function, a reasonable adjustment will be agreed, and alternative provision will be available. • People who find it challenging to travel, which includes some disabled people, carers and parents or people in rural areas, may find smarter working technology increases accessibility and reduces the need to travel to council offices.

	Title of proposal	Potential impact
2.	**Rationalising and making the most of our own properties** to reduce external venue hire costs (reference BTP002)	This proposal may help promote inclusive design for disabled people, as rationalisation provides opportunities to incorporate greater levels of accessibility into properties. In addition, the accessibility of Council properties compares well to other sectors. There is no evidence to indicate that this proposal would have a disproportionate or detrimental impact on people with protected characteristics or in rural areas. This is because no changes are proposed to assessment processes, eligibility of needs, service standards, quality or delivery.
3.	**Increasing council tax and business rates income** by preventing and detecting fraud (reference BTP003.1)	This proposal will impact positively on service users, as a reduction in fraud/increase in people paying what they owe means that there is more money available to fund essential services. There is no evidence to indicate that this proposal would have a disproportionate or detrimental impact on people with protected characteristics or in rural areas. This is because no changes are proposed to assessment processes, eligibility of needs, service standards, quality or delivery.
4.	**Digitising print, post, scan and record storage** leading to a reduction in direct costs (reference BTP003.2)	This proposal will impact positively on service users, as it will enable the Council to maintain existing levels of service provision at no additional cost to the Council. There is no evidence to indicate that this proposal would have a disproportionate or detrimental impact on people with protected characteristics or in rural areas. This is because no changes are proposed to assessment processes, eligibility of needs, service standards, quality or delivery. Accessibility will be built into increased digitisation, to ensure that it can be fully accessed by disabled staff.
5.	**Making the most of technology to make every day business transactions more efficient** (reference BTP003.3)	This proposal will impact positively on service users, as it will enable the Council to maintain or exceed existing levels of service provision at no additional cost to the Council.

	Title of proposal	Potential impact
		There is no evidence to indicate that this proposal would have a disproportionate or detrimental impact on people with protected characteristics or in rural areas. This is because: • No changes are proposed to assessment processes, eligibility of needs, service standards, quality or delivery. • There is the potential to enhance access and inclusion for disabled people, as the proposal presents an opportunity to better integrate accessibility into current business systems and processes • Accessibility will be integrated into new technologies, to ensure that disabled people and people in rural areas are not inadvertently disadvantaged. If someone, due to a disability or rural location is for some reason unable to utilise a technology, a reasonable adjustment would be agreed, and alternative provision will be available.
6.	**Receiving discounts from suppliers** by offering them early payments (reference BTP004)	This proposal will impact positively on service users, as it will enable the Council to maintain existing levels of service provision at no additional cost to the Council. There is no evidence to indicate that this proposal would have a disproportionate or detrimental impact on people with protected characteristics or in rural areas. This is because no changes are proposed to assessment processes, eligibility of needs, service standards, quality or delivery.
7.	**Reviewing all of Norfolk County Council's traded services** to make sure they are run on a fair commercial basis (reference BTP005)	There is no evidence to indicate that this proposal would have a disproportionate or detrimental impact on people with protected characteristics or in rural areas. This is because no changes are proposed to assessment processes, eligibility of needs, service standards, quality or delivery.

Adult social care budget proposals 2020-21

	Title of proposal	Impact
1.	**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 (reference ASS001)	This proposal will promote independence and dignity for disabled and older people, by minimising hospital stays and enabling them to stay at home for longer. Disabled and older people report that these are critical factors in their well-being. There is no evidence to indicate that this proposal would have a disproportionate or detrimental impact on people with protected characteristics or in rural areas. This is because no changes are proposed to assessment processes, eligibility of needs, service standards, quality or delivery. It is conceivable that there may be an indirect impact on carers, many of whom are women. However, promoting independence strategy is based upon the principle of independence for disabled people, which includes enabling disabled people to remain at home for as long as possible.
2.	**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 (reference ASS002)	This proposal will promote independence and dignity for disabled and older people, by minimising hospital stays and enabling them to stay at home for longer. Disabled and older people report that these are critical factors in their well-being. There is no evidence to indicate that this proposal would have a disproportionate or detrimental impact on people with protected characteristics or in rural areas. This is because no changes are proposed to assessment processes, eligibility of needs, service standards, quality or delivery. It is conceivable that there may be an indirect impact on carers, many of whom are women. However, promoting independence strategy is based upon the principle of independence for disabled people, which includes enabling disabled people to remain at home for as long as possible.
3.	**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 (reference ASS003)	This proposal will promote independence and dignity for people with dementia, by minimising hospital stays and enabling them to stay at home for longer. People with dementia and their carers report that these are critical factors in their well-being. There is no evidence to indicate that this proposal would have a disproportionate or detrimental impact on people with protected

	Title of proposal	Impact
		characteristics or in rural areas. This is because no changes are proposed to assessment processes, eligibility of needs, service standards, quality or delivery. It is conceivable that there may be an indirect impact on carers, many of whom are women. However, promoting independence strategy is based upon the principle of independence for disabled people, which includes enabling disabled people to remain at home for as long as possible.
4.	**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 (reference ASS004)	This proposal will promote safety, independence and dignity for disabled and older people, by minimising falls and hospital admissions. There is no evidence to indicate that this proposal would have a disproportionate or detrimental impact on people with protected characteristics or in rural areas. This is because no changes are proposed to assessment processes, eligibility of needs, service standards, quality or delivery. A reduction in falls will have a positive impact on carers, many of which are women.
5.	**Supporting disabled people to access grants** that are available for access to education and support to attend university (reference ASS005)	This proposal will promote equality and independence for disabled people, by supporting them to access education and support to attend university. There is no evidence to indicate that this proposal would have a disproportionate or detrimental impact on people with protected characteristics or in rural areas. This is because no changes are proposed to assessment processes, eligibility of needs, service standards, quality or delivery.
6.	**Increasing opportunities for personalisation and direct payments**, which will help both increase choice of services and value for money, through more efficient commissioning (reference ASS006)	This proposal will promote independence and choice for disabled and older people. Disabled and older people report that independence is a critical factor in their well-being. There is no evidence to indicate that this proposal would have a disproportionate or detrimental impact on people with protected characteristics or in rural areas. This is because no changes are proposed to assessment processes, eligibility of needs, service standards, quality or delivery. People who need help with their direct payments will continue to receive it.
7.	**Reviewing how we commission residential care services** to save money by making sure we have the	This proposal will promote independence, dignity and safety for disabled and older people, because it will provide an opportunity to ensure that local services reflect local needs.

	Title of proposal	Impact
	right services in the right place (reference ASS007)	There is no evidence to indicate that this proposal would have a disproportionate or detrimental impact on people with protected characteristics or in rural areas. This is because no changes are proposed to assessment processes, eligibility of needs, service standards, quality or delivery.
8.	**Developing consistent contracts and prices for nursing care** by working more closely with health services (reference ASS008)	There is no evidence to indicate that this proposal would have a disproportionate or detrimental impact on people with protected characteristics or in rural areas. This is because no changes are proposed to assessment processes, eligibility of needs, service standards, quality or delivery.
9.	**Debt management (one-off) – reclaiming money owed by other organisations** (reference ASS009)	There is no evidence to indicate that this proposal would have a disproportionate or detrimental impact on people with protected characteristics or in rural areas. This is because no changes are proposed to assessment processes, eligibility of needs, service standards, quality or delivery.
10.	**Reducing the money we spend on supporting providers to develop a market of affordable, quality, social care** (reference ASS010)	There is no evidence to indicate that this proposal would have a disproportionate or detrimental impact on people with protected characteristics or in rural areas. This is because no changes are proposed to assessment processes, eligibility of needs, service standards, quality or delivery.
11.	**Reviewing staffing levels in back office and support services** (reference ASS011)	There is no evidence to indicate that this proposal would have a disproportionate or detrimental impact on people with protected characteristics or in rural areas. This is because vacancy management will not lead to changes to service standards, quality or delivery. Any organisational changes will be developed and implemented in line with NCC policies and guidance which ensure that staff with protected characteristics will not be disproportionately affected compared to other staff. If any posts are deleted this will not lead to changes to service standards, quality or delivery.
12.	**Funding of the Norfolk Swift Response Service by Health** (reference ASS012)	This proposal will promote independence and dignity for disabled and older people, by enabling them to stay safely at home for longer, with the right support in place. Disabled and older people report that these are critical factors in their well-being. There is no evidence to indicate that this proposal would have a disproportionate or detrimental impact on people with protected characteristics or in rural areas. This is because no changes are proposed to assessment

	Title of proposal	Impact
		processes, eligibility of needs, service standards, quality or delivery. It is conceivable that there may be an indirect impact on carers, many of whom are women. However, promoting independence strategy is based upon the principle of independence for disabled people, which includes enabling disabled people to remain at home for as long as possible.

Children's Services budget proposals 2020-21

<table>
<tr><th></th><th>Title of proposal</th><th>Impact</th></tr>
<tr><td>1.</td><td>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 (reference CHS001)</td><td>This proposal will promote better outcomes for children and their families and carers, as it seeks to support families to stay together. It represents an additional investment in strengthening services and support for children and families. The Council will be able to offer families more direct help, a more consistent relationship with a key worker and access to more specialist and intensive services to help meet their needs and ultimately to reduce risks and help children and families stay together wherever possible.

There is no evidence to indicate that this proposal would have a disproportionate or detrimental impact on children, their families or carers. This is because:

• The proposal may lead to some changes in how services are delivered, but these are not anticipated to have any significant impact on service users. This means that service users, including service users from rural areas, will not experience any changes in the quality or standards of the services they currently receive or be disadvantaged. They will continue to receive support relative to their needs. No changes are proposed to the assessment process or eligibility of needs.
• The proposal will not lead to new or increased costs for service users.
• The principles guiding design and delivery of the proposal will be child and family centred, which prioritises the independence, dignity and safety of children and families, and draws directly on the voices of children and their families to guide service design.
• Opportunities for building greater levels of accessibility for disabled children and families into the design of services will be considered as part of the commissioning process.</td></tr>
<tr><td>2.</td><td>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 (reference CHS002)</td><td>This proposal will promote better outcomes for children and their families and carers, as it aims to support families to stay together and avert family crises.

There is no evidence to indicate that this proposal would have a disproportionate or detrimental impact on children, their families or carers. This is because:</td></tr>
</table>

	Title of proposal	Impact
		• Service users, including service users from rural areas, will not experience any changes in the quality or standards of the services they currently receive or be disadvantaged. They will continue to receive support relative to their needs. No changes are proposed to the assessment process or eligibility of needs. • The proposal will not lead to new or increased costs for service users. • The principles guiding design and delivery of the proposal will be child and family centred, which prioritises the independence, dignity and safety of children and families, and draws directly on the voices of children and their families to guide service design. • Opportunities for building greater levels of accessibility for disabled children and families into the design of services will be considered as part of the commissioning process.
3.	**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 (reference CHS003)	This proposal will promote better outcomes for children and their families and carers, as it aims to create additional capacity for children's services. There is no evidence to indicate that this proposal would have a disproportionate or detrimental impact on people with protected characteristics or in rural areas. This is because: • The proposal may lead to some changes in how services are delivered, but these are not anticipated to have any detrimental impact on service users. Service users, including service users from rural areas, will not experience any changes in the quality or standards of the services they currently receive or be disadvantaged. They will continue to receive support relative to their needs. No changes are proposed to the assessment process or eligibility of needs. • The proposal will not lead to new or increased costs for service users. • The principles guiding design and delivery of the proposal will be child and family centred, which prioritises the independence, dignity and safety of children and families, and draws directly on the voices of children and their families to guide service design. • Opportunities for building greater levels of accessibility for disabled children and families into the design of services will be

	Title of proposal	Impact
		considered as part of the commissioning process.
4.	**Merging existing children looked after transformation savings** (CHL049) **into new proposals** (CHL001-3), which will replace and augment the existing deliverable plans (reference CHS004)	There is no evidence to indicate that this proposal would have a disproportionate or detrimental impact on people with protected characteristics or in rural areas. This is because no changes are proposed to assessment processes, eligibility of needs, service standards, quality or delivery.
5.	**Reverse elements of CHL047** – cost efficiencies delivered by strategic partnership and joint commissioning with Mental Health services (reference CHS005)	This proposal will mean that the Council will no longer take additional efficiency savings from mental health budgets as there is wider transformation ongoing. There is no evidence to indicate that this proposal would have a disproportionate or detrimental impact on people with protected characteristics or in rural areas. This is because no changes are proposed to assessment processes, eligibility of needs, service standards, quality or delivery.

Community and Environmental Services budget proposals 2020-21

	Title of proposal	Impact
1.	**Additional efficiencies in staffing and operations** to progress the Adult Learning service towards its goal of being cost neutral (reference CES001)	This proposal will impact positively on adult learners in Norfolk, as it will enable the adult learning service to maintain current high-quality service provision at no extra cost to the Council. There is no evidence to indicate that this proposal would have a disproportionate or detrimental impact on people with protected characteristics or in rural areas. This is because the identification of efficiencies will not lead to changes to service standards, quality or delivery. If any posts are deleted this will not lead to changes to service standards, quality or delivery. Any organisational changes will be developed and implemented in line with NCC policies and guidance which ensure that staff with protected characteristics will not be disproportionately affected compared to other staff.
2.	**Achieving economies of scale in our Customer Service Centre** by expanding the services that we deliver (reference CES002)	This proposal will impact positively on service users, as it will enable the Customer Service Centre to maintain current high-quality service provision at no additional cost to the Council. There is no evidence to indicate that this proposal would have a disproportionate or detrimental impact on people with protected characteristics or in rural areas. This is because no changes are proposed to assessment processes, eligibility of needs, service standards, quality or delivery.
3.	**Reviewing processes and operating models to drive further efficiencies within Customer Services** (reference CES003)	This review will impact positively on service users, as it will enable the Customer Service Centre to maintain current high-quality service provision at no additional cost to the Council. There is no evidence to indicate that this proposal would have a disproportionate or detrimental impact on people with protected characteristics or in rural areas. This is because no changes are proposed to assessment processes, eligibility of needs, service standards, quality or delivery. If any posts are deleted this will not lead to changes to service standards, quality or delivery. Any organisational changes will

	Title of proposal	Impact
		be developed and implemented in line with NCC policies and guidance which ensure that staff with protected characteristics will not be disproportionately affected compared to other staff.
4.	**Reducing the costs of our recycling centre contracts** (reference CES004)	This review will impact positively on service users, as it will enable the Council to maintain high quality recycling service provision at no additional cost to the Council. There is no evidence to indicate that this proposal would have a disproportionate or detrimental impact on people with protected characteristics or in rural areas. This is because no changes are proposed to assessment processes, eligibility of needs, service standards, quality or delivery.
5.	**Adjusting our budget for recycling centres** in line with predicted waste volumes (reference CES005)	This review will impact positively on service users, as it will enable the Council to maintain high quality recycling service provision at no additional cost to the Council. There is no evidence to indicate that this proposal would have a disproportionate or detrimental impact on people with protected characteristics or in rural areas. This is because no changes are proposed to assessment processes, eligibility of needs, service standards, quality or delivery.
6.	**Saving money by renegotiating our highways contracts** (reference CES006)	This review will impact positively on service users, as it will enable the Council to maintain highways maintenance at no additional cost to the Council. There is no evidence to indicate that this proposal would have a disproportionate or detrimental impact on people with protected characteristics or in rural areas. This is because no changes are proposed to assessment processes, eligibility of needs, service standards, quality or delivery.
7.	**Saving money by purchasing fire service equipment, rather than leasing it** (reference CES007)	This review will impact positively on service users, as it will enable the Council to maintain high quality Fire and Rescue Services at no additional cost to the Council. There is no evidence to indicate that this proposal would have a disproportionate or detrimental impact on people with protected characteristics or in rural areas.

	Title of proposal	Impact
		This is because no changes are proposed to assessment processes, eligibility of needs, service standards, quality or delivery.
8.	**Reviewing posts in our Culture and Heritage service** to ensure that we have the right number of staff with the right mix of skills (reference CES008)	There is no evidence to indicate that this proposal would have a disproportionate or detrimental impact on people with protected characteristics or in rural areas. This is because the review will not lead to changes to service standards, quality or delivery. If any posts are deleted this will not lead to changes to service standards, quality or delivery. Any organisational changes will be developed and implemented in line with NCC policies and guidance which ensure staff with protected characteristics will not be disproportionately affected compared to other staff.
9.	**Saving money in our post room** by reducing staff and the costs of our contracts (reference CES009)	There is no evidence to indicate that this proposal would have a disproportionate or detrimental impact on people with protected characteristics or in rural areas. This is because the review will not lead to changes to service standards, quality or delivery. If any posts are deleted this will not lead to changes to service standards, quality or delivery. Staff with protected characteristics will not be disproportionately affected compared to other staff.
10.	**Reviewing staffing and vacancies in Trading Standards** to ensure that we have the right number of staff with the right mix of skills (reference CES010)	There is no evidence to indicate that this review would have a disproportionate or detrimental impact on people with protected characteristics or in rural areas. This is because the review will not lead to changes to service standards, quality or delivery. Any organisational changes will be developed and implemented in line with NCC policies and guidance which ensure staff with protected characteristics will not be disproportionately affected compared to other staff.
11.	**Reviewing vacancies in Waste Services** to ensure that we have the right number of staff with the right mix of skills (reference CES011)	There is no evidence to indicate that this review would have a disproportionate or detrimental impact on people with protected characteristics or in rural areas. This is because if any posts are deleted this will not lead to changes to eligibility, service standards or quality. It may lead to some changes to the way in which services are delivered but this will not

	Title of proposal	Impact
		impact on the public services currently received by residents or businesses. Any organisational changes will be developed and implemented in line with NCC policies and guidance which ensure staff with protected characteristics will not be disproportionately affected compared to other staff.
12.	**Saving money by maintaining recycling credit payments to voluntary and community groups** at 2019-20 levels (reference CES012)	There is no evidence to indicate that this proposal would have a detrimental or disproportionate impact on people with protected characteristics or in rural areas. This is because current levels of funding to the 400 voluntary and community groups (which includes Parish Councils, church groups, school groups, sports clubs, village halls, and charities) in receipt of this benefit will continue. Groups will continue to be able to access the funding. No changes are proposed to assessment processes, eligibility of needs, service standards, quality or delivery. During the consultation process, no group stated that the proposal would require them to have to stop or cease their work. If the proposal goes ahead, the Council will monitor the impact so that if any adverse issue arises, this can be addressed appropriately.
13.	**Saving money on treating street sweeping arisings** by re-procuring our contract (reference CES013)	This review will impact positively on service users, as it will enable the Council to maintain high quality street sweeping provision at no additional cost to the Council. There is no evidence to indicate that this proposal would have a disproportionate or detrimental impact on people with protected characteristics or in rural areas. This is because no changes are proposed to assessment processes, eligibility of needs, service standards, quality or delivery.
14.	**Adjusting budget for recycling credits** in line with predicted recycling volumes (reference CES014)	This proposal will impact positively on service users, as it will enable the Council to maintain high quality service provision at no additional cost to the Council. There is no evidence to indicate that this proposal would have a disproportionate or detrimental impact on people with protected characteristics or in rural areas. This is because no changes are proposed

	Title of proposal	Impact
		to assessment processes, eligibility of needs, service standards, quality or delivery.
15.	**Saving money by maintaining recycling credit rates to district councils** for some materials at 2019-20 levels (reference CES015)	There is no evidence to indicate that this proposal would have a detrimental or disproportionate impact on people with protected characteristics or in rural areas. This is because it is expected that district councils will continue to provide garden waste collection services. If district councils decide to make changes to how they manage recycling services, they will be responsible for conducting equality impact assessments of any changes that could impact on the public or staff.
16.	**Matching the contribution made by districts to the Waste Partnership communications budget** (reference CES016)	This review will impact positively on service users, as it will enable the Council to maintain high quality service provision at no additional cost to the Council. There is no evidence to indicate that this proposal would have a disproportionate or detrimental impact on people with protected characteristics or in rural areas. This is because no changes are proposed to assessment processes, eligibility of needs, service standards, quality or delivery. There continue to be a number of routes available for communicating waste partnership messages, including through the increased use of social media, which is a more immediate and cost effective route.
17.	**Saving money and increasing income by reviewing Culture and Heritage service room hire arrangements** to make more cost-effective use of space (reference CES018)	This review will impact positively on service users, as it will enable the Council to maintain high quality Culture and Heritage Services at no additional cost to the Council. There is no evidence to indicate that this proposal would have a disproportionate or detrimental impact on people with protected characteristics or in rural areas. This is because no changes are proposed to assessment processes, eligibility of needs, service standards, quality or delivery. There will be a need to relocate some existing staff teams to new office locations. Any organisational changes will

	Title of proposal	Impact
		be developed and implemented in line with NCC policies and guidance which ensure that staff with protected characteristics will not be disproportionately affected compared to other staff.
18.	**Reducing the learning and development budget** to reflect the increase in apprenticeships, e-learning and other on-the-job training (reference CES019)	This proposal will impact positively on service users, as it will enable the Council to maintain existing levels of service provision at no additional cost to the Council. There is no evidence to indicate that this proposal would have a disproportionate or detrimental impact on people with protected characteristics or in rural areas. This is because no changes are proposed to assessment processes, eligibility of needs, service standards, quality or delivery.
19.	**Income generation** across various Community and Environmental Services budgets (reference CES020)	This review will impact positively on service users, as it will enable the Council to maintain high quality services at no additional cost to the Council. There is no evidence to indicate that this proposal would have a disproportionate or detrimental impact on people with protected characteristics or in rural areas. This is because no changes are proposed to assessment processes, eligibility of needs, service standards, quality or delivery.
20.	**Highways works - capitalisation of activities to release a revenue saving**	This proposal will impact positively on service users, as it will enable the Council to maintain highways maintenance at no additional cost to the Council. There is no evidence to indicate that this proposal would have a detrimental or disproportionate impact on people with protected characteristics or in rural areas. This is because no changes are proposed to assessment processes, eligibility of needs, service standards, quality or delivery.

Appendix 6: Revenue Budget 2020-21 – Equality and Rural Impact Assessment

Strategy and Governance budget proposals 2020-21

	Title of proposal	Impact
1.	**Reviewing staffing and vacancies across Strategy and Governance** to make savings by continuing to hold vacancies and seeking more opportunities to bring in project funding for staff, particularly in Strategic Services and Intelligence and Analytics (reference SGD001)	This review will impact positively on service users, as it will enable the Council to maintain existing high-quality strategy and governance services at no additional cost to the Council. There is no evidence to indicate that this proposal would have a disproportionate or detrimental impact on people with protected characteristics or in rural areas. This is because the review will not lead to changes to service standards, quality or delivery. If any posts are deleted this will not lead to changes to service standards, quality or delivery. Any organisational changes will be developed and implemented in line with NCC policies and guidance which ensure that staff with protected characteristics will not be disproportionately affected compared to other staff.
2.	**Reducing our spending on supplies and services by 5%** (reference SGD002)	This proposal will impact positively on service users, as it will enable the Council to maintain current levels of service provision at no additional cost to the Council. There is no evidence to indicate that this proposal would have a disproportionate or detrimental impact on people with protected characteristics or in rural areas. This is because no changes are proposed to assessment processes, eligibility of needs, service standards, quality or delivery.
3.	**Reducing our spending on ICT** (reference SGD003)	This proposal will impact positively on service users, as it will enable the Council to maintain existing levels of quality ICT provision at no additional cost to the Council. There is no evidence to indicate that this proposal would have a disproportionate or detrimental impact on people with protected characteristics or in rural areas. This is because the budget reduction will not lead to a reduction in the level of accessible ICT solutions provided for disabled staff. No changes are proposed to assessment processes, eligibility of needs, service standards, quality or delivery.

Finance & Commercial Services budget proposals 2020-2021

	Title of proposal	Potential impact
1.	Making a **one-off saving from our organisational change and redundancy budgets** (reference FCS001)	This proposal will impact positively on service users, as it will enable the Council to maintain existing service provision at no additional cost to the Council. There is no evidence to indicate that this proposal would have a disproportionate or detrimental impact on people with protected characteristics or in rural areas. This is because no changes are proposed to assessment processes, eligibility of needs, service or employment standards, redundancy benefits, quality or delivery.
2.	Recognising **additional income forecast from our business rates pilot** (reference FCS002)	This proposal will impact positively on service users, as it will enable the Council to maintain high quality service provision at no additional cost to the Council. There is no evidence to indicate that this proposal would have a disproportionate or detrimental impact on people with protected characteristics or in rural areas. This is because no changes are proposed to assessment processes, eligibility of needs, service standards, quality or delivery.

Public Health budget proposals 2020-21

	Title of proposal	Impact
1.	**Adjusting the budget for our Healthy Lifestyles and Stop Smoking services** in line with predicted take-up of services (reference PHE002)	There is no evidence to indicate that this proposal would have a disproportionate or detrimental impact on people with protected characteristics or in rural areas. This is because: • Adjusting the budget will not lead to changes to eligibility for services, or changes in service standards, quality or delivery. • Service users will continue to receive support relative to their needs. • Commissioned services that provide face to face treatment services will not be directly affected by this proposal. • The proposal will not lead to new or increased costs for service users. Generally speaking, it is the most vulnerable groups in society (which includes people with protected characteristics) who are most in need of support to improve healthy lifestyles and stop smoking. This proposal would mean that spend in this area would be limited to the proposed budget for 2020/2021. It could therefore be argued that by limiting the budget for spend in this area, there is an indirect impact on people with protected characteristics. However, the Council will seek to mitigate this by working with staff across a wide range of other services to increase their health improvement knowledge and skills, and by providing more web-based advice to the public.
2.	**Review the sexual health services we commission** and work better with providers to make services more efficient and reduce budget in line with predicted spend (reference PHE003)	There is no evidence to indicate that this review would have a disproportionate or detrimental impact on people with protected characteristics or in rural areas. This is because: • The review may lead to some changes in how sexual health services are delivered, but this is because the Council is increasingly able to offer a more tailored approach to individual services users based on clinical need. • Reducing the budget in line with predicted spend will not lead to changes to eligibility for services, or changes in service standards, quality or delivery. • Service users will continue to receive support relative to their needs. • The proposal will not lead to new or increased costs for service users. • Commissioned services that provide face to face treatment services will not be directly affected by this proposal.

	Title of proposal	Impact
		It should be noted that this proposal would mean that spend on sexual health services would be limited to the proposed budget for 2020/2021. It could therefore be argued that by limiting the budget for spend in this area, there is an indirect impact on the population as a whole. However, the Council has achieved this proposed saving as a result of successful contract negotiations with other agencies which has changed the agreements on who pays for what. This has reduced the amount the Councils pays and ensures that the overall level of support to service users has not reduced.
3.	**Use of Public Health reserves**	There is no evidence to indicate that this proposal would have a disproportionate or detrimental impact on people with protected characteristics or in rural areas. This is because no changes are proposed to assessment processes, eligibility of needs, service or employment standards, redundancy benefits, quality or delivery.

Analysis of the proposed increase in council tax and adult social care precept

20. The Council is proposing to increase general council tax by 1.99% in 2020-21, to help offset cost pressures and invest in vital services. It is proposing to raise the adult social care precept by 2% in 2020-21, to help maintain adult social care services.

More about council tax

21. Council tax helps pay for local services and applies to all domestic properties whether owned or rented. How much people pay depends on the valuation band of their property. The responsibility to pay council tax usually lies with the occupier.

22. Each organisation that provides services in the area sets their own proportion of the council tax bill. These are:

- Norfolk County Council
- The district council
- The parish council (if there is one)
- Norfolk Police

23. Most of the money that people pay as part of Norfolk County Council's share of the council tax helps fund the costs of all the services provided by the Council and is not linked to specific services. The maximum amount that Government currently says that the Council can increase this 'general' council tax by without having to hold a local referendum is 2%. It is possible that in the future the Government could allow councils greater freedom to increase this general council tax by more than 2%.

More about the adult social care precept

24. In 2015 the Government gave councils like Norfolk the opportunity to raise council tax to help pay for adult social care services – this is called the adult social care precept. The money raised from the adult social care precept is ringfenced which means that the Council can only spend it on adult social care services.

25. Adult social care services are those that support older people, disabled people and people with mental health problems. These services help people to stay safe in their own homes and continue to be independent.

26. Where this is not possible, adult social care can support people in residential care. In 2019-20 our gross budget for adult social services is £427.598m.

27. The Council has to report to Government and confirm that adult social care precept money is used solely for adult social care services.

28. Initially councils could raise council tax by up to an extra 2% a year for the period 2016-17 to 2019-20. Then, in 2016 the Government announced that for the three years from 2017-18 to 2019-20, councils would be allowed to increase the adult social care precept by up to 3% a year, but no more than 6% in total over that period. Norfolk County Council took the decision to increase the adult social care precept by 3% in 2017-18 and 3% in 2018-19. This meant that in 2019-20 it did not increase the adult social care precept but continued to collect the existing precept and spend this on adult social care.

29. In its spending round on 4 September 2019 the Government announced that councils could increase the adult social care precept by up to 2% in 2020-21.

Concessions for people eligible for support, reductions or exemption

30. Whilst the impact of a council tax increase would affect almost all dwellings, concessions are in place that mean that people who are older, live on their own, or who have a disability may be eligible for council tax support, reductions or exemption.

31. The table at Annex 3 presents the proportion of people subject to some kind of reduction in each district. Demographic factors and variations in council tax reduction schemes will mean that the proportion of people exempt or receiving a reduction in each of Norfolk's districts differs.

32. In addition to these exemptions, district councils are responsible for local arrangements to provide help with council tax. These responsibilities cover what was known prior to 2013 as Council Tax Benefit, and mean that reductions are in place to support vulnerable working age and older people.

33. A range of factors may enable a household to quality for discounts or exemptions. These include:

- Someone's disability status, entitlement to certain benefits and presence of accessible features in their home;
- If someone is a carer who, for at least 35 hours a week, is looking after someone in the same household (not including a spouse or child) who is entitled to certain benefits;
- Households which consist only of students; and
- Properties which are unoccupied for various reasons including residence in care provision.

34. These reliefs can help to alleviate council tax liabilities for certain households.

35. Whilst the local arrangements are at the discretion of each district, and so cannot be collated simply, the number of equivalent dwellings receiving this kind of support for working age people in Norfolk last year was 23,086, and for older people was 21,150.

36. District councils also have powers to reduce the amount of council tax payable for certain classes of dwelling including empty properties and properties undergoing major structural work, with legislation prescribing the level of discount the district council can offer. An increase in council tax may therefore have a reduced impact on properties within these categories, depending on the scheme adopted locally. These discounts are time limited except in the case of second homes.

37. A council tax premium may be charged on certain empty properties if they have been vacant for a period of more than two years. An increase in council tax may therefore have a greater impact on these properties.

Potential impact

38. The proposal will affect all residents eligible to pay council tax, including people with protected characteristics and in rural areas.

39. At October 2019 there were 416,306 council tax 'chargeable dwellings' in Norfolk. Any County Council increase in council tax would be applied equally and proportionally to each household, meaning that higher-banded properties would pay a higher cash amount.

40. In considering an increase in council tax, it is important to take other social factors into account, such as the impact of welfare reform. Although there is no major role for local authorities in much of the policy development and delivery of welfare reform, it continues to

have a significant impact on Norfolk service users, residents and communities. Some examples include the introduction of Universal Credit and the move from Disability Living Allowance (DLA) to Personal Independence Payment. Disabled people and their carers are particularly likely to be affected, and many have reported increased financial hardship.

41. The impact varies according to the circumstances of each individual, but there are obvious implications for those who are already in receipt of benefits such as DLA or Employment and Support Allowance and have lost their entitlement, and those who may need to move house.

42. Another issue to take into account is the potential impact on people in rural areas. Rural housing may be more expensive than urban properties and may therefore tend to be in higher tax bands. However, people in rural areas would argue that being asset rich does not mean income rich, and in cash terms, rural areas may shoulder a larger percentage of the total council tax return.

Conclusions

43. It is likely that the financial impact of an increase in council tax would be reduced for some vulnerable people and those on low incomes by existing council tax exemption mechanisms. It is important to note, however, that these provisions vary from district to district depending on the council tax support scheme provided, and will depend on people's individual circumstances.

44. Overall, the impact is likely to be greatest for households on a low, fixed income, but which are not eligible for council tax support. This may include disabled people who are in work, and this is important to note, given that disabled people are more likely to be earning less than their non-disabled counterparts, even when they share the same qualifications and other relevant characteristics[5].

45. On balance, the greatest factor to take into account is that an increase in council tax will primarily benefit Norfolk's most vulnerable families and disabled and older people and their carers. This is because it will enable the Council to continue to protect essential children's and adult social care services for these people, as well as fund other vital services that benefit every person within the county – such as libraries, fire and rescue services, the environment, public health, culture and heritage, trading standards and highways.

Human rights implications

46. Public authorities in the UK are required to act compatibly with the Human Rights Act 1998. There are no human rights issues arising from the proposals.

Mitigating actions

	Action/s	Lead	Date
1.	Note the potential impact of the proposal to increase council tax, set out above.	Cabinet	13 January 2020
2.	Note that digital inclusion continues to be an essential factor in the ability of disabled and older residents to live independently, access services and combat social isolation. Note that work to systematically and routinely incorporate accessibility for disabled service users and staff into digital design remains a priority for 2020-21.	Head of IMT	1 April 2020
3.	Work to take place to develop detailed implementation plans for each budget allocation element, in accordance with NCC policy and procedure. Where	All Executive Directors	From 1 April 2020

	necessary, carry out additional equality impact assessments and obtain further Cabinet approval of any specific aspects of implementation plans if appropriate. If, during implementation of these proposals, it emerges that a proposal may have a detrimental impact on people with protected characteristic or in rural areas that it was not possible to predict at the time of conducting these assessments, report this formally to Cabinet, to enable Cabinet to consider mitigating actions before proceeding further.		
4.	HR to provide equalities data to departmental management teams via the HR dashboard for monitoring purposes. This will include whether staff with protected characteristics are disproportionately represented in redundancy or redeployment figures. If any disproportionality arises, this is to be reported to Cabinet.	Senior HR Consultant (Workforce Insight))	From 1 April 2020

Evidence used to inform these assessments

- Norfolk budget proposals 2020/2021 – consultation documents and background paper
- Norfolk's Story 2019
- Equality Act 2010
- Public Sector Equality Duty
- Business intelligence and management data, as quoted in this report.

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Annex 1 – The assessment process

The assessment process comprises three phases:

- **Phase 1** – evidence is gathered on each proposal, to examine who might be affected and how. This includes reviewing the findings of related assessments and public consultation, contextual information about local populations and other relevant data. Where appropriate, public consultation takes place.

- **Phase 2** – the results are analysed. The assessments are drafted, making sure that any potential impacts are fully assessed. If the evidence indicates that a proposal may have a detrimental impact on people with protected characteristics or in rural communities, mitigating actions are considered.

- **Phase 3** – Cabinet considers the findings of the assessments and mitigating actions at its meeting on 13 January 2020. Cabinet takes any impacts into account before making a decision about which proposals to recommend to Full Council on 17 February 2020, which is when a final decision on the budget proposals will be made.

Annex 2 – Barriers to accessing web information and the internet in Norfolk by disabled people

Why is accessible web information and internet access important?

Public agencies in Norfolk are looking to make greater use of technology to promote independence in the most cost-effective ways possible. This means that digital inclusion will be an important factor in the ability of disabled people to live independently and access services in Norfolk.

However, many disabled people face unique challenges in getting online and accessing web information.

What are the challenges and barriers for disabled people in Norfolk?

Table 1 below summarises the challenges different groups of disabled people face when accessing the internet or web information in Norfolk.

Table 2 summarises the barriers disabled people and public agencies face in addressing these challenges.

<u>Table 1:</u> The challenges people with different disabilities face when accessing web information or the internet in Norfolk

User	What this may mean
People with mobility impairments or health conditions that restrict motor ability, cause pain, fatigue, poor concentration or memory	This can make it difficult to use a mouse, keyboard or touchscreen, sit at a computer, remember information or have sufficient energy/comfort levels to work through lots of different windows/forms in succession.
Blind and visually-impaired people	This can make it difficult to see the screen. These users often find that although a website's landing page is accessible with screen reader technology, subsequent pages are not – which is very frustrating.
Deaf and hearing-impaired people	This can make it difficult to hear audio. Also, some deaf and hearing-impaired people have lower literacy levels, so may struggle to understand or navigate web content.
People with learning disabilities	This can make it difficult to understand or navigate web content. Some websites provide 'easy read' alternatives on some pages, but there is often no logic to this, in that only some pages have an easy read alternative and others do not. This is frustrating for people with learning disabilities and undermines their independence.
People who are neurodiverse (a term that describes people with neurological differences such as Autism, Dyslexia, Dyspraxia, Attention Deficit Disorders and Dyscalculia)	This can make it difficult to understand complex web content or use systems which present multiple choices and configurations. It can also make it difficult to concentrate, particularly in busy, noisy or harshly lit surroundings such as public spaces. People with dyslexia may struggle to read black text on white background. Very few websites offer colour tint options. People who have hyperactivity or attention disorders may find it difficult to concentrate or become easily distracted.
People with mental health issues, which may cause poor concentration, memory, understanding or anxiety	This can make it difficult to understand or navigate web content, due to difficulties processing complex information, feelings of being overwhelmed or frustrated, or panic about making errors. It can also make it difficult to use the internet in public spaces, due to anxiety about being around others or in unfamiliar surroundings.

Table 2: The challenges disabled people and public agencies face in addressing these barriers

Barrier	Explanation
Cost of start-up and contracts	Many disabled people (particularly those with the most severe impairments) are on low incomes – significantly lower than people who are not disabled. Cost is a barrier due to the price of the kit, installation, connection charge and ongoing network fees. Securing broadband involves signing a contract, and credit checks. This can cause challenges for people on low incomes with poor credit history.
Cost of assistive technology	Disabled people can use assistive technologies such as text-to-speech screen readers, dictation systems, voice activated software, screen readers or magnification software to help them use keyboards and touch-screens or see what is being displayed on screen. However, this comes at a significant cost. For example, JAWS is the industry standard assistive software for blind people, but costs £838 and version updates can be over £200. In addition, compatible hardware is needed which can cope with the demands of such software. Things like the processing speed, a larger monitor and a specialist keyboard will all be needed in order to ensure the software can be used effectively. Both hardware and software will have to be periodically upgraded, which represents substantial lifetime costs, unaffordable to many.
Inaccessible public sector web content that is not compatible with assistive technology	Badly designed and implemented web technology can make it difficult or impossible for people using assistive technologies like text-to-speech screen readers or magnification software to access web information and self-service. Currently, 40% of UK local authority websites are not accessible to disabled people, having failed independent testing by the Society of Information Technology Management, which assesses and rates local authority websites. Public sector websites can be inaccessible in several ways: • Websites are not consistently coded to incorporate built-in accessibility, relying instead on users having expensive software. • Websites are often incompatible with assistive technologies. For example, websites are built without taking screen readers into consideration, making them impossible for blind people to use. Even the most sophisticated screen reading software cannot help users make sense of what they are using when content is unstructured or elements do not have labels. Easier or cheaper access to assistive technology is pointless if websites remain incompatible and difficult to use.

Barrier	Explanation
The complexity of web information	• People who have learning disabilities, are deaf, neurodiverse, have poor memory or concentration or low literacy or language skills find the relative complexity of web information and the need for strong literacy skills a great challenge. • Web pages are text heavy, and content is written in a way that is hard to understand, navigate and use. • Currently, one option that public agencies use to try to address this is to provide an 'easy read' alternative alongside standard web content. However, there is a lack of consistency about how easy read is integrated into web content. Although some web pages provide it as an alternative, many don't. There is often no obvious logic to this, which is confusing and frustrating for users who rely on easy read, and do not have the skills to find it through navigation from the landing page. • One challenge that public agencies face in routinely providing easy read is that the fast-changing nature of web content means they do not feel it is feasible to consistently provide 'easy read' alternatives to all content. • Similarly, despite the technology being available, BSL videos are not consistently used on websites. Short clips giving an overview of a subject can often significantly improve access – but only if they are used on every page. It is an enormous source of frustration to disabled people that while some pages may be accessible, other pages linked to them are not. • These are some of the reasons why many local authorities are struggling to move beyond the Socitm AA web accessibility rating. Consistent use of easy read overlays, audio and video options are criteria for AAA compliance. • Processes (such as form filling) can often take a long time to complete, with 'time out' shut-down or no save functions. This causes difficulties for people who can only use the internet for short periods of time, who find it difficult to remember information or concentrate for periods of time.
Location/travel	The nature of a person's disability, e.g. a severe mobility impairment, the high cost of accessible travel, or a need for assistive technology, means it may currently be unrealistic to expect them to access the internet at public locations. Other people may also find public spaces difficult because they are not currently set up to support people with a wide range of needs,

Barrier	Explanation
	e.g. public computers may be in busy, noisy, brightly-lit public spaces.
Knowledge and access to advice/help	Some disabled people lack the knowledge to get started - they do not know how to set up their kit, which assistive technologies would best suit them/be most cost effective or how to order or install them. When set up, they may lack the technical knowledge to use built-in accessibility functions on their computer or web browser (e.g. 'ctrl & +' will enlarge text on the screen). Because internet technologies change rapidly, they may struggle to keep up with new interfaces and different devices. Many people are also worried about what to do if things go wrong and they cannot afford an engineer.
Confidence	Many disabled people are concerned that they don't know 'how it works' and have fears and anxieties around 'doing something wrong' or appearing incompetent.
Negative perceptions based on past experience	Some people, such as deaf and hearing-impaired people, have faced barriers to online information for so long, they see the web as something that has nothing to do with them. Many disabled people are discouraged from accessing online services because past experience has shown that although they may be able to access a landing page, they will not be able to get much further. Changing this culture will be difficult unless the challenges summarised in this document are addressed.
Security and risks	Some people are worried that their information is not safe online. They are concerned about malware and phishing, the threat of fraud, identity theft, viruses and many other security issues. If something does go wrong, they may have no one to turn to for help about what to do. Some people have had negative experiences using the internet, through disability hate-related bullying and harassment on social media.

Conclusion

1. Disabled residents say that where they can afford it, their smart phone or home internet connection is a lifeline for enhancing access. Digital innovation is happening daily and there are numerous apps to support people's independence. For example, National Roadwork furniture manufacturers are exploring digital technology to make roadworks easier and more accessible to disabled people.

2. The challenge is making sure that these innovations are:

- Available and affordable for those who need them
- Understood by public agencies, so that they can routinely incorporate them into service design.

Annex 3 – Proposal to increase council tax

Table: The number of dwellings on the council tax valuation list, and percentages of council tax exemptions, by Norfolk district (October 2019)

	Total chargeable dwellings on valuation list	Number dwellings paying full council tax	% Dwellings paying full council tax	% Dwellings subject to some kind of reduction in council tax
Breckland	60,188	41,221	68.49%	31.51%
Broadland	57,781	39,605	68.54%	31.46%
Great Yarmouth	47,429	28,559	60.21%	39.79%
King's Lynn & West Norfolk	71,137	48,008	67.49%	32.51%
North Norfolk	54,189	35,878	66.21%	33.79%
Norwich	64,233	36,222	56.39%	43.61%
South Norfolk	61,349	40,774	66.46%	33.54%
Total Norfolk	**416,306**	**270,267**	**64.92%**	**35.08%**

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[1] **Prohibited conduct:**

Direct discrimination occurs when someone is treated less favourably than another person because of a protected characteristic they have or are thought to have, or because they associate with someone who has a protected characteristic.

Indirect discrimination occurs when a condition, rule, policy or practice in your organisation that applies to everyone disadvantages people who share a protected characteristic.

Harassment is "unwanted conduct related to a relevant protected characteristic, which has the purpose or effect of violating an individual's dignity or creating an intimidating, hostile, degrading, humiliating or offensive environment for that individual".

Victimisation occurs when an employee is treated badly because they have made or supported a complaint or raised a grievance under the Equality Act; or because they are suspected of doing so. An employee is not protected from victimisation if they have maliciously made or supported an untrue complaint.

[2] The **protected characteristics** are:

Age – e.g. a person belonging to a particular age or a range of ages (for example 18 to 30 year olds).
Disability – a person has a disability if she or he has a physical or mental impairment which has a substantial and long-term adverse effect on that person's ability to carry out normal day-to-day activities.
Gender reassignment – the process of transitioning from one gender to another.
Marriage and civil partnership
Pregnancy and maternity
Race – refers to a group of people defined by their race, colour, nationality (including citizenship), and ethnic or national origins.
Religion and belief – has the meaning usually given to it but belief includes religious and philosophical beliefs including lack of belief (such as Atheism).
Sex – a man or a woman.

Sexual orientation – whether a person's sexual attraction is towards their own sex, the opposite sex or to both sexes.

[3] The Act specifies that having due regard to the need to advance equality of opportunity might mean:

- Removing or minimizing disadvantages suffered by people who share a relevant protected characteristic that are connected to that characteristic;
- Taking steps to meet the needs of people who share a relevant protected characteristic that are different from the needs of others;
- Encouraging people who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such people is disproportionately low.

[4] Having due regard to the need to foster good relations between people and communities involves having due regard, in particular, to the need to (a) tackle prejudice, and (b) promote understanding.

[5] The same is also true for women, and some Black, Asian and minority ethnic (BAME) people – particularly BAME women.

Report to Cabinet

Item No 14

Decision making report title:	**Capital strategy and programme 2020-21**
Date of meeting:	**13 January 2020**
Responsible Cabinet Member:	**Cllr Andrew Jamieson (Cabinet Member for Finance)** **Cllr Andrew Proctor (Leader of the Council)**
Responsible Director:	**Simon George (Executive Director of Finance and Commercial Services)**
Is this a key decision?	**Yes**

Introduction from Cabinet Member

This report presents the proposed capital strategy and programme and includes information on the funding available to support the programme.

The papers summarise the development of the proposed capital programme, including proposed new schemes, and a summary of forecast capital receipts.

Executive Summary

The proposed programme is based on a capital strategy and consists of two main elements – schemes included in the current programme and new schemes to be funded through borrowing, capital receipts or grants and other anticipated contributions from third parties.

Total new schemes to be added to the programme total £39.1m. When added to existing schemes of £497.4m, the future capital programme totals £536.6m.

Recommendations

1) **note known grant settlements as summarised in Section 3 and agree that future capital grants will be added to the programme when confirmed;**
2) **note the estimated capital receipts to be generated, subject to market conditions, over the next three years to support schemes not funded from other sources, as set out in Table 5;**
3) **agree the Capital Strategy at Appendix A as a framework for the prioritisation and continued development of the Council's capital programme;**
4) **agree the proposed 2020-23+ capital programme of £536.577m;**
5) **refer the programme to the County Council for approval, including the new and extended capital schemes outlined in Appendix D;**
6) **recommend to County Council the Council's Flexible Use of Capital Receipts Strategy for 2020-21 to 2021-22 as set out in Section 5.**

1. Background and Purpose

1.1. The Council needs to set a capital programme prior to the beginning of each financial year and to commit the revenue and capital resources required to deliver the programme.

1.2. Most schemes are prioritised within the two major capital programme areas of transport and schools, with corporate property, Adult Social Care, IT and loans to subsidiary companies also important themes.

1.3. Schemes are considered by the appropriate team to ensure that the capital programme integrates with business and service planning, with revenue implications taken into account. Highways schemes are prioritised within CES. Schools schemes are prioritised through the member-led Children's Services Capital Priorities Group. Large property sales and purchases are co-ordinated through the Council's Corporate Property team and are reported through Cabinet.

1.4. Schemes not covered by the major headings above are developed by the relevant chief officer, and where corporate funding is required are considered by the Executive Director of Finance and Commercial Services, who considers the overall affordability of the programme.

1.5. The Council's overall capital programme is formed by combining service capital programmes, and ensuing that sufficient funding is available before seeking Council approval.

1.6. This report sets out the proposed capital programme for 2020-23+. It is supported by a strategy aimed at securing a structured, affordable and prioritised approach for the development of future years' capital programmes.

2. Proposals

2.1. The attached report introduces the proposed capital programme for 2020-23.

2.2. The proposed programme consists of two elements – schemes included in the current programme and new schemes funded through borrowing, capital receipts or grants and other anticipated contributions from third parties.

2.3. The programme is supported by a prioritisation model to guide the best use of resources.

2.4. The size of the capital programme reflects capital grant settlements, forecast capital receipts, other external and internal funding sources and proposed borrowing as set out in the attached Annex

2.5. The Council's ability to prudentially borrow to fund future schemes is limited by the budgetary pressures which the Council continues to face. Information regarding the revenue implications of prudential borrowing for new schemes is provided in Section 6.

3. Impact of the Proposal

3.1. The recommendations set out in this report are intended to enable Full Council to approve a capital programme for 2020-21, and provide a basis for the longer term programme.

3.2. The proposals will impact upon the nature and type of services and facilities provided by the council, as well as delivering transformation to underlying council structures and operating models. Examples of high-profile projects in the programme include the Great Yarmouth Third River Crossing and the Norwich Western Link. Transformational projects include an ambitious programme to improve SEND school provision.

4. Evidence and Reasons for Decision

4.1. The attached Annex summarises the development of the proposed capital programme, including proposed new schemes, and a summary of forecast capital receipts.

5. Alternative Options

5.1. The papers appended to this report represent the culmination of the process to develop capital schemes to be recommended to Full Council which will improve services, promote efficiencies and address deficiencies. However, at this stage it remains the case that new capital proposals have not been agreed, and could be removed from the proposed capital programme.

6. Financial Implications

6.1. The financial impacts of the proposed capital programme including expenditure, funding, financing and the impact on future revenue budgets are dealt with in detail in Sections 3 to 6 of the attached Annex.

7. Resource Implications

7.1. **Staff:** A number of the schemes included in the proposed capital programme are necessary to enable staff to provide services in an efficient and effective way, and in safe and well-maintained premises.

7.2. **Property:** Several schemes included in the proposed capital programme support the development and improvement of the school's estate, and the exploitation, improvement and consolidation of the Council's operational and office property. Saving plans include activities linked to property budgets, and assumptions around levels of capital receipts to be achieved.

7.3. **IT:** A number of the schemes included in the proposed capital programme support IT projects and initiatives, including the development, implementation and exploitation of new systems and approaches. Existing saving plans include activities linked to IMT budgets.

8. Other Implications

8.1. **Legal Implications**
None identified.

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

8.3. **Equality Impact Assessment (EqIA)**
A public consultation process on the 2020-21 Budget has been undertaken. As in previous years, this public consultation has informed Equality and Rural Impact Assessments in respect of both new 2020-21 Budget proposals and the Council's Budget as a whole, which includes the revenue impact of capital spending decisions.
The proposed capital programme includes a recurring capital budget specifically to resolve access and other Equality Act issues.

8.4. **Health and Safety implications**
The proposed capital programme includes capital budgets specifically to address health and safety issues, including funding for fire safety related projects, asbestos removals, and a minor works budget to address works needed after health and safety audits.

8.5. **Sustainability implications**
At its meeting 15 April 2019, the County Council recognised the serious impact of climate change globally and the need for urgent action, and committed to cutting down unnecessary resource use and waste, reducing its impact on the world, and shaping a more efficient, sustainable and competitive economy. Following this, on 25 November 2019, the County Council approved a new Environmental Policy. The proposed capital programme recognises the implications of the new policy with £1m of capital expenditure allocated to environmental projects.
Other schemes within the proposed capital programme may also have an impact on the environmental sustainability of the County Council, particularly those relating to more intensive use of property assets, and highways schemes intended to support active travel.

8.6. **Any other implications**
Significant issues, risks, assumptions and implications have been set out throughout the papers appended to this report.

9. Risk Implications/Assessment

9.1. There is a long-term risk to the Council's ability to deliver services without sufficient investment in maintaining its assets. To mitigate this, the capital programme is aligned to the Council's asset management plans and property client function ensuring that assets are well-maintained or disposed of if surplus to requirements.

9.2. The programme requires regular monitoring, management and budgetary control to deliver schemes on time and within budget. This is addressed through regular capital finance monitoring reports which are reported to Cabinet.

9.3. The capital programme is set on the basis of best estimates of cost. Through good procurement practice, the Council will continue where possible to manage down the costs of capital schemes, and to minimise the need to borrow.

9.4. There is a risk that anticipated grants and other third-party contributions will not be received for reasons out of the authority's control. In these circumstances, the programme will be amended to reflect the reduced funding.

10. Select Committee comments

10.1. N/A.

11. Recommendations

11.1. Recommendations are set out in the Executive Summary.

12. Background Papers

12.1. Caring for our County, the vision for Norfolk: Link
Together, For Norfolk – an ambitious plan for our County 2019-2025: Link
County Council Budget 2020-21, (on this agenda)
Finance Monitoring Report 2019-20 (on this agenda)
Annual Investment and Treasury Strategy 2020-21 (on this agenda)

Officer Contact

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

Name	Telephone Number	Email address
Simon George	01603 222400	simon.george@norfolk.gov.uk
Howard Jones	01603 222832	howard.jones@norfolk.gov.uk

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Annex

Norfolk County Council

Capital strategy and programme 2020-21

Report by the Executive Director of Finance and Commercial Services

1. Background and introduction

1.1. Introduction

1.1.1. This report introduces the proposed overall capital programme for 2020-21 and following years.

1.1.2. The proposed programme consists of two elements – schemes included in the current programme and new schemes funded through borrowing, capital receipts when available, or grants and contributions from third parties.

1.1.3. The size of the capital programme reflects capital grant settlements that have been announced by central government, forecast capital receipts, other external and internal funding sources and proposed borrowing as set out in this report.

1.1.4. The Council pays from future revenue budgets the interest and repayment costs of the borrowing.

1.2. Autumn Budget

1.2.1. On the 29 October, parliament voted to enable the General Election which was held on 12 December 2019. The election campaign has resulted in a delay to both the announcement of the Autumn Budget 2019 (previously scheduled for 6 November) and the Provisional Local Government Finance Settlement (originally expected around 5 December in line with the timescales recommended by the Hudson Review).

1.2.2. The Provisional Settlement was published 20 December 2019, but made no specific capital funding announcements affecting Norfolk. The details of future year allocations remains unknown and the Council's 2020-21 Budget has been prepared with more limited information about Government funding allocations than would usually be the case.

1.2.3. In 2018 the Secretary of State noted concerns about a few authorities though who are undertaking significant amount of borrowing for commercial purposes, exposing themselves and their local taxpayers to financial risks. On 9 October 2019, the PWLB borrowing rate available to local authorities for most purposes apart from certain infrastructure projects was increased by 1% across the board. This will have an impact on the ability of local authorities to service future debt and therefore to invest in capital projects.

1.3. **National Infrastructure Delivery Plan 2016 to 2021**

1.3.1. A National Infrastructure Delivery Plan was published in March 2016. A key project included the Northern Distributor Road which was completed in 2018. Norfolk residents may also benefit from a new river crossing in Lowestoft, improvements being made to the A14 between Cambridge and Huntingdon.

1.3.2. Further to the plan, in February 2018, the Secretary of State for Transport confirmed the Great Yarmouth Third River Crossing as a nationally significant project. Further details of major schemes in Norfolk are given in the Highways Capital Programme 2020/21/22/23 and Transport Asset Management Plan elsewhere on this agenda.

1.4. **Local joint working**

1.4.1. Norfolk County Council works with a number of other authorities and bodies in the development of capital and infrastructure projects and investments.

1.4.2. Examples of current joint working include:

Together with other public bodies in Norfolk, the County Council is closely involved in the "**One Public Estate**" programme. Whilst it is not directly leading on any of the current OPE funded projects Norfolk County Council continues to be an active partner, including the Simpson Centre at Kelling Hospital and Breckland Business Centre, and planned active collaboration with a number of Norfolk district councils.

The Council works closely with the **New Anglia LEP**, which has resulted in the LEPs direct financial support for past projects including the NDR and the Norwich International Aviation Academy. Joint working which has resulted in the £98m government support available for the Great Yarmouth Third River Crossing, with a further £2m contribution from the LEP. The LEP has also contributed £0.5m towards the Norwich Castle: Gateway to Medieval England project.

The Council is working with Norwich City Council to explore ways of redeveloping the **Norwich Airport Industrial Estate**.

The **Norfolk Joint Museums Committee** consists of representatives from district councils and the County Council. The Norfolk Museums Service is run by Norfolk County Council with capital schemes managed and reported as part of the Council's financial monitoring. The Norwich Caste Keep "Gateway to Medieval England" project is a nationally significant scheme which will see the Keep reimagined and reinterpreted.

Norfolk County Council, in partnership with Norwich, Broadland and South Norfolk is one of 12 Cities areas to be shortlisted to be eligible for a share of £1.2bn of **Transforming Cities** funding. The Greater Norwich area has been awarded just over £6.1m in the first tranche of money from the fund. The Council is expecting to access Tranche 2 funding, with announcements expected in March 2020.

2. The Proposed Capital Programme 2020-21+

2.1. Background

2.1.1. The capital programme for 2018-22 was agreed by the County Council in February 2019. This was prepared using information from the Government on known and forecast funding levels available at that time.

2.1.2. The capital programme has been updated through the year to include the latest estimates of capital funding available to the Council and schemes added to the programme during the year as approved by Cabinet and County Council. Further information on external funding is included in Section 4.

2.1.3. The proposed capital programme is underpinned by a Capital Strategy (Appendix A to this report) and schemes are scored against priorities (Appendix B).

2.1.4. The 2020-21+ programme reflects all amounts re-profiled up to and including month 8 (November) and significant changes made in month 9 (December). All re-profiling of schemes between years is reported to Cabinet.

2.1.5. The new capital programme reflects known government grant settlements for 2019-20 and beyond. The programme also sets out the necessary borrowing to be approved in order to provide sufficient funding for approved schemes.

2.1.6. A schedule of existing schemes included in the on-going capital programme is attached at Appendix C to this Annex, with new schemes listed in Appendix D.

2.1.7. Particular attention should be drawn to those schemes which are to be funded from borrowing and capital receipts. The budget proposals provide for the direct use of capital receipts for the repayment of debt. As a result, there will be very limited capital receipts available to support new capital expenditure. An analysis of receipts and their proposed use is included in Section 4.

2.2. The Existing Programme

The value of existing schemes brought forward into the new programme are shown in the table below. These figures are based on period 8 financial monitoring based on the position as at 30 November 2019. This position will vary through to 1 April 2020 as schemes are accelerated or delayed, with all movements reported to Cabinet.

Table 1: Existing programme, excluding proposed new schemes

Service	2020-21 £m	2021-22 £m	2022-23+ £m		Total £m
Adult Social Care	14.726	4.500	20.000		**39.226**
Children's Services	82.427	69.593	20.000		**172.019**
CES Highways	82.280	48.496	31.280		**162.056**
CES Other	38.782	12.796	0.009		**51.587**
Finance and Comm. Servs	43.435	27.870	1.235		**72.541**
Strategy and Governance					-
Total	**261.650**	**163.255**	**72.524**		**497.429**

2.3. New schemes

Schemes not included in previous capital programmes will result in the following additions to the capital programme subject to approval:

Table 2: Proposed investment in new schemes

Service	2020-21 £m	2021-22 £m	2022-23+ £m		Total
Adult Social Care					-
Children's Services	0.050	0.050	0.050		**0.150**
CES Highways	4.000	3.750	2.100		**9.850**
CES Other	2.327	2.080	1.720		**6.127**
Finance and Comm. Servs	14.541	4.842	3.138		**22.521**
Strategy and Governance	0.100	0.050	0.350		**0.500**
Total	**21.018**	**10.772**	**7.358**	**-**	**39.148**

2.4. The Total Proposed Capital Programme (existing and new)

The full Capital Programme for 2020-23, combining existing and proposed schemes, is summarised in the following table.

Table 3: Proposed Total Capital Programme

Service	2020-21 £m	2021-22 £m	2022-23+ £m		Total £m
Adult Social Care	14.726	4.500	20.000		**39.226**
Children's Services	82.477	69.643	20.050		**172.169**
CES Highways	86.280	52.246	33.380		**171.906**
CES Other	41.109	14.876	1.729	-	**57.714**
Finance and Comm. Servs	57.976	32.712	4.373	-	**95.062**
Strategy and Governance	0.100	0.050	0.350	-	**0.500**
Total	**282.668**	**174.027**	**79.882**	**-**	**536.577**

Note: tables on this page may be subject to small rounding differences

2.5. The existing programme includes on-going schemes, and new schemes approved in-year:

Major programmes and schemes, for example

- Schools basic need and capital maintenance
- Living Well - Homes for Norfolk: to develop extra care housing in Norfolk
- SEND transformation programme to create 500 extra specialist school places
- Great Yarmouth Third River Crossing
- Norwich Western Link
- Transport capital maintenance
- Better Broadband for Norfolk

Where additional funding for existing capital schemes have been received during the current financial year, they have been added to the programme, with all changes reported to Cabinet. New schemes requiring borrowing have been approved by Cabinet and County Council.

New schemes approved during the 2019-20 financial year (to date) include

- Norfolk Local Full Fibre Network £7.766m
- borrowing to replace school's revenue contributions to capital schemes £2m
- increasing the value of the estate through the release of a restrictive covenant £0.113m
- farms capital maintenance £1.158m
- Trading Standards database replacement £0.038m
- improved infrastructure on former NCC agricultural land £0.750m.

In addition, £3.5m capital previously approved for the purpose of capital loans to subsidiary companies, was re-allocated to purchase share capital in Repton Property Developments.

The full summary of schemes in the existing programme can be found in Appendix C.

In addition, the County Council approved the flexible use of £2m capital receipts to fund the Children's Services Demand Management & Prevention Strategy in 2019-20.

2.6. New schemes proposed for addition to the capital programmes include:

Capitalisation of works previously funded from revenue budgets:

- Capitalisation of highways capital maintenance works, including footways, drainage and bridges
- Capitalisation of IT development costs, property staff and capital programme management costs

Examples of new and existing projects requiring borrowing or unallocated capital receipts:

- Match funding to unlock Maintenance Challenge, Pinch Point, Transforming Cities and Business Rates Pool funding.
- Norwich Castle Keep Gateway to Medieval England project
- Funding for environmental policy projects.
- Capital refurbishment of the Council's nine children's homes.
- Various Fire and Rescue Service schemes, including equipment, station enhancements, property capital maintenance and communications/IT improvements.
- Property maintenance and improvements, including refurbishment works to various buildings to allow rationalisation of NCC office accommodation, energy efficiency improvements, and a programme of capital maintenance and improvements at County Hall.
- Fire safety related projects and other health and safety and accessibility improvements throughout the property estate.
- Improvements to the facilities at Woodside One Community Hub
- Farms capital maintenance and
- A new Social Infrastructure Fund, to support major capital projects across the County.

New schemes (grant funded) not requiring additional borrowing

- Highways new DfT grants not already included in the programme are added as secured.
- Schools basic need and capital maintenance grants from the DfE.

Details of all the new schemes above are given in Appendix D.

2.7. Major known funding sources (eg structural maintenance grants) are already in the programme for 2020-21. Other external funding will be added to the programme as and when secured.

2.8. The prioritisation system used to rank schemes has been developed in accordance with good practice and the Council's priorities. It provided a firm basis for comparing unfunded/unsupported schemes and is summarised in Appendix B.

3. Financing the Programme

3.1. The capital programme is financed through a number of sources – grants and contributions from third parties; contributions from revenue budgets and reserves; and external borrowing and capital receipts.

3.2. For the purpose of the table below, it is assumed that future capital receipts will be applied to the direct re-payment of debt or the flexible use of capital receipts, rather than funding the capital programme.

3.3. Proposed new schemes will result in an additional £39.148m of new borrowing over the period of the programme, subject to alternative sources of funding becoming available, resulting in a total borrowing need of £341.961m to fund the proposals. This amounts to a considerable investment and is a reflection on the decreasing levels of central government capital grant, combined with increasing pressures on the revenue budget.

3.4. The funding of the proposed programme is set out in the table below:

Table 4: Funding of the Proposed Capital Programme £m

Funding Source	2020-21 £m	2021-22 £m	2022-23+ £m		Total £m
External Grants and Contributions including Government grants	124.893	53.434	16.289		**194.616**
Revenue and Reserves	-	-	-		**-**
Capital receipts	-	-	-		**-**
Borrowing	157.775	120.593	63.593		341.961
Total	**282.668**	**174.027**	**79.882**		**536.577**

Note: this table may be subject to small rounding differences

3.5. Grants and contributions funding the programme include grants received or announced in previous years, not yet spent. Non-government external funding is primarily from developer contributions relating to highways and school's schemes around new developments. Most external grants are received from the government Departments for Transport and Education.

3.6. Partially due to the recent general election, there have been no significant budget announcements relative to local government capital funding during the development of this programme.

3.7. The Department for Education condition funding methodology was reviewed for 2019-20 in April 2019 but has not been updated for 2020-21 and beyond.

3.8. Norfolk's DfE Basic Need allocation for 2019-20 and 2020-21 combined was £20.074m, all receivable in 2019-20. The funding is based on 1,874 additional school places. Where not yet spent it is already incorporated into the capital programme.

3.9. 2020-21 is the third of three years in which SEND sufficiency capital funding of £0.908m will be received. Two top-ups totalling £1.9m were announced in 2018, but no further announcements have been made in respect of 2020-21.

3.10. Highways funding from the Department for Transport (DfT) for both Structural Maintenance and Integrated Transport Block grants is still broadly based upon the 6-year profile announced after the last spending review (£23.043m (indicative) and £4.141m respectively).

3.11. The transport funding environment has becoming more complex and varied over the past few years: the national LTP maintenance allocation was “top-sliced” to allow councils to bid into one-off “challenge” and “incentive” pots and the Council is looking more towards alternative sources of funding such as Local Growth Funding, City Cycling Ambition and developer funding.

3.12. In the 2018 Autumn Budget the Government, announced a £98m grant for the 3rd River Crossing as part of its Large Local Major Schemes Programme. Preliminary work in advance of this scheme is underway.

3.13. Details of highways funding and proposed allocations are detailed in the Highways Capital Programme 2020/21/22/23 and Transport Asset Management Plan elsewhere on this agenda.

3.14. A Disabled Facilities Grant (DFG) is received as part of the Better Care Fund. This grant is forwarded to district housing authorities to administer.

3.15. The Environment Agency provides Lead Local Flood Authorities with an element of funding to carry out their duties under the Flood and Water Management Act 2010, and for their role as statutory consultee on surface water for major developments. The Norfolk allocation for 2019-20 was £0.086m. Continued funding is subject to confirmation from Defra.

4. Capital Receipts forecast

4.1. Where capital receipts are generated through the sale of assets or repayments of loans by third parties, these may be: (a) used to reduce the borrowing requirement of the Council's capital programme in that year, (b) held to offset against future capital borrowing requirements (c) used to repay existing borrowing, or (d) used in accordance with MHCLG guidance for the "Flexible use of capital receipts" (see section 5 below). In accordance with the Council's constitution, some of the farms Capital Receipts are reinvested back into the Farms Estate. Apart from these sales, capital receipts are a corporate asset and therefore not ring-fenced to any specific service or function.

4.2. The Council continues to review its assets seeking to ensure that their ongoing use supports the Council's future priorities. Assets that do not meet this need have been identified and form the basis of a continually updated disposal schedule.

4.3. The figures included in the schedule are currently the best estimate of the value of properties available for disposal, pending formal valuations, market appetite, planning decisions, timing of sales and delivery options, particularly in relation to housing schemes.

Table 5: Draft property available for disposal schedule, estimates £m

Property sales	**2020-21**	**2021-22**	**2022-23**
	£m	**£m**	**£m**
Required to support revenue budget	2.000	2.000	2.000
Potential for flexible use of capital receipts (see below)	3.000	3.000	
Cumulative	***5.000***	***10.000***	***12.000***
Forecast outcome:			
High likelihood	4.831	0.022	
Medium likelihood	1.600	1.402	1.875
Low likelihood (more likely to move to future years)	0.276	0.120	
Major development sites (farms)	3.850	-	
Total	**10.557**	**1.544**	**1.875**
Analyse by farms/non-farms property			
Farms	5.933	1.320	1.875
Non-farms	4.624	0.224	
	10.557	1.544	**1.875**
Cumulative	***10.557***	***12.101***	***13.976***

4.4. In addition to the likely outcome shown above, receipts of £1.005m are forecast in 2023-24. The table above presents a challenging target. Actual receipt will be highly dependent on the timing of sales of development land. Due to the uncertainties involved as to the values and timing, the figures and timing above are a guide and outcomes are reported as properties are sold.

5. Flexible use of capital receipts

Introduction

5.1. MHCLG Statutory Guidance on the Flexible Use of Capital Receipts (updated), dated March 2016, has offered local authorities flexibility in the use of capital receipts. Originally this covered receipts generated between April 2016 and March 2019. However, the Local Government Finance Settlement 2018-19 has extended this for an additional three years.

5.2. Qualifying expenditure is expenditure on any project that is designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs and/or transform service delivery in a way that reduces costs or demand for services in future years for any of the public sector delivery partners. Within this definition, it is for individual local authorities to decide whether or not a project qualifies for the flexibility.

5.3. Local authorities can only use capital receipts from the disposal of property, plant and equipment assets received in the years in which this flexibility is offered. Local Authorities may not use their existing stock of capital receipts or loan repayments to finance the revenue costs of reform.

Background

5.4. Regulation 23 of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 made under section 11 of the Local Government Act 2003, specify the purposes for which capital receipts may be used. The main permitted purpose is to meet capital expenditure together with other specified types of payment. Permitted purposes do not include use to support revenue expenditure.

5.5. Under section16(2)(b) of the 2003 Act the Secretary of State is empowered to issue directions providing that expenditure of local authorities shall be treated as capital expenditure for the purpose of Part 1 of the 2003 Act. Where such a direction is made the expenditure specified in the Direction is from that point on capital expenditure which can be met from capital receipts under the Regulations.

Process

5.6. For each financial year, a local authority should ensure it prepares and publishes at least one Flexible use of Capital Receipts Strategy prior to exercising the flexibilities allowed. The strategy must be presented to full Council, and this can be part of the annual budget setting documents.

5.7. Ideally, the strategy will be prepared before the start of any financial year. Where the need or opportunity has not been anticipated, the strategy can be presented to full Council at the earliest opportunity.

5.8. Examples of projects which generate qualifying expenditure include:

- Sharing back office services
- Service reform pilot schemes
- Service reconfiguration, restructuring or rationalisation
- Driving a digital approach to the delivery

- Aggregating procurement
- Setting up commercial or alternative delivery models
- Integrating public facing services across two or more public sector bodies

Strategy content

5.9. As a minimum, the Strategy should list each project that plans to make use of the capital receipts flexibility and that on a project by project basis details of the expected savings/service transformation are provided.

5.10. The Strategy should report the impact on the local authority's Prudential Indicators for the forthcoming year and subsequent years.

5.11. Each future year's Strategy should contain details on projects approved in previous years, including a commentary on whether the planned savings or service transformation have been/are being realised in line with the initial analysis.

Strategy for the flexible use of capital receipts

5.12. As stated in section 4 above, the value and timing of capital receipts is hard to predict and is not known at this stage. In order to support the revenue budget, the first £2m of capital receipts in 2020-21 and £2m pa thereafter will be applied directly to the repayment of debt, subject to a proportion of capital receipts from the sale of farm land being ring-fenced.

5.13. Additional capital receipts will be made available to fund transformation projects, including service restructuring and demand management:

- which are in accordance with Statutory Guidance on the Flexible Use of Capital Receipts (updated) issued by the DCLG, dated March 2016 and

- subject to scrutiny of proposals by the Executive Director of Finance and Commercial Services.

5.14. Any changes to this strategy will be reported through Cabinet.

Specific proposal for the flexible use of capital receipts

5.15. On 25 September 2017 Policy and Resources Committee considered a report entitled Demand Management & Prevention Strategy: Children's Services. This resulted in the allocation of £12-£15m into children's services over the four years 2018-22

5.16. The investment will fund a programme of transformational change, including investment in specialist, well supported alternatives to residential care, better 16+ provision, workforce training and development and better targeted interventions.

5.17. Subject to approval and availability, up to a maximum of £3m capital receipts per annum will to be applied to transformation projects.

Impact on Prudential Indicators

5.18. By using capital receipts to fund this proposal, there is an opportunity cost of not being able to use the capital receipt for other purposes which could be the direct repayment of debt, or to fund capital expenditure (avoiding the need to borrow).

5.19. Assuming £3m of capital receipts are used to fund transformation projects:

Prudential indicator – impact of using £3m flexibly:	**-compared with using capital receipts for the direct re-payment of debt**	**-compared with using capital to fund capital expenditure**
Capital expenditure payment forecast	Expense classed as capital expenditure increases by £3m.	No impact
Ratio of Capital Financing Costs to Net Revenue Stream	No impact	Interest payable + MRP increases approx. £0.26m pa. Ratio increase 0.03%.
Capital Financing Requirement	No impact	CFR increases by £3m
Authorised Limit for External Debt	No impact	Authorised Limit increases by £3.2m
Operational Boundary Limit for External Debt	No impact	Operational Boundary increases by £3.0m

5.20. From 2016-17 the Council has applied available capital receipts directly to the repayment of debt. Receipts not needed for this purpose are now carried forward to repay future debt instalments. As a result, in the medium term, the flexible use will not have a limited impact on the majority of prudential indicators

5.21. Reducing the capital receipts available for the future repayment of debt would have a direct impact on future revenue budgets if the MTFS long term aim of generating £3m pa of available capital receipts for transformation cannot be met.

6. Revenue Impact of the Proposed Capital Programme

6.1. Where the Council uses borrowing to support the capital programme, it must set aside revenue funds on an annual basis to repay the capital borrowed. This is required by statute and is known as Minimum Revenue Provision (MRP). The revenue impact of MRP depends on the expected life of the underlying asset.

6.2. In addition to MRP, the Council will need to fund any additional interest costs through future revenue budgets. The Council has the capacity to borrow from the Public Works Loan Board with interest rates currently in the region of 3%.

6.3. The table below is an estimate of the maximum incremental revenue impact of proposed new schemes before savings expected to be generated from transformation and other spend to save schemes.

Estimated incremental revenue costs of new capital schemes to be approved				
	2020-21	**2021-22**	**2022-23**	**2023-24**
Assumed interest rate	3%	3.5%	4.0%	4%
	£m	£m	£m	£m
Incremental impact				
Cumulative interest cost	0.315	0.924	1.419	1.566
MRP		0.929	1.373	1.708
Total	**0.315**	**1.853**	**2.791**	**3.274**

Note: interest costs assume mid-year spend

6.4. MRP and interest forecasts assume schemes delivered as set out in the programme. It is likely that a significant proportion of spend will be slipped into future years as schemes are developed and timing of expenditure becomes more certain.

6.5. The table above shows the incremental costs associated with new schemes, all other things being equal. It does not take into account the use of previously overpaid MRP which is reducing the charge to revenue in 2020-21.

6.6. The actual budgeted financing costs and percentage of the net revenue stream this represents by the revenue costs of borrowing is set out in the Treasury Management Strategy report to this committee.

Appendices

Appendix A: Capital strategy 2020-21

Appendix B: Capital bids prioritisation

Appendix C: Capital programme 2020-23 – existing schemes summary

Appendix D: New and extended capital schemes

Appendix A: Capital strategy 2019-20

Norfolk County Council

Capital strategy

2020-21

1 Capital Strategy Introduction

1.1 As local authorities become increasingly complex and diverse it is vital that those charged with governance understand the long-term context in which investment decisions are made and all the financial risks to which the authority is exposed. With local authorities having increasingly wide powers around commercialisation, more being subject to group arrangements and the increase in combined authority arrangements it is no longer sufficient to consider only the individual local authority but also the residual risks and liabilities to which it is subject.

1.2 The capital strategy is intended to give a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services along with an overview of how associated risk is managed and the implications for future financial sustainability.

2 Purpose and aims of the Capital Strategy

2.1 The CIPFA Prudential Code for Capital Finance in Local Authorities (2017) states that authorities should have in place a capital strategy that sets out the long-term context in which capital expenditure and investment decisions are made and gives due consideration to both risk and reward and impact on the achievement of priority outcomes.

2.2 The capital strategy is intended to:

- give a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services along with an overview of how associated risk is managed and the implications for future financial sustainability;
- demonstrate that the authority takes capital expenditure and investment decisions in line with service objectives and properly takes account of stewardship, value for money, prudence, sustainability and affordability.

2.3 The development of a capital strategy allows flexibility to engage with full council to ensure that the overall strategy, governance procedures and risk appetite are fully understood by all elected members

2.4 In considering how stewardship, value for money, prudence, sustainability and affordability can be demonstrated local authorities should have regard to the following key areas:

- Capital expenditure
- Debt, borrowing and treasury management
- Commercial activity
- Other long-term liabilities
- Knowledge and skills.

The Executive Director of Finance and Commercial Services has considered the affordability and risk associated with the capital strategy and where appropriate has taken specialised advice.

3 County Council Strategy and transformation

A vision for Norfolk, "Caring for our County", was approved by Members in February 2018 and outlines the Council's commitment to playing a leading role in:

- Building communities we can be proud of;
- Installing infrastructure first;
- Building new homes to help young people get on the housing ladder;
- Developing the skills of our people through training and apprenticeships;
- Nurturing our growing digital economy; and
- Making the most of our heritage, culture and environment.

On 7 May 2019, the Council formally adopted a whole Council plan, "Together, for Norfolk", as part of its policy framework. This brings together the vision in Caring for our County and the Council values and principles, and provides a clear view of the priorities and significant activity that the Council needs to deliver alone or with partners over the next six years.

Together, for Norfolk focuses on partnership working and collaboration, and aims to drive economic growth, improve social mobility, and lead to a better quality of life and outcomes for the people of Norfolk.

Our services support our ambition by ensuring children and young people have the best start in life, protecting vulnerable people, developing strong infrastructure, maintaining a safe road system and helping improve the economy. The Council's transformation programme, Norfolk Futures, provides the mechanism to realise these ambitions for the County across all of its activities.

We currently have four priorities to help us to deliver the strategy:

1. Safer children and resilient families
2. Promoting independence for vulnerable adults
3. Local service strategy
4. Smarter working.

The council is also looking to change the way we work to reflect new systems and technology. As an organisation, we will be more flexible about when and where we work, and how we creatively use space and technology to find new and more efficient ways of doing things in a modern and business-like way.

4 Capital expenditure

4.1 Governance process for approval and monitoring of capital expenditure

The Council's capital programme is approved as part of the budget setting process. Prior to the start of each financial year, usually in February, the County Council agrees a future three or four-year capital programme including a list of projects with profiled costs and funding sources.

At the year-end unspent capital funding on incomplete projects is carried forward to the following year as part of the closedown process and reported to the Council's Cabinet, with any changes to the budget approved by County Council. New schemes added during the year which require prudential borrowing are also approved by County Council based on recommendations from Cabinet. Where additional external funding is received by on-going capital projects, this is added to the programme and noted by Cabinet on a monthly basis.

An outturn report each year gives details of actual expenditure and funding.

4.2 Policies on capitalisation

4.2.1 Property, Plant and Equipment

Expenditure on the acquisition, creation or enhancement of Property, Plant and Equipment is capitalised on an accruals basis, provided that it is probable that the future economic benefits or service potential associated with the item will flow to the Authority and the cost of the item can be measured reliably. The de-minimis level for property, plant and equipment is £40,000.

The Council does not capitalise borrowing costs incurred whilst assets are under construction.

4.2.2 Heritage Assets

Heritage Assets are assets which increase the knowledge, understanding and appreciation of the local area and its history. The recognition of Heritage Assets is consistent with the Council's Property, Plant and Equipment policy, including the £40,000 de-minimis.

Apart from Heritage Assets previously accounted for as Community Assets, Heritage Assets acquired before 1 April 2010 have not been capitalised, since reliable estimates of cost or value are not available on a cost-effective basis.

4.2.3 Intangible Assets

Expenditure on non-monetary assets that do not have physical substance but are controlled by the Council as a result of past events (eg software licences) is capitalised when it is expected that future economic benefits or service potential will flow from the intangible asset to the Council.

Internally generated assets are capitalised where it is demonstrable that the project is technically feasible and is intended to be completed (with adequate resources being available) and the Council will be able to generate future economic benefits or deliver service potential by being able to sell or use the asset. Expenditure is capitalised where it can be measured reliably as attributable to the asset.

Expenditure on the development of websites is not capitalised if the website is solely or primarily intended to promote or advertise the Council's goods or services.

4.3 Long-term view of capital expenditure plans

4.3.1 The Council's Service areas consider their capital expenditure plans in the context of long-term service delivery priorities and the Council's vision and plan. Historically, larger government capital grants development and capital maintenance of highways and schools have formed the basis of an affordable capital programme. This is supplemented by other funding sources, specific grants, and prudential borrowing. Long term capital planning includes the following major capital programmes:

4.3.2 **Adult Social Services - Living Well – Homes for Norfolk**: capital investment of up to £29m over 10 years has been approved to accelerate the development of extra care housing in Norfolk, with the aim of reducing unnecessary residential care admissions. Each individual scheme will be subject to a rigorous feasibility and financial assessment. Over a 10-year period it is estimated that the total programme could require between £17m and £29m depending on progress and grant subsidy levels.

4.3.3 **Transport and infrastructure** – The Council has secured £98m DfT funding towards the £120m Great Yarmouth Third River Crossing due to complete in 2023.

Officers are developing strategic schemes (with partners where applicable) which may attract funding. Examples of schemes being taken forward are:

- Norwich Western Link
- A47 improvements (dualling of Acle Straight and Tilney to East Winch including Hardwick Flyover)
- A140 Long Stratton bypass
- A10 West Winch Housing Access Road
- Rail enhancements: passenger and freight.

A number of the county council's priorities were included as priorities by Transport East, the Sub-national Transport Body for the region, in its submission for priorities for large local major road, and major road network, funding. These were Norwich Western Link, Long Stratton Bypass, A10 West Winch Housing Access Road and A47/A17 junction King's Lynn. As part of this submission, the county council provided supporting evidence including strategic outline business cases for the Norwich Western Link, Long Stratton Bypass and West Winch Housing Access Road.

In partnership with Norwich, Broadland and South Norfolk the county council has been successful in securing Transforming Cities funding for projects to transform transport in and around Norwich further announcements are anticipated.

4.3.4 **Children's Services**:

SEND provision: As part of the transformation the System for Special Educational Needs and Disability (SEND) in Norfolk. On 29 October 2018, Policy and Resources Committee approved a major capital scheme for the creation of new specialist SEND provision. Phase 1 is for £100m expenditure over 3 years. A further estimated £20million for associated residential / outreach and early intervention services, including Preparing for Adult Life is forecast for subsequent years. As well as specialist units in mainstream schools, the programme is due to deliver:

- a new school in Great Yarmouth for young people with social, emotional and mental health (SEMH) needs;
- a complex needs school in the Norwich area; and
- a new school for children with autism in North Norfolk.

Schools: The Council has a duty to secure sufficient pupil places to meet the demands of the school-age population. Government capital grants, along with funding from other sources such as developer contributions are used to support the Council's strategic plans for the provision of additional places in areas of population growth, and for improving the quality of existing Council-maintained school buildings.

4.3.5 **Trading through companies / capital loans**

The Council controls a number of wholly owned companies and has made loans for capital purposes available to Hethel Innovation Ltd, Repton Property Developments Limited, and companies within the Norse Group. In addition to loans to group companies, the Council has made a small number of capital loans to local housing developers.

These loans are approved as part of the capital programme, and are for capital purposes. Records are maintained to ensure that the loans are not disproportionate in terms of either the overall capital programme, or the Council's net and gross expenditure. Loans are subject to due diligence, and relate to the Council's powers to trade, or to assist third parties who are helping to further the Council's priorities, including housing and economic development.

4.3.6 Capital project prioritisation

4.3.6.1 The Council has to manage demands for investment within the financial constraints which result from:

- The limited availability of capital grants
- The potential impact on revenue budgets of additional borrowing and
- The level of capital receipts generated.

As a result, prioritisation criteria have been developed to assess any capital bids that ensure the Programme is targeted to Council priorities.

4.3.6.2 Capital bids that require support must be supported by a Business Case that demonstrates

- Purpose and Nature of scheme
- Contribution to Council's priorities & service objectives
- Other corporate/political/legal issues
- Options for addressing the problem/need
- Risks, risk mitigation, uncertainties & sensitivities
- Financial summary including amounts, funding and timing

4.3.6.3 The corporate capital prioritisation model was first used for the 2015-16 capital programme and operates at a programme level, with most schemes prioritised at a more detailed level within the major capital programme areas of transport and schools. Prioritisation criteria are reviewed annually to ensure they continue to reflect the changing needs and priorities of the Council.

4.3.6.4 Schemes are considered within the appropriate service to ensure that the capital programme integrates with business and service planning, with revenue implications taken into account. Highways schemes are prioritised within CES. Schools schemes are prioritised through the Children's Services Capital Priorities Group. The majority of non-school property schemes are administered by the Council's Corporate Property team. Other schemes not covered by the major headings above are developed by the relevant chief officer, and where corporate funding is required are considered by the Executive Director of Finance and Commercial Services, who considers the overall affordability of the programme.

4.3.6.5 The Council's capital programme is formed by bringing the various capital programmes together, and ensuing that sufficient funding is available before seeking Council approval.

4.3.6.6 For schemes with no funding source, a benchmark has been applied, being the score for a dummy project of simply re-paying debt. Even for fully funded schemes, the scoring checks that revenue implications are considered, and the project contributes to the Council's objectives.

4.3.6.7 Although the prioritisation model has been broadly applied, it is primarily applicable to new projects and projects requiring the use of borrowing and/or capital receipts to provide funding.

4.4 Overview of asset management planning

4.4.1 Asset management planning

The majority of asset management planning falls under three major areas of capital spend: highways, schools, and corporate property.

4.4.1.1 Highways

As the highways authority for Norfolk, the Council has a responsibility to maintain, operate and improve its highway assets (eg roads and bridges). The landscape is one of increasing financial pressure, significant backlogs of maintenance, accountability to funding providers and increasing public expectations.

The Council's Transport Asset Management Plan identifies the optimal allocation of resources for the management, operation, preservation and enhancement of the highway infrastructure. This plan is developed in the context of longer term local transport plans eg "Connecting Norfolk: Norfolk's Transport Plan for 2026" and the Norfolk Strategic Infrastructure Delivery Plan 2018-2028. Norfolk's Transport asset management plan 2019-20 – 2023-24 can be found at:

https://www.norfolk.gov.uk/what-we-do-and-how-we-work/policy-performance-and-partnerships/policies-and-strategies/roads-and-travel-policies/transport-asset-management-plan

4.4.1.2 Schools

Each year the Council rolls forward its approved schools' capital building programme, making revisions to the existing programme and adding new schemes to reflect pressures and priorities.

The member led Children's Services Capital Priorities Group monitors the progress of the capital programme and considers in detail projects of concern, based on a regular risk assessment.

The impact of major growth areas, the forecast impact on pupil numbers with short, medium and longer term responses in terms of schools provision was set out in a report to March 2019 Children's Services Committee.

4.4.1.3 Corporate Property

The Council's Corporate Property Team has responsibility for property and asset management, supported by the Corporate Property Strategy Group.

The Council's Asset Management Plan (AMP) sets out a framework for property management. The latest published Corporate Asset Management Plan 2016-2019 "One Public Service – One Public Estate" identifies the key strategic policy and resource influences affecting Norfolk and the Council and in response sets a direction for asset management over the medium term, enabling its property portfolio to be optimised to meet identified needs. The plan can be found at:

https://www.norfolk.gov.uk/-/media/norfolk/downloads/what-we-do-and-how-we-work/policy-performance-and-partnerships/policies-and-strategies/finance-and-budget/corporate-asset-management-plan-2016-to-2019.pdf.

4.4.2 Capital Funding Sources

There are a variety of different sources of capital funding, each having different advantages, opportunity costs and risks attached.

4.4.2.1 Borrowing

The Prudential Capital Finance system allows local authorities to borrow for capital expenditure without Government consent, provided it is affordable taking into account prudent treasury management practice.

As a guide, based on recent long term rates, borrowing incurs a revenue cost of approximately 7% of the loan each year for an asset with a life of 25 years, comprising interest charges and the repayment of the debt (known as the Minimum Revenue Provision or MRP). The Council needs to be satisfied that it can afford this annual future revenue cost.

Local Authorities have to earmark sufficient revenue budget each year as provision for repaying debts incurred on capital projects, in accordance with its MRP policy.

4.4.2.2 Grants

The challenging financial environment means that national government grants are reducing or changing in nature. A large proportion of this funding is currently un-ringfenced which means it is not tied to particular projects. However, capital grants are allocated by Government departments which clearly intend that the grants should be certain area such as education or highways. Sometimes, for major projects such as the Great Yarmouth Third River Crossing, grant funding is not sufficient to meet total costs, and other sources of funding will be sought to fund the gap.

4.4.2.3 Capital Receipts

Capital receipts are estimated and are based upon the likely sales of assets as identified under the Asset Management Plan. These include development sites, former school sites and other properties and land no longer needed for operational purposes. Receipts are critical to delivering our revenue budgets through the direct repayment of debt and, where allowed, the flexible use of capital receipts. Receipts not used for that purpose can be used to reduce future borrowing requirements.

4.4.2.4 Revenue / Other Contributions

The Prudential Code allows for the use of additional revenue resources within agreed parameters. Contributions are received from other organisations to support the delivery of schemes with the main area being within the education programme with contributions made by individual schools and by developers.

4.4.3 Capital Programme overview

4.4.3.1 The Capital Programme should support the overall objectives of the Council and act as an enabler for transformation in order to address its priorities.

4.4.3.2 Over the last three years Norfolk County Council's capital expenditure has been as follows:

Financial year	2016-17	2017-18	2018-19
	£m	£m	£m
Capital expenditure	205.2	225.9	158.5

Capital expenditure was significantly higher than usual in 2016-17 and 2017-18 due to the construction of the £205m Broadland Northway (Norwich NDR).

The Council's 2018-19 capital programme was split by funding type as follows:

Funding type	£m	%
Capital grants and contributions	105.2	67
Revenue and reserves	1.9	1
Capital receipts applied	2.0	1
Borrowing	49.2	31
Total	**158.5**	**100**

4.4.4 Costs of past and current expenditure funded through borrowing

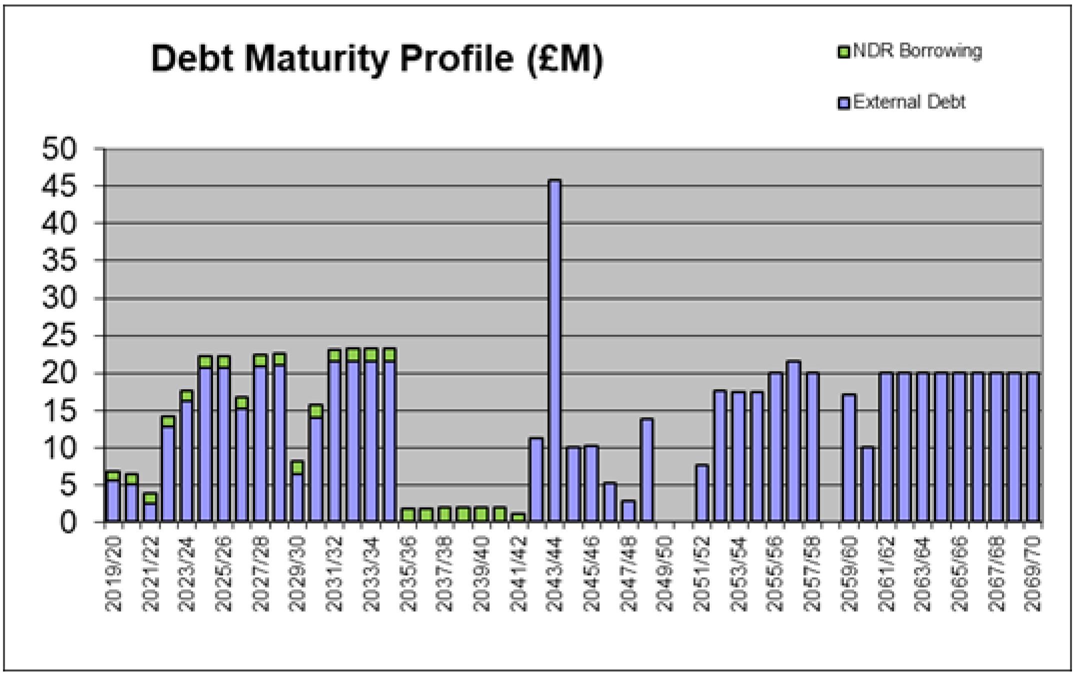
4.4.4.1 Actual borrowing and borrowing requirement

	£m
Borrowing b/fwd 1 April 2019	625
New Borrowing April – November 2019	87
Principal repayments 2019-20 – PWLB loans	-6
Forecast additional borrowing 2019-20	-
Forecast borrowing 31 March 2020	**706**
Other long-term liabilities (PFI + leases) 31 March 2020	64
Forecast borrowing and long-term liabilities 31 March 2020	**770**
Capital financing requirement 1 April 2019	**778**
Borrowing requirement after assumed slippage	51
MRP	-5
Forecast capital financing requirement 31 March 2020	**824**
Forecast borrowing requirement 31 March 2020	**54**

(Note: forecasts as at 30 November 2019)

4.4.4.2 Repayment profile of borrowing

The Council borrows in order to fund capital expenditure. This chart shows the repayment profile of borrowing undertaken as at the end of November 2019:



Due to the setting aside of an annual minimum revenue provision (see below), the charge to annual revenue budgets is based on notional borrowing and asset lives, rather than the actual maturities shown in the graph above.

The unusually high repayment due in 2043-44 includes £20m of commercial borrowing. The Council, with its treasury advisors, will consider re-financing options as and when they are offered which may smooth the repayment profile.

4.4.4.3 Interest and MRP costs

This table shows the cost of interest on borrowing and MRP budgeted for 2019-20. MRP (minimum revenue provision) is the amount the Council sets aside each year from revenue in order to service the repayment of debt, and is based on the cost and estimated life of assets funded through supported borrowing to 2008 and prudential borrowing thereafter.

Borrowing revenue costs (as at September 2019)	**£m**
Forecast external loans interest costs 2019-20	28.9
Calculated MRP 2019-20	25.9
Theoretical revenue costs of borrowing	**54.8**
Use of capital receipts	-2.0
Use of external contributions	-1.3
Reduction due to previous overpayments of MRP (temporary adjustment)	-18.1
Annual revenue costs of borrowing 2019-20	**33.4**

Additional borrowing will increase the cost of interest. The current low interest rates compared with the higher rates of borrowing on repaid debt is assisting with the funding of new borrowing costs. However, on 9 October 2019 the government increased PWLB rates by 1% which will increase the costs of future borrowing by £0.100m pa for every additional £10m borrowed (the rate rise does not affect borrowing for certain approved highways infrastructure projects).

The reduction due to previous overpayments of MRP will be available until 2020-21. Thereafter, full MRP is accounted for in the MFS, and additional debt-funded capital expenditure will increase annual MRP.

4.4.5 Maintenance requirements

Services include the revenue costs of maintenance in their revenue budgets, including the costs and savings relating to capital investment.

4.4.6 Planned disposals

The Council actively manages its property portfolio in accordance with the adopted Asset Management Plan. 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.

Assessments are carried out by the Corporate Property Officer (the Head of Property) in consultation with the Corporate Property Strategy Group (CPSG) with decisions taken through Cabinet in accordance with Standing Orders. The Corporate Property Officer reviews options for maximising income from surplus properties usually by open market sale. External advice, for example valuation and/or planning, is taken where appropriate.

4.5 Restrictions around borrowing or funding of ongoing capital finance

Apart from the general requirements on local authorities to ensure that their borrowing is prudent and sustainable, there are no specific external restrictions around the Council’s borrowing or funding of ongoing capital finance.

5 Debt, borrowing and treasury management

5.1 Projection of external debt and use of internal borrowing

The Council uses external debt and internal borrowing (from working capital cash balances) to support capital expenditure. As shown above there will be a forecast borrowing requirement at 31 March 2020 of £54m.

Except in the case of specific externally financed projects (such as the Great Yarmouth 3rd River Crossing), new borrowing is applied to the funding of previous capital expenditure, effectively replacing cash balances which have been used on a temporary basis to avoid the cost of 'carrying' debt in the short term. The Council continues to use cash balances for this purpose and will continue to balance the long-term advantages of locking into favourable interest rates against the costs of additional debt.

Based on the capital programme, an allowance for slippage, forecast interest rates and cash balances, new borrowing of £80m in 2020-21 and £60m 2021-22 is anticipated.

Assuming outstanding borrowing of approximately £1bn with a maximum life of 50 years, and annual MRP exceeding £20m pa from 2021-22, a factor in any borrowing decision will be to smooth out the repayment profile such that new borrowing does not cause debt maturing in any one year to exceed £25m, except 2042-43 which for historic reasons includes a large repayment of commercial and PWLB debt.

5.2 Provision for the repayment of debt over the life of the underlying debt

Provision for the repayment of debt over the life of the underlying debt is made through the setting aside of the minimum revenue provision each year. Based on an assumption of between £55m and £70m capital expenditure funded by borrowing each year (in line with an ambitious but realistic capital spend), with assets having an average estimated life of 25 years, forecast provision at the time of writing for the repayment of debt is as follows:

Financial year	MRP	MRP over-payment reduction	Net MRP forecast (Note 1)
	£m	£m	£m
2020-21	27.7	14.4	13.3
2021-22	30.6	1.0	29.6
2022-23	33.6	-	33.6

Note 1: impact on revenue budget will be reduced by the use of capital receipts to repay debt, and external contributions to debt repayment.

Note 2: the estimate of annual expenditure is based on the approved capital programme, adjusted for re-profiling based on historic patterns of spend.

5.3 Authorised limit and operational boundary for the following year

The Council's authorised borrowing limit and operational boundary for 2020-21 will be based on the approved capital programme at the time of budget setting.

5.4 Approach to treasury management

The Council's approach to treasury management including processes, due diligence and defining the authority's risk appetite will be set out in the annual Investment and Treasury Strategy, approved annually by the County Council.

6 Commercial activity

One of the seven priorities contained within Norfolk Futures: The Council's Strategy for 2018-2021 is commercialisation. Within this priority, the 3 key focus areas are:

- Improving the return on existing assets and the return on investments;
- Making the Council's trading functions more profitable and charging fully (including overheads) where the charging framework is set out in statute;
- Implementing a more business-like approach to managing our services.

In addition, the "Towards a Housing Strategy" priority contains a specific commercialisation focus area:

- by undertaking direct housing development on council owned land, a council-owned development company will provide a new income stream (via the developer's profit) to NCC.

Elements of the capital programme are focussed on these aims, including capital improvements to property, and providing capital loan facilities to the council's wholly owned companies.

The Council's capital investments are policy driven. It has no capital or property investments which are held 1) purely to generate a return or 2) out of County.

Non-treasury investments, including loans to companies, and investment properties as defined for statutory accounting purposes are listed in detail in regular Treasury Management reports.

7 Other long-term liabilities

7.1 The Council's other long-term liabilities comprise PFI liabilities (six schools in the Norwich area, street lighting throughout Norfolk, and salt barns) and lease liabilities (for example vehicles and ICT equipment).

7.2 The PFI arrangements continue to be monitored to ensure performance is in accordance with contract requirements. All PFI arrangements are subject to member approval. No PFI arrangements are currently being pursued.

7.3 All leases are subject to general budgetary constraints, with service departments taking budget responsibility for the length of the lease. Finance leases are arranged through Link Asset Management, the Council's treasury management advisors. From 2020-21, the International Financial Reporting Standard will require more arrangements to be accounted for in the same way as finance leases, including arrangements currently classed as operating leases, as well as service contracts where the Council controls the use of specific assets.

7.4 As set out in the Council's annual Statement of Accounts the Council has historically given several financial guarantees for project funding. Since 2008 financial guarantees have to be accounted for as a financial instrument – there are no such guarantees material to the accounts. Any guarantees and contingent liabilities are costed and approved as part of the annual capital programme.

8 Knowledge and skills

8.1 The Council has a number of specialist teams delivering the capital programme, including schools, transport and the Corporate Property Team.

8.2 These teams are supplemented by professional external advisors as necessary, including Norfolk Property Services, professional highways consultants, and external valuers.

8.3 The Capital Programme is kept under continual review during the year. Each scheme is allocated a project officer whose responsibility is to ensure the project is delivered on time, within budget and achieves the desired outcomes.

8.4 Capital finance monitoring reports are prepared monthly, and presented to Cabinet. New schemes are approved by Cabinet and then County Council. Various Project Boards, specialist teams of officers, and member-lead Working Groups, such as the Children's Services Capital Priorities Group, oversee the co-ordination and management of significant elements of the Capital Programmes.

Appendix B: Capital bids prioritisation model

The three main objectives in compiling an affordable capital programme are:

- to provide an ambitious and deliverable programme
- to minimise unaffordable revenue costs, mainly by avoiding unsupported expenditure.

Funding for capital schemes comes from a variety of sources. Significant capital grants are received annually from the departments for Transport and Education, in the expectation that they will be spend on maintaining and improving the schools and highways estates. Other funding, often relating to specific projects, comes from a variety of sources. Capital receipts can be used to fund capital expenditure, but where there are no unallocated capital receipts borrowing is necessary.

In developing the capital programme, the following are taken into account:

1. Existing schemes and funding sources: a large part of the capital programme relates to schemes started in previous years or where funding has been received in previous years and will be carried forward.

2. Additional capital schemes approved during the year.

3. Prioritising new and on-going schemes on a Council-wide basis to ensure the best outcomes for residents.

4. If a limit has to be applied to the amount of funding available in any year, the model may have to be developed to categorise schemes, for example into those that are Essential, Priority (short term), Priority (longer term) and Desirable, and to limit spend on scalable projects or programmes funded through prudential borrowing.

5. The prioritisation process gives a high weighting to schemes which have funding secured. Where non-ringfenced capital grants are received there is a working assumption that they will be allocated to their natural home: for example DfT grants to highways, DfE grants to the schools capital programme.

6. Where a scheme does not have a funding source, priority is given to schemes which can provide their own funding. Where revenue or reserves cannot be identified, then it may be possible to identify future revenue savings or income streams which can be used to re-pay borrowing costs;

7. If there are unallocated capital receipts, these will be used to provide funding for higher priority unfunded schemes, or short life schemes where this gives a favourable MRP position.

The capital project marking guide is based on the suggestions made in previous years. Although the prioritisation model has been broadly applied, it is primarily applicable to new projects and projects requiring the use of borrowing and/or capital receipts to provide funding.

Capital programme 2020-23 – prioritisation scores

	Stat or Regulatory duty	CC Priorities	Cross-service Working	Impact on Council borrowing	Leverage Value	Flexibility and Scalability	Avoidance of risk to service delivery	**Total Score**
	1	**2**	**3**	**4**	**5**	**6**	**7**	
Weighting	**10**	**20**	**10**	**25**	**15**	**10**	**10**	**100**
Scheme type / category	Score	Score	Score	Score	Score	Score	Score	
Highways Capital Improvements	3	5	2	5	5	2	5	84
Highways Structural Maintenance	4	4	2	5	2	2	5	73
Highways other DfT grant funded works	4	4	2	5	2	2	5	73
Temporary Classrooms	4	4	1	5	0	3	5	67
Major highways schemes - majority grant funded	3	5	3	2	4	1	5	66
Schools Capital Maintenance	3	4	1	5	0	3	5	65
Living Well - Homes for Norfolk	4	5	3	2	1	5	4	65
Better Broadband for Norfolk	0	5	3	4	4	0	3	64
School Basic Need	4	4	1	5	0	3	3	63
Delivery of CS Sufficiency Strategy	5	3	3	4	0	3	4	62
Highway investment (mainly borrowing)	3	5	2	3	1	2	5	62
Norfolk One Public Estate programme	3	2	4	1	5	5	2	56
Server infrastructure	2	2	3	3	2	3	5	55
Historic buildings maintenance (museums/windmills)	4	4	3	2	0	4	3	54
Technology (transformation)	2	2	3	3	2	4	3	53
Fire appliances/equipment	4	4	0	3	0	2	5	53
Scottow Enterprise Park capital	0	5	4	2	0	3	3	50
Norse and other NCC subsidiaries; loan facility	0	1	1	4	3	5	2	49
Norwich Castle Keep development (non-grant element)	2	4	1	1	5	2	1	48
Farm property capital maintenance	2	1	0	5	0	3	4	47
Community - Equipment and Assistive Technology	3	3	0	3	0	2	5	47
Corporate offices capital maintenance	2	2	5	1	0	5	4	45
Licencing and generic ICT capital improvements	2	2	1	3	2	4	1	45
Fire Property Maintenance	2	2	5	1	0	5	4	45
Social Infrastructure Fund / Environment match funding	0	3	2	0	5	4	0	39
Replacement HWRCs	3	4	0	1	0	1	5	39
County Hall remodelling	0	2	3	3	0	3	2	39
GRT – site Improvements	4	2	3	0	1	2	4	37
Replacement non-critical ICT	0	2	2	3	0	2	3	37
On Street Parking	3	0	0	3	1	3	3	36
Managing Asbestos Exposure	5	1	1	0	0	5	5	36
Repay Debt (Dummy reference bid)	**0**	**0**	**0**	**5**	**0**	**5**	**0**	**35**

The prioritisation scores above are based on scores given to scheme in previous years. Schemes in Appendix D below relate to one or more of the schemes above and exceed the minimum (dummy) reference bid.

Appendix C: Capital programme 2020-23 – existing schemes £m

Service/Project	2020-21 NCC Borrowing and Capital Receipts	2020-21 Grants and Contributions	2020-21 Total	2021-22 NCC Borrowing and Capital Receipts	2021-22 Grants and Contributions	2021-22 Total	2022-23 NCC Borrowing and Capital Receipts	2022-23 Grants and Contributions	2022-23 Total	Grand Total
Adult Social Care	0.459	0.527	0.986	-	-	-	-	-	-	0.986
Unallocated Social Care Grant	7.193	0.046	7.239	-	-	-	-	-	-	7.239
ICES Equipment	3.002	-	3.002	-	-	-	-	-	-	3.002
Living Well - Homes for Norfolk	3.500	-	3.500	4.500	-	4.500	20.000	-	20.000	28.000
Adult Social Care Total	**14.154**	**0.573**	**14.726**	**4.500**	**-**	**4.500**	**20.000**	**-**	**20.000**	**39.226**
Children's Services	14.928	44.534	59.462	7.035	9.888	16.923	-	-	-	76.384
SEND Transformation	22.965	-	22.965	52.670	-	52.670	-	-	-	75.635
SEND Transformation Phase 2	-	-	-	-	-	-	20.000	-	20.000	20.000
Children's Services Total	**37.893**	**44.534**	**82.427**	**59.705**	**9.888**	**69.593**	**20.000**	**-**	**20.000**	**172.019**
Better Broadband For Norfolk	6.958	-	6.958	5.000	-	5.000	-	-	-	11.958
Ec Development inc Scottow	7.227	-	7.227	1.400	-	1.400	-	-	-	8.627
ETD Other	0.532	-	0.532	0.220	-	0.220	-	-	-	0.752
ETD Waste	6.000	-	6.000	3.500	-	3.500	-	-	-	9.500
Fire	6.198	0.049	6.248	1.150	-	1.150	-	-	-	7.398
Highways	7.241	33.515	40.756	6.659	-	6.659	15.000	-	15.000	62.415
Highways, Western Link Road	1.657	1.657	3.314	-	-	-	-	-	-	3.314
Gt Yarmouth 3rd River Crossing	6.848	31.362	38.210	-	41.837	41.837	-	16.280	16.280	96.327
Libraries	0.208	0.218	0.426	-	0.003	0.003	-	-	-	0.430
Museum	0.091	-	0.091	-	-	-	-	-	-	0.091
Museum - Castle Keep	1.950	8.121	10.071	-	1.522	1.522	-	0.009	0.009	11.602
Adult Education	1.230	-	1.230	-	-	-	-	-	-	1.230
CES Total	**46.140**	**74.922**	**121.062**	**17.929**	**43.363**	**61.292**	**15.000**	**16.289**	**31.289**	**213.643**
Budget Manager Licences	0.024	-	0.024	-	-	-	-	-	-	0.024
Capital Loans Facility	6.000	-	6.000	1.368	-	1.368	-	-	-	7.368
Repton Loan	4.000	-	4.000	5.000	-	5.000	-	-	-	9.000
Finance	4.817	-	4.817	4.847	-	4.847	1.235	-	1.235	10.899
Finance - ICT	4.385	4.865	9.250	0.700	0.183	0.883	-	-	-	10.133
Offices	5.090	-	5.090	3.318	-	3.318	-	-	-	8.408
Offices - County Hall	12.469	-	12.469	10.669	-	10.669	-	-	-	23.137
Offices - Corporate Refurbishment	1.786	-	1.786	1.786	-	1.786	-	-	-	3.573
Finance & Commercial Servs Total	**38.571**	**4.865**	**43.435**	**27.687**	**0.183**	**27.870**	**1.235**	**-**	**1.235**	**72.541**
Grand Total	**136.757**	**124.893**	**261.650**	**109.821**	**53.434**	**163.255**	**56.235**	**16.289**	**72.524**	**497.429**

Appendix D: New and extended capital schemes

Proposed new schemes added to the capital programme are listed below:

Service	New capital project / programme	2020-21	2021-22	2022-23+	Additional information
		£m	£m	£m	
Children's Services	Cloud based accounting for schools	0.050	0.050	0.050	Development of cloud-based accounting systems for schools and academies
	Total Children's Services	**0.050**	**0.050**	**0.050**	
CES	**Highways**				
	Highways	0.500	0.500	0.500	Highways capitalisation: additional capitalisation of Highways activities.
	On-street parking	0.250	0.250		On-street parking: Investment required to deliver the forward programme of On-street parking roll out.
	West Winch Housing Access Road	0.800	0.400		West Winch Housing Access Road: on 2 September 2019 Cabinet approved the match-funding for the Business Rates Pool (BRP) for scheme development.
	Maintenance Challenge fund – Match funding	0.450	0.350	0.350	Highways match funding - maintenance challenge fund. Capital funding to unlock external funding for projects including: · A1122 Marham Resurfacing · A1066 Thetford to Riddlesworth · Carrow Bridge in Norwich and · Haven Bridge in Gt Yarmouth.
	Pinch Point Funding – Match Funding		0.250	0.250	Pinch Point match Funding: Capital funding to unlock external funding for projects including A1122/A134 Stradsett Crossroads, (new roundabout).
	Transforming Cities/ Future Mobility Fund Match Funding	2.000	2.000	1.000	Transforming Cities/ Future mobility Fund match funding to unlock external funding, based no Indicative profile of projects which will potentially secure £101m over 3 years.

	Norfolk Fire & Rescue Service				
	Parking improvements	0.100			Parking improvements on the Operations and Communications Centre campus, Wymondham: one-off contribution to Norfolk Constabulary.
	Fire Cadet equipment	0.025			Fire Cadet equipment: to refresh existing units and start new unit in Great Yarmouth
	Fire Portable cabin/office	0.042			Portable cabin/office, to bring Princess Trust on Earlham station site.
	Fire Experience Unit	0.075			New mobile Fire Experience Unit (FEU)
	Fire Critical Equipment			0.150	Fire Critical Equipment 2022-23– Extended funding for NFRS requirement to replace, update and develop the services critical equipment programme.
	CES - other				
	Castle Keep project		1.250	1.250	Gateway to Medieval England project: additional budget risks associated with a major construction project in a very complex historic building have been mitigated by a programme of targeted surveys and investigations, however, it is recommended that a further ring-fenced contingency sum is allocated to support the project.
	Environmental policy projects	0.500	0.500		Environmental policy projects £1m approved at County Council 25 November 2019. Funding profile will be adjusted as projects are developed.
	HWRC CCTV and ANPR replacement	0.300			Household Waste Recycling centres Replacement of CCTV and ANPR at 19 Recycling Centres. Fixed cameras and associated software to support data analysis, health and safety and incident management.
	Trading Standards	0.025			Investment in metrology equipment
	Web Team	0.250	0.250	0.250	Capital development of the Norfolk Directory
	Gypsy, Roma and Traveller (GRT) sites	0.125			GRT sites: bring the relevant parts of the site, including communal areas, up to acceptable standards. Further capital expenditure may be required subject to site condition surveys and may be subject to a future bid.
	Archive Centre	0.200			Archive Centre: Investment in new storage equipment and reconfiguration to provide additional office space and capacity for new accessions until 2029.

	Norfolk Windmills Trust (NWT)	0.090	0.080	0.070	NWT: Capital maintenance to halt the condition decline of NWT mills.
	Environment – Data migration project	0.035			Digitisation of the Environment records Database and Norfolk Mapping, making these available digitally.
	Total CES Capital new borrowing	**5.767**	**5.830**	**3.820**	
Finance and **Comm Servs**					
- Property	Property - Fire				
	Height training facilities	0.110			Roof ladder & working at height training facilities at both Bowthorpe Training Centre, Norwich & Downham Market Fire Station
	Reconstruction of drill yards	0.591			Reconstruction of tarmac drill yards at Methwold, Acle, East Harling, Watton & Gorleston Fire Stations
	Sandringham Fire Station capital maintenance	0.015			Replacement of roof finish at Sandringham Fire Station
	Changing and associated facilities - capital maintenance	0.259			Refurbishment & upgrade of changing, locker, storage and toilet facilities & associated works at Dereham, Gt Massingham and West Walton Fire Stations.
	Replacement of training towers	0.298			Replacement of existing metal Lattice training towers with new towers/structures to Aylsham, Martham, Stalham, Sandringham, Loddon & East Harling Fire Stations. Additional funding required to complete works.
	Appliance bay door replacement	0.035			Replacement of appliance bay doors at Diss, Fakenham & Dereham Fire Stations
	Property – Children's Services				
	Childrens Homes refurbishment programme	3.877			NCC's children's homes: capital refurbishment of NCC's nine children's homes, to make a more homely environments and to address areas of deterioration.
	Property – Offices and other				

	County Hall Annex car park	1.570			Additional funding to create a deck style carpark to achieve the full allowable car parking numbers to tie in with planned moves of staff onto County Hall campus.
	County Hall Heating and Cooling	0.300			Improvements to design and operation of County Hall Heating and Cooling systems
	Flexible workspace desk monitors	0.102			Additional desk monitors for 350 desks to standardise flexible workspaces
	Capitalisation of CPT staff costs	0.181			Capitalisation of property staff costs where properly allocated to specific capital schemes including County Hall and accommodation rationalisation.
	Changing Places Toilets	0.300	0.300		Installation of changing places toilets on 10 of our most prominent sites
	Asbestos removals	0.250	0.250	0.250	Remedial capital works where asbestos is identified as a risk
	Fire safety related projects	1.000	0.700	0.200	Fire related works required as a result of risk assessments
	Corporate Minor works				
	– Equality Act	0.200	0.100	0.100	Capital works to resolve access and other Equality Act issues
	– Health and Safety	0.300	0.200	0.200	Works required as a result of health and safety audits
	– other	0.400	0.250	0.250	Minor capital refurbishment projects throughout NCC estate.
	Defibrillators	0.070			56 defibrillators to be installed in various buildings including all libraries
	Energy related Project	0.800	0.700		Design and installation of energy related improvements
	Monorail system for CH and Lift replacement in Priory	0.440			Monorail system for County Hall to improve access to the roof and external maintenance, and replacement of aging lift equipment in the Priory offices.
	Wensum Lodge capital improvements	0.030			Capital improvements to the Wensum Lodge site to enhance security and health and safety on site, and to promote income generation and use of the site.
	King's Lynn Museum	0.250	0.350		King's Lynn Museum, a listed building, is suffering from structural movement and remedial works are necessary to stabilise the building and to ensure the safety of the building and surrounding area.
-ICT - general	Woodside One Community hub – technical capacity	0.221	0.092	0.083	Project to develop the 'tech' capacity and capabilities of Woodside One Community Hub, including facilities for education and the creation of an innovation hub.

-ICT - fire	Fire Service – AV Upgrades	0.100			Replacement AV displays throughout the estate with modern equipment such as LCD Panel and associated connections
	Fire Service – ICT Infrastructure Refresh	0.160			NFRS server infrastructure refresh, to bring up to date and integrate NFRS ICT with NCC IMT
	Fire Service – Device Refresh	0.376			Hardware and operating system refresh to bring Fire ICT systems, including 450 devices, up to NCC standards.
	Fire Service – Command and Control contributions	0.054		0.155	Capital contribution towards collaborative arrangement with Hertfordshire, Humberside and Lincolnshire Fire and Rescue Services to deliver Control Room solutions
	Fire Service – Mobile Device on Fire Engine	0.262			Provision of 68 mobile devices (laptop or tablet) for use on Fire Engines to provide communications, data capture, incident command and information access.
	Fire Service – Fireground Radios	0.090			Digital upgrade to NFRS radios, plus replacement batteries, plus select deployment of Intrinsically Safe radios to allow working in hazardous areas.
-Finance	**Social** Infrastructure Fund	1.000	1.000	1.000	A fund available to support major VCSE capital projects across the County, subject to Cabinet approval, funding availability and proposals meeting bidding criteria.
	Capital programme management	0.300	0.300	0.300	The Council spends over £150m each year on its capital programme. Included in this cost can be staff time where it relates to specific projects and assets. This budget represents the cost of a number of staff providing support and advice to various elements of the capital programme.
	Farms	0.600	0.600	0.600	Capital maintenance of the Council's farms estate is funded through farms capital receipts. An indicative allowance of £0.600m has been added to programme to provide a budget for this expenditure.
	Total Finance and Commercial Services	**14.541**	**4.842**	**3.138**	

Strategy and governance	**nplaw** case management	0.100	0.050	0.350	Replacement case management IT system for nplaw, including setup and 10 year licence.
	Total strategy and governance	**0.100**	**0.050**	**0.350**	
	Total proposed new bids	**20.458**	**10.772**	**7.358**	

Cabinet

Item 15

Decision making report title:	**Highways Capital Programme 2020/21/22/23 and Transport Asset Management Plan**
Date of meeting:	**13 January 2020**
Responsible Cabinet Member:	**Cllr Wilby (Cabinet Member for Highways, Infrastructure and Transport)**
Responsible Director:	**Tom McCabe - Executive Director, Community and Environmental Services**
Is this a key decision?	**Yes**

Introduction from Cabinet Member

Highway infrastructure is important for our growing economy as we seek to manage, maintain & develop Norfolk's highway network, facilitate major development and deliver effective services to support sustainable growth and quality of life to residents and businesses.

Two key outcomes of the highway capital programme are to ensure:

- a well-managed highway network that enables everyone to travel the county freely and easily;
- delivery of improved infrastructure to promote the Norfolk economy.

Executive Summary

This report summarises the government settlement and proposed allocations for 2020/21. It also includes the successful competitive bids that have already secured significant funding from the Local Growth Fund (LGF), via the New Anglia Local Enterprise Partnership (NALEP), as well as the Department for Transport's (DfT) "National Productivity Investment Fund" for improvements, and the DfT "Challenge" and "Incentive" funds for maintenance. These funds are progressively replacing "needs based" allocations.

The recommended allocations for 2020/21 are set out in paragraphs 1.10, 1:11 and Appendix A of this report.

Recommendations

To approve:

1. **the Highways Capital Programme including the proposed draft allocations and programme for 2020/21 and indicative allocations for 2021/22/23 (as set out in Appendices A, B, C and D).**
2. **the Transport Asset Management Plan (TAMP) for 2020/21 to 2024/25.**

1. Background and Purpose

1.1. 2020/21 is the tenth year of the third Local Transport Plan (LTP) 2011-2026 for Norfolk, Connecting Norfolk. The fourth LTP is currently being developed and should be considered by Members towards the end of 2020. The current LTP has six main aims:

1. managing and maintaining the transport network;
2. delivering sustainable growth;
3. enhancing strategic connections;
4. improving accessibility;
5. reducing transport emissions; and
6. improving road safety.

1.2. Funding from the Department for Transport (DfT) for both Structural Maintenance and Integrated Transport Block grants is still broadly based upon the 6-year profile announced after the last spending review. Indicative allocations were given for the remaining three years from 2018/19 to 2020/21.

1.3. We are currently awaiting the outcome of several recently submitted funding bids to the DfT:

- Future Mobility Zone (£28m);
- Transforming Cities Phase 2 - 2020/21 to 2022/23 (£84m to £168m);
- Maintenance Challenge Fund 2019-20 (£3.5m for two resurfacing schemes)
- Maintenance Challenge Fund 2020-21 (£8.5m for six bridge maintenance schemes)

1.4. The national LTP maintenance allocation was “top-sliced” to allow councils to bid into one-off “challenge” and “incentive” pots.

1.5. The Integrated Transport budget is funded from DfT allocations, but more significantly we look to other sources of funding, such as Local Growth Funding, City Cycle Ambition, Transforming Cities as well as funding from developers.

1.6. Following consultation in March 2018, a government statement on proposed Major Road Network (MRN) funding is expected shortly. This would see a share of the annual National Road Fund, funded by Vehicle Excise Duty, given to local authorities to improve the most important ‘A’ roads under their management. The MRN in Norfolk comprises A134, A140, A146, A1270, A10 and A17.

1.7. In July 2019 Transport East, the Sub-national Transport Body covering Norfolk, Suffolk, Essex, Southend-on-Sea and Thurrock submitted its regional evidence base to government containing its priorities for large local major road schemes (those above £50m) and schemes on the MRN. Transport East’s priorities included the following in Norfolk:

- Norwich Western Link (major);

- A140 Long Stratton Bypass (MRN);
- A10 West Winch Housing Access Road (MRN);
- A47/A17 Pullover Junction King's Lynn (MRN).

1.8. DfT has fed back on these schemes and allocated further development funding for the A140 Long Stratton Bypass to progress to the next stage. They have asked for further information on the remaining schemes and we await announcements regarding their further progression. There is more detail on these projects later in the report, starting at section 2.3.3.

1.9. In planning the 2020/21/22/23 programme we have made a number of assumptions around the availability and success in achieving future competitive based funding opportunities. Where the funding source has not been confirmed these are detailed with the comments against the schemes in Appendix C.

1.10. In March 2015, Elected Members agreed a roll-forward of the LTP Implementation Plan and set out a framework for implementation in the future, given the continuing pressure on budgets. It is proposed to continue with this framework.

1.11. Members should note that in addition to DfT Integrated Transport funding, schemes of this type are also delivered from various funding sources including: developer funding (Section 106, CIL - Community Infrastructure Levy); one-off bidding rounds; National Productivity Investment Fund (NPIF); and Local Growth Fund (LGF). The total value of this programme is estimated at some £46.426m, which considerably exceeds the proposed LTP allocation of £1.3m.

1.12. The corporate bidding team continue to explore potential funding opportunities and facilitate the preparation and submission of bids that support County Council priorities and objectives. The CES representative and officers are working closely with this team to seek and secure additional funding for the service.

1.13. The highways capital programme is actively managed throughout the year to aim for full delivery within the allocated budget. Schemes are planned at the start of the year but may be delayed for a variety of reasons e.g. planning consent or public consultation. When it is identified that a scheme may be delayed then other schemes will be planned and progressed to ensure delivery of the overall programme and the original schemes will be included later. The programme will be managed in line with the Council's Scheme of Delegation.

2. Proposals

2.1. Structural Maintenance and Bridge Strengthening

2.1.1. It was recognised that the existing level of funding makes the maintenance of current condition challenging, but our planned interventions have had a positive outcome.

2.1.2. The overall highway asset backlog at June 2019 is £36.4m, which has decreased from the 2016/17 figure of £51.4m. This reduction is due to the implementation of the Greater Norwich Drainage scheme and slight improvement in road condition. The condition surveys from 2018-19 were undertaken in the autumn of 2018 prior to the £12.7m additional investment announced in the November 2018 budget.

2.1.3. The Highway Asset Management Policy and Strategy, together with targets, has been reviewed, revised and presented to the July 2019 Infrastructure and Development Select Committee.

2.1.4. To help with the challenge of managing the asset we will continue to look for opportunities for additional funds as they become available over and above the DfT allocations.

2.1.5. Details of the proposed allocation of the structural maintenance and bridges budget for 2020-21 can be found in Appendix B.

2.2. **Integrated Transport**

2.2.1. Integrated Transport funding covers all expenditure on new infrastructure such as improvements at bus interchanges and rail stations, local safety schemes, pedestrian crossings, footways, traffic management, route and junction improvements and cycle paths. It used to be largely funded by the DfT Integrated Transport block grant. It is now heavily supplemented by other funding sources such as Local Growth Fund, City Cycling Ambition, National Productivity Investment, Community Investment Levy, and Housing Infrastructure Fund.

2.2.2. Budget summaries for the proposed programme is detailed in Appendix A. Individual schemes are detailed in Appendix C.

2.2.3. The proposed allocation from the LTP grant is £1.3m. This is allocated for mainly low-cost improvement schemes including the parish partnership programme, and contributions to developing major schemes.

2.2.4. **Local Safety Schemes (LSS)**

2.2.4.1. The 1988 Road Traffic Act places a statutory duty on local authorities to study road collisions, and to reduce and prevent them. Improving road safety is also one of six strategic aims within the LTP.

2.2.4.2. LSS proposals enter the capital programme following an evaluation of accident statistics and their potential for casualty reduction. Accident cluster locations are included where the first-year rate of return of the proposed remedial measures exceeds 200%. LSS are treated as a priority due to their positive impact on road safety and casualty reduction. The LSS budget has been £250,000 in recent years and remains at that level in the proposed two-year programme in Appendix A.

2.2.4.3. Whilst accident 'cluster site' scanning still takes place to identify grouping of accidents, these are becoming increasingly rare and accidents tend to be more scattered, occurring predominantly along well-trafficked routes.

2.2.4.4. International Studies indicate that analysis of the key risk factors of a section of highway is now a better guide to future accident occurrence than previous accident history. On the high-speed strategic road network, this suggests a need to move towards systematic Network Safety Improvements based on risk analysis rather than collision history.

2.2.4.5. Therefore, Route Safety Studies in line with the 'safe system' philosophy are now being developed. The safe system philosophy acknowledges that road users are human and will make mistakes. Hence, the Route Safety Studies identify ways to make the highway environment more forgiving of human error and reduce the likelihood of mistakes resulting in a fatal or serious injury.

2.2.4.6. A sample of LSS implemented over recent years has been reviewed, to check whether expected benefits have been delivered. LSS are generally performing as expected and delivering cost benefits in terms of accident reduction savings, based on low-cost measures.

2.2.5. **Parish Partnership programme**

2.2.5.1. The Parish Partnership programme began in September 2011, when Parish and Town Councils were invited to submit bids for small highway improvements. The County Council offered to support up to 50% of the cost of schemes. The intention being to ensure that limited funds could be used to meet local community needs, helping promote the developing localism agenda.

2.2.5.2. From 2020/21 it is proposed that annually £50,000 will be added from the Council's £20m investment in highways, to the existing £300,000 from LTP. The Safety Camera Partnership has in 2019-20 given £52,874 for Speed Activated Message signs (SAMs) to be purchased and managed by Parishes. We will review the parish bids for 2020/21 to confirm the continuing level of demand for these signs and a funding bid will be submitted to the Safety Camera Scrutiny Board. On this basis we are anticipating a match fund of £402,874 for 50% County Council contributions.

2.2.5.3. To give Parish/Town Council more time to develop bids, letters inviting bids were sent out in June 2019. Bids are assessed against their contribution towards the six main aims that support the vision in the LTP, and viable schemes identified.

2.2.5.4. To further assist Town/Councils, the County Council website provides key supporting information.

2.2.6. **Additional Highways Investment**

2.2.6.1. At the Policy & Resources Committee on 27 November 2017, Members noted that one of the priorities for the administration was a commitment to invest an extra £20m in Norfolk's roads.

2.2.6.2. This funding was allocated to the delivery of major projects, junction improvements, market town schemes, footways and crossing improvements and a contribution to Parish Partnership, Local Member fund and public rights of way. Much of this funding has been spent and schemes delivered. The proposed distribution for the remaining funding for 2020/21/22 is shown in Appendix D.

2.2.6.3. **Local Road schemes / Junction Improvements**

2.2.6.4. The proposed investment will enable those schemes already approved in 2019-20 to continue to progress with design. These are the B1146 Hempton Roundabout, A1066 Victoria Road junction with Vinces Road, Diss and Station Road Link, Diss.

2.2.6.5. The investment has funded nine feasibility studies on County 'A' & 'B' road junctions to determine options and costs and enable prioritisation and a future programme to be developed. Most sites would require the acquisition of land. We have made initial enquires with landowners to determine those who are supportive of our proposals.

2.2.6.6. Of those with a supportive response, the Hempton junction of the B1146 and C556 produced the best combined cost benefit ratio for congestion and safety. Design has been progressed in 2019/20 with build proposed in 2020/21.

2.2.6.7. Of the remaining sites, the Council will submit a proposal to replace the existing staggered junction at Stradsett A1122/A134 to the DfT Pinch Point Fund. Expressions of interest are required to be submitted by 31 January 2020 with those successful bids receiving funding in 2021/22 and 2022/23

2.2.7. **Market Town Network Improvement Strategies**

2.2.7.1. A report on the market town studies will be taken to members in the New Year, where Cabinet will be asked to adopt the completed studies and agree on the next steps.

2.2.7.2. Ten Studies (Dereham, Swaffham, North Walsham, Thetford, Diss, Downham Market, Fakenham, Wroxham/Hoveton, Wymondham, Aylsham) have been commissioned using the current scope around transport infrastructure needs arising from growth. These studies have been funded from the £20m investment (detailed in 2.2.6).

2.2.7.3. Two items resulting from the reports, Downham Market Waiting restrictions TRO and Fakenham A148/A1065 roundabout lining configuration changes have been added to the 2020/21 programme for implementation.

2.2.7.4. Funding has also been made available as a contribution to the North Norfolk District Council scheme to install an access ramp at North Walsham railway station.

2.2.8. **Pedestrian Crossings and Footways**

2.2.8.1. The proposed investment will be used to fund assessment and study work together with some scheme delivery. A new pedestrian crossing facility was built at Old Buckenham in 2019/20. New facilities are planned for Hellesdon, North Walsham and Wells in 2020/21. Other assessments are being undertaken to inform the priorities and cost for inclusion in a future programme.

2.2.9. **Public Rights of Way (PROW)**

2.2.9.1. The £20m investment allowed approximately £200,000 to be invested in capital improvement and maintenance on PROW, including surfacing and footbridge reconstruction. This was delivered over 2018/19/20. Funding from the LTP Integrated Transport remains at £15,000 for 2020/21.

2.2.10. **Local Member Fund budget**

2.2.10.1. Members were advised by email in June 2017 that a new fund had been created to provide each Member with an annual budget of £6,000 to be used on highway work within each financial year. This offers flexibility to progress small highway projects based upon local need. From 2018/19 this has been funded from the £20m investment in highways.

2.3. **Major Projects**

2.3.1. **Great Yarmouth Third River Crossing**

2.3.1.1. In the 2017 Autumn Budget the Government announced a £98m grant for this project. £2m funding has been secured from the LGF. The remaining £20m will be funded from local contributions, and we have been successful in securing a reduced borrowing rate to support this. The £20m investment will fund £1m of the local contribution in 2020/21.

2.3.1.2. Subject to gaining development consent, construction is planned to start in late 2020, with completion in 2023.

2.3.2. **Transforming Cities**

2.3.2.1. Transforming Cities is a £2.5bn transport fund to support connectivity in some of England's largest cities, launched at the Autumn Budget 2017 and expanded in the 2018 Budget with funding running from 2018-19 to 2022-23. Around half has been allocated to Metro Mayoral Combined Authorities on a devolved basis with the remaining £1.2billion to be allocated across 12 cities, including Greater Norwich.

2.3.2.2. The Greater Norwich area was one of the successful city regions in being shortlisted and Norfolk County Council has led on the bid for a share of the funding. An initial £50,000 was received to develop proposals further as well as bespoke support from DfT to help co-develop the case for investment.

2.3.2.3. In 2019/20 we successfully bid for Tranche 1 and received £6.1m for six schemes. These schemes are in progress and on-track to be completed within the 2019/20 financial year.

2.3.2.4. The principles of the bid for Tranche 2 funding, was reported to Cabinet on 4 November 2019. This phase is larger and spans three financial years from 2020/21 to 2022/23.

2.3.2.5. In line with the DfT's, guidance, the bid was structured around low, medium and high funding packages, see following table.

2.3.2.6.

	DfT	Local Authority	Third-Party	Total
Low	£58.8m	£4m	£21.2m	£84m
Medium	£74.8m	£4m	£21.2m	£99.6m
High	£131.2m	£4m	£32.7m	£167.8m

2.3.2.7. The outcome and funding announcement from the DfT is expected in March 2020. As a result, there may be significant additions to the Highway Capital Programme.

2.3.3. **Norfolk Infrastructure Delivery Plan**

2.3.3.1. Other significant projects are being scoped using available funding sources but are not yet developed in sufficient detail for inclusion in the capital programme. These are part of the Norfolk Infrastructure Delivery Plan refreshed for 2019, that was reported to Infrastructure and Development Select Committee on 13th November 2019 and agreed by Cabinet on 2 December 2019.

2.3.3.2. Those which would form part of the adopted road network are:

- North East Norwich Link Road (Broadland Growth Triangle);
- Attleborough Link Road;
- A10 West Winch Relief Road;
- A140 Long Stratton Bypass;
- Fakenham A148 Roundabout Enhancement;
- Norwich Western Link.

2.3.3.3. £200,000 of LTP Integrated Transport funding is being used to attract support from Pooled Business Rates (PBR) to enable the development of some of these and other important schemes. The grants are only provisional. This process is still being worked through, and so the status of the bids may change, and funding may be reallocated both outside and within the Highways Capital Programme.

2.3.3.4. The remaining matches are detailed below. The NCC funding for West Winch and Pullover is new borrowing and is reflected in the capital programme report elsewhere on this agenda.

2.3.3.5.

Project	Total project Cost	Total Match required	Other Match Confirmed	LTP Match Confirmed	PBR Funding Status
West Winch Housing Access Road	£2,400,000	£1,200,000	1,200,000 (NCC £1.1m, KLWNBC £0.1m)	0	Provisionally Approved
King's Lynn Highways	£101,702	£50,851		£50,851	To be resubmitted
Thetford A134 new link	£51,202	£25,601		£25,601	To be resubmitted
Long Stratton Bypass	£101,502	£50,751	£25,376 (SNDC)	£25,375	Provisionally Approved
Attleborough Link Road	£100,452	£50,226	£30,113 (BkDC) and developer	£20,113	Provisionally Approved
North Walsham link road	£106,702	£53,351	£26,675 (NNDC)	£26,676	Provisionally Approved
North East Norwich Link	£52,702	£26,351		£26,351	Provisionally Approved
Pullover	£94,702	£47,351	£47,351 (NCC)	0	Provisionally Approved
TOTAL	£3,008,962	£1,504,481	£1,329,515	£174,967	

2.3.4. **Norwich Western Link**

2.3.4.1. A consultation was undertaken on differing route options and Cabinet agreed Option C as the preferred route on 15 July 2019. Scheme development is ongoing and includes further development and design work on the preferred option, discussions with landowners and survey work.

2.3.4.2. In July 2019, the Council submitted the Strategic Outline Business Case (SOBC) to DfT via Transport East and have received initial feedback on this.

2.3.4.3. For 2020/21, work will continue to develop the scheme. It will include updating the traffic modelling, developing and submitting the outline business case to DfT, and completing the procurement for the project to ensure a contractor/designer team is in place by Autumn 2020. The estimated cost of this work is £3.315m and is reflected in the NCC capital programme elsewhere on this agenda.

2.3.5. **A140 Long Stratton Bypass**

2.3.5.1. Following the submission of the Strategic Outline Business Case (SOBC) to DfT via Transport East (who agreed that the project was one of the Major Road Network infrastructure priorities), in September 2019 the Council was awarded £570,000 funding by the DfT to further develop the Outline Business Case for submission.

2.3.5.2. Further steps are required before we receive DfT 'programme entry status', however, subject to securing planning permission and other consents and approvals, a planned construction start is programmed for 2022, with planned completion in 2024.

2.3.6. **West Winch Housing Access Road**

2.3.6.1. In September 2019, the Council received feedback on the Strategic Outline Business Case (SOBC) submission from the DfT. The DfT asked for clarification on a number of points followed by resubmission.

2.3.6.2. The scheme continues to be developed with a view to submitting a planning application in late summer 2020. The funding identified (£2.4m in total, consisting £1.2m Pooled Business Rates, £1.1m NCC borrowing, £0.1m KLWNBC) is required to complete this work and start on post planning application design and procurement activity.

2.3.7. **Pullover A17/A47**

2.3.7.1. In September 2019, the Council received feedback on the Strategic Outline Business Case (SOBC) submission from the DfT. As with West Winch, the DfT asked for clarification on a number of points followed by resubmission.

2.3.7.2. Work will start in January to do this with the aim of producing option assessment together with costs and potential programme by July 2020. The funding identified (£94,702 in total, consisting £47,351 Pooled Business Rates and £47,351 NCC borrowing).

2.3.8. **Local Growth Fund (LGF)**

2.3.8.1. Investment funded from the New Anglia Local Enterprise Partnership continues in 2020/21 in Greater Norwich, Great Yarmouth, Attleborough and Thetford. Summary details can be seen in Appendix A and scheme level in Appendix C.

2.3.8.2. The LGF funding programme ends in April 2021. We are waiting for clarification from government about the successor to this funding stream.

2.4. **Walking and Cycling**

2.4.1. A report on the "Norfolk Cycling & Walking Action Plan" was approved by EDT Committee on 17th March 2017. This followed an invitation from DfT to become a partner with them in a Cycling Delivery Plan for Norfolk, which will ultimately enable access to DfT funding streams to deliver the required infrastructure. Members approved the establishment of a Cycling and Walking Member

Champion and also approved delegation for the submission of funding bids and linked plans.

2.4.2. Publication of the DfT Cycling and Walking Investment Strategy, gave guidance on the Local Cycling & Walking Infrastructure Plans. Expressions of interest were requested, and Norfolk received £65,000 to develop a walking and cycling Strategy for Greater Norwich. This will produce a prioritised network plan for cycling and walking infrastructure improvements based on effectiveness, cost and deliverability.

2.4.3. **Traffic Management**

2.4.3.1. Minor traffic management issues (parking, waiting, speed, and weight limit restrictions) are generally funded via the Local Member Fund budget. Anything more significant will need to identify appropriate funding and seek authorisation/approval.

2.4.3.2. Speed limits are governed by the Council's speed management strategy and new limits introduced only where there is significant change in the environment (e.g. a village boundary has expanded) or there are compelling safety reasons.

2.4.3.3. The EDT Committee at its meeting of 16 September 2016, agreed that any further work required on wider HGV measures would need a separate report/approval including the identification of funding as it is not covered by the current budget.

3. Transport Asset Management Plan 2020-21

3.1. The TAMP is updated annually and approved by Committee and Full Council. A copy of the TAMP approved by Full Council on 16 April 2019 is available on our website.

3.2. An annual "Highway Asset Performance report" was presented to the Infrastructure and Development Select Committee in July 2019. This report ensures Members are regularly involved in approving and reviewing the direction for asset management.

3.3. Norfolk continues to review its maintenance and inspection policies for the network to ensure they deliver best practice, are value for money, and that actions align with Member's decisions on funding priorities. Any changes are presented to Members for approval.

3.4. At the 13 November 2019 Infrastructure & Development Select Committee meeting, Members reviewed the proposed changes to the TAMP for 2020/21-24/25.

4. Impact of the Proposal

4.1. The Highways Capital Programme represents a significant investment in the Norfolk economy.

4.2. It helps protect the investment already made in establishing the £15bn highway asset.

4.3. It also supports the Council's six-year plan with two key two key outcomes:

- a well-managed highway network that enables everyone to travel the county freely and easily;
- delivery of improved infrastructure to promote the Norfolk economy.

5. Evidence and Reasons for Decision

5.1. The Highway Capital Programme matches the Council's aspirations in the six-year plan to manage, maintain & develop Norfolk's highway network, facilitate major development and deliver effective services to support sustainable growth and quality of life to residents.

5.2. **National Highways & Transport Network (NHT) Public Satisfaction Survey 2019**

5.2.1. The National Highways and Transport (NHT) survey takes place annually during the summer. The survey sample size was 3,300 and boasted a response rate of 30%, a good response rate for surveys of this type.

5.2.2. The NHT Survey is referenced in the DfT's Incentive Fund self-assessment process and allows the Council to compare ourselves to our peers, monitor performance and help make efficiencies. It also forms part of our performance framework for our asset management strategy.

5.2.3. The Council achieved an overall score of 56 and a ranking of 1st out of 28 county councils that participated in this year's NHT survey. This is an improvement on our ranking of 4th last year and 7th from the year before. The average overall score amongst our peers was 52.

5.2.4. The NHT survey results also take into account the areas that were considered most important by respondents in Norfolk (Local Relative Importance) and for this we also ranked 1st out of 28 (as opposed to 3rd last year).

5.2.5. When comparing ourselves to all authorities in the Eastern region we ranked 1st out of 11 for our overall score.

5.2.6. Out of the 28 county councils and larger unitary authorities in the peer group, Norfolk also ranked 1st in the following Key Business Indicators:

5.2.7.
- KBI 17 - Traffic levels & congestion
- KBI 23 - Condition of highways
- KBI 24 - Highway maintenance

5.2.8. The improving customer satisfaction results across a range of indicators, coupled with the asset performance framework gives the Council confidence that outcomes are being achieved.

6. Alternative Options

6.1. Differing proposals could be put forward to utilise planned invest differently across the highway assets or provide additional investment from our Council. However, given the strong performance above in 5.2, this is not recommended.

7. Financial Implications

7.1. The additional funding for highways schemes is included in the Norfolk County Council Revenue and Capital Budget 2020-21 included elsewhere on this agenda. Full Council will consider the overall County Council budget in February 2020. This will include the overall County Council Capital Programme, which will include the overall budgets contained within this report.

7.2. The Council is yet to receive the details of the final funding announcements for 2020/21. These are expected from the DfT later this year. The Council will also look to maximise opportunities for bidding for other funding.

8. Resource Implications

8.1. **Staff:**

If the County Council is successful in its bid applications, the resource strategy will need to be reviewed to ensure delivery of the projects, although the current arrangements with the professional services provider, WSP, will be utilised in the first instance.

8.2. **Property:**

There are no implications

8.3. **IT:**

There are no implications

9. Other Implications

9.1. **Legal Implications**

The legal implications of individual schemes will be evaluated as part of the project delivery process.

9.2. **Human Rights implications**

The Health and Safety implications of individual schemes will be evaluated as part of the project delivery process.

9.3. **Equality Impact Assessment (EqIA) (this <u>must</u> be included)**

An Equality Impact Assessment for the Highway Asset Management Strategy and Policy has been completed. There are no adverse impacts.

An Equality Impact Assessment has been carried out for our Transforming Cities programme. Should our funding application be successful, assessments will also be carried out as part of the development of individual schemes.

9.4. **Health and Safety implications**

The Health and Safety implications of individual schemes will be evaluated as part of the project delivery process.

9.5. **Sustainability implications**

The programme has been developed in accordance with the current LTP aims, which include delivering sustainable growth. This is considered further for each scheme during the detailed design phase.

9.6. **Any other implications**

N/A

10. Risk Implications/Assessment

10.1. Funding may be changed by Government (for example budget announcements, or bidding opportunities) or the Council.

10.2. Although an allowance for inflation is budgeted for, if inflation exceeds what is expected the programme may be adversely affected.

10.3. Damage to assets can be caused by adverse weather, winter, drought, wind and flood. The County's Fen roads are particularly susceptible to drought damage.

10.4. There is a risk with the larger, non-LTP funded schemes that if they overspend, any shortfall may need to be funded from the Highways Capital Programme. To accommodate this, programmed schemes may need to be deferred to prevent overspend on the overall Highways Capital Programme. The risk is mitigated by effective project and programme management.

10.5. The Council has underwritten a local contribution as part of the requirements of the funding opportunity, such as the 3rd River Crossing (20%).

10.6. Any scheme specific risks and implications will be assessed and mitigated during the development of each scheme.

11. Select Committee comments

11.1. The Infrastructure & Development Select Committee endorsed the realignment of the Asset Management Policy with the Council Plan May 2019 and the enhanced detail in the Asset Management Strategy and the revised targets to 2020/21. This was as part of the Highway Asset Performance Report at its meeting on 17 July 2019.

The Infrastructure & Development Select Committee also reviewed the latest revision to the Transport Asset Management Plan 2020/21-24/25 at its meeting on 13 November 2019. The significant changes being the Asset Management Policy and Strategy.

12. Recommendations

To approve:

1. **the Highways Capital Programme including the proposed draft allocations and programme for 2020/21 and indicative allocations for 2021/22/23 (as set out in Appendices A, B, C and D);**
2. **the Transport Asset Management Plan (TAMP) for 2020/21 to 2024/25.**

13. Background Papers

13.1.
1. At the EDT committee meeting on 18 January 2019 Members approved the Highway capital programme and Transport Asset Management Plan (TAMP) Report and link to minutes

13.2.
2. Local Transport Plan 2011-2026

13.3.
3. At the select committee meeting on 17 July 2019 Members approved the Highway Asset Performance Report and link to minutes

13.4.
4. At the select committee meeting on 13 November 2019 Members reviewed the Transport Asset Management Plan (TAMP) Report and link to minutes

13.5.
5. At the EDT committee meeting on 18 January 2019 Members approved the Highway capital programme and Transport Asset Management Plan (TAMP) Report and link to minutes

Officer Contact

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

Officer name: **Kevin Townly** **Tel No.:** **01603 222627**

Email address: **kevin.townly@norfolk.gov.uk**

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

APPENDIX A: Norfolk County Council- Highways Capital Programme Summary

Scheme Type	2020/21	Other Funding	2021/22	Other Funding	2022/ 23	Other Funding
Major schemes	25	37,309	0	45,129	0	16,280
Bus infrastructure	20	0	20	0	20	0
Bus priority schemes	0	0	0	0	0	0
Public Transport Interchanges	140	0	140	0	140	0
Cycling schemes (County)	0	0	0	0	0	0
Walking schemes	315	350	315	350	315	300
Road crossings	18	309	10	60	10	0
Local road schemes	376	4,999	505	1,312	515	0
Attleborough Sustainable transport package (LGF funded)	0	1,312	0	0	0	0
Thetford Sustainable transport package (LGF funded)	0	341	0	0	0	0
Traffic Management & Traffic Calming	148	0	10	0	0	0
Local Safety Schemes	257	2	275	0	275	0
Other Schemes, Future Fees & Carry Over Costs	0	504	25	504	25	0
Integrated transport	**1,300**	**45,126**	**1,300**	**47,355**	**1,300**	**16,580**
Structural/Routine/Bridge Maintenance	34,923		34,923		34,923	
Totals:	**36,223**	**45,126**	**36,223**	**47,355**	**36,223**	**16,580**

Notes:
1. Above figures in £000's
2. DfT (Local Transport Plan) funding detailed under main year headings
3. Other Funding includes Section 106, Section 278, LGF, CIL, County Council & Major Scheme funding

Structural Maintenance Budget Proposed Allocations 2020/21/22/23 (City & County) Draft based on estimated budgets	2020/21	2021/22	2022/23
Funding			
LTP Structural Maintenance Grant (needs)	23,043,000	23,043,000	23,043,000
LTP Structural Maintenance Grant (permananet pothole fund)	1,616,000	1,616,000	1,616,000
LTP Structural Maintenance Grant (incentive)	4,799,364	4,799,364	4,799,364
LTP Structural Maintenance Grant (challenge fund)	0	0	0
County Coucil Contribution Reserves (challenge fund)	0	0	0
Local Growth Fund			
County Contribution Market Town Drainage NCC borrowing			
County Council funding to cover £1.065m capitalisation from 2018-19 Left Over from 18/19			
County Council funding to cover £1.065m capitalisation from 2018-19	1,065,000	1,065,000	1,065,000
County Council funding to cover £1.599m capitalisation from 2019-20	1,559,000	1,559,000	1,559,000
Capital Integrated Transport Contribution	2,840,000	2,840,000	2,840,000
NPIF			
Additional Capital Integrated Transport Contribution			
Supply Chain contribution			
Winter / Flood damage Government Grant			
Winter Damage Council additional contribution			
Additional structural Mt grant autumn statement			
Traffic Management contribution (otherwise funded from Network Management)			
Additional Pothole Grant			
NCC borrowing for Mt Challenge Fund			
	34,922,364	**34,922,364**	**34,922,364**
Spending			
Countywide specialist			
Bridges	1,200,000	1,200,000	1,200,000
Bridges (small works)	400,000	400,000	400,000
Bridges Inspections	250,000	250,000	250,000
Bridges NPIF			
Traffic Signal Replacement	525,000	525,000	525,000
Traffic Signals (small works)	600,000	600,000	600,000
ITS (system) PJ0007	20,000	20,000	20,000
Traffic Management			
HGV Signing			
Park & Ride	40,000	40,000	40,000
Asset Condition Surveys capitalised 2018-19	150,000	150,000	150,000
sub total	**3,185,000**	**3,185,000**	**3,185,000**
Roads			
Detrunk Principal Roads (Surfacing)			
Principal Roads (Surfacing)	1,177,000	1,177,000	1,177,000
Principal Roads (Surfacing) NPIF			
Principal Roads (Surfacing) LGF named scheme			
Principal Roads (Surface Treatment)	1,730,724	1,730,724	1,730,724
Principal Roads (Surface Treatment) LGF named scheme			
Principal Roads (Joint repair)	100,000	100,000	100,000
Principal Roads (SCRIM)	150,000	150,000	150,000
Principal Roads (Reclamite)	164,500	164,500	164,500
Principal Roads (Haven Bridge provisional)			
sub total	**3,322,224**	**3,322,224**	**3,322,224**
B roads (surfacing)	623,264	623,264	623,264
B roads (surfacing) NPIF			
B roads (surface treatment)	998,706	998,706	998,706
B Roads (Surface Treatment) LGF named scheme			
sub total	**1,621,970**	**1,621,970**	**1,621,970**
C roads (surfacing and haunch)	500,000	500,000	500,000
C roads (surfacing and haunch) NPIF			
C roads (surface dressing)	4,059,427	4,059,427	4,059,427
sub total	**4,559,427**	**4,559,427**	**4,559,427**
U roads (surfacing and haunch)			
U roads (surface dressing)	4,059,427	4,059,427	4,059,427
sub total	**4,059,427**	**4,059,427**	**4,059,427**
Capital Structural Funding transfered to the Highways Maintenance Fund for Patching	4,212,772	4,212,772	4,212,772
Capital Structural Funding transfered to the Highways Maintenance Fund for Chip Patching	469,000	469,000	469,000
Capital Structural Funding transfered to the Highways Maintenance Fund for Chip Patching	900,000	900,000	900,000
Capital Structural Funding transfered to the Highways Maintenance Fund for Permanent Pothole repair PM3211, 12,14 anc	900,000	900,000	900,000
Capital Structural Funding transfered to the Highways Maintenance Fund for Chip Patching	305,000	305,000	305,000
Capital Structural Funding transfered to the Highways Maintenance Fund for Permanent Pothole repair	295,000	295,000	295,000
Capitalisation of road markings from 2018-19 (PMA535, 536, 537,PMA7578)	500,000	500,000	500,000
Capitalisation of road studs from 2018-19 (PMA538,539,540)	51,000	51,000	51,000
sub total	**7,632,772**	**7,632,772**	**7,632,772**
Machine Patching	421,354	421,354	421,354
Patching element from Pothole fund	345,668	345,668	345,668
sub total	**767,022**	**767,022**	**767,022**
Winter Damage / Flood Damage Patching / Pothole	0	0	0
sub total	**0**	**0**	**0**
Bleeding Roads (PMA811+3 others)	10,000	10,000	10,000
sub total	**10,000**	**10,000**	**10,000**
	21,972,842	**21,972,842**	**21,972,842**
Contract costs etc.	**4,480,744**	**4,480,744**	**4,480,744**
Fencing Repairs (PMA812,813,814)	**40,000**	**40,000**	**40,000**
Vehicle Restraint Systems			
Risk Assessment,	32,000	32,000	32,000
Design & works	100,000	100,000	100,000
VRS Repairs	50,000	50,000	50,000
	182,000	**182,000**	**182,000**
Footways & Drainage & signs			
Signs & post	200,000	200,000	200,000
Signs - PROW finger Posts PMA815	40,000	40,000	40,000
Area Managers Schemes	140,000	140,000	140,000
Footways - Category 1 & 2	467,574	467,574	467,574
Footways Category 3 & 4	1,524,009	1,524,009	1,524,009
Footways Category 3 & 4 Slurry	554,330	554,330	554,330
Footways & Kerbs repairs (capitalised from 2020-21) (PMA818,817,816)	600,000	600,000	600,000
Drainage	611,047	611,047	611,047
Drainage (NDR / Postwick fee only as-built SWD capture) PMA990	19,817	19,817	19,817
(Drainage Flood & Water Risk Match Pot)	75,000	75,000	75,000
Drainage Capitalisation	830,000	830,000	830,000
Drainage NPIF			
Drainage - Market Town			
Capital Challenge Fund (Drainage)	0	0	0
	5,061,777	**5,061,777**	**5,061,777**
Summary			
Total Structural Maintenance & Bridges Spending	**34,922,364**	**34,922,364**	**34,922,364**
Probable final budget	**34,922,364**	**34,922,364**	**34,922,364**

APPENDIX C: Proposed Highways Capital Improvements Programme

Sub-programme	District	Main funding source	Scheme	2020/21	Other Funding	2021/22	Other Funding	2022/ 23	Other Funding	Comments
Major schemes										
DFT	Great Yarmouth	DFT	Great Yarmouth - Third River Crossing Scheme	£0	£26,070,000	£0	£45,129,000	£0	£16,280,000	Spend profile shown as submitted to DfT as part of the Outline Business Case and is currently being reviewed following Government funding announcement in the Autumn Budget
NCC	Great Yarmouth	NCC	Great Yarmouth - Third River Crossing Scheme	£0	£6,848,000	£0	£0	£0	£0	Funding source to be determined (bid underwritten by Norfolk County Council)
NCC Extra £20m	Great Yarmouth	NCC Extra £20m	Great Yarmouth - Third River Crossing Scheme	£0	£1,000,000	£0	£0	£0	£0	
LTP	South Norfolk	LTP	Long Stratton Bypass (NCC Design)	£25,375	£0	£0	£0	£0	£0	
SNDC	South Norfolk	SNDC	Long Stratton Bypass (NCC Design)	£0	£25,375	£0	£0	£0	£0	South Norfolk District Council
PBR	South Norfolk	PBR	Long Stratton Bypass (NCC Design)	£0	£50,751	£0	£0	£0	£0	Pooled Businesss Rate
NCC	Broadland	NCC	A47-A1067 (Wensum Valley) Western Link Road	£0	£3,315,000	£0	£0	£0	£0	this will be a further £3.315m funded by NCC Capital (Borrowing)
Bus infrastructure										
LTP	Countywide	LTP	County- DDA Bus stop upgrades	£10,000	£0	£10,000	£0	£10,000	£0	
LTP	Norwich	LTP	Norwich - Bus Infrastructure Improvements (DDA)	£10,000	£0	£10,000	£0	£10,000	£0	
Public Transport Interchanges										
LTP	Countywide	LTP	Countywide Public Transport Interchanges	£140,000	£0	£140,000	£0	£140,000	£0	small measures across all inter changes
Walking schemes										
LTP	Countywide	LTP/Parish	Delivering local highway improvements in partnership with Town and Parish Councils	£300,000	£300,000	£300,000	£300,000	£300,000	£300,000	"other funding" is 50% match funding from Town/Parish Councils.
NCC extra £20m/ Walking	Countywide	NCC Extra £20m	Delivering local highway improvements in partnership with Town and Parish Councils	£0	£50,000	£0	£50,000	£0	£0	other funding is contribution from NCC extra £20m
LTP	Countywide	LTP	Public Rights of Way in Towns & Villages - Urban Path Improvements	£15,000	£0	£15,000	£0	£15,000	£0	
Road crossings										
LTP	Norwich	LTP	Norwich-provision of dropped kerbs	£0	£0	£10,000	£0	£10,000	£0	
NCC extra £20m/ Ped Crossing	Norwich	NCC extra £20m	Norwich - Cleverland Road	£0	£50,000	£0	£0	£0	£0	Design and Construction
NCC extra £20m/ Ped Crossing	Norwich	NCC extra £20m	Norwich - Clover Hill Road - Boatman Way	£0	£22,000	£0	£0	£0	£0	Design and Construction
LTP	Norwich	LTP	Norwich - Clover Hill Road - Boatman Way	£18,300	£0	£0	£0	£0	£0	Design and Construction
NCC extra £20m/ Ped Crossing	Broadland	NCC extra £20m	Hellesdon - Middletons Lane near Kinsale School	£0	£50,000	£0	£0	£0	£0	Design and Construction
NCC extra £20m/ Ped Crossing	Broadland	NCC extra £20m	Sprowston - Constitution Hill/ School Lane	£0	£0	£0	£15,000	£0	£0	Design and Construction
NCC extra £20m/ Ped Crossing	South Norfolk	NCC extra £20m	Colney - Contribution to Ped Crossing Hospital Roundabout	£0	£75,000	£0	£0	£0	£0	Contribution to a Developer Scheme
NCC extra £20m/ Ped Crossing	North Norfolk	NCC extra £20m	Wells Next The Sea - The Quay	£0	£54,000	£0	£0	£0	£0	Feasibility Study complete and Local Member and Parish have agreed Layout
NCC extra £20m/ Ped Crossing	North Norfolk	NCC extra £20m	North Walsdham - Happisburgh Road.	£0	£58,000	£0	£0	£0	£0	Design and Construction

APPENDIX C: Proposed Highways Capital Improvements Programme

Sub-programme	District	Main funding source	Scheme	2020/21	Other Funding	2021/22	Other Funding	2022/ 23	Other Funding	Comments
Local road schemes										
NCC extra £20m/ Ped Crossing	South Norfolk	NCC extra £20m	Redenhall and Harleston - Wilderness Lane	£0	£0	£0	£45,000	£0	£0	Design and Construction
NCC Extra £20m/ Junctions Imp	North Norfolk	NCC Extra £20m	Hempton B1146/C550 junction improvement	£0	£1,152,000	£0	£0	£0	£0	To be taken forward for Design and Construction
NCC Extra £20m/ Market Towns	Countywide	NCC Extra £20m	Market Town Studies	£0	£0	£0	£220,000	£0	£0	Market Town Studies programme agreed by members
NCC Extra £20m/ Market Towns	King's Lynn & West Norfolk	NCC Extra £20m	Downham Market Waiting restrictions TRO	£0	£10,000	£0	£0	£0	£0	Feasibility Study ongoing land owners approached agreement in principle to supply land. However, they would prefer an alternative route so further options being drawn up
LTP	King's Lynn & West Norfolk	LTP	Downham Market - A1122 railway crossing (continued mainteance costs) recurring annual spend to be covered by capital programme	£40,000	£0	£47,040	£0	£47,040	£0	recurring annual spend to be covered by capital programme
NCC Extra £20m/ Market Towns	North Norfolk	NCC Extra £20m	Fakenahm - A148/A1065 Roundabout	£0	£85,000	£0	£0	£0	£0	Design and Construction
NCC Extra £20m/ Market Towns	North Norfolk	NCC Extra £20m	North Walsham Station Access Ramp	£0	£50,000	£0	£0	£0	£0	Design and Construction
LTP	North Norfolk	LTP	North Walsham Link Road	£26,676	£0	£0	£0	£0	£0	
NNDC	North Norfolk	NNDC	North Walsham Link Road	£0	£26,675	£0	£0	£0	£0	North Norfolk District Council
PBR	North Norfolk	PBR	North Walsham Link Road	£0	£53,361	£0	£0	£0	£0	Pooled Business Rates
CIL	South Norfolk	CIL	Long Stratton / A140 / B1527 Hempnall Crossroads Improvements	£0	£14,000	£0	£0	£0	£0	
LTP	Great Yarmouth	LTP	Great Yarmouth - A12-A143 Link Road	£43,000	£0	£21,800	£0	£21,800	£0	Part 1 claims
PBR	King's Lynn & West Norfolk	PBR	West Winch Bypass	£0	£1,200,000	£0	£0	£0	£0	Pooled Business Rates
NCC	King's Lynn & West Norfolk	NCC	West Winch Bypass	£0	£1,100,000	£0	£0	£0	£0	
KLBC	King's Lynn & West Norfolk	KLBC	West Winch Bypass	£0	£100,000	£0	£0	£0	£0	
NCC Extra £20m/ Market Towns	Countywide	NCC Extra £20m	Market Town Interventions	£0	£0	£0	£505,000	£0	£0	Market Town interventions to follow on from study recommendations
PBR	King's Lynn & West Norfolk	PBR	Pullover Roundabout	£0	£47,351	£0	£0	£0	£0	
NCC	King's Lynn & West Norfolk	NCC	Pullover Roundabout	£0	£47,351	£0	£0	£0	£0	
LTP	King's Lynn & West Norfolk	LTP	Kings Lynn Highways	£50,851	£0	£0	£0	£0	£0	
PBR	King's Lynn & West Norfolk	PBR	Kings Lynn Highways	£0	£50,851	£0	£0	£0	£0	
LTP	Countywide	LTP	LTP4 Development Countywide	£30,000	£0	£0	£0	£0	£0	
NCC Extra £20m/ Junctions Imp	South Norfolk	NCC Extra £20m	Diss- A1066 Vinces Road junction improvement	£0	£602,000	£0	£0	£0	£0	Subject to availability of land. Feasibility done

APPENDIX C: Proposed Highways Capital Improvements Programme

Sub-programme	District	Main funding source	Scheme	2020/21	Other Funding	2021/22	Other Funding	2022/ 23	Other Funding	Comments
Local road schemes										
NCC Extra £20m/ Junctions Imp	South Norfolk	NCC Extra £20m	Diss- Station road link	£0	£327,760	£0	£0	£0	£0	Feasibility done but private land required. Significant political support.
LTP	Breckland	LTP	Attleborough Link Road	£20,113	£0	£0	£0	£0	£0	0
PBR	Breckland	PBR	Attleborough Link Road	£0	£50,226	£0	£0	£0	£0	Pooled Business Rates
BKDC	Breckland	BKDC	Attleborough Link Road	£0	£20,113	£0	£0	£0	£0	Breckland District Council
Developer	Breckland	Developer	Attleborough Link Road	£0	£10,000	£0	£0	£0	£0	Developer Funded
LTP	Breckland	LTP	Thetford A134 Link Road	£25,601	£0	£0	£0	£0	£0	0
PBR	Breckland	PBR	Thetford A134 Link Road	£0	£25,601	£0	£0	£0	£0	0
NCC Extra £20m/ Junctions Imp	Countywide	NCC Extra £20m	Unallocated Funding	£0	£0	£0	£587,000	£0	£0	From 2021-22
LTP	Countywide	LTP	Unallocated Funding	£0	£0	£145,160	£0	£164,160	£0	0
LTP	Countywide	LTP	Schemes to be determined by David Cumming/Ian Parkes	£25,033	£0	£200,000	£0	£200,000	£0	Matched Pooled business rates schemes
PBR	Broadland	PBR	East Norwich Link Road	£0	£26,351	£0	£0	£0	£0	
LTP	Broadland	LTP	East Norwich Link Road	£26,351	£0	£0	£0	£0	£0	
LTP	Broadland	LTP	Post NDR Enviromental monitoring	£88,000	£0	£91,000	£0	£82,000	£0	Monitoring until 2033/34
Attleborough Sustainable transport package (LGF funded)										
ASTP	Breckland	LGF	Attleborough - Railway Station Car Park	£0	£612,000	£0	£0	£0	£0	
LGF	Breckland	LGF	Attleborough - London Road LEP Cycle Path	£0	£215,000	£0	£0	£0	£0	
ASTP	Breckland	LGF	Attleborough Sustainable transport package	£0	£185,000	£0	£0	£0	£0	
ASTP	Breckland	LGF	Attleborough - Queens Road/ Church Street	£0	£300,000	£0	£0	£0	£0	
Thetford Sustainable transport package (LGF funded)										
LGF	Breckland	LGF	Thetford - LEP Growth Fund - Croxton Road - Walking and Cycling	£0	£341,000	£0	£0	£0	£0	
Traffic Management & Traffic Calming										
TFN	South Norfolk	LTP	Costessey - West end Traffic Calming	£73,300	£0	£0	£0	£0	£0	Scheme required in association with NDR
LTP	Broadland	LTP	Weston Longville - NDR Assocated Schemes to be funded from LTP budget	£50,000	£0	£10,000	£0	£0	£0	
LTP	Broadland	LTP	Lyng - NDR Assocated Schemes to be funded from LTP budget	£25,000	£0	£0	£0	£0	£0	
Local Safety Schemes										
LTP	Norwich	LTP	Norwich A147 Ketts Hill Barrack Street LSS Roundabout Improvements	£66,500	£0	£0	£0	£0	£0	
LTP	Norwich	LTP	Bowthorpe Clover Hill / Rawley Road Mini R'bout	£22,900	£0	£0	£0	£0	£0	To be a contribution to a Parish Partnersh;ip Scheme
LTP	South Norfolk	LTP	A146 Yelverton 50mph Speed Limit Extension	£5,000	£0	£0	£0	£0	£0	To be a contribution to a Parish Partnersh;ip Scheme
LTP	Countywide	LTP	Unallocated local road scheme funding	£48,000	£0	£250,000	£0	£250,000	£0	To be used as match funding on jointly funded schemes
LTP	Countywide	LTP	Safety Partnership Schemes / contribution to maintenance schemes	£10,000	£0	£10,000	£0	£10,000	£0	
LTP	Countywide	LTP	Local safety schemes Feasibility / Preliminary Design	£15,000	£0	£15,000	£0	£15,000	£0	
LTP	Breckland	LTP	Bawdeswell - C888	£30,000	£0	£0	£0	£0	£0	
LTP	Breckland	LTP	A1075 Route Safety Study	£60,000	£0	£0	£0	£0	£0	
NCC	Broadland	NCC	Salhouse - Norwich Road - 40mph TRO	£0	£2,000	£0	£0	£0	£0	

APPENDIX C: Proposed Highways Capital Improvements Programme

Sub-programme	District	Main funding source	Scheme	2020/21	Other Funding	2021/22	Other Funding	2022/ 23	Other Funding	Comments
Other Schemes, Future Fees & Carry Over Costs										
NCC extra £20m	Countywide	NCC extra £20m	Members Fund	£0	£504,000	£0	£504,000	£0	£0	
LTP	Countywide	LTP	Fees for future schemes (studies/preliminary	£0	£0	£5,000	£0	£5,000	£0	
NCC	Countywide	NCC	Countywide LED replacement	£0	£0	£0	£0	£0	£0	
LTP	Countywide	LTP	Retention / Land costs on completed schemes	£0	£0	£20,000	£0	£20,000	£0	
Totals:				**£1,300,000**	**£45,125,766**	**£1,300,000**	**£47,355,000**	**£1,300,000**	**£16,580,000**	

Appendix D - County Council £20m Funding Distribution

Work Type	Sub-type	Initial Allocation		2018-19	2019-20	2020-21	2021-22	Total
NDR				12,000,000	0	0	0	12,000,000
County Councillor Member Fund			2,016,000	428,896	504,000	504,000	504,000	1,940,896
Parish Partnerships			200,000	25,000	50,000	50,000	50,000	175,000
Market Towns	studies	400,000	2,050,000	92,003	87,232	0	220,764	400,000
	interventions	1,650,000		0	0	145,000	505,000	650,000
3rd River Crossing						1,000,000		1,000,000
PROW			200,000	37,355	174,594	0		211,950
Footways and crossings	works		833,000	164,505	577,700	309,000	100,000	1,151,205
	assessments			0	0	0	0	0
Junction improvements	works		2,701,000	139,801	289,312	1,152,000	302,114	1,883,227
	feasibility			0			0	0
			20,000,000	12,887,560	1,682,839	3,160,000	1,681,878	19,412,278

Contigencies 587,722

Total **20,000,000**

Key

= indicative

Cabinet

Item 16

Decision making report title:	**Residual Waste: Procurement and Suffolk Inter-Authority Agreement**
Date of meeting:	**13 January 2020**
Responsible Cabinet Member:	**Councillor Andy Grant (Cabinet Member for Environment and Waste)**
Responsible Director:	**Tom McCabe (Executive Director, Community and Environmental Services)**
Is this a key decision?	**Yes**

Introduction from Cabinet Member

This report proposes continuing an existing agreement with Suffolk County Council so that some of Norfolk's left-over rubbish can continue to be treated via Suffolk's waste PFI contract beyond 2021 to 2027.

The report also revisits the decision made by Cabinet in October 2019 to procure new residual waste services, reaffirming the need for the procurement but noting that it will initially need to cater for around 20,000 tonnes a year less than forecast. This is because from 2021 the initial amount to be treated under the agreement with Suffolk would be 20,000 tonnes a year, which would be used to generate electricity and would save around 15,000 tonnes of CO_2 equivalent emissions per year compared with landfill disposal.

The arrangement with Suffolk County Council provides value for money, diverts waste from landfill and its continuation allows further collaboration between the two County Councils for the sustainable management of left-over rubbish.

Executive Summary

The County Council has had an agreement with Suffolk County Council since 2014 to treat some waste through Suffolk County Council's contract with Suez Recycling and Recovery UK. Waste is treated at the Great Blakenham Energy from Waste facility and burnt to generate electricity, with metals and aggregate recovered for recycling. Around 40,000 tonnes a year is currently treated through the agreement which extends in principle to 2021.

On 07 October 2019 Cabinet decided to enter into a procurement for services to deal with around 200,000 tonnes a year of left-over rubbish from 2021 onwards, as at that time there was no agreement with Suffolk to continue the delegation beyond March 2021. However, Suffolk County Council is now prepared to continue the agreement beyond 2021, initially for around 20,000 tonnes a year, on terms that are good value for both parties. Consequently, if the County Council decides to continue the agreement the procurement process would reduce in scope from 200,000 tonnes in 2021/22 to around 180,000 tonnes.

Recommendations

1. **To continue the arrangement with Suffolk County Council for the delegation of certain limited residual waste disposal functions where:**

   a) **The arrangement represents value for money.**
   b) **The continuation is from 01 April 2021 and is for six years in principle and which could be extended for up to a further two years.**
   c) **The initial tonnage is around 20,000 tonnes a year with the potential to vary in line with available capacity.**

2. **To delegate to the Executive Director, Community and Environmental Services in consultation with the Cabinet Member for Environment and Waste the approval of any documents together with any other acts or instruments required to continue the arrangement.**

3. **To approve use of the procurement strategy and the commencement of a procurement process to secure services to process, treat and dispose of Norfolk's residual municipal waste as agreed by Cabinet in its decision of 07 October 2019, having taken account of the reduction in the estimated annual tonnage requirement from 2021 to approximately 180,000 tonnes a year.**

1. Background and Purpose

1.1. On 07 October 2019 Cabinet decided to enter a procurement process to secure services to process, treat and dispose of residual waste collected by Norfolk's local authorities. The report to that Cabinet meeting stated that *"discussions with Suffolk County Council regarding possible delegation arrangements beyond 2021 have not reached a position that provides a good value arrangement for both parties".*

1.2. However, Suffolk County Council is now prepared to continue the delegation agreement beyond 01 April 2021 on terms that are value for money. This report recommends that the agreement is allowed to continue and notes that this changes the scope of the procurement process agreed by Cabinet on 07 October 2019.

2. Proposals

2.1. The recommendation is to allow the existing delegation agreement with Suffolk County Council to continue in principle for a further six years from 01 April 2021 on updated and restated terms and with the ability for it to extend for up to a further two years from 01 April 2027. These timings align with the contract period for the procurement of residual waste services that Cabinet decided to enter into on 07 October 2019.

2.2. The initial annual tonnage proposed is around 20,000 tonnes in 2021/22 but this could increase or decrease depending on available capacity. The waste would be treated in the Energy from Waste facility at Great Blakenham, near Ipswich.

3. Impact of the Proposal

3.1. The proposal would secure services to divert approximately 20,000 tonnes a year of left-over rubbish from landfill. Instead the waste would be used as a fuel and burnt to generate electricity and metals and aggregate would be recovered for recycling.

3.2. The proposal would secure a price for the treatment of waste that carries less exposure to inflation risk than would be expected through a commercial contract and is considered value for money.

4. Evidence and Reasons for Decision

4.1. Prices in the procurement for services from 2021 will not be known until companies bid for those contracts. However, based on current prices, feedback from market testing and the experiences of other local authorities, continuing the agreement represents good value for the County Council when the overall cost of continuing the agreement are considered, ie the cost of treatment and transport combined.

This is because it is highly likely that some of the prices offered by the market could be higher than the overall cost of a continued agreement. In addition some current contract prices are higher than the overall cost of continuing the agreement and continuing the agreement would provide partial protection from inflation risk and secure an alternative to landfill disposal.

5. Alternative Options

5.1. The County Council could decide not to continue the agreement beyond 2021 and the decision to begin a procurement exercise made by Cabinet on 07 October 2019 would remain in place.

6. Financial Implications

6.1. It is estimated that over £1m of savings would be achieved by continuing the agreement over the six years from 2021, when compared with current contracts and costs over the period of the agreement and when prudent assumptions are used.

6.2. The price in the agreement would be partially indexed rather than fully indexed over the six-year period. This means that it would increase each year to allow for inflation but at a rate below the Retail Price Index and Retail Price Index excluding mortgage interest payments (RPIx).

6.3. If the agreement is continued beyond 2021 and lasted for six years then the total value of the delegated service would be around £12m based on 20,000 tonnes a year and without indexation.

7. Resource Implications

7.1. **Staff:**

None.

7.2. **Property:**

None.

7.3. **IT:**

None.

8. Other Implications

8.1. **Legal Implications**

8.1.1. The principle of the agreement is to secure waste treatment services via Suffolk County Council using a delegation agreement, whereby an authority delegates part of its functions in its area to another authority.

The delegation of functions is pursuant to section 9EA of the Local Government Act 2000 and Regulation 5 of the Local Authorities (Arrangements for the Discharge of Functions) (England) Regulations 2012 and is not a contract for services.

The current delegation agreement has operated under these legal principles since 2014 and continuing these arrangements with an amended and restated agreement would not change these principles.

8.1.2. It is recommended that if Cabinet agrees in principle to continuing the agreement beyond 2021 it delegates to the Executive Director, Community and Environmental Services in consultation with the Cabinet Member for Environment and Waste the approval of any documents together with any other acts or instruments required to continue the arrangement.

8.1.3. On 07 October 2019 Cabinet decided to enter a procurement for residual waste services and approved a procurement strategy for doing so. The Cabinet paper setting out that decision stated that replacement services were required for an estimated 200,000 tonnes a year of leftover rubbish.

Continuing the arrangement from 2021, initially for an estimated 20,000 tonnes a year, would reduce the replacement service needed to be secured by procurement from around 200,000 to 180,000 tonnes a year (noting that these tonnages are estimates and can fluctuate for a range of reasons).

Consequently, if it is decided to allow the agreement to continue beyond 2021 it is appropriate for Cabinet to note the effect it would have on the procurement and make a new decision to enter into the procurement exercise, taking this change in estimated tonnage into account. In all other respects the procurement process would follow the strategy and evaluation principles as set out in the Cabinet paper of 07 October 2019.

8.2. **Human Rights implications**

None.

8.3. **Equality Impact Assessment (EqIA) (this <u>must</u> be included)**

An EqIA has been carried out and there is no relevant impact relating to this proposal.

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

Waste management and recycling is a high-risk industry. Suffolk County Council's procurement and monitoring of its contract has been undertaken in accordance with guidance from the Health and Safety Executive.

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

8.5.1. The proposed arrangement would help mitigate the effects of climate change by securing the diversion of an estimated 20,000 tonnes a year from landfill over a period of six years. This would allow waste to be used to generate electricity and metals and aggregate would be recovered for recycling.

An assessment of the carbon footprint of sending waste to the Great Blakenham Energy from Waste facility indicates that continuing the arrangement would save approximately 15,000 tonnes of CO_2 equivalent emissions per year compared with using landfill disposal.

8.6. **Any other implications**

8.6.1. None.

9. Risk Implications/Assessment

9.1. The financial implications section identified the estimated savings that allowing the arrangement to continue could achieve. Therefore, the risk of not continuing the arrangement is that these potential savings are not achieved.

9.2. Treasury has raised the possibility of introducing an incineration tax, if such a tax was implemented and was applicable to the waste treated by the agreement it is expected that this cost would be passed through to the County Council as far as it was relevant.

9.3. When the Great Blakenham facility is closed for planned maintenance, which can be several weeks each year, the County Council has to use alternative treatment and disposal options provided by its contractors, which means alternative arrangements need to be flexible enough to accommodate sharp fluctuations in volume.

10. Select Committee comments

10.1. Not applicable.

11. Recommendations

11.1. 1. **To continue the arrangement with Suffolk County Council for the delegation of certain limited residual waste disposal functions where:**

a) **The arrangement represents value for money.**
b) **The continuation is from 01 April 2021 and is for six years in principle and which could be extended for up to a further two years.**
c) **The initial tonnage is around 20,000 tonnes a year with the potential to vary in line with available capacity.**

2. **To delegate to the Executive Director, Community and Environmental Services in consultation with the Cabinet Member for Environment and Waste the approval of any documents together with any other acts or instruments required to continue the arrangement.**

3. **To approve use of the procurement strategy and the commencement of a procurement process to secure services to process, treat and dispose of Norfolk's residual municipal waste as agreed by Cabinet in its decision of 07 October 2019, having taken account of the reduction in the estimated annual tonnage requirement from 2021 to approximately 180,000 tonnes a year.**

12. Background Papers

12.1. Cabinet 07 October 2019 - Residual Waste Procurement Strategy

Officer Contact

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

Officer name: **Julie Hurn** **Tel No.:** **01603 222917**

Email address: julie.hurn@norfolk.gov.uk

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Cabinet

Item No. 17

Decision making report title:	**Norfolk Museums Service 5 Year Strategic Framework**
Date of meeting:	**13 January 2020**
Responsible Cabinet Member:	**Councillor Margaret Dewsbury (Cabinet Member for Communities and Partnerships)**
Responsible Director:	**Tom McCabe (Executive Director, Community and Environmental Services)**
Is this a key decision?	**No**

Introduction from Cabinet Member Norfolk has an extremely successful and Nationally recognised Museums Service that we can all be proud of.

Across our 10 award winning museums, the service has achieved an all-time record number of annual visits (more than 426,000 visits in 2017/18), delivers a nationally recognised programme of exhibitions and events, welcomes more than 50,000 school visits each year and can demonstrate and achieving excellence through the Norfolk Museums Teaching Museum programme, widely recognised as the most successful training programme of its kind in the UK. The service has also successfully bid for significant external funding to support further development of the service and enable delivery of things like the award-winning learning projects.

'Together, for Norfolk' sets out Norfolk County Council's strategic ambitions for Norfolk and the aspirations for the communities we serve. It also has a key outcome of ensuring people have access to high quality cultural and heritage facilities, like Norfolk's museums.

Building on the fantastic work we already do, the proposed 5 Year Strategic Framework for Norfolk Museums Service sets out an exciting vision for the future.

The Framework outlines how Norfolk Museums Service delivers on Norfolk County Council's three strategic outcomes of Growing Economy, Thriving People; and Strong Communities. It focuses on:

- The **successful delivery** of the Service's Arts Council England funding programmes, including Museum Development and the Museums and Schools programme
- The **successful completion** of the Norwich Castle Gateway to Medieval England project
- The ongoing **maintenance of the listed buildings** and the **care of the County's nationally significant collections**
- The **continuing commercialisation** of NMS' operation, including the delivery of weddings, events, and conference & banqueting activities

I wholeheartedly support the Framework and commend it to Cabinet.

Executive Summary

This report sets out a proposed Strategic Framework to drive the Norfolk Museums service over the next 5 years.

Norfolk Museums Service (NMS) operates a comprehensive county-wide museums service and provides museum development support for the East of England (this latter area of work being wholly funded by Arts Council England). Since 2012, Norfolk Museums Service has received significant revenue support for its operations, and especially its award-winning learning programmes, from Arts Council England, firstly as a Major Partner Museum (MPM) and, since 2015, as a National Portfolio Organisation (NPO).

All NMS museums are Accredited through the national scheme administered by Arts Council England and NMS cares for collections which are officially designated as of national importance.

Whilst NCC remains the core funder of NMS, key investment from the County Council attracts significant levels of external funding. As well as revenue and project grants from Arts Council England, NMS has benefitted from substantial funding over the last 25 years from the National Lottery Heritage Fund (previously the Heritage Lottery Fund), including major capital grants for Norwich Castle Museum & Art Gallery, Gressenhall Farm & Workhouse and Time & Tide Museum of Great Yarmouth Life. NMS also benefits from generous support from many local, regional and national grant-giving trusts and foundations, including the Garfield Weston Foundation, the Foyle Foundation, The Wolfson Foundation and the Art Fund. Finally, NMS enjoys invaluable support from several Friends organisations and closely aligned Norfolk charities, including the East Anglia Art Fund, Norfolk Contemporary Art Society and the Costume & Textile Association.

The governance of the Norfolk Museums Service is provided by the Joint Museums Committee (JMC), chaired by Cllr John Ward. The Committee is made up of representatives from Norfolk County Council, District partners and key stakeholders, including Arts Council England.

Recommendations

1. **To approve Norfolk Museums Service's 5 Year Strategic Framework**

2. **To commend Norfolk Museums Service's key goals and performance outcomes**

1. Background and Purpose

1.1. Intent – Norfolk Museums Service's funding model

Funding and Income

Norfolk Museums Service has an annual revenue budget of approximately £7m. The 2019/20 revenue budget is made up of £2.72m from Norfolk County Council, £1.64m from Arts Council England, £2.19m of earned income including admissions, Museum Pass and corporate income; with the remainder of the Service's operational costs coming from District partners, and other grant-giving trusts and foundations, including the National Lottery Heritage Fund.

In addition to its annual revenue budget, NMS manages a range of capital-based projects and programmes, many of which are committed to the long-term care of some of the most important heritage buildings, monuments and historic collections in the County.

Norfolk Museums Service Mission, Vision & Values

Mission

Inspiring pride in Norfolk's heritage through 10 award-winning museums

Vision

- Engaging and inspiring the widest possible audience, both across Norfolk and beyond
- Enriching people's lives and creating a sense of place and identity
- Ensuring all Norfolk residents, especially children, experience high-quality learning in the museums we care for and through the collections in our trust
- Contributing significantly to the visitor economy of Norfolk and contributing to the development of sustainable tourism partnerships
- Collecting, preserving and interpreting the material evidence of Norfolk's past
- Stimulating creativity, inspiration and enjoyment through the museums and collections in our care

Values

- We are committed to caring for Norfolk's rich heritage, both for our communities and visitors today and for future generations
- We are passionate about learning and fostering skills and knowledge amongst Norfolk's Children
- We are accountable and credible in the work we do, and we are open to challenge and advice
- We will encourage innovation and commercial awareness across all parts of our Service
- We will develop our staff and volunteers, equipping them with the skills and confidence to excel in an increasingly digital world
- We will seek partners who will help us achieve our goals

1.2. **Intent - Strategic Direction**

The 5 Year Strategic Framework has been developed by Norfolk Museums Service to address the strategic objectives of Norfolk County Council, as detailed in the Council's *Together, for Norfolk* 6-year plan, along with the strategic objectives of the other partners of the Joint Museums Agreement and key funders of the Service, primarily Arts Council England and the National Lottery Heritage Fund.

Norfolk Museums Service's activities contribute to the three NCC priority outcome areas:

<u>Growing Economy</u>

- Growing the visitor economy of Norfolk - Norfolk Museums Service's 10 museums contributed an estimated **£32m visitor impact** over the period 2014-19
- Linking to the New Anglia LEP and the New Anglia Cultural Board, NMS supports the delivery of the **Government's Industrial Strategy**, with a focus on both the visitor economy and the Creative Industries
- Delivering the ambitious **Norwich Castle Gateway to Medieval England** project, one of the largest heritage projects currently under delivery in the UK, a project which includes the establishment of a new and permanent presence for the **British Museum** in the East of England
- Working with key partners, including North Norfolk District Council, to deliver the **Deep History Coast** project
- Working with Visit East of England and Destination Management Organisations to **establish Norwich as a leading UK city break destination**

<u>Thriving People</u>

- **Supporting volunteering** within the County, with NMS volunteers contributing 138,000 hours over the period 2014-19
- Helping **young people gain the skills and confidence** they need to prosper, through targeted programmes including 'Kick the Dust', and our work with District Council and third sector partners
- Maintaining Norfolk Museums Service's national reputation as a centre of excellence in terms of **skills and training**, using the Teaching Museum programme to provide opportunities for the widest diversity of people

<u>Strong Communities</u>

- Building strong and engaged communities through a range of **learning programmes, exhibitions and activities**
- Supporting the development of **Great Yarmouth** and **King's Lynn** as leading cultural destinations, through involvement in the two area's Cultural Boards and Local Cultural Education Partnerships (LCEPs)
- Preventing **loneliness and isolation** by providing opportunities for people to learn about and engage with their heritage

- Developing award-winning programmes around **Health & Wellbeing**, particularly delivering accessible dementia-friendly and autism-friendly programmes
- Working with Public Health, Children's Services and Adult Services on the Norfolk County Council **Prevention Strategy**

In addition to responding to the three priority areas above, NMS contributes to Norfolk's identified goals in terms of **Inclusive Growth** and **Social Inclusion.**

The full 5 Year Strategic Framework in **Appendix 1** sets out Norfolk Museums Service's Vision and key areas of work in more detail.

2. Implementation – delivering the vision

2.1. A County-wide approach

Norfolk Museums Service's approach is to provide a comprehensive and high-quality museums service across the whole County. With support from the Area Museums Committees and the Joint Museums Committee, as well as a range of well-established partnerships, NMS is able to provide a range of targeted services and programmes which respond to local need, including helping key partners deliver identified cultural, tourism and heritage projects (for example, the 'Stories of Lynn' development in King's Lynn working with the Borough Council of King's Lynn & West Norfolk).

2.2. Investment & commercial income

In addition to the underpinning core revenue support Norfolk Museums Service receives from Norfolk County Council, NMS continues to seek external funding wherever possible. During the period 2014-19, NMS secured external investment totalling £26.04m, helping to ensure that the heritage in its care was accessible to the widest number of people today, as well as safeguarded for future generations.

In terms of earned income, over the same period NMS saw a 10.84% increase in income generation from its commercial activities, growth which is set to continue over the next 5 years.

Further investment in NMS' wedding capacity, conference & banqueting offer and the creation of bespoke and historically authentic Escape Room games will support a substantial growth in admissions income once the Norwich Castle Gateway to Medieval England project has been successfully completed.

2.3. Digital

Norfolk Museums Service has a strong commitment to supporting the Council's ambitious agenda around digital skills, and this level of ambition is also welcomed by Arts Council England. As part of the Norwich Castle Gateway to Medieval England project, the basement area of the Norman Keep will become a dedicated space which will promote digital skills and will enable the testing of new approaches to public engagement using digital technologies, made possible through a collaborative approach with key public and private partners, including UEA and Norwich University of the Arts.

2.4. **Learning**

Norfolk Museums Service began delivering a specialist schools service in 1918 and over the last century has developed a deserved reputation for the quality of its innovative education work, securing a number of prestigious Sandford Awards for Excellence in Heritage Education as well as a number of other awards including the Learning Outside the Classroom Quality Badge.

Each year, around 50,000 schoolchildren from across East Anglia and beyond enjoy award-winning sessions covering a range of National Curriculum topics. NMS also works with Early Years children in formal sessions, as well as offering adult learning programmes across the county.

NMS also has a deserved national reputation for the many ways in which it seeks to make its collections and sites as accessible as possible to the widest audience, including through targeted events and activities and outreach work across the county. These innovative and high-quality programmes include work with Looked After Children and Young People, foster families and Young Offenders.

3. Impact – measuring our performance

3.1. The infographic on pages 6 & 7 of the 5 Year Strategic Framework in Appendix 1 show some of the key performance indicators generated by Norfolk Museums Service.

In addition to these key impacts, Norfolk Museums Service operates within the following performance frameworks and quality standards:

1. Museum Accreditation Scheme, the UK industry standard for museums and galleries.
2. Sandford Awards for Excellence in Education
3. Museum Designation Scheme
4. Arts Council England's annual review process for National Portfolio Organisations

To operate successfully and to continue to draw down external funding, Norfolk Museums Service must continue to meet these standards, as well as delivering on its key performance indicators for Norfolk County Council, including annual targets for total visits and total school visits.

4. Evidence and Reasons for Decision

4.1. The Norfolk Museums Service 5 Year Strategic Framework is based on the identified needs and priorities for our communities across Norfolk and responds to the policy and funding requirements of Arts Council England, the sector lead for museums in England.

4.2. Norfolk Museums Service's external funding enables Norfolk County Council to deliver high-quality and responsive museum and learning services for Norfolk's population, as well as generating a significant impact in terms of the visitor economy of the County.

5. Alternative Options

5.1. The proposed Norfolk Museums Service 5 Year Strategic Framework addresses the expectations of the partners of the Joint Museums Agreement and the key funders of the Service, including Arts Council England and the National Lottery Heritage Fund. The Council could decide not to deliver museums services in Norfolk in this way, however, the outcome of this decision would result in the loss of all external funding currently secured by Norfolk Museums Service, including the strategic organisational and project funding provided by Arts Council England and the National Lottery Heritage Fund. New arrangements would also need to be found for the ongoing care of the listed buildings, scheduled ancient monuments and the c.3m historic artefacts currently in NMS' guardianship.

6. Financial Implications

6.1. NMS is a partnership between Norfolk County Council and Norfolk's district councils, funded through council tax, earned income and grants. Whilst Norfolk County Council remains the core funder of the Service, the investment by the Council provides an excellent return on investment with the majority of the costs of running the Service coming from external investment, primarily Arts Council England, National Lottery Heritage Fund and through a variety of income generation.

7. Resource Implications

7.1. **Staff:**

There are no additional resource implications as the Service already has staff in place to deliver the proposed Strategy.

7.2. **Property:**

The management of the historic properties and collections in the care of Norfolk Museums Service is addressed within the 5 Year Strategic Framework.

7.3. **IT:**

There are no IT implications.

8. Other Implications

8.1. **Legal Implications**

None

8.2. **Human Rights implications**

None

8.3. **Equality Impact Assessment (EqIA)**

The strategy actively seeks to support vulnerable groups and we would therefore not envisage any adverse impacts.

8.4. **Health and Safety implications**

None

8.5. **Sustainability implications**

None

8.6. **Any other implications**

None

9. Risk Implications/Assessment

9.1. None

10. Joint Museums Committee comments

10.1. The Joint Museums Committee reviewed and endorsed the NMS 5 Year Strategic Framework at the meeting of 5 July 2019, subject to a small number of minor amendments. It was expected that Arts Council England would publish its new 10 Year Strategy in the autumn and that the NMS 5 Year Strategic Framework could be reviewed again then, and prior to Cabinet approval, to ensure that the Framework fully addressed Arts Council England's future priorities.

11. Recommendations

11.1.

1. **To approve Norfolk Museums Service's 5 Year Strategic Framework**
2. **To commend Norfolk Museums Service's key goals and performance outcomes**

12. Background Papers

12.1. The following links contain useful background information referred to in the report in 3.1:

- Arts Council England Accreditation scheme https://www.artscouncil.org.uk/supporting-arts-museums-and-libraries/uk-museum-accreditation-scheme

- Sandford Awards for Excellence in Heritage Education http://sandfordaward.org/

- Arts Council England Museum Designation Scheme https://www.artscouncil.org.uk/supporting-collections-and-archives/designation-scheme

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

Officer name:	**Steve Miller**	**Tel No.:**	**01603 493620**
Email address:	steve.miller@norfolk.gov.uk		

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Norfolk
Museums
Service

5 YEAR STRATEGIC FRAMEWORK 2019 – 2023

Contents

Welcome

Museums preserve our collective memory while helping to create new memories in the minds of our visitors. The past five years at Norfolk Museums Service has provided a kaleidoscope of unforgettable experiences from ground-breaking exhibitions to exciting redevelopments and inspiring community projects.

In no particular order I recall the passion and commitment of local schoolchildren performing a specially composed choral work to mark the *Voices from the Workhouse* redevelopment at Gressenhall Farm and Workhouse; marvelling at the breath-taking scale of the Ensign of *Le Généreux*, a huge flag from a French warship, on display for the *Nelson and Norfolk* exhibition at Norwich Castle; the elation at the news that our second stage bid to the National Lottery Heritage Fund for £9.2 million for the *Norwich Castle: Gateway to Medieval England* had been successful and the pride at hearing about record-breaking schools visits at Time and Tide Museum in Great Yarmouth.

That so many milestones have been achieved at a time of great change and challenge is testament to the dedication and creativity of staff and volunteers across our ten museums.

This new 5 Year Strategic Framework builds upon the successes and learning since 2014. The Key Goals identified in the Framework show we are in for a very exciting time. They include the re-opening of Norwich Castle's magnificent 900-year-old Keep following its transformation back to the Norman palace it was originally conceived as. This project will be the catalyst for a step-change in how Norwich and the County is perceived in the outside world, driving growth in visits and generating income long into the future, both for the Museums Service and the local economy.

This period will also see the fruition of our *Kick the Dust – Norfolk* project, funded by the National Lottery Heritage Fund, to engage 8,000 young people in heritage across the County. It has already begun to embed a new and exciting way of working with young people which empowers them to become 'shapers' in how heritage services are delivered.

Other Key Goals covering collections, exhibitions, learning, income generation and sector development share an over-arching ambition to deliver meaningful benefits to our communities and leave a lasting legacy.

The successes of the past five years and our ambitions for the next five can only be achieved through working with a huge number of partners and funders. We are grateful to our key funders – Norfolk County Council, the District Councils of Norfolk, Arts Council England, and the National Lottery Heritage Fund – and to all the many organisations and individuals who continue to provide such important support, a full list of whom is provided at the end of this Framework. We look forward to working with you to create more inspiring memories in the years ahead.

Cllr. John Ward

Chairman, Norfolk Joint Museums Committee, Norfolk County Council

L to R: Cllr. John Ward, Chair of Norfolk Joint Museums Committee; Chris Coupland, Birketts; Andrew Wood, Honorary Dutch Consul for the East of England; Dr Giorgia Bottinelli, Curator of Historic Art; Dr Francesca Vanke, Keeper of Art and His Excellency Simon Smits, the Dutch Ambassador.

Mission, vision and values

Mission

Inspiring pride in Norfolk's heritage through 10 award-winning museums

Vision

- Engaging and inspiring the widest possible audience, both across Norfolk and beyond
- Enriching people's lives and creating a sense of place and identity
- Ensuring all Norfolk residents, especially children, experience high-quality learning in the museums we care for and through the collections in our trust
- Contributing significantly to the visitor economy of Norfolk and contributing to the development of sustainable tourism partnerships
- Collecting, preserving and interpreting the material evidence of Norfolk's past
- Stimulating creativity, inspiration and enjoyment through the museums and collections in our care

Values

- We are committed to caring for Norfolk's rich heritage, both for our communities and visitors today and for future generations
- We are passionate about learning and fostering skills and knowledge amongst Norfolk's Children
- We are accountable and credible in the work we do, and we are open to challenge and advice
- We will encourage innovation and commercial awareness across all parts of our Service
- We will develop our staff and volunteers, equipping them with the skills and confidence to excel in an increasingly digital world
- We will seek partners who will help us achieve our goals

NMS is a unique partnership between Norfolk County Council and Norfolk's district and borough councils and Norwich City Council. Norfolk Museums Service is also fortunate to be part of a number of well-established partnerships which enable it to deliver its Mission.

Where we are: Achievements from the past 5 years

£6.5m investment secured

from **Arts Council England** for 2018-22 through National Portfolio Organisation and Museum Development funding

15 major exhibitions

delivered at **Norwich Castle Museum & Art Gallery** seen by a total of more than **820,000 visitors**

VOICES FROM THE WORKHOUSE

– the major National Lottery Heritage Fund supported redevelopment project at **Gressenhall Farm and Workhouse** – successfully delivered.'

98% of survey respondents rating the new displays as **'very good'** or **'good'**

Successful completion of **33** externally -funded **projects**

517 items from the **NMS collections** loaned to a range of institutions in the **UK** and **abroad**

Over 11,000 items conserved or condition assessed by the **NMS Conservation team**

25 major **partnerships** with national and international heritage and cultural institutions

224% rise in **social media engagement** across all platforms from April 2014 to March 2018

National partnerships at **Time and Tide**

over the past **five years** include the **National Fairground Archive, National Media Museum, V&A, Royal Museums Greenwich, British Museum, Tate and the Natural History Museum**

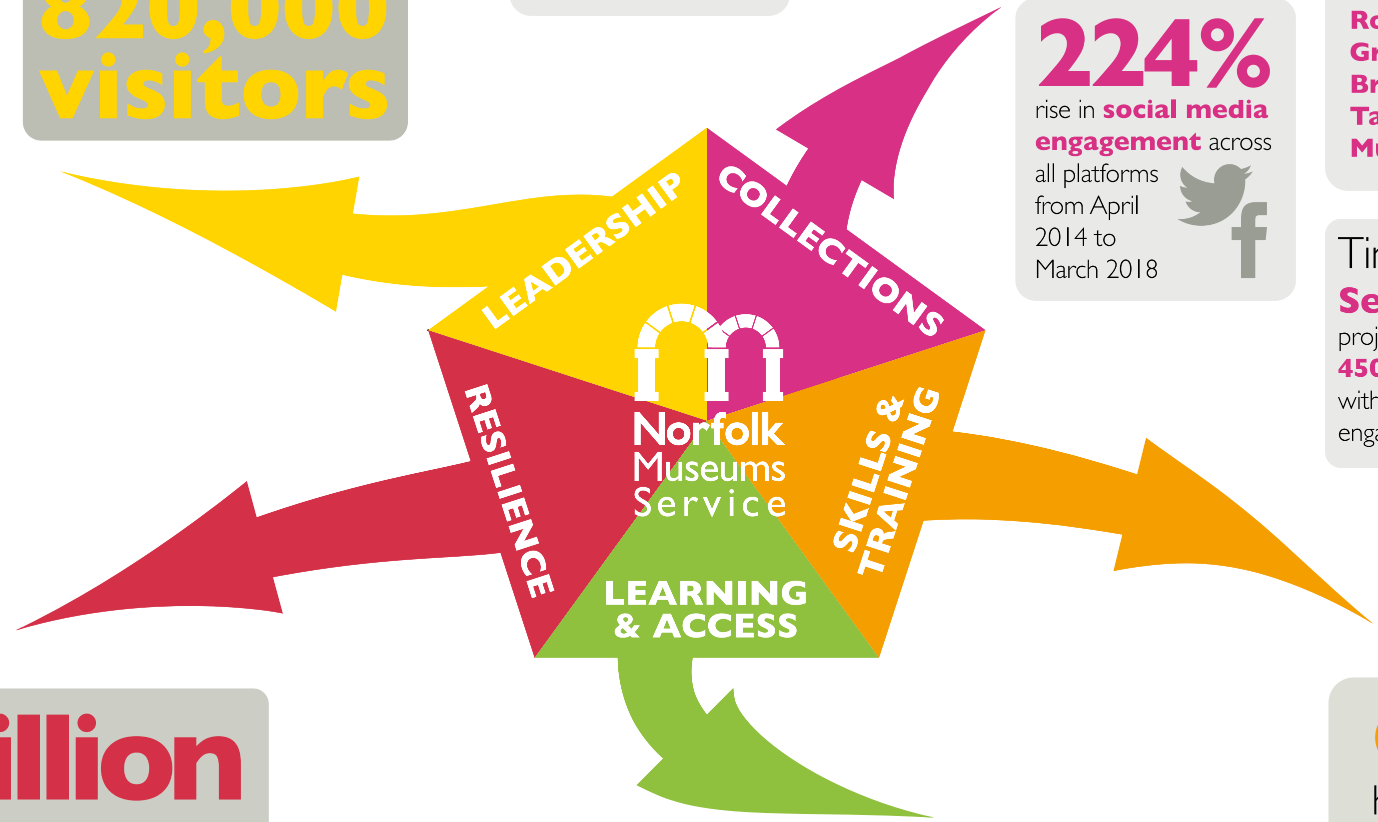
Successful partnership

with King's Lynn Borough Council to develop the stunning new **Stories of Lynn** museum attracting nearly **27,000** visitors since opening in 2017

Time and Tide Museum's **Sea History Differently** project supported over **450** volunteer hours, with over **5,500** people engaged through community outreach.

310 objects

from **Lynn Museum** and **Museum of Norwich** collections now available to explore in ultra-high resolution through the **Google Art Project**



Over £15,000

raised by 326 donors for the **'Saving Samson'** crowdfunding campaign by the Museum of Norwich to redisplay an iconic part of the City's heritage

10.84% increase in income generation across all **10 sites**

Just under 2 million visits to our **ten museums**

£26,047,551 raised in **external grants** over the last **five years**

£25,000 raised through the **Keep Giving** public fundraising campaign by **Norfolk Museums Development Foundation** to support the **Norwich Castle: Gateway to Medieval England project**

£9.2 million secured from the **National Lottery Heritage Fund** for the transformation of Norwich Castle Keep through the **Norwich Castle: Gateway to Medieval England** project

Approximately **£32 million** estimated **visitor impact** to the local economy over the period 2014-2019

2,000 weddings hosted at **Norwich Castle** since 2016 through a partnership with **Norfolk County Council's registrar** department under the **'Celebrate in Norfolk'** programme

Norfolk's National Lottery Heritage Fund supported

First World War Centenary programme

successfully led by the **Royal Norfolk Regimental Museum** including recruitment of **24 volunteers** who contributed over **£42,000 worth of volunteer time**, delivery of a **pop-up exhibition at 10 venues**, workshops and events for **1,167 schoolchildren**, approximately **1,500 family history enquiries** answered, **2,616 visitors** to special event days and delivery of a **major exhibition on the Armistice at Norwich Castle** which attracted just under **25,000 visitors**

Almost 185,000 school visits to our ten museums across the Service

Over 15,000 people engaged through **outreach activities** across the County

Over 138,000 hours contributed by **volunteers** across the Service

Successful completion of the **National Lottery Heritage Fund** supported **Skills for the Future project** at **Gressenhall Farm and Workhouse**, supporting work-based training in a range of heritage skills

47 traineeships completed through the **Teaching Museum programme** with trainees going on to find roles with employers including the **Science Museum**, the **V&A**, and the **National Trust**

Responding to local and national priorities

Responding to Norfolk County Council's vision

In the delivery of our 5 Year Strategic Framework we are committed to supporting the goals set out in Norfolk County Council's 6 Year Plan *Together, for Norfolk.*

Together, for Norfolk sets out a number of key priorities for 2019-25 which Norfolk Museums Service is well placed to deliver and support.

These priorities are:

- Focusing on inclusive growth and improved social mobility
- Encouraging housing, infrastructure, jobs and business growth across the County.
- Developing our workforce to meet the needs of the sectors powering our local economy.
- Working to reduce our impact on the environment.

The plan identifies 'quality cultural and heritage facilities' are important for building strong communities and for Norfolk's future growth and prosperity. Goals include continuing to develop Norfolk as a high-quality cultural visitor destination, investing in the arts and cultural sector and delivering significant projects and realising the National Lottery Heritage Fund supported £13.5m *Norwich Castle: Gateway to Medieval England* project.

Responding to Arts Council England's goals

As laid out in *Great Art and Culture for Everyone.*

- Goal 1: Excellence is thriving and celebrated in the arts, museums and libraries
- Goal 2: Everyone has the opportunity to experience and be inspired by the arts, museums and libraries
- Goal 3: The arts, museums and libraries are resilient and environmentally sustainable
- Goal 4: The Leadership and workforce in the arts, museums and libraries are diverse and suitably skilled
- Goal 5: Every child and young person has the opportunity to experience the richness of the arts, museums and libraries

We will respond to these 5 goals through our work, with an especial focus on the Arts Council's ongoing commitment to the Creative Case for Diversity. Norfolk Museums Service will place the Creative Case for Diversity at the heart of all our programming and our diverse learning programmes across the County and beyond.

At the time of writing this Strategic Framework the Arts Council is consulting on its next 10 Year Strategy for 2020-2030 which is built around three outcomes and three investment principles which NMS will work to support.

The outcomes are:

- **Creative people** – every person can develop and express creativity throughout their lives
- **Cultural communities** – a collaborative approach to culture helps villages, towns and cities across the country to thrive
- **A creative and cultural country** – England's cultural sector is innovative, collaborative and international

The investment principles are:

- **Ambition & quality** – cultural organisations are ambitious and committed to improving the quality of their work
- **Inclusivity & relevance** – England's diversity is fully reflected in the organisations and individual that we support and in the culture they produce
- **Dynamism & environmental sustainability** – cultural organisations are dynamic and environmentally sustainable.

Responding to the National Lottery Heritage Fund's goals

As laid out in the *National Lottery Strategic Funding Framework.*

Norfolk Museums Service is committed to helping the National Lottery Heritage Fund deliver its Mission of:

Inspiring, **leading** and **resourcing** the UK's heritage to create **positive and lasting change** for people and communities, now and in the future.

We will continue to support the National Lottery Heritage Fund's goal to achieve positive and lasting change in the communities we collectively serve, helping to make heritage more valued, inclusive, resilient, enterprising, and ensure it is in better condition for future generations.

Through the National Lottery, the National Lottery Heritage Fund has made a transformational investment in the work of Norfolk Museums Service over the last 25 years. We will support the National Lottery Heritage Fund's strategic goals through the NLHF-funded programmes that we deliver, including our *Kick the Dust* programme *Norfolk Journeys* and through the delivery of our Major Grant support project *Norwich Castle: Gateway to Medieval England* which received £9.2m of National Lottery investment through the National Lottery Heritage Fund in 2018.

Leadership

We want to be a flagship museums service, working with our partners to achieve national standards of excellence which deliver economic and cultural benefits to our region.

Since 2012, NMS has operated as an Arts Council England Major Partner Museum (MPM) and, since 2018 has been a National Portfolio Organisation (NPO). NMS is committed to the delivery of a 4-year business plan as part of the funding it receives through the Arts Council's national programmes. NMS also provides a leadership role within the museum sector offering help and support to district council partners and to other museums and cultural organisations in the region, along with providing a national lead on key issues as and when appropriate.

NMS has also enjoyed significant support from the National Lottery Heritage Fund (NLHF) since its inception 25 years ago and NMS is grateful for the ongoing support it receives for a number of projects, including the NLHF's national *Kick the Dust* progamme focused on young people and the delivery of the *Norwich Castle: Gateway to Medieval England* project, supported through the National Lottery thanks to a Major Grant from the NLHF of £9.2m. NMS is committed to the delivery of the National Lottery Heritage Fund's Mission for heritage in the UK and the communities which we collectively serve.

Along with other sector-specific roles, NMS is a member of the New Anglia Cultural Board, the cultural sector group working in partnership with the New Anglia Local Enterprise Partnership (LEP) to help the arts, heritage and cultural sectors in the East of England to prosper.

As part of the Cultural Board, NMS supports the delivery of *Culture Drives Growth: The East's Cultural Strategy 2016-22*.

SHARE Museums East

Norfolk Museums Service is one of nine organisations in England to be granted museum development funding by Arts Council England. This funding supports SHARE Museums East; the sector-facing workforce development arm of NMS. A small team based at the Study Centre at the Shirehall work regionally to deliver the programme. Its mission is *to support excellence, resilience and cooperative working in museums in the East of England.*

SHARE Museums East aims to:

- Invest in and broker development opportunities improving museums' services and sustainability
- Encourage good practice in museums' management in the East of England
- Maximise opportunities for shared learning, networking and mutual support
- Facilitate collaborative working, partnerships and communication across museums in the East of England
- Invest in and nurture a skilled and flexible museums' community in the East of England, of paid staff, freelancers and volunteers
- Build pride and awareness of museums in the East of England
- Get best value out of museums development funding for the East of England
- Represent and champion the interests of the East of England museums' sector nationally

SHARE Museums East does this through;

- Pioneering museum development programmes
- Extensive free training programme
- Creating and sharing resources
- Supporting specialist networks

www.sharemuseumseast.org.uk

Networks

Workhouse Museums Network Subject Specialist Network (SSN)

The Arts Council England funded Workhouse Museums Network supports the exploration and interpretation of collections that focus on the UK's welfare and pauper history. Alongside the development of a new national conference to promote skills development and knowledge sharing, Norfolk Museums Service will establish a new website for the Workhouse Network and host a new exhibition that links historical and contemporary welfare stories.

Maritime Heritage East

Maritime Heritage East is a partnership of 30 museums and heritage organisations in Norfolk, Suffolk and Essex and exists to develop regional and national partnerships that raise the profile and appreciation of maritime heritage in the East of England. The programme is managed by NMS' Time and Tide Museum in Great Yarmouth, one of 12 'gateway' museums in the UK promoting maritime heritage as part of a national subject specialist network led by the National Maritime Museum.

Rural Museums East

NMS is an active member of the national Rural Museums Subject Specialist Network through Gressenhall Farm and Workhouse. Regionally, Gressenhall also convenes the Rural Museums East network which organises training and networking opportunities for a number of rural life museums in the area.

In addition to these sectoral networks, NMS remains an active member of the New Anglia Cultural Board (NACB) and the National Museums' Directors Council (NMDC).

Leadership: Key goals

- Successfully deliver our Arts Council England programme as a **National Portfolio Organisation** and provide leadership for the sector
- Successfully deliver our Arts Council England programme as a **Sector Support Organisation**, providing leadership and supporting museum development across the East of England through SHARE Museums East
- Support the delivery of *Culture Drives Growth: The East's Cultural Strategy 2016-22*

Collections

We want more people to be able to enjoy our magnificent collections, diversifying our audiences through loans, exhibitions and an increased digital presence.

Norfolk Museums Service possesses outstanding collections ranging from early prehistory to contemporary art. Key elements include the most comprehensive collection of the work of the Norwich School of Artists in existence, fine and decorative arts including ceramics covering the history of British pottery from the Neolithic to the present day and highly significant collections of Palaeolithic, Bronze Age, Iron Age, Anglo-Saxon and medieval material. Natural History includes Pleistocene vertebrate and Cromer Forest Bed collections of the highest importance. The Service also has important costume and textile collections, as well as the best collection of material in the United Kingdom relating to the Victorian Workhouse and an outstanding collection of social history material.

Whilst the 3.5 million artefacts in the care of NMS are of fundamental importance to telling the history of Norfolk, the collections relating to Archaeology, Natural History, Fine and Decorative Art are Designated, each in their own right, and therefore are of national or international significance. The pre-eminence of the collections is reinforced through specialist staff knowledge and curation, together with integral archives and records.

NMS works to ensure that these important collections and our buildings are not only secure for future generations to enjoy, but are available today for the widest possible audience. Specialist teams ensure that collections are publicly accessible, documented, cared for and well displayed. Initiatives include digitisation projects with partners such as Google, outreach work in libraries and community venues and national and international programmes of loans.

Conservation & Display

NMS' Conservation Department comprises of a team of conservators and conservation technicians with a variety of specialisms and wide experience covering the field of conservation and collections care. NMS Conservation staff are professionally qualified or have received recognized training through in-house programmes and within the team we have staff accredited by the professional body, the Institute of Conservation (ICON).

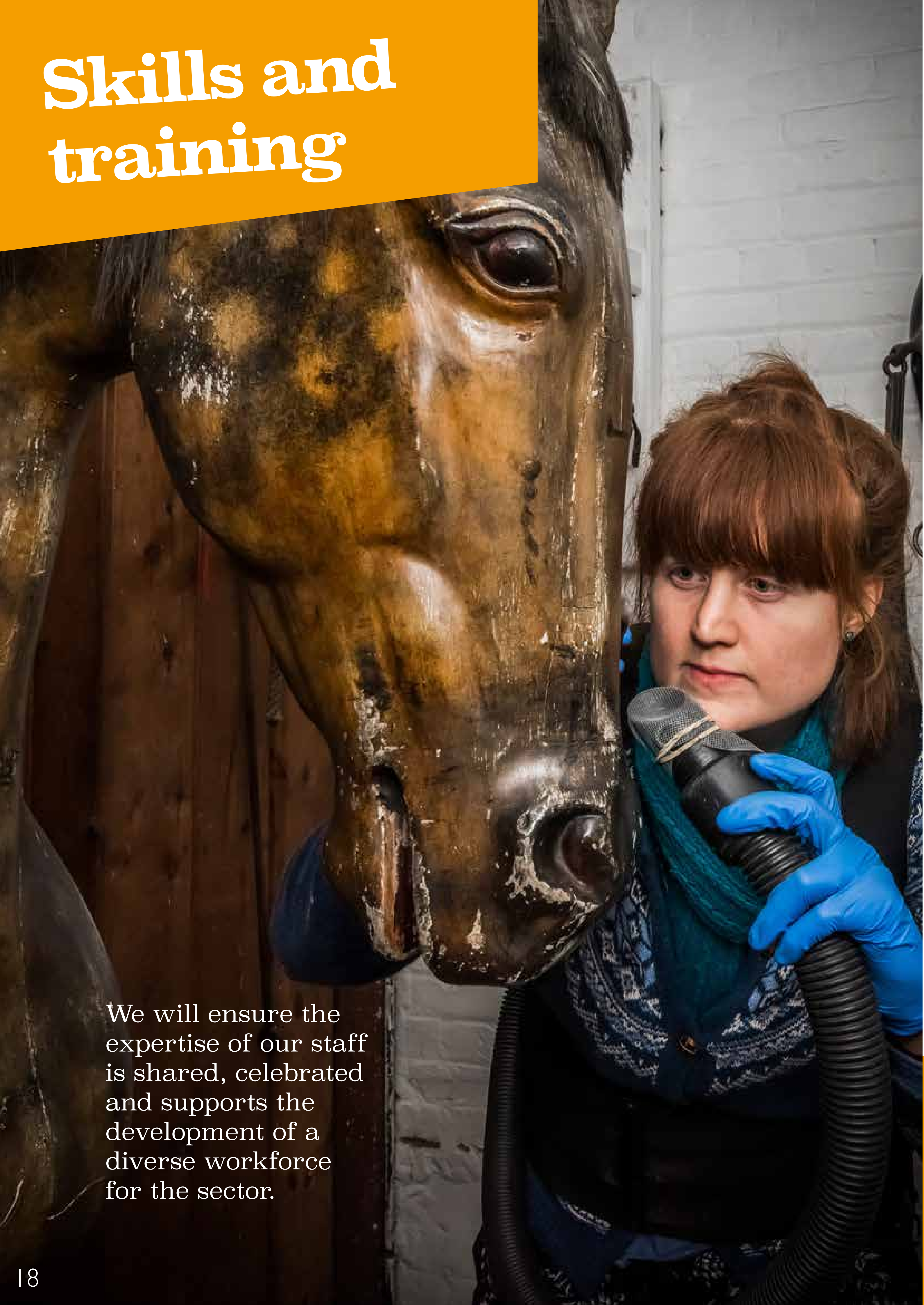
The primary objective of the Conservation Department is to preserve the collections held by NMS. This is achieved through promotion and awareness-raising about the standards of collection care across our many sites as well as elsewhere around the region.

NMS' highly-skilled and qualified Design & Technical team provide high-quality professional services in terms of exhibitions and display to both the 10 NMS sites and to external organisations.

Collections: Key goals

- Following the delivery of the major National Lottery Heritage Fund supported *Voices from the Workhouse* project, we will continue to develop Gressenhall Farm and Workhouse into one of Norfolk's premier museums and a **national centre for workhouse interpretation** and research, using Arts Council England support to develop a strong new **Subject Specialist Network**
- Develop our strong **international partnerships** through a range of exhibitions, collaborations and skills exchanges, with a focus on the Netherlands, the United States and those nations identified as a priority by our key stakeholders
- Develop the Norfolk Collections Centre, Shirehall and our Norfolk Museums Collections website as an integrated resource for **public engagement with collections** and our professional staff
- Deliver the goals laid out in NMS' *Digital Strategy 2018-22* to share our collections with as wide an audience as possible and to support the strategic aims of our stakeholders in terms of **digital engagement** and development across Norfolk and beyond
- Maintain and develop the role of Time and Tide Museum of Great Yarmouth Life as a regional **centre of excellence for maritime heritage** through an inspirational exhibitions and events programme and outreach work with our local communities
- Increase **the reach of the NMS collections** through loans to other museums locally, nationally and internationally and active support to the SHARE training programme and Subject Specialist Networks
- Embed the **Creative Case for Diversity in collections development across all collections**, including through **contemporary collecting**

Skills and training



We will ensure the expertise of our staff is shared, celebrated and supports the development of a diverse workforce for the sector.

Teaching Museum

The *Teaching Museum* is a unique, service-wide initiative which established Norfolk Museums Service as the country's first teaching museum with the aim of developing a workforce for the future. The vision follows that of a 'Teaching Hospital' – a widely practised model for equipping newly qualified doctors and medical professionals with the essential practical skills needed in the workplace.

The overarching aim of the *Teaching Museum* is to support the development of a highly skilled and flexible workforce that can meet the future needs of museums in a changing world. Through the Teaching Museum NMS will share skills and expertise with:

- People seeking to start a career in museums
- NMS staff and volunteers
- Existing museum staff and volunteers in the East of England
- Teachers and trainee teachers

As a teaching organisation, NMS is taking a leadership role in the vocational training of new recruits and support for the professional development of existing museum staff. It seeks to address challenges around entry routes to the sector and support for continuing professional development. NMS shares the learning from this approach with other museums in the country.

During 2012-15 NMS also benefited from investment from the National Lottery Heritage Fund in the delivery of the largest regional *Skills for the Future* programme, centred on Gressenhall and delivered in partnership with the Museum of East Anglian Life. Through this programme, the Service was able to support a large number of placements covering a diverse range of heritage skills. The legacy of this programme and current projects including the NLHF-supported *Kick the Dust*, is a better skilled workforce for the Service and cohort of trainees with the skills needed to support the wider heritage sector in the years to come.

Volunteers

NMS currently supports around 400 active volunteers who operate across many sites and functions. As part of this strategic plan, we aim to increase both the total number and the diversity of our volunteers and to ensure that all our volunteers are able to benefit from a wide range of opportunities including the ability to undertake accredited training.

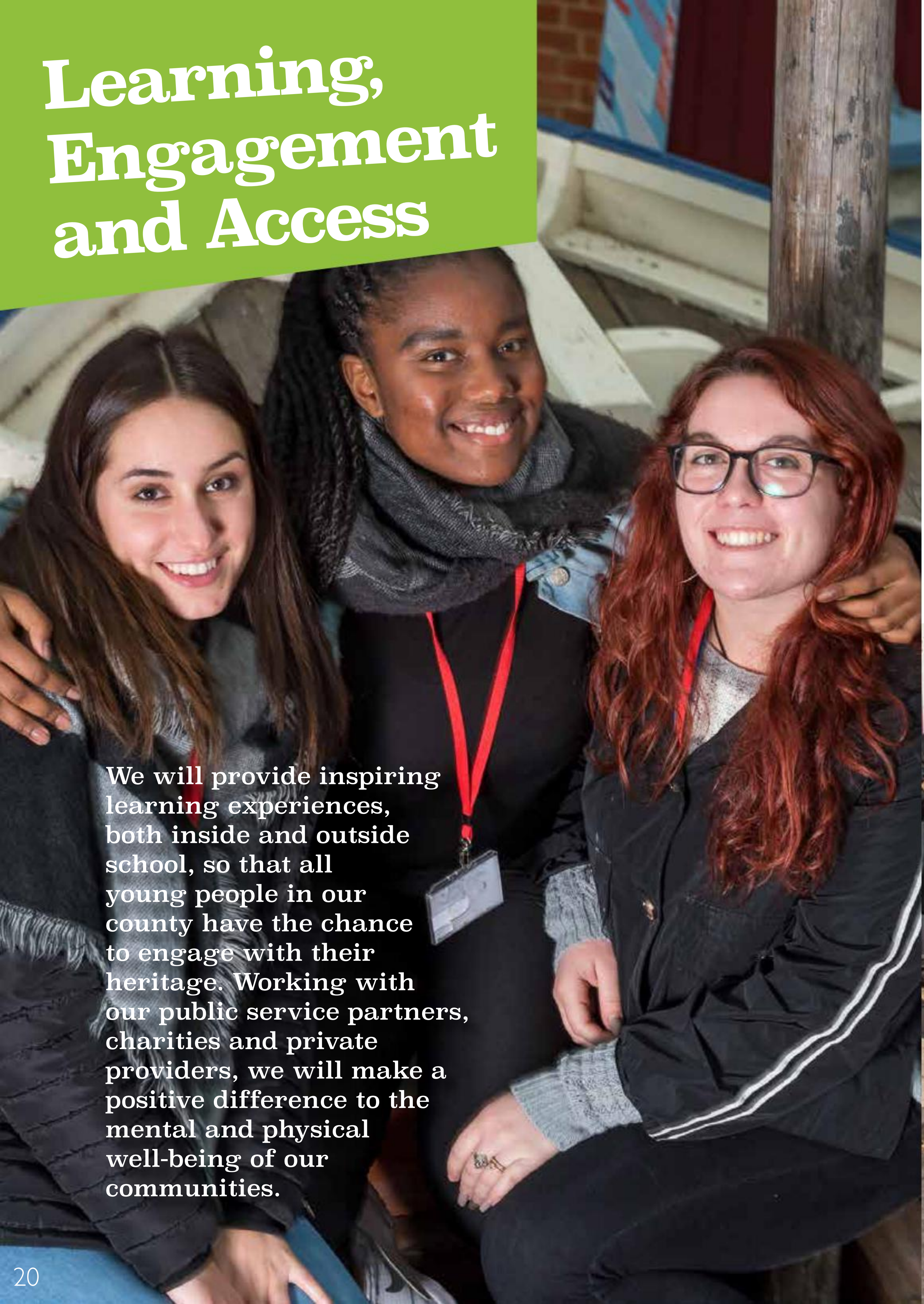
Digital

We will invest in our staff and volunteers to ensure that we have a digitally engaged workforce who understand our goals and work actively to achieve them. Staff will be supported through ongoing training to build the skills and confidence required to support the successful implementation of our Digital Policy and Plan.

Skills & training: Key goals

- Achieve recognised excellence in relation to Norfolk Museums Service's Designated national collections, **curatorial expertise and exhibitions** through our partnerships, our loans, our research programmes and our publications
- Maintain the Museums Service's national reputation as a centre of excellence in terms of **skills and training**, using the *Teaching Museum* to provide opportunities for the widest diversity of people

Learning, Engagement and Access



We will provide inspiring learning experiences, both inside and outside school, so that all young people in our county have the chance to engage with their heritage. Working with our public service partners, charities and private providers, we will make a positive difference to the mental and physical well-being of our communities.

Schools and curriculum-based learning

Norfolk Museums Service began delivering a specialist schools service in 1918 and over the last century has developed a deserved reputation for the quality of its innovative education work, securing a number of prestigious Sandford Awards for Excellence in Education as well as a number of other awards including the Learning Outside the Classroom Quality Badge.

Each year, around 50,000 schoolchildren from across East Anglia and beyond enjoy award-winning sessions covering a range of National Curriculum topics. NMS also works with Early Years children in formal sessions, as well as offering adult education sessions across the county.

NMS also has a deserved national reputation for the many ways in which it seeks to make its collections and sites as accessible as possible to the widest audience, including through targeted events and activities and outreach work across the county. These innovative and high-quality programmes include work with Looked After Children and Young People, foster families and Young Offenders.

The successful delivery of every level of Arts Award is also a significant achievement for the Service. The development of accredited programmes which involve the imaginative use of collections to inspire artwork has been pioneered by Ancient House Museum in Thetford.

NMS also has a national reputation for its work supporting Initial Teaching Training (ITT).

Youth engagement

NMS supports a number of innovative and high-profile youth engagement programmes across the county, including the major National Lottery Heritage Fund supported *Kick the Dust* programme. These wide-ranging programmes include young people influencing exhibition planning, designing and implementing museum trails and events, working on reminiscence and inter-generational projects and supporting the strategic direction of the Museums Service. Many of NMS' targeted programmes are focused on Looked After Children and those in foster care.

Our provision for the age group also includes offering a range of skills development, work experience and volunteering opportunities. The Service has a good track record of supporting young people who are not in education, employment or training (NEET) and those who are being supported through the Youth Offending Team (YOT).

Graduate and Postgraduate learning and research programmes

Working with a number of higher education and further education partners including University of East Anglia and Norwich University of the Arts (NUA), NMS delivers postgraduate museums and heritage programmes, provides training for student and qualified teachers, and supports a range of national and international research programmes. This important work will develop and diversify under the current strategic plan, increasing the profile of the collections and sites in the care of NMS.

Access and Widening Participation

Through a range of events and activities NMS facilitates broad audiences from across the county and beyond to engage meaningfully with arts and heritage. Specially developed sessions are available for audiences with specific or additional needs, and visitor events programmed in conjunction with temporary exhibitions support non-traditional museum audiences to recognise themselves in our museums and collections and help them to see NMS' relevance to their lives.

Learning, engagement & access: Key goals

- Ensure **all Norfolk children** visit at least one of the 10 award-winning NMS sites by the time they leave school
- Develop a range of outstanding new **opportunities for young people** through the National Lottery Heritage Fund supported *Kick the Dust* project and our countywide Arts Council England learning programmes

Health & wellbeing: Key goals

- Continue to develop the **Museum of Norwich** at the Bridewell as a community resource in the heart of the city, with a particular focus on Age Friendly programmes as part of the Service's wider Health & Wellbeing Strategy
- Work closely with the other **Norfolk County Council Culture & Heritage services,** including Norfolk Record Office, Norfolk Arts Service, Active Norfolk and the Environment Service to deliver the health & wellbeing, tourism and economic development goals set out in Norfolk's **Joint Health & Wellbeing Strategy 2018-22**
- Deliver a range of **outreach programmes**, touring exhibitions and special events in partnership with our District Councils and other partners, with a focus on our rural communities and our market towns

Resilience

By delivering our ambitious plans, we will achieve long-term prosperity for the Service and will make a significant contribution to the visitor economy of the County and the wider region.

Sustainability

NMS is committed to working in a sustainable manner, both in terms of financial sustainability and in terms of environmental sustainability, of which Gressenhall Farm and Workhouse is the Service's flagship site. We particularly recognise the goal of integrating our museum sites and our tourism offer with the natural and heritage landscapes of Norfolk in contributing significantly to the visitor economy of the East of England. During the course of this Framework, NMS will work towards the Green Tourism Business Scheme (GTBS), with the goal of achieving a prestigious Silver Award for our key museum sites.

NMS will also continue to develop a commercially-responsive culture across the whole organisation, increasing earned income as a percentage of total revenue and creating a range of innovative new offers to its diverse audiences.

We will deliver a high-quality retail and catering offer across all sites, a new conference and banqueting offer and improve the income generated from commercial events and lettings. The Museum will also provide income-generating services to third parties both from the cultural and commercial sectors. Finally, the Service will continue to increase the amount it generates through fundraising, primarily through the work of the Norfolk Museums Development Foundation.

Resilience: Key goals

- Deliver the £13.5m National Lottery Heritage Fund supported project ***Norwich Castle: Gateway to Medieval England***, bringing a permanent British Museum presence to the East of England and positioning Norwich Castle as the flagship heritage attraction in the region
- Ensure Norfolk Museums Service's long-term prosperity through the delivery of the **revenue targets** laid out in the Service's annual business plans, providing a unique set of historic venues and experiences for people to enjoy, and by delivering a range of commercial services for other museums and organisations, including Conservation and Design
- Achieve at least **500,000 visits** per annum across the 10 Norfolk Museums Service sites by 2022
- Continue to support the Norfolk Museums Development Foundation to function as an effective and **proactive fundraising** and development organisation for the Service and for the County
- Work with partners including Norwich City Council, New Anglia Local Enterprise Partnership (LEP), Norwich Business Improvement District (BID) and other Norfolk National Portfolio Organisations to **develop Norwich's cultural and heritage offer**, increasing visits to the City and contributing effectively towards the visitor economy
- Work in **partnership with City and District Councils** to deliver creative, tailored and responsive local services and programmes and to contribute to the County's visitor economy
- Support the development and ongoing delivery of the **Deep History Coast** project, including the delivery of the branding and marketing strategy led by North Norfolk District Council
- Make continuous improvements to the **environmental sustainability** of the Service to ensure long-term resilience and to minimise the environmental impact of our activities

Norfolk Museums Development Foundation (NMDF)

The Norfolk Museums Development Foundation (NMDF) is an independent charity working to provide support to Norfolk Museums Service (NMS) and its partner organisations in the museums, heritage and charity sectors.

We were established in 2014 with a sole purpose: to support NMS to secure funding for the care and development of its outstanding collections and historic buildings, and to enable a wide range of activities for public benefit, including:

- Extensive formal and informal learning programmes
- Skills development and volunteering opportunities
- Public exhibitions and events

Our work seeks to complement that of NMS, with Trustees using their wide range of skills and expertise to provide guidance and advice to museum staff. During the last few years our Trustees have helped develop important links with a range of external organisations and made introductions to funding bodies.

The Foundation continues to actively support activities at all ten museums across the Service. Our primary focus for 2019-20 will be to continue to raise funds towards the *Norwich Castle: Gateway to Medieval England* project through a range of sources including online giving, object adoptions, corporate sponsorship and grants from trusts and foundations.

Developing our service

We are committed to continuous improvement for NMS through a programme of ambitious capital and major development projects. Some of these are underway and we will seek to extend them over the next few years. Others represent new and exciting areas of work which have the potential to deliver great benefits to our audiences.

Future ambitions

- West Runton Mammoth display – a project to complete the display of the West Runton Mammoth, the largest complete example of its kind in Europe
- National Fossil Database – a collaborative project with the British Museum to create a national database for the identification and sharing of information on fossils
- The Toy Room at Strangers' Hall, Norwich – a project to develop the popular and nationally important displays relating to children's learning and play through the ages
- The Maritime Galleries at Time and Tide Museum, Great Yarmouth – a project to develop the maritime galleries with the addition of new material relating to the *Titanic* and to Nelson
- The Duleep Singh Gallery at Ancient House Museum, Thetford – a partnership project to develop the galleries at Ancient House Museum to better represent the story of His Highness Maharaja Sir Duleep Singh, last Maharaja of the Sikh Empire
- The Nelson displays at Norwich Castle – a project to create a new permanent Nelson display within the main galleries of Norwich Castle

Existing major development projects

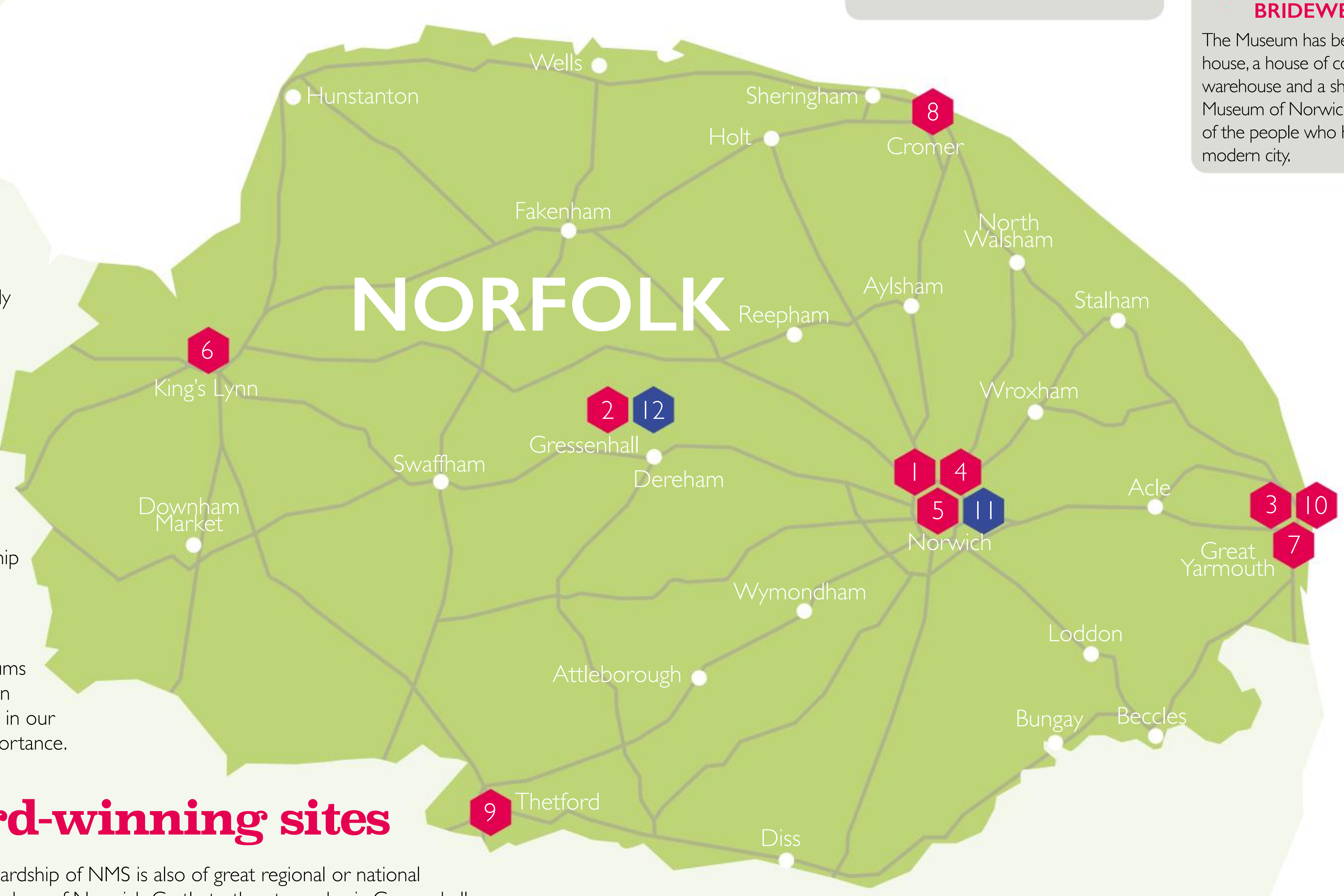
- Museum Development across the region
- Arts Council England *Museums and Schools* programme
- Study Centre at the Shirehall development project
- Supporting the development of Wensum Lodge, Norwich as a new creative hub for Norwich and the wider County

Who we are:
An overview of NMS

Norfolk Museums Service (NMS) was established in 1974 when the County and District Councils in Norfolk agreed to delegate their museum powers to a Joint Committee to manage their diverse group of museums and to care for important collections within the ownership of the County and District Councils through a county-wide Museums Service. This way of managing museum services, dependent on the foresight and generosity of the partners, was highly innovative at the time and is still a unique approach today.

NMS is now regarded as one of the leading museum services in the United Kingdom, being recognised in 2012 as an Arts Council England Major Partner Museum (MPM) and a National Portfolio Organisation (NPO) in 2018, tasked with providing leadership to the sector, including through our SHARE Museums East Museum Development programmes.

All NMS sites are Accredited museums under the Arts Council Accreditation scheme and many of the collections in our care are Designated of national importance.



Our 10 award-winning sites

Each one of the 10 sites in the stewardship of NMS is also of great regional or national importance, from the Norman splendour of Norwich Castle to the atmospheric Gressenhall Farm and Workhouse and the restored herring works at Great Yarmouth, home of the award-winning Time and Tide Museum.

1 NORWICH CASTLE MUSEUM & ART GALLERY

One of the city's most famous landmarks, Norwich Castle was built by the Normans as a Royal Palace over 900 years ago and spent at least 500 years as a prison. It is now a museum and art gallery and home to some of the most outstanding collections of fine and decorative arts, archaeology and natural history, not only in the region but the country.

2 GRESSENHALL FARM AND WORKHOUSE, NEAR DEREHAM

This family-friendly 50 acre site is the home of Norfolk's rural life museum. Gressenhall includes a working heritage farm populated with rare breed animals and is a national centre for workhouse studies and interpretation.

3 TIME AND TIDE, MUSEUM OF GREAT YARMOUTH LIFE

Set in a preserved Victorian herring curing works the multi award-winning Time and Tide Museum tells the unique story of Great Yarmouth from its prehistoric origins to the present day.

4 THE MUSEUM OF NORWICH AT THE BRIDEWELL

The Museum has been a merchant's house, a house of correction, a tobacco warehouse and a shoe factory. Now the Museum of Norwich tells the stories of the people who helped create our modern city.

5 STRANGERS' HALL, NORWICH

Home to the wealthy merchants and mayors who made medieval Norwich a great city, visitors explore this intriguing and atmospheric building through period room settings, guides and creative interpretation.

6 LYNN MUSEUM, KING'S LYNN

This vibrant community museum tells the West Norfolk Story and features a gallery dedicated to Seahenge, the unique 4,000-year-old timber circle.

7 ELIZABETHAN HOUSE MUSEUM, GREAT YARMOUTH

This handsome 16th century home invites to you to look into the lives of the families who lived there, from Tudor through to Victorian times.

8 CROMER MUSEUM

Located on the High Street this converted fisherman's cottage explores the history of Cromer as a popular seaside resort and a geological area of international importance.

9 ANCIENT HOUSE MUSEUM OF THETFORD LIFE

This lively community-centred museum provides a fascinating insight into the rare Tudor house it occupies, alongside the wider history of Thetford and the Brecks.

10 THE TOLHOUSE, GREAT YARMOUTH

The Tolhouse vividly brings to life the story of crime and punishment in Great Yarmouth and offers an insight into the town's rich maritime heritage.

12 THE NORFOLK COLLECTIONS CENTRE, GRESSENHALL NEAR DEREHAM

NMS' open access storage facility, containing superstar objects including the West Runton Mammoth and the famous Norwich Snap Dragons.

11 NORWICH CASTLE STUDY CENTRE, SHIREHALL, NORWICH

Offers first-rate facilities to access and study NMS reserve collections. Museum staff can also assist visitors and researchers with their specialist knowledge.

Key partners

ARCHANT & THE EASTERN DAILY PRESS
ART FUND
ARTS COUNCIL ENGLAND
ASSOCIATION OF INDEPENDENT MUSEUMS
BRITISH MUSEUM
THE CHARLES LITTLEWOOD HILL TRUST
COLCHESTER & IPSWICH MUSEUMS SERVICE
COLLECTIONS TRUST
COMPUTER SERVICE CENTRE
COSTUME & TEXTILE ASSOCIATION
EAST ANGLIA ART FUND
ESSEX CULTURAL DIVERSITY PROJECT
THE FORUM TRUST
FOYLE FOUNDATION
FRIENDS OF ANCIENT HOUSE MUSEUM
FRIENDS OF CROMER MUSEUM
FRIENDS OF GRESSENHALL
FRIENDS OF KING'S LYNN MUSEUM
FRIENDS OF THE NORWICH MUSEUMS
THE GARAGE, NORWICH
GARFIELD WESTON FOUNDATION
THE GEOFFREY WATLING CHARITY
THE GREAT YARMOUTH PRESERVATION TRUST
HEADLEY TRUST
HERITAGE NETWORK NORFOLK
HISTORIC ENGLAND
JOHN JARROLD TRUST
MIND GREAT YARMOUTH
MUSEUMS ASSOCIATION
THE NATIONAL ARCHIVES
NATIONAL CENTRE FOR WRITING
NATIONAL GALLERY
NATIONAL LOTTERY HERITAGE FUND
NATIONAL MUSEUM DIRECTORS' COUNCIL
NATIONAL SKILLS ACADEMY
NATIONAL TRUST
NATURAL HISTORY MUSEUM
NEW ANGLIA LEP
NORFOLK AND NORWICH FESTIVAL
NORFOLK ARTS FORUM EXECUTIVE
NORFOLK ARTS SERVICE
NORFOLK CONTEMPORARY ART SOCIETY
NORFOLK COUNTY COUNCIL AND THE CITY & DISTRICT COUNCILS
NORFOLK LIBRARY & INFORMATION SERVICE
NORFOLK RECORD OFFICE
NORFOLK SCHOOLS
NORFOLK VIRTUAL SCHOOL FOR CHILDREN IN CARE
NORFOLK YOUTH OFFENDING TEAM
NORWICH FREEMEN'S CHARITY
NORWICH THEATRE ROYAL
NORWICH UNIVERSITY OF THE ARTS
PAUL BASSHAM CHARITABLE TRUST
ROYAL MUSEUMS GREENWICH
SEACHANGE ARTS
TATE
THETFORD TOWN COUNCIL
TRUSTEES OF THE ROYAL NORFOLK REGIMENTAL MUSEUM
UNIVERSITY OF BRADFORD
UNIVERSITY OF CAMBRIDGE MUSEUMS
UNIVERSITY OF EAST ANGLIA
UNIVERSITY OF LEICESTER
V&A PURCHASE FUND
VISIT BRITAIN
VOLUNTARY NORFOLK
WOLFSON FOUNDATION
YMCA NORFOLK

5 Year Strategic Framework: Image credits

Cover image: Members of the Teenage History Club; the group leads on the Service wide LGBTQ+ initiative to increase representation in our collections and sites, 2019

Contents image: Norwich Castle Learning Team in costume for the activity programme for the *Viking: Rediscover the Legend* exhibition, 2019

Page 3: Guests at the opening of the *Rembrandt: Lightening the Darkness* exhibition at Norwich Castle. From l to r: Cllr. John Ward, Chair of Norfolk Joint Museums Committee; Chris Coupland, Partner at Birketts; Andrew Wood, Honorary Dutch Consul for the East of England; Dr Giorgia Bottinelli, Curator of Historic Art; Dr Francesca Vanke, Keeper of Art and His Excellency Simon Smits, the Dutch Ambassador to the United Kingdom, 2017

Page 4: Fire-eater performing at Museums at Night free event, Norwich Castle, 2017

Page 8: Opening of the *Duleep Singh* exhibition at Ancient House Museum, Thetford, 2018

Page 9: Thank you projection on Norwich Castle following the announcement of the Heritage Lottery Fund's £9.2m grant to the *Norwich Castle: Gateway to Medieval England* project, 2018

Page 10: Close-up of Norwich icon and rare medieval statue, Samson, now on display at the Museum of Norwich thanks to a successful conservation and crowdfunding campaign

Page 11 clockwise from top: Volunteers for the Norwich learning team for the Legend! programme, 2019; mounted strombus shell cup, ca. 1660, displayed in *The Paston Treasure: Riches and Rarities of the Known World* exhibition, Norwich Castle, 2018; gallery shot of *Armistice: Legacy of the Great War in Norfolk*, Norwich Castle, 2018

Page 12 clockwise from top: Young speakers at the SHARE Museums East Young People's Conference, Ely Cathedral, 2017; installation of the Beechey portrait of Nelson for the *Nelson & Norfolk* exhibition, Norwich Castle, 2017; Winner of the Outstanding Young Volunteer Award, Natasha Harlock from Norfolk and Suffolk Aviation Museum, at the 2018 SHARE Museums East Volunteer Awards

Page 13: Guests at the opening of the National Lottery Heritage Fund supported *Voices from the Workhouse* redevelopment at Gressenhall Farm and Workhouse, all of whom are descendants of former inmates of the workhouse, 2016

Page 14: Families exploring digital collections in the Seahenge gallery at Lynn Museum, 2017

Page 15, clockwise from top: World War I Victory Medal belonging to Herbert Norton, a workhouse inmate, discovered hidden under floorboards at Gressenhall Farm and Workhouse in the 1970s and now on display in the redeveloped workhouse galleries, 2016; installation of *The Paston Treasure* painting at the Yale Center for British Art, 2018; condition checking the *Ensign of Le Généreux* in St. Andrews Hall, Norwich for the *Nelson & Norfolk* exhibition, 2017

Page 16, clockwise from top: Anglo-Saxon masterpiece, the Winfarthing Pendant, discovered in Norfolk and acquired by NMS following a successful fundraising campaign with the assistance of National Heritage Memorial Fund and Art Fund; young visitors enjoying the redeveloped workhouse galleries at Gressenhall Farm and Workhouse; Dr Giorgia Bottinelli, Curator of Historic Art (l) and conservator Alice Tavares da Silva, examining Magritte's *La condition humaine*, which was discovered to have been painted over one quarter of a previously lost Magritte canvas; volunteers with the Sea History Differently project, funded by the Esmée Fairbairn Collections Fund, working on boat conservation at Time and Tide Museum, Great Yarmouth

Page 17: Aliza Nisenbaum, *Susan, Aarti, Keerthana and Princess, Sunday in Brooklyn*, 2018. This painting – which depicts a two-mother mixed-race family – is the first work to enter the Norwich Castle collection that represents women of colour. It was purchased through a grant from the Valeria Napoleone XX Contemporary Art Society (VNXXCAS) initiative

Page 18: Teaching Museum Trainee, Ruth Stanley, helping with the annual Deep Clean at Strangers' Hall Museum, Norwich, 2019

Page 19 from top: Costume and Textile Curator, Ruth Battersby Tooke (r), with a visitor examining a 19th century riding habit, Norwich Castle Study Centre; Head of Conservation, Man-Yee Liu with young people at a Teen Takeover Day at Time and Tide Museum, 2018

Page 20: Young people at Time and Tide Teen Takeover Day, Great Yarmouth, 2018

Page 21 from top: Bowl created by participant in the *Kick the Dust* Youth Offending Team collaboration, *Make Your Mark*, Norwich Castle, 2018; Curator of Natural History, Dr David Waterhouse, with young visitor at Cromer Museum's Fossil Day, 2017; Duleep Singh event day at Ancient House Museum, 2018

Page 22 from top: Schoolchildren participating in a music workshop for the *Together to the Workhouse Door* community choral project at Gressenhall Farm and Workhouse, 2017, young person enjoying the *Circus: Show of Shows* exhibition at Time and Tide Museum, 2018

Page 23 from top: Members of the Teenage History Club, with Dan Vo from the V&A, at the opening of their *Pride of the People: Helping History Out of the Closet* exhibition at Ancient House Museum, 2018; two visitors enjoying the recreated pub in the Museum of Norwich during a coffee morning for those living with memory loss and their carers, 2018

Page 24: Autumn visitor programme at Gressenhall Farm and Workhouse, 2018

Page 25, l to r: *The Merchant's Vaults* History Mystery escape game set in the medieval undercroft at the Museum of Norwich, 2018; visitors to Christmas at Strangers' Hall, 2018

Page 26: Launch of the Keep Giving public fundraising campaign for the *Norwich Castle: Gateway to Medieval England* project to transform Norwich Castle Keep, 2017

Page 27: Fossils on display at Cromer Museum, 2017

Page 30: Gemellion Bowl, Medieval 13th century water bowl made of copper alloy.

Page 31: Medieval Lion Head Buckle found at Bromholm Priory, near Bacton, Norfolk.

Contact
Norfolk Museums Service
Shirehall, Market Avenue, Norwich NR1 3JQ
01603 493625
museums@norfolk.gov.uk
www.museums.norfolk.gov.uk
www.facebook.com/NorfolkMuseums
@NorfolkMuseums

Norfolk Museums Service is a partnership between Norfolk County Council and Norfolk's District Councils, funded through council tax, earned income and grants.

Supported using public funding by ARTS COUNCIL ENGLAND

Cabinet

Item 18

Decision making report title:	**Environmental Policy for Norfolk – Member Oversight Group**
Date of meeting:	**13 January 2020**
Responsible Cabinet Member:	**Cllr Andy Grant - Cabinet Member (Environment and Waste)**
Responsible Director:	**Tom McCabe – Executive Director (Community and Environmental Services)**
Is this a key decision?	**Yes**

Introduction from Cabinet Member

I was pleased that Members unanimously agreed the new Environmental Policy for Norfolk County Council, along with a commitment to associated resources to begin implementation of the work outlined.

To ensure continued impetus and cross-party input into this work, Members also agreed to establish a new Member Oversight Group to help develop the work and to deliver on the commitments outlined in the policy.

Setting the Terms of Reference and membership for this new Group will enable arrangements for meetings to be put in place. I look forward to Chairing the new Group and providing feedback to Cabinet, at an appropriate point, on the progress being made to deliver the actions identified.

Executive Summary

This report sets out proposed Terms of Reference for the Environmental Policy for NCC Member Oversight Group.

Recommendations

1. **To approve the Terms of Reference for the Environmental Policy for NCC Member Oversight Group, as set out in Appendix A**

2. **Agree to review the new Member Oversight Group arrangements after 12 months to ensure that they are fit for purpose.**

1. Background and Purpose

1.1. At the 25 November 2019 meeting, Full Council approved a new Environmental Policy for Norfolk County Council (NCC) and several associated actions. This included agreement to establish a Member Oversight Group chaired by the Cabinet Member for Environment and Waste to develop and oversee the obligations contained in the Environmental Policy.

1.2. This report sets out the proposed Terms of Reference for this Member Oversight Group.

2. Proposals

2.1. The proposed terms of reference for the Group are set out in Appendix A to this report.

2.2. In line with our established practice for Member Working Groups, the meetings of the Group will not take place in the public domain.

2.3. The Group will not have any decision-making powers and any proposals requiring decision will be considered by Members using the processes set out in the Council's Constitution, most likely through reports to Cabinet and use of the Cabinet Member's delegated powers.

2.4. A review of the arrangements for the new Member Oversight Group is proposed to be carried out after 12 months to ensure they are fit for purpose.

3. Impact of the Proposal

3.1. It is anticipated that meetings of the new Member Oversight Group will be arranged once the Terms of Reference has been agreed and Political Group Leaders have confirmed who will represent their Group.

4. Evidence and Reasons for Decision

4.1. Establishing the Member Oversight Group will enable cross-party input into the implementation of actions associated with the Environmental Policy for NCC.

5. Alternative Options

5.1. Cabinet may wish to amend or enhance the Terms of Reference set out in Appendix A.

6. Financial Implications

6.1. Arrangements for meetings of the new Group can be accommodated within existing resources.

6.2. There will be financial implications associated with the delivery of actions associated with the Environmental Policy. Full Council agreed to recommend a capital budget allocation of £1m to match fund capital projects, and £350k revenue to ensure appropriate staff and other resources can be put in place to deliver the Policy commitments.

6.3. Opportunities to access external funding streams will also be explored.

7. Resource Implications

7.1. **Staff:** Arrangements for meetings of the new Group can be accommodated within existing resources.

7.2. **Property:** N/A

7.3. **IT:** N/A

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 relevant potential equality impacts associated with establishing this new Group.

8.4. **Health and Safety implications:** N/A

8.5. **Sustainability implications:** The purpose of the new Environmental Policy is to positively impact on sustainability, and this new Group will oversee this work.

9. Risk Implications/Assessment

9.1. Establishing the Member Oversight Group will enable cross-party input into the implementation of actions associated with the Environmental Policy for NCC.

10. Select Committee comments

10.1. N/A

11. Recommendations

11.1.
1. **To approve the Terms of Reference for the Environmental Policy for NCC Member Oversight Group, as set out in Appendix A**

12. Background Papers

12.1. Report to Full Council meeting 25 November 2019 (page 58-78) titled 'Environmental Policy for Norfolk County Council'

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

Officer name:	Steve Miller	**Tel No.:**	01603 492620
Email address:	steve.miller@norfolk.gov.uk		

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Appendix A

Terms of Reference

Environmental Policy for NCC Member Oversight Group

Purpose

To develop and oversee the obligations contained in the Environmental Policy for Norfolk County Council agreed by Full Council at its meeting on 25 November 2019.

This includes oversight of the following specific tasks which were initially identified:

- To task officers to audit the NCC carbon footprint, using appropriate Greenhouse Gas Reporting protocols. In addition, identify processes, and initiate work, to engage with partners and neighbours to address the collective carbon footprint of the area.

- To task officers to develop a number of early action demonstrator projects that showcase environmental excellence - such as developing ‘rewilding’ and carbon sequestration projects (including strategic tree-planting), subject to available funding.

- To task officers to take steps to actively bid for external resources through the emerging funding streams supporting the wider environmental agenda.

- To identify revenue funding to enable dedicated resources to be put in place to progress actions associated with the Policy and to support the Member Oversight Group to ensure synergy across the whole of the Council.

In carrying out this oversight role, the Group will:

- Monitor the progress being made to deliver the obligations set out in the Environmental Policy;
- Consider information, data, tools and evidence, where relevant;
- Engage with external parties, for example other service providers, district partners, the higher education sector and organisations involved in the environmental sector, as deemed necessary.

Membership and attendance

The Group will be Chaired by the Cabinet Member for Environment and Waste, along with Members as follows:

- 3 x Conservative
- 1 x Labour
- 1 x Liberal Democrat

- 1 x Independent

The Group will be supported by County Council officers, as needed. Key officers supporting the group are expected to be:

- Steve Miller – Assistant Director, CES (Culture & Heritage) - and senior officer lead for the Environmental Policy
- John Jones – Head of Environment
- Simon Hughes – Head of Property
- Dominic Allen – Sustainability Manager

The Group may wish to invite other officers, partners or stakeholders to attend meetings for specific discussion items.

Meeting arrangements

Meetings will be held at least every two months.

Meetings will not be held in public.

Any action points will be agreed at each meeting will be recorded.

Decision making

The Group does not have any decision-making powers and, therefore, its role is advisory.

Report to Cabinet

Item No. 19

Report title:	**Annual Investment and Treasury Strategy 2020-21**
Date of meeting	**13 January 2020**
Responsible Cabinet Member	**Cllr Andrew Jamieson (Cabinet Member for Finance)**
Responsible Director	**Simon George (Executive Director of Finance and Commercial Services)**
Is this a key decision?	**No**

Introduction from Cabinet Member

It is a regulatory requirement for local authorities to produce an Investment and Treasury Strategy for the year ahead. The Strategy forms an important part of the overall management of the Council's financial affairs and details the criteria for choosing investment counterparties and managing the authority's underlying need to borrow for capital purposes.

Executive Summary

In accordance with regulatory requirements, this report presents the Council's borrowing and investment strategies for 2020-21.

Recommendations

Cabinet is asked to:

- **endorse and recommend to County Council the Annual Investment and Treasury Strategy for 2020-21 at Annex 1, including:**
  - **the capital prudential indicators included in the body of the report;**
  - **the Minimum Revenue Provision Statement 2020-21 at Appendix 1;**
  - **the list of approved counterparties at Appendix 4, including working capital facilities for NCC Nurseries Limited (maximum £0.250m), NCC HH Limited (maximum £0.250m) and Independence Matters CIC (maximum £1m) to be made available from the date of approval by County Council;**
  - **the treasury management prudential indicators detailed in Appendix 5.**

1. Background and Purpose

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

2. Proposals

2.1. The Chartered Institute of Public Finance and Accountancy's (CIPFA's) Code of Practice for Treasury Management in the Public Services (the Code) requires local authorities to produce a treasury management strategy for the year ahead. The County Council is required to comply with the Code through regulations issued under the Local Government Act 2003 and has adopted specific clauses and policy statements from the Code as part of its Financial Regulations.

2.2. Complementary to the CIPFA Code is the Ministry for Housing, Communities and Local Government's (MHCLG's) Investment Guidance, which requires local authorities to produce an Annual Investment Strategy and an annual Capital Strategy.

2.3. This report combines the reporting requirements of both the CIPFA Code and MHCLG's Investment Guidance.

3. Impact of the Proposal

3.1. In accordance with regulatory requirements, this report presents the Council's borrowing and investment strategies for 2020-21.

3.2. Despite a recent 1% interest rate rise on PWLB borrowing, both borrowing and investment rates are likely to remain historically low in the foreseeable future. A flexible approach to borrowing for capital purposes will be maintained which avoids the 'cost of carrying debt' in the short-term but which recognises the Council's need to borrow to fund capital expenditure in the medium and long term.

3.3. The proposed investment strategy retains a diversified pool of high-quality counterparties with a maximum deposit duration of three years. Property funds, if used, would be part of a longer-term investment strategy. Short term working capital facilities for three wholly owned companies, including two recently created companies, have been added to the counterparty list.

4. Evidence and Reasons for Decision

4.1. The primary objectives of the Council's Investment and Treasury Strategy are to safeguard the timely repayment of principal and interest, whilst ensuring adequate liquidity for cash flow and the generation of investment yield. A flexible approach to borrowing for capital purposes will be maintained. This strategy is prudent while investment returns are low and the investment environment remains challenging.

The Investment and Treasury Strategy summarises:

- the Council's capital plans (including prudential indicators);
- a minimum revenue provision (MRP) policy (how residual capital expenditure is charged to revenue over time);
- the treasury management strategy (how the investments and borrowings are to be organised) including treasury indicators; and
- an investment strategy (including parameters on how investments are to be managed.

5. Alternative Options

5.1. In order to achieve sound treasury management in accordance with the statutory and other guidance, no viable alternative options have been identified to the recommendation in this report.

6. Financial Implications

6.1. Long term borrowing rates remain historically low. However, on 9 October 2019 HM Treasury announced that 1% will be added to all new PWLB borrowing with immediate effect, apart from specific borrowing for approved infrastructure projects. Officers will work with the Council's treasury advisors to identify whether alternative lenders can offer better rates, but on the face of it this will increase the costs of future borrowing by £0.100m pa per £10m borrowed for locally funded projects.

6.2. At 30 November 2019, the Council's external debt was £706m with no further borrowing anticipated in 2019-20. However, to fund capital expenditure borrowing is anticipated in 2020-21, and the PWLB rate increase is likely to increase the costs of borrowing.

6.3. During 2019 the Bank of England base rate remained unchanged at 0.75% and is not forecast to rise in the short term, so returns on cash balances are limited as the Council continues to put security and liquidity ahead of yield.

6.4. The MRP policy is designed to ensure sufficient money is set aside to repay the Council's debt.

7. Resource Implications

7.1. There are no direct staff, property or IT implications arising from this report.

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.

8.2. **Equality Impact Assessment**
Treasury management activities take place to manage the cash-flows relating to the Council's revenue and capital budgets. A public consultation process on the 2020-21 Budget has been undertaken. As in previous years, this public consultation has informed Equality and Rural Impact Assessments in respect of both new 2020-21 Budget proposals and the Council's Budget as a whole.

9. Risk Implications/Assessment

9.1. The investment and borrowing strategy presented in this report for approval forms an important part of the overall financial management of the Council's affairs. The strategy has been produced in accordance with best practice and guidance and in consultation with the Council's external treasury advisors.

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

10. Recommendation

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

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

Officer name:	Howard Jones	**Tel No. :**	01603 222832
Email address:	howard.jones@norfolk.gov.uk		

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Norfolk County Council

Treasury Management Strategy

including
Minimum Revenue Provision Policy Statement and
Annual Investment Strategy

2020-21

INDEX

1 Introduction

1.1 Background

The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low risk counterparties or instruments commensurate with the Council's low risk appetite, providing adequate liquidity initially before considering investment return.

The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer-term cash flow planning, to ensure that the Council can meet its capital spending obligations. This management of longer-term cash may involve arranging long or short-term loans or using longer-term cash flow surpluses. On occasion, when it is prudent and economic, any debt previously drawn may be restructured to meet Council risk or cost objectives.

The contribution the treasury management function makes to the authority is critical, as the balance of debt and investment operations ensure liquidity or the ability to meet spending commitments as they fall due, either on day-to-day revenue or for larger capital projects. The treasury operations will see a balance of the interest costs of debt and the investment income arising from cash deposits affecting the available budget. Since cash balances generally result from reserves and balances, it is paramount to ensure adequate security of the sums invested, as a loss of principal will in effect result in a loss to the General Fund.

Whilst any commercial initiatives or loans to third parties will impact on the treasury function, these activities are generally classed as non-treasury activities, (arising usually from capital expenditure), and are separate from the day to day treasury management activities.

CIPFA defines treasury management as:

> *"The management of the local authority's borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."*

Revised reporting has been required from the 2019-20 reporting cycle due to revisions of the MHCLG Investment Guidance, the MHCLG Minimum Revenue Provision (MRP) Guidance, the CIPFA Prudential Code and the CIPFA Treasury Management Code. The primary reporting changes included the introduction of a capital strategy to provide a longer-term focus to the capital plans, and greater reporting requirements surrounding any commercial activity undertaken under the Localism Act 2011. The capital strategy is reported separately and includes elements of the Council's investment strategy insofar as they relate to capital expenditure.

1.2 Reporting requirements

1.2.1 Capital Strategy

The CIPFA revised 2017 Prudential and Treasury Management Codes require, all local authorities to prepare a capital strategy report, which will provide the following:

- a high-level long-term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services
- an overview of how the associated risk is managed
- the implications for future financial sustainability.

The aim of the capital strategy is to ensure that all elected members understand the overall long-term policy objectives and resulting capital strategy requirements, governance procedures and risk appetite.

The authority may borrow money for any purpose relevant to its function or for the purposes of the prudent management of its financial affairs. More specifically, the Council has the power to do anything (whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or right) which is calculated to facilitate, or is conducive or incidental to, the discharge of any of their functions. (Ref Local Government Acts 2003 s 1 and 1972 s 111(1)).

The capital strategy is reported separately from this Treasury Management Strategy Statement. Non-treasury investments including loans to companies are reported through the capital strategy and finance monitoring report, with summary information included in Treasury Management reports. This is to ensure separation of the core treasury function under security, liquidity and yield principles, and other investments, including loans to subsidiary and other companies which are usually driven by expenditure on assets for service delivery and related purposes.

Depending on the nature of any particular project, the capital strategy will cover:

- corporate governance arrangements;
- service objectives;
- The expected income, costs and resulting contribution;
- The debt related to the activity and the associated interest costs;
- For non-loan type investments, the cost against the current market value;
- The risks associated with activities and/or the ways in which risks have been mitigated.

Where a physical asset is being bought, details of market research, advisers used, (and their monitoring), ongoing costs and investment requirements and any credit information will be disclosed, including the ability to sell the asset and realise the investment cash.

MHCLG statutory guidance, supported by CIPFA codes, states that local authorities must not borrow more than or in advance of their needs purely in order to profit from the investment of the extra sums borrowed. Where the Council has borrowed to fund any commercial investment, it should explain why borrowing was required and why the MHCLG Investment Guidance and the CIPFA Prudential Code have not been adhered to. Norfolk County Council does not hold any non-treasury and/or non-financial investments which are designed purely to generate a financial return: all non-treasury investments, for, example loans to subsidiaries and companies for Norfolk based projects and/or to support subsidiary companies fund their capital investment plans, and all have been approved as part of the capital strategy and programme.

To demonstrate the proportionality between the treasury operations and the non-treasury operation, high-level comparators are shown in this report.

1.2.2 Treasury Management reporting

The Council is currently required to receive and approve, as a minimum, three main treasury reports each year, which incorporate a variety of policies, estimates and actuals:

a. **Prudential and treasury indicators and treasury strategy** (this report) - The first, and most important report is forward looking and covers:
   - the capital plans (including prudential indicators);
   - a minimum revenue provision (MRP) policy, (how residual capital expenditure is charged to revenue over time);
   - the treasury management strategy, (how the investments and borrowings are to be organised), including treasury indicators; and
   - an investment strategy, (the parameters on how investments are to be managed).

b. **A mid-year treasury management report** – This is primarily a progress report and will update members on the capital position, amending prudential indicators as necessary, and whether any policies require revision.

c. **An annual treasury report** – This is a backward-looking review document and provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.

Scrutiny
The above reports are required to be adequately scrutinised before being recommended to the Council. This role is undertaken by the Council's Treasury Management Panel and Cabinet.

Scheme of Delegation
A summary of the Treasury Management Scheme of Delegation is at Appendix 8, with the Treasury Management role of the Section 151 Officer at Appendix 9.

1.3 Treasury Management Strategy for 2020-21

The strategy covers two main areas:

Capital issues

- capital expenditure plans and the associated prudential indicators;
- minimum revenue provision (MRP) policy (paragraph 2.4 and Appendix 1).

Treasury management issues

- the current treasury position;
- treasury indicators which limit the treasury risk and activities of the Council;
- prospects for interest rates;
- the borrowing strategy;
- policy on borrowing in advance of need;
- debt rescheduling;
- the investment strategy;
- creditworthiness policy; and
- the policy on use of external service providers.

These elements cover the requirements of the Local Government Act 2003, the CIPFA Prudential Code, MHCLG MRP Guidance, the CIPFA Treasury Management Code and MHCLG Investment Guidance.

1.4 Training

The CIPFA Code requires the responsible officer to ensure that members with responsibility for treasury management receive adequate training in treasury management. This especially applies to members responsible for scrutiny. Training has been provided to members at the December 2019 Treasury Management Panel, and further training will be arranged as required.

The training needs of treasury management officers are reviewed as part of the annual performance review process.

1.5 Treasury management consultants

The Council uses Link Asset Services, Treasury Solutions as its external treasury management advisors. The Council recognises that responsibility for treasury management decisions remains with the organisation and that undue reliance should not be placed upon the services of our external service providers, using other information where available and relevant.

It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. Through a competitive tender in 2019, the Council has ensured that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented and subject to regular review.

2 The Capital Prudential Indicators 2020-21 – 2022-23

The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans.

2.1 Capital expenditure

This prudential indicator is a summary of the Council's capital expenditure plans, both those agreed previously, and those forming part of this budget cycle. Members are asked to approve the capital expenditure forecasts:

Capital expenditure £m	2018-19 Actual	2019-20 Estimate	2020-21 Estimate	2021-22 Estimate	2022-23 Estimate
Services	154.465	259.429	272.668	174.027	79.882
Capital loans to group and other companies	2.132	15.500	10.000		
Infrastructure loans to third parties	1.951	13.739			
Total	**158.548**	**288.668**	**282.668**	**174.027**	**79.882**

Other long-term liabilities - The above financing need excludes other long-term liabilities, such as PFI and leasing arrangements that already include borrowing instruments.

The table below summarises the above capital expenditure plans and how these plans are being financed by capital or revenue resources. Any shortfall of resources results in a funding/borrowing need.

Financing of capital expenditure £m	2018-19 Actual	2019-20 Estimate	2020-21 Estimate	2021-22 Estimate	2022-23 Estimate
Capital grants	105.453	157.446	124.893	53.434	16.289
Revenue and reserves	1.923	0.155			
Capital receipts	6.840				
Prudential borrowing	44.332	131.067	157.775	120.593	63.593
Capital programme	**158.548**	**288.668**	**282.668**	**174.027**	**79.882**
Estimated slippage		(80.000)	(35.000)	(30.000)	30.000
Cumulative slippage		**(80.000)**	**(115.000)**	**(145.000)**	**(115.000)**
Borrowing after slippage	**44.332**	**51.067**	**122.775**	**90.593**	**93.593**
Net financing need for the year	**158.548**	**208.668**	**247.668**	**144.027**	**109.882**

Slippage has been incorporated into the calculations in line with historic patterns of capital spend. Although members approve capital programmes based on annual expenditure, it is not uncommon for projects to be delayed due to, for example, planning issues. In addition, where grants become available, these will be used ahead of borrowing to fund projects.

To better reflect actual likely expenditure, and to help avoid the risk of borrowing in advance of need, an adjustment for slippage has been incorporated into the calculations shown in this strategy.

2.2 The Council's borrowing need (the Capital Financing Requirement)

The second prudential indicator is the Council's Capital Financing Requirement (CFR). The CFR is simply the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's indebtedness and so its underlying borrowing need. Any capital expenditure shown in paragraph 2.1 above, which has not immediately been paid for through a revenue or capital resource, will increase the CFR.

The CFR does not increase indefinitely, as the minimum revenue provision (MRP) is a statutory annual revenue charge which broadly reduces the indebtedness in line with each asset's life, and so charges the economic consumption of capital assets as they are used.

The CFR includes any other long-term liabilities (e.g. PFI schemes, finance leases). Whilst these increase the CFR, and therefore the Council's borrowing requirement, these types of scheme include a borrowing facility by the PFI, PPP lease provider and so the Council is not required to separately borrow for these schemes. The Council currently has £64m of such schemes within the CFR.

The Council is asked to approve the CFR projections below:

£m	2018-19 Actual	2019-20 Estimate	2020-21 Estimate	2021-22 Estimate	2022-23 Estimate
Capital Financing Requirement					
Opening CFR	**738.008**	**777.846**	**824.413**	**937.188**	**999.781**
Net financing need for the year (above)	44.332	51.067	122.775	90.593	93.593
Less MRP and other financing movements	(4.494)	(4.500)	(10.000)	(28.000)	(31.000)
Movement in CFR	**39.838**	**46.567**	**112.775**	**62.593**	**62.593**
Closing CFR	**777.846**	**824.413**	**937.188**	**999.781**	**1,062.374**

A key aspect of the regulatory and professional guidance is that elected members are aware of the size and scope of any commercial activity in relation to the authority's overall financial position.

The capital expenditure figures shown in 2.1 and the details above demonstrate the scope of this activity and, by approving these figures, consider the scale proportionate to the Authority's remaining activity.

2.3 Core funds and expected investment balances

The application of resources (capital receipts, reserves etc.) to either finance capital expenditure or other budget decisions to support the revenue budget will have an ongoing impact on investments unless resources are supplemented each year from new sources (asset sales etc.). Detailed below are estimates of the year-end balances for each resource and anticipated day-to-day cash flow balances.

Year End Resources £m	2018-19 Actual	2019-20 Estimate	2020-21 Estimate	2021-22 Estimate	2022-23 Estimate
Opening investments	**87.629**	**105.000**	**126.033**	**83.258**	**52.665**
Net (use) of reserves, capital grants, working capital etc.	(38.297)	(15.000)	0.000	0.000	0.000
Capital expenditure funded through prudential borrowing	(44.332)	(51.067)	(122.775)	(90.593)	(93.593)
New Borrowing	100.000	87.100	80.000	60.000	60.000
Closing investments	**105.000**	**126.033**	**83.258**	**52.665**	**19.072**

Note: the net use of working capital in 2018-19 included the effect of a pension fund pre-payment made in November 2018.

2.4 Minimum revenue provision (MRP) policy statement

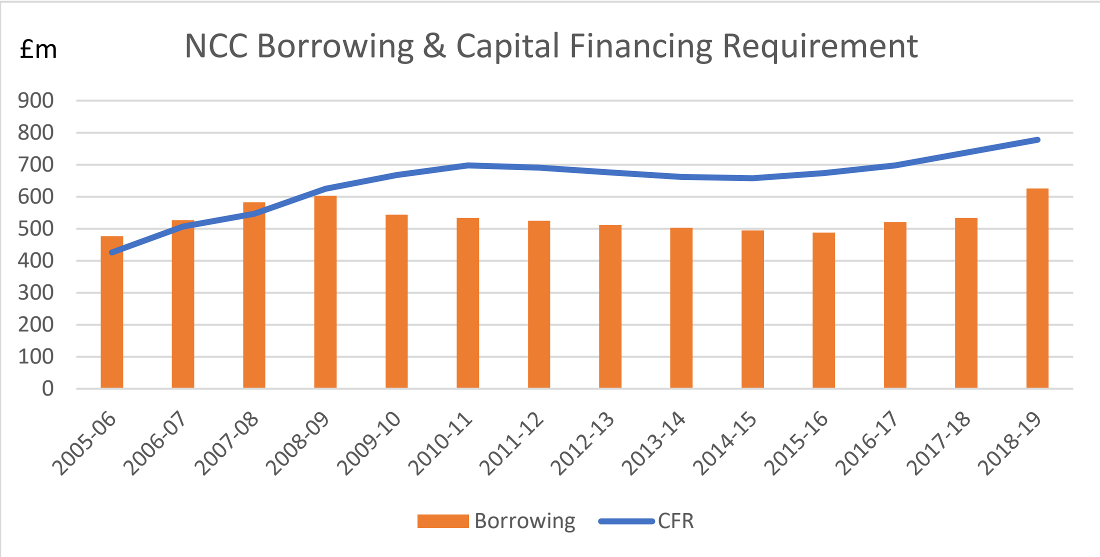
The Council is required to pay off an element of the accumulated General Fund capital spend each year (the CFR) through a revenue charge (the minimum revenue provision - MRP), although it is also allowed to undertake additional voluntary payments if required (voluntary revenue provision - VRP).

MHCLG regulations have been issued which require the full Council to approve **an MRP Statement** in advance of each year. A variety of options are provided to councils, so long as there is a prudent provision. The Council's MRP Statement is unchanged since 2018-19, apart from date changes, and is at Appendix 1.

3 Borrowing

The capital expenditure plans set out in Section 2 provide details of the service activity of the Council. The treasury management function ensures that the Council's cash is organised in accordance with the relevant professional codes, so that sufficient cash is available to meet this service activity and the Council's capital strategy. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities. The strategy covers the relevant treasury / prudential indicators, the current and projected debt positions and the annual investment strategy.

The table below summarises the Council's historic capital financing requirement and borrowing:



3.1 Current portfolio position

The overall treasury management portfolio as at 31 March 2019 and for November 2019 is shown below for both borrowing and investments.

	31 March 2019 £m	30 November 2019 £m
Treasury Investments		
Banks	60.0	100.7
Local authority companies	4.5	3.5
Money Market funds	53.4	80.0
	107.9	**184.2**
Treasury external borrowing		
PWLB	583.2	663.9
Commercial (including LOBOs)	42.2	42.2
	625.4	**706.1**
Net-treasury borrowing	**517.5**	**521.9**

Note: the 31 March column above can be reconciled to the Council's Statement of Accounts by adjusting for uncleared BACS payments on balances, and accrued interest on loans.

At the end of November 2019, the bank deposits were with Barclays, Lloyds and Goldman Sachs International Bank, and the Money Market Funds with Aberdeen and Standard Life.

The Council's forward projections for borrowing are summarised below. The table shows the actual external debt, against the underlying capital borrowing need, (the Capital Financing Requirement - CFR), highlighting any over or under borrowing.

£m	2018-19 Actual	2019-20 Estimate	2020-21 Estimate	2021-22 Estimate	2022-23 Estimate
External Debt					
Debt at 1 April	533.312	625.417	705.646	781.786	827.662
Expected change in Debt - repayments	(7.895)	(6.871)	(3.860)	(14.124)	(17.628)
Expected change in Debt – new borrowing	100.000	87.100	80.000	60.000	60.000
Debt at 31 March	**625.417**	**705.646**	**781.786**	**827.662**	**870.034**
Other long-term liabilities (OLTL) 1 April	68.428	66.226	64.026	72.335	70.130
Expected change in OLTL	(2.202)	(2.200)	8.309	(2.205)	(3.566)
OLTL forecast	**66.226**	**64.026**	**72.335**	**70.130**	**66.564**
Gross debt at 31 March	**691.643**	**769.672**	**854.121**	**897.792**	**936.598**
The Capital Financing Requirement	777.846	824.413	937.188	999.781	1,062.374
Under / (over) borrowing	**86.203**	**54.741**	**83.067**	**101.989**	**125.776**

Within the range of prudential indicators there are a number of key indicators to ensure that the Council operates its activities within well-defined limits. One of these is that the Council needs to ensure that its gross debt does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2020-21 and the following two financial years. This allows some flexibility for limited early borrowing for future years, but ensures that borrowing is not undertaken for revenue or speculative purposes.

The Executive Director of Finance and Commercial Services reports that the Council complied with this prudential indicator in the current year and does not envisage difficulties for the future. This view takes into account current commitments, existing plans, and the proposals in this budget report.

3.2 Treasury Indicators: limits to borrowing activity

The operational boundary. This is the limit beyond which external debt is not normally expected to exceed. In most cases, this would be a similar figure to the CFR, but may be lower or higher depending on the levels of actual debt and the ability to fund under-borrowing by other cash resources.

Operational boundary £m	2019-20 Estimate	2020-21 Estimate	2021-22 Estimate	2022-23 Estimate
Debt	760.387	864.853	929.651	995.810
Other long-term liabilities	64.026	72.335	70.130	66.564
Total	**824.413**	**937.188**	**999.781**	**1,062.374**

The authorised limit for external debt. This is a key prudential indicator and represents a control on the maximum level of borrowing. This represents a legal limit beyond which external debt is prohibited, and this limit needs to be set or revised by the full Council. It reflects the level of external debt which reflects the total approved capital expenditure, plus an allowance for schemes which may be approved in-year:

1. This is the statutory limit determined under section 3(1) of the Local Government Act 2003. The Government retains an option to control either the total of all councils' plans, or those of a specific council, although this power has not yet been exercised.
2. The Council is asked to approve the following authorised limit:

Authorised limit £m	2019-20 Estimate	2020-21 Estimate	2021-22 Estimate	2022-23 Estimate
Debt	878.406	988.096	1,056.134	1,125.601
Other long-term liabilities	70.429	79.569	77.143	73.220
Total	**948.835**	**1,067.664**	**1,133.277**	**1,198.821**

3.3 Prospects for interest rates

The Council has appointed Link Asset Services as its treasury advisor and part of their service is to assist the Council to formulate a view on interest rates. The following table gives their central view.

Link Asset Services Interest Rate View	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23
Bank Rate View	0.75	0.75	0.75	0.75	0.75	1.00	1.00	1.00	1.00	1.00	1.25	1.25	1.25	1.25
3 Month LIBID	0.70	0.70	0.70	0.80	0.90	1.00	1.00	1.00	1.10	1.20	1.30	1.30	1.30	1.30
6 Month LIBID	0.80	0.80	0.80	0.90	1.00	1.10	1.10	1.20	1.30	1.40	1.50	1.50	1.50	1.50
12 Month LIBID	1.00	1.00	1.00	1.10	1.20	1.30	1.30	1.40	1.50	1.60	1.70	1.70	1.70	1.70
5yr PWLB Rate	2.30	2.40	2.40	2.50	2.50	2.60	2.70	2.80	2.90	2.90	3.00	3.10	3.20	3.20
10yr PWLB Rate	2.60	2.70	2.70	2.70	2.80	2.90	3.00	3.10	3.20	3.20	3.30	3.30	3.40	3.50
25yr PWLB Rate	3.20	3.30	3.40	3.40	3.50	3.60	3.70	3.70	3.80	3.90	4.00	4.00	4.10	4.10
50yr PWLB Rate	3.10	3.20	3.30	3.30	3.40	3.50	3.60	3.60	3.70	3.80	3.90	3.90	4.00	4.00

The above forecasts have been based on an assumption that there is an agreed deal on Brexit, including agreement on the terms of trade between the UK and EU. This is a major assumption and so forecasts may need to be materially reassessed in the light of events over the coming weeks or months.

Investment and borrowing rates

- Investment returns are likely to remain low during 2020-21 with little increase in the following two years. However, if major progress is made with an agreed Brexit, then there is upside potential for earnings.
- PWLB borrowing interest rates were on a major falling trend during the first half of 2019-20 but then jumped up by 100 bps (1%) on 9 October 2019 (see below).
- The policy of avoiding new borrowing by running down spare cash balances has served local authorities well over the last few years. However, the unexpected increase of 100 bps in PWLB rates requires a major rethink of local authority treasury management strategy and risk management.
- While this authority will not be able to avoid borrowing to finance new capital expenditure, there will be a cost of carry, (the difference between higher borrowing costs and lower investment returns), to any new short or medium-term borrowing that causes a temporary increase in cash balances as this position will, most likely, incur a higher revenue cost.

PWLB rates / alternative source of borrowing

- During the first half of 2019-20 to 30 September, gilt yields plunged and caused a near halving of longer term PWLB rates to completely unprecedented historic low levels.
- Following the decision by the PWLB on 9 October 2019 to increase their margin over gilt yields by 100 bps to 180 basis points on loans lent to local authorities, consideration will need to be given to sourcing funding at potentially cheaper rates from the following:

  - Local authorities (primarily shorter dated maturities)
  - Financial institutions (primarily insurance companies and pension funds but also some banks, based on spot or forward dates)
  - Municipal Bonds Agency (no issuance at present but there is potential)

- The degree which any of these options prove available, appropriate and cheaper than the PWLB Certainty Rate is still evolving at the time of writing and our advisors will keep us informed.

3.4 Borrowing strategy

The Council is currently maintaining an under-borrowed position. This means that the capital borrowing need (the Capital Financing Requirement "CFR"), has not been fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as investment returns are low and counterparty risk is still an issue that needs to be considered.

Interest rate exposure on borrowing is currently managed by borrowing in tranches which roughly match the increase in the Council's CFR over time. This takes advantage of historically low interest rates currently available, but takes into account the revenue cost of carry of unnecessary borrowing.

Against this background and the risks within the economic forecast, caution will be adopted with the 2020-21 treasury operations. The Executive Director of Finance and Commercial Services will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances:

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

- *if it was felt that there was a significant risk of a much sharper RISE in long and short term rates than that currently forecast,* perhaps arising from an acceleration in the rate of increase in central rates in the USA and UK, an increase in world economic activity, or a sudden increase in inflation risks, then the portfolio position will be re-appraised. Most likely, fixed rate funding will be drawn in regular tranches whilst interest rates are lower than they are projected to be in the next few years.

Any decisions will be reported to Cabinet at the next available opportunity.

3.5 Policy on borrowing in advance of need

The Council will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates, and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds.

Risks associated with any borrowing in advance activity will be subject to prior appraisal and subsequent reporting through the mid-year or annual reporting mechanism.

3.6 Debt rescheduling

Rescheduling of current borrowing in our debt portfolio is unlikely to occur as the 1% increase in PWLB rates in October 2019 only applied to new borrowing rates and not to premature debt repayment rates. This has in effect kept redemptions terms the same but increasing replacement costs to the extent that there is no financial benefit in rescheduling debt at present.

The portfolio will continue to be kept under review for opportunities and if circumstances change, any rescheduling will be reported to Cabinet at the earliest opportunity.

4 Annual investment strategy

4.1 Investment policy – management of risk

The MHCLG and CIPFA have extended the meaning of 'investments' to include both financial and non-financial investments. This section deals solely with financial investments as managed by the treasury management team. Non-financial investments, including loans made for capital purposes, are covered in the Capital Strategy.

The Council's investment policy has regard to the following: -

- MHCLG's Guidance on Local Government Investments ("the Guidance")
- CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2017 ("the Code")
- CIPFA Treasury Management Guidance Notes 2018

The Council's investment priorities will be security first, portfolio liquidity second and then yield.

The above guidance from the MHCLG and CIPFA place a high priority on the management of risk. This authority has adopted a prudent approach to managing risk and defines its risk appetite by the following means:

1. Minimum acceptable credit criteria are applied in order to generate a list of highly creditworthy counterparties. This also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the short term and long-term ratings. A comparative analysis of ratings from different agencies is shown as Appendix 2, and an indicative list of approved counterparties as Appendix 3.

2. Other information: ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To achieve this consideration the Council will engage with its advisors to maintain a monitor on market pricing such as "credit default swaps" and overlay that information on top of the credit ratings.

3. **Other information sources** used will include the financial press, share price and other such information pertaining to the banking sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.

4. This authority has defined the list of **types of investment instruments** that the treasury management team are authorised to use including 'specified' and 'non-specified' investments.

    - **Specified investments** are those with a high level of credit quality and subject to a maturity limit of one year.
    - **Non-specified investments** are those with less high credit quality, may be for periods in excess of one year, and/or are more complex instruments which require greater consideration by members and officers before being authorised for use.

5. **Lending limits**, (amounts and maturity), for each counterparty will be set through applying the matrix table in Appendix 4.

6. This authority will set a limit for the amount of its investments which are invested for **longer than 365 days**, (see paragraph 4.4).

7. The Council will only use non-UK banks from countries with a minimum sovereign rating of AA+ (Appendix 7). The sovereign rating of AA+ must be assigned by one of the three credit rating agencies. No more than £30m will be placed with any individual non-UK country at any time.

8. This authority has engaged **external consultants**, (see paragraph 1.5), to provide expert advice on how to optimise an appropriate balance of security, liquidity and yield, given the risk appetite of this authority in the context of the expected level of cash balances and need for liquidity throughout the year.

9. All cash invested by the County Council will be either Sterling or Euro deposits (including Sterling certificates of deposit) or Sterling Treasury Bills invested with banks and other institutions in accordance with the Approved Authorised Counterparty List. The inclusion of Euro deposits enables the County Council to effectively manage (subject to European Central Bank deposit rates) Euro cash balances held for schemes such as the France-Channel-England Project.

10. As a result of the change in accounting standards for 2018-19 under IFRS 9, this authority will consider the implications of investment instruments which could result in an adverse movement in the value of the amount invested and resultant charges at the end of the year to the General Fund.

11. In November 2018, the Ministry of Housing, Communities and Local Government ("MHCLG"), concluded a consultation for a temporary IFRS9 override to allow English local authorities time to adjust their portfolio of all pooled investments by announcing a statutory override to delay implementation of IFRS 9 for five years to 31 March 2023. At the time of writing the Council has no pooled investments.

This authority will pursue value for money in treasury management and will monitor the yield from investment income against appropriate benchmarks for investment performance, (see paragraph 4.5). Regular monitoring of investment performance will be carried out during the year.

4.2 Creditworthiness policy

The primary principle governing the Council's investment criteria is the security of its investments, although the yield or return on the investment is also a key consideration. After this main principle, the Council will ensure that:

- It maintains a policy covering both the categories of investment types it will invest in, criteria for choosing investment counterparties with adequate security, and monitoring their security. This is set out in the specified and non-specified investment sections below; and
- It has sufficient liquidity in its investments. For this purpose it will set out procedures for determining the maximum periods for which funds may prudently be committed. These procedures also apply to the Council's prudential indicators covering the maximum principal sums invested.

The Executive Director of Finance and Commercial Services will maintain a counterparty list in compliance with the following criteria and will revise the criteria and submit them to Council for approval as necessary. These criteria are separate to that which determines which types of investment instrument are either specified or non-specified as it provides an overall pool of counterparties considered high quality which the Council may use, rather than defining what types of investment instruments are to be used.

Credit rating information is supplied by Link Asset Services, our treasury advisors, on all active counterparties that comply with the criteria below. Any counterparty failing to meet the criteria would be omitted from the counterparty (dealing) list.

Any rating changes, rating Watches (notification of a likely change), rating Outlooks (notification of the longer-term bias outside the central rating view) are provided to officers almost immediately after they occur and this information is considered before dealing.

The criteria for providing a pool of high-quality investment counterparties, (both specified and non-specified investments) is:

- **Banks:**

(i) **UK Banks** requires both the short and long term ratings issued by at least one of the three rating agencies (Fitch, S&P or Moody's) to remain at or above the minimum credit rating criteria.

UK Banks	**Fitch**	**Standard & Poors**	**Moody's**
Short Term Ratings	F1	A-1	P-1
Long Term Ratings	A-	A-	A3

(ii) Non-UK Banks requires both the short and long term ratings issued by at least one of the three rating agencies (Fitch, S&P or Moody's) to remain at or above the minimum credit rating criteria and a sovereign rating of AA+ assigned by one of the three credit rating agencies.

Non-UK Banks	**Fitch**	**Standard & Poors**	**Moody's**
Short Term Ratings	F1+	A-1+	P-1
Long Term Ratings	AA-	AA-	Aa3

- **Part Nationalised UK Bank:** Royal Bank of Scotland Group. This bank is included while it continues to be part nationalised or it meets the ratings for UK Banks above.

- **The County Council's Corporate Banker:** if the rating for the Council's corporate banker (currently Barclays) falls below the above criteria, sufficient balances will be retained to fulfil transactional requirements. Other than this, balances will be minimised in both monetary size and time invested.

- **Building Societies:** The County Council will use Building Societies which meet the ratings for UK Banks outlined above.

- **Money Market Funds (MMFs)**: which are rated AAA by at least two of the three major rating agencies. MMF's are 'pooled funds' investing in high-quality, high-liquidity, short-term securities such as treasury bills, repurchase agreements and certificate of deposits. Funds offer a high degree of counterparty diversification that include both UK and Overseas Banks. Following money market reforms, MMFs will be allocated to sub-categories (CNAV, LNAV and VNAV) to meet more stringent liquidity regulations. However, the Council will continue to apply the same minimum rating criteria.

- **UK Government:** including the Debt Management Account Deposit Facility & Sterling Treasury Bills. Sterling Treasury Bills are short-term (up to six months) 'paper' issued by the UK Government. In the same way that the Government issues Gilts to meet long term funding requirements, Treasury Bills are used by Government to meet short term revenue obligations. They have the security of being issued by the UK Government.

- **Local Authorities, Parish Councils etc.:** Includes those in England and Wales (as defined in Section 23 of the Local Government Act 2003) or a similar body in Scotland or Northern Ireland.

- **Wholly owned companies: The Norse Group, Hethel Innovation Limited and Repton Property Developments Limited, Independence Matters CIC, NCC Nurseries Limited, NCC HH Limited:** short-term loan arrangements made in accordance with approved service level agreements and the monetary and duration limits detailed below in Appendix 4.

- **Property funds (where not classed as capital expenditure)**: these are long term, and relatively illiquid funds, expected to yield both rental income and capital gains. The use of certain property funds can be deemed capital expenditure, and as such would be an application (spending) of capital resources. This Authority will seek guidance on the status of any fund it may consider using. Appropriate due diligence will also be undertaken before investment of this type is undertaken.

- **Ultra-Short Dated Bond Funds** will use funds that are AAA rated and only after due diligence has been undertaken.

- **Corporate Bonds:** These are bonds issued by companies to raise long term funding other than via issuing equity. Investing in corporate bonds offers a fixed stream of income, paid at half yearly intervals. Appropriate due diligence will also be undertaken before investment of this type is undertaken.

- **Corporate bond funds:** Pooled funds investing in a diversified portfolio of corporate bonds, so provide an alternative to investing directly in individual corporate bonds. Minimum long-term rating of A- to be used consistent with criteria for UK banks. Appropriate due diligence will also be undertaken before investment of this type is undertaken.

- **UK Government Gilt funds:** A gilt is a UK Government liability in sterling, issued by HM Treasury and listed on the London Stock Exchange. They can be either "conventional" or index linked. Using a fund can mitigate some of the risk of potential large movements in value.

Use of additional information other than credit ratings. Additional requirements under the Code require the Council to supplement credit rating information. Whilst the above criteria relies primarily on the application of credit ratings to provide a pool of appropriate counterparties for officers to use, additional operational market information will be applied before making any specific investment decision from the agreed pool of counterparties. This additional market information (for example Credit Default Swaps, negative rating Watches/Outlooks) will be applied to compare the relative security of differing investment counterparties.

Time and monetary limits applying to investments. The time and monetary limits for institutions on the Council's counterparty list are set out in Appendix 4.
The proposed criteria for specified and non-specified investments are shown in Appendix 6.

UK banks – ring fencing
The largest UK banks, (those with more than £25bn of retail / Small and Medium-sized Enterprise (SME) deposits), have been required, by UK law, to separate core retail banking services from their investment and international banking activities since 1st January 2019. This is known as "ring-fencing". Whilst smaller banks with less than £25bn in deposits are exempt, they can choose to opt up. Several banks are very close to the threshold already and so may come into scope in the future regardless.

Ring-fencing is a regulatory initiative created in response to the global financial crisis. It mandates the separation of retail and SME deposits from investment banking, in order to improve the resilience and resolvability of banks by changing their structure. In general, simpler, activities offered from within a ring-fenced bank, (RFB), will be focused on lower risk, day-to-day core transactions, whilst more complex and "riskier" activities are required to be housed in a separate entity, a non-ring-fenced bank, (NRFB). This is intended to ensure that an entity's core activities are not adversely affected by the acts or omissions of other members of its group.

While the structure of the banks included within this process may have changed, the fundamentals of credit assessment have not. The Council will continue to assess the new-formed entities in the same way that it does others and those with sufficiently high ratings, (and any other metrics considered), will be considered for investment purposes.

4.3 Other limits

Due care will be taken to consider the exposure of the Council's total investment portfolio to non-specified investments, countries, groups and sectors.

a) **Non-specified investment limit.** The Council has set limits for non-specified investments in accordance with the criteria set out in Appendix 6. For example, they are bound by the limits for investments set out in Appendix 4 and the upper limit for principal sums invested for longer than 365 days shown in paragraph 4.4. This ensures that non-specified investments are only made within appropriate quality and monetary limits.

b) **Country limit.** The Council has determined that it will only use approved counterparties from the UK and from countries with a minimum sovereign credit rating of *AA-.*

c) **Other limits.** In addition:
   - no more than £30m will be placed with any non-UK country at any time;
   - limits in place above will apply to a group of companies.

4.4 Investment strategy

In-house funds. Investments will be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates (i.e. rates for investments up to 12 months). Greater returns are usually obtainable by investing for longer periods. While most cash balances are required in order to manage the ups and downs of cash flow, where cash sums can be identified that could be invested for longer periods, the value to be obtained from longer term investments will be carefully assessed.

- If it is thought that Bank Rate is likely to rise significantly within the time horizon being considered, then consideration will be given to keeping most investments as being short term or variable.
- Conversely, if it is thought that Bank Rate is likely to fall within that time period, consideration will be given to locking in higher rates currently obtainable, for longer periods.

Investment returns expectations.

Bank Rate is forecast to increase steadily but slowly over the next few years to reach 1.00% by quarter 1 2023. Bank Rate forecasts for financial year ends (March) are:

- Q1 2020-21 0.75%
- Q1 2021-22 1.00%
- Q1 2022-23 1.00%

The suggested budgeted investment earnings rates for returns on investments placed for periods up to about three months during each financial year are as follows:

2019/20	0.75%
2020/21	0.75%
2021/22	1.00%
2022/23	1.25%
2023/24	1.50%
2024/25	1.75%
Later years	2.25%

- The overall balance of risks to economic growth in the UK is probably to the downside due to the weight of all the uncertainties over Brexit, as well as a softening global economic picture.
- The balance of risks to increases in Bank Rate and shorter term PWLB rates are broadly similarly to the downside.
- In the event that a Brexit deal is agreed with the EU and approved by Parliament, the balance of risks to economic growth and to increases in Bank Rate is likely to change to the upside.

Investment treasury indicator and limit - total principal funds invested for greater than 365 days. These limits are set with regard to the Council's liquidity requirements and to reduce the need for early sale of an investment, and are based on the availability of funds after each year-end.

The Council is asked to approve the following treasury indicator and limit:

Upper limit for principal sums invested for longer than 365 days			
£m	**2020-21**	**2021-22**	**2022-23**
Principal sums invested for longer than 365 days	£100m	£100m	£100m
Current investments >365 days as at 30 November 2019	-	-	-

For its cash flow generated balances, the Council uses notice accounts, money market funds and short-dated deposits, (overnight to 100 days) in order to benefit from the compounding of interest whilst maintaining adequate liquidity.

4.5 Investment risk benchmarking

This Council will use an investment benchmark to assess the investment performance of its investment portfolio of 7 day, 3, 6 and 12 month London Interbank Bid Rate (LIBID).

The most appropriate comparator at any point will depend on levels of cash balances and immediate liquidity requirements during the year.

4.6 Non-treasury investments

Although this section of the report does not specifically cover non-treasury investments, a summary of non-treasury loans is included at Appendix 10. This appendix shows that the impact of these loans on the Council's revenue budget is not material in comparison to its turnover.

4.7 End of year investment report

At the end of the financial year, the Council will report on its investment activity as part of its Annual Treasury Outturn Report.

5 Appendices

Appendix 1 - Minimum Revenue Provision Statement

Appendix 2 - Ratings comparative analysis

Appendix 3 - Indicative List of Approved Counterparties for Lending

Appendix 4: Time and monetary limits applying to investments

Appendix 5: The Capital and Treasury Prudential Indicators

Appendix 6: Credit and counterparty risk management

Appendix 7: Approved Countries for Investments

Appendix 8: Treasury Management Scheme of Delegation

Appendix 9: The Treasury Management Role of the Section 151 Officer

Appendix 10: Non-treasury investments

Appendix 1 - Minimum Revenue Provision Statement 2020-21

A1 Regulations issued by the Department of Communities and Local Government in 2008 require the Council to approve a Minimum Revenue Provision (MRP) statement in advance of each year.

A2 Members are asked to approve the MRP statement annually to confirm that the means by which the Council plans to provide for repayment of debt are satisfactory. Any revisions to the original statement must also be issued. Proposals to vary the terms of the original statement during the year should also be approved.

A3 MRP is the provision made in the Council's revenue budget for the repayment of borrowing used to fund capital expenditure - the Council has a statutory duty to determine an amount of MRP which it considers to be prudent, having regard to guidance issued by the Secretary of State.

A4 In 2020-21:

- For capital expenditure incurred before 1 April 2007 which is supported by Formula Grant (supported borrowing), the MRP policy will be to provide the amount to set aside calculated in equal instalments over 50 years.
- For all capital expenditure since that date which is supported by Formula Grant (supported borrowing), the MRP policy will be to provide the amount to set aside calculated in equal instalments over 50 years from the year set aside is first due.
- In calculating the amounts on which set aside is to be made pre 1 April 2007 Adjustment A will be applied.
- The over-provision identified by the change will be released in a phased manner until 2021-22, to the extent that it has not been fully used.
- For expenditure since 1 April 2008, the MRP policy for schemes funded through borrowing will be to base the minimum provision on the estimated life of the assets in accordance with the guidance issued by the Secretary of State.
- Having identified the total amount to be set aside for previously unfunded capital expenditure the Council will then decide how much of that to fund from capital resources with the residual amount being the MRP for that year.

A5 Where loans are made to third parties for capital purposes, the capital receipt received as a result of each repayment of principal, under the terms of the loan, will be set aside in order to re-pay NCC borrowing and to reduce the Capital Financing Requirement accordingly. MRP will only be accounted for if an accounting provision has been made for non-repayment of the loan or if there is a high degree of uncertainty regarding the repayment. This arrangement will also be applied where a third party has committed to underwrite the debt costs of a specific project through amounts reserved for capital purposes.

A6 The Council will continue to make provision at least equal to the amount required to ensure that each debt maturity is met.

Appendix 2 - Ratings comparative analysis

Moody's		S&P		Fitch		
Long-term	**Short-term**	**Long-term**	**Short-term**	**Long-term**	**Short-term**	
Aaa	P-1	AAA	A-1+	AAA	F1+	Prime
Aa1		AA+		AA+		High grade
Aa2		AA		AA		
Aa3		AA-		AA-		
A1		A+	A-1	A+	F1	Upper medium grade
A2		A		A		
A3	P-2	A-	A-2	A-	F2	
Baa1		BBB+		BBB+		Lower medium grade
Baa2	P-3	BBB	A-3	BBB	F3	
Baa3		BBB-		BBB-		
Ba1	Not prime	BB+	B	BB+	B	Non-investment grade speculative
Ba2		BB		BB		
Ba3		BB-		BB-		
B1		B+		B+		Highly speculative
B2		B		B		
B3		B-		B-		
Caa1		CCC+	C	CCC	C	Substantial risks
Caa2		CCC				Extremely speculative
Caa3		CCC-				In default with little prospect for recovery
Ca		CC				
		C				
C		D	/	DDD	/	In default
/				DD		
/				D		

Appendix 3 - Indicative List of Approved Counterparties for Lending

UK Banks

Barclays Bank
Bank of Scotland Plc (*)
Close Brothers
Goldman Sachs
Santander UK
Lloyds TSB Bank (*)
HSBC Bank Group

Non-UK Banks

Australia:
- Australia & New Zealand Banking Group
- Commonwealth Bank of Australia
- National Australia Bank Limited

Canada:
- Toronto-Dominion Bank

Germany:
- DZ Bank AG
- Landesbank Baden-Wuerttemberg
- Landesbank Hessen-Thueringen Girozentrale

Netherlands:
- Rabobank

Singapore:
- DBS Bank Ltd
- Oversea-Chinese Banking Corp
- United Overseas Bank Limited

Sweden:
- Svenska Handelsbanken

Part Nationalised UK Banks

Royal Bank of Scotland(#)
National Westminster(#)

UK Building Societies

Coventry BS
Leeds BS
Nationwide BS
Yorkshire BS

Money Market Funds

Aberdeen Standard Investments
Federated Investors

UK Government

Debt Management Account Deposit Facility
Sterling Treasury Bills
Local Authorities, Parish Councils

Other – Group companies (non-capital)

The Norse Group
Hethel Innovation Limited
Repton Property Developments
Independence Matters CIC
NCC Nurseries Limited
NCC HH Limited

Note: (*) (#) A 'Group Limit is operated whereby the collective investment exposure of individual banks within the same banking group is restricted to a group total.

Appendix 4: Time and monetary limits applying to investments

The time and monetary limits for institutions on the Council's counterparty list are as follows (these will cover both specified and non-specified investments):

COUNTERPARTY	NCC LENDING LIMIT (£m)	OTHER BODIES LENDING LIMIT (£m)	TIME LIMIT
UK Banks	£60m	£30m	**Up to 3 Years** (see notes below)
Non-UK Banks	£30m	£20m	**1 Year**
Royal Bank of Scotland / Nat. West. Group	£60m	£30m	**2 Years**
Building Societies	£30m	£20m	**1 Year**
MMFs - CNAV	£60m (per Fund)	£30m (per Fund)	**Instant Access**
MMFs - LNVAV			**Instant Access**
MMFs - VNAV			**Instant Access**
Debt Management Account Deposit Facility	Unlimited	Unlimited	**6 Months (being max period available)**
Sterling Treasury Bills	Unlimited	Unlimited	**6 Months (being max period available)**
Local Authorities	Unlimited (individual authority limit £20m)	Unlimited (individual authority limit £10m)	**3 Years**
The Norse Group	£15m	Nil	**1 Year**
Hethel Innovation Limited	£0.5m	Nil	**1 Year**
Repton Property Developments Limited	£1.0m	Nil	**1 Year**
Independence Matters CIC	£1.0m	Nil	**1 Year**
NCC Nurseries Limited	£0.250m	Nil	**1 Year**
NCC HH Limited	£0.250m	Nil	**1 Year**
Property Funds	£10m in total	Nil	**Not fixed**
Ultra short dated bond funds	£5m in total	Nil	**3 years**
Corporate bonds	£5m in total	Nil	**3 years**
Corporate bond funds	£5m in total	Nil	**3 years**
UK Government Gilts / Gilt Funds	£5m in total	Nil	**3 years**

Notes:

- In addition to individual institutional lending limits, 'Group Limits' are used whereby the collective investment exposure of individual banks within the same banking group is restricted to a group total lending limit. For example, in the case of Lloyds TSB and Bank of Scotland, the group lending limit for the Lloyds Banking Group is £60M.

- The maximum deposit period for UK Banks is based on the following tiered credit rating structure:

Long Term Credit Rating (Fitch or equivalent) assigned by at least one of the three credit rating agencies	Maximum Duration
AA-	Up to 3 years
A	Up to 2 years
A-	Up to 1 year

  Deposits may be placed with the Royal Bank of Scotland as a UK Part Nationalised Bank and Local Authorities may be made for periods of 2 and 3 years respectively.

- The Council will only use non-UK banks from countries with a minimum sovereign rating of AA+ The sovereign rating of AA+ must be assigned by one of the three credit rating agencies. No more than £30m will be placed with any individual non-UK country at any time. Approved countries for investments are shown at Appendix 7.

- For monies invested on behalf of the Norse Group, Independence Matters and Norfolk Pension Fund there is a maximum monetary limit of £10m per counterparty. Operationally funds are diversified further as agreed with the individual bodies.

- Long-term loans to the Norse Group and other subsidiary companies are approved as part of the Council's capital programme.

- The use of property funds, bonds and bond funds, gilts and gilt funds will be subject to appropriate due diligence.

- Certain property funds may be classed as a capital investment. If this is the case then they will be approved via the capital programme. If the fund is classed as revenue, then the IFRS 9 implications will be fully considered: unless the DCLG specifies otherwise, any surpluses or losses will become chargeable to the Council's general fund on an annual basis.

Appendix 5: The Capital and Treasury Prudential Indicators

The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans.

Capital expenditure £m	**2018-19 Actual**	**2019-20 Estimate**	**2020-21 Estimate**	**2021-22 Estimate**	**2022-23 Estimate**
Adult Social Care	31.289	84.467	14.726	4.500	20.000
Children's Services	11.927	14.103	82.477	69.643	20.050
CES Highways	81.954	105.888	86.280	52.246	33.380
CES Other	15.499	30.466	41.109	14.876	1.729
Finance and Comm. Servs	17.879	53.744	57.976	32.712	4.373
Strategy and Governance			0.100	0.050	0.350
Total	**158.548**	**288.668**	**282.668**	**174.027**	**79.882**
Loans to companies included in Finance and Comm Servs above	**2.132**	**15.500**	**10.000**	**0.000**	**0.000**
GNGB supported borrowing to developers	**1.951**	**13.739**	**0.000**	**0.000**	**0.000**
Loans as a percentage	*3%*	*10%*	*4%*	*0%*	*0%*

Non-treasury investments – proportionality

The table above demonstrates that loans to companies and developers, as a percentage of all capital expenditure, are a relatively low proportion and therefore do not present undue risk in the context of the programme overall.

Affordability prudential indicators

The previous sections cover the overall capital and control of borrowing prudential indicators, but within this framework prudential indicators are required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the Council's overall finances. The Council is asked to approve the following indicators:

Ratio of financing costs to net revenue stream

This indicator identifies the trend in the cost of capital, (borrowing and other long-term obligation costs net of investment income), against the net revenue stream.

%	**2018-19 Actual**	**2019-20 Estimate**	**2020-21 Estimate**	**2021-22 Estimate**	**2022-23 Estimate**
Financing costs (net)	31.419	33.497	41.013	59.013	62.013
Net revenue costs	649.125	675.487	707.146	722.973	737.466
Percentage	4.8%	5.0%	5.8%	8.2%	8.4%

The estimates of financing costs include current commitments and budget proposals. The % increase between 2019-20 and 2021-22 represents MRP previously overpaid being fully used in 2020-21.

The Prudential Code 2013 acknowledged that the "Financing Costs to Net Revenue Stream" indicator may be more problematic for some authorities regarding the level of government support for capital spends. In these instances, it is suggested that a narrative explaining the indicator may be helpful. At this stage, it is considered that the table above does provide useful information.

Maturity structure of borrowing

Maturity structure of borrowing. These gross limits are set to reduce the Council's exposure to large fixed rate sums falling due for refinancing, and are required for upper and lower limits.

The Council is asked to approve the following treasury indicators and limits:

Maturity structure of fixed interest rate borrowing 2019-20		
	Lower	**Upper**
Under 12 months	0%	10%
12 months to 2 years	0%	10%
2 years to 5 years	0%	10%
5 years to 10 years	0%	20%
10 years to 20 years	10%	30%
20 years to 30 years	10%	30%
30 years to 40 years	10%	30%
40 years to 50 years	10%	40%
Maturity structure of variable interest rate borrowing 2019-20		
	Lower	Upper
Under 12 months	0%	10%
12 months to 2 years	0%	10%
2 years to 5 years	0%	10%
5 years to 10 years	0%	10%
10 years to 20 years	0%	10%
20 years to 30 years	0%	10%
30 years to 40 years	0%	10%
40 years to 50 years	0%	10%

The percentages shown in the table above are proportions of total borrowing.

Control of interest rate exposure: The above table, combined with an explanation in paragraph 3.2 and the limits described in Appendices 3 and 4 indicate how the authority manages its interest rate exposure.

Appendix 6: Credit and counterparty risk management

The MHCLG issued Investment Guidance in 2018, and this forms the structure of the Council's policy below. These guidelines do not apply to either trust funds or pension funds which operate under a different regulatory regime.

The key intention of the Guidance is to maintain the current requirement for councils to invest prudently, and that priority is given to security and liquidity before yield. In order to facilitate this objective the guidance requires this Council to have regard to the CIPFA publication Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes. This Council has adopted the Code and will apply its principles to all investment activity. In accordance with the Code, the Executive Director of Finance and Commercial Services has produced its treasury management practices (TMPs). This part, covering investment counterparty policy requires approval each year.

Annual investment strategy - The key requirements of both the Code and the investment guidance are to set an annual investment strategy, as part of its annual treasury strategy for the following year, covering the identification and approval of following:

- The strategy guidelines for choosing and placing investments, particularly non-specified investments.
- The principles to be used to determine the maximum periods for which funds can be committed.
- Specified investments that the Council will use. These are high security (i.e. high credit rating, although this is defined by the Council, and no guidelines are given), and high liquidity investments in sterling and with a maturity of no more than a year.
- Non-specified investments, clarifying the greater risk implications, identifying the general types of investment that may be used and a limit to the overall amount of various categories that can be held at any time.

The investment policy proposed for the Council is:

Strategy guidelines – The main strategy guidelines are contained in the body of the treasury strategy statement.

Specified investments – These investments are sterling investments of not more than one-year maturity, or those which could be for a longer period but where the Council has the right to be repaid within 12 months if it wishes. These are considered low risk assets where the possibility of loss of principal or investment income is small. These would include sterling investments which would not be defined as capital expenditure with:

1. The UK Government (such as the Debt Management Account deposit facility, UK treasury bills or a gilt with less than one year to maturity).
2. Supranational bonds of less than one year's duration.
3. A local authority, housing association, parish council or community council.
4. Pooled investment vehicles (such as money market funds) that have been awarded a high credit rating by a credit rating agency.
5. A body that is considered of a high credit quality (such as a bank or building society).

Within these bodies, and in accordance with the Code, the Council has set additional criteria to set the time and amount of monies which will be invested in these bodies. These criteria are shown in detail in Appendix 4.

Non-specified investments –are any other type of investment (i.e. not defined as specified above). The identification and rationale supporting the selection of these other investments and the maximum limits to be applied are set out below. Non specified investments would include any sterling investments with:

	Non Specified Investment Category	Limit (£ or %)
a.	**Supranational bonds greater than 1 year to maturity** **(a) Multilateral development bank bonds -** These are bonds defined as an international financial institution having as one of its objects economic development, either generally or in any region of the world (e.g. European Reconstruction and Development Bank etc.). **(b) A financial institution that is guaranteed by the United Kingdom Government** (e.g. National Rail, the Guaranteed Export Finance Company {GEFCO}) The security of interest and principal on maturity is on a par with the Government and so very secure. These bonds usually provide returns above equivalent gilt edged securities. However the value of the bond may rise or fall before maturity and losses may accrue if the bond is sold before maturity.	Not currently included as approved investment
b.	**Gilt edged securities** with a maturity of greater than one year. These are Government bonds and so provide the highest security of interest and the repayment of principal on maturity. Similar to category (a) above, the value of the bond may rise or fall before maturity and losses may accrue if the bond is sold before maturity.	Ref Appendix 4
c.	**The Council's own banker** if it fails to meet the basic credit criteria. In this instance balances will be minimised as far as is possible.	Ref Appendix 4
d.	**Building societies not meeting the basic security requirements under the specified investments**. The operation of some building societies does not require a credit rating, although in every other respect the security of the society would match similarly sized societies with ratings.	Not currently included as approved investment
e.	Any **bank or building society** that meets minimum long-term credit ratings, for deposits with a maturity of greater than one year (including forward deals in excess of one year from inception to repayment).	Ref Appendix 4
f.	**Share capital** in a body corporate – The use of these instruments will be deemed to be capital expenditure, and as such will be an application (spending) of capital resources. Revenue resources will not be invested in corporate bodies. This Authority would seek further advice on the appropriateness and associated risks with investments in these categories.	Not currently included as approved treasury investment.
g.	**Loan capital** in a body corporate. The use of these loans to subsidiaries and other companies will normally be deemed to be capital expenditure. However, working capital loans are dealt with under Treasury Management arrangements. This Authority would seek further advice on the appropriateness and associated risks with investments in these categories.	Ref Appendix 4
h.	**Bond funds.** These are specialist products, and the Authority will seek guidance on the status of any fund it may consider using.	Ref Appendix 4

i.	**Property funds** – The use of these instruments can be deemed to be capital expenditure, and as such will be an application (spending) of capital resources. This Authority will seek guidance on the status of any fund it may consider using.	Ref Appendix 4

The monitoring of investment counterparties - The credit rating of counterparties will be monitored regularly. The Council receives credit rating information (changes, rating watches and rating outlooks) from Link Asset Services as and when ratings change, and counterparties are checked promptly. On occasion ratings may be downgraded when an investment has already been made. The criteria used are such that a minor downgrading should not affect the full receipt of the principal and interest. Any counterparty failing to meet the criteria will be removed from the list immediately by the Executive Director of Finance and Commercial Services, and if required new counterparties which meet the criteria will be added to the list.

Use of external fund managers – at the time of writing the Council does not use or plan to use external fund managers.

Appendix 7: Approved Countries for Investments

AAA
- Australia
- Canada
- Denmark
- Germany
- Luxembourg
- Netherlands
- Norway
- Singapore
- Sweden
- Switzerland

AA+
- Finland
- U.S.A.

AA
- Abu Dhabi (UAE)
- France
- Hong Kong
- U.K.

AA-
- Belgium
- Qatar

Appendix 8: Treasury Management Scheme of Delegation

(i) Full Council

- approve the Policy Framework and the strategies and policies that sit within it (Source: Council constitution);
- Note: the Policy Framework includes "Annual investment and treasury management strategy".

(ii) Cabinet member responsibilities

To collectively take executive responsibility, with particular regard to meetings of the Cabinet, for developing and proposing overall strategy, budgets and policy implementation (Source: Norfolk County Council role profiles).

(iii) Audit Committee

- Consider the effectiveness of the governance, control and risk management arrangements for Treasury Management and ensure that they meet best practice. (Source: Audit Committee Terms of Reference)

(iv) Treasury Management Panel

The Panel's terms of reference are to:

- consider and comment on the draft Annual Investment and Treasury Strategy prior to its submission to Cabinet and full Council
- receive detailed reports on the Council's treasury management activity, including reports on any proposed changes to the criteria for "high" credit rated institutions in which investments are made and the lending limits assigned to different counterparties
- receive presentations and reports from the Council's Treasury Management advisers, Link Asset Services
- consider the draft Treasury Management Annual Report prior to its submission to Cabinet and full Council.

(v) Executive Director of Finance and Commercial Services

- "responsible for the proper administration of the financial affairs of the Council including … investments, bonds, loans, guarantees, leasing, borrowing (including methods of borrowing),

  (Source: Scheme of delegated powers to officers)

  See Appendix 9 for detailed responsibilities.

Appendix 9: The Treasury Management Role of the Section 151 Officer

The S151 (responsible) officer is the Executive Director of Finance and Commercial Services. Responsibilities include:

Constitution – officer roles

- Have responsibility for the administration of the financial affairs of the Council and be the Section 151 Officer.
- Statutory responsibilities of the Chief Finance Officer (Section 151 officer) Budgeting and Financial Management, Exchequer Services, Pensions, Investment and Treasury Management, Risk & Insurance, Property, Audit. ICT and Procurement and Transactional Services.

Financial Regulations

- execution and administration of treasury management decisions, including decisions on borrowing, investment, financing (including leasing) and maintenance of the counter party list.
- prepare for County Council an annual strategy and plan in advance of the year, a mid-year review and an annual report.
- regularly report to the Treasury Management Panel and the Cabinet on treasury management policies, practices, activities and performance monitoring information.
- monitoring performance against prudential indicators, including reporting significant deviations to the Cabinet and County Council as appropriate.
- ensuring all borrowing and investment decisions, both long and short term, are based on cash flow monitoring and projections.
- ensuring that any leasing financing decisions are based on full options appraisal and represent best value for the County Council, in accordance with the County Council's leasing guidance.
- the provision and management of all banking services and facilities to the County Council.

Appendix 10: Non-treasury investments

Existing non- treasury investments (loans) at 31 March 2019

	£m
NORSE Energy (capital investment)	10.000
Norse Group (capital investment)	3.236
Norse Group (Aviation Academy)	6.127
NEWS	0.530
Hethel Innovation Ltd (Hethel Engineering Centre)	5.195
Norwich Airport Radar (relocation due to NDR)	2.194
Other	0.004
LIF loans to developers in Norfolk	6.278
Total loans to companies	**33.564**
NDR Loan – underwritten by CIL receipts	37.167
Total long-term debtors in balance sheet	**70.731**

A more detailed schedule of the above loans, showing objectives and explanations of each investment are detailed in Appendix 3 to the Mid-Year Treasury Management Monitoring Report 2019-20 presented to 3 December 2019 Cabinet.

Potential future non-treasury capital investments

Non-treasury investments: The following schemes if approved will result in loans to wholly owned companies or third parties. These loans will be for capital purposes, are Norfolk based, and are designed to further the Council's objectives. None of the loans listed are purely for the purpose of income generation.

Scheme	**Background**	**Approximate value**
Loan to Housing Association to develop housing with care scheme on Council owned land.	Potential project to develop, with appropriate partners, the Council-owned Herondale site into an Extra Care scheme for the elderly.	£5m forecast requirement (£11m max in programme)
Capital equity in, and loans to wholly owned companies	**Repton Property Developments** Business and Property Committee declared the land north of Norwich Road Acle surplus to County Council requirements and instructed the Head of Property to dispose of the land to Repton Property Developments Ltd. **Other projects** From time to time the Council's wholly owned companies further the Council's objectives through capital investments. This facility is included in the capital programme.	£20m included in capital programme

Proportionality of non-treasury investments:
The total value of loans (including CIL supported debt) is not likely to exceed £100m. At an indicative interest rate of 4% (giving a margin of approximately 1% over current PWLB borrowing rate) this would mean interest of £4m pa. This approximates to 20% of the Council's general reserves, 1% of the Council's net expenditure and 0.3% of departmental gross expenditure. As a result, reliance on income from non-treasury is therefore considered to be proportionate and manageable.

Cabinet

Item 20

Decision making report title:	Risk Management
Date of meeting:	13th January 2020
Responsible Cabinet Member:	Cllr. Andrew Proctor, Cabinet Member for Governance and Strategy
Responsible Director:	Simon George, Executive Director of Finance and Commercial Services
Is this a key decision?	No

Introduction from Cabinet Member

Risk management is required by regulations and as part of the Council's Constitution. It contributes to achieving corporate objectives, the Council's key priorities and Business Plan and is a key part of the performance management framework. The responsibility for an adequate and effective risk management function rests with the Cabinet, supported by portfolio holders and delivered by the risk owners as part of the risk management framework. This report sets out the key messages and the latest corporate risks.

Executive Summary

Risk Management for Norfolk County Council is considered sound, and effective, working to best practice. This report sets out the latest information relating to corporate risks, providing Cabinet Members with an overview of the Corporate level risks being managed within the Council.

This report should be read in conjunction with the Corporate Vital Signs report to provide a holistic picture of performance within the Council.

Recommendations

1. **To consider and agree the key messages (2.1) and key changes (Appendices A and B) to corporate risks since the last risk management report in September 2019**

2. **To note the corporate risks as at mid-December 2019 (Appendix C).**

1. Background and Purpose

1.1. The Council has a Risk Management Policy (Framework) which has been updated to reflect the governance changes effective since the move to the Cabinet model. Following a review of the corporate risks since the last report to Cabinet in September 2019, this report sets out the latest corporate risks for the Cabinet, at **Appendix C**.

The Audit Committee are responsible for monitoring the adequacy and effectiveness of the systems of risk management and internal control, as set out in its Terms of Reference, which is part of the Council's Constitution. There are Risk Management controls in place within the Council as per the Financial Regulations of the Council's Constitution. The Audit Committee received the Risk Management Annual Report 2018/19 at its meeting on 18 April 2019.

2. Proposals

2.1. The key corporate risk messages are as follows:

- That corporate risk management continues to be sound and effective, working to best practice.

- The review of the corporate risks has taken place with risk owners, the relevant Executive Director, and Corporate Board as a group. For corporate risks the risk title, scoring, mitigations, progress, and target dates have all been reviewed, and updated as necessary. There are some target dates that have been amended to a later date to reflect the current assessment of the timeframe required to achieve the target score by.

- The Risk Management Policy and accompanying procedures have been updated to reflect the Cabinet model of governance. The refreshed Risk Management Policy and procedures are being promoted around the Council through risk management training sessions and in answer to risk management queries.

- The Corporate Risks have been reviewed to ensure that they continue to align with the Council's business plan Together for Norfolk. Key changes to the latest corporate risk register since last report in September 2019 are shown at **Appendix A**, and corporate risk score movement is shown at **Appendix B.** The corporate risks are presented at **Appendix C**.

- The Institute of Internal Auditors (IIA) recently published an OnRisk 2020 report, outlining key corporate level risks likely to affect organisations in 2020 and beyond. In mapping this across to the Council's corporate risks, there is a very strong correlation between the risks identified in the IIA report, and the corporate risks that we are managing.

- This corporate risk management report should be read in conjunction with the corporate vital signs report to ensure that they are interlinked.

- The Audit Committee continues to be responsible for monitoring the adequacy and effectiveness of the systems of risk management.

- Developments of the risk management function for 2019/20 were reported in the Annual Report to the Audit Committee (Part 6), at item 9 page 69.

3. Impact of the Proposal

3.1. Risk management plays a key role in managing performance and is a requirement in the Accounts and Audit Regulations 2015. Sound risk management helps ensure that objectives are fulfilled, that resources and assets are protected and used effectively and efficiently. The responsibilities for risk management are set out in the Financial Regulations, which are part of the Council's Constitution.

4. Evidence and Reasons for Decision

4.1. Not applicable as no decision is being made.

5. Alternative Options

5.1. There are no alternatives identified.

6. Financial Implications

6.1. There are financial implications to consider, which are set out within the risks at **Appendix C**.

7. Resource Implications

7.1. **Staff:** There are no specific staffing resource implications to consider within this report, other than reported as part of risk **RM029 - NCC may not have the employees (or a sufficient number of employees) with critical skills that will be required for the organisation to operate effectively in the next 2-5 years and longer term.**

7.2. **Property:** There are no major property risk implications to consider within this report.

7.3. **IT:** There are no specific major risk IT implications to consider within this report other than as part of **RM010 - The risk of the loss of key ICT systems including: internet connection; telephony; communications with cloud-provided services; or the Windows and Solaris hosting platforms.**

8. Other Implications

8.1. Legal Implications

There are no specific legal implications to consider within this report.

8.2. Human Rights implications

There are no specific human rights implications to consider within this report.

8.3. Equality Impact Assessment (EqIA) (this <u>must</u> be included)

None applicable.

8.4. Health and Safety implications (where appropriate)

There are no specific health and safety implications to consider within this report other than as part of risk **RM028 - Risk of any failure to monitor and manage health and safety standards of third-party providers of services**. Health, safety and wellbeing is reported as part of the Health, Safety and Wellbeing report.

8.5. Sustainability implications (where appropriate)

There are no specific sustainability implications to consider within this report. Any sustainability risks identified as part of the Council's recently launched Environmental Policy (page 58) will be recorded and reported appropriately.

8.6. Any other implications

There are no other risk implications to consider within this report.

9. Risk Implications/Assessment

9.1. The risk implications are set out in the report above, and within the risks themselves at **Appendix C**.

10. Select Committee comments

10.1. There are no recent Select Committee comments to note within this report.

11. Recommendations

11.1.

1) **To consider and agree the key messages (2.1) and key changes (Appendices A and B) to corporate risks since the last risk management report in September 2019**

2) **To note the corporate risks as at mid-December 2019 (Appendix C).**

12. Background Papers

There are no further background papers to note, other than those already linked within the body of the report.

Officer Contact

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

Officer name:	**Tel No.:**
Adrian Thompson	**01603 222784**
Thomas Osborne	**01603 222780**

Email address:

adrian.thompson@norfolk.gov.uk

thomas.osborne@norfolk.gov.uk

IN TRAN communication for all

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Appendix A

Key Changes to Corporate Risks

The quarterly review of the corporate risk register has generated changes. These are captured below as follows;

Risk Number	**Risk Score Change**	**Risk title Change**	**Risk Description Change**	**Mitigations Change**	**Risk Owner Change**	**New Corporate Risk**
RM001						
RM002						
RM003	✓					
RM004						
RM006					✓	
RM007		✓			✓	
RM010	✓					
RM013						
RM016						
RM022						
RM023	✓					
RM024						
RM026						
RM027						
RM028	✓					
RM029						
RM030						
RM031						✓

Risk Score Changes

There are four risks to report score changes for;

1. **RM003 - Potential for failure to comply with information compliance and information security requirements**
   Following re-assessment of the current impact score (increased from 3 to 4), the overall current score has been increased from 9 to 12.

2. **RM010 – The risk of the loss of key ICT systems including: internet connection; telephony; communications with cloud-provided services; or the Windows and Solaris hosting platforms**
   The current score has been lowered from 6 to 3 to reflect the steady progress mitigating the risks of IMT failure, and in running exercises to rehearse what would need to happen in the event of a failure. It also reflects the progress made with the new data centre which now operational.

3. **RM023 - Failure to respond to changes to demography, funding, and government policy, with particular regard to Adults Services**
   Following re-assessment of the current likelihood score (increased from 4 to 5), the overall current score has been increased from 20 to 25.

4. **RM028 - Risk of any failure to monitor and manage health and safety standards of third-party providers of services**
   The current score has been lowered 6 to 3 to reflect departments improving their monitoring of service providers including health and safety.

Amended Risk Titles

RM007

From: **Risk of poor data quality leading to poor decisions being made affecting outcomes for Norfolk citizens.**

To: **Risk of inadequate data quality resulting from poor data governance, leading to poor decisions being made affecting outcomes for Norfolk citizens.**

This further clarifies the cause and effect of the risk, highlighting the data governance element of this risk.

Risk Level Changes

There is one risk which is to be managed at department rather than at corporate level;

RM025 - Potential change of governance in the Fire and Rescue Service

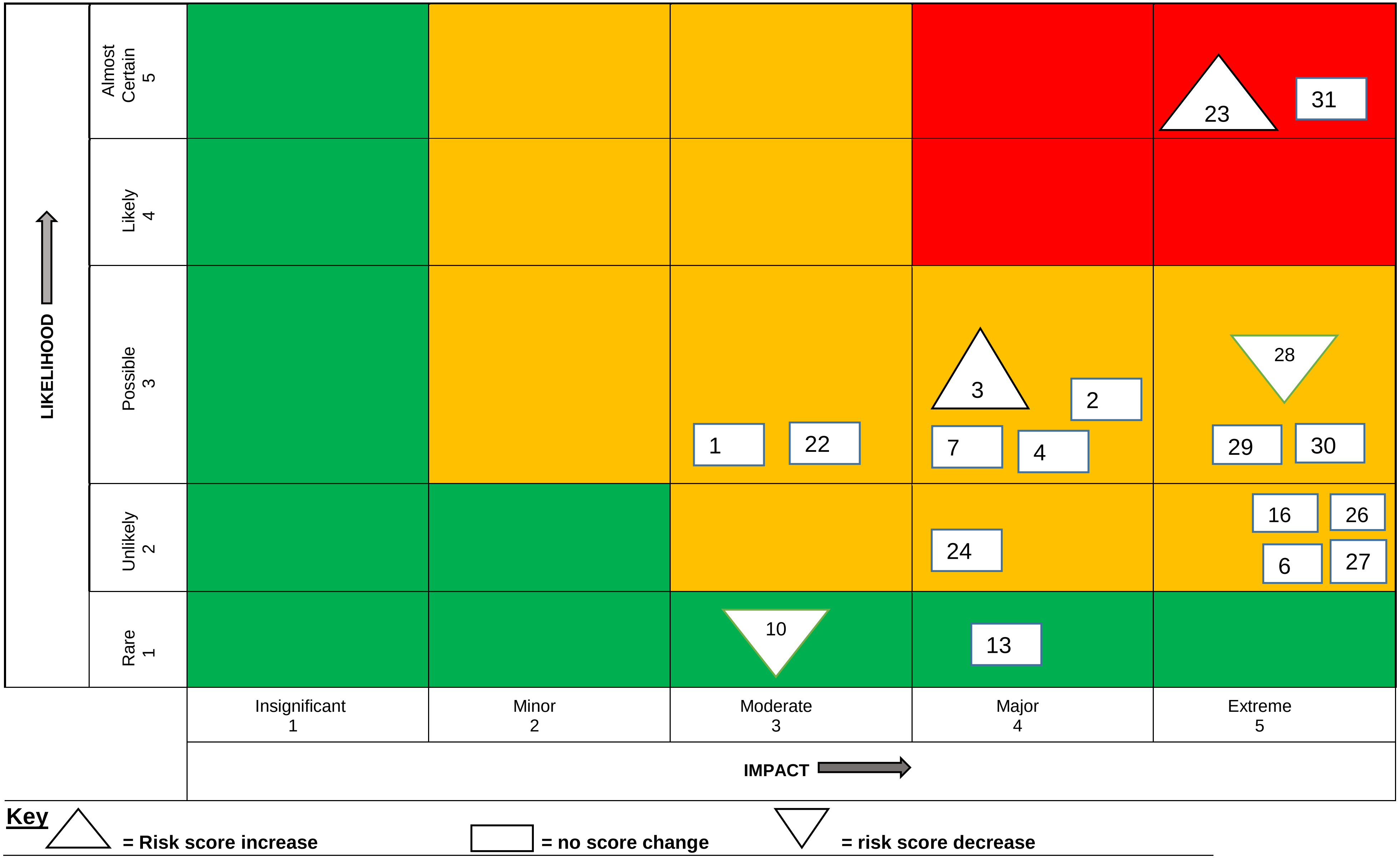
This reflects the reduced likelihood of a change of governance in the Fire and Rescue Service.

There is one risk which has been escalated from departmental to corporate level;

RM031 – NCC Funded Children's Services Overspend

Given the current risk likelihood, and potential financial impact levels elsewhere within the Council, this risk has been escalated via Corporate Board from departmental to corporate level, as it meets the corporate risk criteria.

Corporate Strategic Risks - Heat Map



No.	Risk description	No.	Risk Description
1	Realising infrastructure funding requirements to achieve the infrastructure ambition of the Business Plan.	13	The potential risk of failure of the governance protocols for entities controlled by the Council, either their internal governance or the Council's governance as owner. The failure of entities controlled by the Council to follow relevant guidance or share the Council's ambitions.
2	The potential risk of failure to manage significant reductions in local and national income streams.	16	Failure to adequately prepare for and respond to a major disruption to Norfolk County Council services.
3	Potential for failure to comply with information compliance and information security requirements.	22	Potential changes in laws, regulations, government policy or funding arising from the UK leaving the European Union which may impact on Council objectives, financial resilience and affected staff ('Brexit').
4	The potential risk of failure to deliver effective and robust contract management for commissioned services.	23	Lack of clarity on sustainable long-term funding approach for adult social services at a time of increasing demographic pressures and growing complexity of need.
6	The potential risk of failure to deliver our services within the resources available for the period 2018/19 to the end of 2020/21.	24	Failure to construct and deliver the Great Yarmouth 3rd River Crossing (3RC) within agreed budget (£121m), and to agreed timescales (construction to be completed early 2023).
7	Risk of inadequate data quality resulting from poor data governance, leading to poor decisions being made affecting outcomes for Norfolk citizens.	26	Legal challenge to procurement exercise.
		27	Risk of failure of new Human Resources and Finance system implementation.
10	The risk of the loss of key ICT systems including: - internet connection; - telephony; - communications with cloud-provided services; or - the Windows and Solaris hosting platforms.	28	Risk of failure to monitor and manage health and safety standards of third party providers of services.
		29	NCC may not have the employees (or a sufficient number of employees) with critical skills that will be required for the organisation to operate effectively in the next 2-5 years and longer term.
		30	Realisation of Children's Services Transformation change and expected benefits.
		31	NCC Funded Children's Services Overspend

Risk Number	RM001	**Date of update**	25 November 2019
Risk Name	Realising infrastructure funding requirements to achieve the infrastructure ambition of the Business Plan		
Portfolio lead	Cllr. Martin Wilby	**Risk Owner**	Tom McCabe
Risk Description		**Date entered on risk register**	03 June 2019

1) Not securing sufficient funding to deliver all the required infrastructure for existing needs and planned growth leading to: • Congestion, delay and unreliable journey times on the transport network • A lack of the essential facilities that create attractive conditions for business activity and investment, and sustainable communities, including good connectivity, public transport, walking and cycling routes, open space and green infrastructure, and funding for the infrastructure necessary to enable the county council to perform its statutory responsibilities, eg education.
Overall risk treatment: Treat

Original			Current			Target				
Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Target Date	Prospects of meeting Target Risk Score by Target Date
3	3	**9**	3	3	**9**	3	2	**6**	Mar-20	**Amber**

Tasks to mitigate the risk

1.1) Work with other county council officers and partners including government, local enterprise partnerships and district councils to compile evidence and the case for investment into infrastructure in order to achieve success through bidding rounds for capital investment.
1.2) Identify and secure funding including Pooled Business Rates (PBR) to develop projects to a point where successful bids can be made for funding through compiling evidence and cases for investment.
1.3) Engage with providers of national infrastructure – Highways England for strategic (trunk) roads and Network Rail for rail delivery – to ensure timely delivery of infrastructure projects, and work with partners on advocacy and lobbying with government to secure future investment into the networks.
1.4) Review Planning Obligations Standards annually to ensure the county council is able to seek and secure the maximum possible contribution from developers.
1.5) Continue to build the relationship with strategic partners including elected representatives, government departments, local enterprise partnerships, regional bodies such as Transport East (the emerging Sub-National Transport Body) and other local authorities to maximise opportunity and work together in the most effective joined-up manner.
1.6) Periodically review timescales for S106, and other, funding contributions to ensure they are spent before the end date and take action as required. Periodic reviews for transport contributions and an annual review process for library and education contributions.

Progress update

Progress update
Overall: Assessing likely impacts of, and reviewing likely necessary mitigation for, potential new government following general election announcement; there being central government pledged funds wrapped up in several major infrastructure schemes. 1.1) Maintain up-to-date project pipeline of future schemes and develop evidence and business cases for priority projects. Compiling evidence to respond to DfT following their request for further information on Norwich Western Link, Long Stratton Bypass, West Winch Housing Access Road and A47/A14 Pullover Junction King's Lynn (submitted as Transport East priorities for Large Local Major Projects and Major Road Network alongside Long Stratton Bypass, which has been given funding to develop its business case to the next stage). Successful in securing Business Rates Pool funding to develop schemes as part of preparing schemes for next round of funding opportunities including successor to Growth Deal. Finalising Strategic Outline Business Case for Transforming Cities funding for submission in November. 1.2) Developing schemes and projects including the following, part-funded from Pooled Business Rates: King’s Lynn Transport; Norwich Western Link; Fakenham Market Town Study; Downham Market Market Town Study; Wroxham / Hoveton Market Town Study; Wymondham Market Town Study; Long Stratton; Bypass; West Winch Housing Access Relief Road. 1.3) Continuing work to secure investment into the strategic road network including A47 dualling and investment into the rail network. Continuing to work Great Eastern Main Line (Norwich to London): Network Rail have produced a draft study setting out infrastructure constraints for Norwich in 90 services. Local authorities commissioned study on wider economic benefits. Continuing to work on Ely Task Force: Network Rail is producing a business case for infrastructure improvements required to unlock a range of additional passenger and freight services. Continuing to support East West Rail Consortium: Eastern Section prospectus published. 1.4) Review of Planning Obligations Standards completed, new standards adopted by Cabinet in September 2019. 1.5) Continuing to work with Transport East on transport strategy; liaising with DfT, Network Rail and Highways England on strategic road and rail schemes; attending wider partnership groups including LEP Transport Board. 1.6) Continuing to update new systems to ensure monitoring is effective and up to date.

Appendix C

Risk Number	RM002	**Date of update**	02 December 2019
Risk Name	The potential risk of failure to manage significant reductions in local and national income streams		
Portfolio lead	Cllr. Andrew Jamieson	**Risk Owner**	Simon George
Risk Description		**Date entered on risk register**	31 May 2019

This may arise from global or local economic circumstances (i.e. Brexit), government policy on public sector budgets and funding. As a result there is a risk that the Medium Term Financial Strategy savings required for 2018/19- 2021/22 are not delivered because of uncertainty as to the scale of savings resulting in significant budget overspends, unsustainable drawing on reserves, and severe emergency savings measures needing to be taken. The financial implications are set out in the Council's Budget Book, available on the Council's website.
Overall risk treatment: Treat

Original			**Current**			**Target**				
Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Target Date	Prospects of meeting Target Risk Score by Target Date
3	4	**12**	3	4	**12**	2	4	**8**	Mar-20	**Amber**

Tasks to mitigate the risk

Medium Term Financial Strategy and robust budget setting within available resources.
No surprises through effective budget management for both revenue and capital.
Budget owners accountable for managing within set resources.
Determine and prioritise commissioning outcomes against available resources and delivery of value for money.
Regular and robust monitoring and tracking of in-year budget savings by Corporate Board and members.
Regular finance monitoring reports to Cabinet.
Close monitoring of central government grant terms and conditions to ensure that these are met to receive grants.
Plans to be adjusted accordingly once the most up to date data has been received.

Progress update

Progress update
Government's 2018-19 local government finance settlement reflected in the 2019/20 budget and Medium Term Financial Strategy. County Council on 11.02.19 approved the 2019/20 budget and future medium Term Financial Strategy taking into account the Final Local Government Finance settlement for 2019/20. The council's external auditors gave an unqualified audit opinion on the 2018-19 Statement of Accounts and were satisfied that the County Council had put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ended 31.03.2019. The commitment to additional funding for the NHS (https://www.gov.uk/government/news/prime-minister-sets-out-5-year-nhs-funding-plan) inevitably means less funding will be available for other government priorities. However, the plan sets out a commitment that the Government will ensure that adult social care doesn't impose additional pressure on the NHS. As such the implications for the Council of the Government's various funding commitments across the public sector will not become fully clear until after the December 2019 General election. Cabinet on 7.10.19 considered the latest budget position following the September 2019 Spending Round announcement and agreed to consult on the level of council tax and Adult Social Care precept for 2020/21.

Risk Number	RM003	**Date of update**	09 December 2019
Risk Name	Potential for failure to comply with information compliance and information security requirements.		
Portfolio lead	Cllr. Andrew Proctor	**Risk Owner**	Helen Edwards
Risk Description		**Date entered on risk register**	05 June 2019

There is a risk of failing to comply with statutory and/(or) national/local codes of practices in relation to Information Compliance, coupled with a risk of loss of sensitive data. This could lead to significant reputational and financial risk for NCC. This risk is separate to RM007, which looks at the risk of not having the correct or accurate data to make key decisions.
Overall risk treatment: Treat

Original			**Current**			**Target**				
Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Target Date	Prospects of meeting Target Risk Score by Target Date
3	3	**9**	3	4	**12**	1	4	**4**	Sep-20	**Green**

Tasks to mitigate the risk

1) Implementation of SIRO (Senior Information Risk Owner) , CIO (Chief Information Officer), Corporate Information Management Team encompassing Information Management, Information Governance, Records Management, policies confirming responsibilities.
2) Ensure that information and data held in systems (electronic and paper) is accurate, up to date, comprehensive, secure against security breaches, and fit for purpose to enable managers to make confident and informed decisions. Continue CS data project to retain / destroy data appropriately.
3) Ensure that all staff and managers are provided with training, skills, systems and tools to enable them to meet the statutory standards for information management.
4) Ensure that the mandated eLearning Data Protection 2 year refresher data continues to be sent to CLG on a monthly basis for review and action.
5) SIRO to receive assurance of compliance with statutory and/or national/local codes of practice in relation to information compliance from Information Asset Owners when reporting the Annual Governance Statement.
6) NCC is NHS Information Governance Toolkit compliant to Level 2
7) Embedding and enhacing Cyber Security techniques and Protocols through recommendations from the Cyber Security Audit - i.e data loss, ransomware and system outages etc. in line with National Cyber Security Centre best practice.
8) Embedding of GDPR
9) Undertake a six month review to reduce demand and increase capacity

Progress update

Progress update
The Chief Legal Officer has responsibility as SIRO and DPO. GDPR programme of work has been implemented with all but low risk areas. Programme of work is now continuing for the low risk areas. There is an increased volume of Subject Access Requests (SARs). A six monthly review is in place to reduce demand and increase capacity. Audit sucessfully undertaken by Internal Audit in regards to the use and implemention of Caldicott Guardians across Childrens and Adults with no signifiant or high outcomes. Quarterly meetings are in place to monitor the Caldicott process. Work is underway to promote and prevent potential data security breaches followed by departmental checking and reporting of compliance. Cyber security action plan has been developed and is currently being actioned. Norfolk County Council is NHS IG Toolkit accredited to Level 2 by NHS Digital in lines with NHS partners within Norfolk and Waveney STP. There are different aspects to this risk, which when considered together, make up the current risk score.

Appendix C

Risk Number	RM004	**Date of update**	04 December 2019
Risk Name	The potential risk of failure to deliver effective and robust contract management for commissioned services.		
Portfolio lead	Cllr. Andrew Jamieson	**Risk Owner**	Simon George
Risk Description		**Date entered on risk register**	02 June 2019

Ineffective contract management leads to wasted expenditure, poor quality, unanticipated supplier default or contractual or legal disputes. The council spends some £700m on contracted goods and services each year.
Overall risk treatment: Treat

Original			Current			Target				
Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Target Date	Prospects of meeting Target Risk Score by Target Date
3	4	**12**	3	4	**12**	2	3	**6**	Sep-20	**Amber**

Tasks to mitigate the risk

1) By October 2019 implement a proactive system to identify early signs of potential supplier financial failure and respond appropriately.
Next steps:
- Develop robust process to respond to CreditSafe alerts by end June 2019
- Develop robust process to spot other early warning signs eg late filing of accounts, media monitoring by end September 2019

2) Continue to report the pipeline of expiring contracts to Corporate Board every six months.
Continue to discuss the pipeline of expiring contracts with CES DMT every quarter.
Next steps:
- Start to discuss the pipeline of expiring contracts with other departmental management teams or individual senior managers on a quarterly basis from quarter 3 of 2019

3) Through the contract compliance and optimisation workstream of the Smarter Workstream priority under the Norfolk Futures programme, implement measures to ensure that staff who have contract management as part of their job have the relevant skills and support to manage contracts effectively.
Next steps:
a) Review roles and responsibilities around contract management for major contracts and categories by end of August 2019
b) Develop deliverables and obligations matrices for major contracts and categories by end of September 2019
c) Develop KPIs for contract management by end August 2019

4) Develop a standard specification for service transition that can be used as the basis for new sourcing exercises and used to manage transitions effectively by end June 2019

5) From 2017 internal audit to conduct an audit of 2 contracts each year from the list of top 50 contracts by value

6) Internal audit to undertake audits of the contract management control environment in the three service directorates in second half of the financial year.

Progress update

Progress update
1) Process developed with finance to respond to CreditSafe alerts 2) Pipeline discussion planned with CES, Children's Services and Adult Social Care in December 2019 3) Contract compliance and optimisation workstream plan was approved at Corporate Board in December 2019 4) Transition/handover checklist developed and in use.

Appendix C

Risk Number	RM006					**Date of update**			04 December 2019	
Risk Name	The potential risk of failure to deliver our services within the resources available for the period 2018/19 to the end of 2020/21.									
Portfolio lead	Cllr. Andrew Proctor					**Risk Owner**		Tom McCabe		
Risk Description						**Date entered on risk register**			13 June 2019	
The failure to deliver agreed savings or to deliver our services within the resources available, resulting in the risk of legal challenge and overspends, requiring the need for in year spending decisions during the life of the plan, to the detriment of local communities and vulnerable service users. Overall risk treatment: Treat										
Original			**Current**			**Target**				
Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Target Date	Prospects of meeting Target Risk Score by Target Date
2	5	**10**	2	5	**10**	1	5	**5**	Mar-21	**Green**

Tasks to mitigate the risk

1) Clear robust framework, 'Together for Norfolk - Business Plan' in place which drives the delivery of the overall vision and priority outcomes. The delivery of a council-wide strategy which seeks to shift focus to early help and prevention, and to managing demand.
2) Delivery against the strategic service and financial planning, by translating the vision and priorities into achieved, delivered targets.
3) A robust annual process to provide evidence for Members to make decisions about spending priorities.
4) Regular and robust in-year financial monitoring to track delivery of savings and manage in-year pressures.
5) Sound engagement and consultation with stakeholders and the public around service delivery.
6) A performance management and risk system which ensures resources are used to best effect, and that the Council delivers against its objectives and targets.

Progress update

Regular budget and performance monitoring reports to Cabinet now set out how the Council is delivering against the 2019/20 budgets and priorities set for each of our services.
The Council has a robust and established process, including regular reporting to members, which is closely linked to the wider Council Strategy, in order to support the development of future year budget plans taking account of the latest available information about Government funding levels and other pressures. This process includes reviewing service budgets and taking into account financial performance and issues arising in the current financial year as detailed in the budget monitoring reports.

Appendix C

Risk Number	RM007				**Date of update**				27 November 2019	
Risk Name	Risk of inadequate data quality resulting from poor data governance, leading to poor decisions being made affecting outcomes for Norfolk citizens									
Portfolio lead	Cllr. Andrew Proctor				**Risk Owner**	Helen Edwards				
Risk Description					**Date entered on risk register**				05 June 2019	

This places the Council at risk of making decisions using data that is not always as robust as it should be. This may lead to poor or ineffective commissioning, flawed decision making and increased vulnerability of clients, service users and staff. This risk is separate to RM003, which looks at the risk of failure to adhere to national and/or local statute or codes of practice relating to information compliance or information security.
Overall risk treatment: Treat

Original			**Current**			**Target**				
Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Target Date	Prospects of meeting Target Risk Score by Target Date
3	4	**12**	3	4	**12**	2	3	**6**	Mar-21	**Amber**

Tasks to mitigate the risk

1) Implementation of the Information Management Strategy,
Information Governance Framework, Data Protection, Information Sharing, Freedom of Information, Records Management, Managing Information Risk, and Information Security.
2) Information Compliance Group (ICG) has the remit to ensure the overarching Information Governance Framework is embedded within business services and NCC and elements of the IM Maturity Readiness Plan.
3) Ensuring that all staff and managers are provided with training, skills, systems and tools to enable them to meet the statutory/NCC standards for information management.
4) Develop and link in to department risks on the management of departmental data.

Progress update

Progress update
The ICG has clear terms of reference and a work plan to cover its responsibilities. Data Quality (DQ) audits have been undertaken by internal audit with no significant or concerning outcomes. Manual records management project looking at retention periods of manual records held with BoxIt is providing positive results. Moving forward all new systems being procured like Liquid Logic have more validation and integrity checks on the data/information at field level, row level and at page level thus ensuring the data/information is treated as a corporate asset inline with the NCC IM Strategy. We have undertaken significant data cleansing work this year or so in the migration to Liquid Logic for Social Care data and in preparation for a new ERP system (Financial & Procurement data in particular). We have also conducted extensive work to cleanse data in files-shares and paper documents in storage, also scanning extensively to support Liquid Logic & Oracle EBS and associated systems. DQ audits undertaken have also shown reasonable findings. The Risk Management Officer will consult with departments to ensure risks associated with the management of their data are considered. Bringing Liquid Logic into service provided an opportunity to understand where issues lie. Additional understanding gained from new Liquid Logic reports being written relying on accurate data.

Appendix C

Risk Number	RM010	**Date of update**	02 December 2019
Risk Name	The risk of the loss of key ICT systems including: - internet connection; - telephony; - communications with cloud-provided services; or - the Windows and Solaris hosting platforms.		
Portfolio lead	Cllr. Tom Fitzpatrick	**Risk Owner**	Simon George
Risk Description		**Date entered on risk register**	01 July 2019

Loss of core / key ICT systems, communications or utilities for a significant period - as a result of a cyber attack, loss of power, physical failure, fire or flood,or supplier failure - would result in a failure to deliver IT based services leading to disruption to critical service delivery, a loss of reputation, and additional costs.
Overall risk treatment: Treat.

Original			Current			Target				
Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Target Date	Prospects of meeting Target Risk Score by Target Date
2	3	**6**	1	3	**3**	1	3	**3**	Sep-20	**Met**

Tasks to mitigate the risk

1) Full power down completed periodically
2) Replace ageing Local Area Network (LAN) equipment
3) Ensure access to services if county hall lost by reconfiguring Core Infrastructure Services (DHCP, DNS, Active directory)
4) Implement Cloud-based business systems with resilient links for key areas
5) Replace voice services (contact center / desk phones) with cloud based Microsoft Teams
6) Review and Implement suitable arrangments to protect against possible cyber / ransonware attacks including
7) We will be running a number of Cyber Attack exercises with senior stakeholders to reduce the risk of taking the wrong action in the event of a cyber attack
8) We will hold a number of Business Continuity exercises to understand and reduce the impact of risk scenarios
9) Implement new data centre to reduce the risk of power failure, loss of data connectivity and reduce ICT hardware failures

Progress update

1) Full power down completed as required by Property programme plans
2) New Local Area Network equipment has been procured and we are now implementing with County Hall to be completed by Jan 2020
3) Access services have been migrated to the new DR site so work can continue if County Hall unavailable
4) We implement Cloud-based business systems with resilient links for key areas as they are procured, guidance is being refreshed regularly.
5) Contact services have been migrated to a cloud based system, Telephony resilience will be improved as part of the Microsoft Teams (Formerly Skype for Business project) which recommences in Feb 2020.
6) We are still working through the cyber audit actions which are more complex than first thought. Target date for completion is now June 2020.
7) The Cyber Attack exercise with senior stakeholders to reduce the risk of taking the wrong action in the event of a cyber attack. We will be delivering an 'EXECSIM' exercise with the corporate board to ensure we are fully prepared in the event of a Cyber Attack for communications and approach at a

Progress update

senior level (Jan 2020). We are scheduling a National Cyber Security Centre (NCSC) 'Exercise in a box' session for IMT to test our approach during a cyber attack and we will follow this up with a NCSC 'Exercise in a box' exercise for the business leads, resilience team and IMT to jointly rehearse a cyber attack.

8) We have already held a Business Continuity excercise to understand and reduce the impact of risk scenarios and this will be re-run within 12 months to further reduce the risk. Currently planned large scale “remote access” exercise and “Exercise Steel” to complete test of DR facilities and loss of County Hall.

9) The new data centre is now live.

The score is based upon steady progress mitigating the risks and running exercises to rehearse what we do in the event of a failure of our systems.

We are currently running an increased short term risk to data cables and connectivity being damaged due to basement building work - We are working closely with the corporate property team to highlight areas of concern.

Appendix C

Risk Number	RM013	**Date of update**	03 December 2019
Risk Name	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.		
Portfolio lead	Cllr. Greg Peck	**Risk Owner**	Simon George
Risk Description		**Date entered on risk register**	02 July 2019

The failure of governance leading to controlled entities: Non Compliance with relevant laws (Companies Act or other) Incuring Significant Losses or losing asset value Taking reputational damage from service failures Being mis-aligned with the goals of the Council The financial implications are described in the Council's Annual Statement of Accounts 2019-20.
Overall risk treatment: Treat

Original			**Current**			**Target**				
Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Target Date	Prospects of meeting Target Risk Score by Target Date
1	4	**4**	1	4	**4**	1	4	**4**	Mar-20	**Met**

Tasks to mitigate the risk

1) All controlled entities and subsidiary companies have a system of governance which is the responsibility of their Board of Directors.
The Council needs to ensure that it has given clear direction of it's policy, ambitions and expectations of the controlled entities.
The NORSE Group objectives are for Business Growth and Diversification of business to spread risks. Risks need to be recorded on the Group's risk register.
2) The NORSE board includes a Council Member and is currently chaired by the Executive Director of Strategy and Governance for the Council. There is a shareholder committee comprised of six Members. The shareholder committee should meet quarterly and monitor the performance of NORSE. A member of the shareholder board, the shareholder representative, should also attend the NORSE board.
3) The Council holds control of the Group of Companies by way of its shareholding, restrictions in the NORSE articles of association and the voting rights of the Directors. The mission, vision and value statements of the individual NORSE companies should be reviewed regularly and included in the annual business plan approved by the Board. NORSE should have its own Memorandum and Articles of Association outlining its powers and procedures, as well as an overarching agreement with the Council which outlines the controls that the Council exercises over NORSE and the actions which require prior approval of the Council.
4) To ensure that governance procedures are being discharged appropriately to Independence Matters. The Executive Director for Finance and Commercial Services' representative attends as shareholder representative for Independence Matters.
5) Approve the Outline Business Case for Repton Property Developments Ltd.
6) Shareholder representation required from the Executive Director of Finance and Commercial Services on both the Norse, and Repton Boards.

Progress update

Progress update
1) There are regular Board meetings, share holder meetings and reporting as required. For NORSE, risks are recorded on the NORSE group risk register. 2) The Norse Group follows the guidance issued by the Institute of Directors for Unlisted Companies where appropriate for a wholly owned LA company. The shareholder committee meets quarterly and monitors the performance of Norse. A member of the shareholder board, the shareholder representative, also attends the Norse board. 3) The Council has reviewed its framework of controls to ensure it is meeting its Teckal requirements in terms of governance and control, and a series of actions has been agreed by the then Policy and Resources Committee. The Executive Director of Finance and Commercial Services is responsible for reviewing the ongoing viability of wholly owned entities and regularly reporting the performance of their activities, with a view to ensuring that the County Council’s interests are being protected. All County Council subsiduary limited company Directors have been approved in accordance with the Constitution. The new Chairman of Norse has initiated change with one Director looking after NCS and NPS, with a view to maximising returns back to NCC. A further strengthening of the Board is proposed with the appointment of two independent Non-Executive Directors with one vote each. As with Repton the appointments would be made through a transparent process of advertisement, interview and appointment. 4) The ED of F&CS directs external governance. An external company is undertaking a review of Norse Group's financial performance, discharging the Executive Director for Finance and Commercial Services' responsibility as per the Constitution. 5) The Outline Business Case for Repton Property Developments Ltd has been approved. 6) There is Shareholder representation from the Executive Director of Finance and Commercial Services on both the Norse, and Repton Boards. This risk is scored at a likelihood of 1 due to the strong governance in place and an impact score of 4 given the size of the controlled companies.

Appendix C

Risk Number	RM016	**Date of update**	22 November 2019
Risk Name	Failure to adequately prepare for and respond to a major disruption to Norfolk County Council services.		
Portfolio Lead	Cllr Andrew Proctor	**Risk Owner**	Tom McCabe
Risk Description		**Date entered on risk register**	22 June 2019

To ensure disruption is minimised and ensure that we are able to maintain services and respond appropriately to a either a Major or Moderate disruption both within and out of core office hours (N.B. this risk will be scored differently for different departments due to different levels of preparedness).
Overall risk treatment: Treat

Original			Current			Target				
Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Target Date	Prospects of meeting Target Risk Score by Target Date
2	5	**10**	2	5	**10**	2	4	**8**	Mar-20	**Amber**

Tasks to mitigate the risk	**Progress update**
1) All corporately agreed critical activities must have comprehensive Business Continuity plans which are exercised. Plans to be agreed by Senior Managers.	1) 81% of critical services have plans which are up-to-date. The Resilience Team audits all plans as they are received and provides feedback to service managers where changes are required. The next annual audit has started.
2) To develop the Professional Development Centre (PDC) Norwich, which was agreed as a key corporate Work Area Recovery (WAR) site by Corporate Board.	January 2019 - live exercise with ASSD during powerdown at CH. February 2019 - Exercise Horseshoe to test the IMT access and Disaster Recovery site. Actions as a result of Exercise Horsehoe are being completed, this annual exercise Exercise Steel, is now being scheduled for next year. Follow up exercises are being scheduled for example the CSC exercise to check telephony took place successfully on the 19th July. Work with ASSD and CS is being completed and will be tested once finalised.

Tasks to mitigate the risk	Progress update
3) Embedding Business Continuity - Ensure there is a programme of work to embed BC into the organisation. This includes awareness raising initiatives and training for support staff and resilience representatives. Training also includes the BC e-learning package which needs to be reviewed, relaunched, and the uptake monitored. Departments must ensure staff attend training and complete exercises/tests.	3) The Business Continuity for Managers course continues to be run through the year. The Emergency Planning awareness course has been launched, this course will provide managers with an insight into how an incident would be managed in the event of several agencies being involved. All plans must be exercised once per year. The percentage is increasing gradually - our target for the end of the year is 80%, currently we are on 84%. Resilience representatives and the Resilience team are focusing and providing support on this. Good progress has been made on our e-learning package which is now being reviewed by colleagues across the organisation, it was agreed on the 21st November and will be launched January 2020.
4) Implement the Business Continuity Framework	4) Resilience Management Board receive an update of where NCC are in implementing the BC Framework. This has been developed further by communicating the positon of the departments using the assurance framework and those sections marked as red/amber (where applicable) should be linked to departmental risk registers. These reports were completed in 2018, with departments receiving a report listing departmental strengths and weaknesses in relation to Resilience. The next survey and reports will be completed early 2020.
5) Gain assurance that ICT could be recovered in line with timescales detailed within the BIAs.	5) IMT and Resilience have now completed this piece of work. Systems have been given a timescale for when they would be recovered within in the event of a large scale ICT incident. Resilience representatives have been asked to review and provide feedback. The system recovery timescales will be of use in projects and during testing after work such as the datacentre move. IMT are working on an out of hours rota so these timescales could be achieved in the event of a major incident occuring on a Friday evening.

Appendix C

Risk Number	RM022	**Date of update**	29 November 2019
Risk Name	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').		
Portfolio lead	Cllr. Graham Plant	**Risk Owner**	Tom McCabe
Risk Description		**Date entered on risk register**	01 July 2019

Four important implications to the Council: 1) The Council's EU funded programmes supporting the local economy. 2) The legal base – substantial change needed structured around No Deal scenario and likelihood of No Deal. 3) Council services dependent on a migrant workforce – for example nationally, 7% of existing adult social care staff come from other EU nations. 4) Place-based impact – there will be real and varied impacts and opportunities in our local economy. There is a risk that initially, implications for Norfolk County Council of the UK leaving the EU are not known or understood, causing uncertainty in Council business, planning, and service delivery.
Overall risk treatment: Treat

Original			Current			Target				
Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Target Date	Prospects of meeting Target Risk Score by Target Date
3	3	**9**	3	3	**9**	2	3	**6**	Jan-20	**Amber**

Tasks to mitigate the risk

NCC should continue to monitor Brexit developments and developing responses to the four areas in which the council will be affected (EU funding, legal issues, workforce issues, place-based impact).

1) Regular meetings are taking place with the Ministry for Housing, Communities and Local Government (MHCLG) and the Department for Business, Energy and Industrial Strategy (BEIS) regarding a managed exit from EU funded programmes to ensure NCC's liabilities are met.

We have agreed the principles and framework for regional investment post Brexit to ensure the level of current funding is protected, including asking for funds to be devolved locally, so that the economic benefit of the funding is secured.

3) Human Resources to support managers and staff who may be affected by this issue.

4) Understand the risks and implications of Brexit to service delivery, wider community and business continuity. This includes managing particular risks around the supply of food and fuel, to enable us to support vulnerable people.

We have jointly commissioned work with the LEP and Suffolk County Council to understand the business impact of Brexit within the New Anglia area and particular sectors likely to be affected, such as agriculture (potential for post-Brexit tariffs making export of some products unviable). Also, signposting to information from Government on prepartions businesses should make is available at www.newanglia.co.uk.

Progress update

Progress update

1) The Treasury Guarantee provides assurance that funding is assured in the event of a deal for projects committed by 31 December 2020. The Internal Project Board is aware of NCC liabilities; nplaw have drafted a Deed of Guarantee seeking written assurance from MHCLG that they will meet our liabilities in order to close the Programme. MHCLG have raised the issue with Ministers, as well as our MA status after we leave the EU. This will now fall under the detailed work around payment mechanisms following the confirmation of extended programme completion.
The Green Paper regarding the Shared Prosperity Fund has still not yet been published and is not expected until after the election and the Brexit situation has been clarified: We continue to work with New Anglia and other relevant partners and will report the proposals and our response to members when it has been published.

2) MHCLG have advised they will issue a new set of planning assumptions around a no deal Brexit in due course. NCC Brexit Silver Group meetings and liaison with Resilience Reps started well ahead of 31/10/19. Reps were asked to look at resonable worse case planning assumptions in Operation Yellowhammer. Work we had done prior to the original leave date meant that we had covered these potential impacts already.
NCC Brexit risk register completed identifies all Brexit risks & mitigations & is available on Sharepoint. We are monitoring the situation as the latest leave date approaches (31/01/2020) and will stand up our response once more information is available.

3) Potential loss of staff for NCC and our service providers

was looked at in Feb '19 & is under constant review. Signposting to HM Govt websites was undertaken and correspondence sent to service providers. Most recent update:
- Keeping HR Direct up to date with developments to advise staff
- Refreshing employee information on peoplenet
- Undertook exercise to refresh employee data on nationality status
- Provided information to key stakeholders within social care on the pilot
- Surveyed Heads of Services/Departments regarding impacts

4) We have raised the issue of Trading Standards (their ability to act as a National Body certified by the EU, charging for highway services) with the LGA to play into their negotiations with DExEU.
A task force has been set up, asking each Directorate to provide a summary of the risk posed to them and their service provision by Brexit. Service delivery risks involving the availability of fuel and supply of food are being managed, to ensure that the Council is prepared for any such eventualities. These two issues have been subject of individual NRF multi-agency task & finish groups. Information has been fed back to NCC Silver Group meetings and resilience reps, for them to consider impacts. Covered in full in NCC Brexit Risk Register. Our revised Business Impact Analysis requires departments to identify fuel requirements to deliver critical activities. NCC prepares the NRF Fuel Emergency Plan so we are well embedded into the process.
The NCC website now offers information for businesses and individuals, including our EU No Deal Exit Strategy https://www.norfolk.gov.uk/what-we-do-and-how-we-work/preparing-for-brexit.

Appendix C

Risk Number	RM023	**Date of update**	06 December 2019
Risk Name	Failure to respond to changes to demography, funding, and government policy, with particular regard to Adults Services.		
Portfolio lead	Cllr. Bill Borrett	**Risk Owner**	James Bullion
Risk Description		**Date entered on risk register**	18 August 2017

Whilst acknowledging the pressures on adult social services, and providing some one-off additional funding, the Government has yet to set out a direction of travel for long-term funding. At the same time, the pressures of demography and complexity of need continue to increase. This makes effective strategic planning highly challenging and there is a risk that short-term reductions in support services have to be made to keep within budget; these changes are likely to be counter to the long-term Promoting Independence strategy.
Overall risk treatment: Treat

Original			Current			Target				
Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Target Date	Prospects of meeting Target Risk Score by Target Date
5	5	**25**	5	5	**25**	2	4	**8**	Dec-20	**Amber**

Tasks to mitigate the risk

1) Implementation of Promoting Independence Strategy. This strategy is shaped by the Care Act with its call to action across public services to prevent, reduce and delay the demand for social care. The strategy aims to ensure that demand is understood and managed, and there is a sustainable model for the future.
2) As part of the strategy, a shift of spend towards targeted prevention, reablement services, enablement, and strengthened interim care.
3) Implementation of Better Care Fund plans which promote integration with the NHS and protect, sustain and improve the social care system.
4) Judicious use of one-off winter funding, as announced by Government.
5) Close tracking of government policies, demography trends and forecasts.
6) A new set of NCC corporate priorities which aims to address longer-term demand management in children's and adult services.

Progress update

Progress update
1) Demand and demography modelling continues, alongside detailed and regular monitoring of budgets and activity. Promoting Independence Programme reviewed to reflect priorities for the department, and to focus on areas where demand management is most required. 2) Sector based plans for providers which model expected need and demand associated with demographic and social change 3a) Strengthened investment in prevention, through additional reablement, social prescribing, local initiatives for reducing social isolation and loneliness 3b) Workforce – continued recruitment campaign to sustain levels of front line social workers and occupational therapy staff. Programme of organisational development to support recruitment, retention and quality of practice. 3c) Better Care Fund targeted towards supporting people to stay independent, promoting and enabling closer integration and collaboration across health and social care. 4) Close joint working with NHS, through the STP, to shape and influence future integration of health and social care. Formal contribution to the Norfolk and Waveney NHS 10-year plan. 6) Collaboration with children’s services to develop a preparing for adult life service to strengthen transition experience for young people, and to improve service and budget planning.

Appendix C

Risk Number	RM024	**Date of update**	25 November 2019
Risk Name	Failure to construct and deliver the Great Yarmouth 3rd River Crossing (3RC) within agreed budget (£121m), and to agreed timescales (construction to be completed early 2023)		
Portfolio lead	Cllr. Martin Wilby	**Risk Owner**	Tom McCabe
Risk Description		**Date entered on risk register**	14 June 2019

There is a risk that the 3RC project will not be delivered within budget and to the agreed timescales. Cause: delays during statutory processes put timescales at risk and/or contractor prices increase project costs. Event: The 3RC is completed at a later date and/or greater cost than the agreed budget, placing additional pressure on the NCC contribution. Effect: Failure to construct and deliver the 3RC within budget would result in the shortfall having to be met from other sources. This would impact on other NCC programmes.
Overall risk treatment: Treat, with a focus on maintaining or reducing project costs and timescales.

Original			Current			Target				
Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Target Date	Prospects of meeting Target Risk Score by Target Date
2	4	**8**	2	4	**8**	2	3	**6**	Jan-23	**Amber**

Tasks to mitigate the risk

The project was agreed by Full Council (December 2016) as a key priority infrastructure project to be delivered as soon as possible. Since then, March 2017, an outline business case has been submitted to DfT setting out project costs of 120m and a start of work in October 2020. 80% of this project cost has been confirmed by DfT, but this will be a fixed contribution with NCC taking any risk of increased costs. Mitigation measures are: 1) Project Board and associated governance to be further developed to ensure clear focus on monitoring cost and programme at monthly meetings. 2) NCC project team to include specialist cost and commercial resource (bought in to the project) to provide scrutiny throughout the scheme development and procurement processes.This will include independent audits and contract/legal advice on key contract risks as necessary. 3) Programme to be developed that shows sufficient details to enable overall timescales to be regularly monitored, challenged and corrected as necessary by the board. 4) Project controls and client team to be developed to ensure systems in place to deliver the project and to develop details to be prepared for any contractual issues to be robustly handled and monitored. 5) All opportunities to be explored through board meetings to reduce risk and programme duration.

Progress update

Progress update
The outline business case was submitted on 30 March 2017, and DfT confirmed approval of this following the autumn statement in November 2017. There is a risk that the scheme development could see changes to the scheme, and therefore to the agreed business case, and any changes will need to be addressed/agreed with DfT. Progress against actions are: 1) Project board in place. Gateway review highlighted a need to assess and amend board attendance and this has been implemented. Progress update report provided to Audit Committee on 31 July 2018. A gateway review was completed to coincide with the award of contract decision making - the findings have been reported to the project board (there are no significant concerns identified that undermine the project delivery). Internal audit on governance ongoing during Feb 19 - report now finalised (dated 14 August 2019) and findings were rated green. 2) Specialist cost and commercial consultants have been appointed and will continue to review project costs. The first element of work for the cost consultant was to review project forecasts. The Commercial Manager will continue to assess the project forecast on a quarterly basis, with monthly interim reporting also provided to the board. No issues highlighted to date and budget is considered sufficient - this work was previously used to update the business case submitted to and accepted by DfT. A further budget review was completed following appointment of the contractor (initial assessments based on tendered submissions provided sufficient confidence to award the contract - in accordance with delegated authority). 3) An overall project programme has been developed and will be owned and managed by the dedicated project manager. Any issues will be highlighted to the board as the project is delivered. Programme updated to fully align procurement and Development Consent Order (DCO) processes. Following the award of the contract, from January 2019, the programme is now focussed on delivering the DCO. Development Consent Order submitted to the Planning Inspectorate (PINS) by end of April 19 as per agreed timescales. The start of DCO examination was 24 September 2019, with a finish date not later than 24 March 2020, but potential to be completed late Feb 2020. 4) Learning from the NDR and experience of the commercial specialist support has been utilised to develop contract details ahead of the formal commencement of the procurement process, which was 27 February 2018. Further work is ongoing and has fed into the procurement processes (and competitive dialogue) with the bidders. The commercial team leads were in place from the start of the contract (January 2019). 5) The project board will receive regular (monthly) updates on project risks, costs and timescales. A detailed cost review was delivered to the board ahead of the award of the contract (following the delegated authority agreed by Full Council), and took into account the contractors tender pricing and associated project risk updates.

Appendix C

Risk Number	RM026	**Date of update**	04 December 2019
Risk Name	Legal challenge to procurement exercise		
Portfolio lead	Cllr. Andrew Jamieson	**Risk Owner**	Simon George
Risk Description		**Date entered on risk register**	04 June 2019

That alleged breach of procurement law may result in a court challenge to a procurement exercise that could lead to delay, legal costs, loss of savings, reputational damage and potentially significant compensation
Overall risk treatment: Treat

Original			**Current**			**Target**				
Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Target Date	Prospects of meeting Target Risk Score by Target Date
2	5	**10**	2	5	**10**	1	5	**5**	Sep-20	**Green**

Tasks to mitigate the risk

Review processes and practice in light of recent caselaw, in particular Amey Highways Ltd v West Sussex County Council [2019] EWHC 1291 (TCC) and Lancashire Care NHS Foundation Trust & Anor v Lancashire County Council [2018] EWHC 200 (TCC).
1) At team meeting w/c 10 June 2019, remind procurement staff of need to escalate any proposal to run a procurement exercise in an unreasonably short timescale
2) Take pipeline to corporate board every six months and to directorate management teams quarterly to minimise risk of rushed procurement exercises.
3) Seek corporate board sign-off for new approach with consistently adequate timelines,fewer evaluators and greater control over choice of evaluator.
4) Review scale of procurement exercises, avoid unnecessarily large exercises that increase risk and complexity and the scale of any damages claim.
5) Make incremental change to instructions to evaluators and approach to scoring and documenting rationale, and test on tender NCCT41801 in w/c 3 June 2019.
6) Review standard scoring grid and test ‘offline’ on tender NCCT41830 w/c 10 June 2019
7) Review template provisional award letter w/c 17 June.
8) Develop standard report to decision-maker w/c 17 June.
9) Make more significant changes to instructions to evaluators and pilot new approach on a future tender.
10) Pilot new scoring grid in a future tender.
11) Institute formal annual review of sourcing processes in light of developments in case law. Review each December; add to senior staff objectives.

Progress update

Progress update
1) Reminder given at team meeting 2) Pipeline report going to CES, Children's Services and Adult Social Care in December 3) Corporate board has signed off the new approach 4) Ongoing as need to consider each procurement on a case by case basis. 5) Evaluator guidance was updated immediately. More significant changes have also now been implemented - see 9). 6) Scoring grid was updated as planned 7) Template provisional award letter has been reviewed and updated 8) Existing reports have been reviewed and new report is being developed. 9) Evaluator guidance updated and in use as standard. Feedback from evaluators is positive. A new mechanism for capturing feedback on tenders is being trialled. 10) Scoring grid has now been updated and is in use as standard. 11) Ongoing. Added to senior staff objectives.

Appendix C

Risk Number		RM027			**Date of update**				28 November 2019	
Risk Name		Risk of failure of new Human Resources and Finance system implementation								
Portfolio lead		Cllr. Tom FitzPatrick					**Risk Owner**	Fiona McDiarmid		
Risk Description					**Date entered on risk register**				16 August 2019	
Risk that there is a significant impact to HR and finance services through potential lack of delivery of the new HR & finance system. Overall risk treatment: Treat										
Original			**Current**			**Target**				
Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Target Date	Prospects of meeting Target Risk Score by Target Date
2	5	**10**	2	5	**10**	2	2	**4**	Sep-21	**Green**

Tasks to mitigate the risk

1) Thorough business case to assess Current issues, and solutions available, approved by Cabinet.
2) Third party assurance of plans and timescales
3) Rigorous procurement process - procurement to begin on 31st October 2019.
4) Benefits focus, including senior role with responsibility for benefits realisation
5) Rapid recruitment of programme team to avoid delay
6) Strong governance of time and budget

Progress update

1) Cabinet approved the business case in May 2019.
2) On-going visibiillty of the plans via Assurance and Compliance Group, also the Corporate Select Committee had attended a workshop on the project implementation plan which had been well received.
3) Procurement started 31st October for the release of the ITT (invitation for tender), which was issued on 29 October (as planned).
4) Eight benefit themes applied to the project from the outset, programme board are responsible for delivering against these benefits.
5) Recruitment for phase one has successfully brought on to the team all required staff; planning for phase two roles ongoing.
6) Governance managed by project board and programme board for project plans and budget.

Risk Number	RM028	**Date of update**	28 November 2019
Risk Name	Risk of any failure to monitor and manage health and safety standards of third party providers of services		
Portfolio lead	Cllr. Andrew Proctor	**Risk Owner**	Fiona McDiarmid
Risk Description		**Date entered on risk register**	29 July 2019

The potential for the Council not proactively monitoring and managing 3rd party providers to ensure the standards of health and safety. There is a risk of prosecution for health and safety failings, reputational damage and a failure to deliver services.
Overall risk treatment: Treat

Original			**Current**			**Target**				
Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Target Date	Prospects of meeting Target Risk Score by Target Date
4	5	**20**	3	5	**15**	1	5	**5**	Mar-21	**Green**

Tasks to mitigate the risk

1) HSW team to undertake remote monitoring of high risk areas e.g accomodation providers

2) Departments to investigate specific concerns raised by the surveys

3) Departments to review their approach to contract management and implement sustainable improvements in monitoring with the support of Health and Safety Team (HSW)

Progress update

1) Monitoring undertaken by HSW Q3 2017/18
Report taken to the former CLT with findings Q4 2017/18 - actions 2 & 3 agreed at the former CLT.

2) Departments have reviewed their approach to contract management and integrated responsibilities into roles in revised structures. Structures will be in place by the end of 2019.

3) Departments have improved monitoring of service providers including Health and Safety. Monitoring undertaken on a risk basis.

<table>
<tr><td>Risk Number</td><td>RM029</td><td colspan="5">Date of update</td><td colspan="4">09 December 2019</td></tr>
<tr><td>Risk Name</td><td colspan="10">NCC may not have the employees (or a sufficient number of employees) with critical skills that will be required for the organisation to operate effectively in the next 2-5 years and longer term</td></tr>
<tr><td>Portfolio lead</td><td colspan="4">Cllr. Andrew Proctor</td><td colspan="3">Risk Owner</td><td colspan="3">Fiona McDiarmid</td></tr>
<tr><td colspan="3">Risk Description</td><td colspan="5">Date entered on risk register</td><td colspan="3">29 July 2019</td></tr>
<tr><td colspan="11">There is a risk that a range of critical new/future skills are not available within NCC in the medium to longer term. The lack of these skills will create problems for, or reduce the effectiveness of service delivery. An inability or failure to consider/identify these until they are needed will not allow sufficient time to develop or recruit these skills. This is exacerbated by: 1.The demographics of the workforce 2.The need for changing skills and behaviours in order to implement new ways of working including specialist professional and technical skills (in particular IT, engineering, change & transformation; analytical; professional best practice etc) associated with the introduction or requirement to undertake new activities and operate or use new technology or systems - the lack of which reduces the effective operation of NCC . 3.NCC’s new delivery model, including greater reliance on other employers/sectors to deliver services on our behalf 4.Significant changes in social trends and attitudes, such as the use of new technology and attitudes to the public sector, which may impact upon our ‘employer brand’ and therefore recruitment and retention 5.Skills shortages in key areas including social work and teaching 6.Improvements to the UK and local economy which may impact upon the Council’s ability to recruit and retain staff. 7.Government policy (for example exit payment proposals) and changes to the Council’s redundancy compensation policy, which could impact upon retention, particularly of those at more senior levels and/or older workers. 8. Brexit uncertainty impacting in some sectors.
Overall risk treatment: Treat</td></tr>
<tr><td colspan="3">Original</td><td colspan="3">Current</td><td colspan="5">Target</td></tr>
<tr><td>Likelihood</td><td>Impact</td><td>Risk score</td><td>Likelihood</td><td>Impact</td><td>Risk score</td><td>Likelihood</td><td>Impact</td><td>Risk score</td><td>Target Date</td><td>Prospects of meeting Target Risk Score by Target Date</td></tr>
<tr><td>3</td><td>5</td><td>15</td><td>3</td><td>5</td><td>15</td><td>2</td><td>5</td><td>10</td><td>Mar-21</td><td>Green</td></tr>
<tr><td colspan="11">Tasks to mitigate the risk</td></tr>
<tr><td colspan="11">• Identification of what new critical skills are required in services – As each directorate makes their changes to make savings / manage demand
• Identification of pathways to enable staff to learn, develop and qualify into shortage areas – As each directorate makes their changes to make savings / manage demand
• Challenge ourselves, is there another way this can be delivered?
• Explore further integration with other organisations to fill the gaps in our workforce - ongoing
• Develop talent pipelines working with schools, colleges and universities
• Undertake market rate exercises as appropriate and review employment packages
• Explore / develop the use of apprenticeships; this will help grow talent and act as a retention tool
• Work with 14 – 19 providers and HEIs to ensure that the GCSE, A level and Degree subjects meets the needs of future workforce requirements</td></tr>
<tr><td colspan="11">Progress update</td></tr>
<tr><td colspan="11">The Council is implementing the mitigations set out for this risk. Further progress updates will follow.</td></tr>
</table>

Appendix C

Risk Number	RM030	Date of update	26 November 2019
Risk Name	Realisation of Children's Services Transformation change and expected benefits		
Portfolio lead	Cllr. John Fisher	Risk Owner	Sara Tough
Risk Description		Date entered on risk register	08 August 2019

There is a risk that Children's Services do not experience the expected benefits from the transformation programme. Outcomes for children and their families are not improved, need is not met earlier and the increasing demand for specialist support and intervention is not managed. Statutory duties will not be fully met and the financial position of the department will be unsustainable over time.
Overall risk treatment: Treat

Original			Current			Target				
Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Target Date	Prospects of meeting Target Risk Score by Target Date
4	5	**20**	3	5	**15**	1	5	**5**	Mar-23	**Amber**

Tasks to mitigate the risk

1) A demand management and prevention strategy and associated business cases have been completed and a 5 year transformation programme has been established covering social care and education
2) Significant investment has been provided to delivery transformation including £12-15 million for demand management and prevention in social care and £120m for capital investment in Specialist Resource Bases and Specialist Schools
3) A single senior transformation lead, operational business leads and a transformation team have been appointed / aligned to direct, oversee and manage the change
4) Scrutiny structures are in place through the Norfolk Futures governance processes to track and monitor the trajectories of the programme benefits, risks and issues
5) Services from corporate departments are aligned to provide support to transformation change e.g. HR, Comms, IT, Finance etc
6) Interdependencies with other enabling transformation programmes e.g. smarter working will be aligned to help maximise realisation of benefits.

Progress update

1) Leads and transformation team in place. Roles involved in transformation will increase and decrease in line with programme demand
2) SEND transformation workstreams are established, project manadates agreed and the capital programme for the first build is underway. Current profile of £12-15m investment is flat at £2m per year rather than front loaded.
3) SEND consultation stages / work with IMPOWER completed and design stage underway for Specialist Resource Bases (SRBs)
4) Governance structures and reporting processes in place and being actively used through stocktake meetings and trajectory reports.
5) High level of engagement from corporate departments. Finance and HR use business partner model to embed expertise directly in department. Resource requirements are being managed in line with demand.
6) Business transformation "interlocks" are being used to manage interdependencies between programmes in Children's Service and the Business Transformation Programme. Other change programme are managed as required e.g. the alignment of the roll-out of new mobile devices and apps to enable greater mobile working.

Appendix C

Risk Number	RM031	**Date of update**	12 November 2019
Risk Name	NCC Funded Children's Services Overspend		
Portfolio lead	Cllr. John Fisher	**Risk Owner**	Sara Tough
Risk Description		**Date entered on risk register**	01 September 2019

There is a risk that the NCC Funded Children's Services budget results in a significant overspend that will need to be funded from other parts of Norfolk County Council
Overall Risk Treatment: Treat

Original			Current			Target				
Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Target Date	Prospects of meeting Target Risk Score by Target Date
5	5	**25**	5	5	**25**	4	5	**20**	Dec-20	**Green**

Tasks to mitigate the risk

Improved monitoring systems identified and revised CSLT tier 2, 3 & 4 structure proposed.
Transformation programme that is targeting improvement to operating model, ways of working, and placement & sufficiency to ensure that intervention is happening at the right time, with the right children and families supported, with the right types of support, intervention & placements. This will result in improved value for money through ensuring that money is spent in the right places, at the right times with the investment in children and families resulting in lower, long-term costs. In turn, this will enable the most expensive areas of NCC funded spend (placement costs and staffing costs) to be well controlled and to remain within budget. Cohorts will be regularly analysed to ensure that all are targeted appropriately.
The Functioning Family Therapy service has been launched. Family Group Conferencing is being reintroduced.
Recognition of underlying budget pressures within recent NCC budgets and within the MTFS, including for front-line placement and support costs (children looked after, children with disabilities and care leavers), operational staffing, and home to school transport for children with SEND.

Progress update

Improved monitoring systems in place and becoming embedded: LAC tracker, Permanance Planning Meetings, DCS Quarterly Performance meetings, Cohort Analysis tool.
Multiple Transformation projects under-way, including Fostering Recruitment, with further projects in development, including Enhanced Fostering, The new intervention support operating model design work is complete and signed off, and preparation is under-way for implementation.
Children Looked After numbers have been in steady, sustained decline for a 6 month period, which will result in reduced overall placement costs.Newly appointed Heads of Social Work for LAC and LC recently in post and Head of Locality for Corporate Parenting being recruited to in next 4 weeks.

Report to Cabinet

Item No 21.

Report title:	**Corporately Significant vital signs report December 2019**
Date of meeting:	**13th January 2020**
Responsible Cabinet Member	**Cllr FitzPatrick, Cabinet Member for Innovation Transformation and Performance**
Responsible Director:	**Fiona McDiarmid, Executive Director strategy & Governance**
Is this a key decision?	**No**

Executive Summary/Introduction from Cabinet Member

This paper presents the current performance information for corporately significant vital signs.

The purpose of this report is to provide the Cabinet with an update on the current performance and to highlight the key challenges and to provide supporting information to the summary slides.

This is an opportunity to review performance, validate the actions being taken to address poor performance and identify further opportunities for improvement using the resource and knowledge of the council as a whole.

The report provides key points on each vital sign, a summary dashboard of the monthly and quarterly vital signs is in appendix 1 followed by individual report cards for each of the vital signs which are in appendix 2.

The number of green and amber indicators vs. red has improved since the previous quarter report and 50% of the indicators currently red. The overall direction of travel of the corporately significant vital signs is positive, as can be seen from the trend columns in the dashboard, and over 75% of the vital signs are moving in a positive direction.

Recommendation

Review and comment on the performance data and planned actions.

1. Background and Purpose

Vital signs provide measurements of operational processes (internal) and strategic outcomes (external). Poor performance represents a risk to the organisation in terms of our ability to meet legal responsibilities, maintain financial health and meet the needs of our citizens.

The Corporately Significant Vital Signs are closely aligned to the four principles underpinning the Strategy:

- Offering our help early to **prevent and reduce** demand for specialist services

- **Joining up** our work so that similar activities and services are easily accessible, **done well and done once**
- Being **business-like** and making best use of **digital technology** to ensure value for money
- Using evidence and data to **target our work** where it can make the most difference.

Each vital sign has a target which has been set based on the performance required for us to work within a balanced budget and meet statutory requirements. Where the measure relates to the delivery of services benchmarking data has also been used to assess our performance against that of our statistical neighbours.

The Dashboard in Appendix 1 contains the current performance, historical performance and trends of the monthly, quarterly and annual corporately significant vital signs. The data reported covers the period to May/June and represents the latest validated data available for each of the vital signs.

Report cards, detailing the performance of each vital sign and actions being taken to address performance issues are contained in appendix 2.

New set of corporately significant vital signs for April 2020

The move to a new Cabinet system of Governance and the launch of Together, For Norfolk provides an opportunity to review the current vital signs to align them to our revised priorities and ensure that they also provide early indicators of future operational and strategic risks.

Directorate vital signs will be aligned to the relevant Portfolio holder and a review of these indicators is taking place with each Portfolio holder and lead Executive Directors, with a view to developing a new reporting dashboard to go live in April 2020.

2. Current performance

This report provides an update on the monthly and quarterly corporately significant vital signs. We currently have vital signs which measure key elements of the performance of our services and organisation wide monitor financial and workforce measures to maintain a view of how effectively the council is maximising the resources available for service delivery. This report is broken down into these two distinct areas.

Services performance

The following section outlines the vital signs that are being monitored to maintain a view of the current and forecast pressures for Adults social services and Children’s services and also to monitor progress of the activities that are being delivered to establish a more sustainable model.

Adult Social Services

Promoting Independence is the Adult Social Services strategy for accelerating the delivery of improved outcomes for people who require adult social care within the ongoing challenging financial context.

People who live in their own homes tend to have better outcomes than those cared for in residential care and the Care act 2014 requires that the council does all that it can to prevent or delay the need for formal or long-term care, therefore two vital signs track the number of people in residential care. This is split into two cohorts, people between 18 and 64 and those who are 65 and over; performance of both of these indicators has been positive over the last year with significant downward trends.

203: Permanent admissions to residential and nursing care per 100k population (18-64)

There continues to be significant positive downward trend in permanent admissions of 18-64 year olds, having had a relatively static period, and in September 17.04 per 100,000 18 to 64 year-olds were in residential care compared to 22.56 in September last year, which is a 24% reduction. The number of people between 18 and 64 per 100,000 in residential care is not yet meeting the target of 15.6 and is red.

Actions to bring this rate down further include an increased focus in independence through the development of 'Enablement centres' to help to develop skills for independent living and 'Preparing for Adult Life' services across adults, children's and health.

204: Permanent admissions to residential and nursing care per 100k population (65+)

The number of permanent admissions of 65+ is green and is exceeding its target of 594.3 with a rate of 468.98 per 100,000 population. As the overall number of over 65 year olds within residential settings has not reduced it is likely the that the reductions in permanent admissions is offset by short-term placements. Implementation of the Living Well model of social working is in flight and the use of short-term beds is being reviewed.

A key element of the Adults' Strategy is to intervene and keep people independent and the council has provided a reablement service for a number of years to help people get back on their feet after a crisis.

202: The effectiveness of Reablement Services - % of people who do not require long term care after completing reablement.

The reablement target is being exceeded and in September 75.4% of people did not require ongoing formal service after completing reablement, compared to only 68.22% in September 2018. The current performance has been within the range of 71% and 75% over the last year and it is likely that to increase this our teams will have to attempt to re-able people with more complex needs.

Home based reablement has achieved an expansion of capacity by 15%, jointly funded by the Council and Clinical Commissioning Groups (CCG's) which has meant that around an addition of 900 people have been supported, although demand continues to increase.

210: Delayed transfers of care attributable to Adult Social Care.

High levels of delayed transfers of care remains a performance issue for both health and social care partners. Norfolk's rate at August 2019 meant that it was ranked 112 (out of 150 authorities). In August there were 1,397 adult social care 'delay days'. The largest proportion of these occurred at the Norfolk and Norwich hospital.

The majority of delays were attributable to 'awaiting residential care packages', although doesn't just mean that there are not enough beds – delays around residential care can frequently relate to service user and family choice and securing the right placement.

Improvement actions have delivered short term improvements, but these continue to struggle to be sustainable – with rates increasing again under periods of increased demand.

Children's Services

The Children's Services strategy focuses on meeting the needs of children by ensuring that they are:

- Resilient and able to learn
- Build positive, long-lasting relationships
- Receive family-based care

The number of Looked after children and those returning to being looked after are key indicators of how successful we are being in our early interventions and in identifying the right children to return to their families.

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

The rate of looked after children was 67.3 in October 2019 which is below the target and is reporting green for the second quarter in a row.

This downward trend is testimony to the improved availability of edge of care services and support to families earlier in the process. In addition better demand management following changes at the front door and the removal of handover points between assessment and safeguarding teams means SWs now have more capacity and continuity in their work with families around affecting positive change as a diversion away from the need for care

403: Percentage of children starting to be looked after who have previously been looked after

The current rate of 13.7%, this is green and within the target but the September rate reflects an increase from 9.3%in June.

For over three years there had been a steady decline in the number of children needing to come back into the care of the local authority, however, in the last 6-month period there has been a month on month increase in the number of children coming back into the care of the LA within 12 months of previously having been LAC. This means that we are experiencing a three year high having consistently declined since August 2016.

402: Children Starting a Child Protection Plan for a 2nd/subsequent time within 2 years of a previous plan ceasing.

The rate in October was 9% and is meeting the target of 15%. From May 2019 there has been a steady improvement in numbers of children who have become subject to a Child Protection Plan having previously been subject to one in the previous 2- year period.

Norfolk is the best performing local authority in the eastern region for this measure. This is testament to the quality of intervention that has enabled families to protect their children for an enduring period of time once the Child Protection Plan has ceased. It is indicative of more children receiving appropriate support in a timely way when they need it, affecting required change, and not requiring the need for ongoing statutory intervention at this level

Participating in full time education or employment with accredited training is a key indicator and demonstrates that young people are achieving their potential through continuing in learning and gaining the skills which will enable them to lead an independent economic life and contribute fully within their communities.

In addition to this a number of measures monitor the quality of the educational establishments in Norfolk, the participation in education and the identification of educational, health and social needs and additional support needed to meet these needs.

414: Percentage year 12 and 13 cohort participating in full time education or employment with accredited training (EET).

This is currently amber, however the rate in October is a slight increase against the trend over the last six months. Norfolk NEET + Not knowns are 8.0% which is lower than England (13.6%). More young people in Norfolk (1.4%) enter employment without training as do nationally (1.0%).

Actions to improve this rate include identifying and supporting young people in year 11 and 12 who are at risk of not continuing in learning with a specific focus on home educated, vulnerable groups and progression from year 12 to 13.

417: Relevant and Former Relevant Care Leavers (19-21) in Employment, Education and Training

As corporate parents, Norfolk County Council has high aspirations for the young people formerly in our care. High levels of engagement in education, employment or training among our care leavers improves their outcomes both in terms of their self-esteem and life goals.

In October 50.6% of Norfolk's 19-21-year-old care leavers were engaged in employment, education or training. This performance is slightly less than both the national average of 51% and below our statistical neighbour average of 54.4% and the regional average of 55.5%, however we have increased slightly from our position of 49.8% in May 2019.

416: Percentage of Education, Health & Care Plans (EHCP) completed within timescale

Performance for the last quarter (Jul-Sep 2019) has increased by 130% on the previous quarter to 10.3%. Whilst this is a reassuring it is still significantly lower than the target amount. This is due to the number of 'legacy' cases not yet cleared.

Performance for the last full year was 12.4% within the 20-week timescale, which still lags significantly behind the national average but represents a slight increase on the previous year's performance.

The number of EHCP plans issued has increased from 726 in 2017 to 790 in 2018 (calendar year). 6500 EHCPs are now live and in need of maintenance. New referral rates have increased to over 1000 per year - 1041 new referrals processed during 2018 compared with 650 in 2015/16

DfE targets for all LAs is 90% and the national average had been 55%. These are the interim (55%) and stretch (90%) targets for Norfolk, therefore.

Recruitment is nearly complete and the EHCP team should be at full capacity from December 2019.

349: Number of Apprenticeship starts

Better qualified staff are a key first rung on the ladder to our twin goals of higher value jobs and a reduction in the gap between Norfolk's and England's average earnings (weekly gross pay). This performance indicator is amber.

No new data has been released since the July 2019 scorecard when the data for the period August 2018- April 2019 showed an overall increase of 1.94% for Norfolk starts at 4740. Whilst this was lower than the national increase of 7% it could indicate that apprenticeships are moving into a more positive phase as the national reforms become embedded.

Appointments have been made to the three vacant posts within the G&D apprenticeship team, it is anticipated that two colleagues will start before Christmas and one early in the New Year creating capacity to develop and implement initiatives to increase apprenticeship starts.

Community and Environmental Services

In addition to the social care measures we monitor a number of indicators relating to access to wider services across Norfolk:

317: on call (retained) fire station availability

Responding quickly to an emergency can reduce the impact of an incident and to do this the service needs response resources to be available. On call (retained) Fire Station availability measures the availability of retained fire fighters, located within 5 minutes of their station.

NFRS On-call fire station availability against a target of 90% was 83.3% in October.

Monthly On-Call Availability improved by 0.6% between September and October. Outwell availability continues to improve, it is now at 59.6%, a 10% improvement on September. Acle availability was the lowest at 41.5%, though this was a 15.2% improvement on September.

325: Customer Satisfaction (with council services)

This indicator measures customer satisfaction across a wide range of council services.

Performance against this measure has been consistently green over the last year with rates of between 90% and 95%. However the rate dropped in October to 88% which is just below the target of 90%.

Email satisfaction was 70% for October 2019, based on the 616 completed surveys. The main source of dissatisfaction (82% of comments) is blue badge policy and eligibility. We are following the government criteria and customers are upset that they do not meet the criteria.

Phone satisfaction was 95% for October 2019, based on the 1,749 completed surveys. Response volumes continue to rise, and all service with more than 10 responses exceeded 90% satisfaction.

311: % of Norfolk Homes with superfast broadband coverage

Access to superfast broadband will provide businesses and individuals access to the resources needed to maintain independence and a strong economy. Currently 93% of properties in Norfolk can access fast broadband which is higher than the target of 90%.

Work continues to extend this coverage through the Better Broadband for Norfolk partnership.

Financial and Workforce Measures

A number of financial and workforce measures are monitored to review how effectively the council is maximising the resources available for service delivery. All of these indicators are NCC-wide measures.

Financial indicators

500: Budget monitoring – Forecast vs. Budget

Members set an affordable cash limited revenue budget each year: any net overspends will reduce already limited reserves, this measure monitors the forecast spend vs. the budget. The forecast position as of October is for an end of year budget shortfall of £3.819m which is an improving position.

The Children's Services net overspend is due mainly to high and increasing levels and complexity of need across placement and support budgets, including children looked after, young people leaving care and children at risk of harm, and transport costs. Transport costs are forecast to rise due to pressures relating to the costs of home to school transport, particularly Special Educational Needs, Disabilities and Alternative Provision (SEND & AP) transport. Within Adults, there are pressures on Purchase of Care budgets, mainly related to Older People and Mental Health services. These forecast overspends have been balanced by forecast underspends in Finance General.

503: Ratio of Corporate net expenditure compared to Frontline

The ratio of Corporate to Frontline net budget demonstrates the value for money of the internal organisation and indicates how effectively the costs of running the council are being managed to maximise the resources available for service delivery.

Following the removal of depreciation revaluation charges to service budgets in the ratio has increased when compared to original budgets, by about 1%. The underlying ratio is therefore in line with 2018-19. The forecast is slightly lower than budget, due to the majority of forecast overspends at P8 being in frontline services rather than support functions.

501 Savings targets delivered – by Department

Making savings is key to supporting the delivery of a balanced budget and ensuring that the Council maintains a robust financial position. Savings are identified across the council each financial year and the savings identified for 2019/20 the savings target is £31.605m.

In the current year, 2019-20, as at Period 7 (October), a shortfall of £4.916m is being forecast against budgeted savings of £31.605m. Savings of £26.689m are forecast to be delivered (84% of planned savings). The main area of non-delivery continues to relate to delays in the achievement of Adult Social Services savings linked to Promoting Independence, but also savings relating to Transport and Digital / New Technology.

504 Savings – Support Services compared to Front Line

This figure demonstrates to what extent savings that achieve efficiencies in systems and processes, and better use of resources and technology have been prioritised over savings which impact on front line delivery. The current year forecast is green with a forecast of 89.3% against a target of 74%.

502: Capital Programme Tracker

Members set a capital budget each year in the expectation that capital projects will be delivered, and budgets controlled. Based on actual expenditure to October 2019, total spend in 2019-20 is forecast to be in the region of £180m. This is less than the pattern based previous years spend, although those years were unusual in that they included the construction of the NDR.

The programme will change as the timing of projects becomes more certain. The rating for this indicator is red however if the current forecast is realised this will not result in a negative budget impact, it will simply mean that we have not used all of the capital that has been set aside for investment.

Workforce

A number of measures are monitored to understand the total available capacity of the organisation to deliver our services.

633: HR: % lost time due to sickness

Supporting employees to be healthy, positive and productive at work is a priority and staff absence is also an indicator of the overall relationship between the employee and employer.

The sickness absence rate to the end of September 2019 was 3.8% against the target of 3.5% and compared to 3.5% at the same point last year. The average lost time due to sickness absence for local government is 2.7% (based on ONS Sickness Absence rates in public sector 2018 – the latest figures available) and for large employers (5,000+ employees) is 4.3% (CIPD Health and Wellbeing at work survey 2018).

This equates to 215.5 fte in lost productivity. The number of reported sick days has increased and short-term sickness increased significantly in the last quarter of 18-19. Long term sickness accounts for the majority of the overall increase and the number of employees off sick for more than 4 weeks has increased to 439 vs 272 in 2017/18.

A number of actions are underway to manage data collection, HR & Finance Replacement system will help automate management information, currently reliant on self-reporting and sickness absence manager dashboard is due to be launched in Q3.

Focussed support is being provided to ASSD and Children's, both in terms of absence management and well-being e.g. seeking advice from occupational health and supporting managers with absence review meetings, undertaking well-being assessments and signposting to additional services such as Norfolk Support Line (NSL) and the musculoskeletal scheme where appropriate.

637: New employee retention

Improving our retention rate will reduce costs associated with recruitment and training and improve service performance, this indicator measures how many new entrants to NCC stay in post for longer than 2 years. Currently the retention rate is below our stretching target of 80%, at 68.63% in September, however there is considerable fluctuation month to month. Our average retention rate during 2018/19 was 66% which is comparable with the 2018 national CIPFA survey where the average retention rate was 70%.

Initial analysis has identified a small number of services where the 2-year retention rate is consistently below 50%, particularly in Adults Community Services where only 37.5% of leavers in the first 6 months of the financial year had more than 2 years' service. Almost two thirds of leavers in Community Services had less than 1 year of service.

A deep dive of areas with poor retention rates is planned for Q2/3 to understand root cause and identify possible improvement actions.

639: Vacancy Rate (Accuracy of establishment data)

This is a measure identifying the number of unfilled posts in the budgeted staffing establishment. The consequence of failure to fill roles to the agreed target is a potential impact on our ability to deliver services and achieve outcomes for residents. Failure to recruit to vacant posts can also incur additional costs through temporary cover and increased impact on existing employee well-being.

The vacancy rate in September was 10.2% which is green against a target of 12%. It is difficult to fully reconcile the various data sets to accurately update, maintain and report on establishment, in the longer term, the HR& Finance System Transformation project will deliver an end to end solution with integrated HR and Finance data. In the interim several tactical solutions are being implemented including a Task and Finish Group sponsored through Business Transformation to enable joint working between HR and Finance on improving establishment control and an Establishment dashboard to be launched by the HR Workforce Insight Team Q3 19/20

The following appendices contain the current vital signs dashboard and the individual report cards for each vital sign.

3. Impact of the Proposal

3.1 N/A

4. Financial Implications

4.1 N/A

5. Resource Implications

5.1 N/A

6. Other Implications

6.1 N/A

7 Equality Impact Assessment (EqIA) (this must be included)

7.1 N/A Information Report

Background Papers

Information within Appendices 1 to 3

Officer Contact

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

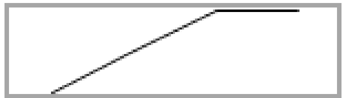
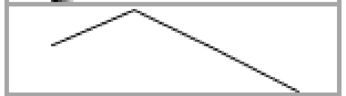
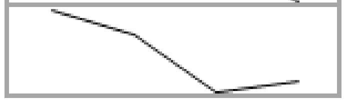
Officer Name	**Fiona McDiarmid, Executive Director, Strategy & Governance**
Tel No	01603 973444
Email address	Fiona.mcdiarmid@norfolk.gov.uk

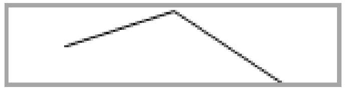
If you need this Agenda in large print, audio, Braille, alternative format or in a different language please contact Diana Dixon 0344 800 8020 or 0344 800 8011 (textphone) and we will do our best to help.

Appendix 1: Corporately Significant Vital Signs Dashboard – monthly indicators

Ref	Monthly	Bigger or Smaller is better	Oct 18	Nov 18	Dec 18	Jan 19	Feb 19	Mar 19	Apr 19	May 19	Jun 19	Jul 19	Aug 19	Sep 19	Oct 19	Oct 19	Target	Trend	Past Performance
202	(ASC) % of people who require no ongoing formal service after completing reablement	Bigger	71.82%	75.73%	74.66%	71.06%	72.98%	73.40%	74.34%	73.76%	75.32%	74.32%	75.66%	75.40%			69%	↗	
203	(ASC) Decreasing the rate of admissions of people to residential and nursing care per 100,000 population (18-64 years)	Smaller	27.62	26.25	25.27	24.68	24.09	24.09	21.94	20.76	21.15	20.57	19.00	17.04			15.60	↘	
204	(ASC) Decreasing the rate of admissions of people to residential and nursing care per 100,000 population (65+ years)	Smaller	663.80	646.90	631.41	627.18	622.95	601.83	591.50	573.66	556.76	537.52	509.82	468.98			594.3	↘	
210	(ASC) Number of days delay in transfers of care per 100,000 population (attributable to social care)	Smaller	4.90	5.17	5.40	5.67	5.66	5.68	5.09	6.43	6.59	6.68	6.86				3.4	↗	
317	(NFRS) On call (retained) fire station availability	Bigger	83.8%	86.0%	85.7%	87.3%	86.1%	87.3%	87.3%	86.3%	83.6%	83.7%	80.0%	82.7%	83.3%		90%	↘	
325	Customer satisfaction (with council services)	Bigger	92.8%	93.5%	90.2%	90.2%	93.9%	95.4%	93.3%	92.7%	86.9%	86.6%	88.3%	90.4%	88.8%		90%	↘	
402	(ChS) Percentage of Children Starting a Child Protection Plan who have previously been subject to a Child Protection Plan (last 2 yrs)	Smaller	8.4%	8.5%	8.4%	8.7%	9.4%	9.4%	9.9%	10.6%	10.3%	10.2%	9.6%	9.2%	9.0%		<15%	↘	
414	(ChS) Percentage of all young people in EET	Bigger	89.4%	92.3%	91.5%	91.1%	91.0%	90.3%	89.9%	89.3%	89.3%	89.1%	85.4%	89.0%	90.1%		92%	↗	
417	(ChS) Percentage of Relevant and Former Relevant Care Leavers in EET	Bigger	49.4%	50.5%	56.5%	55.9%	49.7%	50.3%	50.1%	52.9%	52.6%	50.7%	49.7%	50.8%	50.6%		70.0%	↘	
500	(Finance) Budget monitoring - forecast vs budget at a County level	On plan	£2.37m	-£0.04m	-£0.04m	-£0.02m	-£0.02m	-£0.02m	-£0m	£5.7m	£6.11m	£5.01m	£4.62m	£4.37m	£3.82m	£3.7m	£0.0m	↘	
501	(Finance) Savings targets delivered - by Service	Bigger	£24.3m	£24.54m	£24.54m	£25.56m	£25.56m	£25.5m	£31.61m	£26.9m	£26.9m	£26.9m	£26.9m	£26.69m	£26.69m	£26.69m	£31.6m	-	
502	(Finance) Capital programme tracker	Bigger	59.2%	59.2%	59.2%	59.2%	59.2%	57.2%	55.0%	55.0%	82.9%	86.7%	77.6%	81.7%	78.7%	76.7%	100.0%	↗	
503	(Finance) Ratio of corporate net expenditure compared to frontline net expenditure	Smaller	5.4%	5.4%	5.4%	5.5%	5.5%	5.9%	5.8%	5.8%	5.8%	5.8%	5.8%	5.8%	6.4%	6.8%	6.0%	↗	
504	(Finance) Savings - support services compared to front line	Bigger	67.1%	67.5%	67.5%	68.8%	68.8%	68.7%	88.5%	89.3%	89.3%	89.3%	89.3%	89.2%	89.2%	89.2%	74.0%	→	
615	(HR) Sickness absence - percentage lost time	Smaller	3.51%	3.86%	3.70%	3.77%	3.79%	3.81%	3.90%	3.95%	4.10%	4.20%	3.95%	3.80%			3.50%	↘	
637	(HR) New Employee Retention	Bigger	68.57%	61.97%	63.44%	60.00%	63.79%	68.09%	59.26%	56.20%	62.07%	68.97%	61.70%	68.63%			80.0%	↗	
639	(HR) Vacany rate	Smaller	13.22%	12.33%	11.97%	14.92%	14.78%	17.60%	16.50%	13.50%	13.50%	16.40%	12.2%	10.2%			12.00%	↘	

Appendix 1: Corporately Significant Vital Signs Dashboard – Quarterly indicators

Ref	Quarterly	Bigger or Smaller is better	Sep 18	Dec 18	Mar 19	Jun 19	Sep 19	Target	Trend	Past Performance
331	{BBfN} % of Norfolk homes with superfast Broadband coverage	Bigger	91.0%	92.0%	93.0%	93.0%		90%	↗	
349	{PE} Number of apprenticeship starts	Bigger	5960	2030	3210	4740		4,876	↗	
403	{ChS} Percentage of Children Starting to be looked-after who have previously been looked-after	Smaller	4.60%	5.10%	5.10%	9.30%	13.70%	<15%	↗	
410	{ChS} Rate of Looked-After Children per 10,000 of the overall 0-17 population	Smaller	70.3	71	70.2	69.4	67.3	69.4	↘	
416	{ChS} Percentage of Education, Health & Care Plans completed within timescale	Bigger	13.4%	10.2%	3.1%	4.6%	4.3%	55%	↗	

	Termly		Summer 18	Autumn 18	Spring 19	Trend	Past Performance
415	{ChS} Number of Children subject to a Permanent Exclusion	Smaller	94	97	91	→	

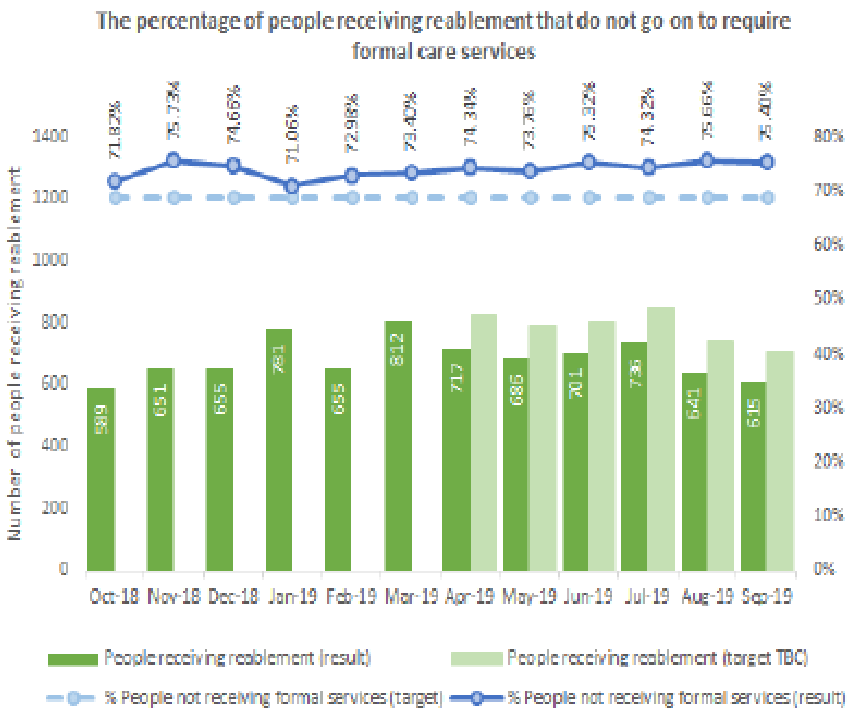
Appendix 2: Individual report cards

202: The effectiveness of Reablement Services -% of people who do not require long term care after completing reablement

Why is this important & what will success look like?

- The Care Act 2014 requires that the council does all that it can to prevent or delay the need for formal or long-term care. Norfolk has provided a reablement service for a number of years that helps people get back on their feet after a crisis.
- Success in this indicator means that a high proportion of people completing home based reablement do not need ongoing care. The business case agreed by NCC and the CCGs in April 2018 for additional investment in NFS home based reablement was based on delivering 15% more referrals – and this is reflected in the seasonally-adjusted targets for people receiving reablement. These targets remain under review and will be adjusted if additional staff cannot be recruited.

Performance



What is the background to current performance?

- The Promoting Independence Strategy aims to increase the amount of reablement available, with the number of people completing reablement going up year-on-year for the last nine years
- It is calculated that for each £1 invested in home based reablement (NFS), Adult Social Services save £4.06 (gross). 61% of people who have been through reablement do not need a package of care at the end of it. Of the other people who go through reablement, 21% have a home care package at the end that is on average 24.36% smaller
- Current performance shows slightly increasing effectiveness – although there are some seasonal pressures (January) where performance dips in light of heightened demand.
- Rates of people receiving reablement are below the target, though represent a year-on-year increase.
- Recruiting and retaining staff is a continuing challenge, and targets may be revisited if it is not possible to recruit the number of staff required to hit target.

What are the planned actions?

- To continue to expand the council's Home-Based Reablement services (Norfolk First Support) in order to meet rising demand and ensure that the service can be provided to all those who would benefit from reablement to remain living independently at home.
- To expand commissioned Accommodation-Based Reablement (whereby people are reabled during a short-term stay in a setting designed for this purpose) which complements the home based reablement service for those people who are unable to return home immediately after a stay in hospital

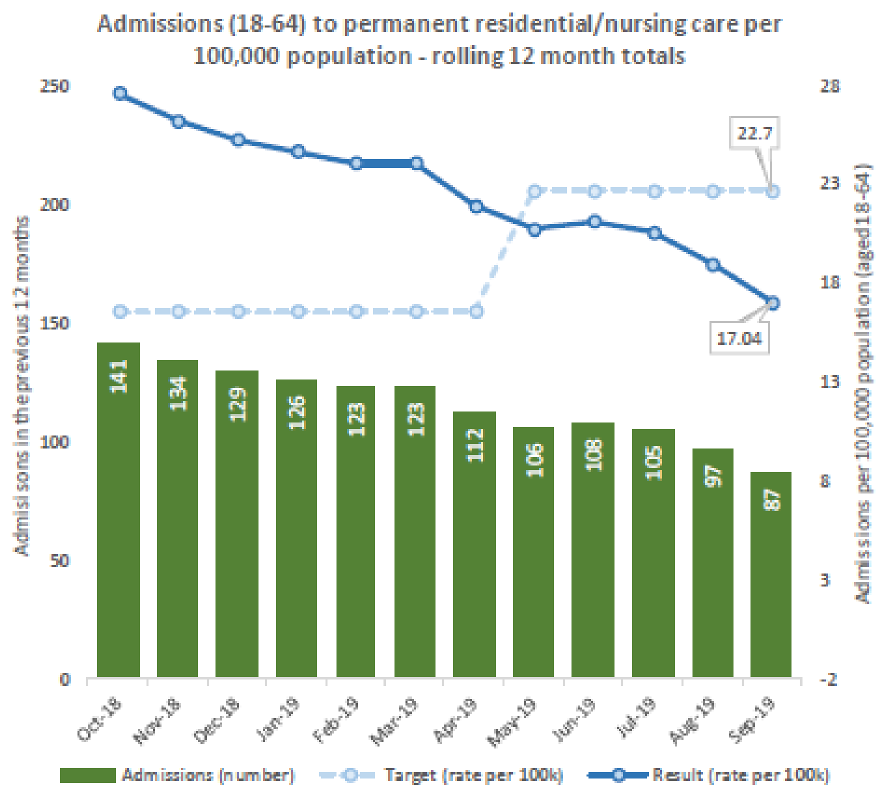
What is the action status?

- Home-based reablement has achieved an expansion of capacity by 15%, jointly funded by the Council and Clinical Commissioning Groups (CCGs) which has meant around an additional 900 people have been supported, although demand continues to increase. We are seeking further increases in investment.
- Accommodation based reablement was initiated in 2018 and there are now a total of 40 beds across the county available and in use with the flow and capacity managed by a central team
- The council is working with partners to develop further accommodation-based reablement capacity as part of a revised offer at Grays Fair Court and 10 further beds are due to be available from November 2019

203: Permanent admissions to residential and nursing care per 100k population (aged 18-64)

Why is this important & what will success look like?	
	• People that live in their own homes, including those with some kind of community-based social care, tend to have better outcomes than people cared-for in residential and nursing settings. It is usually cheaper to support people at home - meaning that the council can afford to support more people in this way. • Norfolk's rates have historically been higher than the 'family group' average. Success would mean rates sustained below this rate, and subsequent reductions in the overall number of people in residential and nursing care. It would also mean the delivery of genuine alternatives to residential care for those that need intensive long-term support.

Performance



What is the background to current performance?

- Historic admissions to residential care for people aged 18-64 were very high in Norfolk at nearly three times the family group average
- Improvements have seen year-on-year reductions but most recently, the rate has remained largely static
- There are some issues with the data collected for this indicator – with analysis showing that there is a 'data lag' with many admissions not making onto our system immediately, artificially reducing the rate for the most recent months. Reflecting on the figures presented here – the last five months' figures are likely to understate admissions. We are currently working with practitioners to improve data compliance.
- Our priority focus has been to transform services for people with learning disabilities. This should see fewer people with learning disabilities in permanent residential and nursing care, because of wider choices of accommodation
- In addition, we are shifting to an enablement approach which helps people build independent living skills – cooking, managing money, building friendships
- These changes are in flight but may take some time to show impact on this indicator
- In parallel to this work, we have recognised the need to review the options that we have available for people with physical disabilities, and see what alternatives to residential care might be possible to develop

What are the planned actions?

- Development of "enablement centres" model for service users aged 18-64 to be helped to develop skills for independent living
- Development of a Preparing for Adult Life services, across adults, children's, education and health to support transition between children's and adults' services

What is the action status?

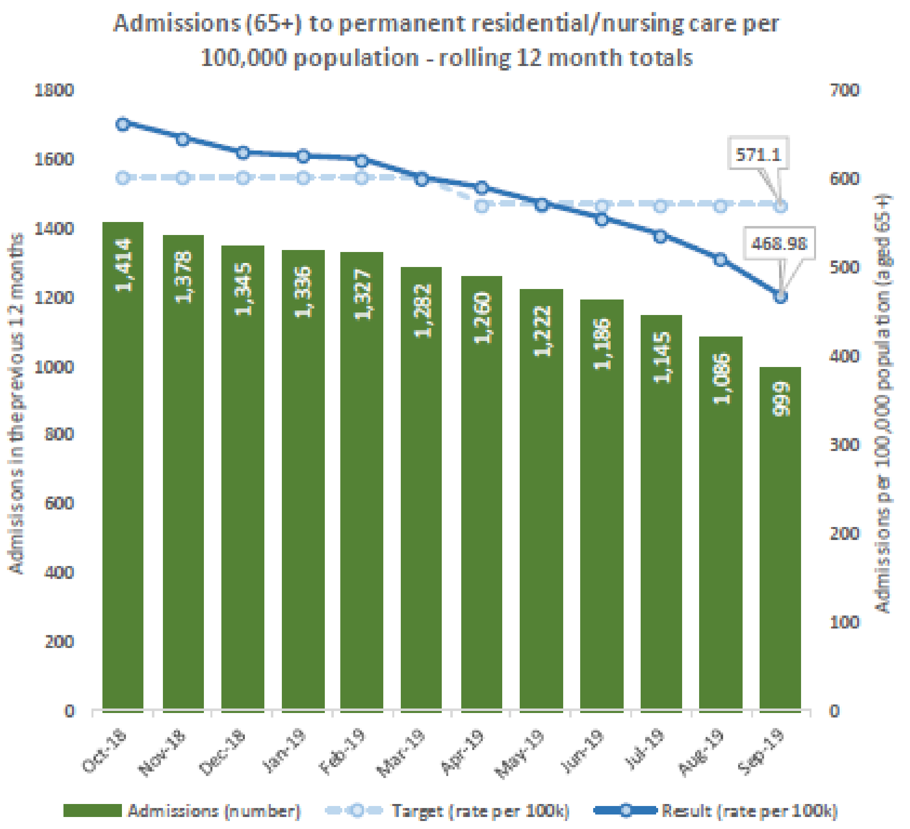
- Implementation of Living Well model of social work is ongoing.
- Monthly performance and finance meetings at locality level to scrutinise performance, identify issues, and problem solve.

204: Permanent admissions to residential and nursing care per 100k population (aged 65+)

Why is this important & what will success look like?

- People that live in their own homes, including those with some kind of community-based social care, tend to have better outcomes than people cared-for in residential and nursing settings. It is usually cheaper to support people at home - meaning that the council can afford to support more people in this way.
- Norfolk's rates have historically been higher than the 'family group' average. Success would mean rates sustained below this rate, and subsequent reductions in the overall number of people in residential and nursing care.

Performance



What is the background to current performance?

- Historically admissions to residential care have been higher than Norfolk's family group average
- Over the past three years the rate of admissions in Norfolk has decreased although monthly reporting of performance shows there has been a slowing down of improvement since March 2016
- There are some issues with the data collected for this indicator – with analysis showing that there is a 'data lag' with a number of admissions not making onto our system immediately, artificially reducing the rate for the most recent months. We are currently working with practitioners to improve data compliance.
- Nevertheless there appears to be a continued reduction in the rate of permanent admissions. As overall numbers of people aged 65+ within residential care settings has not reduced by the same amount, it is likely that reductions in permanent admissions are offset by increases in short-term placements. This explanation is in line with the strategic intentions of promoting independence, and the drive towards 'reablement beds'. However, further analysis is needed and will be undertaken in the coming months.

What are the planned actions?

- The Promoting Independence programme includes critical actions to improve this measure
- Close scrutiny at locality team level and use of strengths-based approach to assessment
- Commissioning activity around accommodation to focus on effective interventions such as reablement, sustainable domiciliary care provision, crisis management and extra care accommodation options for those aged 65+ will assist people to continue live independently
- Measures to support the effective discharge of people from hospital as part of the Improved Better Care Fund programme

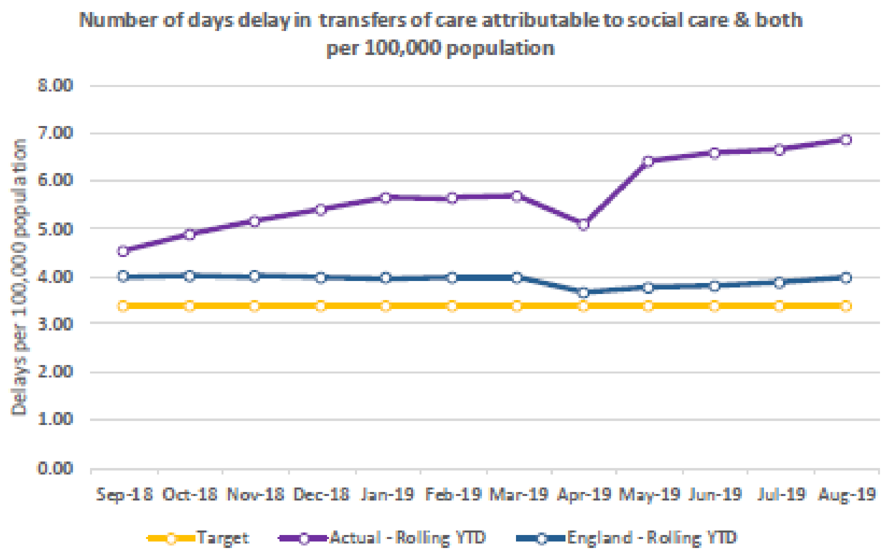
What is the action status?

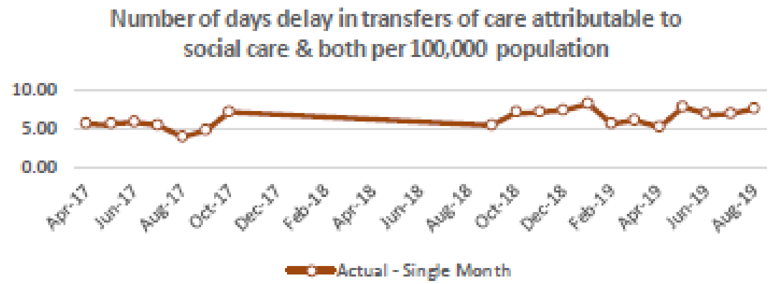
- Implementation of Living Well model of social work in flight. Critical to this is the strengthening of the Norfolk Directory
- Monthly performance and finance meetings at locality level to scrutinise performance, identify issues, and problem solve
- Review of effective use of short-term beds
- Improvement of scope and scale of support for informal carers

210: Delayed transfers of care attributable to Adult Social Services

Why is this important & what will success look like?	• Staying unnecessarily long in acute hospital can have a detrimental effect on people's health and their experience of care. Delayed transfers of care attributable to adult social services impact on the pressures in hospital capacity. Hospital discharges also place particular demands on social care, and pressures to quickly arrange care for people can increase the risk of inappropriate admissions to residential care, particularly when care in other settings is not available. This measure will be reviewed as part of Better Care Fund monitoring. • Success requires sustained reductions to delays in line with national targets and benchmarks, and in response to local BCF plans.

Performance





What is the background to current performance?

- High levels of delayed transfers of care remain a performance issue for both health and social care partners in Norfolk. Norfolk's rate at August 2019 meant that it was ranked 112 (out of 150 authorities) for total delays, and ranked 139 out of 150 for social care delays.
- In August there were 1,397 adult social care 'delay days'. The largest proportion of these occurred at the Norfolk and Norwich University Hospital.
- The majority of social care delays (806 of the delay days in August) were attributed to "awaiting residential care packages" – although this doesn't just mean that there are not enough beds – delays around residential care can frequently relate to service user and family choice, and securing the right kind of placement (reablement, specialist dementia placements etc.).
- Performance improvement conversations around delays have often referred to the quality of the data – with the council previously expressing some concerns about whether the data submitted to NHS digital by health partners was correct. Significant efforts have been made to improve this – and whilst considerable effort is required to audit and verify the data, we have much greater confidence in it, and the Director signs off the figures prior to submission each month.

What are the planned actions?

- Actions are planned through the BCF process, and include increases in Accommodation-Based Reablement, increases to the availability of community-based reablement.
- A review of the social work offer to acute hospitals is underway
- Further plans will be developed as part of the negotiations for the refreshed Better Care Fund in Summer 2019.

What is the action status?

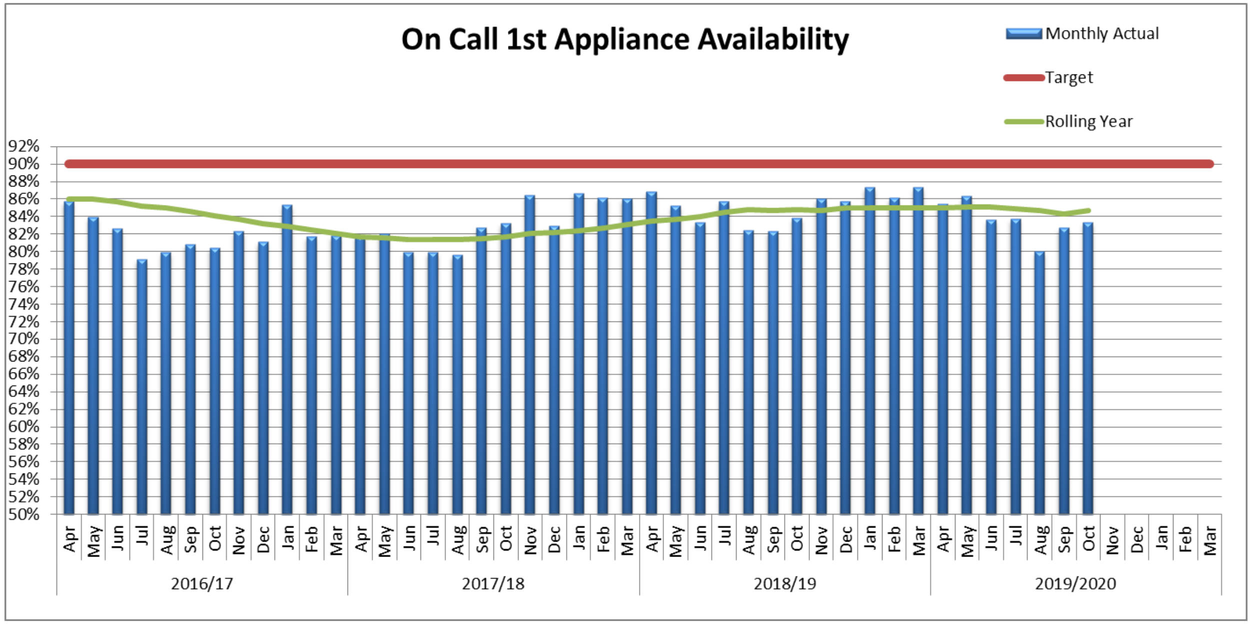
- Improvement actions have delivered short-term improvements, but these continue to struggle to be sustainable – with rates increasing again under periods of increased demand.

317: On Call Fire Station Availability

Why is this important?

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

Performance



What is the background to current performance?

- On-call firefighters are employed on a contract to provide a set number of hours of "availability". They must be located within five minutes of their station and are paid to respond to emergencies. They often have other primary employment.
- **Monthly On-Call Availability** improved by 0.6% between September and October. Outwell availability continues to improve, it is now at 59.6%, a 10% improvement on September. Acle availability was the lowest at 41.5%, though this was a 15.2% improvement on September.
- NFRS On-call fire station availability against a target of 90%: July 83.7% (red); August 80.0% (red); September 82.7% (red); October 83.3%.
- We have been managing personnel issues at one of our stations for a number of months. This situation has had a negative impact on availability.
- It is challenging to recruit firefighters who are prepared to stay within five minutes of a station. Many of our on-call firefighters are also wholetime, this restricts their availability for on-call duty. Recently there has been an increase in the number of firefighters undergoing fitness testing some of whom have failed the test which makes them unavailable. Some stations are experiencing a lack of personnel qualified to be officers in charge, without whom a crew cannot mobilise.
- The Home Office has released a national website and recruitment campaign to support local recruitment. We have changed the title of RDS Firefighters to On-Call Firefighters to align all of our recruitment activity with the National work.
- **Annual On-Call Availability** has been steadily improving over the last two financial years as the service has been taking effective action to see improvements

2016/17	82.1%
2017/18	83.1%
2018/19	85.1%
2019/20	83.6% to October the same as last month.

What will success look like?

- Consistent performance improvement to achieve the 90% target
- The first fire engine responds to an emergency when they are needed (avoiding the need to send the next closest available fire engine).
- Wholetime (full-time) firefighting resources are almost always available so they have not been included in this data. They provide a level of resilience and support for surrounding On-Call stations. .
- To address the shortfall of officers in charge, we are coaching personnel through the qualification process.

Action required

- Currently recruiting on-call firefighters at a number of stations, a media campaign has recently been run with significant interest.
- Resources have been identified to enable focused improvement for on On-Call recruitment.
- Managers regularly review the availability provided by on-call firefighters to ensure they comply with their contracted arrangements and performance manage this where required.

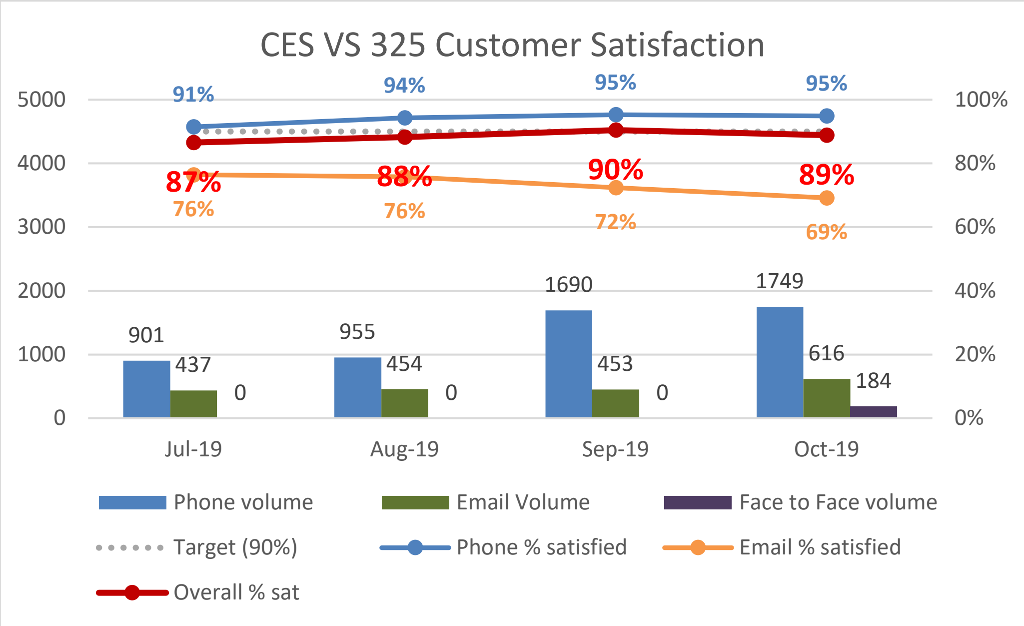
Responsible Officers	Lead: Stuart Ruff, *Chief Fire Officer* Data: Stephen Maxwell, *Intelligence and Performance Analyst*

325: Customer Satisfaction

Why is this important?

This measures the organisations ability to attract the right calls and deal with them effectively. Where people are phoning to chase an earlier contact / request it is a signal of inefficiency in the organisation – it also adds unnecessary cost in dealing with a second customer contact.

Performance



What is the background to current performance?

Email

Email satisfaction was 70% for October 2019, based on the 616 completed surveys.

The main source of dissatisfaction (82% of comments) is blue badge policy and eligibility. We are following the government criteria and customers are upset that they do not meet the criteria.

Phone

Phone satisfaction was 95% for October 2019, based on the 1,749 completed surveys.

Response volumes continue to rise, and all service with more than 10 responses exceeded 90% satisfaction.

What will success look like?

- Over 90% of customers are satisfied with the service they receive
- As the customer service programme progresses the number of avoidable customer contacts by service should reduce, as customers are more able to self-serve online.

Action required

-

Responsible Officers

Lead: Andrew Blaxter, Head of Customer Service Operations; Data: Paul Green, Customer Services Reporting Officer

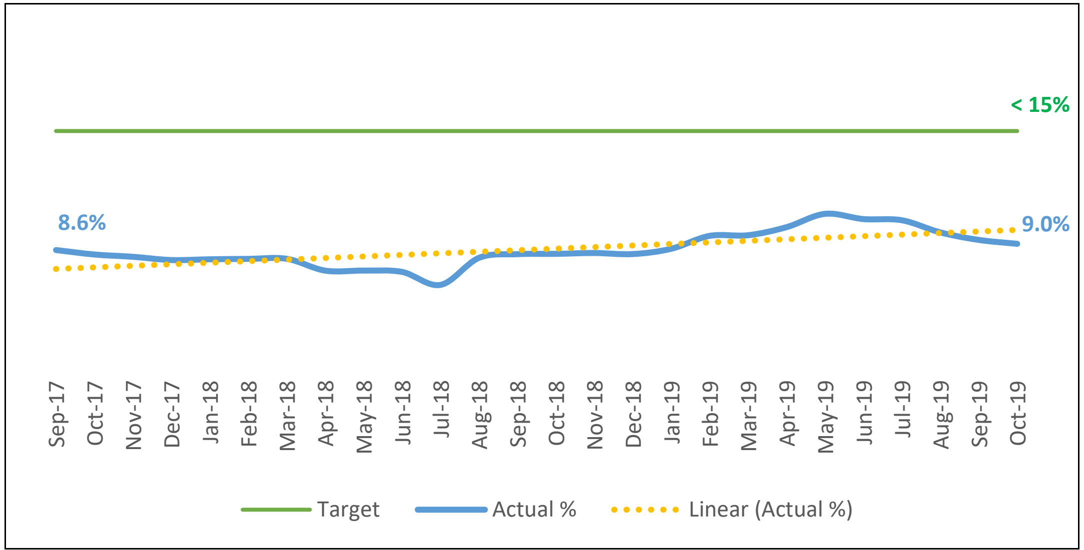
402: Percentage of Children Starting a Child Protection Plan who have previously been subject to a Child Protection Plan (in the last 2 years)

Why is this important?

A successful CP Plan outcome is not just about reducing risk at a particular point in time but is about ensuring that children who have been subject to CP intervention stay safe after the plan has ended.

Performance

Children Starting a Child Protection Plan for a 2nd/Subsequent Time (Rolling 12 months)



What will success look like?

For the numbers of children subject to a Child Protection Plan who have previously been subject to one in the last 2 years to continue to decline.

For no more than 10% of those starting a Child Protection Plan to be for a second or subsequent time.

What is the background to current performance?

From May 2019 there has been a steady improvement in numbers of children who have become subject to a Child Protection Plan having previously been subject to one in the previous 2- year period.

During the summer of 2018 this % figure was slightly lower than it currently is but has always been at least 5% lower than our defined target.

Norfolk is the best performing local authority in the eastern region for this measure.

This is testament to the quality of intervention that has enabled families to protect their children for an enduring period of time once the Child Protection Plan has ceased.

It is indicative of more children receiving appropriate support in a timely way when they need it, affecting required change, and not requiring the need for ongoing statutory intervention at this level.

Action required

1. Consideration of reducing the target as this has consistently been better than the agreed target for 2 years.

2. For this measure to continue to be monitored and reported locally to ensure any increase in this cohort is properly analysed and addressed.

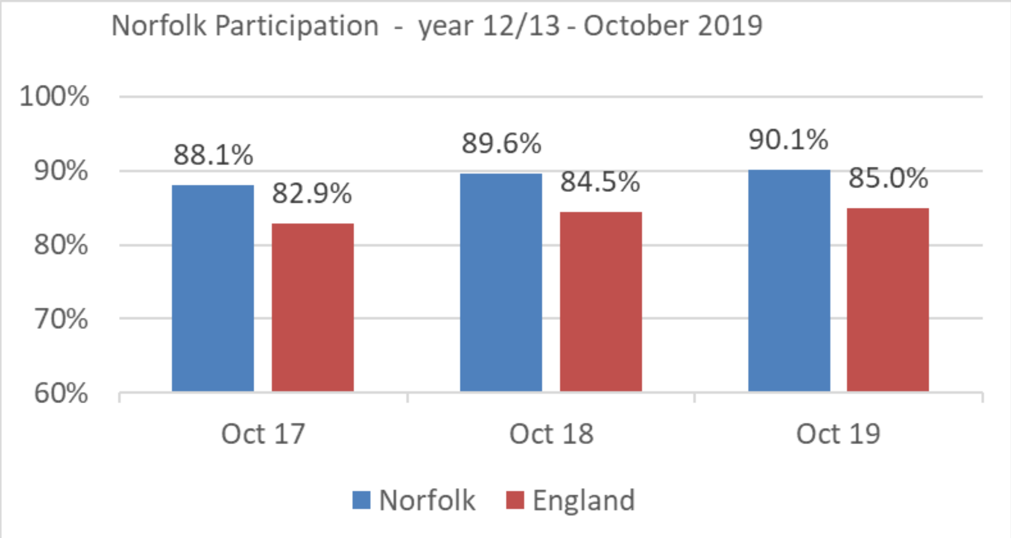
Responsible Officers	Lead: Phil Watson Data: CS Reporting Team

414: Percentage of year 12 and 13 cohort participating in fulltime education, or employment with accredited training (EET)

Why is this important?

This key indicator demonstrates that young people are achieving their potential through continuing in learning and gaining the skills which will enable them to lead an independent economic life. The Department for Education requires us to report this data to them each month.

Performance



What is the background to current performance?

- Those participating post-16 include those in fulltime education or employment with accredited training e.g. apprenticeships. Those who are employed but not undertaking accredited training are not counted as participating in EET
- The participation level will continue to increase for both Norfolk and England between October and December however we expect the gap between Norfolk and England performance to decrease as it has in previous years
- Norfolk NEET + Not knowns are 8.0% which is lower than England (13.6%%).
- More young people in Norfolk (1.4%) enter employment without training as do nationally (1.0%)

What will success look like?

- Closing the gap for young people who are disadvantaged and achieving sustained participation in EET that is better than England

Action required

- Identifying and supporting young people in year 11 and 12 who are at risk of not continuing in learning with a specific focus on home educated, vulnerable groups and progression from year 12 to 13
- Decreasing the number of young people who enter into employment without accredited training through promotion of apprenticeships
- Work with providers to reduce the number of young people who ‘drop out’ and providing support for those who do to re-engage

Responsible Officers	Lead: Karin Porter, Participation & Transition Strategy Manager Data: Joseph Alexander-Phelan, Information Systems and Analysis Officer

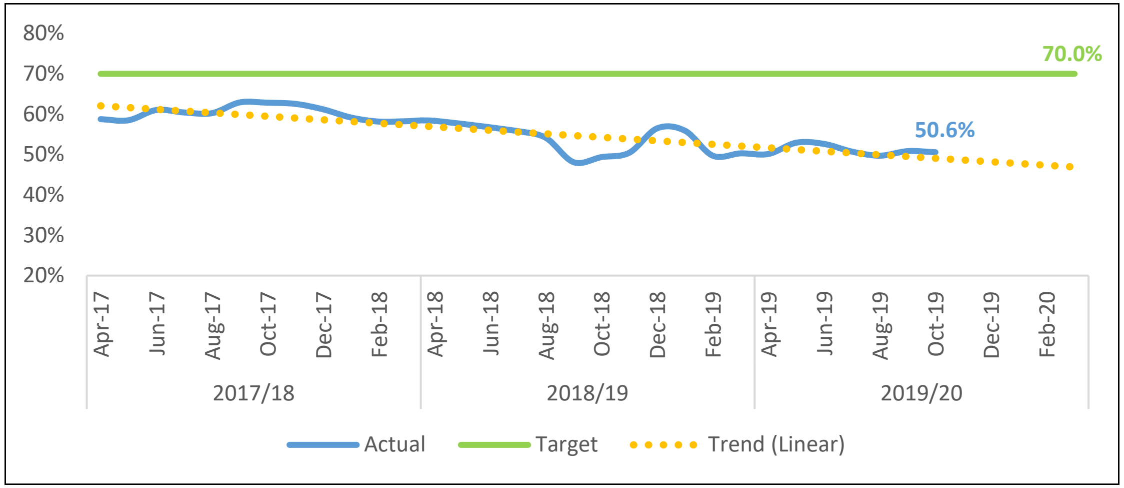
417 Relevant & Former Relevant Care Leavers (aged 19-21) in Employment, Education or Training

Why is this important?

As corporate parents, Norfolk county Council has high aspirations for young people formerly in our care. High levels of engagement in education, employment or training among our care leavers improves their outcomes both in terms of their self-esteem and life goals.

Performance

Percentage of Relevant & Former Relevant Leavers aged 19-21 EET:



What is the background to current performance?

• We have changed the age parameters for these measures to 19-21 year olds in line with the benchmarking. However, we are also monitoring the data across all age groups.

• In October 50.6% of Norfolk's 19-21 year-old care leavers were engaged in employment, education or training.

• This performance is slightly less than both the national average of 51% and below our statistical neighbour average of 54.4% and the regional average of 55.5%

However we have increased slightly from our position of 49.8% in May 2019.

What will success look like?

• The percentage of 19-21 year-old care leavers engaged in some form of employment, education or training will be-above the national average.

This cohort will have access to a variety of suitable, aspirational and ambitious opportunities that will enhance their longer term future life chances.

Action required

Via focus of the Corporate Parenting Board EET subgroup;

•Continue to work relentlessly with education providers, young people and partners to identify and resolve barriers to participation.

• To build the promotion of employment and education more fully into the specifications of accommodation providers working with care leavers

• To support the development of apprenticeships and similar schemes which are suitable for care leavers – including directly within the County Council

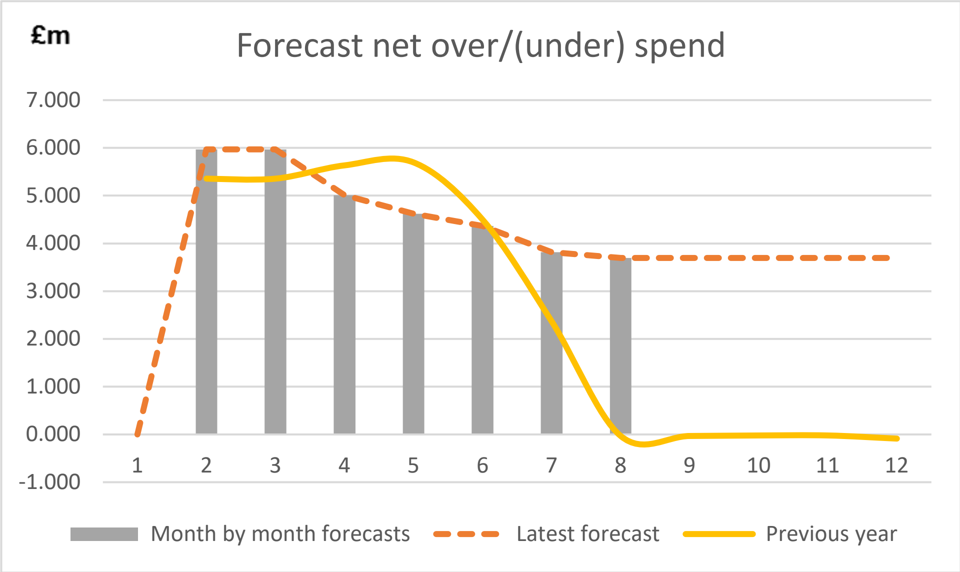
Responsible Officers	Lead: Phil Watson Data: CS Reporting Team

500: Budget monitoring – Forecast v Budget

Why is this important?

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

Performance



The graph above shows a forecast overspend of **£3.696m** for 2019-20.

What is the background to current performance?

The Children's Services net overspend is due mainly to high and increasing levels and complexity of need across placement and support budgets, including children looked after, young people leaving care and children at risk of harm, and transport costs. Transport costs are forecast to rise due to pressures relating to the costs of home to school transport, particularly Special Educational Needs, Disabilities and Alternative Provision (SEND & AP) transport. Within Adults, there are pressures on Purchase of Care budgets, mainly related to Older People and Mental Health services.

These forecast overspends have been balanced by forecast underspends in Finance General. Further underspends may be generated through plans to use capital receipts from the sale of land to Repton Property Developments Limited to reduce the minimum revenue provision charge, and to fund transformation.

What will success look like?

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

Action required

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

Responsible Officers

Lead: Harvey Bullen, Head of Budgeting and Financial Management
Data: Howard Jones, Corporate Accounting Manager

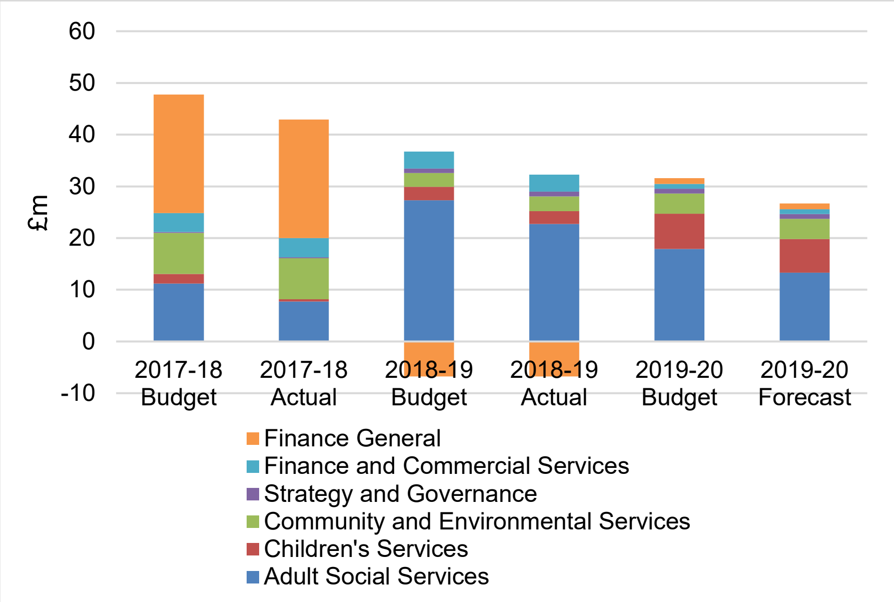
501: Savings targets delivered – by Service

Why is this important?

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

Performance

Budgeted Savings compared to Actual / Forecast by Service



As at Period 7, the savings forecast for 2019-20 is £26.698m, this is 16% below budget.

What is the background to current performance?

- Historically the Council has a good record of achieving budgeted savings, delivering £300.204m of savings in the period 2011-12 to 2017-18, against budgeted savings of £333.769mm (90%).
- In 2018-19 savings of £25.502m were delivered, a shortfall in savings of £4.497m, compared to budgeted savings of £29.999m (85%). The shortfall principally related to delays in the achievement of Promoting Independence savings, which are ultimately expected to be delivered, although not in line with the original timescales.
- In the current year, 2019-20, as at Period 7 (October), a shortfall of £4.916m is being forecast against budgeted savings of £31.605m. Savings of £26.689m are forecast to be delivered (84% of planned savings). The main area of non-delivery continues to relate to delays in the achievement of Adult Social Services savings linked to Promoting Independence, but also savings relating to Transport and Digital / New Technology.

What will success look like?

- Planned levels of savings are achieved, supporting the Council to deliver a balanced outturn position for 2019-20.
- A robust financial position ensuring stability for the budget-setting process for future years.

Action required

- Actions to deliver individual saving plans taken in 2019-20, or alternative options identified.
- Details of the shortfall in savings is reported to Cabinet and details of mitigating actions are set out in the separate report.

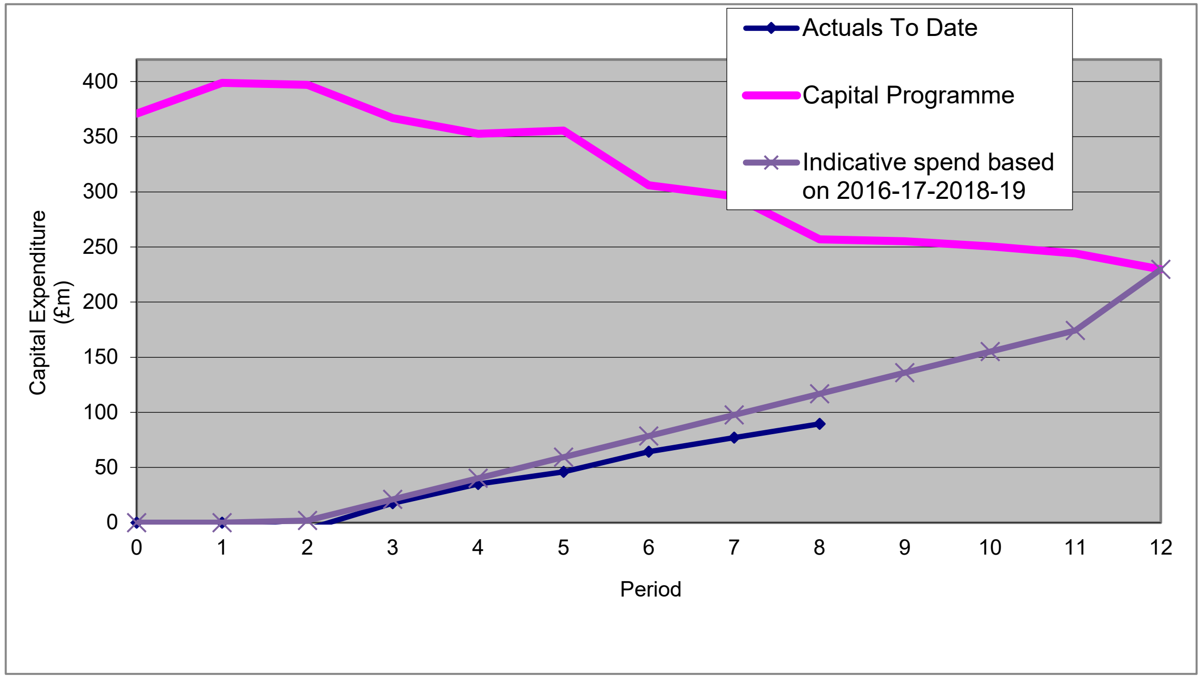
Responsible Officers	Lead: Harvey Bullen, Assistant Director – Finance Data: Titus Adam, Financial Projects and Planning Manager

502: Capital Programme Tracker

Why is this important?

Members set a capital budget each year in the expectation that capital projects will be delivered and budgets controlled.

Performance



Actual spend to date of £89m is 77% of indicative spend based on the current year's capital programme and previous year's patterns of expenditure and re-profiling

What is the background to current performance?

Capital spend in 2018-19 was £158.5m, just over 57% of approved spend, which is in line with previous year's expenditure and taking into account patterns of re-profiling of capital expenditure into future years.

Based on actual expenditure to October 2019, total spend in 2019-20 is forecast to be in the region of £180m. This is less than the pattern based previous years spend, although those years were unusual in that they included the construction of the NDR.

The programme is likely to change as the timing of projects became more certain and expenditure is re-profiled to future years.

What will success look like?

- Expenditure in line with indicative calculations based on budgets and historic patterns of expenditure.
- Capital projects and programmes remain within budget, and are delivered on time.

Action required

- Capital budgets continue to be re-profiled into future years to reflect likely project spend.

Responsible Officers	Lead: Harvey Bullen, Head of Budgeting and Financial Management Data: Howard Jones, Corporate Accounting Manager

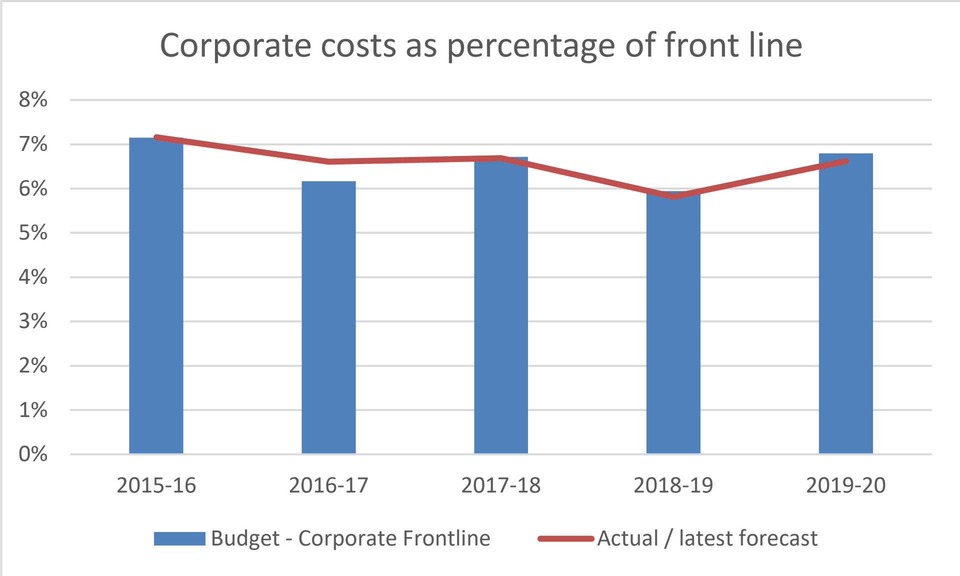
503: Ratio of Corporate net expenditure compared to Frontline

Why is this important?

The ratio of Corporate to Frontline net budget demonstrates the value for money of the internal organisation, and indicates how effectively the costs of running the council are being managed to maximise the resources available for service delivery.

Performance

Budgeted ratio of Corporate to Frontline compared to Actual / Forecast



At end November 2019 (P7), the 2019-20 forecast ratio is 6.6% against a budget ratio of 6.8%.

What is the background to current performance?

- Following the removal of depreciation revaluation charges to service budgets in the ratio has increased when compared to original budgets, by about 1%. This is not a change in the underlying ratio, as the charges are simply reallocations of capital costs between service departments.
- The forecast is slightly lower than budget, due to the majority of forecast overspends at P8 being in frontline services rather than support functions.

What will success look like?

- Corporate costs of Resources and Finance and Property departments minimised and delivered in line with budget plans.
- Corporate:Frontline ratio is maintained or improved in future years as efficiencies in support services are delivered.

Action required

- Where overspends are identified, action is taken to deliver savings plans and achieve an overall outturn position in line with the approved budget.

Responsible Officers	Lead: Harvey Bullen, Head of Budgeting and Financial Management Data: Howard Jones, Corporate Accounting Manager

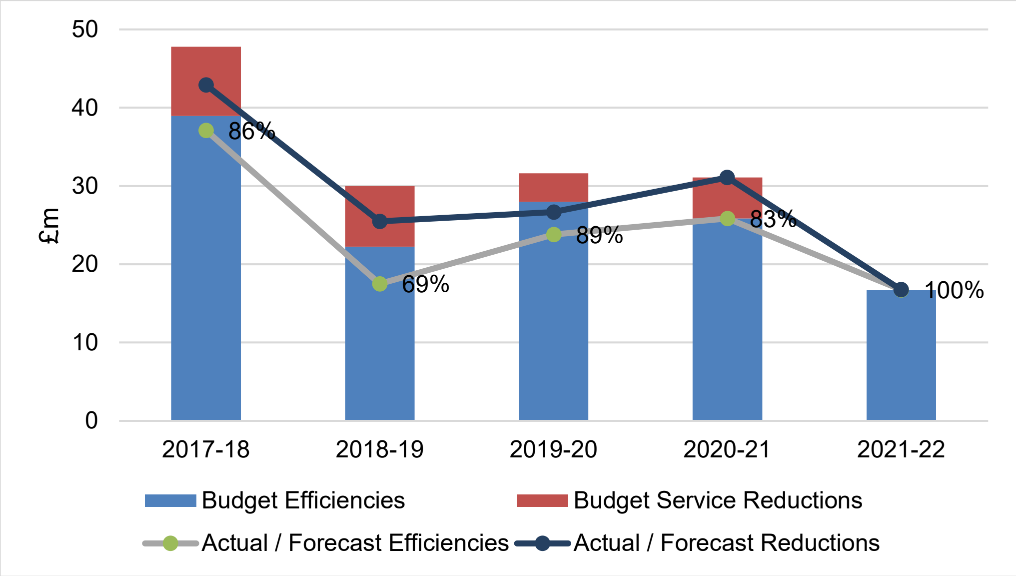
504: Savings – Support Services compared to Front Line

Why is this important?

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

Performance

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



As at Period 7, the forecast percentage savings from efficiencies in 2019-20 is 89%, this is in line with the budgeted percentage (89%).

What is the background to current performance?

- The Council has a good track record of savings, with a focus on delivering efficiencies while minimising service reductions.
- In the period 2011-12 to 2017-18, against budgeted savings of £333.769m, £223.897m (67%) were planned to come from efficiencies. Actual savings achieved for the period saw £212.134m from efficiencies against total savings of £300.204m (71%)
- In 2018-19 £17.516m came from efficiencies out of total savings delivered of £25.502m (69%). There was a shortfall in the overall delivery of savings in the year of £4.497m, mainly relating to delays in achieving efficiency savings.
- Savings of £31.605m are budgeted for 2019-20 of which £27.980m are planned to be efficiencies (89%).
- The forecast outturn position for 2019-20 (as at Period 7), is a shortfall in savings of £4.916m, mainly relating to efficiencies. Forecasts for the subsequent years reflect 2019-20 MTFS and are assumed to be in line with budget.

What will success look like?

- Savings delivered in line with budget plans, with a focus on efficiency savings – 89% of total savings delivered from efficiencies.
- Council budget balanced with the impact on front line service delivery to the public minimised as far as possible.
- Improvements in support service effectiveness and efficiency achieved.

Action required

- Actions to deliver individual saving plans taken in 2019-20.
- Details of the shortfall in savings is reported to Cabinet and any mitigating actions are set out in the separate report.

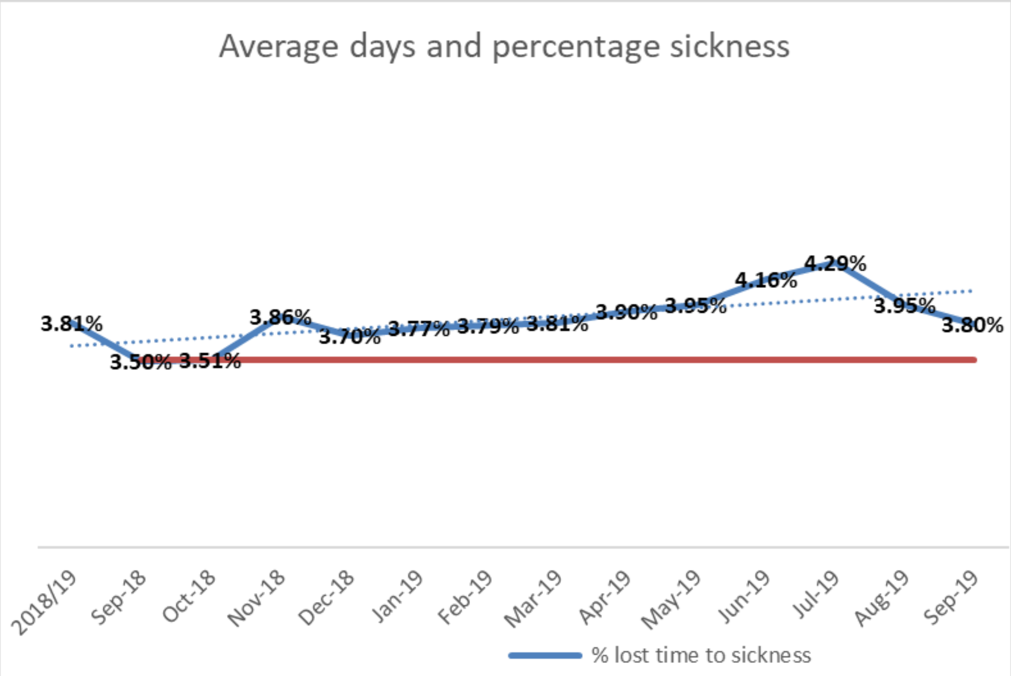
Responsible Officers	Lead: Harvey Bullen, Assistant Director – Finance Data: Titus Adam, Financial Projects and Planning Manager

633 HR: % lost time due to sickness

Why is this important?

Supporting employees to be healthy, positive and productive at work is a priority. Staff absence is an important indicator to measure the the overall relationship between the employee and employer.

Performance



What is the background to current performance?

- The **sickness absence** rate to the end of September 2019 was **3.8%** against the target of **3.5%** and compared to **3.5%** at the same point last year. The average lost time due to sickness absence for local government is **2.7%** (based on ONS Sickness Absence rates in public sector 2018 – the latest figures available) and for large employers (5,000+ employees) is 4.3% (CIPD Health and Wellbeing at work survey 2018).
- This equates to 215.5 fte in lost productivity.
- Adults (**4.88%**) and Children's Services (**4.18%**) continue to have the highest levels of absence
- All other departments have absence rates at under **3.1%**, with Strategy & Governance the lowest at **2.43%**
- For the first 6 months of the financial year 32.11% of sickness absence episodes are due to short term viral infections, however the biggest number of ***days*** lost (NCC **36.1%**)are due to mental health issues.

What will success look like?

- Continuing to achieve our sickness absence target. The target is 3.5%
- The average lost time due to sickness absence for local government is **2.7%** (based on ONS Sickness Absence rates in public sector 2018 – the latest figures available)
- The average absence rate for large organisations (5,000+ employees) is 4.3% (CIPD Health and Wellbeing at work survey 2018).

Action required

- HR & Finance Replacement system will help automate management information, currently reliant on self reporting
- Sickness absence manager dashboard to be launched – HR Workforce Insight Team Q3 19/20
- Focussed support is being provided to ASSD and Children's, both in terms of absence management and well-being e.g. seeking advice from occupational health and supporting managers with absence review meetings, undertaking well-being assessments and signposting to additional services such as Norfolk Support Line (NSL) and the musculoskeletal scheme where appropriate.
- Proactive support from HR to managers across NCC to target action on key cases will commence following launch of the dashboards.
- Identify underlying reasons and promote mental health training for managers

Responsible Officers

Lead: Sarah Shirtcliff, Head of HR Data: Teresa Baker, HR Customer Services Manager Manager and Dave Nugent, Workforce Insight Lead

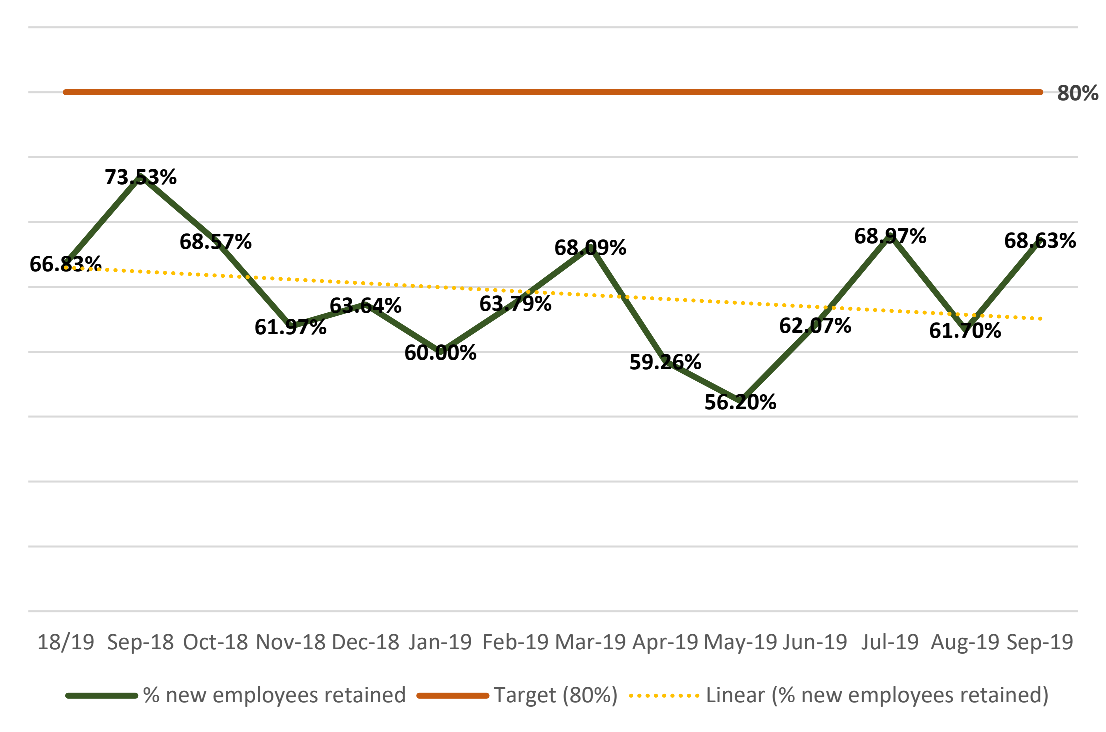
637 New employee retention

Why is this important?

Evidence shows that where there is a mismatch in terms of employee skills, experience and engagement with the organisation (ie the employee deal) to those required in the post they have been recruited to, will make an early exit from NCC more likely. Improving our retention rate will reduce costs associated with recruitment and training and improve service performance.

Performance

New employee retention rate 2018/19



The new employee retention rate is 68.63% as at the end of September 19, which is under the stretching target of 80%.
The average retention rate for the year to date is 61.7%.

What is the background to current performance?

This measures how many of the new entrants to NCC stay in post for longer than 2 years. The measure excludes fixed term and temporary contracts to avoid planned short term appointments skewing the data.

Turnover in financial year to date is 6.3% (4.1% voluntarily) with 533 (305 voluntarily) employees leaving NCC employment. Of those, 364 (44%) had less than 2 years service on leaving. There were a total of 896 new starters to NCC during the same period. The relationship between recruitment and retention is an important one. If we are successful at retaining colleagues the recruitment demand will reduce.

Currently the retention rate is below our stretching target of 80%, at 68.63% in September, however there is considerable fluctuation month to month. Our average retention rate during 2018/19 was 66% which is comparable with the 2018 national CIPFA survey where the average retention rate was 70%.

Initial analysis has identified a small number of services where the 2 year retention rate is consistently below 50%, particularly in Adults Community Services where only 37.5% of leavers in the first 6 months of the financial year had more than 2 years' service. Almost two thirds of leavers in Community Services had less than 1 year of service.

Nearly 45% of leavers in Children's Services had less than two years of service in the same 6 month period.

Recent work to identify mechanisms to retain social workers will be measured carefully to identify its impact. Departments are asked to urgently correlate their turnover data and employee survey feedback for insight to act upon.

What will success look like?

- 80% of our new entrants to NCC will be retained longer than 2 years. This is a stretching benchmarked target when comparing data from the annual CIPFA HR benchmarking survey, however given recruitment challenges for certain key groups, this must be a key priority.

Action required

- Identify the total costs of a leaver and the likely cost of not meeting this target – HR Q2
- Provide dashboard data monthly to departments
- Carry out deep dive of areas with poor retention rates to understand root cause and identify possible improvement actions– HR Q2/3 2019/20 with HR Business Partners with leadership teams

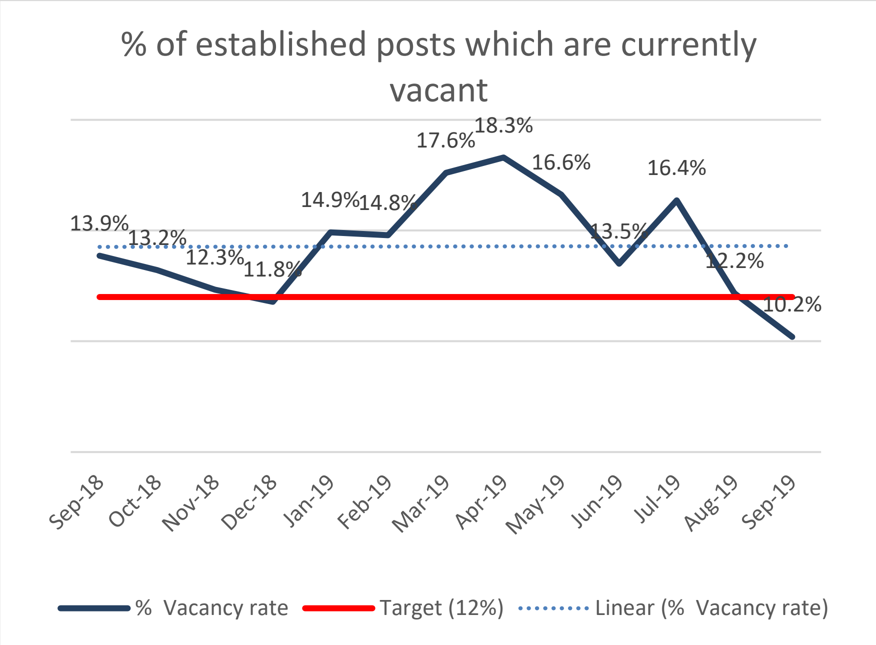
Responsible Officers	Lead: Sarah Shirtcliff, Head of HR Data: David Nugent, Workforce Insight Lead

639 Vacancy Rate (requires accuracy of establishment data)

Why is this important?

This measure identifies the number of unfilled posts in the budgeted staffing establishment. The consequence of failure to fill roles to the agreed target, is a potential impact on our ability to deliver services and achieve outcomes for residents, and additional costs of temporary cover and increased impact on existing employee well-being. Accurate data allows for recruitment planning to fill vacancies in a timely way and identify challenges in recruitment for professional groups.

Performance



The vacancy rate for September was 10.2%, so has slipped below the target rate. The overall trend is moving downwards with a rolling average reducing from15.78% in April to 14.32% in September. This reflects a high volume of recruitment activity in the last 6 months

What is the background to current performance?

12% is the target set which broadly mirrors the turnover rate to ensure an optimal workforce and delivery of people costs within budget, while maintaining services. Any deviation above or below could carry risk. If the vacancy rate is above 12% there is a risk to service delivery. It is expected to have a vacancy rate as managers manage budget opportunities and to reflect the time to hire.

This measures the number of FTE posts which are shown as vacant as a percentage of the total established FTE posts in the HR system (Oracle).

Oracle data may not be up to date, nor reflective of current organisational structures as it is reliant on the departments to update their data. Managers may believe that as they have updated other sources such as Budget Manager, all data is accurate. Unfortunately, Oracle and Budget Manager are not integrated systems.

Therefore, it is difficult to fully reconcile the various data sets to accurately update, maintain and report on establishment.

In the longer term, the HR& Finance System Transformation project will deliver an end to end solution with integrated HR and Finance data. In the interim several tactical solutions are being implemented as described below:

What will success look like?

- NCC will have a vacancy rate of 12% of established posts
- We will hold and maintain accurate establishment data

Action required

- Task and Finish Group sponsored through Business Transformation to enable joint working between HR and Finance on improving establishment control
- Changes to RMS due to be launched in New Year to make it easier for managers to keep establishment accurate
- Establishment dashboard to be launched by the HR Workforce Insight Team Q3 19/20
- Encourage managers to act on the information in the dashboard to update Oracle, as the primary data source for all subsequent systems

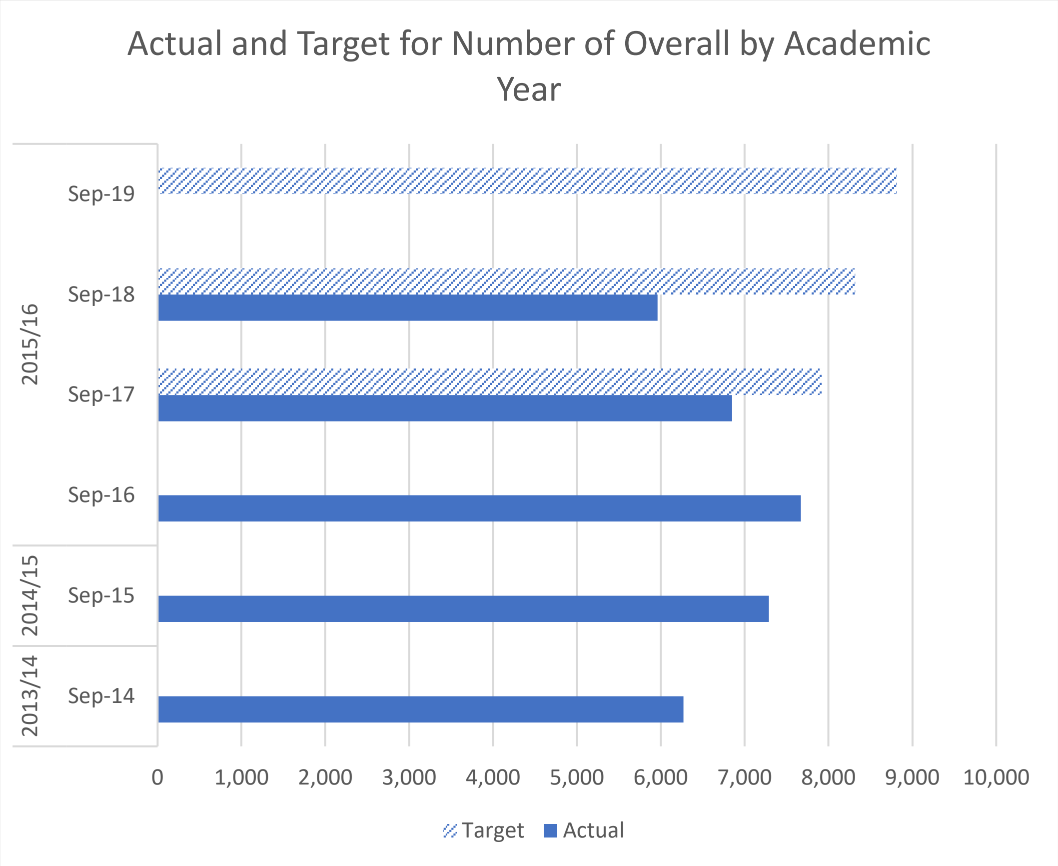
Responsible Officers	Lead: Sarah Shirtcliff, Head of HR Data: Teresa Baker, HR Customer Delivery Manager and Dave Nugent, Workforce Insight Lead

349: Number of Apprenticeship starts

Why is this important?

Better qualified staff are a key first rung on the ladder to our twin goals of higher value jobs and a reduction in the gap between Norfolk's and England's average earnings (weekly gross pay). Apprenticeships can offer a route into employment, provide upskilling or re-skilling opportunities and higher level qualifications, enabling individuals to progress through the various levels.

Performance



What is the story behind current performance?

Apprenticeship Starts	2013/14	2014/15	2015/16	2016/17	2017/18 (Aug-July)	2018/19
	Actual	Actual	Actual	Actual	Actual	Target
All starts – all levels/ages	6,270	7,290	7,670	6,850	5960	6,019

No new data has been released since the July 2019 scorecard when the data for the period August 2018- April 2019 showed an overall increase of 1.94% for Norfolk starts at 4740. Whilst this was lower than the national increase of 7% it could indicate that apprenticeships are moving into a more positive phase as the national reforms become embedded. The age breakdown was:

- 16-18 year olds down by 16% compared to this period last year (1260) more than the national decline of 7.5%
- 19-24-year olds (1350) down by 4.26% whilst nationally starts increased by 3.48%.
- 25+ (2130) saw an increase of 20.34% comparable to the national figure of 22%.
- Starts by level
- Intermediate Level (Level 2) dropped by 17.50% (1650), nationally the fall was 9.61%.
- Advanced (Level 3) saw an increase of 6.77% (2050) in line with national increases (6.72%).
- Higher level apprenticeships (level 4 and above) saw an increase of 42% (1040), whilst nationally figures increased by 67%.

We are aware that it appears as if the figures don't add up to the total, however, this is the way that the Government releases the data. When

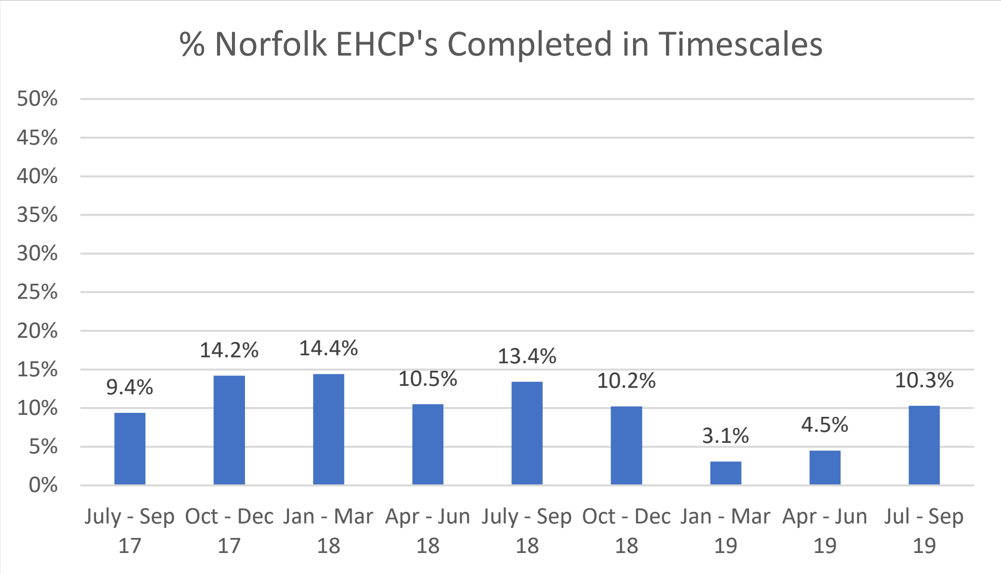
	adding up each area, they round up to the next 10 (e.g. 61 starts would be rounded up to 70).
What will success look like	Action required
Success will be measured by the overall achievement of annual target whilst maintaining quality, level and range.	Appointments have been made to the three vacant posts within the G&D apprenticeship team, it is anticipated that two colleagues will start before Christmas and one early in the New Year creating capacity to develop and implement initiatives to increase apprenticeship starts. The NCC Apprenticeships Board will meet again in December to discuss work priorities and plans across the three directorates that are responsible for various areas of work within apprenticeships ensuing collaboration without duplication and identifying and filling any gaps The co-ordinator for the NALEP levy sharing project (jointly developed with Norfolk and Suffolk County Councils) starts in post in early December and there are already a number of leads to be progressed. The ANN employer forum will meet again in early December following a positive relaunch in October, the forum aims to bring the voice of the employer and to understand the barriers they face in engaging with apprenticeships. Activity has begun again on the ANN website, updating vacancies, news and case studies. Research is underway to learn from best practice in other areas with a similar business base that have managed to increase apprenticeship starts.
Responsible Officers — Lead: Jan Feeney	Data: Jan Feeney 15/11/19

416: Percentage of Education, Health & Care Plans (EHCP) completed within timescale

Why is this important?

Completion/conversion of the EHCP within required timescales in order to establish and secure best possible outcomes across education, health and social care.

Performance



Reported quarterly

What is the background to current performance?

- Performance for the last quarter (Jul-Sep 2019) has increased by 130% on the previous quarter to 10.3%. Whilst this is a reassuring it is still significantly lower than the target amount. This is due to the number of 'legacy' cases not yet cleared.
- Performance for the last full year was 12.4% within the 20 week timescale, which still lags significantly behind the national average but represents a slight increase on the previous year's performance

  The number of EHCP plans issued has increased from 726 in 2017 to 790 in 2018 (calendar year)
- 6500 EHCPs are now live and in need of maintenance
- New referral rates have increased to over 1000 per year - 1041 new referrals processed during 2018 compared with 650 in 2015/16
- DfE targets for all LAs is 90% and the national average had been 55%. These are the interim (55%) and stretch (90%) targets for Norfolk, therefore.

What will success look like?

55% of EHCP assessments completed in 20 weeks by December 2019.

Action required

- Additional staffing capacity; recruitment nearly complete induction to be undertaken from September 2019, EHCP team at full capacity from December 2019
- Synergy Gateway module – improved efficiencies within system
- Professional reports provided to LA on time
- Legacy/backlog cases completed

Responsible Officers	Lead: Lorraine Stephen, Interim Head of Education High Needs SEND Service Data: Dom Mingaye, Data Manager & Jackie Goodson, Synergy Systems Officer, Education Achievement and Early Years Service

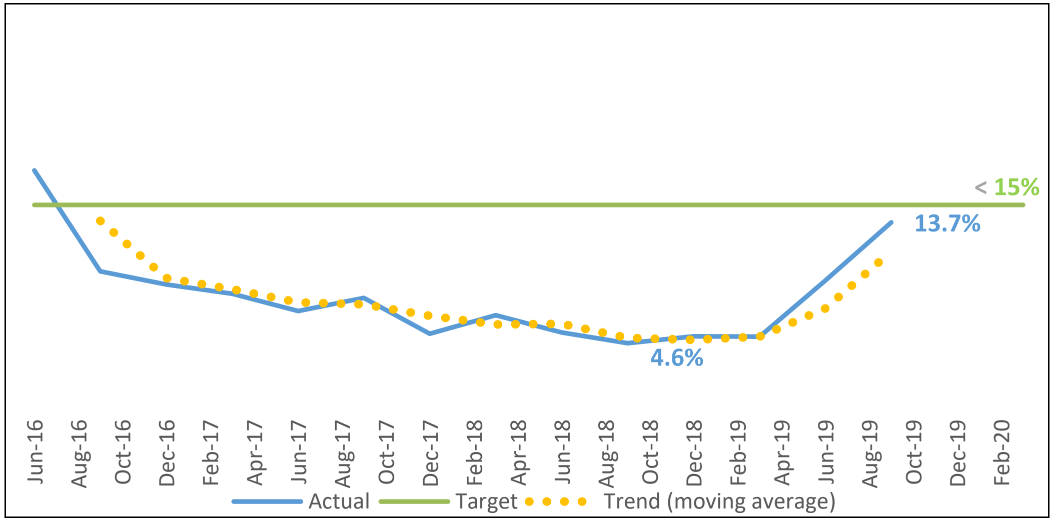
403: Percentage of children starting to be looked after who have previously been looked after within the last 12 months

Why is this important?

Where it is safe to do so, sustained reunification with family or permanency by other means is our primary aim for Looked After Children. The rate of re-entry to care is a one indicator of the extent to which the service is successful in ensuring children do not need to re-enter our care.

Performance

Percentage children starting to be looked-after who have previously been looked-after:



What is the background to current performance?

For over three years there had been a steady decline in the number of children needing to come back into the care of the local authority.

However, in the last 6- month period there has been a month on month increase in the number of children coming back into the care of the LA within 12 months of previously having been LAC. This means that we are experiencing a three year high having consistently declined since August 2016.

There has also been a small number of children with disabilities whose placement has broken down and by returning home to their parents for a 24- hour period prior to an alternative placement being sourced, will by definition fall into this category.

Additionally, the number of children coming into the care of the local authority continues to decline and this in turn will impact on how the number and % of children returning to care is depicted.

What will success look like?

Children to achieve permanence by the most appropriate means.

For children to return to care only when all other options have been explored and exhausted.

Whilst it is recognized that there is likely to be an element of risk when children and their families are reunified, this doesn't mean that with ongoing support and assessment that reunification cannot be successfully achieved.

Action required

1- Further understanding via dip sample into reasons behind any breakdown of Special Guardianship arrangements in the period Mar 2019 - Oct 2019.
2- Audit of children who have returned home since Mar 2019 and the circumstances that led to this and whether support to families is sufficient and effective.
3- An analysis of how many children have returned to care more than once during this period as a small number of children in this cohort will increase the overall %.

Responsible Officers	Lead: Phil Watson Data: CS Reporting Team

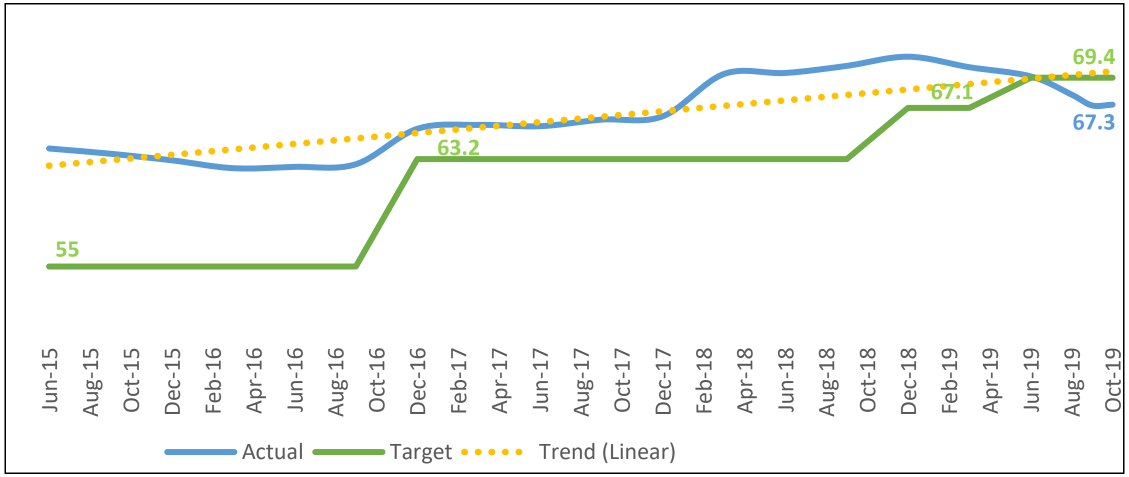
410: Rate of Looked-After Children per 10,000 of the overall 0-17 population

Why is this important?

Norfolk has more children in care than its statistical neighbours and we have implemented a strategy to keep families together and reduce the need for children to be looked after. Number of children in care r per 10k of population is a key indicator in assessing the success of that investment. The LAC rate also provides an indication of the success of the wider children's system.

Performance

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



What will success look like?

That children come into the care of the Local Authority only when all other available options have been explored.

That all permanency arrangements are considered at the earliest opportunity.

That families continue to be supported to enable them to parent and care for their children more safely ad sustainably without the need for them to come into care.

What is the background to current performance?

The current LAC population is 1135 – circa 60 of this population is made up of unaccompanied asylum seeking children.

The recent decline in numbers started in December 2018 and has reduced each month since.

This downward trend is testimony to the improved availability of edge of care services and support to families earlier in the process. In addition better demand management following changes at the front door and the removal of handover points between assessment and safeguarding teams means SWs now have more capacity and continuity in their work with families around affecting positive change as a diversion away from the need for care.

Whilst it is positive that our overall numbers of children in care are reducing with the rate is still higher than other LA's in the eastern region. This is due Norfolk having more looked after children prior to the implementation of the strategies and practice currently in place that is proving to have favourable results.

Action required

1) Ongoing monitoring and analysis of LAC population via various forum to understand trends, spikes, correlations and what is working to successfully to help keep families together.

2) Continue to focus on, further embed and implement new transformation initiatives and investment that improve our interventions and ways of working with families and children that support a continued and safe reduction in the LAC population.

Responsible Officers	Lead: Phil Watson Data: CS Reporting Team

Cabinet

Item 22

Decision making report title:	**Health, Safety and Well-being Mid-Year Report 2019-20**
Date of meeting:	**13th January 2020**
Responsible Cabinet Member:	**Executive Leader Andrew Proctor, (Cabinet Member for Governance and Strategy)**
Responsible Director:	**Fiona McDiarmid, Executive Director of Strategy & Governance**
Is this a key decision?	**Yes/No**

Introduction from Cabinet Member

As an employer Norfolk County Council (NCC) is required to have in place a management system to ensure the health and safety of our employees and others affected by our business undertaking; including anyone we provide services to (either directly or through a 3rd party) such as school pupils, commissioned services clients, contractors and members.

As part of the NCC health and safety management system the Head of Health, Safety and Well-Being is required to report to the most senior leaders and directing minds of NCC twice a year on the health, safety and well-being performance. The main purpose of this report is to provide Cabinet with an in-year update on performance measures so that members have the information necessary to satisfy themselves of the effectiveness of the NCC health and safety management system, or where necessary to identify actions for Executive Directors and others to improve the performance against the 3 key outcome goals:

- NCC has a positive health, safety and well-being (HSW) culture
- The standard of HSW management ensures employees are at work, well and productive
- HSW has a successful strategic approach to trading and cost recovery

Executive Summary

This report provides data and analysis on the Health, Safety and Well-being (HSW) mid-year performance position for Norfolk County Council (NCC) as an employer.

All numerical data is compared to the same position last unless otherwise stated. The Red, Amber, Green (RAG) rating provides an interpretation of this position as well as an indication of position against target. Red indicates a slippage from last year's performance and/or a position significantly below target, amber indicates a similar position to last year's performance and/or a position close to target and green indicates an improvement on last year's performance and/or the target being met or exceeded.

The report also provides an update to the national benchmark of reportable incidents per 1000 f.t.e as these are published by the Health and Safety Executive (HSE) in October of each year (see 2.1.1)

The performance data provides an improving picture in comparison to this time last year. However, there are also some areas where NCC needs to continue to provide focus. Positive indicators are:

- The end of year incident figures compare favourably to the national benchmark (NCC 18/19 is **1.48** compared to national figure of **2.54**)
- Leadership indicators are positive with all services now having a HSW risk profile in place and the majority have mechanisms to regularly review these. There is also good involvement of HSW in service developments and change.
- Managers continue to attend mental health first aid training with **322** now trained across NCC.
- **£310,000** of traded income has been generated so far this year compared to £340,000 at the end of 18/19 and therefore the service is on track to match or improve on last year's figures.

Some of the indicators highlighting where NCC still requires focus to secure improvement or prevent slippage include:

- There has been a slight increase on incidents reported compared to the same period last year (**15** formally reportable incidents compared to **11** for 18/19, an increase of reportable incidents per 1000 f.t.e. from **0.76** to **0.83** and non-reportable from **37.52** to **39.97**). Although this increase may be due to increased awareness of reporting requirements.
- Although there has been significant improvement in reducing the number of open incidents on the reporting system the new target of 90% reviewed and signed off within 90 days has not been met with only **68%** achieving the target.
- Violence remains the single largest cause of incidents being reported and the numbers have risen slightly on the same period last year. However, NCC figures are similar to other authorities in the East Region and the increase is likely to be attributable to an increased awareness through promotion and training.
- Team well-being assessments indicate NCC needs to improve how we manage change and the employee survey suggests there is a disconnect between how employees rate NCC as a whole and their managers in terms of caring about their health, safety and well-being.
- Whilst well-being services continue to be well received and are reported by colleagues accessing them to be making a significant difference in their work and health, NCC remains below target for sickness absence and turnover suggesting more needs to be done to utilise these services.
- Although there has been a significant improvement in the completion of mandatory e-learning across all services, inspection data shows that there is still non-compliance more broadly regarding training relating to specific roles with issues being identified at **17%** of visits.

Overall assessment for NCC in all 3 outcome areas measured, culture, management and traded services for HSW continues to be amber although this doesn't adequately reflect the significant improvements made to date.

Recommendations

- **To consider the necessary steps required to provide the leadership needed to secure the improvements as identified in the report including ensuring:**
- **Managers review and investigate incidents in a timely way (target of 90% completed within 90 days, current performance 68%)**
- **Services to support mental well-being and musculoskeletal health are fully utilised to support the reduction of absence and turnover in NCC (absence is currently 3.8% against a target of 3.5% and the number of employees retained for more than 2 years is 68.63% against a target of 80%**
- **Services improve the approach to change to reduce the impact this may have on mental health well-being**
- **All employees have completed all of the health and safety training needed to ensure they are competent in their role (training compliance issues were identified at 17% of monitoring visits against a target of ≤10%)**

1. Financial Implications

1.1. There are no specific financial implications to bring to the attention of Cabinet, although reference should be made to legal implications below.

2. Resource Implications

2.1. **Staff:**

There are no additional staffing implications in the proposed actions and recommendations

2.2. **Property:**

There are no additional property implications in the proposed actions and recommendations

2.3. **IT:**

There are no additional IT implications in the proposed actions and recommendations

3. Other Implications

3.1. **Legal Implications**

Health and Safety Law is criminal law. If the Authority does not have a robust and proactive health and safety management system in place there is a risk that the Authority will be exposed to enforcement action and ultimately prosecution. Enforcement bodies are able to take action where systems are not in place even in the absence of an incident. Where they do take action sentencing guidelines dictate it is the likely severity of injury that influences the sentence as well as the size of the organisation and the simplicity of the control measures. Therefore, if a solution is relatively easy to implement and it is likely to prevent a serious injury there will be significant sentencing consequences of not doing so. Recent public sector fines have been in the region of £100,000 - £1,000,000.

There is also a risk of an increase in successful civil claims made against the authority

It should be noted that as the legal employer in NCC schools these risks also apply to schools, unless their status means we are not the employer e.g. academies.

3.2. **Human Rights implications**

There are no human rights implications from the recommendations and actions in this report

3.3. **Equality Impact Assessment (EqIA)**

An EqIA is undertaken for all new health, safety and well-being policies

4. Risk Implications/Assessment

4.1. Commitment to securing improvement in the key areas identified will help to ensure health, safety and well-being risks are being managed well; supporting our employees to be at their best at work so that they can contribute to improving the lives of our communities and the ambitions of NCC.

5. Select Committee comments

5.1.

6. Recommendations

6.1. **1.To consider the necessary steps required to provide the leadership needed to secure the improvements as identified in the report including ensuring:**

a. **Managers review and investigate incidents in a timely way (target of 90% completed within 90 days, current performance 68%)**
b. **Services to support mental well-being and musculoskeletal health are fully utilised to support the reduction of absence and turnover in NCC (absence is currently 3.8% against a target of 3.5% and the number of employees retained for more than 2 years is 68.63% against a target of 80%**
c. **Services improve the approach to change to reduce the impact this may have on mental health well-being**
d. **All employees have completed all of the health and safety training needed to ensure they are competent in their role (training compliance issues were identified at 17% of monitoring visits against a target of ≤10%)**

Officer Contact

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

Officer name:	**Derryth Wright, Head of Health, Safety and Well-being**	**Tel No.:**	**01603 973739**
Email address:	**Derryth.wright@norfolk.gov.uk**		

IN TRAN communication for all

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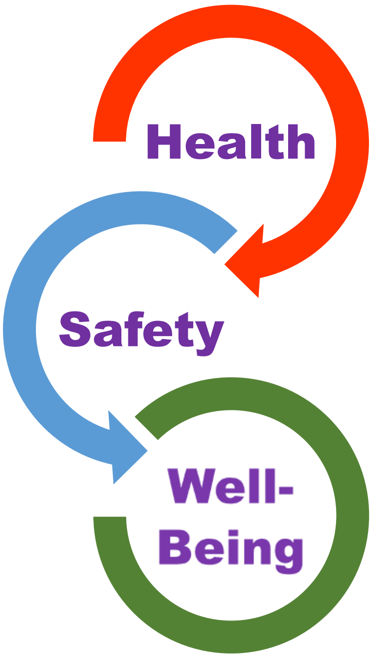
Norfolk County Council



Mid-year report 2019/20

Tel: 01603 223989

Healthandsafety@norfolk.gov.uk

Well-being@norfolk.gov.uk

1.0 Overview of the Health, Safety and Well-being Service

The HSW service provides the strategic framework for NCC to deliver its statutory HSW responsibilities. We provide professional advice and support to services, teams and individuals across NCC to ensure effective and proportionate management of risks and organisational resilience.

The services provided support the Council's strategic ambitions as described in the diagram below:

The services provided to support delivery of these priorities are:

The core occupational safety and health services are provided to service departments and schools where NCC maintain employer liabilities. The team has also developed a traded service offer providing cost effective service options through delivery of similar products as outlined above for other local authorities, public sector organisations and non-local authority schools (the well-being service is also provided on a traded basis to local authority schools). This approach has successfully enabled the service to NCC to remain resilient whilst reducing the overall cost to the authority. In 2018/19 49% of the service costs were covered by income generation.

2.0 2017-2020 plan progress

In 2017, 3 key outcomes were identified as priorities in order to ensure NCC is a high performing employer for health, safety and well-being management. These formed the basis of a three-year plan. The measures in this report are designed to provide an assessment of NCC's position against these outcomes. The outcomes are:

Outcome 1

- **NCC has a positive health, safety and well-being culture**
  - The measures are designed to inform NCC whether accountability for HSW matters is being taken at the right levels throughout the organisation and if there is good engagement
  - The measures focus on 3 broad areas: incidents, leadership and employee involvment

Outcome 2

- **The standard of HSW management ensures employees are at work, well and productive**
  - The measures are designed to give an indication of how well NCC is managing its HSW risks
  - The measures focus on 3 key areas: risk management, well-being services utilisation and employee competency

Outcome 3

- **HSW has a successful strategic approach to trading and cost recovery**
  - These measures are designed to ensure traded services focus on areas that support NCCs wider responsibilities and do not negatively impact delivery of HSW support to NCC

For each outcome an overall analysis and assessment of position is provided in this section alongside a short summary of the activity undertaken in partnership with departments to secure improvement.

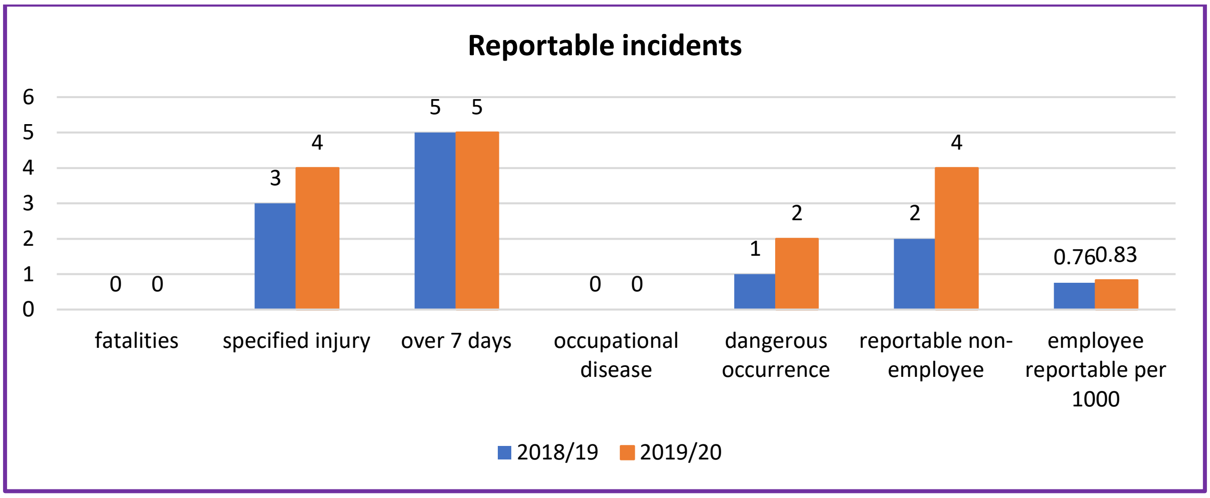
Lastly a summary of recommended activity for the coming year to secure further improvement in performance is provided.

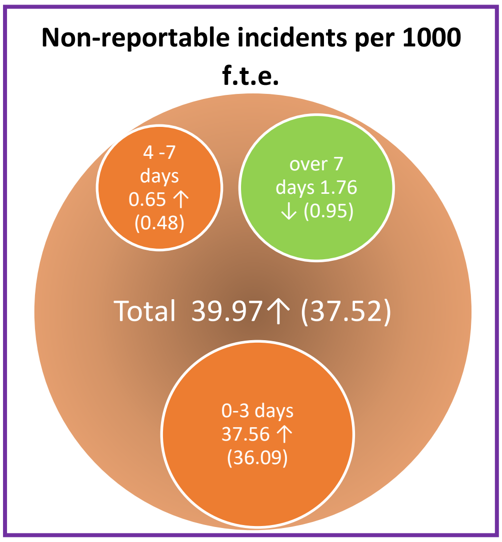
2.1 Outcome 1: NCC has a positive health, safety and well-being culture

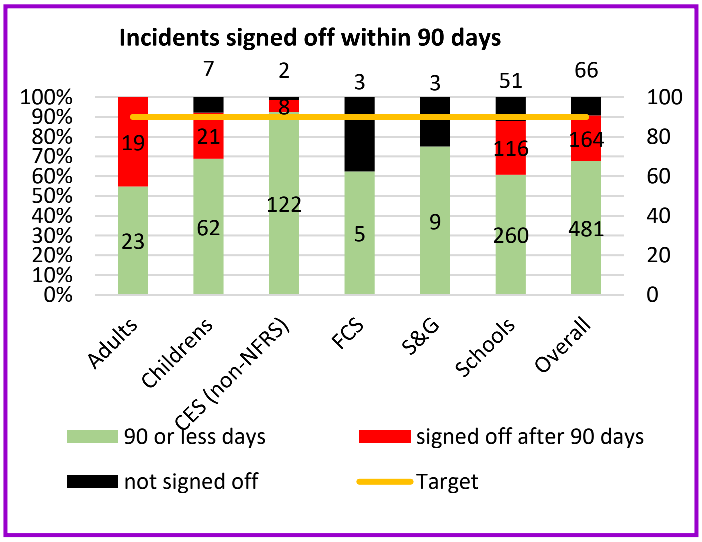
The below measures are designed to inform NCC whether accountability for health, safety and well-being matters is being taken at the right levels throughout the organisation and if there is good engagement with the organisation's employees and their representatives.

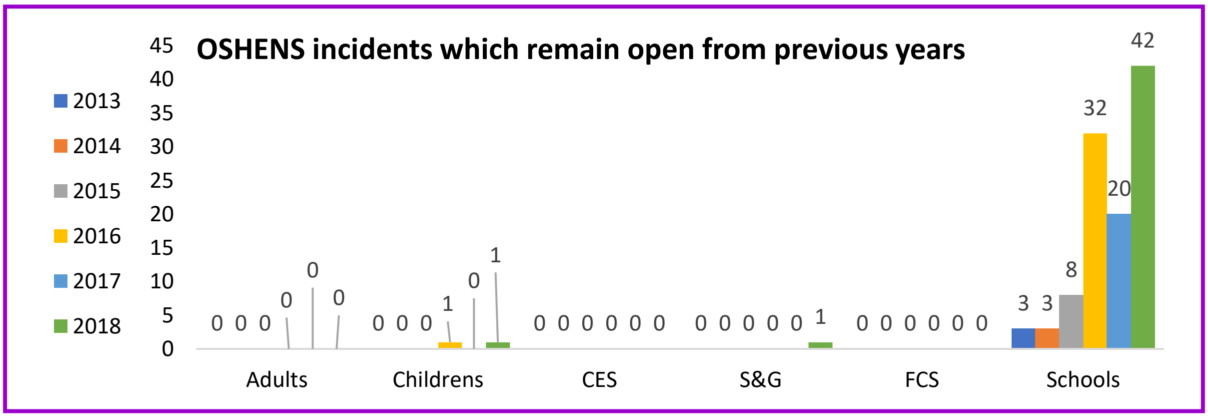
The measures focus on 3 broad areas: incidents, leadership and employee involvement.

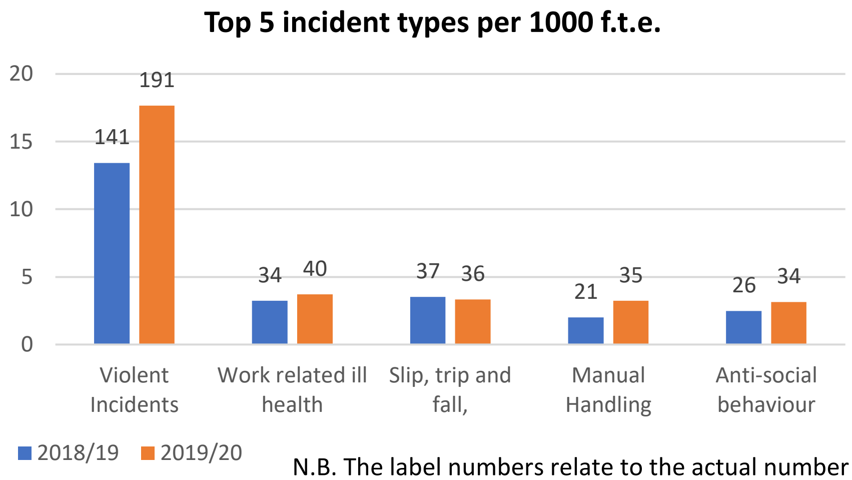
2.1.1 Incidents



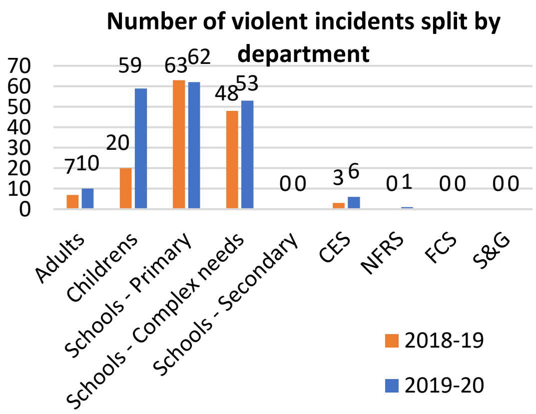


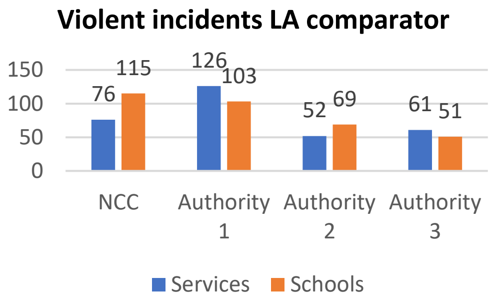






N.B. The label numbers relate to the actual number of incidents





2 ↑ (0) incidents not reported/retrospectively discovered by HSW (target ≤ 5)

Data Analysis

There has been a slight increase in significant incidents compared to this time last year. Non- reportable incidents have also risen slightly, although those causing more than 7 days absence have decreased. The data therefore suggests that if incidents rates continue as they are we will be in a similar or slightly worse position at year end compared to the previous year. However, NCC is a good performer when compared to the national benchmark. The 18/19 benchmark figure has just been released. The national figure for employee reportable incidents per 1000 f.t.e is **2.54** compared to **1.48** for NCC as reported in the last annual report.

Since January Executive Directors have focused on improving the management of incidents to ensure reports are accurate and incidents are investigated in a timely way so that lessons can be implemented and NCC can meet its statutory reporting duties. The data shows that all departments have ensured their backlog of incidents have now been dealt with, only **3** incidents remain outstanding from previous years compared to 231 at the end of 2018/19.

Schools have also improved significantly, although **108** remain outstanding, this has reduced from **441** at year end. It is also important to note that these 108 incidents are distributed amongst 49 schools.

A new target was set this year of 90% of incidents reviewed and signed off within 90 days of the incident occurring. Only CES are meeting this target currently. Overall **68%** of incidents are being reviewed and signed off within target. The number of actual incidents below target is **230**.

The types of incidents that are most frequently reported remain the same as previously except for manual handling, which has replaced incidents not reviewed and signed off, reflecting the improvement in incident management. As with the overall incident number, the number of incidents in these categories are rising, of particular note is the rise in violent incidents. Analysis of the department data shows that there has been a significant rise in reporting of violent incidents in Children's Services. The focus on incident management may have contributed to this rise, but more significantly there has also been a focus on personal safety in Children's Services. The HSW team have delivered personal safety training to over **150** colleagues in Children's Service, part of this training includes emphasising the requirement and importance of reporting incidents. This rise in reports is therefore an indicator of improved reporting and engagement with Children's Services colleagues on this issue.

Comparison to other local authorities is also provided for violent incidents. Of the authorities that responded to the request NCC is mid-range performer. However, caution is needed when making comparisons, particularly in relation to schools as the number of schools that remain in local authority control varies considerably across the sector.

2.1.2 Leadership

The role of leaders and managers in health, safety and well-being matters is pivotal to ensuring systems and processes are in place, employees understand and feel that their health, safety and well-being is important and in employee compliance with those systems and processes.

All services have a HSW risk profile in place and all but one have developed an action plan that is reviewed at a senior management team level at least twice a year.

The involvement of the HSW team by directorates has been better this year with no new service developments being brought to the attention of the team retrospectively against a target of ≤ 5. This is the same as the previous year.

The 2019 employee survey sought feedback on both manager and NCC concern for individual health and well-being with a variance between NCC at **60** and manager at **73**. These are both described as moderate scores – capable of improvement (75+ would be considered as good). More significantly, there is clearly a gap between how employees view health, safety and well-being leadership from their manager compared to the organisation more widely.

In the first half of 2019/20, **57** managers attended mental health first aid champion training against a target of 150 for the year. The total number trained in the organisation is now **322**. This training supports managers in their role; helping them to have a better understanding of common mental health issues, gain knowledge and confidence to advocate for mental health awareness, spot signs of mental ill health and improve their skills to support positive well-being of their teams raising concerns in a respectful and thoughtful manner. Once they have completed the training participants become part of the mental health first aid community, receiving regular updates, information and tips, providing them with continued support and encouragement to talk to and support teams regarding their mental health and the impact it has on their work.

The feedback on the training has been overwhelmingly positive:

"*The impact of the training has helped me enormously in my personal life as well as my working life. I understand so much more in ways to deal / help others.*"

"*The training made me feel a lot more comfortable approaching mental health. There is often a feeling from managers that those with mental health issues should be avoided/sheltered but approaching and talking through the issues with the employee seems to be a lot more productive and helpful to both parties."*

"The training can be used in all aspects of life, work and personal, it raises awareness of mental health issues especially changes in behaviour which may highlight there is a need to offer support - best training I have been offered in a long time."

"*Training was excellent. I was able to support a colleague who was going through a very tough time. We had difficult conversations, which I am not sure how I would have handled them without this training."*

2.1.3 Employee involvement

Involving employees in health, safety and well-being matters is important to ensure they take ownership of their own and others health, safety and well-being. Workplace that have a healthy, proactive relationship with unions are shown to have a lower incident rate, employees are more confident to raise concerns and risks are better controlled.

The HSW team aim to undertake at least **5** collaborative activities with the unions that represent our employees each year. In the first half of 2019/20, we undertook **1** such activity with teaching unions, consultation around the complex needs in schools project. Changes in Unison staff have contributed to a feeling from Unison of reduced engagement. However, links have been re-established and Unison and HSW have agreed to work together to focus on encouraging colleagues to report incidents.

Services collaboration and partnership working with unions to resolve issues is good with **1** occasion where unions felt the need to involve the HSW team to resolve an issue against a target of ≤ 10. This is an improvement on the previous year where there were **5** occasions.

Well-being facilitators are employees that support the delivery of the well-being programme within their team. They act as a focal point for well-being communications to teams. The more well-being facilitators there are in the organisation the more effective our communications about workplace health and well-being matters. There are currently **251** well-being facilitators across NCC against a target of ≥ 250. It is also pleasing to note that departments recognise the importance of the well-being facilitator role as a number of employee survey action plans identify well-being facilitators as being pivotal in supporting implementation of engagement actions.

Overall assessment of data and analysis: AMBER

Incident data is showing an increase in reporting. This could be considered as a negative indicator. However, combined with the actions that have been taken to increase awareness of reporting and investigating requirements including 39 more managers attending incident training in Q1 and 2, it is more likely that that increase is due to improved reporting than a decline in management standards.

Improvement is still required in timely review of incidents to meet the current target of 90% within 90 days and this is the main reason for the amber rating as leadership and engagement indicators are generally positive at this point in the year.

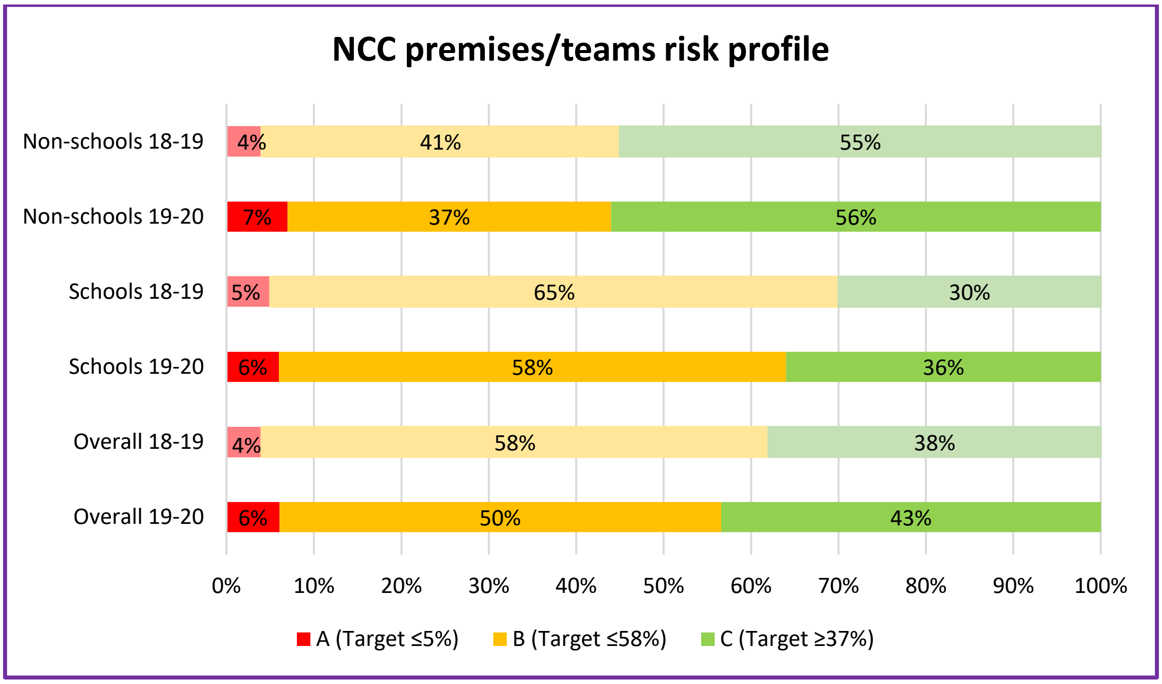
2.2 Outcome 2: The standard of HSW management ensures employees are at work, well and productive

The below measures are designed to give an indication of how well NCC is managing its health, safety and well-being risks. The measures focus on 3 key areas: risk management, well-being services utilisation and employee competency

2.2.1 Risk management

2.2.1.1 Health and safety measures

Monitoring of teams and premises is undertaken by the HSW team to evaluate compliance and risks. At each visit the team/premise is given a risk score based on a number of factors. This enables NCC to understand how well risks are being managed across the organisation and enables the HSW team to target their resources appropriately. More information on the factors considered and the purpose of risk profiling is provided in the glossary.



There has been a slight increase in higher risk premises within the profile this is most notable in NCC services premises and teams, however, there has also been a decrease in the medium risk premises and this is now within target.

Following a visit to a team or premise the HSW team will provide a prioritised list of improvements needed. Where the risks are significant, or the visit has highlighted the management is falling significantly short of expectations a revisit will be made to follow up. The number of revisits needed give an indication of the severity of the issues found as well as whether managers are rectifying issues in a timely way. **6%** of teams/premises visited required a revisit to secure compliance (10% of schools and 0% of non-schools)

2.2.1.2 Well-being measures

The factors that contribute to improvement of employees, sense of well-being while at work are many and varied, not all of which can be easily measured and some of which are outside the control of the employer. The HR vital signs that relate to employee well-being are percentage of lost time due to sickness, new employee retention rate and vacancy rate. These measures are all reported on through wider vital signs reporting but are repeated below for completeness. The well-being services offered at NCC are designed to support both individual and team well-being as well as reflecting best practice as outlined by government research e.g. The Farmer Stevenson report, Thriving at Work. It is always difficult to measure the impact of preventative services (you can't measure what hasn't occurred) so a number of measures relating to the services offered that are provided below centre on the valuative impact as indicated by the users of the service.

- The percentage of lost time due to sickness absence in September was **3.8%** against a target of **≤3.5%.** (local government average 2.7%[1], large employers over 5000 employees average 4.3%[2])
- The percentage of new employees that remain in the organisation for more than 2 years is **68.63%** against a target of **≥80%**. (national average 70%[3])
- The vacancy rate average (i.e. the position f.t.e against actual f.t.e) as at September 2019 is **10.2**% against a target of **12%**. There is no like for like public sector comparator available.

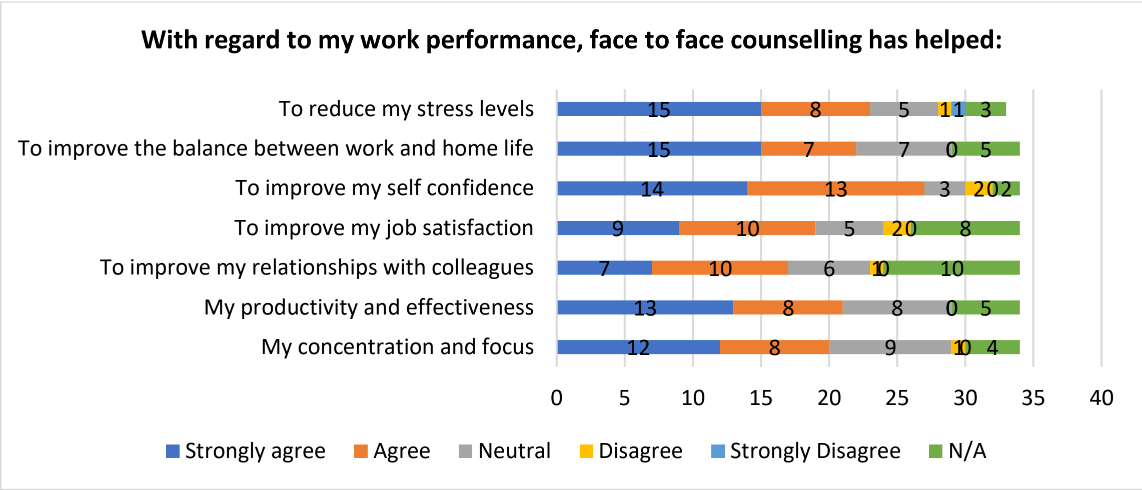
Norfolk Support Line (NSL) offers free, confidential counselling and support services to employees. More information on the services offered are available in the glossary. The serviced aims to support employees to manage issues that are impacting on their mental health and therefore their work. For **24%** of employees who contacted NSL in the first half of this year, work was identified as the primary presenting issue. This is an increase on last year's figure of **22%** but remains below the target of ≤25%. Whilst this has increased slightly, the primary reason for calling NSL continues to be non-work related issues.

[1] ONS sickness absence rates in public sector 2018

[2] CIPD Health and Wellbeing at work survey 2018

[3] CIPFA Survey 2018

Employees that access the face to face counselling services are asked to feedback on the impact the service has had over the last year:



The following verbatim feedback from employees highlights the impact of accessing the service: -

"Absolutely brilliant service - most certainly enabled me to continue working through an exceptionally difficult period - thank you."

"My counsellor has been amazing. Practical help in a safe space. Felt someone understood me. I'll remember the 'tools' she gave me for a long time. She was very empathetic. I will miss my sessions but plan to have more in future in a coaching capacity."

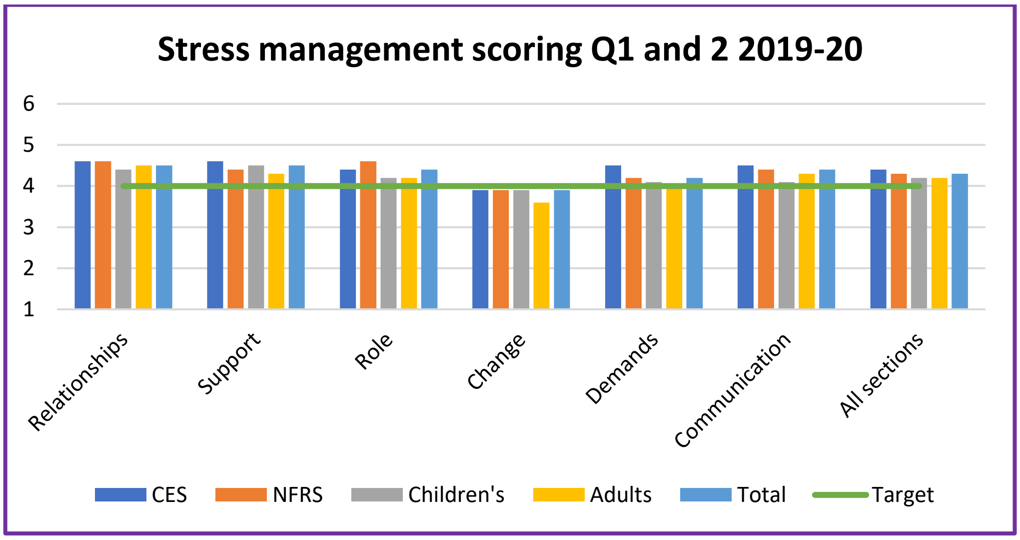
The Musculoskeletal Rehabilitation Scheme (MIRS) is a fast track physiotherapy scheme that aims to support employees to manage musculoskeletal issues whilst remaining in work or to help them get back to work more quickly. More information on the services offered are available in the glossary. Employees using the service are asked to feedback on the impact the treatment has had:

76% of employees who gave feedback on the MIRS scheme said that the treatment was very helpful with their injury or condition, a further **15%** said it helped a little. The scheme is estimated to have saved **3694** days sickness absence and **£313,990** during Q1+2 19/20, with **90%** of employees remaining at work whilst receiving treatment. This is an increase on last year's figure of 89% against a target of 90%.

As one employee stated *"My only regret is that I didn't seek help sooner than I did!! My manager had mentioned the service as soon as I had sustained my injury, but I felt that the injury would get better without any treatment or advice. In the future I will not hesitate in asking for a referral. This is an excellent service provided by my employer and I would fully recommend any colleague to pursue a referral."*

Over 95% of employees referred to the service said they would also recommend it to their colleagues.

Health and safety law places a statutory obligation on the Council to risk assess work related stress. At NCC we offer teams a well-being risk assessment that meets this obligation. There are 6 stress management standards that we measure our position against. The graph below gives an overview of how well participants in the risk assessment feel these areas are managed at NCC.



The assessments undertaken show positive results in many areas. The one area in which all departments score below target is the management of change.

Well-being Officers also provide direct support to employees who are struggling with the relationship between their health and work. **80** employees accessed this support so far this year. **49%** of employees accessed support in relation to work issues. This is a decrease on last year's figure of **65%** but is above the target of ≤25%. This suggests that our support is closer to reflecting historic evidence regarding psychological ill health – that it is more likely to be caused by personal rather than work issues but also that NCC still has some improvements to make regarding supporting colleagues to be the best they can be at work. The manager/employee relationship is pivotal in this and the continued investment in manager development will be key to improvement in this area.

One employee who received support provided a very succinct summary of the impact of the service provided: -

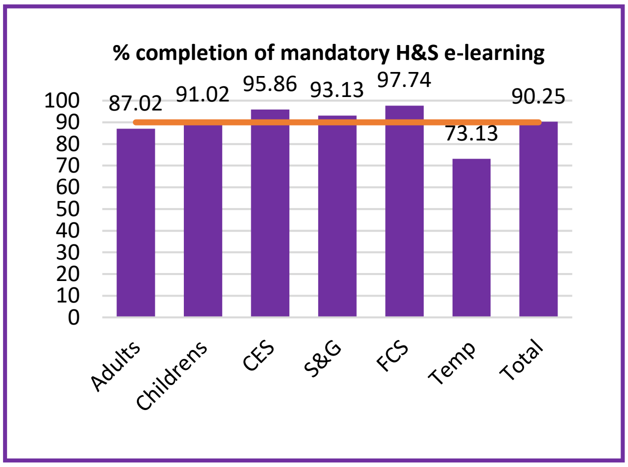
"I recently had the good fortune to be referred for well-being support. I am usually fairly cynical and resistant to "in house" support. The Well-Being Officer was utterly respectful and professional – lovely and kind, too. She has supported me to resolve a couple of matters that were causing me ill-health and ongoing distress. I went from wanting to resign, to feeling very happy and confident in my work.

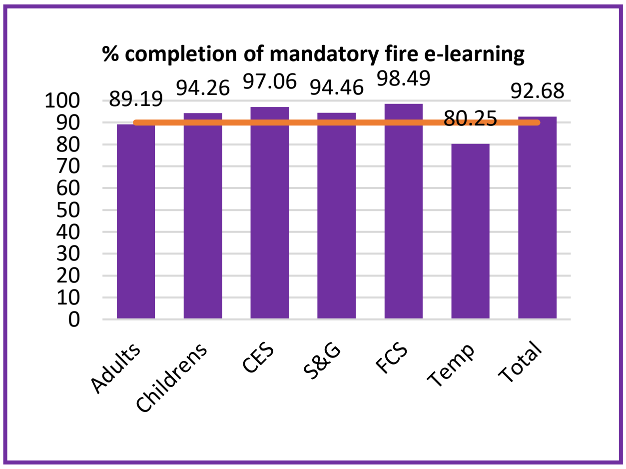
I cannot recommend this service enough. I found it to be responsive, totally person-centred and realistic. I was treated as an adult with choices and the ability to change those things that were causing me great anxiety. I felt supported and encourage by the Well-Being Officer and the outcome is that I have returned to feeling I can do my job well and I can make changes that will support my health long term."

Well-being Officers also deliver NHS Health Checks in the workplace to support employees to understand the life changes they need to make to improve their overall health and well-being and therefore their productivity at work. **73** employees attended health checks so far this year and as a result **12%** were referred on to Slimming World, alcohol services, and/or physical activity programmes. **12%** were referred to their GP due to the result of the tests that were undertaken. All the attendees received advice around lifestyle and dementia. This is encouraging because it suggests the health checks are reaching people that the service can help. We also know from feedback that many people would not have attended a health check if they hadn't been available in the workplace as the below quote demonstrates:

"A very useful service that I found very beneficial as I wouldn't have thought about attending at my local GP unless they contacted me."

2.2.3 Employee competency





The target for completion of mandatory e-learning was raised from 85% to 90% this year following the work undertaken by services to secure improvements. It is pleasing to see that even with the increased target the majority of departments are exceeding the target already. The main area for improvement is temporary staff. Currently temporary staff are not aligned to live positions on the HR system and therefore they do not appear in the reports provided to the departments that host them. The HR Resourcing team are currently working to improve compliance amongst temporary staff, **Corporate Board are asked to support this work by asking all of their managers to check if their temporary staff are compliant.**

The above e-learning modules are the only mandatory health, safety and well-being training modules that are trackable for compliance. Other mandatory training will be based on roles. Therefore, compliance is assessed at the time of monitoring visits. Whilst 206 employees (64 schools, 29 adults, 55 CES, 33 Childrens, 16 FCS and 9 S&G) have attended tutor led training so far this year, some of them to more than one course with a total of 253 attendance slots filled; training compliance issues were identified at **17%** of visits (14% schools and 20% non-schools) against a target of ≤ 10%. This is an improvement on 2018/19 where 59% visits identified issues with compliance (65% schools and 38% non-schools).

Where colleagues do attend training, we know that it has an impact on their practice. As identified in 3.1.1 above the personal safety training has effectively raised the need to report incidents. Some of the feedback received on our training is provided below:

“Good course, very relevant to our role, and what we need to remember to ensure we protect each other”

“A really useful refresher and highlighted areas where I need to improve”

“this course and the headteacher support programme have been the best Headteacher training I have had since becoming a Head just over a year ago”

Overall assessment of data and analysis: AMBER

None work-related issues continue to be the primary reason for accessing well-being support either through NSL or Well-being Officers. However, work related issues still feature significantly in well-being officer work suggesting we need to continue to invest in the development of managers to enable them to better support colleagues to be the best they can be at work. In addition, whilst overall scores in stress assessments are positive the way in which change is managed may be contributing to work related stress.

Action to improve completion of mandatory training has resulted in improved compliance in this area which will help with employee competence and ownership of health, safety and well-being issues. However, analysis of inspection reports suggests there remain gaps in attendance at other training relevant to specific roles and duties.

The overall risk profile identifies an increase in high risk premises although revisit figures suggest timely action is being taken to rectify issues when identified.

2.3 Outcome 3: HSW have a successful strategic approach to trading and cost recovery

The aim of the HSW traded service is to offer complimentary services to those provided to internal customers on a traded basis. The service is targeted at areas that support NCCs wider responsibilities such as non-local authority maintained schools and other public sector organisations. The HSW service has contributed to the necessary budget savings through growing its traded services. The measures developed to gauge our success relate to these aims.

53% academies have purchased the health and safety advice service, 78% of schools and 29% of academies the MIRS service, and 94% of schools and 25% of academies NSL so far this year. **£310,000** has been generated from all HSW traded services (including other public sector organisations) so far this year compared to £340,000 at the end of 18/19.

Whilst delivery of the traded service is an important contributor to reduce the cost of delivering our services, it is also important to ensure that focus on this service is not to the detriment of delivering services to NCC. Whilst outcome 1 and 2 are still showing as amber there have been significant improvements in these areas and the HSW team are on track to deliver all of our commitments to NCC this year, therefore the delivery of traded services is not considered to be detrimental to NCC.

Overall assessment of data and analysis: AMBER
Whilst last year's income has not yet been matched the service is well on track to achieving or exceeding this. The sales of health and well-being services drop considerably following conversion to academy and this is something the team still haven't managed to turn around. However, services to NCC do not appear to be impacted in a negative way by the delivery of traded services suggesting these services are being managed in a balanced way.

3.0 Current and ongoing projects (provided for information only updates are made annually)

Project Name:	**Violent incident review and analysis in schools**
Project Lead(s):	Ann Hacon & Angela Abbs
Purpose:	To provide assurance that violent incidents are being prevented where possible and appropriately managed in schools.
Background:	Violent incidents account for over 30% of all recorded incidents for NCC. 83% of incidents reported in 2017/18 occurred in schools. Of these 55.3% were in complex needs schools and 44.4% in primary schools.
Composition:	• Selection of incidents to review and discuss with school and Children's Services support services to identify and understand causal trends. • Review of schools' approach to incident prevention and management to identify gaps in training or knowledge and understand if investigation and remedial action is appropriate • Review support and guidance including training provided to schools to identify gaps and ensure adequacy
Activities to date:	• Selection of incidents to review • Interviews of Headteachers and other staff in complex needs schools • Attendance at meeting of complex needs Headteachers to discuss project • Review approach with Headteachers of identified primary schools with high incidence of incidents • Regular cross referencing of data with inclusion challenge team in Children's Services to ensure there is a shared awareness and joined up support is provided
Findings and outcomes to date:	• Incidents related to high level complex behaviour needs of pupils • High level of training is in place for staff • A good level of investigation is taking place in most instances • Space or environment restrictions can contribute to injuries • Staff's overriding desire to protect pupils can contribute to their own injuries • Behaviour management guidance has been updated to further support the quality of investigations • There is a correlation between the data held by the inclusion challenge team and the HSW team • Improved working with inclusion team
Next steps	• Continue to work in partnership with inclusion team to investigate incidents and ensure appropriate support is in place • Ensure mainstream schools are aware of all the guidance and support available to them

Project Name:	**Healthy County Council Plan**
Project Lead(s):	Patrick Lorenzen
Purpose:	To improve the well-being of staff focusing on 4 key public health priorities: mental health, physical activity, diet and smoking.
Background:	There is strong evidence that having a healthy workforce can reduce sickness absence, lower staff turnover and boost productivity. Our employees are our biggest asset and without them we cannot deliver on our vison and strategy for Norfolk. The Healthy County Council Plan was developed and approved in March 2018. It is a three-year plan of action.
Composition:	• Increase awareness and understanding of issues amongst employees and managers • Integrate messaging in general training for employees and managers • Upskill managers e.g. mental health first aid training • Promote support available to employees and increase the level of conversation on health issues • Make health related apps readily available • Survey staff to understand barriers to improving their health
Activities to date:	• Delivered mental health first aid training for managers • Survey of mental health first aid (MHFA) champions to understand the impact of the training undertaken • 2 Well-being Officers have been trained to deliver MHFA training • Undertook a survey of premises to understand the factors influencing employees diet and activity in the workplace • Produced the '5 ways to well-being' video featuring NCC employees and their mental health stories • Consulted with employees at Carrow House to support and influence the piloting of the site going smoke free • Made health and well-being apps available on work mobile phones • Increased the conversation through regular mentions e.g. blogs, articles, Friday takeaway, advising all new employees of support available through direct emailing • Participated in national health and well-being campaigns
Findings and outcomes to date:	• 278 managers and supervisors trained as MHFA Champions. Network and support provided to those trained. • Survey of MHFA champions identified 66% had supported at least 1 employee and 75% had used the training to inform their colleagues and reduce stigma around mental health. • The feedback on the training has been overwhelmingly positive: "*The impact of the training has helped my enormously in my personal life as well as my working life. I understand so much more in ways to deal / help others.*" "*The training made me feel a lot more comfortable approaching mental health. There is often a feeling from managers that those with mental health issues should be avoided/sheltered but approaching and talking through the issues with the employee seems to be a lot more productive and helpful to both parties.*" "*The training can be used in all aspects of life, work and personal, it raises awareness of mental health issues especially changes in behaviour which may highlight there is a need to offer support - best training I have been offered in a long time.*" "*Training was excellent. I was able to support a colleague who was going*

	through a very tough time. We had difficult conversations, which I am not sure how I would have handled them without this training." • Over 700 viewing of the 5 ways to wellbeing video since publication in December 2018 • Increased awareness and use of well-being support offered by NCC (e.g. mediation increased 240%, 121 support increase 47%. psychological assessments increased 260%) • High uptake of workplace well-being offers (e.g. MOT days, NHS Health Checks, blood pressure checks)
Next steps	• Develop a regular communications plan to increasing messaging to employees at all available opportunities • Work with Norfolk Academy to integrate health and well-being into the core training offer • Work with Active Norfolk to develop and undertake a physical activity survey among employees in July 2019 • Publish findings of MHFA Champions survey to encourage other managers to undertake training and to make employees aware of the support available. • Regular refresh of video featuring other employees with mental health issues. • Apply findings of premises survey to address barriers to activity and healthy diet in the workplace. • Carrow site to become smoke free from 8th May, with a follow-up survey November 2019.

Project Name:	**Management of commissioned and contracted services**
Project Lead(s):	Paul Commins
Purpose:	To ensure NCC is meeting its statutory responsibility regarding the health and safety of services commissioned to be delivered by third parties through appropriate contracting, management and monitoring.
Background:	Delivery of services through commissioned third parties account for the largest spend of the NCC budget. NCC maintains a responsibility under health and safety law to ensure the services delivered on their behalf are safe. There are significant criminal and reputational risks if these are not properly managed.
Composition:	• Review current position of departments against expected standard and identify gaps • Support departments to understand gaps and requirements to secure improvement • Review HSW guidance and update as necessary
Activities to date:	• Undertaken survey of service providers in high risk areas to establish level of compliance • Shared results with departments to review and action • Reviewed current compliance position across all departments and presented findings • Supported departments to develop improvement plans
Findings and outcomes to date:	• There is a mixed approach to commissioning and contract management with some examples of excellent practice and other areas where health and safety standards are not yet monitored proactively or systematically. • All services where gaps were identified have made some progress in improving the consistency of monitoring. • There are plans in place or developing to improve the monitoring of compliance. These will start with ensuring the staffing structures and job descriptions support this activity by clarifying roles and responsibilities. • The HSW guidance in this area has been refreshed and sharpened up to ensure requirements and expectations are clear.
Next steps	• Departments will be implementing their plans over 2019/20 supported by HSW. • HSW will support the wider work on contract compliance and optimisation led by Procurement

4.0 Glossary and definitions (grouped by related areas)

Reportable incidents (RIDDORs)

Employers are required to report certain serious workplace accidents, occupational diseases and dangerous occurrences to the Health and Safety Executive. These are defined in law and it is an offence not to report them within the specified time period. These include:

Fatalities

Accidents that result in the death of an employee or non-employee that arise from a work-related accident

Specified injuries to employees

Examples of specified injuries that are reportable include: injuries requiring hospital admission for more than 24 hours, fractures, amputations, serious burns, loss of sight, significant head injuries

Over 7-day injuries to employees

Work related accidents that result in an employee being unable to undertake their normal duties for more than 7 consecutive days (including weekends)

Occupational Diseases to employees

Examples of occupational diseases that are reportable where diagnosed by a medical practitioner are: carpal tunnel syndrome, occupational dermatitis, severe cramp of the hand or forearm, occupational cancer, tendonitis of the hand or forearm

Dangerous Occurrences

These are serious incidents that may not have caused any injury but had the potential to do so. Examples include: the accidental release of a substance that could cause harm to health such as asbestos, fire caused by electrical short circuit that results in the stoppage of the plant involved for more than 24 hours, equipment coming into contact with overhead power lines

Injuries to non-workers

Where a non-employee e.g. a member of the public, a pupil or a service user has an accident on our premises and are taken to hospital from the scene for treatment

Non- Reportable (RIDDOR) Incidents

Incidents that result in injury that are not classed as reportable. These do not include any incident that did not result in an injury e.g. near miss incidents, damage to property or dangerous occurrences.

Rate per 1000 f.t.e

= total number of the item being measured/number of full time equivalent employees x 1000

This is a useful figure for comparison against national figures or previous years as it takes into account size of organisation

National Comparator

Rate of reportable accidents to employees per 1000 employees. This figure is released every October, so the data is always a year behind

Risk Profile

In order to help prioritise the work of the HSW team and to provide an objective measurement of compliance all teams/premises are risk rated following a monitoring inspection. The risk rating score considers the types of activities, equipment and people on site; the systems that are in place to manage these and how well any risks are being controlled. Consideration is also given to the experience and competence of people with a key role in managing health and safety. The total score is converted into a risk category which determines the frequency of visit required and can be used to provide a risk profile for NCC.

Musculoskeletal Injury Rehabilitation Scheme (MIRS)

MIRS is a fast track physiotherapy treatment service that helps staff with a musculoskeletal injury (back pain, muscle strain, overuse injuries, frozen shoulder, whiplash, ligament damage, tendonitis, sciatica, etc.) in managing or reducing the impact of their injury on work. People who are referred to the service consistently report the treatment either helped them return to work earlier or prevented them taking sickness absence.

The service includes:

- An initial telephone assessment with a physiotherapist within 24 hours of being referred to establish the best course of treatment, and where required an initial treatment session is usually offered within 3 working days.
- An assessment report for the line manager outlining the problem and recommended treatment.
- A discharge report for the manager reiterating the information in the assessment report and providing an assessment of the outcome of any treatment given.
- Functional Capacity Evaluations for staff who are reporting that their health conditions are limiting their capacity to undertake their duties.
- Workstation, workplace and vehicle assessments for staff who are reporting these are having an impact on their health condition.

Norfolk Support Line (NSL)

A well-established independent, confidential and professional advice and counselling service for employees; available 24 hours per day, 7 days a week, 365 days a year, on matters such as:

- money management
- substance misuse
- legal queries
- phobias
- consumer advice information
- caring responsibilities
- trauma
- stress
- bereavement
- domestic matters
- emotional problems
- anxiety/depression

NHS Health Checks

The health checks provide employees with a picture of their general health though an assessment of:

- blood pressure
- weight
- BMI
- pulse rhythm
- physical activity levels
- alcohol usage
- blood cholesterol levels
- blood sugar levels (if appropriate)
- risk related to family history

The results and implications will be conveyed to the employee in a practical way to help them make changes to reduce their risk of cardiovascular disease (CVD) and diabetes.

Cabinet

Item 23

Decision making report title:	**Dedicated Schools Grant (DSG) Funding**
Date of meeting:	**13 January 2020**
Responsible Cabinet Member:	**Cllr John Fisher(Cabinet Member for Children's Service)**
Responsible Director:	**Sara Tough, Executive Director of Children's Service**
Is this a key decision?	**Yes**

Introduction from Cabinet Member

This paper presents the changes to the distribution for the Dedicated Schools Grant from April 2020 in line with the Department of Education's National Funding Formula arrangements.

This includes the funding distribution formula that delegates the funding into maintained schools and academies who are responsible for using this to ensure the educational outcomes for their children.

Executive Summary

Schools funding, both locally maintained and academies, is provided primarily through the Dedicated Schools Grant (DSG). This ring-fenced funding is allocated to local authorities who then have the responsibility to delegate this funding to schools in accordance with the agreed formula allocation.

Currently, it is each Local Authority's responsibility to determine individual school budgets according to local formulae, following local consultation with schools, within statutorily set timescales to enable schools to plan accordingly for the next financial year. To enable the timescales to be met by the County Council, Cabinet needs to agree the principles of Norfolk's local formulae.

In summary, the proposed changes to the distribution formula are:

- Allocate the Schools Block funding via the National Funding Formula unit values (in line with the 2019-20 arrangements)
- A one-off movement of 0.5% from the Schools Block to the High Needs Block, due to the scale of demand for high needs specialist places for pupils.

The proposals do not include a business case to move additional Schools Block funding to the High Needs Block for 2020-21.

In addition to funding via the DSG, Schools receive funding from other ring-fenced grants, such Pupil Premium, Universal Infant Free School Meals, TPG, TPECG, Physical Education and Year 7 Catch-up. Each have their own method of allocation and distribution.

Recommendations

To agree:

(i) the Dedicated Schools Grant funding and the changes to the schools funding formula;
(ii) to delegate decision making powers to the Executive Director, in consultation with the Lead Cabinet Member for Children's Services, to revise the funding cap once the final Dedicated Schools Grant calculations of individual school allocations are known.

1. Background and Purpose

1.1 Schools funding is provided through the Dedicated Schools Grant (DSG) and other grants. The DSG is allocated to local authorities who then delegate the funding to schools in accordance with agreed formula allocation. Grants are allocated by local authorities to schools as per the Department of Education (DfE) conditions of grants, which vary depending upon the purpose and aims of the funding.

1.2 The Local Authority will receive its Dedicated Schools Grant allocation for 2020-21 based on the new National Funding Formula (NFF). Pupil premium will continue as a separate, ring-fenced grant.

1.3 The DSG is split into four funding blocks: the Schools Block, the High Needs Block, the Early Years Block and the Central School Services Block. Movements of up to 0.5% from the Schools Block to other Blocks has to be agreed upon by the local Schools Forum. An application for approval to the Secretary of State has to be made if either the Schools Forum do not agree to a transfer of up to 0.5%, or the Local Authority wishes to make a transfer between Blocks of above 0.5%.

1.4 For the current year, 2019-20, Norfolk County Council made such an application (known as a disapplication request) to the Secretary of State to transfer £4.58m from the Schools Block to the High Needs Block in addition to the 0.5% transfer that had been agreed by Norfolk Schools Forum. This application was agreed based upon the business case and strength of evidence presented. This included the capital investment agreed by NCC to significantly increase the number of state maintained special school places and places within specialist resource bases, alongside the transformation programme Children's Services has in place. However, despite this additional funding to the High Needs Block, it was still anticipated that the High Needs Block would have an in-year deficit in 2019-20 that would be combined with the cumulative deficit brought forward from previous years. This is due to the time it would take to achieve the transformation required.

1.5 The DSG deficit arises from the historic underfunding of the High Needs Block, which supports high needs places in state special schools, independent schools, and

Alternative Provision. Norfolk is currently carrying an outstanding DSG deficit from previous financial years, with a forecast £19.078m deficit forecast for the end of 2020-21 provided planned savings of £7.411m are achieved. On the basis of the accounting treatment proposed by government, this deficit DSG reserve position is not reflected in the County Council's reserve balances presented within the Norfolk County Council Revenue Budget 2020-21 report elsewhere on this Cabinet's agenda.

Central Government Policy

1.6 The Government issued a one-year spending review in September 2019 for the 2020-21 financial year[1]. This confirmed the Education Secretary's early September announcement of a cash increase compared to 2019-20 of £2.6bn to core schools funding next year, with increases of £4.8bn and £7.1bn in 2021-22 and 2022-23 respectively.

1.7 Part of the cash increase announced was £780m of high needs funding to be allocated to local authorities. This additional High Needs Block funding has only been confirmed for 2020-21 at this stage.

1.8 The Spending Review also confirmed minimum per-pupil levels of £3,750 for primary schools and £5,000 for secondary schools.

1.9 The Government have promised almost £1.5bn per year to cover increased pension costs.

1.10 Government policy continues to be working towards transferring to a 'hard' NFF (where funding is allocated directly to schools, rather than local authorities). In the meantime, Local Authorities will receive their Dedicated Schools Grant allocations for 2020-21 based on the unit values and factors of the NFF. It is the Local Authority's decision as to how the Schools Block is distributed as, at present, there is no requirement upon Local Authorities to allocate the block as per the NFF unit values. However, as the central government policy indicates a move towards a 'hard' formula in future, the implications of this need to be considered by Local Authorities when determining their local formula. The options for the local formula for Norfolk were co-produced with Norfolk Schools Forum and all schools were consulted on the options available.

1.11 On the 11th October, as well as issuing the NFF tables for schools and high needs for 2020-21[2], the Department for Education (DfE) also issued a consultation on revised arrangements for the DSG[3]:

- The DfE is consulting on changing the conditions of grant and regulations applying to the Dedicated Schools Grant (DSG), to clarify that the DSG is a ring-fenced specific grant separate from the general funding of Local Authorities;
- It also clarifies that any deficit an authority may have on its DSG account is expected to be carried forward and is not required to be covered by the authority's general reserves; and,

[1] https://www.gov.uk/government/publications/spending-round-2019-document/spending-round-2019
[2] https://www.gov.uk/government/publications/national-funding-formula-tables-for-schools-and-high-needs-2020-to-2021
[3] https://consult.education.gov.uk/funding-policy-unit/revised-arrangements-for-the-dsg/

- The Government will then decide on the proposed changes, in time to inform the setting of Local Authorities' budgets for the financial year 2020-21.

1.11 A consultation response for Norfolk was submitted and the outcome of the consultation and the decision regarding future DSG arrangements are currently awaited from the DfE.

Transformation Programme

1.12 Children's Services are continuing to implement the Special Educational Needs & Disabilities and Alternative Provision (SEND & AP) Transformation Programme, within Norfolk's Area SEND Strategy, as we invest the Council's £120m capital commitment for SEND & AP in Norfolk.

1.13 Through the Transformation Programme, the Council will build at least 3 new special schools, increase our specialist resource bases by 170 places, and develop a model of Student Support Hubs within 5 mainstream secondary school locations across the county. The Council is also working across mainstream early years settings, schools and colleges to enable more local inclusion for the majority of children and young people with special educational needs and those who need effective alternative provision.

1.14 These transformational changes, taken together, will not only improve educational provision and outcomes for children and young people, but will also address the ongoing budget pressures within the Council's SEND and AP Home to School transport budget and the High Needs Block.

1.15 Despite the promise of additional funding from central government, the funding for SEND & AP children in Norfolk remains a key pressure in a number of ways. There are more children across Norfolk identified for SEND Support or for an EHCP than is the national average. This has been the case for many years, which leaves a cultural legacy not just in schools, but from families and agencies across the county. The geography and infrastructure of the county means that specialist provision is not available equitably. Too often children and young people in Norfolk are travelling too far to access appropriate provision. The funding available to support meeting high needs is firmly committed, year on year, to the delivery of specialist provision, and this accounts for the vast proportion of the funding available via the High Needs Block. However, with too few maintained places in Special / Complex Needs Schools in Norfolk, a significant proportion of this funding is required to fund places in independent / non-maintained, higher cost provision.

1.16 In addition, the permanent exclusion of children from Norfolk Schools remains amongst the highest proportion of children excluded nationally. The consequent impact on the funding of Alternative Provision for excluded children is adding a further, significant pressure.

1.17 The Council prepared a Dedicated Schools Grant (DSG) Recovery Plan in line with DfE requirements that was shared with the Schools Forum in May 2019 and submitted to the DfE in June this year. There were year-on-year assumptions, within the recovery plan, which relate to our transformation programme being successful and ongoing transfer of funding between the Schools Block to the High Needs Block.

1.18 The DfE announcement on the 11th October indicates that Norfolk's High Needs Block (High Needs Block) will increase by approximately £10.2m (since confirmed late

December at £11.160m) for 2020-21. As mentioned above, this increase has only been confirmed for 2020-21 at this time, leaving uncertainty regarding the base level of High Needs Block for future years. This increase alone will not immediately resolve the ongoing High Needs Block overspend pressure due to the level of cumulative deficit, the anticipated ongoing commitments, and the uncertainty regarding future year's High Needs Block base funding.

1.19 In light of the recent announcements, a high-level review of the DSG Recovery Plan modelling has been undertaken. For the purposes of this modelling, it was assumed that the High Needs Block will continue at the same base level as 2020-21 in future years. This modelling clearly indicated that the Council needed to continue to assume that year on year Schools Block to High Needs Block transfer needed to be maintained (though at a reduced level). This will be kept under review as and when future funding arrangements are confirmed. The modelling of individual schools funding compared to 2019-20 (on a like-for-like basis) shows a cash increase for all schools, even with assumed ongoing Block transfers.

2. Proposals

2.1 The total DSG summary allocation received for 2020-21 was confirmed late December 2019 by the DfE[4] and totals £646.495m before academy recoupment. This compares to a DSG allocation of £609.519m for 2019-20.

2.2 The Early Years Block for 3- and 4-year old for early education totals £37.085m, representing £4.38 per hour per pupil for both the 15 hours per week universal entitlement and the additional 15 hours of funded early education for working parents. The total for 2-year old early education funding is £4.925m, representing £5.28 per hour per pupil, if parents meet the eligibility criteria.

2.3 The Schools Block totals £507.007m, which is an increase of £24.995m from the £482.012m received in 2019-20. This represents £4,285 per primary pupil and £5,257 per secondary pupil, with additional sums of £5.970m for premises and mobility factors and £6.475m for pupil growth funding due to the additional pupil numbers on the October census, from 105,132 pupils to 106,352 pupils. The remaining £18.520m is as a result of new NFF unit rates based on additional funding distributed by the DfE, including an extra £0.934m for in-year growth based on Middle Super Output Area data comparing previous October censuses.

2.4 The Central School Services Block allocation totals £3.407m, an increase of £0.049m compared to 2019-20. This represents an increase to £30.23 per pupil from £29.66 per pupil in 2019-20, and taking account of the anticipated additional pupil numbers as per the Schools Block.

2.5 The High Needs Block totals £93.077m from £81.917m, an increase of £11.160m based on the new NFF and additional funding distributed by the DfE. This calculation is based on a 50% historic baseline exercise and the remaining 50% is calculated on population growth, places created and additional needs. Within that increase between years is £0.911m which has been generated for basic entitlement from the special schools and alternative provision census (headcount has increased from 1974 pupils to 2202 pupils, at £4k each). It is not possible to give a per pupil amount due to the high needs funding

[4] https://www.gov.uk/government/publications/dedicated-schools-grant-dsg-2020-to-2021

being based on a place plus basis, i.e. a set amount of money is allocated for each placement and the additional amount is based on a mix of pupil led factors.

2.6 The overall difference in the DSG allocation from the prior year is set out in the table below:

Funding element	2020-21 (£m)	2019-20* (£m)	Change (£m)	Explanation for change
Early Years Block				
Early Years 3- & 4-year old funding: 15 hours universal entitlement	28.718	28.193	0.525	£0.08p/hr uplift
Early Years 3- & 4-year olds: increase to 30 hours for working parents	8.367	8.215	0.152	£0.08p/hr uplift
Early Years 2-year old funding: 15 hours where eligible	4.925	4.850	0.075	£0.08p/hr uplift
Early Years Pupil Premium	0.515	0.515	0.000	No change
Nursery Schools Grant	0.304	0.304	0.000	No change
Early Years Disability Access Fund	0.174	0.153	0.021	Increase in eligible pupils
Schools Block	507.007	482.012	24.995	Increase of 1,220 pupils (£6.475m), additional in-year growth allocation (£0.934m) and ongoing increase from the NFF and additional money from DfE (£17.586m)
Central School Services Block	3.407	3.358	0.049	Funding per pupil increased from £29.66 to £30.23 per pupil, and additional 1,220 pupils in headcount
High Needs Block	93.077	81.917	11.16	Additional £10.249m of funding as a result of the NFF additional DfE money, and £0.911m due to basic

				entitlement increase from special school and AP headcount
Total	646.495	609.519**	36.977	

*Source: DfE's DSG allocation tables
** Figure shown rounded to nearest thousand per DfE allocation table

Summary of consultation proposals with local schools

2.7 The Council consulted with Norfolk schools to seek views on 3 options for allocating schools funding in 2020-21[5]. All three options were based upon continuing to implement the NFF at a school level and variation between the options was due the level of transfer between the School Block and the High Needs Block:

1. Implementation of DfE's NFF unit rates and methodologies, with a transfer £4.981m of Schools Block (0.5% plus a further £2.5m as per the LA's revised DSG recovery plan) to High Needs Block. The Minimum Funding Guarantee would be set at +1.84% and there would need to be an estimated funding cap of +3.92%.
2. Implementation of DfE's NFF unit rates and methodologies, with a transfer £2.481m of Schools Block (0.5%) to High Needs Block. The Minimum Funding Guarantee would be set at +1.84% and there would need to be an estimated funding cap of +5.51%
3. Implementation of DfE's NFF unit rates and methodologies. The Minimum Funding Guarantee would be set at +1.84% and there would need to be an estimated funding cap of +23.33%

2.8 The Norfolk Schools' Forum meeting on 22 November took the decision to transfer 0.5% from the Schools Block to the High Needs Block, option 2 above. The Forum requested that the Council does not submit an application to the Secretary of State for any additional funding movement between blocks for 2020-21 to enable schools to have the funding to meet the needs of current pupils and to prevent escalation of needs through meeting them, wherever appropriate and possible, at a local level.[6]

2.9 As a result of the Schools Forum agreement, the Council has not submitted an application to the Secretary of State (known as a disapplication request) to move additional funding from the Schools Block to the High Needs Block following a decision by Schools' Forum on 22 November 2019 to transfer 0.5% for 2020-21.

2.10 However, there is no easy solution to these funding challenges, and the system overall lacks sufficient funding to meet the needs of all pupils, given the increasing complexity of needs for significant numbers. Future uncertainty in relation to all DSG funding makes it extremely difficult for both schools and the council to plan ahead and to understand the implications of any decisions made. Nevertheless, the council recognises that the needs of current students must be considered alongside the offer for the future, and it is critical that mainstream schools have the funding locally to invest in creative solutions to

[5] The estimated funding caps and the value of any Schools Block to High Needs Block transfer were based upon the proposed DSG allocations issued by the DfE in October 2019.
[6] https://www.schools.norfolk.gov.uk/Finance/Norfolk-schools-forum/Minutes/index.htm

achieve increased inclusivity. Removing funding from the mainstream schools (Schools Block) risks escalation of need that cannot be met at a lower level driving more pupils into high needs provision that is significantly more expensive. The overall situation will need to be reviewed ahead of 2021-22.

2.11 Looking ahead to future years, the Council will need to consider the education funding landscape following the general election and the DfE expectations regarding cumulative DSG deficits, as well as the level of funding allocated by Central Government for the High Needs Block and how this compares to the anticipated commitments, which are under-review as demand continues to rise for high needs specialist support and provision. The High Needs Block forecast position also presumes that achievement of a substantial level of savings in 2020-21, £7.411m, alongside managing demand. The extent to which these savings are achieved and that the demand is forecast accurately will have a significant impact on the overall High Needs Block deficit position.

2.12 If, during 2020-21, there is no material additional funding from Government, or the system has not started to address the overspend, this may result in the Local Authority making the decision to submit a disapplication request for 2021-22 to cover both in-year high needs expenditure as well as to enable a reduction in the cumulative deficit.

2.13 **Therefore, Cabinet is asked to allocate the Schools Block funding via the National Funding Formula unit rates and methodologies (in line with the 2019-20 arrangements), with a transfer of 0.5% of the Schools Block to the High Needs Block, and a Minimum Funding Guarantee set at +1.84% and a funding gains cap (estimated at +5.51%).**

Funding Cap

2.14 The implementation of any of the options utilising the DfE's NFF unit rates and methodologies would result in some schools being protected from significant funding reductions through the Minimum Funding Guarantee. To ensure that this is affordable, a funding cap needs to be set for those schools that will gain significantly.

2.15 The funding cap for option 2 of the consultation was estimated at +5.51% on the basis of the provisional DSG funding allocations received in October 2019 and like-for-like pupil numbers year on year. The Council has now received the latest census information and final allocations that will allow the individual school budgets to be set. This may result in the funding cap needing to be adjusted to ensure that the Minimum Funding Guarantee can be provided. As the overall funding has increased between the provisional and the final DSG allocations, it is anticipated that this would be a small increase rather than a decrease. However, the full budget calculations need to be completed once Cabinet have agreed the DSG funding formula.

2.16 **Therefore, Cabinet is asked to agree that the Executive Director of Children's Services, in conjunction with the Lead Member for Children's Services, has delegated authority to agree the final funding cap to be implemented in line with the principles of Cabinet's decision.**

High Needs Block

2.17 The High Needs provisional funding allocation for 2020-21 has resulted in an increase of £11.160m, to £93.077m (compared to £81.917m for 2019-20, as updated by the DfE in November 2019).

2.18 The Schools Forum voted in November 2019[7] to continue with the 0.5% movement from the Schools Block to the High Needs Block from previous financial years. This is an additional one-off movement of £2.535m, bringing the total available in the High Needs block to £95.612m.

2.19 Needs Block position in the short to medium term because of the very severe pressures being encountered within this budget. Details of the pressures and the action being taken to mitigate these pressures, transformation and sufficiency of the market, are provided within the Council's Financial Monitoring paper elsewhere on this Cabinet's agenda.

2.20 The table below shows the latest high-level model of the DSG Recovery Plan, based upon a 0.5% Schools Block to High Needs Block transfer in 2020-21:

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
High Needs Block Allocation	80.462	81.822	93.077	93.901	94.730	95.562
0.5% schools block transfer (1% pa increase in block 2021/22 onwards)	2.365	2.410	2.535	2.560	2.586	
DSG underspends on other blocks	4.090					
Additional Schools Block transfer as approved by Secretary of State		4.580				
Total resources	**86.917**	**88.812**	**95.612**	**96.462**	**97.316**	**95.562**
Total expenditure	**89.722**	**96.312**	**96.055**	**96.462**	**97.316**	**95.562**
Surplus (+)/Deficit (-)	**-2.804**	**-7.500**	**-0.443**	**0.000**	**0.000**	**0.000**

Deficit Position	**2018/19**	**2019/20**	**2020/21**	**2021/22**	**2022/23**	**2023/24**
Brought Forward from 2016/17 and 2017/18: **-£8.087m**						
Cumulative Deficit	**-10.887**	**-18.387**	**-18.830**	**-14.242**	**-8.182**	**-3.360**

2.21 At present the model only presumes that there will be a 0.5% Schools Block to High Needs Block transfer. It is expected that to meet the anticipated demands, despite transformation activity, there will need to be either additional funding allocations from the DfE (over and above the 2020-21 allocation level) or the Council will need to make a disapplication request to the Secretary of State to move more than 0.5% from the Schools Block. Officers are meeting with representatives from the DfE in March 2020.

2.22 Options used previously to balance the budget through the use of one-off savings and reserves are no longer available to the County Council, with demand continuing to grow for high needs specialist placements alongside a high number of exclusions in Norfolk.

[7] https://www.schools.norfolk.gov.uk/Finance/Norfolk-schools-forum/Minutes/index.htm

2.23 Further details pertaining to all the funding Blocks of the DSG are contained within Appendix A of this report.

3. Impact of the Proposal

3.1 The modelling of individual schools funding based upon the provisional DSG allocations from October 2019 compared to 2019-20 allocations (on a like-for-like basis) shows a cash increase for all schools even with assumed ongoing Block transfers. As the final DSG allocation for the Schools Block exceeds the provisional allocation, it is a reasonable assumption that this will be confirmed when final school budgets are calculated based upon the October 2019 census data that has recently been received.

3.2 All schools had the opportunity to participate in the Fair Funding consultation held during Autumn 2019 on the local formula options, including the potential transfer of Schools Block funding to High Needs Block. A summary of the consultation responses from schools, including the expected impact of the proposed options upon their budgets, is provided within the 22 November 2019 Schools Forum agenda. The relevant extract is provided in Appendix B: section "Funding Formula Options 2020/21".

3.3. The Norfolk Schools' Forum meeting on 22 November took the decision to transfer 0.5% from the Schools Block to the High Needs Block, which was a very difficult decision for them to make, going against the majority of school leaders who responded to the consultation and adding to the significant financial pressure that schools find themselves under. The consultation responses from schools and academies supported no transfer of money from the Schools Block to the High Needs Block by a significant majority. Comments made in response to the consultation reflected the significant financial pressures facing many schools as well as the, at present, limitations in the systems for funding to support SEND children in mainstream settings. Despite the additional funding coming in to schools for the next financial year, school's first-hand experience is that they face significant ongoing financial pressures.

3.4 Given this context, the decision to support the 0.5% transfer by the Schools Forum was made to ensure the plan for financial recovery for the whole system stays on track and to ensure the success of the SEND transformation programme. For the Forum's view was that this programme is the means by which support for Norfolk's most vulnerable children will be improved through extending specialist provision, ensuring provision is there for the right children and for supporting mainstream schools to meet ever more complex needs in their settings. The pressures of these needs not being met will be felt by all schools and individual teachers; having a direct impact on teacher well-being and the retention of experienced staff as well as on the recruitment of new teachers.

3.5 The Forum identified that a key issue for school leaders is that, whilst fully supporting the SEND transformation agenda, the changes this will bring are not here now but continuing financial pressures are. They identified that they have worked in times of uncertainty for a long while but that the level of uncertainty, politically and financially, is greater than ever.

3.6 Over recent years, the Forum have gained a collective level of understanding of these issues and the shared desire to see the 'bigger picture' – the long-term commitment to improving the system for SEND children which will improve the system for all children. The Forum were acutely aware of the impact funding pressures is having on headteachers, CEOs and Governors.

3.7 Based upon the funding allocation and the agreed 0.5% transfer from Schools Block to High Needs Block, it is forecast that the in-year deficit for 2020-21 on the DSG will be £0.443m.

3.8 The cumulative deficit on the DSG brought forward from 2018-19 was £10.887m, and it is currently forecast that the cumulative deficit to be carried forward to 2020-21 will be £18.387m. This is due to a forecast in-year deficit in 2019-20 of £7.500m. On this basis, it is expected that the cumulative deficit on the DSG at the 31 March 2021 will be £18.830m.

3.9 This forecast is based upon the assumption that savings of £7.411m identified within the Transformation Programme for High Needs Block spend will be achieved in 2020-21 and that the demographic and demand growth assumptions prove realistic.

4. Evidence and Reasons for Decision

4.1 Schools Forum agreed to Option 2 of the consultation with schools, despite the majority of responses to the consultation being in support of Option 3 (and equal numbers in support of Option 1 and Option 2). As detailed earlier in this report, this was an extremely difficult decision for the members of the Schools Forum to make and came with the request to the Council that no further application was made for a Schools Block to High Needs Block transfer in excess of the 0.5% agreed for 2020-21 to protect that funding available to schools to invest at a local level.

4.2 A summary of the consultation responses from Schools is included in Appendix B and further details regarding Schools Forum's considerations can be found within their publicly available agenda and minutes.

4.3 Applying the MFG of 1.84% provides most support to those schools losing per-pupil funding whilst ensuring that the vast majority of schools receive the total gains calculated through the NFF. Protecting local schools from sharp funding changes and, based upon the modelling undertaken for the schools' consultation, will mean that all schools will receive an increase in funding (on a like-for-like basis).

5. Alternative Options

5.1. The proposals contained within this report represent the culmination of the process with Norfolk schools and with the Schools Forum to identify a recommended local formula to distribute funding. The Council has a responsibility to determine individual school budgets according to local formula, following local consultation with schools, within statutorily set timescales to enable schools to plan accordingly for the next financial year.

5.2. At this stage, Cabinet could decide to implement Option 3 (Implementation of DfE's NFF unit rates and methodologies. The Minimum Funding Guarantee would be set at +1.84% and there would need to be an estimated funding cap of +23.33%) that would provide no Schools Block transfer to the High Needs Block. However, this would increase the 2020-21 in-year DSG deficit, and the cumulative deficit, by £2.535m and go against the decision of Schools Forum. Whilst the outcome of the consultation on the DSG grant terms and conditions is awaited, it is not clear at this stage how the DfE anticipate that such deficits will be repaid.

6. Financial Implications

6.1 The Central Government consultation issued in October 2019 in relation to the terms and conditions of the DSG, gives a clarity (if implemented) as to the responsibility of Local Authorities for any deficit within the DSG, i.e. that the DSG is a separate ring-fenced grant and that local authorities are not expected to contribute local resources towards it

6.2 However, there continues to be uncertainty until any changes to terms and conditions are confirmed.

6.3 It should be noted that whilst it is not anticipated that the Local Authority will be responsible for any deficit on the DSG, the Council is effectively 'bank-rolling' the deficit and so there is the impact upon local Council resources of the loss of interest.

7. Resource Implications

7.1. **Staff:**

None

7.2. **Property:**

None

7.3. **IT:**

None

8. Other Implications

8.1. **Legal Implications**

It is each Local Authority's responsibility to determine individual school budgets according to local formulae, following local consultation with schools, within statutorily set timescales to enable schools to plan accordingly for the next financial year. To enable the timescales to be met by the County Council, Cabinet needs to agree the principles of Norfolk's local formulae.

8.2. **Human Rights implications**

None

8.3. **Equality Impact Assessment (EqIA) (this <u>must</u> be included)**

There are no equality or accessibility implications for this report, therefore an assessment is not required or attached.

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

None

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

8.6. **Any other implications**

9. Risk Implications/Assessment

9.1 The key risks that will need to be carefully monitored and managed as the financial year progresses are that:

- Pressures increase, particularly within the High Needs Block, that exceeds the forecast expectations, resulting in increased levels of cumulative deficit of the Dedicated Schools Grant;
- Pressures experienced by schools due to real term increases in costs outside of their direct control exceeding funding available, for example teacher pension costs, support staff costs as a result of national living wage implementation, condition of premises salaries, impacting on their ability to provide consistent education and to meet the basic needs of pupils in their school.
- The DSG recovery plan includes significant assumptions regarding the level of financial savings that can be delivered in 2020-21. Given the size of these savings and the complexity, there is a risk of delivery within the following range:

2020-21 Savings Target	Savings Achieved	In-year deficit	Cumulative deficit
Delivered	7.411	-0.443	-18.830
Undelivered	0.000	-7.854	-26.241

9.2 Officers will review the DSG Recovery Plan at the end of January / early February in light of the new term's placements, the final placements for the Autumn term and the very recently received funding allocations and the projected savings and demographic growth assumptions for future years. This will be in advance of the scheduled meeting with the DfE early March regarding the DSG Recovery Plan.

9.3 The Council's budget planning for 2020-21 has removed the funding provided from council tax resources in 2019-20 to support the DSG deficit position on the basis that the Government has proposed a specific accounting treatment for DSG deficits[8], which diverges from normal accounting practice and allows councils to carry a negative balance on these reserves. Although the Government has now prescribed an accounting treatment for the High Needs Block deficit and confirmed that there is no expectation for local government to fund the High Needs Block from council resources, this position is not guaranteed and will remain a subject of scrutiny for External Auditors. If the Council is unsuccessful in resolving the High Needs Block deficit position over the medium term, the pressures and level of forecast overspend are such that it could represent a very real threat to the overall financial viability of the whole Council.

10. Select Committee comments

10.1. Not applicable

[8] https://consult.education.gov.uk/funding-policy-unit/revised-arrangements-for-the-dsg/

11. Recommendations

11.1. To agree:

1. the Dedicated Schools Grant funding and the changes to the schools funding formula;
2. to delegate decision making powers to the Executive Director, in consultation with the Lead Cabinet Member for Children's Services, to revise the funding cap once the final Dedicated Schools Grant calculations of individual school allocations are known.

12. Background Papers

12.1. Transforming the system for Special Educational Needs and Disability (SEND) in Norfolk (Item 8, 29 October 2018 Policy and Resources Committee)

http://norfolkcc.cmis.uk.com/norfolkcc/Meetings/tabid/128/ctl/ViewMeetingPublic/mid/496/Meeting/1421/Committee/21/Default.aspx

De-delegation of central services budget (Item 6, 22 November 2019 Norfolk Schools Forum)

https://www.schools.norfolk.gov.uk/Finance/Norfolk-schools-forum/Agendas-and-Papers/index.htm

Fair Funding Consultation (Item 7, 22 November 2019 Norfolk Schools Forum)

https://www.schools.norfolk.gov.uk/Finance/Norfolk-schools-forum/Agendas-and-Papers/index.htm

Dedicated Schools Grant (Item 11, 22 January 2019 Children's Services Committee)

https://norfolkcc.cmis.uk.com/norfolkcc/Meetings/tabid/128/ctl/ViewMeetingPublic/mid/496/Meeting/1473/Committee/8/Default.aspx

Officer Contact

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

Officer name:	Chris Snudden	**Tel No.:**	01603 223492
	Dawn Filtness		01603 228834
Email address:	chris.snudden@norfolk.gov.uk		
	dawn.filtness@norfolk.gov.uk		

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Appendix A: 2020-21 DSG Blocks Further Details

Early Years Block

The Early Years Block funds direct places in a variety of settings including nursery schools, preschools and childminders along with partially funding the county wide operational teams and partial funding to support Norfolk's Early Years Strategy. The Early Years NFF sets out that Local Authority central costs should be no greater than 5% of the Early Years NFF for 3- and 4-year old funding for 2020-21; this percentage adjusts within the financial year as it is based on pupil numbers accessing an Early Education place. The Local Authority receives £4.38 per hour for Early Education of 3- and 4-year olds, with the total allocation for universal entitlement leaving £28.718m.

Working parents can access an additional 15 hours of funded 3- and 4-year old early education. Taking the total amount to 30 hours of funded childcare. The Department of Education provides additional funding of £8.367m, this will be adjusted based on take up, as at the January 2020 census.

Parents can access 15 hours of funded 2-year old early education, if they meet the eligibility criteria. The Department of Education provides £4.925m of funding based on an estimated take up, which will be adjusted based on the January 2020 census. The Local Authority receives £5.28 per hour for Early Education of 2-year olds.

Early years pupil premium is 53p per hour per eligible child claiming 3- and 4-year old funding, up to a maximum of 570 hours per year; this will be adjusted based on January 2020 take up. The initial allocation is £0.515m.

The Early Years New NFF (EYNFF) places Nursery Schools on the same funding model as all Early Years Settings; an additional £0.304m has been provided to protect and fund the fixed sums that the 3 Nursery Schools in Norfolk receive. The fixed sums fund the higher overheads and cost of qualified teaching staff in a Nursery School.

The Disability Access Fund aids access to early years places. An early years setting is eligible for £615 per year for each child in receipt of Disability Living Allowance.

Central School Services Block

A new block of funding was created in 2019-20 from existing central budgets previously held within the Schools Block. This consists of historic commitments prior to 2013 with a contractual agreement. It also includes a contribution to the admissions service, the servicing of the Schools Forum and covers licences that are paid centrally by the Department of Education on all schools' behalf. Additionally, it includes the previously retained element of the Education Services Grant, which covers the statutory duties carried out by the Local Authority for all types of school.

The Central School Services Block is calculated at £30.23 per pupil, plus £0.192m agreed for historic commitments, resulting in a total allocation of £3.407m.

Schools Block

The Local Authority receives its Schools Block funding based on unit values set by the NFF that was introduced in 2019-20. The DfE have given no clear date for the full implementation of the NFF; however, they are clear that this is the direction of travel. For 2019-20, the Local Authority chose to determine individual school budgets under a soft formula using the new NFF rather than a local formula. This followed local consultation. For 2020-21, the Local Authority has the same discretion to determine individual school budgets using the new NFF or a local funding formula following local consultation.

The total Schools Block allocation for Norfolk is £507.007m, an increase of £24.995m compared to 2019-20. The NFF unit values for 2020-21 results in an additional £17.586m to Norfolk in the Schools Block, an additional £6.475m for growth relating to 1,220 pupils and an additional in-year growth allocation of £0.934m.

As part of the DfE's 'Schools Revenue Funding 2020 to 2021 Operational Guide', the Department announced that the 2020/21 NFF will include:

- Minimum per-pupil levels of £3,750 for primary schools and £5,000 for secondary schools, and that the DfE intend to make the new minimum per-pupil funding levels a mandatory factor in each Local Authority's local formula (this has already been implemented in Norfolk);
- The funding paid to the Local Authority will be set at + 1.84% to protect pupil-led funding in real terms;
- The remaining funding factors paid to the Local Authority will benefit from an increase of 4% with the exceptions of free school meals factor, which will be increased at inflation, and premises funding which will be allocated at local authority level based on actual spend in 2019-20 plus RPIX; and,
- That Local Authorities will have the freedom to set the Minimum Funding Guarantee in the local formulae between +0.5% and +1.84% per pupil, as well as to use a gains cap.

A consultation has been held with Norfolk schools on the proposal to continue to move schools towards full implementation of the DfE's NFF (both factor and unit values), in accordance with the approach implemented for 2019-20. It was proposed that the minimum funding guarantee was set at +1.84% and that there was a cap on gains to enable this.

The DfE has set one Lump Sum of £0.114m for all types of schools (£0.110m for 2019-20). This benefits Norfolk primary schools compared to the previous local formula; however, this negatively impacts on small secondary schools.

The DfE has set the Sparsity factor at £0.026m for a primary school and £0.068m for a secondary school (£0.025m and £0.065m for 2019-20 respectively). Funding is tapered so the smallest schools will receive the highest funding.

Funding is based upon "as the crow flies" distances. It is calculated for all the pupils for whom it is the nearest compatible school. It is the average "as the crow flies" from the pupils' homes to their second nearest compatible school (the sparsity distance). It applies if the distance is more than three miles for secondary schools and two miles for primary schools, but this will be changed in the future to reflect actual distance travelled.

Premises funding consists of rates, private finance initiatives (PFI), split sites and exceptional circumstances. In 2020-21 the funding for premises is based on the historic 2017-18 allocations, except for PFI funding that will be uplifted annually by the Retail Price Index (RPI). The DFE are still exploring ways to build the premises costs into a NFF, without reliance on local historic information.

There is allocation in the DSG for pupil growth seen in census returns, which is allocated to schools as per the local formula. In addition, there is an allocation for in-year pupil growth, i.e. from the start of the new academic year, and local authorities can distribute this funding in two different ways depending upon the circumstances: (i) in agreement with Schools Forum setting up a growth fund by top-slicing DSG; and, (ii) through adjusting pupil numbers to calculate budget allocations for growing schools or planned school reorganisation.

The NFF contains a hybrid area cost adjustment that takes account of general labour market trends and particular salary variations in the teaching workforce.

The NFF compared to the previous local formula results (2018-19 and earlier) in a redistribution of funding is redistributed from the primary to the secondary sector

The Local Authority has the discretion to set a Minimum Funding Guarantee (MFG) to individual school budgets between + 0.5% and +1.84%. The consultation undertaken with schools proposed applying a +1.84% MFG for 2020-21. It is proposed that the following items, as in 2019-20, are excluded from the MFG calculation:

- Post-16 funding factor (the amount funded from DSG)
- The 2020-21 'Lump sum'
- Additional lump sums paid in 2019-20 for amalgamated schools (excluded from the baseline only)
- Additional lump sum to be paid under regulations in 2020-21 for amalgamating schools
- The 2020-21 Sparsity Factor
- Rates

This means that in 2020-21 no school can lose more than 1.84% of funding per pupil compared to 2019-20, other than for the items above which are not covered by the guarantee. The MFG gives schools time to plan towards a 'hard' NFF, whilst there is funding to protect school budgets with an MFG. However, to afford this, a funding cap will need to be applied for gaining schools.

The Schools Block has also increased with the number of pupils increasing by 1,220 from 105,132 in 2019-20 to 106,352 in 2020-21, as per the October census in each relevant year.

High Needs Block

From 2015-16 to 2018-19 there was a 10% shift of pupils with Statements / Education Health & Care Plans from mainstream schools to the specialist sector; in addition to Norfolk experiencing a rise in the number of pupils who have been permanently excluded. This 10% shift resulted in an increase of 1,102 places in high needs provision from 2015-16 to late 2018, at a cost of £22.277m. In the same period, the High Needs Block only increased by £12.039m.

In 2019-20, Norfolk budgeted to spend 69% of the High Needs Block (including transfers from the Schools Block) on high needs places in state special schools, independent schools and Alternative Provision (75% based upon the latest forecast). The Transformation Programme is focussed both upon the generation of new specialist spaces for children and upon enabling mainstream schools to be inclusive as possible, including considering the level of funding paid to mainstream schools and for services provided as a local authority direct to schools.

On the 28 October 2018 the Council's Policy and Resources Committee (Item 8) received a report further developing the strategy, the Council agreed to support £120m of capital borrowing as part of a wide-ranging SEND Transformation Programme. The strategy will see both landscape and culture transformation across Norfolk's SEND system; parents will have 'first refusal' for children to move from high cost independent provision to Good & Outstanding special school placements, future need will be met and reductions in travel time will enable both High Needs Block pressure and SEN transport pressures to be alleviated. The Council have agreed to the capital borrowing based on detailed modelling which forecasts the High Needs Block returning to a balanced budget after 5 years.

Recognising the scale of the challenge, Norfolk County Council identified during the 2019-20 budget planning process £3.000m of Local Authority resources each year to contribute towards supporting the High Needs Block position, which included £1.000m of funding in 2019-20 to enable the delivery of service transformation. However, the consultation on the revised terms and conditions of the DSG published in October indicates that Local Authorities should not be utilising General Fund monies to cover schools' expenditure. Whilst the outcome of the consultation is awaited, it is assumed that the consulted upon conditions will be enacted, and so the Local Authority will no longer contribute its own resources to the DSG.

The Council had the option of submitting a request to the Secretary of State to transfer more than 0.5% from the Schools Block to the High Needs Block for 2020-21, but following the consultation with schools, dialogue with the Schools Forum, the consultation on the DSG conditions, correspondence with the DfE and the uncertainty regarding future funding, it was agreed that the Council's position would be made clear to the DfE in a letter but that it was not in the best interests of the overall schools system in Norfolk and, therefore, the children and young people of Norfolk, to make an application to the Secretary of State in these circumstances.

Appendix B: Funding Formula Options 2020/21 – Consultation with Local Schools

Summary of Options

A summary of the different options for funding schools in 2020/21 is given in the table below, followed by more detailed written explanations.

Please note: All modelling is based on October 2018 data; actual budgets will be issued using October 2019 census data and may change significantly if the number of pupils differs.

For individual school detail, please refer to the detailed technical papers that were issued alongside this consultation.

	Option 1	Option 2	Option 3
	NFF	NFF	NFF
	2020/21	2020/21	2020/21
litional £2.5 m move High Needs Block	✓	✗	✗
.5% of Schools Bloc ved to High Needs B	✓	✓	✗
G protection to sch budgets of +1.84%	✓	✓	✓
unding cap on gaine under NFF	+3.92%	+5.51%	+23.3%
9/20 Minimum Per-P Funding Levels	✓	✗	✗

Option 1

Implementation of DfE's National Funding Formula unit rates and methodologies, with a transfer £4.981m of Schools Block (0.5% plus a further £2.5m as per the LA's revised DSG recovery plan) to High Needs Block. The Minimum Funding Guarantee would be set at +1.84% and there would need to be an estimated funding cap of +3.92%.

Norfolk's current DSG Recovery Plan is underpinned by two key elements:

- through the £120m capital investment to build new special schools, specialist resource bases and to develop student support hubs

- the assumption of ongoing transfers of funding between the Schools Block and High Needs Block.

A transfer of more than 0.5% will require the Local Authority to submit a disapplication request to the Secretary of State. In doing so the LA will need to demonstrate with a business case that this is the best possible option, in the short-term, taking account of the announcements from government in October of £780m nationally for SEND and a 'levelling up' of school funding through the Schools Block.

The benefits to the Norfolk-wide Education System are:

- All schools are expected to gain funding compared to 2019/20 despite the transfer on a like-for-like basis (e.g. assuming no change in pupil numbers)
- the whole system will be demonstrating a responsible approach to good financial management, recognising the impact of higher than average SEND identification and the impact that this has had on High Needs pressures historically, whilst also implementing a transformation programme that will improve educational provision and outcomes for children and young people whilst addressing the ongoing budget pressures;

Option 2

Implementation of DfE's National Funding Formula unit rates and methodologies, with a transfer £2.481m of Schools Block (0.5%) to High Needs Block. The Minimum Funding Guarantee would be set at +1.84% and there would need to be an estimated funding cap of +5.51%.

Norfolk's current DSG Recovery Plan is underpinned by two key elements:

- through the £120m capital investment to build new special schools, specialist resource bases and to develop student support hubs
- the assumption of ongoing transfers of funding between the Schools Block and High Needs Block.

The High Needs Block and the Schools Block will increase in 2020/21 following announcements from government in October of £780m nationally for SEND and a 'levelling up' of school funding.

On the basis of current forecast pressures, this would lead to an in-year deficit in 2020/21 and a cumulative outstanding deficit of c.£19m by the end of 2020/21.

If this level of block transfer continued for 2021/22 and 2022/23, it is expected that the cumulative deficit would not be repaid until 2023/24.

Option 3

Implementation of DfE's National Funding Formula unit rates and methodologies. The Minimum Funding Guarantee would be set at +1.84% and there would need to be an estimated funding cap of +23.33%.

Norfolk's current DSG Recovery Plan is underpinned by two key elements:

- through the £120m capital investment to build new special schools, specialist resource bases and to develop student support hubs
- the assumption of ongoing transfers of funding between the Schools Block and High Needs Block.

The High Needs Block and the Schools Block will increase in 2020/21 following announcements from government in October of £780m nationally for SEND and a ‘levelling up’ of school funding.

On the basis of current forecast pressures, this would lead to an in-year deficit in 2020/21 and a cumulative outstanding deficit of c.£21.5m by the end of 2020/21.

If Norfolk continued with no block transfer beyond 2020/21, it is expected that there would still be a cumulative deficit in excess of £7m outstanding at the end of 2023/24.

Consultation

A survey was held with schools from Friday 25th October to Friday 8th November. A previous survey was launched on the Friday 4th October but following the DfE’s 2020/21 National Funding Formula announcement on the 11 October, the Local Authority assessed the new information received and agreed with the Chair of the Schools Forum to withdraw the existing Fair Funding Consultation for 2020/21.

The Local Authority received 86 completed responses on the survey held with schools, 69 of the responses were from primary (including infant and junior), 10 secondary, 0 special schools and the remaining 7 were recorded as ‘Other/Diocesan Board’.

The overall ranking of the options following consultation is as follows:

on	Overall Rank	Votes
on 1 - Implementation of the NFF unit rates and 1odologies, with a 0.5% transfer to the High Needs Block, ther £2.5m	Joint 2nd	8
on 2 - Implementation of NFF unit rates and methodologie a 0.5% transfer to the High Needs Block	Joint 2nd	8
on 3 – Implementation of the NFF unit rates and 1odologies	1st	70

There was a stronger preference for Option 3, implementing the NFF unit rates and methodologies without the transfer of any funding from the Schools Block to High Needs Block.

Below is a summary of the consultation responses.

Summary of comments in favour of moving funding to the High Needs Block.

‘Priority needs to be given to clearing the High Needs deficit’

‘We understand the rationale behind the need for an increased transfer to the High Needs Block in addition to the 0.5%. In the interests of responsible financial management and with the proposed increase in funding from Central Government, this seems an ideal opportunity to remove in-year deficits and a cumulative deficit. We hope that the aim is then that mainstream schools will no longer need to top up HN funding and can instead use that money to focus on providing for HN children within their schools, thus reducing the number of children needing places at Special Schools.’

‘Norfolk's SEND resources are too stretched to tackle school support and higher than average exclusions’

‘This seems to be the most equitable solution bearing in mind the challenge to address high need funding and provision in Norfolk.
However, we appreciate that we will continue to struggle to meet the needs of mainstream pupils in our schools because of reduced funding. Making the decision to support this option has been very difficult as it comes at a cost to our children's education and wellbeing, which is the primary responsibility of the LA.’

‘This option [Option 1] also allows for the largest transfer between DSG and the High Needs Block. We experience first-hand the pressures of not being funded correctly for students that have high SEN requirements so this movement in funding would be welcomed. This model will also allow the LA to fully implement their transformational project, which could lead to a better support structure for students at risk of permanent exclusion plus a more equitable approach to SEN.’

‘Option 2 is the fairest option, as it ensures that mainstream schools receive much-needed additional funds to enable them to adequately support SEND pupils, but at the same time the overspend is paid off.’

Summary of comments against movement of funding to the High Needs Block.

‘The National Funding Formula should be implemented fully without additional top-slicing. This will ensure fairer levels of funding for individual schools who are currently underfunded. When schools were consulted last year, there was no indication that further transfers of funds from Schools Block to High Needs may be made this year. Removing funds from individual schools clearly reduces their capacity to meet the needs of pupils on roll.’

‘We do not believe that Norfolk’s repayment plan has enough evidence or validity to support the transfer of additional funds to the High Needs Black at a time when schools are faced with unprecedented uncertainty in funding. This is a particularly an issue for small schools within Norfolk with under 80 students. Option 3 would allow all schools to receive the maximum funding available therefore providing more financial certainty; impacting financial decision making, particularly staffing.’

‘The financial impact of option 1 would leave this school requiring to make staff redundant. Last year I supported the move of extra money to the high needs block based on it being for 1 year. With the financial strains on schools I cannot support that this year. With greater funding in schools I would believe that we could support the high needs pupils in schools better hence not requiring the High Needs block to the same extent- (Proactive work rather than reactive work).’

‘On-going contributions are unsustainably propping the High Needs Block. This cannot continue to happen when school budgets are so pushed in all other areas. The % increase from central government funding is also now greater and therefore the total amount allocated to the High Needs Block from government will be increased. Schools should not be expected to do this when they do not have the funds they needs themselves’

‘Schools must receive the full benefit of any funding increases offered.’

‘While we understand the rationale behind the need to support High Needs, we are very concerned that so much funding that is really for Schools, is being siphoned off. Special Needs in Primary schools, in particular, is not being supported adequately. Primary schools are having to use considerable funds from their general budget to support EHCP's as the finding from the LA does not cover the support required/described as part of the plan. This siphoning off from school budgets has been happening in many local authorities and should not be happening, particularly to the degree you are suggesting in option 1. Head Teachers across the country, where this is happening, have registered their extreme concern and this is what we are doing.’

‘We need more funding in our budget to support all of our children including children with SEN needs and other vulnerable groups. An increase in our budget would help to maintain our staffing to ensure this would happen.’

‘Option 3 will help our small school survive.’

‘Option 1 would devastate our finances and option 2 would too.’

Summary of general comments

‘I support a maximum of 0.5% to the High needs block as it is already receiving £10m from the DFE’

‘[Option 3] Indicates the most funding for my own school.’

‘The idea of Fair funding is to make sure all schools across the country are funded fairly no matter what region they are in. Norfolk schools should not lose out in this because of legacy poor management of the High Needs block.’

Cabinet

Item 24

Decision making report title:	**Education Landscape and School Place Sufficiency**
Date of meeting:	**13 January 2020**
Responsible Cabinet Member:	**Cllr John Fisher (Cabinet Member for Children's Services)**
Responsible Director:	**Sara Tough (Executive Director Children's Services)**
Is this a key decision?	**Yes/~~No~~**

Introduction from Cabinet Member

This report focuses on (1) Local Education Policy, (2) Admission Co-ordination and Policy for 2021/22 and (3) the annual Schools Local Growth and Investment Plan.

1. Current policy, agreed by Children's Services Committee in 2017 has largely served Norfolk well in establishing stronger groups of schools and supporting the improvements to the quality of education across the county, but the education landscape continues to develop and further evidence of what leads to the greatest sustainable improvement is emerging. This paper suggests a small number of amendments to current policy to maintain a trajectory of improvement, not only to the quality of education as judged by Ofsted, but also to secure the efficient use of resources and higher educational outcomes for key groups of learners (irrespective of the type of school they attend). The amendments seek to uphold the presumption against closure by enabling schools to operate more effectively as part of larger groups. The report was discussed with People and Communities Select Committee on 15th November 2019. That committee endorsed the recommendations listed in Section 4.
2. Norfolk County Council is the admission authority for community and voluntary controlled schools. This paper reports on the annual consultation process and proposes no change to the policy.
3. As part of an annual process we ask Cabinet to note and endorse our Local Schools Growth and Investment Plan. This outlines how we plan for sufficient school places in response to demographic growth and decline.

Recommendations

1. **A) To agree the amended policy approach including a district focus on planning for demographic growth and decline**
   B) To agree amendments to processes for capital prioritisation and school organisation taking account of the new cabinet system
2. **To agree the Admission Co-ordination and Policy for 2021/22.**
3. **To note and endorse the Schools Local Growth and Investment Plan**

1. Background and Purpose

1.1. Local Education Policy

1.1.1. This paper builds on previous reports to Norfolk County Council's Children's Services Committee, notably in November 2017 that set out Norfolk's approach in advocating for the development of a self-improving school system.

1.1.2. In the 2017 Committee Paper the approach was affirmed as follows:

- A clear role for Norfolk County Council as the champion of children working pro-actively with all types of schools
- A close working relationship with the Regional Schools Commissioner to act as the 'middle tier' within the education system
- Promoting strong governance and the development of groups of schools with single governance

1.1.3. The existing clear policy approach enables officers:

- To use every opportunity to achieve a locally coherent (and sustainable) organisation of schools by working closely with the Regional Schools Commissioner, local partners and communities.
- To promote the development of school groupings with single governance and strong, skilled and experienced leadership that can provide school to school support through sufficient resilience and size. Norfolk should mirror the national approach, where 1500 pupils on roll across a number of schools within the group is deemed a desirable minimum.
- To ensure that wherever possible, new schools are commissioned as all through primary schools with a minimum of two forms of entry and secondary schools as 11-16 schools with six forms of entry.
- To consider these school sizes - 420 place primary (5-11) and 900+ place secondary (11-16) schools) - to be the most desirable model, where Norfolk County Council invests considerable capital to support other school organisation changes.
- To uphold as far as possible the 'presumption against closure' set out in national guidance
- To establish as a minimum size of 105 for any school or standalone school site within the mainstream sector, where school organisation changes are promoted in a local area
- To establish all through primary education as the model for primary phase schools, where school organisation changes are promoted in an area.

1.1.4. A report on the use of capital to the same committee also set out the programme priorities and approach to prioritisation of available capital.

1.1.5. The move to a cabinet structure has resulted in a small amendment to the Terms of Reference for Capital Priorities Group. This is outlined as part of the proposal below.

1.1.6. The decision making for school organisation processes needs to be amended to reference the Cabinet member for Children's Services instead of Children's Services Committee. This is outlined as part of the proposal below.

1.1.7. The national policy context outlined in the previous paper remains largely unchanged. No new legislation has been passed and updated guidance, for example in relation to intervention, does not fundamentally alter the role of the Local Authority and the tools available to affect change.

Evidence is emerging, however relating to pupil outcomes over time in different sized class groupings (Appendix D).

1.1.8. The information in the previous committee paper regarding different forms of governance (Appendix A) and school groupings operating in Norfolk have been updated and included as part of this paper (Appendix B).

1.1.9. The number of pupils supported by groups of schools with single governance is one measure to evaluate the effectiveness in establishing the environment, which can support strong governance and leadership structures.

1.1.10. It is noteworthy that the average number of pupils within Multi Academy Trusts currently stands at above 3000 and within Federations it is 342 (see Appendix C).

1.1.11. The approach adopted so far has focused on utilising opportunities that arise through the need for growth in pupil numbers, formal intervention and requests from governing boards.

1.1.12. Whilst there have been a number of changes since the report to Children's Services Committee, progress towards establishing larger groups of schools has been steady.

1.1.13. A number of challenges remain:

- Housing development will result in the need to increase the number of school places in some areas of the county. These are identified through the Schools Local Growth and Investment Plan.
- A demographic decline, particularly of school aged children, is forecast for some areas of the county. This requires strategic planning to adjust the number of school places accordingly.
- Outcomes at KS2 are consistently below national benchmarks and are lower in the smallest schools.
- Recruitment of effective leaders, particularly in smaller primary schools, remains a considerable challenge.
- Some regions within Norfolk with high numbers of small schools struggle to provide enough strong leaders to promote and support their local schools.
- There is a long-term pattern of some small schools repeatedly requiring (high cost) support or intervention by the local authority.
- Three different academy trusts have considered or proposed the closure of a small school in Norfolk. This suggests that sustainability issues of very

small schools, particularly those with one or two classes may not be mitigated by joining larger school groups or different governance structures.

- Some small schools have less than 105 pupils on roll and little opportunity to grow.
- There are approximately 115 schools with less than 105 pupils on roll and around 30 of these have fewer than 50 pupils.
- Governing Boards face challenges in recruiting suitable members with the range of professional knowledge and understanding required.
- The Secretary of State has written to all Local Authorities stating that they are expected to make better use of schools' capital, and no allocations for growth funding have been made beyond 2021. An announcement is now expected in Spring 2020.

1.2. Admissions Arrangements for Community and Voluntary Controlled Schools

1.2.1. Each year the County Council is required to determine the admissions co-ordination scheme for all schools and to determine the admissions policy for all Community and Voluntary Controlled schools, being the admission authority for these schools.

1.2.2. The co-ordination scheme has been developed following annual consultations over a number of years. The proposed schemes and timetable meet the requirements imposed by the School Admissions Code and associated legislation to ensure a fair and consistent process for parents.

1.2.3. As required by legislation, admissions consultation must run for at least six weeks. The consultation for the 2021/22 admission process opened on 18 October 2019 and closed on 2 December 2019. The consultation was highlighted on the Council's website under "current consultations" and within the school admissions section of the website.

1.2.4. As schools and governing bodies are key consultees, a school management information sheet was sent to all Headteachers and Chairs of governing bodies on 18 October 2019 inviting them to respond with an online survey. Schools were also encouraged to promote the consultation with parents via their own newsletters and websites

1.2.5. No changes were proposed to the admissions co-ordination scheme or timetables the school year 2021/22.

1.2.6. The response, typical of previous consultations, was low with only 17 fully completed responses received. All respondents supported the proposed arrangements for the admissions rounds, in year co-ordination and the timetable.

1.3. Schools Local Growth and Investment Plan

1.3.1. The Schools' Local Growth and Investment Plan (SLGIP) provides a snapshot of Norfolk County Council's plans to secure sufficient school places. Fundamentally, it addresses two issues;

1) demographic change, prompted by changes such as birth rates and life expectancy and 2) population movement, resulting from new housing development or migration to and from particular geographic areas.

1.3.2. The evidence for the planned growth and decline comes from a range of sources, including population data provided by health authorities and planned housing growth by District Councils.

1.3.3. Details of plans for new schools and expansion of existing schools are included in the plan in Appendix F. The report also includes a brief discussion of the methodology to plan for any reduction in school places.

2. Proposals

2.1. Local Education Policy

2.1.1. Norfolk County Council should adopt a more pro-active approach to review the effectiveness of the education landscape to:

- Enable School to School support to achieve high outcomes for all pupils.
- Achieve single governance for groups of schools with 1500 pupils or more.
- Support strong professional governance, regardless whether this is based on a stakeholder or business model.
- Support the development of high-quality leadership through teams of leaders led by an executive Head Teacher or CEO.
- Secure the sustainability of (effective) small schools with a minimum NOR of 105, particularly in sparsely populated areas.

2.1.2. The implementation of current policy outlined in 1.3 will remain largely unchanged. However, Children's Services should adapt a strategic approach to review each of the seven district council areas.

2.1.3. Priority will be given to the following issues:

a) Demographic changes requiring a change to the overall number of school places in any one place planning area (growth or decline).
b) Where institutions are not in a group of 1500 pupils or more and
    i) Outcomes at the end of a key stage are consistently below national benchmarks.
    ii) The quality of education provided over time, e.g. schools have been judged less than good for more than 50% of the last 10 to 15 years.
    iii) The Local Authority has repeatedly deployed additional and targeted resources.
    iv) The periods of interim and temporary leadership are longer than those with secure substantive leadership.
    v) Securing a sustainably good education in any school with fewer than 4 classes or less than 105 NOR. In a rural county, such as Norfolk, there

will always need to be a balance between securing places geographically close enough and a school of a sustainable size.

2.1.4. Officers will establish key priorities for each district and share these widely with relevant stakeholders and those providing school improvement opportunities.

2.1.5. Officers will continue to support the development of local partnerships to secure school improvement.

2.1.6. To assist the development of strong leadership, officers will work with providers of training (and school representative groups) and support to secure an offer that meets the needs of each area and support Norfolk wide priorities.

2.1.7. Evidence from the last few years suggests that the self-improving school system promoted through national policy still requires some level of facilitation and co-ordination to achieve a coherent support offer in a county the size of Norfolk. Officers should continue to develop such an offer in partnership with local stakeholders and the Regional Schools Commissioners' Office.

2.1.8. The support for Trust Boards and Governance Boards offered by Norfolk County Council should include:

- Establishing relevant operating models for Federations to ensure parity with Multi Academy Trust governance.
- Securing governors with the professional expertise, knowledge and understanding required to govern groups of schools.
- Facilitating seamless transition to enable growth for federations in a way that is similar to the national policy support for growing Multi Academy Trusts.

2.1.9. Norfolk County Council should continue to seek to uphold a presumption against closure of small rural schools, as set out in national policy and guidance.

2.1.10. Where the quality of education and the efficient use of resources would be better served by a different form of school organisation, officers will approach MATs and governing boards to offer a joint review of future options.

2.1.11. Wherever possible, such appraisals should be conducted jointly with the relevant appropriate body including the relevant diocese for voluntary aided or controlled schools.

2.1.12. This should result in recommendation for either trustees or governors of the relevant institution(s) to consider. Where such proposal requires the use of capital, normal consideration for prioritisation and decision making will apply.

2.1.13. Before any changes are proposed to schools with fewer than 105 pupils, officers should also consider:

- Demographic trends and the likelihood of achieving 105 pupils within the catchment area of the school.

- The proportion of pupils attending the school drawn from the catchment area.
- The proportion of pupils in the catchment area attending other schools due to parental preference.
- The travel distance to the next nearest school.
- The impact of any school closure on the local community.
- Where relevant the impact of maintaining the school on the other schools within the Federation or Multi Academy Trust.

2.1.14. The process for prioritising the use of capital should be amended to include reporting to the Cabinet Member for Children's Services three times a year. A copy of the amended Terms of Reference for Capital Priorities Groups is included in Appendix E.

2.1.15. The approach to capital prioritisation should make explicit reference to national benchmarks, as outlined in the DfE Scorecard. The statutory duty to provide sufficient and high-quality school places may still result in a strong business case, even where benchmarks are likely to be exceeded.

2.1.16. The development of capital projects for new school places includes collaboration with the Fire Service to identify how schemes can include mitigation of fire risk on a case by case basis. This is already current practice and should be formally identified to be part of our policy approach.

2.1.17. Governing Boards of Local Authority Maintained Schools, where Norfolk County Council has a property interest are asked to consider joining a maintenance scheme. Where they Governing Boards do not join a scheme, officers will request that they share the details of the planned maintenance on an annual basis and show a clear understanding that the LA cannot be called upon to solve maintenance issues that otherwise would have been covered by a maintenance scheme.

2.1.18. The process for proposing and deciding significant changes to school organisation should be amended to take account of the cabinet system as follows.

2.1.19. Cabinet should be notified of any information consultation on the closure of a school during the consultation process. Previously, the former Children's Services Committee was invited to comment.

2.1.20. The Cabinet Member for Children's Services should be consulted by the Executive Director of Children's Services following the public notice period but prior to determination. This consultation was previously with the Chair of Children's Services Committee.

2.2. Admissions Arrangements for Community and Voluntary Controlled Schools

2.2.1. The proposal is to maintain the current co-ordinated admission arrangements for all schools and to continue with the existing admission policy for Community and VC Schools. Please see Appendix G for the admission arrangements, timetable and policy.

2.3. Schools Local Growth and Investment Plan

2.3.1. The proposed plan can be found in Appendix F. Cabinet is asked to note and endorse it.

2.3.2. The Greater Norwich Growth Board has been providing an annual contribution of £2m towards education infrastructure in the past 3 years.

2.3.3. Future funding needs for the schools proposed in the Greater Norwich Area are likely to require a significantly larger amount of funding to build the new schools.

2.3.4. The Greater Norwich Growth Board at their recent meeting on 25th November 2019 confirmed that the available CIL funding is unlikely to be sufficient to provider a greater contribution.

2.3.5. A proposal for a new funding scheme will be brought to a future cabinet meeting.

3. Impact of the Proposal

3.1. As a result of this proposal Norfolk County Council will develop:

- Key educational priorities for each of the seven district areas and share these with relevant stakeholders and school improvement providers.
- A revised offer to support all forms of governance and secure the support necessary to create larger groups of schools.
- A partnership approach to secure strong leadership development including for leadership teams across groups of schools.
- A pro-active approach to place planning for all areas with demographic change, ensuring efficient use of resources and value for money.
- Long term sustainable improvement, reducing the need for intervention.

Early identification of any requirement for capital, which exceeds the allocation of Basic Need grant by the DfE.

4. Evidence and Reasons for Decision

4.1. In addition to the discussion under 1.1.13, further evidence on the achievement in small schools is contained in Appendix D.

4.2. Decisions regarding amendments to local education policy are designed to accelerate school improvement and reduce costly repeat intervention.

4.3. The decision regarding admission policy are proposed to ensure Norfolk County Council as admission authority remains compliant with statutory expectations.

4.4. The proposed Local Schools and Investment Plan provides the necessary detail to ensure we provide sufficient school places and prioritise capital appropriately.

5. Alternative Options

5.1. The key alternative option would be to retain the status quo. Change is advocated to support statutory compliance, accelerated improvement and efficient use of resources.

6. Financial Implications

6.1. Capital deployment focused on new places and condition improvement.

Some capital may be needed to adjust number of places in areas of demographic decline.

Some capital may be needed in exceptional circumstance to secure better organisation of school places in a local area (e.g. merger of two schools that are not sustainable to secure continued education).

7. Resource Implications

7.1. **Staff:**

Existing staff levels for:

- Education Advisers with oversight of:
  - ➢ Leadership Development
  - ➢ Training and workforce development including Apprenticeships
  - ➢ Area Oversight
- School organisation
- Capital Team

Place Planning, including direct support to accelerate large scale housing developments (recently agreed new post)

7.2. **Property:**

Property implications are dealt with through agreed mechanisms. This involves recommendation by the Capital Priorities Group to the Executive Director of Children's Services. The allocation of capital to relevant budgets is included in the forward plan of Norfolk County Council's annual budget setting cycle.

7.3. **IT:**

There are no new IT implications resulting from this policy proposal.

8. Other Implications

8.1. **Legal Implications**

The policy ensures that Norfolk County Council upholds current law and statutory guidance. This includes the role of Governing Boards and Multi Academy Trusts in deciding the future direction of individual schools, Norfolk County Council as decision maker for school organisation of LA maintained schools and the Regional Schools Commissioner as decision maker for changes to academies and Free Schools.

8.2. **Human Rights implications**

Article 2 of the First Protocol

Students' right to education.

No one can be denied the right to education. This encompasses a right:

- to an effective education (that is adequate and appropriate);
- to access to existing educational institutions;
- to be educated in the national language; and
- to obtain official recognition when studies have been completed.

The policy paper supports Norfolk County Council's role in upholding this law.

8.3. **Equality Impact Assessment (EqIA) (this <u>must</u> be included)**

This policy 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)

There are existing processes and mechanisms in place to secure Health and Safety in schools.

8.5. **Sustainability implications** (where appropriate)
This paper directly addresses the risk of schools becoming unsustainable. The policy seeks to refine and secure Norfolk County Council's response to such issues, whilst securing sufficient places of education in the local area.

8.6. **Any other implications**

None

9. Risk Implications/Assessment

9.1. Key risk arising from this paper are:

- Insufficient capacity to conduct reviews
- Adverse publicity and community discontent

These are mitigated by:

- Prioritising and scheduling reviews in line with the criteria set out in the paper
- Conducting reviews with representatives and stakeholders

10. Select Committee comments

10.1. The following points were discussed and noted:

- The Head of Education Participation, Infrastructure and Partnership Service, clarified that the annexed report did not include information on post 16 or early years education. He **agreed** to circulate an update on post 16 education to Committee as an information bulletin.
- Schools were encouraged to join with other schools to make groups of 1500 pupils or more. More work was needed in this area
- There was a suggested approach to take a long view on school improvement so that schools shown to be unable to sustain long term improvement could be targeted for support
- Since the report was last presented to Children's Services Committee in 2017, the small schools steering group had looked at how small schools could support vulnerable young people and schools were putting systems in place; data showed that achievement of some of these young people was not as good as hoped and Officers were seeking to strengthen the system and review organisations where this was a challenge
- The Director of Quality and Transformation noted that through the Children with Disabilities Transformation Programme, wraparound support at schools was being developed to support children with disabilities which would be adapted depending on the needs of the school
- The Head of Education Participation, Infrastructure and Partnership Service, updated the Committee on two college mergers; informal feedback on the merger of Paston College with City College stated that this was going well. The merger of Lowestoft 6th Form with East Coast College was underway, and feedback indicated this was progressing well.
- A consultation was undertaken in 2019 by governors of Easton Otley College following which a proposal was put forward for the college to merge Easton with City College. This proposal was in process.
- The Head of Education Participation, Infrastructure and Partnership Service, confirmed that future updates on monitoring of the system would be reported to Cabinet or Scrutiny Committee.
- Cllr Fisher, Cabinet Member for Children's Services, added that Norfolk was a unique County due to the number of small schools, therefore the aim for schools to join in groups would help keep as many of them operational as possible
- The Chairman noted the importance of small schools to rural communities and that clustering schools would allow schools to share specialist teachers
- Statistics showed that larger schools provided better support for children with Special Educational Needs. It was theorised that the expertise and support at a larger school was better because they were able to have more support staff trained in different forms of intervention support
- The link between attainment and nutrition at schools and the role of breakfast clubs was noted and discussed;

- The healthy child programme was producing a profile health indicators on a school basis"

The People and Community Select Committee agreed the following:

- To endorse the review of the education provision and school organisation for each District taking account of demographic changes and quality (and sustainability) of education over time.
- To endorse the amendment of the process for capital prioritisation taking account of changes to Cabinet system and recent government guidance.
- To support building a stronger school system by encouraging schools to work in collaboration with 1500 pupils or more.

11. Recommendations

11.1. 1a) To agree the amended policy approach including a district focus on planning for demographic growth and decline

1b) To agree amendments to processes for capital prioritisation and school organisation taking account of the new cabinet system

2. To agree the Admission Co-ordination and Policy for 2021/22
3. To note and endorse the Schools Local Growth and Investment Plan

12. Background Papers

12.1. Recent committee papers on this topic include**:**

Children's Services Committee paper – May 2015

Children's Services Committee paper – November 2015

Children's Services Committee paper – May 2016

Children's Services Committee paper – June 2016

Consultation on changes to early years funding August 2016

Structural developments in the Educational System – September 2016

Developing Norfolk's Education Landscape – November 2017

Officer Contact

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

Officer name:	**Sebastian Gasse**	**Tel No.:**	**01603 307714**
Email address:	**sebastian.gasse@norfolk.gov.uk**		

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

ANNEX A – Types of Governance

`	*Schools funded (maintained) by the Government via the Local Authority sometimes known as 'maintained schools'*				*Schools funded (maintained) by the Government via the Education Skills Funding Agency*	
	Community School	**Voluntary Controlled School**	**Voluntary Aided School**	**Other Foundation School**	**Academy School** [1]	**Free School**[2]
Governance	Governing Board	Governing Board with minority of Governors appointed by a Foundation Trust	Governing Board with majority of Governors appointed by a Foundation Trust	Governing Board with majority of Governors appointed by a Foundation Trust	Academy Trust	Academy Trust
Funding formula[3]	Local Authority in consultation with Norfolk Schools Forum	Local Authority in consultation with Norfolk Schools Forum	Local Authority in consultation with Norfolk Schools Forum	Local Authority in consultation with Norfolk Schools Forum	Local Authority in consultation with Norfolk Schools Forum	Local Authority in consultation with Norfolk Schools Forum
Funded by	Government via Local Authority and, for Post 16, Education Skills Funding Agency	Government via Local Authority and, for Post 16, Education Skills Funding Agency	Government via Local Authority and, for Post 16, Education Skills Funding Agency	Government via Local Authority and, for Post 16, Education Skills Funding Agency	Government via Education Skills Funding Agency and, for high needs, Local Authority	Government via Education Skills Funding Agency and, for high needs, Local Authority
Formal Intervention	Local Authority or DfE Regional Schools Commissioner	Local Authority or DfE Regional Schools Commissioner with involvement of Diocese	Local Authority or DfE Regional Schools Commissioner with involvement of Diocese	Local Authority or DfE Regional Schools Commissioner with involvement of Trust	DfE Regional Schools Commissioner	DfE Regional Schools Commissioner
Inspection	Ofsted	Ofsted	Ofsted	Ofsted	Ofsted	Ofsted
Land ownership	Local Authority	Local Authority or other arrangements	Can vary - Foundation Trust for buildings and Local Authority for playing fields	Can vary - Foundation Trust for buildings and Local Authority for playing fields	Local Authority with 125 year lease or Academy Trust if land not previously owned by Local Authority	Academy Trust, DfE or Local Authority
Employer of staff	Governors via Local Authority	Governors via Local Authority	Governors	Governors	Academy Trust	Academy Trust
Sufficiency of pupil places	Planned and funded by Local authority and admissions coordinated by Local Authority	Planned and funded by Local authority and admissions coordinated by Local Authority	Planned and funded by Local authority and admissions coordinated by Local Authority	Planned and funded by Local authority and admissions coordinated by Local Authority	Planned and funded by Local authority and admissions coordinated by Local Authority	Planned and funded by Local authority and admissions coordinated by Local Authority
Admissions authority	Local Authority	Local Authority	Governors	Governors	Academy Trust	Academy Trust

[1] including University Technical Colleges and Studio Schools

[2] a type of Academy School

[3] Introduction of the National Funding Formula is underway

ANNEX B - Table 1
Phase/Status of schools

Status\Phase	All Through	Alternative provision	Nursery	Primary	Secondary	Special	Total
Academy AP Converter	0	1	0	0	0	0	1
Academy Converter	1	0	0	97	26	0	124
Academy Special Converter	0	0	0	0	0	2	2
Academy Special Sponsor Led	0	0	0	0	0	1	1
Academy Sponsor Led	1	0	0	70	21	0	92
Community School	0	0	0	92	0	0	92
Foundation School	0	0	0	16	1	0	17
Foundation Special School	0	0	0	0	0	9	9
Free Schools	0	0	0	4	2	0	6
Free Schools AP	0	1	0	0	0	0	1
Free Schools Special	0	0	0	0	0	1	1
Local Authority Nursery School	0	0	3	0	0	0	3
University Technical College	0	0	0	0	1	0	1
Voluntary Aided School	0	0	0	35	0	0	35
Voluntary Controlled School	0	0	0	38	0	0	38
Total	2	2	3	352	51	13	423

ANNEX B - Table 2: Academy Trusts in Norfolk (34)

Academy Trust	16 Plus	All Through	Alternative provision	Nursery	Primary	Secondary	Special	MAT Total
Academy Transformation Trust		1				1		2
Ad Meliora Academy Trust					3			3
Apollo Academies Trust					1			1
Bohunt Education Trust						1		1
Cambridgeshire Educational Trust						1		1
Catch 22 Multi Academies Trust							1	1
Cherrytree Academy Trust					2			2
Clarion Academy Trust					1	1		2
Consortium Multi Academy Trust					2			2
Co-operative Education East Academy Trust (CEEAT)					3			3
CORVUS Education Trust					3			3
Creative Education Trust (CET)					3	2		5
DEMAT (Diocese of Ely Multi-Academy Trust)					12			12

Diocese of Norwich St Benet's Multi Academy Trust					4	1		5
DNEAT (Diocese of Norwich Education and Academies Trust)					32	1		33
Eastern Multi-Academy Trust					11	2		13
Engage Trust			2					2
Enrich Learning Trust					2	4		6
Evolution Academy Trust					9			9
Inclusive Schools Trust					6			6
Inspiration Trust	1				5	6		12
KWEST Multi Academy Trust					6		1	7
NNAT (North Norfolk Academy Trust)					3	2		5
Norfolk Academies MAT (part of the TEN Group)					1	3		4
Ormiston Academies Trust					4	6		10
Rightforsuccess Trust					7	2	1	10
Sapientia Education Trust					9	3		12
St John the Baptist Catholic Multi-Academy Trust					4	1		5
Synergy Multi Academy Trust		1			8	1		10
The HEART Education Trust					4			4
The Wensum Trust					8	3		11
Unity Education Trust	1				4	1		6
Waveney Valley academies Trust					1			1
West Norfolk Academies Trust					7	4		11
Yare Education Trust					5	1		6
Totals	2	2	2		170	47	3	226

- **1.11.19 – Northgate Primary School will join Waveney Valley Academies Trust**

ANNEX B - Table 3: Federations in Norfolk (28)

Name of Federation	**Federated Schools**	**No. of Institutions**
All Angels Federation	Clover Hill VA Infant and Nursery School St. Michael's CE VA Junior School	2
All Saints Federation	All Saints CE VA Primary, Winfarthing Hapton CE VA Primary School St. Andrew's Lopham CE VA Primary School	3
Aylsham Learning Federation	Aylsham High School Bure Valley School John Of Gaunt Infant & Nursery School	3
Blue Sky Federation	Erpingham VC Primary School Northrepps Primary School	2

Carleton Rode and Forncett St Peter CE VA Primary Schools Federation	Carleton Rode CE VA Primary School Forncett St. Peter CE VA Primary School	2
Coastal Federation	Bacton Primary School Mundesley Infant School Mundesley Junior School	3
Colman Infants and Junior School Federation	Colman Infant School Colman Junior School	2
Dove Federation	Caston CE VA Primary School Parker's CE VC Primary School	2
Ellingham VC and Woodton Primary Schools Federation	Ellingham CE VC Primary School Woodton Primary School	2
Flourish Federation	North Elmham CE VA Primary School Stibbard All Saints CE VA Primary School	2
Great Massingham and Harpley C of E Primary Schools	Great Massingham CE Primary School Harpley CE VC Primary School	2
Hevingham and Marsham Primary School Partnership	Hevingham Primary School Marsham Primary School	2
Loddon Primary Schools Federation	Loddon Infant & Nursery School Loddon Junior School	2
Nebula Federation (incorporating the Harnser Schools)	Frettenham Primary School Hainford VC Primary School Horsford C Of E VA Primary School Old Catton CE Junior School St. Faiths CE VC Primary School White Woman Lane Junior School	6
Neatishead & Salhouse Federation with Fleggburgh Primary School	Fleggburgh CE VC Primary School Neatishead VC Primary School Salhouse CE VC Primary School	3
Ormesby Village Schools Federation	Ormesby Village Infant School Ormesby Village Junior School	2
Pilgrim Federation	Blakeney CE VA Primary School Hindringham CE VC Primary School Kelling CE Primary School Walsingham CE VA Primary School	4
Shelton with Hardwick and Hempnall Primary Schools Federation	Hempnall Primary School Shelton with Hardwick Community School	2
St Mary Federation	Brancaster CE VA Primary School Docking CE Primary School & Nursery Sedgeford Primary School	3
Tacolneston and Morley Federation	Morley CE VA Primary School Tacolneston CE VA Primary School	2
Tas Valley Church Schools Federation	Preston CE VC Primary School Saxlingham Nethergate CE VC Primary School	2
The Federation of Caister Nursery, Infant and Junior Schools	Caister Infant School Caister Junior School	2
The Federation of Spixworth Schools	Spixworth Infant School	2

	Woodland View Junior School	
The Great Ellingham and Rockland Schools Federation	Great Ellingham Primary School Rocklands Community Primary School	2
The Swallowtail Federation of Church Schools	Catfield CE VC Primary School Hickling CE VC Infant School Sutton CE VC Infant School	3
The Together Federation	Cantley Primary School Freethorpe Community Primary School Horning Community Primary School	3
Toftwood Infant and Junior School Federation	Toftwood Community Junior School Toftwood Infant School	2
Windmill Federation	Terrington St. John Primary School Tilney St. Lawrence Community Primary School Walpole Highway Community Primary School West Walton Community Primary School	4

ANNEX B - Table 4: Other Trusts in Norfolk (3)

Name of Trust	Schools	No. of Institutions
Acorn Co-operative Learning Alliance	Banham Primary School Old Buckenham Primary School and Nursery Bressingham Primary School East Harling Primary School & Nursery	4
Aylsham Cluster Trust	Aldborough Primary School Aylsham High School Bure Valley School Buxton Primary School Colby Primary School Erpingham VC Primary School John of Gaunt Infant and Nursery School St. Michael's Church of England VA Primary & Nursery School	8
Trust Norfolk - SEN	Churchill Park Academy Eaton Hall Specialist Academy Chapel Green School Fred Nicholson School Hall School Harford Manor School John Grant School Sheringham Woodfields School Sidestrand Hall School The Clare School The Parkside School	11

ANNEX B - Table 5 (Summary)

	Other Trusts	Federations	Academy Trusts
Number	3	28	35
Number of Schools	23	71	226

ANNEX C - Summary of MATS/Federations/Other School Groups average NOR comparison 2017 to 2019

MATs 2017 and 2019

MAT Name 2017	MAT Name 2019	2017 Number of Schools 2017	2017 Total number of pupils May 2017	2019 Number of Schools 2019	2019 Total number of Norfolk pupils May 2019	Comparison 2017 vs 2019	MAT with Schools in Other LAs 2019
Academy Transformation Trust	Academy Transformation Trust	2	1405	2	1243	2019 Lower	Y
Ad Meliora Academies Trust	Ad Meliora Academy Trust	3	698	3	676	2019 Lower	
Apollo Academies Trust *	Apollo Academies Trust *	1	209	1	213	2019 Higher	
	Bohunt Education Trust (8000+)			1	576	New MAT	Y
	Cambridgeshire Educational Trust (2000+)			1	1084	New MAT	Y
	Catch 22 Multi Academies Trust (250+)			1	31	New MAT	Y
Cherry Tree Academy Trust	Cherrytree Academy Trust	2	320	2	299	2019 Lower	
Clarion Academy Trust	Clarion Academy Trust (1600+)	2	779	2	723	2019 Lower	Y
Consortium Trust	Consortium Multi Academy Trust (600+)	1	101	2	134	2019 Higher	Y
Co-Operative Education East Academy Trust	Co-operative Education East Academy Trust (CEEAT)	3	287	3	291	2019 Higher	
CORVUS Education Trust	CORVUS Education Trust	3	557	3	511	2019 Lower	
Creative Education Trust	Creative Education Trust (CET)	5	2595	5	2703	2019 Higher	Y
Diocese of Ely Multi-academy Trust	DEMAT (Diocese of Ely Multi-Academy Trust) (7000+)	12	1220	12	1214	2019 Lower	Y
	Diocese of Norwich St Benet's Multi Academy Trust			5	1451	New MAT	
Diocese of Norwich Multi Academies Trust	DNEAT (Diocese of Norwich Education and Academies Trust)	29	4971	33	5419	2019 Higher	Y
East Anglia Schools Trust		2	576			MAT Closed	
Eastern Multi-Academy Trust	Eastern Multi-Academy Trust	12	5572	13	4686	2019 Lower	Y
Engage Trust*	Engage Trust	2	381	2	422	2019 Higher	
	Enrich Learning Trust			6	4126	New MAT	
Evolution Academy Trust	Evolution Academy Trust	5	1331	9	2629	2019 Higher	Y
IE Trust		3	2244			MAT Closed	
Inclusive Schools Trust	Inclusive Schools Trust	3	828	6	1664	2019 Higher	
Inspiration Trust	Inspiration Trust	12	5417	12	5949	2019 Higher	Y
	KWEST Multi Academy Trust			7	1028	New MAT	
Mid Norfolk Academy Trust		1	1072			MAT Closed	
North Norfolk Academy Trust	NNAT (North Norfolk Academy Trust)	4	1275	5	1527	2019 Higher	
	Norfolk Academies MAT (part of the TEN Group)			4	2339	New MAT	
Ormiston Academies Trust	Ormiston Academies Trust	6	4800	10	7234	2019 Higher	Y
Right For Success Trust	Rightforsuccess Trust	6	1736	10	3147	2019 Higher	Y
Sapientia Education Trust	Sapientia Education Trust	8	1890	12	3416	2019 Higher	Y
St John the Baptist Catholic Multi Academy Trust	St John the Baptist Catholic Multi-Academy Trust	4	2330	5	2798	2019 Higher	Y
Synergy Academy Trust	Synergy Multi Academy Trust	6	1887	10	3267	2019 Higher	
The Heart Education Trust	The HEART Education Trust	4	1035	4	1097	2019 Higher	
Transforming Education in Norfolk		6	3318			MAT Closed	
Wensum Academy Trust	The Wensum Trust	10	3712	11	4224	2019 Higher	
Unity Education Trust*	Unity Education Trust	5	1478	6	1417	2019 Lower	
West Norfolk Academy	West Norfolk Academies Trust	11	4792	11	4885	2019 Higher	
Yare Education Trust	Yare Education Trust	4	2843	6	3367	2019 Higher	
				AVERAGE Above	3000		

*** MAT with only 1 school**

NOR based on Summer Census

Unity and Engage Trust have agreed to merge as of 1/2/20

Federations	**2017**		**2019**		
Federation Name	**Number of schools**	**Total number of pupils - all**	**Total number of schools - all**	**Total number of pupils - all**	**Comparison**
All Angels Federation	2	611	2	583	2019 lower
All Saints, Hapton and St Andrews Federation	3	166	3	164	2019 lower
Aylsham Learning Federation	3	1464	3	1520	2019 higher
Blue Sky Federation	2	82	2	80	2019 lower
Carleton Rode and Forncett St Peter CE VA Primary Schools Federation	#N/A	#N/A	2	153	#N/A
The Coastal Federation	3	299	3	280	2019 lower
Colman Infant and Junior Schools Federation	#N/A	#N/A	2	421	#N/A
The Dove Federation	2	174	2	171	2019 lower
Ellingham & Woodton Primary Schools Federation	2	137	2	148	2019 higher
Flourish Federation	#N/A	#N/A	2	287	#N/A
Great Massingham and Harpley C of E Primary Schools	2	92	2	102	2019 higher
Hevingham and Marsham Primary Schools Federation	2	138	2	135	2019 lower
Loddon Primary Schools Federation	2	355	2	360	2019 higher
Salhouse and Neatishead Federation	2	152	3	207	2019 lower
Nebula Federation (incorporating the Harnser Schools)	3	243	6	1100	2019 higher
The Ormesby Village Schools Federation	2	309	2	280	2019 lower
The Pilgrim Federation	4	175	4	152	2019 lower
Shelton with Hardwick & Hempnall Primary Schools Federation	2	142	2	134	2019 lower
St Mary Federation	3	172	3	169	2019 lower
Tacolneston and Morley Federation	2	233	2	244	2019 higher
Tas Valley Church Schools Federation	#N/A	#N/A	2	179	#N/A
The Federation of Caister Nursery, Infant and Junior Schools	#N/A	#N/A	2	660	#N/A
The Federation of Spixworth Schools	#N/A	#N/A	2	268	#N/A
The Great Ellingham and Rockland Schools Federation	2	242	2	244	2019 higher
The Swallowtail Federation of Church Schools	3	139	3	140	2019 higher
The Together Federation	#N/A	#N/A	3	356	#N/A
Toftwood Infant and Junior School Federation	2	647	2	648	2019 higher
Windmill Federation	4	383	4	384	2019 higher
Other Trusts/Partnerships					
Name	**Number of schools**	**Total number of pupils - all**	**Total number of schools - all**	**Total number of pupils - all**	**Comparison**
Acorn Co-operative Learning Alliance	6	824	4	683	2019 lower
Aylsham Cluster Trust	8	2127	8	2173	2019 higher
Trust Norfolk - SEN	10	1240	11	1375	2019 higher
#N/A indicates no data for year					
NOR based on Summer Census					

ANNEX D

Key Stage 2 Achievement in Small Norfolk Schools

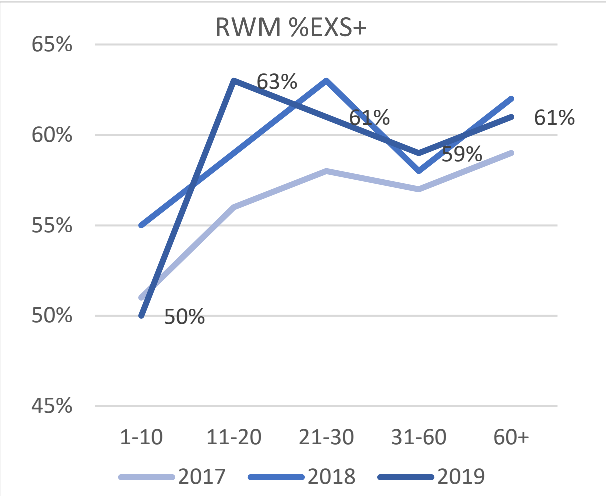
2017 to 2019 (2019 Provisional)

Characteristics of Pupils – Key Stage 2 cohort, 2019

	All Pupils	Disadvantaged		Other		EHCP		SEN Support	
1-10	331	104	31%	227	69%	7	2%	75	23%
11-20	1183	253	21%	930	79%	20	2%	192	16%
21-30	1589	395	25%	1194	75%	26	2%	256	16%
31-60	3160	1003	32%	2157	68%	70	2%	446	14%
60+	2898	812	28%	2086	72%	40	1%	461	16%

There are proportionally more pupils identified as SEN support in small schools. The average percentage of disadvantaged students varies quite markedly between schools of different sizes but does show slightly smaller cohorts for the larger schools.

Attainment of the Expected Standard (EXS) in all of Reading, Writing and Mathematics



There is a significant gap between the average attainment of pupils in the very smallest cohorts, compared to the largest cohorts. This has gap appears to have widened into 2018 and 2019, compared to outcomes in 2017.

Some of this may be attributable to higher levels of SEN in these cohorts, but as can be seen in table below, those without any SEN requirements also attain less well in the smallest cohorts.

Attainment of the Expected Standard in all of Reading, Writing and Mathematics by SEND pupils 2019

	Not SEN	SEN Support	EHCP
1-10	61%	19%	14%
11-20	71%	21%	30%
21-30	69%	23%	12%
31-60	66%	23%	11%
61+	69%	20%	15%

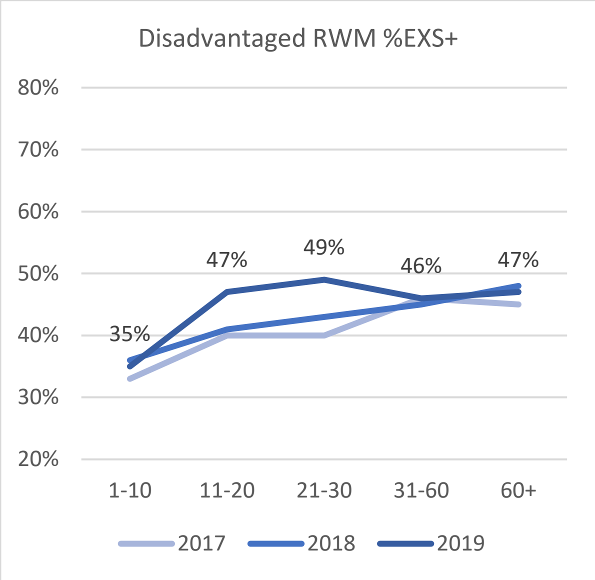
The attainment of SEN students at SEN support is also slightly lower in the smallest schools compared to other school sizes.

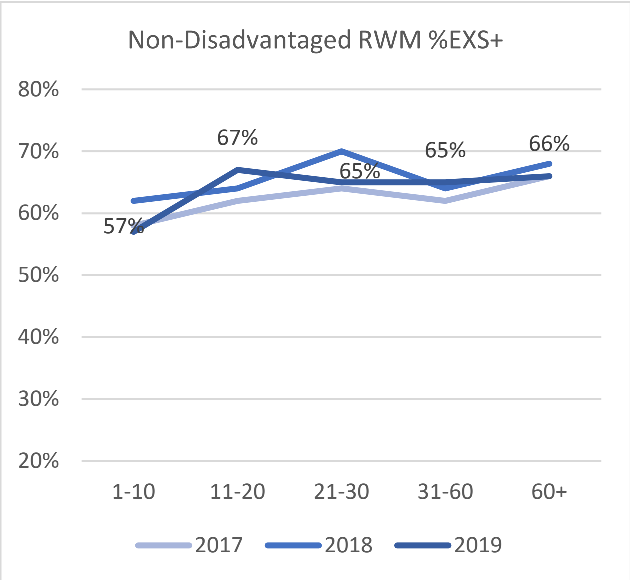
For EHCP students, attainment varies but, on average, is significantly better in the 11-20 pupil cohorts.

Produced by EAS_SP
Produced on 31/10/2019

Attainment of the Expected Standard by Disadvantaged pupils

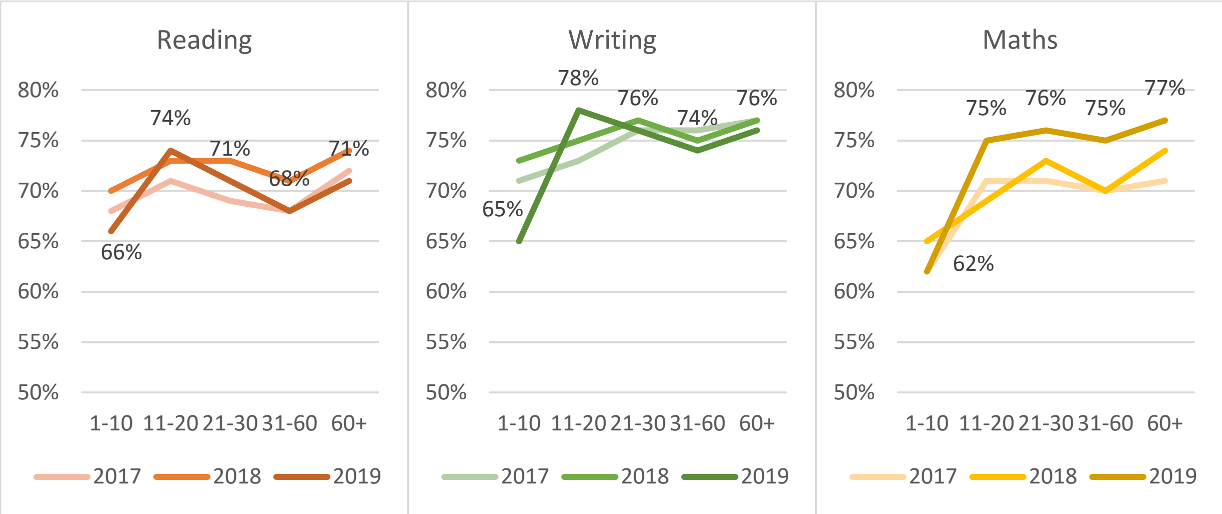
Disadvantaged pupils are defined by DfE as being eligible for Free School Meals at any point in the last six years or Looked After Children. These pupils attract extra funding through the Pupil Premium which schools should use to close the gap between their attainment and their peers.





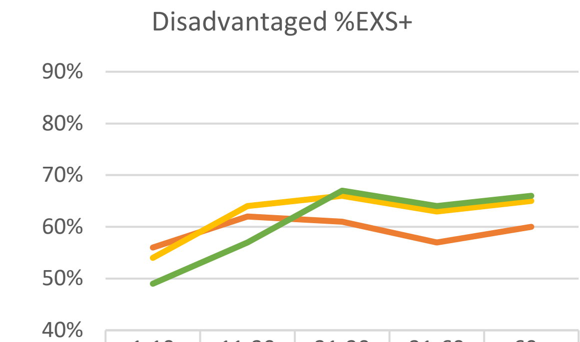
The correlation between attainment and size of school is more marked for disadvantaged students. Significantly fewer disadvantaged students achieved expected standards in all three subjects in the smallest cohorts compared to larger cohorts.

Attainment by Subject



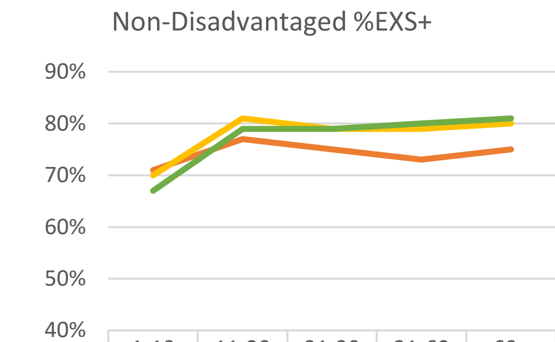
The percentage of pupils achieving expected standards is lowest in the smallest schools in all subjects. The 2019 improvement in attainment in mathematics outcomes was not apparent for the smallest cohorts.

Attainment by Subject: Disadvantaged Pupils - 2019



	1-10	11-20	21-30	31-60	60+
Re	56%	62%	61%	57%	60%
Wr	54%	64%	66%	63%	65%
Ma	49%	57%	67%	64%	66%

Re Wr Ma



	1-10	11-20	21-30	31-60	60+
Re	71%	77%	75%	73%	75%
Wr	70%	81%	79%	79%	80%
Ma	67%	79%	79%	80%	81%

Re Wr Ma

In the smallest schools (less than 11 pupils in a cohort) attainment for disadvantaged pupils is lowest in all subjects, as it is for non-disadvantaged.

Attainment of disadvantaged pupils increases significantly with increasing cohort size in writing and mathematics. There is a smaller difference in reading attainment by cohort size for cohorts greater than 11.

For cohorts larger than 10 pupils, there is little difference in attainment in reading and writing by cohort size for pupils who are not disadvantaged. In mathematics attainment of non-disadvantaged pupils increases with increasing cohort size.

Summary

- On average, attainment in schools with ten or fewer pupils in a cohort is significantly lower than in larger schools.
- A higher proportion of pupils in the smallest schools are identified as SEN, but attainment of these pupils is lower than in larger schools.
- The attainment of disadvantaged pupils in the smallest schools is significantly lower than in larger schools.
- A much higher percentage of all pupils attain expected standards in both writing and mathematics in larger schools, than the smallest schools.

31 October 2019

ANNEX E – Terms of Reference of Capital Priorities Group

Children's Services Capital Priorities Group

Terms of Reference, Membership and Acronyms

Terms of Reference	• to consider and scrutinise the planning and implementation of Norfolk County Council's Children's Services capital programme • to contribute on a confidential basis to discussions about priorities for capital expenditure • to develop consistent prioritisation criteria for capital expenditure and advise the Director of Children's Services on recommendations to be made to Cabinet • to monitor capital building programmes • review the effectiveness of capital prioritisation and adapt criteria accordingly • to report the work of the group to the Cabinet Member for Children's Services through reports, in accordance with the annual pupil place and capital planning cycle • to appoint a named substitute for each constitutional position of the Group • to ensure that the processes of the Group enable local elected Members to be kept fully informed about place planning matters and capital plans for their Division
Membership	• Chris Snudden – Assistant Director, Education, Children's Services (Chair) • Sebastian Gasse – Head of Education Participation, Infrastructure and Partnership Service • Isabel Horner – Sufficiency Delivery Manager • David Collis – County Councillor (Labour) • John Fisher – County Councillor (Conservative) • Stuart Dark – County Councillor (Conservative) • Vic Thomson – County Councillor (Conservative) • Ed Maxfield – County Councillor (Liberal Democrats) • Richard Pollard – Head of Project Management, NPS Property Consultants • Peter Rout – School Governor (Norfolk Governors Network) • Simon Minter – Headteacher, Hillside Primary School (Educate Norfolk, Primary Representative) • Pam Ashworth – Headteacher, John Grant Special School (NASSH) • TBC - Educate Norfolk, Secondary Representative to be nominated
Clerk	Contact: Jayshree Sanadhya, Capital Programme Support Officer, Children's Services Telephone: 01603 222990 Email: jayshree.sanadhya@norfolk.gov.uk
Frequency	Approximately twice a term.

ANNEX F

Schools' Local Growth and Investment Plan

The Schools' Local Growth and Investment Plan (SLGIP) provides a snapshot of NCC plans to secure sufficient school places. Fundamentally, it addresses two issues;
1) demographic change, prompted by changes such as birth rates and life expectancy and
2) population movement, resulting from new housing development or migration to and from particular geographic areas.

Our aim is always to provide school places locally, whilst ensuring schools are of sufficient size (ideally 420 pupils for primary and 900 students for secondary).

Norfolk's education landscape has developed over time and is characterised by large numbers of small schools in rural areas.

Our plan also seeks to address our core duty of promoting high standards of education. To achieve this, we will use a combination of approaches to either grow or decrease the number of school places for any given local area. These will include:

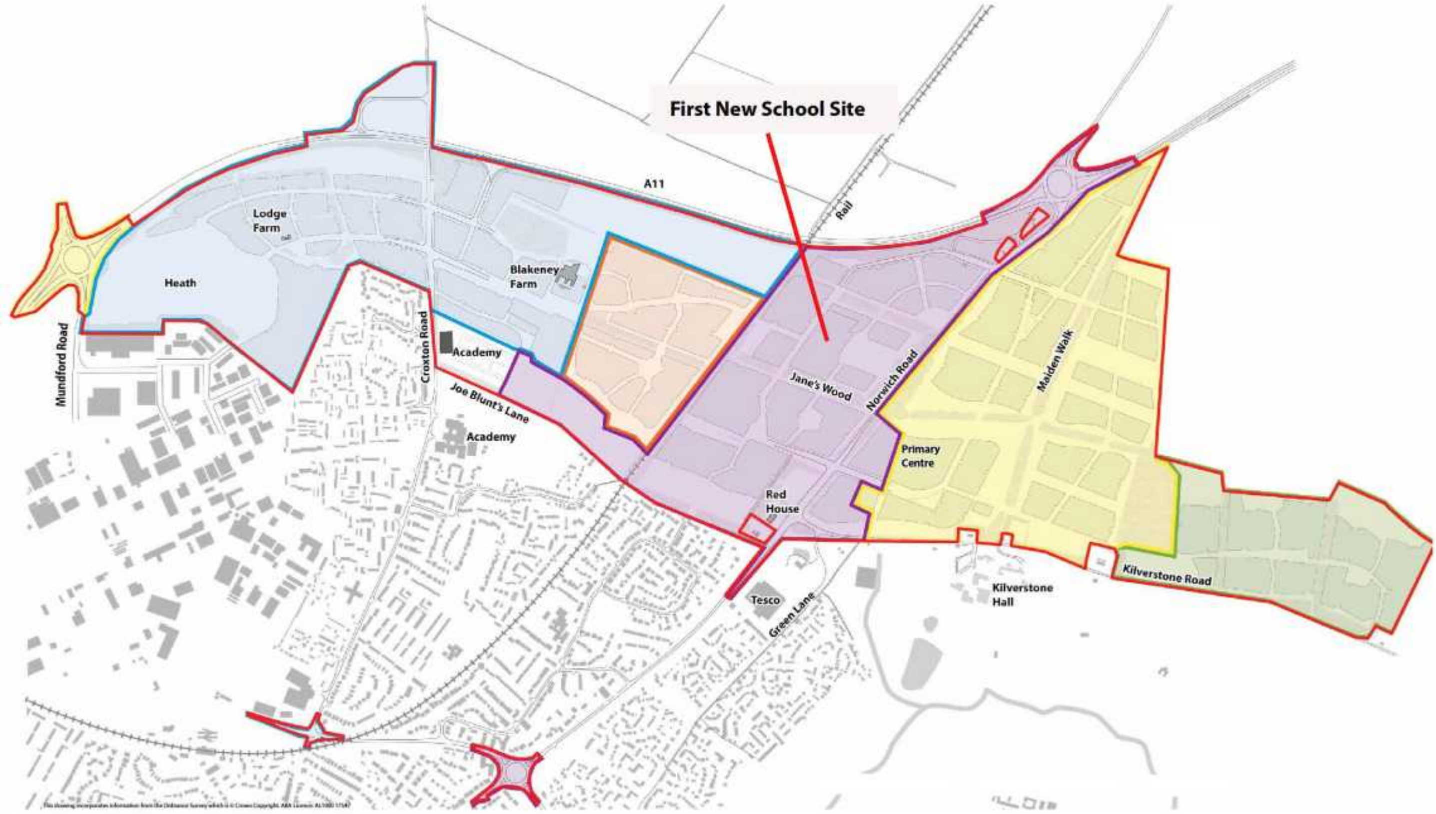
1. Commissioning new schools
2. Promoting DfE Free School proposals
3. Expand the age range and size of existing schools either on their current or a new school site
4. Agree changes to the planned admission number (PAN) with associated change to accommodation
5. As a last resort close schools

The 2019 SLGIP is structured in 4 parts:

Part 1 - Major growth areas which will require multi-school solutions

THETFORD (Breckland District)

Sustainable Urban Extension (SUE) of 5000 new dwellings



Plan of the urban extension showing the location of the first new primary school site.

CURRENT LOCAL PROVISION – capacity and organisation

Primary School places within Thetford are provided by 8 schools, a mix of infant, junior and all-through primary; 6 of these are academies; 5 run by Eastern MAT and one by DNEAT plus two community schools. A total of 360 places are available in each year group across the primary phase. In September 2019 there were around 70 spare places in Reception year across the Town which is a drop since the previous year. Pupil forecasts indicate that for 2020 admissions the catchment cohort in Thetford may rise by one form of entry which can be managed within existing schools.

LATEST ASSESSMENT OF GROWTH

Children's Services have been working in partnership for many years with the land promoters 'Pigeon' on this strategic urban extension to Thetford and we have secured sites free of charge for 3 new primary phase schools each of 420 places. The first phase of this large-scale development obtained planning permission early in 2018 and commenced on site in 2019. This phase of development is for 344 homes of which 92 have commenced and 6 completed. This phase includes the site for the first new primary school.

The design of the new school has begun along with discussions with Pigeon on access and road infrastructure.

CURRENT PRESSURES ON PUPIL NUMBERS

Pupil forecasts indicate that the current provision of places is sufficient until the new housing commences. There is some spare capacity, which will be useful once the housing commences and until the first new school is built.

IMPACT OF HOUSING GROWTH

The challenge for Children's Services when planning to open a new school is timing. Although it is good to see a new school available within the heart of a new community which grows with the development, there does need to be sufficient numbers of children that will need a school place to ensure the school is viable and also to ensure it does not impact negatively on surrounding schools.

SHORT TERM RESPONSE

Pigeon is keen for the first school site to be transferred to NCC shortly. NCC will consider a date for transfer that will not incur costs for maintenance and security.

MEDIUM/LONGER TERM RESPONSE

Longer term, the three new 420 place primary schools for Thetford will meet the need in the current Local Plan to 2026 and beyond. Timescales for these schools depend entirely on the progress rate of the new housing in Thetford.

Secondary school places will be monitored at Thetford Academy as additional land has already been provided at the school to allow for future expansion. S106 contributions have been secured although not yet collected as a result of the future housing allocation.

Capital response					
THETFORD	School	Scheme	Stage	Cost/estimate	Date if known
Future programmes	New Primary School 1	2FE	Design stage which could be progressed quickly if places required.	*IRO £8m*	*2022 or 2023*
	New Primary School 2	2FE	-	*£8m*	
	New Primary School 3	2FE	-	*£8m*	
	Secondary extension	tbc	-	*tbc*	

NORTH NORWICH GROWTH TRIANGLE (Broadland District)

Sprowston/Old Catton/Rackheath **12,000+ new dwellings**

The new White House Farm Primary School in Sprowston

CURRENT LOCAL PROVISION – capacity and organisation

This proposed housing growth area extends from Old Catton in the west to Rackheath in the east and extends both sides of the Broadland Northway. Existing school provision is extensive and comprises of three secondary schools: Sprowston Community Academy, Thorpe St Andrew School, Broadland High Ormiston Academy and their feeder primary phase schools. Existing primary phase provision remains a mix of infant/junior in Old Catton and Sprowston and all through primary in Rackheath and Thorpe. There is a mix of Trusts, Federations and Community Schools.

A new Primary School opened at White House Farm in September 2019 and will grow year by year up to 420 places to accommodate children from the housing within the area it is situated. The surrounding area of Sprowston has had pressure for reception places for a few years now but for 2019 there has been a slight decline in pupil numbers although it is expected that numbers will rise again. This has been a challenge for some schools with a new school opening at the same time.

LATEST ASSESSMENT OF GROWTH

The Beeston Park outline planning for 3,500 homes is being promoted by TOWN on behalf of U+I plc. The site continues to progress and NCC have been regularly updated. As with most large scale, complicated developments progress has been slow. Phase 1 of the scheme (733 homes) is however progressing relatively well: a detailed scheme for the 1st phase link road is under consideration and negotiations with house builders are understood to be ongoing. Subject to the grant of consent for the link road, and negotiations with house builders being successfully concluded, development could start on site in the next 1-3 years. Timely progress of phases 2 and 3 of the scheme are linked to the outcome of Norfolk's Housing Infrastructure Fund (HIF) bid. At the time of writing the HIF bid has not been determined.

To the west of the growth triangle, housing schemes are beginning to take shape. Orbit homes (225 dwellings) are planning to commence shortly with first completions in 2020 and land at the Norwich Rugby Club has a developer interested. A development of 340 homes in Old Catton by Taylor Wimpey has commenced and expect first occupations in 2020.

The large allocation in Rackheath for 3,000 dwellings, although the final scheme may be closer to 4,000, is moving slowly and may not commence for a few years yet. Again, timely progress is likely to be linked to the outcome of Norfolk's Housing Infrastructure Fund bid. However, several smaller developments to the south west of Rackheath potentially totalling around 800 dwellings are taking shape and will impact on local school provision. The large development planned south of Salhouse Road for circa. 1,200 dwellings continue to progress well. Two developers have now secured detailed planning permission for 600+ homes and these have either commenced or will soon do so. Negotiations are ongoing with a further development partner in respect of the remainder of the scheme.

Development continues to progress well at the White House Farm and Home Farm sites in Sprowston. The White House Farm development consortium (Persimmon Homes, Taylor Wimpey and Hopkin Homes) have recently submitted an outline application for a further 516 homes for the next phase of this development.

CURRENT PRESSURES ON PUPIL NUMBERS

Pressure for places at reception in the Old Catton/Sprowston area peaked in 2016 and we have seen a slight decline in numbers for the 2019 admission round. This has been a challenge for some schools along with the opening of White House Farm Primary as there are now several spare places across the area. The decision to open White House Farm Primary at this time was carefully considered so the new school can grow with the community it sits in. Housing in a large scale continues across this area as mentioned above so spare places in local schools are needed and will be taken up over the next few years. The large allocation in Rackheath is planned to deliver 2 new primary phase schools but smaller growth coming forward first over several schemes will put pressure on Rackheath Primary which is already full, with no capacity for expansion. It is anticipated children generated from the Rackheath early housing will secure a school place in the Sprowston area.

IMPACT OF HOUSING GROWTH

Housing in a large scale continues across this area as mentioned above so spare places in local schools are needed and will be taken up over the next few years. The large allocation in Rackheath is planned to deliver 2 new primary phase schools but smaller growth coming forward first over several schemes will put pressure on Rackheath Primary which is already full, with no capacity for expansion. It is anticipated children generated from the Rackheath early housing will secure a school place in the Sprowston area.

SHORT TERM RESPONSE
Continue to receive updates from Broadland District Council on housing progress. Continue discussions with local schools so they understand the progress of growth and how this is likely to affect their annual intake of children.

MEDIUM/LONGER TERM RESPONSE
The outline planning permission for Beeston Park includes two x 2ha sites for new primary phase provision. Further land has been secured for new schools on Salhouse Road, North of Smee Lane in Thorpe (East of Broadland Business Park) and a planned expansion to double the size of Little Plumstead Primary School. The major growth in Rackheath also safeguards 2 new primary school sites. Children's Services will monitor closely the need for these new schools to ensure they are provided at the right time and taking account of the impact on other schools in the area.

NCC has made a commitment for a new Secondary phase school in the Sprowston area. Although a preferred site had been identified on the current Sprowston Park and Ride, as some time has passed it is important to review all our options both new and existing and this is being undertaken by Children's Services. This review is ongoing now as a decision on the contingency site for a secondary school in Rackheath must be made by end March 2020.
How all these new schools will be funded remains a challenge and will be addressed through a future report to Norfolk County Council Cabinet.

Capital response					
NORTH NORWICH GROWTH	School	Scheme	Stage	Cost/estimate	
Future programmes	Lt Plumstead VAP	To 2FE	Design	*£3.5-£4m*	*2021*
	Beeston Park primary 1	2FE	Site identified	*£8m (unfunded)*	*2022+*
	Beeston Park primary 2	2FE	Site identified	*£8m (unfunded)*	*2024+*
	Rackheath 1	2FE	Site identified	*£8m (unfunded)*	*2025+*
	Rackheath 2	2FE	Site identified	*£8m (unfunded)*	*2027+*
	South of Salhouse Rd new primary	2FE	Site identified, discussions on infrastructure and layout ongoing with developer	*£8m (unfunded)*	*2022+*
	East of Broadland Business Park	2FE	Initial site layout options	*£8m (unfunded)*	*2023+*
	New high school/all through	tbc	New site search options	*£26m (unfunded)*	*2024+*

ATTLEBOROUGH (Breckland District)

Sustainable Urban Extension of 4000 new homes

Red line boundary of Attleborough urban extension.

CURRENT LOCAL PROVISION – capacity and organisation

The town of Attleborough is served by two primary phase schools, Attleborough Primary School and the new Rosecroft Primary School providing 150 places across each year group for the Town. The town is surrounded by villages with local schools. Historically, some children who live in Attleborough catchment do choose a nearby village school as opposed to their local primary school in the town - e.g. in September 2018, around 22% of Attleborough catchment children expressed a preference for a reception class outside catchment and this pattern continued for the 2019 admissions. This preference pattern can take a while to change and may never change particularly with siblings attending the village alternative and sometimes families live nearer the village schools than the central schools in the Town. The largest preference is to Great Ellingham, Old Buckenham and Morley with some to Great Hockham, Spooner Row and Wicklewood.
This pattern of preference does leave some spare capacity in the central Attleborough schools but with housing still ongoing in the town this can prove helpful for place planning.

LATEST ASSESSMENT OF GROWTH

Breckland District Council resolved to grant planning permission to this application (subject to prior signing of a Section 106 agreement) to provide up to 4,000 residential dwellings on land to the south of Attleborough; construction of new link road between Buckenham Road and London Road, pedestrian footbridge across the railway line to connect with Leys Lane, provision of two, 2 Form Entry primary schools; Local centre including shops and other uses including a petrol filling station, Community Uses, two further neighbourhood centres, sports pitches, public open space and amenity greenspace with sustainable drainage systems and associated infrastructure. The section 106 is in latter stages of completion and it is hoped that it will be finalised, and a decision notice issued in February 2020.

The County Council, Breckland and the applicant are working together to bring forward early the key element of infrastructure of the link road. It is anticipated that housing will commence no later than 2023/24.

During the summer of 2019, Children's Services agreed with Breckland and the land promoters the amount of £25M towards additional primary and secondary school provision as an impact of the urban extension. A Section 106 to formally secure this finding will be signed shortly. Breckland District Council is working with the Academy to provide new school and community sports facilities at the school which will also be funded by the developers.

KEY PRESSURES ON PUPIL NUMBERS

With 5 Forms of Entry across the two primary schools in the Town, there are some spare places as the drift to village schools is still evident. It is anticipated with the new Rosecroft Primary School offering 630 places there will be spare places for children from the first phase of the new housing, when it commences.

IMPACT OF HOUSING GROWTH

With the uncertainty of commencement of such a large strategic housing development, numbers will be monitored as part of the annual admissions round to ensure a sufficient supply of places for reception each year. Once housing commences and we have more of an idea of phasing and timescales we can plan more effectively for existing school provision as well as when the new schools will open.

SHORT TERM RESPONSE

Monitor school places through the annual admissions round.

MEDIUM/LONGER TERM RESPONSE

Plan for provision of two new primary schools for Attleborough understanding the parental preference to surrounding villages and whether that will continue and how that will impact on the new schools. Decide whether 2FE or 3FE schools are required by analysis of the number of children generated from the new development. Ensure sufficient secondary school places within the existing Attleborough Academy.

ATTLEBOROUGH	School	Scheme	Stage	Cost/estimate	Date if known
	Attleborough Academy (High)	Removal of most of existing mobiles.	On site – completion May 2020	*£1.4m (partially S106)*	
Future programmes	Attleborough Academy (High)	Reuse of infant school site	Design talks	*Unknown at present*	
	New primary 1	2-3FE	-	*IRO £8m*	*2023+*
	New primary 2	2-3FE	-	*IRO £8m*	*2025+*

WEST WINCH/NORTH RUNCTON (King's Lynn and West Norfolk)

Up to 4000 new homes in two phases:
1600 up to 2026
2400 post 2026

CURRENT LOCAL PROVISION – capacity and organisation

West Winch village is served by one primary school of 210 places. The size of this school is adequate for the current numbers of primary age children living in the area. A desktop exercise indicates that the school site could allow expansion of this school to 2 forms of entry. The school HT and Governors are aware of NCC plans and understand the process. North Runcton does not have its own school but the nearest school for children to attend is in Middleton. Middleton Primary (academy) is on a small site and there is limited scope for expansion. The school is currently a good size for its catchment children although historically not all catchment children choose Middleton as their first-choice school which results in lower numbers at the school.

LATEST ASSESSMENT OF GROWTH

This allocation has been slow to progress but NCC have been consulted again in October 2019 as the Borough Council wish to masterplan the whole site. Our response is the same, expansion of West Winch Primary school in the first instance then sites secured for up to 2 new primary phase schools. Secondary provision will be provided in King's Lynn, but it is anticipated that and expansion of one or more of the Kings Lynn secondary schools will be required longer term.

KEY PRESSURES ON PUPIL NUMBERS

West Winch is a popular school and does regularly fill its capacity of 30 places per year group. Most children who live in West Winch do attend their local school but there are many smaller surrounding schools which allows for parental preference.

IMPACT OF HOUSING GROWTH

Housing is likely to impact on West Winch Primary at outset as they are already at capacity. Children's Services will work closely with the school to ensure sufficient places at the right time. Middleton does have capacity as catchment children do tend to choose other schools in surrounding villages. An analysis of parental preference and places in the wider area nearer the time of housing commencement will be required.

SHORT TERM RESPONSE

Monitor the progress of housing commencement with the Borough Council of King's Lynn and West Norfolk. Monitor the annual admissions round to ensure sufficient places for the area.

MEDIUM/LONGER TERM RESPONSE

Expansion of West Winch Primary School. One new Primary phase school in the northern phase of development and one new primary post 2026 in the southern part of the housing development.

Secondary schooling for the development area is in King's Lynn. Pressure for places is now being seen within the secondary system in this area so discussions with the three secondary schools will continue.

Capital response					
WEST WINCH/NORTH RUNCTON	School	Scheme	Stage	Cost/estimate	Date if known
Future programmes	West Winch Primary	1 to 2 FE	-	*IRO £4m*	***unknown***
	New primary #1	2 FE	-	*IRO £8m*	***unknown***
	New primary #2	2FE		*IRO £8m*	***unknown***
	King's Lynn secondary phase	Expansion	Discussions with schools.	-	***unknown***

Part 2 - Development locations where one new school is planned

WYMONDHAM (South Norfolk District)

Up to 2000 new homes in various locations across the Town still to be built.

CURRENT LOCAL PROVISION – capacity and organisation
Wymondham has three primary phase schools, Browick Road, Ashleigh and Robert Kett providing 6 forms of entry between them. Pressure for reception admission round places have been evident but manageable over the past few years
The proposed new Wymondham College prep school funded by the DfE Free School programme is planning to open for September 2020 accommodating up to 60 reception age children in their first year. The Trust is still awaiting the outcome of the planning application, but the LA is in support of this new school to provide much needed places for Wymondham children.

Wymondham High Academy continues to admit up to its admission number and for September 2019 admitted 20 over its PAN. The next phase of the growth masterplan is the infrastructure to improve entrance, dining/studio spaces and library areas. This phase is now on-site with completion scheduled for June 2020. A sustainable percentage of Wymondham children choose to travel to Wymondham College and this pattern of preference is expected to continue for the foreseeable future. Wymondham College influence must always be considered when planning for future growth in the Town.

LATEST ASSESSMENT OF GROWTH
The consented housing in the Town continues to be built out and some developments are yet to commence. One phase (circa 700 homes) on the Silfield development is still delayed due to cost uncertainties relating to the S106 agreement. NCC have secured land for a new primary school on this phase of development which cannot be unlocked without considerable costs until the phase is sold to a developer.

KEY PRESSURES ON PUPIL NUMBERS
Pressure for primary places in Wymondham continues. September 2019 was a particularly high intake with all three schools admitted up to their admission number. This of course leaves no spare places in reception for in-year admissions with most other year groups in a similar position. The admissions team although under pressure to provide school places within Wymondham schools have so far managed in-year admission by using spare capacity in surrounding villages. Pupil forecasts indicate that numbers for reception places for September 2020 will drop slightly and the impact of the new prep school is yet to be seen.
There is a joint plan between NCC and Wymondham High Academy for further expansion of the buildings to accommodate additional children from new housing. With the housing numbers above what was expected, we will continue to monitor the situation. Wymondham College must be considered when planning secondary places in Wymondham.

IMPACT OF HOUSING GROWTH
The opening of the prep school should take off the pressure for reception places in the town, but pressure will continue for in-year admissions in other year groups from new

families moving into the area. Children's Services admissions and place planning team will monitor this situation closely and take action if we feel providing suitable places is not manageable.

SHORT TERM RESPONSE
Plan and monitor the 2020 admissions round with an eye to the impact of the prep school not only on Wymondham town school places but also the surrounding villages. Continue to manage in-year admissions of new families in an area where schools are at capacity. Identify the part smaller surrounding schools must play to support growth.

MEDIUM/LONGER TERM RESPONSE
Opening of the new school in Silfield when available and required. Understanding the impact of Greater Norwich Local Plan and any sites that are allocated to Wymondham. Decide on options or creative solutions for increased capacity at secondary and 6th form in Wymondham if necessary.

Capital response					
WYMONDHAM	School	Scheme	Stage	Cost/ estimate	Date if known
Current programme					
	Wymondham High Academy	Entrance, dining and studio space and library areas	On site	IRO £4.9m	

Future programmes	Silfield new primary school	2FE	Design stage but on hold.	IRO £8m	2023
	Wymondham High Academy	Further phases	Masterplan in preparation	tbc	
	Wymondham College	Options for growth	Discussions ongoing with Sapientia Trust	-	

CRINGLEFORD (South Norfolk District)

1300 new homes on two adjacent sites

CURRENT LOCAL PROVISION – capacity and organisation
One 420 place Voluntary Aided primary school currently serves Cringleford village. Ongoing housing in the area has generated far more primary age children than anticipated resulting in the school being oversubscribed in every recent admission round. Pupil forecasts indicate that even without further housing, numbers will remain up to and above the admission limit. For September 2019 the school agreed to admit an additional year group at reception and took 83 children. The County Council provided a double mobile on site to achieve this. Forecasts for 2020 admissions identifies a similar pattern and we anticipate the pressure for places will be the same as for 2019. The catchment secondary school for Cringleford children is Hethersett Academy which admitted over its admission number for September 2019. The LA are working with Inspiration Trust to review their admissions criteria so feeder school children are likely to get a place at this school.

LATEST ASSESSMENT OF GROWTH
Both housing developments now have full planning permission and infrastructure (roads, paths and a bus lane) has commenced. The first phase of housing is expected shortly. Land for a new 420 place primary school has been secured as part of this development through a S106 agreement and can be transferred over to the LA on occupation of 100 dwellings.

KEY PRESSURES ON PUPIL NUMBERS
As mentioned above, pressure for places at reception is high and is managed as part of the annual admissions round. The addition of a double mobile for 2019 allowed Cringleford Primary School to admit an additional form of entry for 2019 and this similar pattern will be considered for September 2020 admissions.

IMPACT OF HOUSING GROWTH
When the first phase of housing commences there will be more pressure for primary school places in Cringleford. Discussions with the school and the Diocese of Norwich will continue to identify how pupils can be accommodated until any new school is operational and other schools in the area may play a part in this.

Additional land has been secured for Hethersett Academy under the planning application for the strategic growth in Hethersett. Expansion of the Academy is on-site and will expand gradually with the demand for more places.

SHORT TERM RESPONSE
Manage the 2020 admissions round with expected high numbers of applications. Work with the primary school to ensure 2020 admissions are planned appropriately. Continue discussions with developer on hand-over of new school site considering the opportunity of more land.

MEDIUM/LONGER TERM RESPONSE
Commissioning the new school in Cringleford. Ensure sufficient secondary school places for children who live in Cringleford.

Capital response					
CRINGLEFORD	School	Scheme	Stage	Cost/estimate	Date if known
Future programmes	New primary	2 or 3 FE	Site secured under S106	£8m/11m	2022/23

HETHERSETT (South Norfolk District)

1200+ home strategic development

CURRENT LOCAL PROVISION – capacity and organisation

From September 2019, both primary phase schools in the village converted to all through primary provision. Hethersett Woodside Infant (now Hethersett Woodside Primary) now offers Y3-6 and will grow year by year and Hethersett Junior (now Hethersett CE VC Primary) accepted their first year of reception age children and will grow year by year. Hethersett Woodside Primary will move to their new school site by September 2020. NCC have secured land from the housing developers to allow expansion of Hethersett Academy. Construction is on-site, and the new block should open in June 2020.

LATEST ASSESSMENT OF GROWTH

The large housing development to the north of the village is progressing quickly and we understand the developer is increasing the density of housing by an additional 300 homes. Children's Services are working with South Norfolk District Council to possibly secure additional land for the new primary school to enable a 3FE school in the future if required. The Greater Norwich Local plan may allocate more sites for Hethersett, but we believe it will be only small-scale growth rather than a large allocation.

KEY PRESSURES ON PUPIL NUMBERS

From September 2019, Hethersett has 3, with the potential of 4 forms of entry across the two schools. At offer day, 84 children had a place at the one of the two schools in the village. This gives some spare capacity for reception places for new children moving into the village. Numbers need to be carefully managed particularly for Hethersett Primary. Hethersett Academy has seen considerable pressure for places in the 2019 Y7 entry admissions round and the school did agree to accept children in excess of their PAN. With the addition of the new building, we are working with the school and academy trust to ensure this doesn't happen for September 2020.

IMPACT OF HOUSING GROWTH

Housing in Hethersett is already impacting on school provision in the village but the changes that have already taken place at primary level will provide adequate places for new families. By early 2020, there will be more understanding of the potential impact of the Greater Norwich Local Plan on this village.

SHORT TERM RESPONSE

Manage pupil numbers at both schools post move to all-though primary. Open the new primary school building within the new housing development and move Hethersett Woodside to the new building. Open the new block at the high school.

MEDIUM/LONGER TERM RESPONSE

Continue to monitor growth in both Hethersett and Cringleford as part of the review of the Local Plan to 2036. Work with Hethersett Academy to ensure sufficient places for both local children and those living in the school feeder catchments.

Capital response					
HETHERSETT	School	Scheme	Stage	Cost/estimate	Date if known
Future programmes	New site for infant as primary	2 FE	Construction	£8m	2020
	Junior School to primary	2 FE	Construction	£4m	*2019/20*
	Hethersett Academy	Staged expansion	Construction	*£8m*	*2019/20*

BRADWELL (Great Yarmouth Borough)

1000 new homes

CURRENT LOCAL PROVISION – capacity and organisation

The catchment schools for this new development are Hillside, Homefield and Woodlands Primary Schools who provide 120 places between them for each year group. These schools share a catchment to the North of the housing site. All schools are all at capacity and September 2019 was a particularly high year for reception admissions. There is a noticeable parental preference movement of children around this area particularly to the relatively close primary schools of Moorlands, Peterhouse and Herman.

LATEST ASSESSMENT OF GROWTH

Housing has commenced on the site and the road infrastructure is in place. 260 of the 850 strategic development have been completed as at summer 2019. The smaller development of 130 dwellings has had planning permitted but has not yet commenced. During 2019 we received details of an application for a further 600 new dwellings in Bradwell (150 as a full planning application and 450 as an outline application).

KEY PRESSURES ON PUPIL NUMBERS

Pressure for places at reception was evident for the 2019 admissions round but was managed effectively. Pupil forecasts do indicate a slight decline in catchment cohorts but this will be closely monitored.

IMPACT OF HOUSING GROWTH

The impact of the housing has not been as great as expected which has delayed our requirement for progressing the proposed new primary school. Children's Services will closely monitor pupil numbers particularly when the further housing commences.

SHORT TERM RESPONSE

Continue to monitor pupil numbers and housing progress.

MEDIUM/LONGER TERM RESPONSE.

Secure the new primary school site from Persimmon Homes and build the school.

Capital response					
BRADWELL	School	Scheme	Stage	Cost/estimate	Date if known
Future programmes	New primary school	2FE	Currently on hold awaiting	IRO £8m	***2021+***

			need for more places.		
	Ormiston Venture Academy	Expansion	Pressure for places not yet imminent	-	

FAKENHAM (North Norfolk)

1400+ new homes

CURRENT LOCAL PROVISION – capacity and organisation
Fakenham town is served by Fakenham Infant and Fakenham Junior Schools. The town is surrounded by smaller village schools such as Stibbard, Colkirk and Sculthorpe Primary Schools. There is some parental preference movement in and out of Fakenham to village schools, although most children who live in Fakenham attend the schools in the Town. Secondary school provision for Fakenham children is at the local Fakenham Academy which has recently brought children from two sites together on one site.

LATEST ASSESSMENT OF GROWTH
The major growth allocation for Fakenham for 950 dwellings is to the north of Rudham Stile Lane. NCC were consulted again back in 2017 and an outline application has been submitted but very little communication has been had recently. A site for an additional primary school provision has been secured on this allocation.

KEY PRESSURES ON PUPIL NUMBERS
There is currently no pressure on pupil numbers either at primary or secondary.

IMPACT OF HOUSING GROWTH
Due to the delays in planning to bring forward this new housing it is difficult to tell how it will impact on local schools when it does eventually commence. We will continue to monitor progress with North Norfolk District Council.

SHORT TERM RESPONSE
Although we have had discussions with the two primary phase schools in the Town there is no need for any further action until there is more certainty with the housing.

MEDIUM/LONGER TERM RESPONSE
Longer term there is a possibility of a new primary phase school in the Town and how that school will interact with existing provision is yet to be known.

Capital response					
FAKENHAM	School	Scheme	Stage	Cost/estimate	Date if known
Future programmes	New primary school	2FE	-	£8m	***Unknown***

LONG STRATTON (South Norfolk)

1800 new homes

CURRENT LOCAL PROVISION – capacity and organisation

Long Stratton primary school provision is provided by Manor Field Infant School and St Mary's Junior School (academy). Both schools currently have unfilled places. There is interest from both schools to move to all-through primary longer term. Long Stratton High School provides education for 11-16 in the village. The school is currently operating with an admission number of 120 but do have scope for a larger cohort if needed.

LATEST ASSESSMENT OF GROWTH

This large allocation for 1800 is dependent on the completion of a bypass. The developer has been re-engaged and the housing planning application is anticipated to be re-consulted on and determined by the middle of 2020.

NCC is working with the developer and SNC to submit an outline business case for the bypass by the end of 2019/early 2020.
Currently it is planned for construction commencing in 2022

KEY PRESSURES ON PUPIL NUMBERS

Both primary phase schools and the high school in Long Stratton have spare places and we anticipate that up to 400 new homes could be built before pressure for places will be evident. We have factored these assumptions into the timing of the construction of the new school building.

IMPACT OF HOUSING GROWTH

As mentioned above, a site for a new school building has been secured and both schools have been asked to discuss how this is likely to impact on them. Further discussions will follow once more certainty on the timing of the housing is more evident.

SHORT TERM RESPONSE

Continue discussions with South Norfolk Council and land promoters on the timing of the housing.

MEDIUM/LONGER TERM RESPONSE

Opening of a new primary phase school in Long Stratton with the potential to move to all-through primary provision in the village.

Capital response					
LONG STRATTON	School	Scheme	Stage	Cost/estimate	Date if known
Future programmes	New primary phase school building.	2FE/3FE	Site location agreed.	IRO £8m/£11M	***2024+***
	High school	Expansion of Long Stratton High to be considered longer term.	-	*-*	

BLOFIELD/BRUNDALL (up to 700 new homes)

CURRENT LOCAL PROVISION – capacity and organisation

This local area has its primary school places provided by mainly two schools – Blofield Primary (210 place) and Brundall School (315 place). There are some surrounding schools that impact on primary school provision due to parental preference namely Hemblington and Lingwood but in general, children who live in Brundall and Blofield do attend one of these schools. All 4 schools mentioned above are full in their 2019 reception admissions round.

LATEST ASSESSMENT OF GROWTH

Housing continues in this area, but we are yet to see the impact on local schools. This pattern is not new and often seen with new housing where children begin to arrive 3-4 years after housing is completed.

KEY PRESSURES ON PUPIL NUMBERS

Schools across this area are full but pupil numbers appear to be stable and the impact of housing is not yet evident. However, with around 500+ new homes currently in the planning system in this area it is highly likely that numbers will rise in the future.

IMPACT OF HOUSING GROWTH

This is a popular area for families and at some time in the future more primary school places will be required. It is likely that an additional form of entry (30 places in each year group) will be sufficient for the medium term.

SHORT TERM RESPONSE

Over the past 3 years Children's Services have been in discussion with the school, Parish Council and District Council to consider how more school places can be provided for this area. The decision has been made that a new school for Blofield was the most appropriate solution, allowing the existing school who are outgrowing their current site to move into. A new school will be 420 places and double the size of the existing provision in the village. A site search revealed that land to the north of the Wyngates development in Blofield would be the preferred option. A walk-in exhibition was held in the summer of 2019 to understand the view of local residents and Children's Services officers continue discussions on this land with Broadland District Council.

MEDIUM/LONGER TERM RESPONSE

Open a new 420 place primary school building in Blofield and 'lift and shift' the existing school into this new building.

Capital response					
BLOFIELD	School	Scheme	Stage	Cost/estimate	Date if known
	New primary school building	2 form entry primary school	Site acquisition	£8M	2023

PORINGLAND

CURRENT LOCAL PROVISION – capacity and organisation

The village of Poringland is served by one primary phase school of 420 places – Poringland Primary school. There are other schools surrounding the village of Poringland namely, Stoke Holy Cross, Brooke, Trowse, Alpington and Rocklands. Poringland and its surrounding schools are all at capacity for 2019 admissions.

LATEST ASSESSMENT OF GROWTH

Housing in Poringland continues and numbers in the region of 400 homes are still to be built out.

KEY PRESSURES ON PUPIL NUMBERS

September 2019 admissions round was challenging as a bulge year of 80+ children expressed a preference for Poringland Primary School. All children were placed in a school but not all at Poringland. A similar pattern is expected for 2020 admissions, so actions are being taken now to ensure places are available at a local school for these children.

IMPACT OF HOUSING GROWTH

As in other areas of the County, housing has been slow to make an impact on local schools. Pupil forecasts indicate that there are just 2 years of much larger numbers and then a slight drop but continuously more than the admission number of the primary school. Indicative forecasting indicates that another primary phase school is likely to be required for the future in Poringland.

SHORT TERM RESPONSE

Discussions with Poringland Primary School with how the school can assist with these bulge years. Ongoing discussions with land promoters and the Greater Norwich Local Plan team on how and where a new school site can be located in Poringland.

MEDIUM/LONGER TERM RESPONSE

Confirm the demand for school places and decide whether a new primary school for Poringland is required in response to housing. Secure a new site for a new schools.

Capital response					
PORINGLAND	School	Scheme	Stage	Cost/estimate	Date if known
	New primary school	Initially 1FE with the scope to increase to 2FE	Site search	£8M	

HELLESDON (Broadland)

Allocation for up to 1500 new homes

CURRENT LOCAL PROVISION – capacity and organisation

Hellesdon has infant/junior schools situated across the area and a large and popular High School. The infant schools (Arden Grove, Heather Avenue and Kinsale) have 180 places between them, which is more than adequate for their catchment. 2019 reception intake shows some spare capacity and catchment cohorts across the area are stable. Mile Cross catchment, which is considerably higher than the number of places at the school has dropped over the past couple of years so less children from that catchment are offered a place in the Hellesdon primary schools. The High School is at capacity, but with its popularity, does gain many children from out of area, particularly the North Norwich catchment.

LATEST ASSESSMENT OF GROWTH
The first phase of this housing growth to the eastern side of the Golf club is now on site but no occupations at the time of writing. A reserved matters application for phases 2 and 3 and for the phases on the other side of the carriageway have not yet been received so it is likely to be at least 3 years before we can consider securing the school site from Persimmon.

KEY PRESSURES ON PUPIL NUMBERS
Pressure for places in Hellesdon at primary level in reception has reduced in 2019 but now the housing is being built this will be carefully monitored particularly for the 2020 admissions round. It is unlikely that there will be any pressure for primary places in the next 3-5 years.

IMPACT OF HOUSING GROWTH
This scale of housing will eventually impact on places in local schools and a new primary school for Hellesdon will be constructed with a site secured within the new development.

SHORT TERM RESPONSE
Continue to monitor pupil numbers during the annual admissions round.

MEDIUM/LONGER TERM RESPONSE
A new primary school including consideration of all-through primary school provision in Hellesdon. Consider the capacity at the secondary school to ensure adequate places for local children.

Capital response					
HELLESDON	School	Scheme	Stage	Cost/estimate	Date if known
Future programmes	New primary school	2FE	-	IRO £8m	2023+
	High school	Expansion of Hellesdon High to be considered if necessary.	-	-	

Part 3 – Growth areas with implications for existing schools

AREA AND NUMBER OF HOUSES	CURRENT ACTIONS	SIGNIFICANT INFRASTRUCTURE GROWTH REQUIREMENTS
WISBECH (500+ dwellings in Norfolk)	Working with Cambridgeshire and Kings Lynn and West Norfolk Borough Council regarding impact of housing.	An agreement has been made that with the majority of the housing within the Wisbech boundary, the new primary school will be a Wisbech school and all S106 contributions secured by both Cambridgeshire and Norfolk from this development should be allocated towards this school. A similar arrangement has been proposed for secondary provision. How housing will actually impact on Norfolk schools will be monitored from commencement.
AYLSHAM (500 new homes on two sites)	The three primary phase schools now have an admission number of 80 places between them which pupil forecasts indicate is sufficient certainly for the short/medium term. Ongoing discussions are being held with these schools regarding pressure for places in the higher year groups.	It is possible that an additional 10-15 places across all year groups may be required from the planned housing in the Town, but this will be monitored closely. Any larger scale growth in Aylsham would likely result in the need for a new school site.
DEREHAM/SCARNING/TOFTWOOD (700 homes)	Both Scarning and Toftwood are taken into consideration when calculating pupil place requirements for the Dereham area. Scarning Primary has grown to a full 420 place school. 2019 admissions saw all schools across the area at capacity in reception. Discussions with local school and trusts have begun this year to understand the most cost effective and efficient way of providing more places in and around Dereham.	Primary phase numbers in Dereham do tend to fluctuate each year so reception intake will be carefully monitored. It is possible that an additional form of entry will be required in the future for Dereham and its surrounding area but although all schools are at capacity, pressure for places is not yet evident.

DISS/ROYDON (circa 300 in current local plan. Possible larger scale growth in the future).	An expansion project at Roydon Primary to increase capacity to almost 2 forms of entry should be completed by Christmas. This will give 120 places across both Diss and Roydon for the future.	4 forms of entry across this area should be sufficient for planned growth. Any further housing proposed in Diss will result in the need for further discussions with the schools in the Town.
HOLT (250-400 homes)	There is an identified need for a new school building for Holt as the existing school is not suitable for future expansion. Discussions still ongoing with a land promoter to secure a new primary school site within a proposed new housing development.	A new 2 form entry primary school building to allow the existing Holt Primary school to move to new premises.
KINGS LYNN WOOTTONS/KNIGHTS HILL (1000 dwellings)	This site has recently come forward for consultation for outline planning consent for 635 new homes.	There are opportunities for expansion of existing primary school provision and discussions with schools will begin once more certainty on housing commencement is known.
EASTON (900 new homes)	Outline planning permission for this large-scale development was secured in November 2016 but since then progress has been slow. A developer has now bought the land and is bringing a full planning application to Committee. Land next to the existing primary school has been earmarked to allow the school to grow to 2 forms of entry when required.	We will monitor progress of the planning application and once housing commencement is more evident work will begin on a masterplan of the existing primary school site for expansion.
BOWTHORPE/COSTESSEY (1000 homes)	The growth in Bowthorpe is not yet affecting primary phase provision but growth in general is impacting on secondary provision in the area. Bowthorpe falls within the catchment of two schools, Ormiston Victory Academy and City Academy. There is a high preference for places at Ormiston but cohorts in south Norwich are increasing as the larger numbers leave the primary phases so City Academy admitted over its admission limit for 2019.	A plan for growth at Ormiston Victory Academy began in 2019 with the addition of new modular accommodation. A masterplan to the develop the school site to its full potential has been drawn up and a plan for expansion is currently being discussed with the school and the Trust.

Part 4 - Areas of the County indicating a decline in pupil numbers and where there are several small schools

Norfolk, as a rural county is seeing some areas with considerable growth yet other areas with small and sometimes larger decline in pupil numbers. The annual DfE School Capacity return for 2019 reflects the challenge for areas of declining numbers. The DfE has written to Norfolk asking for the first time in several years to plan not only for growth areas but also areas of decline.
This section seeks to identify these areas of decline to allow a plan of future actions to commence.

The following table identifies Planning Areas (defined by the DfE as an area within the local authority which is used for the purposes of assessing current and future pupil demand for school place provision) where demographic decline in pupil numbers has been evident over the past 3 years:

DISS PRIMARY PHASE
DOWNHAM MARKET PRIMARY PHASE
LODDON PRIMARY PHASE
METHWOLD PRIMARY PHASE
WELLS PRIMARY PHASE

In line with prepared policy, NCC will analyse all planning areas with more than one very small school less than 105 pupils on roll. NCC does recognise that there are many catchment areas showing a sustainable decline over the next 3 years. Not all of these will necessarily affect the schools' ability to provide a good education. In those areas that are likely to be affected, the LA will conduct a` Formal Review` process for schools or groups of schools. The full range of issues will be taken into account and all the appropriate services will be involved.
This will enable a formal recommendation to be made to Governing Boards on which they will be recommended to base their strategic future plans. It will encompass

- Norfolk coastal villages
- Rural schools surrounding either a larger village or Town.
- South and West Norfolk border villages.
- Some small rural Norfolk villages.

However, priority is given in line with agreed policy and primarily based on a sustained offer of a good education rather than school size.

ANNEX G

Norfolk Admission Arrangements 2021/22

2021/22 Admissions Co-ordination Timetable

1. Admission to Reception classes

Round opens: 28 September 2020

Round closes: 15 January 2021

Applications forwarded to other admission authorities: 8 February 2021

Applications returned by other admission authorities: 15 March 2021

Data exchange with other local authorities 16-19 March 2021

Co-ordination scheme applied (no further changes until after offer day): 1 April 2021

National Offer day: 16 April 2021

Appeals closing date: 14 May 2021

Late application closing date: 14 May 2021

Mini admission round to consider changes: 21 May 2021

Late appeals closing date: 1 June 2021

Appeals hearings: June/July 2021

Waiting lists maintained to: 31 December 2021

***2.* Junior Schools**

Round opens: 9 November 2020

Round closes: 15 January 2021

Applications forwarded to other admission authorities: 5 February 2021

Applications returned by other admission authorities: 16 March 2021

Data exchange with other local authorities 17-19 March 2021

Co-ordination scheme applied (no further changes until after offer day): 1 April 2021

National Offer day: 16 April 2021

Appeals closing date: 30 April 2021

Late application closing date: 7 May 2021

Mini admission round to consider changes: 14 May 2021

Late appeals closing date: 21 May 2021

Appeals hearings: June/July 2021

Waiting lists maintained to: 31 December 2021

3. Secondary Schools Timetable

Round opens: 10 September 2020

Round closes: 30 October 2020

Applications forwarded to other Local Authorities: 27 November 2020

Applications forwarded to other admission authorities: 4 December 2020

Applications returned by other admission authorities: 15 January 2021

Co-ordination scheme applied (no further changes until after offer day): 5 February 2021

Offer day: 1 March 2021

Appeals closing date: 22 March 2021

Late application closing date: 22 March 2021

Mini admission round to consider changes: 1 April 2021

Late appeals closing date: 16 April 2021

Appeals hearings: May/June 2021

Waiting lists maintained to: 31 December 2021

Norfolk Admission Arrangement 2021/22

2021/22 Admission Round Co-ordination Scheme

(First admission to Reception, Transfer to Junior School and Transfer to Secondary School)

1. Parents are offered the opportunity to express up to three preferences.

2. All Norfolk parents will complete a common application form either on-line or by a paper form which must be returned direct to us at Norfolk County Council.

3. Any parents seeking to apply direct to Foundation schools, Voluntary Aided schools and Academies must be provided with a common application form inviting three preferences which must be forwarded to the Local Authority.

4. For first admission to school, details of the application process will be sent to parents using data supplied by Norfolk health authorities in accordance with the published timetable. For transfers to Junior or Secondary school, application packs will be sent to parents of all Norfolk children attending Norfolk state funded schools and applications will be invited online. Application forms will also be available on the County Council's website.

5. Closing date for applications will be as per the published timetable.

6. The governing bodies for Foundation, Voluntary Aided schools, Free Schools and the Trust for Academies manage their own admissions. If an own admission authority school is oversubscribed, details of all preferences cast for the school will be forwarded to the governing body/trust so that their oversubscription rules can be applied. Parents will be advised to complete a supplementary application form or forward appropriate additional information as required by those own admission authority schools where this is required to apply their oversubscription rules.

7. The County Council applies the published admission rules in the event of oversubscription at Community and Voluntary Controlled schools to prioritise all applications.

8. Applications for school places in other Local Authorities will be forwarded to the relevant authority in accordance with our timetable. Other Local Authorities will forward their applications which will be considered by the relevant Norfolk admission authority.

9. Academies, Foundation schools, Voluntary Aided and Free Schools are required to return all applications sorted in rank order to the County Council as per the timetable.

10. Other Local Authorities notify Norfolk of potential offers for their schools and Norfolk notifies potential Norfolk offers for their applications.

11. Where more than one place could potentially be offered the single offer will be for the school that the parent has ranked the highest. Lower ranked

preferences will be withdrawn. This process will be undertaken until all potential duplicate offers are resolved.

12. Where no preference can be met, the County Council will, whenever possible, allocate a place at the next nearest school with a space to ensure an offer is made to all parents living in Norfolk.

13. Norfolk County Council will post offers of school places for all Norfolk schools via our online system for applicants who applied online or by second class post for those who applied via a paper application as per the timetable.

14. Parents will be advised of their right of appeal against any refusal and to whom their appeal should be lodged for each preference that is refused.

15. We will make the final allocation of school places to be notified on offer day on the date identified in the timetable. Any changes after this date will be considered in a mini admission round which will be undertaken after the initial offer of places, as per the timetable.

16. We will ensure all admission authorities maintain a waiting list until 31 December 2021 for all Norfolk schools and co-ordinate any changes which occur after the offer date. Waiting lists will be maintained in strict over-subscription criteria order for each individual school. No waiting lists will be maintained after this date.

17. Late applications are considered a lower priority than all on time applications when offers are made on the offer date and for the mini admission round. After these initial allocations, applications will then be prioritised solely on the basis of the oversubscription criteria.

Norfolk Admission Arrangement 2021/22

2021/22 Norfolk In-Year Co-ordination Scheme

1. Parents seeking a Norfolk school place are offered the opportunity to express up to three preferences.

2. Parents will complete an in-year common application form that must be returned direct to the Admissions Team at Norfolk County Council.

3. Any parents seeking to apply direct to a school will be provided with an in-year common application form inviting up to three preferences which is then forwarded to the Admissions Team.

4. Closing date for applications will be as per the published timetable below.

5. Applications will be considered in advance of the published timetable where families can demonstrate that there are exceptional reasons why an earlier transfer is required. Where the Local Authority and the relevant admission authority accepts that there is sufficient evidence and all parties support an earlier transfer the application will be considered without delay.

6. Applications will be considered immediately when families have moved a distance which makes travel to the current school unreasonable (more than statutory walking distance from the current school and no existing home to school transport available to support continued attendance at the current school).

7. The Local Authority will contact preferred school(s) to check on availability of place(s). Where a Foundation school, Voluntary Aided school, Free School or Academy has more applications than places available details of the preferences will be forwarded to the school to prioritise the applications using their published over-subscription rules.

8. The published admission limit only applies to the intake year at a school. However, this number will be considered for in year admissions unless a school is significantly undersubscribed. In this situation schools will be considered full in a year group when they reach an appropriate operational limit within their existing class organisation.

9. Academies, Foundation, Voluntary Aided and Free Schools must return all applications sorted in rank order to the County Council within 10 school days of the request.

10. The County Council applies the published admission rules in the event of oversubscription at Community or Voluntary Controlled schools to prioritise all applications.

11. Where more than one place could potentially be offered the single offer will be for the school that the parent has ranked the highest. Lower ranked preferences will be withdrawn.

12. Where no preference can be met, and the child is not already attending a local school, a place will be allocated at a school in accordance with Norfolk's Fair Access Protocol.

13. Norfolk County Council will send out offers of school places for Norfolk schools by second class post as per the timetable.

14. Parents will be advised of their right of appeal against any refusal and to whom their appeal should be lodged for each preference that is refused.

15. One application will be considered each academic year unless there has been a material change in the pupil's or family's circumstances.

16. No waiting lists will be maintained by the Local Authority as part of the in-year co-ordination scheme.

Timetable for In-year Admissions:

We expect transfers to take place at the beginning of each school term and **will only consider applications which are received by the Admissions team on or before:**

- 31 October for a transfer at the beginning of the spring term (i.e. after Christmas)

- 28 (29) February for a transfer at the beginning of the summer term (i.e. after Easter)

- 31 May for a transfer at the beginning of the autumn term (i.e. after the summer holiday). Late applications will be accepted until 3 July for a transfer at the beginning of the autumn term (i.e. after the summer holiday)

Applications received after the specified dates will not be considered until the next closing data for admission.

Norfolk Admission Arrangement 2021/22

Admission arrangements for Community and Voluntary Controlled schools

Oversubscription rules for Community and Voluntary Secondary Schools

If there are more requests for places than places available, the Authority will admit children in the following order of priority:

1. children with an Education, Health and Care Plan or Statement of special educational needs naming the school;
2. children in public care, have been adopted from public care or adopted from abroad who are due to transfer;
3. children who are due to transfer and live in the catchment area;
4. children who are due to transfer who have been allocated a permanent place at a Specialist Resource Base attached to the school (Places allocated by Norfolk County Council's Placement Panel);
5. children who are due to transfer and live outside the catchment area, who have an older brother or sister attending the school at the time of admission (but not the sixth form);
6. children who are due to transfer who live outside the catchment area and attend a feeder school at the opening date of the admission round i.e. XX September 2021;
7. children of staff at the school
   a) where the member of staff has been employed at the school for two or more years at the time at which the application for admission to the school is made, and/or
   b) the member of staff is recruited to fill a vacant post for which there is a demonstrable skill shortage
8. children who are due to transfer and live outside the catchment area.

If all children within any of the above rules cannot be offered a place, the highest priority will be given to children living nearest to the school within that rule. To determine who lives nearest, distance will be measured on a straight line 'crow fly' basis, using Ordnance Survey data. If following the application of admission rules and distance two applicants cannot be separated for a final place at a school the authority will use random allocation to determine the priority for the remaining place.

Oversubscription rules for admission to Reception classes in community and voluntary controlled schools for children due to start school in September 2021.

If there are more applications for places than there are places available, the Local Authority will give priority to children living nearest to the school, according to the following rules in
this order of priority:

Children who are due to start school and:

1. have an EHCP or statement of special educational needs naming that school
2. children in public care, have been adopted from public care or adopted from abroad who are due to transfer

3. live in the catchment area and who have a sibling attending the school at the time of their admission
4. live in the catchment area who have a brother or sister attending the feeder junior school
5. have a disability and live in the catchment area (Appropriate professional evidence will be required to confirm the disability)
6. live in the catchment area
7. have been allocated a permanent place at a Specialist Resource Base attached to the school. (Places allocated by Norfolk County Council's Placement panel)
8. live outside the catchment area who have a brother or sister with a statement of special educational needs attending the school at the time of their admission
9. live outside the area served by the school who have a brother or sister attending the school at the time of their admission
10. live outside the catchment area who have a brother or sister attending the feeder junior school
11. have a disability and live outside the catchment area (Appropriate professional evidence will be required to confirm the disability)
12. children of staff
    a) where a member of staff has been employed at the school for two or more years at the time at which the application for admission to the school is made and/or
    b) the member of staff is recruited to fill a vacant post for there is a demonstrable skill shortage
13. live outside the catchment area

If all children within any of the above rules cannot be offered a place, the highest priority will be given to children living nearest to the school within that rule. To determine who lives nearest, distance will be measured on a straight line "crow fly" basis, using Ordnance Survey data. The address will be measured from the post office address point on the property.

In the unlikely event that distance does not separate the final two or more pupils seeking the last remaining place, a random allocation will be used to determine who is offered the final place.

NOTE: Criteria 7 only applies to schools which have a Specialist Resource Base on site.

Feeder school priority will only apply in the first year of entry to the school.

Oversubscription rules for pupils transferring to community and voluntary controlled junior schools (Year 3) for children in their last year at an Infant or First school.

If there are more applications for places than there are places available, the Local Authority will give priority to children living nearest to the school, according to the following rules in this order of priority:

1. children with an EHCP or statement of special educational needs naming that school
2. children in public care, have been adopted from public care or adopted from abroad who are due to transfer

3. children who are due to transfer, living in the catchment area who have a brother or sister attending the school at the time of their admission
4. children who are due to transfer, living in the catchment area who have no brother or sister connection with the school
5. children who are due to transfer and have been allocated a permanent place at a Specialist Resource Base attached to the school. (Places allocated by Norfolk County Council's Placement panel).
6. children who are due to transfer, living outside the catchment area who have a brother or sister attending the school at the time of their admission
7. children who are due to transfer, living outside the catchment area and attend a feeder school at the opening date of the admission round.
8. children of staff
   a) where a member of staff has been employed at the school for two or more years at the time at which the application for admission to the school is made and/or
   b) the member of staff is recruited to fill a vacant post for there is a demonstrable skill shortage
9. children who are due to transfer, living outside the catchment area served by the school who have no brother or sister or feeder school connection with the school.
10. children attending primary schools with a brother or sister at the junior school
11. children attending primary schools with no brother or sister at the junior school.

If all children within any of the above rules cannot be offered a place, the highest priority will be given to children living nearest to the school within that rule. To determine who lives nearest, distance will be measured on a straight line "crow fly" basis, using Ordnance Survey data. The address will be measured from the post office address point on the property.
In the unlikely event that distance does not separate the final two or more pupils seeking the last remaining place, a random allocation will be used to determine who is offered the final place.

Important Note
'School' is defined as the main school and not a learning support centre or nursery class attached to the school. This means that no priority would be given to a child from outside the catchment area who had either a brother or sister at the attached nursery class or in temporary or part-time attendance at the attached learning support centre. The address given on the application form will be used to decide the catchment school.

Children in their last year (Year 2) at an Infant will be considered due to transfer. Children attending a primary school are considered as not due to transfer and therefore their applications have the lowest priority for a place even if they live in the catchment area of the school.

Feeder school priority will only apply in the first year of entry to the school.

NOTE: Criteria 5 only applies to schools which have a Specialist Resource Base on site.

Report to Cabinet

Item No. 25

Report title:	**Disposal, acquisition and exploitation of property**
Date of meeting:	**13 January 2020**
Responsible Cabinet Member:	**Councillor Greg Peck** **Cabinet Member for Commercial Services and Asset Management.**
Responsible Director:	**Simon George** **Executive Director for Finance and Commercial Services.**
Is this a key decision?	**No**

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 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 £2.275million over the next three years (2019/20 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. Formally declare the 20 Clarence Road, Great Yarmouth (6009/071) surplus to County Council requirements and instruct the Head of Property to dispose of the property. In the event of a disposal receipt exceeding delegated limits the Head of Property in consultation with the Executive Director of Finance & Commercial Services and Cabinet Member for Commercial Services & Asset Management is authorised to accept the most advantageous offer.

2. Formally declare the 13 property assets as listed in Table 1 surplus to Council requirements and instruct the Head of Property to dispose. In the event of a disposal receipt for an individual property exceeding delegated limits the Head of Property in consultation with the Executive Director of Finance & Commercial Services and Cabinet Member for Commercial Services & Asset Management is authorised to accept the most advantageous offer.

3. Formally declare the Thatched Cottage, Long Stratton (7067/018) surplus to County Council requirements and instruct the Head of Property to dispose of the property. In the event of a disposal receipt exceeding delegated limits the Head of Property in consultation with the Executive Director of Finance & Commercial Services and Cabinet Member for Commercial Services & Asset Management is authorised to accept the most advantageous offer.

4. Formally declare the Primary School, 3 Dell Loke, Trowse with Newton (7108/015) surplus to County Council requirements and instruct the Head of Property to dispose of the property. In the event of a disposal receipt exceeding delegated limits the Head of Property in consultation with the Executive Director of Finance & Commercial Services and Cabinet Member for Commercial Services & Asset Management is authorised to accept the most advantageous offer.

5. Endorse and adopt the proposed renewal of farm business tenancies policy.

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 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 Head 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 disposals will include overage/clawback 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 council in financial terms and, where appropriate, taking account of community and economic benefits.

2.0 Proposals

Great Yarmouth - 20 Clarence Road (6009/071)

2.1 20 Clarence Road, shown edged red on plan is owned by NCC. The property is a three-storey end of terrace house. The site area is 0.04 hectares (0.1 acres).

2.2 The property was used as a Group Home by Adult Social Care. They ceased using the property at the end of October 2019 and the property is currently vacant.

2.3 Adults Social Care have determined they no longer require the property and declared it surplus to their purposes. Following a review by the Head of Property in consultation with CPSG it has been confirmed that the building is not required for NCC service use.

2.4 It is proposed to dispose of this property by open market sale through an auction or by tender.

2.5 The Divisional Member has been informed of this proposed disposal.

Land holdings

2.6 As a result of ongoing review of properties with service departments 13 property assets have been identified as surplus to service needs, listed in table 1 (site plans in **Appendix 1**). Following a review by the Head of Property in consultation with CPSG it has been confirmed that none of the sites listed are required for use by other NCC services.

2.7 For some of these sites there has already been some interest expressed by parties wishing to use or purchase the properties.

2.8 It is proposed to dispose of these sites by open market sale through auction or by tender.

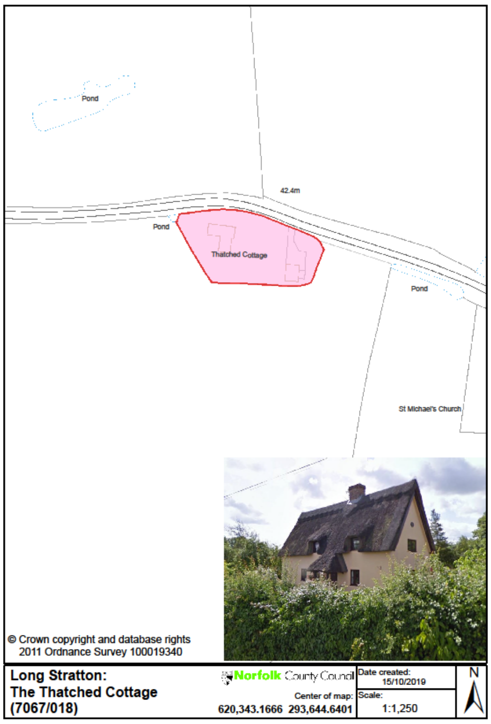
2.9 The Member for the Division where each property lies have been informed of the proposed disposal.

Table 1: Land Holdings to be declared surplus to County Council use (CPSG has confirmed no NCC service use)

Parish	Site Name	Unique Site Reference Number	Site Area (acres	CPSG Date
Acle	Additional Land at Herondale	5001/016	0.27	11/12/2019
Clenchwarton	Old River Farm	2016/106	0.79	17/09/2019
Lingwood & Burlingham	Land adj Burlingham Hall	5014/104	0.22	11/12/2019
Marshland St James	Crown Farm East	2049/110	1.20	11/12/2019
Marshland St James	St Peters Farm East	2049/108	0.37	11/12/2019
Mileham	Land at Litcham Road	3063/015	1.16	17/09/2019
North Walsham	Land to the rear of 37 Yarmouth Road	1074/021	0.02	11/12/2019
Outwell	Parkfield Farm	2107/103	0.46	17/09/2019
Redenhall with Harleston	Land at The Common	7080/020	0.01	11/12/2019
Shipdham	Land at Pound Green Lane	3085/013A	0.50	11/12/2019
Terrington St Clement	Green Marsh Farm East	2078/106	0.69	11/12/2019
Thurne	Home Farm	6020/100	1.30	17/09/2019
Tunstead	New Barn Farm	1110/100	2.30	11/12/2019

Long Stratton - The Thatched Cottage (7067/018)

2.10 The Thatched Cottage, Long Stratton is owned by NCC after being acquired in 2004 in advance of the Long Stratton bypass scheme. The property, shown edged red on plan, has a site area of 0.2 hectares (0.5 acres).



2.11 The alignment of the bypass scheme has moved, and the property is no longer affected by the currently proposed scheme. Pending implementation of the original scheme the property was let. The lease was due for renewal however the tenant chose to terminate instead.

2.12 As the property is no longer required for the proposed bypass scheme Community and Environmental Services have declared the property surplus to their use. Following a review by the Head of Property in consultation with CPSG it has been confirmed that the property is not required for NCC service use.

2.13 It is proposed to dispose of this property by open market sale through an auction or by tender.

2.14 The Divisional Member has been informed of this proposed disposal.

Trowse with Newton – Primary School, 3 Dell Loke (7108/015)

2.15 The primary school site, shown edged red on plan, is owned by NCC. The site area is approximately 0.2 Hectares (0.5 acres).

2.16 The County Council is currently constructing a new school building which will open September 2020. This will result in the existing building becoming vacant.

2.17 Childrens Services have formally declared the property surplus to their needs. Following a review by the Head of Property in consultation with CPSG it has been confirmed that the land and building is not required for NCC service use.

2.18 It is proposed to dispose of this property by open market sale through an auction or by tender.

2.19 The Divisional Member has been informed of this proposed disposal.

Renewal of farm business tenancies policy

2.25 The current lettings policy for farm tenancies offers detailed provisions and requirements for applicants applying for farms for the first time on the Estate. However, there is no defined policy for considering and assessing requests for extensions to existing tenancies where there is an expectation from tenants that their initial terms will continue to simply be extended until state pension age is attained. This proposal aims to introduce a policy which will govern extensions and renewals of main farm business tenancies.

2.26 The opportunities that the Council can offer to people to farm on their own account are rare and it is appropriate that only the best and most able tenants should be let holdings. It is anticipated the clarification of any perceived automatic right of renewal will encourage tenants to adopt a more professional approach to their businesses and promote movement around and off the Farms Estate as opportunities arise.

2.27 A review of tenancy renewal procedures and policies with sister County Farms Estates nationally has revealed that there is considerable diversity in practice and no consensus on what constitutes best practice, however there are some common themes:

(i) A formal review towards the end of the initial term of the tenancy is undertaken.
(ii) For an unopposed opportunity for tenants to renew their tenancy, the tenant would be asked to prepare a business plan making the case for renewal but would not be in competition with other applicants in the first instance.
(iii) Subject to satisfactory performance, tenancies will continue to be renewed up to state pension age.

2.28 Proposed policy:

(i) This policy applies to Farm Business Tenancies let under the Agricultural Tenancies Act 1995, as amended.
(ii) There is no implied right to an extension to an existing tenancy.
(iii) Tenancy extensions will be given to those tenants who can demonstrate that they have sustainable businesses with definable prospects for business growth. The tenant will be required to:
    (a) Submit a review of their existing business together with a comprehensive business plan covering the next three years following on from the existing termination date of the agreement.
    (b) The format of the business plan is to mirror that required by new entrants.
(iv) Applications for extensions and renewals will apply to the head tenancy agreement and not to tenancies granted supplementary to the head tenancy.
(v) The policy applies to those tenancies with a termination date of 10 October 2020 onwards.
(vi) Tenancies subject to a landlord’s break clause (i.e. those tenancies which can be ended before the contractual end of the fixed term of

the agreement) will be considered under this policy on a case by case basis and the direction of the Head of Property in consultation with the Cabinet Member for Commercial Services and Asset Management will be sought in advance of activating the break clause.

(vii) Existing tenancies granted to a tenant's state pension age will not be entitled to an extension under this policy.

(viii) The Head of Property in consultation with the Cabinet Member for Commercial Services and Asset Management will have discretion as to the length of the tenancy extension granted with 15 years being the maximum permitted.

(ix) There is no limit to the number of times a tenant can seek to renew their tenancy agreement save that a tenancy will not be granted beyond their state pension age.

2.29 The policy will be supported by a procedure as noted in **Appendix 2**.

3.0 Impact of the Proposals

3.1 Releasing surplus land holdings and buildings no longer required for service use will contribute to reducing costs and provides the potential for capital receipts.

3.2 Adoption of a policy for renewal of farm business tenancies provides clarity and a process for tenants on the farms estate.

4.0 Evidence and Reasons for Decision

4.1 Declaring land holdings and buildings surplus to County Council use means that the Corporate Property Team can consider options for the disposal and exploitation of these sites.

4.2 Adoption of a policy for renewal of farm business tenancies help ensures that only the best and most able tenants are let holdings.

5.0 Alternative Options

5.1 Declaring land holdings and buildings 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.

5.2 The alternative to adopting a policy for renewal of farm business tenancies is to retain the current situation.

6.0 Financial Implications

6.1 Collectively the proposals in this report will provide capital receipts and savings in revenue costs.

6.2 The adoption of a policy for renewal of farm business tenancies has no direct financial implications.

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 and acquisitions in the usual way the legal implications are around the parties agreeing to the terms of the agreement for each disposal, acquisition and lease renewal 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 declaring land holdings and buildings surplus and the adoption of a policy for renewal of farm business tenancies.

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

8.5 **Sustainability implications**
Future redevelopment of disposed sites would be planning policy compliant and therefore mindful of sustainable measures. Detailed planning has not yet been sought for any of the sites.

The adoption of a policy for renewal of farm business tenancies in it self does not have suitability implications.

9.0 Risk Implications/Assessment

9.1 The disposals of surplus land and buildings may take a period of time to complete therefore the anticipated overall receipt may not be fully realised. These risks are mitigated by the use of expert consultants.
The risks around the acquisition of sites are around the non-agreement of terms. This risk is mitigated by using experienced expert consultants.

10.0 Recommendation

10.1 Cabinet is asked to formally declare the 20 Clarence Road, Great Yarmouth (6009/071) surplus to County Council requirements and instruct the Head of Property to dispose of the property. In the event of a disposal receipt exceeding delegated limits the Head of Property in consultation with the Executive Director of Finance & Commercial Services and Cabinet Member for Commercial Services & Asset Management is authorised to accept the most advantageous offer.

10.2 Cabinet is asked to formally declare the 13 property assets as listed in Table 1 surplus to Council requirements and instruct the Head of Property to dispose. In the event of a disposal receipt for an individual property exceeding delegated limits the Head of Property in consultation with the Executive Director of Finance & Commercial Services and Cabinet Member for Commercial Services & Asset Management is authorised to accept the most advantageous offer.

10.3 Cabinet is asked to formally declare the Thatched Cottage, Long Stratton (7067/018) surplus to County Council requirements and instruct the Head of Property to dispose of the property. In the event of a disposal receipt exceeding delegated limits the Head of Property in consultation with the Executive Director of Finance & Commercial Services and Cabinet Member for Commercial Services & Asset Management is authorised to accept the most advantageous offer.

10.4 Cabinet is asked to formally declare the Primary School, 3 Dell Loke, Trowse with Newton (7108/015) surplus to County Council requirements and instruct the Head of Property to dispose of the property. In the event of a disposal receipt exceeding delegated limits the Head of Property in consultation with the Executive Director of Finance & Commercial Services and Cabinet Member for Commercial Services & Asset Management is authorised to accept the most advantageous offer.

10.5 Cabinet is asked to endorse and adopt the proposed renewal of farm business tenancies policy.

Officer Contact

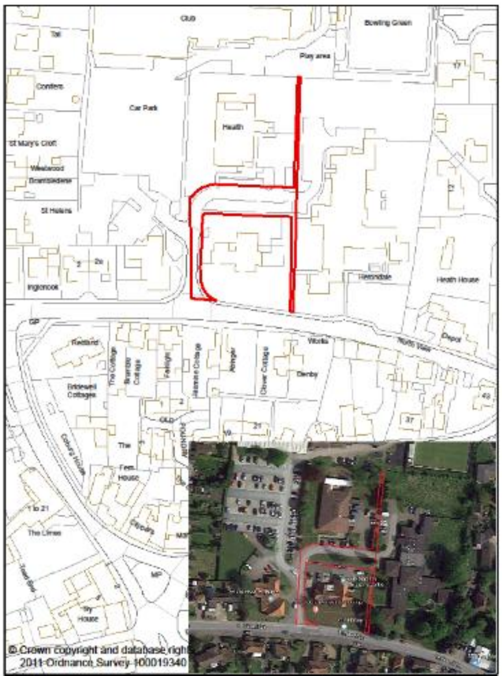
If you have any questions about matters contained in this paper, please get in touch with:

Officer name: Simon Hughes, Head of Property **Tel No.:** 01603 222043
Email address: simon.hughes@norfolk.gov.uk

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

Appendix 1

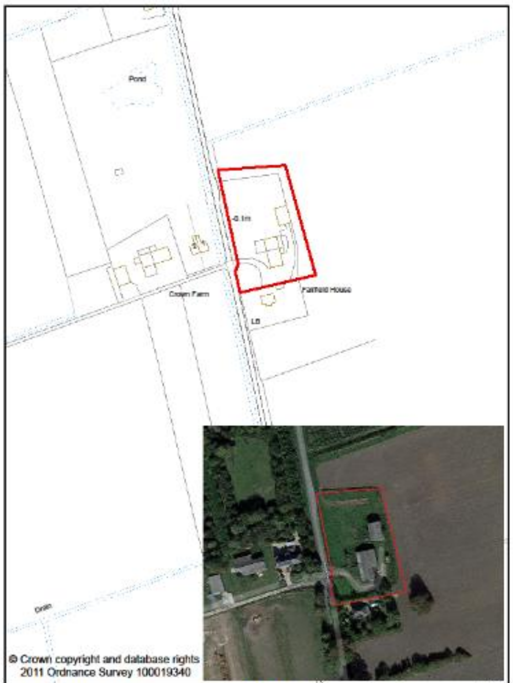
Land holdings - site plans



Acle:
Additional Land at Herondale
Norfolk County Council
Date created: 05/09/2019
Center of map: 640,200.5552 310,667.9038
Scale: 1:1,250
N

Clenchwarton:
Old River Farm South
(2016/106)
Norfolk County Council
Date created: 05/09/2019
Center of map: 558,220.1644 319,022.4805
Scale: 1:2,000
N

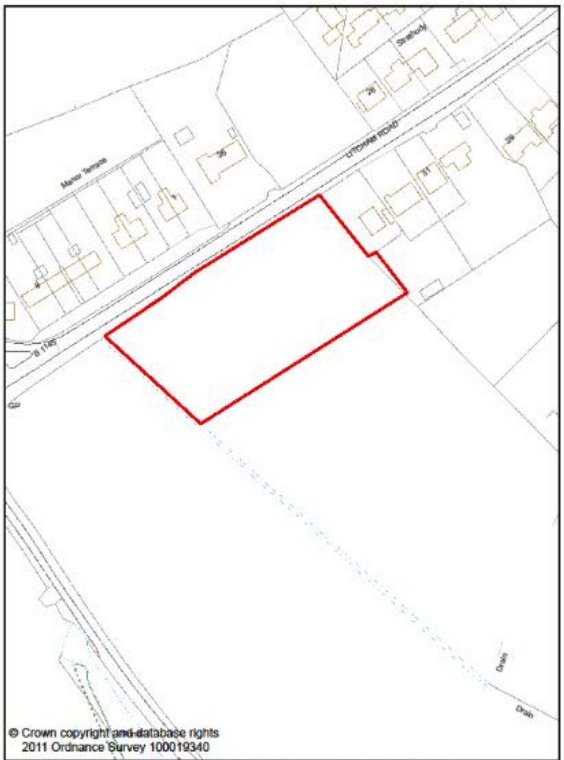
Lingwood & Burlingham:
Land adj Burlingham Hall
(5014/104)
Norfolk County Council
Date created: 18/09/2019
Center of map: 636,711.7681 310,535.4431
Scale: 1:1,500
N



Marshland St James:
Crown Farm East
(2049/110)
Norfolk County Council
Date created: 23/09/2019
Center of map: 555,374.5464 305,775.7097
Scale: 1:2,000
N

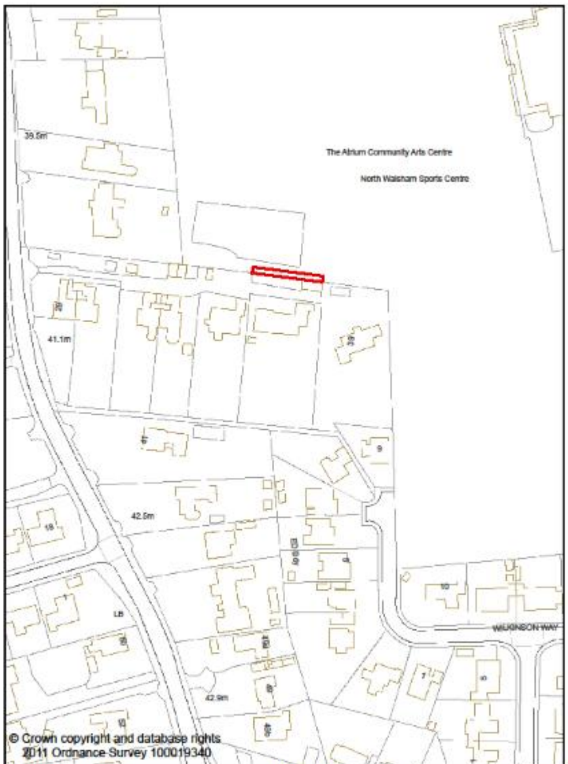
Marshland St James:
St Peters Farm East
(2049/108)

Norfolk County Council | Date created: 24/09/2019 | N
Center of map: 555,321.7080 306,094.8882 | Scale: 1:1,250



Mileham:
Land at Litcham Road
(3063/015)

Norfolk County Council | Date created: 01/10/2019 | N
Center of map: 591,113.3205 319,051.5948 | Scale: 1:1,250



North Walsham:
Land to the rear of 37 Yarmouth Road
(1074/021)

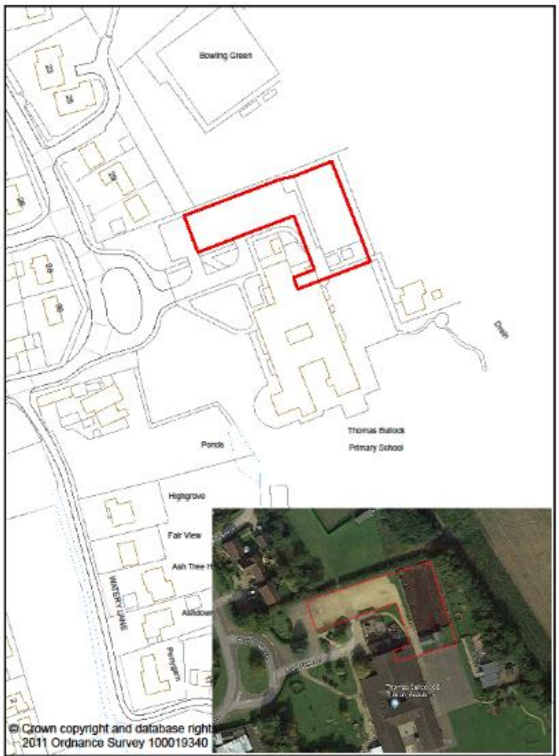
Norfolk County Council | Date created: 29/10/2019 | N
Center of map: 628,588.7396 329,687.2101 | Scale: 1:1,250

Outwell:
Parkfield Farm
(2107/103)

Norfolk County Council | Date created: 05/09/2019 | N
Center of map: 552,360.3424 303,438.0504 | Scale: 1:1,250

Redenhall with Harleston:
Land at The Common
(7080/020)

Norfolk County Council
Date created: 23/10/2019
Center of map: 623,972.9982 282,841.8336
Scale: 1:500
N



Shipdham:
Land at Pound Green Lane
(3085/013A)

Norfolk County Council
Date created: 04/10/2019
Center of map: 596,512.2680 307,320.1986
Scale: 1:1,250
N

Terrington St Clement:
Green Marsh Farm East
(2078/106)

Norfolk County Council
Date created: 24/09/2019
Center of map: 555,998.0945 321,953.7523
Scale: 1:1,250
N

Thurne:
Home Farm
(6020/100)

Norfolk County Council
Date created: 18/09/2019
Center of map: 640,451.5851 315,768.4900
Scale: 1:2,500
N

Tunstead:
New Barn Farm
(1110/100)

Norfolk County Council

Center of map: 630,346.4384 322,639.0965

Date created: 07/10/2019

Scale: 1:2,000

N

<u>**Appendix 2**</u>

Norfolk County Farms – Farm Business Tenancies let under the Agricultural Tenancies Act 1995, as amended

Extension and Renewal Procedure

The following records the process for Farm Business Tenancies extensions and renewals where the tenancy is either approaching a contractual Landlord's Break Date OR where the tenancy is coming to the end of its fixed term period AND the tenant has not yet attained their state pension age.

Action By	Task / Process	Timing (approximate)	Auditability[1]	Notes
CFT[2]	Serve Notice To Quit (NTQ)	Term Date minus 24 months	Retain correspondence.	Serve NTQ to preserve NCC position where Term Date approaching. For a Break Date review, hold off serving Notice pending outcome of review.
CFT	Make inspection visit and open discussions with Tenant.	Term Date minus 20-24 months	File note discussion.	
T[3]	Tenant considers options and notifies CFT whether they wish to be considered for a Farm Business Tenancy (FBT) extension/renewal.	Term Date minus 20-24 months	Retain correspondence.	
CFT	Invite Tenant to apply to extend/renew by providing a business plan as prescribed under the policy If Tenant does not wish to apply to extend/renew FBT follow granting of New FBT Process.	Term Date minus 20-24 months		Agree reasonable timescale with the Tenant to submit a business plan.
T	Tenant prepares and submits business plan	Term Date minus 20-24 months		
CFT	Evaluate business plan and if appropriate interview tenant to make recommendation to either extend/renew tenancy or instigate New FBT Process.	Term Date minus 20-24 months	Decision recorded.	If appropriate, undertake interview alongside those for public lettings.
HOP[4]	Consider recommendation and make decision in consultation with Cabinet Member for Commercial Services and Asset Management	Term Date minus 20-24 months	Decision recorded.	
CFT	Implement decision	Term Date minus 20-24 months		Follow NCF – New Lease Creation procedure.

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[1] Evidence to be retained in specific electronic re-letting folder
[2] County Farms Team
[3] Tenant
[4] Head of Property

Norfolk County Council

Record of Individual Cabinet Member decision

Responsible Cabinet Member: Councillor Martin Wilby (Cabinet member for Highways, Infrastructure and Transport)	
Background and Purpose: A number of issues have been reported with parking within Winterton-on-Sea along Beach Road, including concerns of ambulances unable to get past parked vehicles and difficulty for businesses and disabled users to get access to the Beach Road car park. The local Member and the Parish Council are in support of the proposals as there is a problem with vehicles parking along Beach Road during the winter months. Proposals are aimed at providing safe access for both pedestrians walking along Beach Road as well as other highway users in order to get access to the car park and in particular emergency vehicles, where parking prevents safe access. Preliminary consultation letters were sent out to statutory bodies and frontages in August 2018 After the noticing period was completed the proposed order was published in the Eastern Daily Press on 4th January 2019 with a closing date for objections of 29th January 2019. Notices were placed on site within the extents for the same period of time.	
Decision: To implement the proposal as advertised as shown on drawing PMA319-LDN-TRO-001 attached in Appendix **A**.	
Is it a key decision?	**No**
Is it subject to call in? **If Yes – Deadline for Call in**	**Yes** **Date: 4pm - 24 December 2019**
Impact of the Decision: It would legally allow NCC to implement a waiting restriction, therefore successfully delivering the proposed scheme and making the road safer for access purposes to the beach and for pedestrians	
Evidence and reason for the decision: There have been a number of times where emergency vehicles have been	

unable to get down to the beach front because of the number of cars parked along Beach Road, so therefore for safety reason this decision has been made.

Alternative options considered and rejected:

None within current funding constraints. The above proposal is seen as the best solution. Doing nothing would not improve road safety for all the road users.

Financial, Resource or other implications considered:

The scheme will be funded from the local members fund budget and delivered using existing resources within the Council.

Record of any conflict of interest:

None

Background Documents:

- Appendix A- Plan
- Appendix B -Order and Schedule

Date of Decision:	**03/12/2019**
Publication date of decision:	16 December 2019

Signed by Cabinet member:

I confirm that I have made the decision set out above, for the reasons also set out

Signed: M. J. Wilby

Print name: Cllr Martin Wilby

Date: 03/12/2019

Accompanying Documents:

The Report - The Norfolk County Council (Beach Road, Winterton) Waiting Restriction
Appendix A- Plan
Appendix B -Order and Schedule

Once you have completed your internal department clearance process and obtained agreement of the Cabinet Member, send your completed decision notice together with the report and green form to committees@norfolk.gov.uk

Individual Cabinet Member Decision Report

Report title:	**Norfolk County Council (Winterton, Beach Road) Waiting Restriction**
Date of meeting:	**N/A**
Responsible Cabinet Member:	**Councillor Martin Wilby (Cabinet Member for Highways, Infrastructure and Transport)**
Responsible Director:	**Tom McCabe (Executive Director, Community and Environmental Services)**
Is this a key decision?	**No**

Executive Summary

Norfolk County Council promoted the implementation of a waiting restriction order on Beach Road, Winterton. This proposal is being delivered with response to requests from the Local Member and Parish Council.

Recommendations

1. It is recommended to implement the Norfolk County Council (Beach Road, Winterton) Waiting Restriction Order 2019 as advertised in order to provide improved access, as well as pedestrian and vehicular safety along Beach Road.

1. Background and Purpose

1.1 A number of issues have been reported with parking within Winterton-on-Sea along Beach Road, including concerns of ambulances unable to get past parked vehicles and difficulty for businesses and disabled users to get access to the Beach Road car park. The Local Member and the Parish Council are in support of the proposals as there is a problem with vehicles parking along Beach Road during the winter months.

Proposals are aimed at providing safe access for both pedestrians walking along Beach Road as well as other highway users in order to get access to the car park and in particular emergency vehicles, where parking prevents safe access.

Preliminary consultation letters were sent out to statutory bodies and frontages in August 2018.

After the noticing period was completed the proposed order was published in the Eastern Daily Press on 4th January 2019 with a closing date for objections of 29th January 2019. Notices were placed on site within the extents for the same period of time.

2. Proposals

2.1 The proposal seeks to implement a At Any time Waiting Restriction along Beach Road. Beach Road is very narrow, and it is the main access to the beach and car park and so the Local Member asked to implement an at any time restriction in order to stop parking in order to maintain vehicular access as well as pedestrian safety.

See Appendix A for design layout.

3. Impact of the Proposal

3.1. The proposal advertised received four letters of approval and two letters of objection. Comments are in section 4 below with Officer comments.

4 Evidence and Reasons for Decision

4.1 **Objection 1**

No, you should not ban parking on Beach Road. All it is doing is driving all the visiting cars to park around the village. You can't get into your own drive because of many many cars parked all down the road. And the way they park means you could not get an ambulance down to the residents houses either. Just lately the village has been a nightmare and if you ask people to move from across your drive, you just get a load of abuse.

Officer Comments:

Beach Road is the main/only street linking the beach with the village and so it is essential that we can keep this street clear as well as the route to the main car park. By stopping parking, it will not only help access, for the car park, but also for emergency vehicles which often struggle to get to the beach because of the amount of park cars. These new parking proposals will be the same as the parking arrangement for this location during the summer months. Other roads around the village will be monitored in response to this following the implementation of changes to the Beach Road, Traffic Regulation Order.

4.2 **Objection 2**

I know my views won't make a blind bit of difference but as a resident of Martham who visits Winterton regularly I would like to express my views. If you block off the parking at the road side then you need to consider other parking alternatives beyond the robbing car park. The side streets will become over run on already narrow roads. A lot of the time we visit there are few cars parked at the side and I don't feel they cause an issue.

Christmas day was heaving but the car park was only taking donations which wasn't too bad and the car park was almost full. If the locals aren't happy about the parking then they should really think about why they are driving and not walking the short distance!

Officer Comments:

Beach Road is the main/only street linking the beach with the village and so it is essential that we can keep this street clear as well as the route to the main car park. By stopping parking, it will not only help access, for the car park, but also for emergency vehicles which often struggle to get to the beach because of the amount of park cars. These new parking proposals will be the same as the parking arrangement for this location during the summer months. Other roads around the village will be monitored in response to this following the implementation of changes to the Beach Road, Traffic Regulation Order.

4.3 **Approval 1**

Although I / we live in Hockley near Southend-on-Sea Essex, my wife and I are very frequent visitors to Winterton and the surrounding villages, we always park in the car park provided adjacent to the Dunes Cafe, on numerous occasions it has been very difficult to exit the length of Beach rd as a result of the road being blocked by the indiscriminate parking of vehicles along the whole length of Beach rd, on many occasion I have witnessed 4x4 vehicles mounting the pedestrian footpath in order to pass by an oncoming vehicle, this as a result of the North side being used as a car park, I consider this an extremely hazardous situation especially as the South side of Beach rd which is the only safe pathway for the busy pedestrian route to and from the beach and facilities thereon.

I am also concerned about the access being made available at all times for the emergency services, should the need arise, I think that the provision for strict parking restrictions along the length of Beach Road is paramount for both the safety issues and the prevention of damage to the dunes that is obviously being affected by the increasing volume of vehicles being parked further onto the grass.

In welcoming any strict parking prohibition along the length of Beach Rd Winterton-on-Sea, I have to say I believe that if a debit / credit card payment system were to be put in place at the car park, much of the parking problem in Beach Rd would be alleviated, however I have to say that I would still be supportive of strict parking restrictions along the length of Beach Rd, supported by enforcement facilities as a matter of course.

4.4 **Approval 2**

It's so sad to see the road to dunes café winterton being used for parking instead of the carpark. I would love to see more enforcing of parking restrictions.

4.5 **Approval 3**

Police Department support the proposals for at any time restriction.

4.6 **Approval 4**

We have no problem with the parking restrictions.

5 Alternative Options

5.1 Not implementing the proposal as advertised would provide no improvement in road safety and pedestrian safety at Beach Road.

6 Financial Implications

6.1 Nil – Scheme is funded by the Local Member Budget in its entirety.

7 Resource Implications

7.1 **Staff:**

The scheme will be delivered under existing resources.

7.2 **Property:**

Nil

7.3 **IT:**

Nil

8 Other Implications

8.1 **Legal Implications**

nplaw have advised on the making of this traffic regulation order and have confirmed that actions taken to date have been compliant with the legislative requirements.

8.2 **Human Rights implications**

Nil

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

Norfolk County Council has a duty to pay due regard to equality when exercising its public functions. In making this TRO, we have considered the potential impact on local people, particularly disabled and older people and parents and carers of children, and others who may have particular needs when using the highways.

Public consultation on the TRO has taken place, to enable people to highlight any issues it is important for NCC to be aware of before a decision is made.

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

Nil

8.5 **Sustainability implications** (where appropriate)

Nil

8.6 **Any other implications**

N/A

9 Risk Implications/Assessment

9.1 Option 1 – would legally allow NCC to implement a Waiting Restriction, therefore successfully delivering the scheme as proposed by the Council with support from the Local Member and making the road safer.

The proposed scheme is an improvement to road safety and safety aspects.

9.2 Option 2 – would prevent a Waiting Restriction being put in place and offer no improvement in road safety and pedestrian safety.

10 Select Committee comments

10.1 **N/A**

11 Recommendation

11.1 It is recommended to implement the Norfolk County Council (Beach Road, Winterton) Waiting Restriction Order 2019 as advertised in order to provide improved access, as well as pedestrian and vehicular safety along Beach Road.

12 Background Papers

12.1 Appendix A - Advertised Plan

12.2 Appendix B- Advertised Order

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

Officer name:	**Sophie Craske**	**Tel No. :**	**01263 739041**
Email address:	**Sophie.craske@norfolk.gov.uk**		

IN TRAN communication for all

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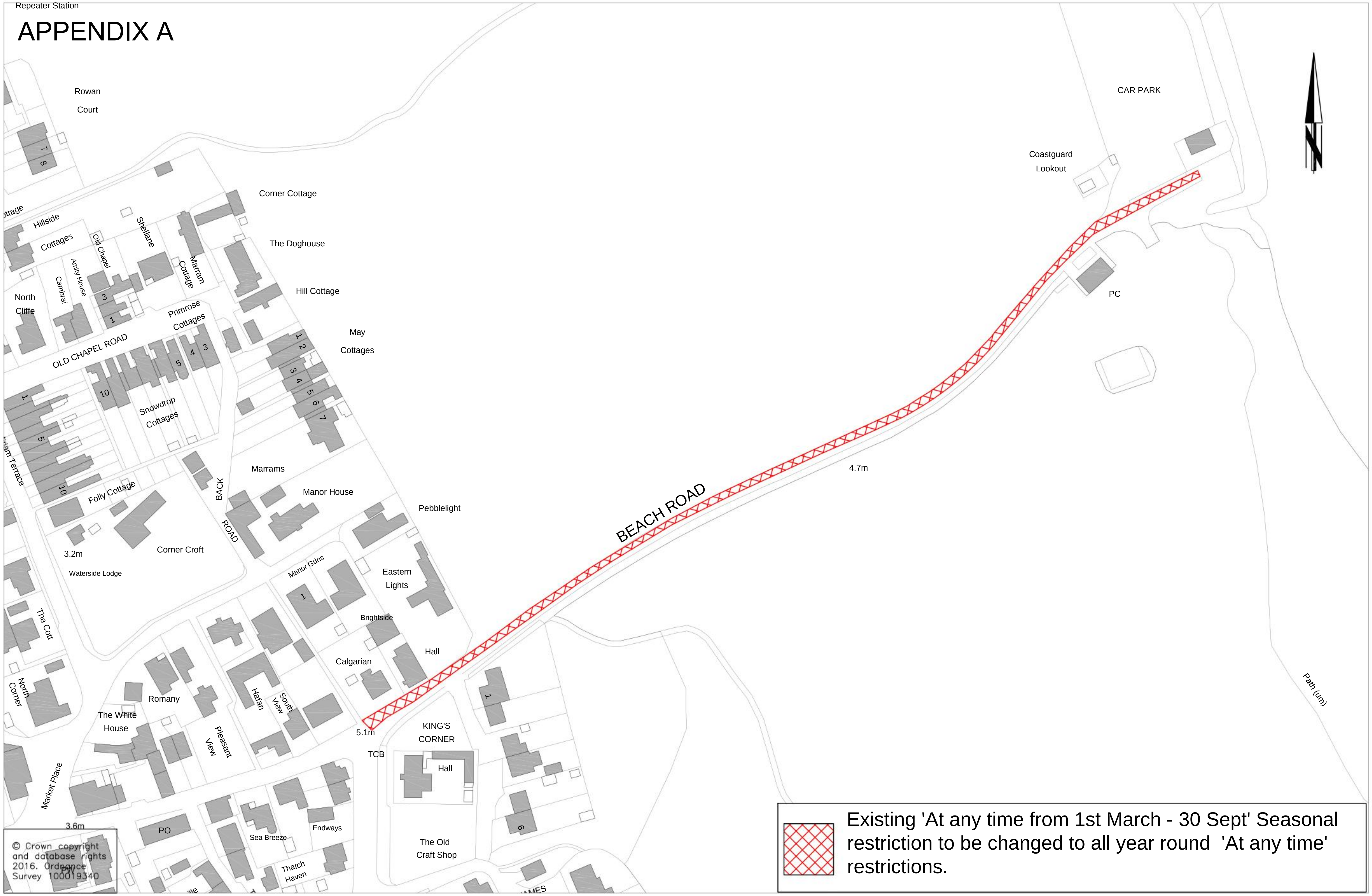
APPENDIX A



Norfolk County Council

Highway Maintenance
North Area Office
Burgh Road, Aylsham
NR11 6AR
www.norfolk.gov.uk/roads
highways@norfolk.gov.uk

DRAWING TITLE
PMA319 Beach Road
All Year Round (At any time) waiting restrictions
Traffic Regulation Order

REV.	DESCRIPTION	CHECKED	DATE

	INITIALS	DATE
SURVEYED BY	OS	09/18
DESIGNED BY	SMC	09/18
DRAWN BY	SMC	09/18
CHECKED BY	JW	09/18

DRAWING No. PMA319-LDN-1200-001
PROJECT TITLE PMA319 Beach Road Winterton TRO
SCALE 1:1250
FILE No. PMA319

ORIGINAL SIZE: A3

APPENDIX B

THE NORFOLK COUNTY COUNCIL
(WINTERTON-ON-SEA, BEACH ROAD)
(PROHIBITION OF WAITING) AMENDMENT ORDER 2019

The Norfolk County Council propose to make an Order under the Road Traffic Regulation Act 1984, the effect of which on vehicles will be to prohibit waiting at any time in the length of Beach Road as specified in the Schedule below.

The Norfolk County Council (Winterton, Various Roads) (Prohibition of Waiting) Order 2014 will be amended to remove that length of Beach Road from the seasonal restriction and include it in the Prohibition of Waiting at Any Time restriction.

A copy of the Order, a Statement of Reasons for making the Order, and a plan, may be inspected at Norfolk County Council, County Hall, Norwich, and at the offices of Great Yarmouth Borough Council, Town Hall, Hall Quay, Great Yarmouth during normal office hours.

Any objections and representations relating to the Order must be made in writing and must specify the grounds on which they are made. All correspondence for these proposals must be received at nplaw Norfolk County Council, County Hall, Martineau Lane, Norwich, NR1 2DH, marked for the attention of Mrs Simmons by 29th January 2019. They may also be emailed to trafficorders@norfolk.gov.uk.

The officer dealing with public enquiries concerning these proposals is Mrs Craske, telephone 01263 739041.

SCHEDULE
In the Parish of Winterton-on-Sea
Proposed Prohibition of Waiting - At Any Time

U69361 Beach Road North Side	-	From the midpoint of its junction with the U69362 King Street/King Corner eastwards to its easternmost end.

Dated this 4th day of January 2019

Abdus Choudhury
Practice Director

County Hall,
Martineau Lane,
Norwich. NR1 2DH

Note: Information you send to the Council will be used for any purpose connected with the making or confirming of this Order and will be held as long as reasonably necessary for those purposes. It may also be released to others in response to freedom of information requests.

HKS/59300WintertonPMA319Notice1)18

Norfolk County Council

Record of Individual Cabinet Member Decision

Responsible Cabinet Member: Councillor Martin Wilby (Cabinet Member for Highways, Infrastructure and Transport)	
Background and Purpose: The Department for Transport (DfT) has shortlisted Norwich as a city that is eligible to apply for capital funding from the Transforming Cities Fund (TCF). The County Council's successful application is based on a vision to "Invest in clean and shared transport, creating a healthy environment, increasing social mobility and boosting productivity through enhanced access to employment and learning." The TCF provides the opportunity to deliver a sustainable high-quality integrated transport network for the Greater Norwich area.	
Decision: **To approve the final detailed Strategic Outline Business Case (SOBC) submission to DfT.**	
Is it a key decision?	**No**
Is it subject to call in? **If Yes – Deadline for Call in**	**Yes** **Date:** 4pm, Monday 30 December 2019
Impact of the Decision: As detailed in attached report.	
Evidence and reason for the decision: As set out in the attached report.	
Alternative options considered and rejected: Alternative options include to not submit a bid, or to submit higher or lower programme options. As the bid has been developed with input from the DfT, neither of these alternative options are recommended.	
Financial, Resource or other implications considered: As set out in the attached report.	
Record of any conflict of interest: None.	
Background Documents: • November Cabinet report: Transforming Cities Funding Submission – (item 10, page 105)	

Date of Decision:	**25 November 2019**
Publication date of decision:	

Signed by Cabinet member:

I confirm that I have made the decision set out above, for the reasons also set out

Signed: M. J. Wilby

Print name: Cllr Martin Wilby

Date: 13/12/2019

Accompanying Documents:

- Individual Cabinet Member Decision Report
- Appendix A – Executive Summary

Once you have completed your internal department clearance process and obtained agreement of the Cabinet Member, send your completed decision notice together with the report and green form to committees@norfolk.gov.uk

Individual Cabinet Member Decision Report

Decision making report title:	**Norwich Transforming Cities Bid – Funding Submission**
Responsible Cabinet Member:	**Cllr Martin Wilby (Cabinet Member for Highways, Infrastructure and Transport)**
Responsible Director:	**Tom McCabe (Executive Director, Community and Environmental Services)**
Is this a key decision?	**No**

Recommendation:

- **To approve the finalised detailed Tranche 2 Strategic Outline Business Case (SOBC) submission to DfT.**

1. Background and Purpose

1.1. At its meeting of 4 November 2019, Cabinet RESOLVED to:

> “1. **Approve** the submission of the Strategic Outline Business Case (SOBC) based on the proposals outlined in the report.
> 2. **Delegate** sign-off of the detailed submission to the Cabinet Member for Highways, Infrastructure & Transport.”

1.2. This note seeks authorisation to submit the final detailed submission of the Tranche 2 SOBC to DfT. The deadline for the submission is 28 November 2019. The funding announcement, and acceptance of the SOBC will be made by DfT by the end of the 2019/20 financial year.

1.3. A copy of the detailed submission is provided at Appendix A, which is the executive summary that supports the full business case submission documents.

1.4. The Department for Transport (DfT) has shortlisted Norwich as a city that is eligible to apply for capital funding from the Transforming Cities Fund (TCF). The County Council’s successful application is based on a vision to “Invest in clean and shared transport, creating a healthy environment, increasing social mobility and boosting productivity through enhanced access to employment and learning".

1.5. Congestion across Greater Norwich contributes to poor air quality and the city centre is designated as an Air Quality Management Area. Buses have insufficient priority on main corridors and congestion means that the bus network is not operating at optimal efficiency.

1.6. The TCF is intended to encourage an increase in journeys made by low carbon, sustainable modes of transport, with a significant focus on public transport, cycling and walking. Additionally, the TCF aims to support wider cross-cutting priorities such as:

- Improving access to employment and delivering growth
- Encouraging the use of new mobility systems and technology
- Tackling air pollution and reducing carbon emissions
- Delivering more homes
- Delivering apprenticeships and improving skills

2. Proposals

2.1. The Department for Transport (DfT) has shortlisted Norwich as a city that is eligible to apply for capital funding from the Transforming Cities Fund (TCF). The County Council's successful application is based on a vision to "Invest in clean and shared transport, creating a healthy environment, increasing social mobility and boosting productivity through enhanced access to employment and learning." The TCF provides the opportunity to deliver a sustainable high-quality integrated transport network for the Greater Norwich area.

2.2. A number of key deliverables were outlined in our original application and these remain valid as we have developed our programme. A summary of these is outlined below:

- Improvements along three principal transport corridors; Airport to Broadland Business Park; Wymondham to Sprowston; and Easton to Rackheath
- Quicker journeys by cleaner vehicles serving the Norwich Research Park, University of East Anglia and the hospital, making use of a route crossing the River Yare
- More frequent bus services that are better co-ordinated between operators, with more evening services

- Improvements to public transport ticketing
- Improvements to walking and cycling networks to support the delivery of enhanced public transport
- Improvements to public transport, walking, cycling and general highway capacity in the Longwater area
- More direct and quicker public transport routes to and from the Broadland Growth Triangle, the UK's largest urban extension
- Provision of much needed additional bus stop capacity in the city centre, better connecting the train and bus stations and providing extra inner ring road junction capacity
- Delivering fully accessible transport hubs that provide a range of facilities and multi-modal transport options.

3 Impact of the Proposal

3.1. The SOBC is being submitted at a programme level and is not based around a single individual scheme. Different 'case' documents are required to be submitted to DfT, which makes up the contents of the business case. A summary of the contents of each of these is outlined below:

Strategic	Outlines how the programme meets the core policy objectives of the fund for the low, medium and high funding scenarios.
Economic	An appraisal of the economic impacts of the programme, such as user benefits, but also including the wider impacts e.g. increasing access to employment through greater connectivity.
Commercial	A description of the level of market engagement and procurement strategy for the programme.
Financial	Evidence on the financial sustainability, project costs and affordability. This should include a funding profile, broken down by the total scheme cost, fund contribution, total public-sector contribution and/or private sector contribution.
Management	Overarching deliver plan and implementation strategy with clear timetable or delivery.

4. Evidence and Reasons for Decision

4.1. Key benefits are highlighted as:

- Our ‘low’ bid has a public transport cost benefit ratio of 4.26 (ie High value for money)
- It is expected that there will be 4,000 additional bus trips per day
- The number of people using P&R in Norwich will increase by up to 20%
- 7.2 miles of new cycle lanes will be added
- Greenhouse gas emissions will be reduced by around 1,600 tonnes of carbon dioxide
- More than 100 additional Car Club vehicles will be available

The overall value of our programme to the Norfolk economy is £108m per annum.

4.2. Appendix A summarises the details included within the more detailed SOBC submission.

5. Alternative Options

5.1. Alternative options include to not submit a bid, or to submit higher or lower programme options. As the bid has been developed with input from the DfT, neither of these alternative options are recommended.

6. Financial Implications

6.1 At this current stage of preparing our programme, we are proposing the funding programme as outlined in the November Cabinet Report Section 6.

7. Resource Implications

7.1 It is hoped that DfT will confirm funding before the end of March 2020. This will trigger significant work to deliver a challenging programme of projects within the following three financial years. Resource planning and project development is already underway.

8. Other Implications

8.1. **Legal Implications**

None

8.2. **Human Rights implications**

None

8.3. **Equality Impact Assessment (EqIA) (this <u>must</u> be included)**

An Equality Impact Assessment has been carried out for our programme. Should our funding application be successful, assessments will also be carried out as part of the development of individual schemes.

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

N/A

8.5. **Sustainability implications** (where appropriate)
The objectives of the business case are specifically targeted at improving the impact transport has on carbon emissions, air quality and public health.

9. Risk Implications/Assessment

9.1. It is unclear how much funding will be provided by DfT towards the SOBC packages proposed - there are three packages, Low, Medium and High. Based on feedback already provided by DfT to the draft SOBC's submitted by all of the Transforming Cities, it is considered highly unlikely that the 'High' package will be successful. However, there is strong hope that the Low or Medium range packages, which are still major investments in Norwich for the next three years, will be successful. We have already received good financial support for our Tranche 1 package (with £6.1m contribution from DfT for works being delivered in 2019/20).

9.2. Timescales will be very tight in order to deliver all of the projects. This will be dependent also on DfT making its funding announcements on or before the end of March 2020. Project teams are already being assembled to ensure we have sufficient resource to deliver the programme of work. Consideration is also being given to the locations and timing of the works on the ground to ensure we minimise disruption in the City during the delivery phase.

9.3. At the time of submitting the SOBC a General Election is awaited on 12 December 2019. The outcome of the election could result in a change of government direction on the Transforming Cities funding, or a delay to any announcements (possibly due to a spending review process). There is therefore uncertainty related to this, but it is important to continue with the process with DfT meeting the original timescales to ensure our funding bid is considered and is able to be delivered should the new government continue the funding as planned.

11. Recommendations

11.1 To approve the finalised detailed SOBC submission to DfT.

12. Background Papers

12.1. November Cabinet report: Transforming Cities Funding Submission – (item 10, page 105)

Officer Contact

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

Officer name:	**David Allfrey**	**Tel No.:**	**01603 223292**
Email address:	**david.allfrey@norfolk.gov.uk**		

IN TRAN communication for all

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Appendix A

Norwich

Transforming Cities Fund

Strategic Outline Business Case
Executive Summary

INDUSTRIAL STRATEGY
TRANSFORMING CITIES FUND

Transport for Norwich

Norfolk County Council

1. Introduction

Welcome to our 'Transforming Norwich' programme, which sets out our vision to "invest in clean and shared transport, creating a healthy environment, increasing social mobility and boosting productivity through enhanced access to employment and learning".

The Transforming Cities Fund presents an opportunity to invest in transport in this region at a critical time for facilitating growth and increasing productivity, whilst at the same time tackling congestion, carbon emissions and poor air quality. Norwich is identified as a priority place in the East of England for economic development but we recognise that, as the area grows, travel patterns become more dispersed and new developments harder to connect.

Our Transforming Norwich programme is the first stage in implementing a much longer-term transport strategy and provides the first decisive step as we move towards a cleaner, more sustainable transport network within the city region.

Our new Environmental Policy seeks to achieve carbon neutrality by 2030 and is an additional driver for major change.

We have developed our programme in partnership with colleagues at Norwich, Broadland and South Norfolk Councils and have strong support from a wide range of stakeholders. The substantial investment by transport operators highlights the strength of our proposals and we are ready to hit the ground running, delivering essential infrastructure from the outset of the funding period.

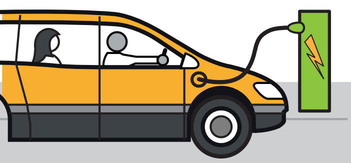
Yours sincerely

ANDREW PROCTOR
Leader,
Norfolk County Council

ALAN WATERS
Leader,
Norwich City Council

SHAUN VINCENT
Leader,
Broadland District Council

JOHN FULLER
Leader,
South Norfolk Council



2. The Need for Improvement

Norwich is the heart of our regional economy with a workday population of 280,000, is part of the Fast Growth Cities network (Cambridge, Milton Keynes, Oxford, Swindon) and is identified as a priority place in the East of England for economic development.

However, as Norwich grows, a key challenge is unlocking employment opportunities and productivity as travel patterns become more dispersed and new developments harder to connect.

The most pressing transport challenges we face are:

- Congestion on corridors and in the city centre means bus operators are currently investing to stand still because extra buses simply maintain rather than boost services.
- Buses have insufficient priority on main corridors and there is the local perception as buses being slow, unreliable and expensive.
- Although bus patronage is growing it will plateau without significant investment by bus companies, which is dependent on rigorous application of bus priority, including separate space for cycling and the creation of mobility hubs as the places where people can access shared transport services.
- Congestion and a reliance on fossil fuels causes poor air quality, with the city centre an Air Quality Management Area.
- Key employment centres (such as the Airport Industrial Estate, the Enterprise Zone at Norwich Research Park and Broadland Business Park) and residential areas in the Greater Norwich Region, are not well connected by bus and rail services.
- Norwich is a social mobility 'coldspot', where it is hard for people from deprived neighbourhoods to access employment and training. Better accessibility to key employment centres and training is essential to harness people's talent as part of extending the labour market available to businesses to unlock economic growth potential.
- In the morning peak, 85% of vehicles on the main radial roads are single occupancy. This use of the highway network is inefficient and delays the movement of goods and people in and around the city.

We are confident that the case for investment in Norwich is strong. Our Transport for Norwich team has an excellent record of successfully implementing large transport programmes and we are ready to start delivering essential infrastructure within Year 1 of the programme, accelerating this throughout the duration of the programme.

3. The Opportunity

Our ‘Transforming Norwich’ programme is the first stage in implementing a much longer-term Transport for Norwich strategy. The delivery themes and guiding principles of the strategy underpin the programme. ‘Transforming Norwich’ will provide the first decisive step as we move towards a cleaner, more sustainable transport network within the city region.

The Transforming Cities Funding opportunity has arrived at a critical time in the development of the city region and will enable us to give residents, businesses and visitors compelling reasons to use reliable, clean, shared transport. Without it, growth will be stifled or be at the expense of the social and environmental health of the city. The Norwich Research Park illustrates this very well as recent studies have shown that at the current rate of development of the Park, the surrounding transport network will saturate within two years, restricting the Park’s ability to generate jobs unless we make major investment in sustainable transport.

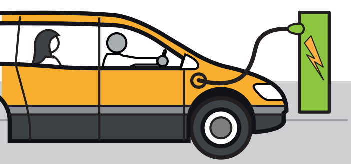
Facilitating a shift from single-occupancy car use to a more efficient use of our wider, multi-modal transport network within the city region is at the heart of our ‘Transforming Norwich’ programme and is a key component of our emerging Transport for Norwich strategy. Providing better cycling and walking infrastructure, in parallel with investment in public transport and the delivery of a sustained and co-ordinated behaviour change programme, will enable us to extend the multiple benefits associated with more active travel that we have seen though the recent Cycle City Ambition Grant and Access Fund programmes.

We will ensure that streets are redesigned so they are safe and enjoyment environments for the movement of people and the benefit of the local economy.

We have embraced the government’s core Transforming Cities objective to reduce carbon emissions and the supporting objective to improve air quality. These are key themes of the ‘Transforming Norwich’ programme that depend on making shared and clean transport options more competitive and the mode of choice. Government support is vital to help us achieve our target of Net Zero Carbon emissions by 2030.

Transport is pushing at the technological frontier and as new technologies emerge, it is critical that we embrace this and are open to their adoption in Norwich. Our ‘Transforming Norwich’ and Future Mobility Zone programmes are complementary and embody a strong public sector-led approach that harnesses the potential of technology in terms of achieving the goals of economic prosperity, wellbeing, social equity and environmental sustainability.

Concept diagram



4. Our Solution

Our 'Transforming Norwich' programme recognises that shaping a future of clean and shared mobility requires large, sustained and targeted investment in buses, cycling and walking to make them more competitive than single-occupancy vehicle use in terms of time, cost and convenience.

Our programme will invest in six clean transport priority corridors, in addition to the city centre, that will deliver the maximum impact in terms of:

- improving people's productivity and social mobility by unlocking access to employment and education opportunities across the city region;
- increasing the efficiency of travel and transport and improve the impact transport has on carbon emissions, air quality and public health;
- using emerging technology to prepare the city region for a future of shared and clean mobility.

Our vision is *"to invest in clean and shared transport, creating a healthy environment, increasing social mobility and boosting productivity through enhanced access to employment and learning".*

We will make this happen through three linked approaches that we have tested through an Equality Impact Appraisal produced in association with fifteen diverse community groups across the city:

- Transforming the bus network;
- Transforming the city centre;
- Transforming the passenger experience.

Transforming the bus network

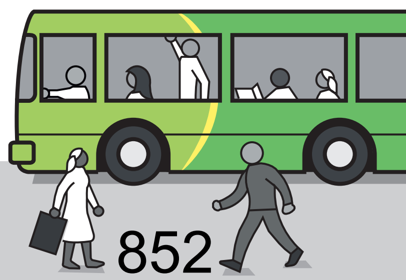
A co-ordinated package of work will target bus priority measures at locations in the city centre and on six transport corridors that link the edge to the centre of the city where the impact of these measures will have the greatest impact. This will decisively reduce journey times and improve journey reliability for passengers travelling between Park & Ride sites, neighbourhood centres, education sites and employment clusters. Bus operators are committed to taking advantage of more efficient use of their fleet to introduce new low emission buses, increased frequencies and more services at evenings and weekends, in addition to improvements in ticketing.

Transforming the city centre

Our transport corridors all link through the city centre, which is the top retail centre in the East of England, as well as hosting a large number of financial and creative / media businesses, Norwich University of the Arts and City College, the largest further education institution in Norfolk. Norwich is doing well by comparison with many other UK cities thanks to its large catchment population, historical, cultural and commercial assets and we have bolstered this success as a visitor destination and shopping centre though investing in quality public realm and easing movement around the city. Our 'Transforming Norwich' programme builds on this stable foundation by enabling the city centre to accommodate a more efficient bus network, as well as increasing numbers of people using shared and active travel modes. The heart of the city centre and how this interacts with transport infrastructure will be transformed in its look and feel, creating an environment that is clean, welcoming and accessible for all.

Transforming the passenger experience

Central to the passenger experience is ease of access and smooth interchange between transport modes. Users need confidence that there are key places within the city where they can access shared mobility services – buses, trains, car club vehicles and hire bikes. We will create these places and call them mobility hubs. We will make it convenient for people to reach these places on foot and by bicycle and hubs will be well-designed so that people feel comfortable, secure and well informed whilst waiting for services to arrive or navigating between them. Buses will be able to pull up alongside the kerb in the right place and at the right angle so passengers with limited mobility can board and alight easily. Put simply, the experience of travelling around our network will be transformed.



5. What we will achieve

Statement

Our programmes for Public Transport and Walking / Cycling improvement are rated as “high” Value for Money. Every pound we invest will give the following productivity benefits

	Bus	Walk/cycle
Low	£4.26	£2.63
Medium	£3.02	£2.66
High	£2.93	£2.39

The **number of people using buses** in Greater Norwich will **increase by 6%,** accounting for 4,000 additional bus trips each day.

Investment in the Airport to City Centre corridor will **benefit 12,300** residents who live in the most and second most deprived quintile of the UK, by giving them better access to employment and training

Investment in the City Centre will **benefit 9,596 residents** living in the most and second most deprived quintiles in the UK, of which 20% come from BAME backgrounds, by giving them better access to employment and training

Investment in the Easton to City Centre corridor **will benefit 9,157 residents** living in the most deprived quintile in the UK, by giving them better access to employment and training

A quarter of existing bus passengers on the TCF corridors will see their average travel time reduce by between 2 and 5 minutes

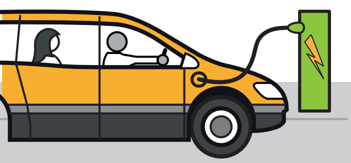
60 bus stops will be **upgraded** across Greater Norwich with a further **24 new bus stops** being installed as part of the Mobility Hubs

The number of **people using Park and Ride** in Norwich will **increase by up to 20%**

6.6 miles of new **bus lanes are added**

7.2 miles of **new cycle lanes** are added of which **4.4 miles** will be **new segregated cycle lanes**

99 junctions benefit from enhanced levels of traffic light **priority for buses**



The number of **people walking** on a regular basis in Greater Norwich will **increase** by **18%**. This will increase the modal share of people walking from 15.5% to 18.3%.

33 mobility hubs will be provided, bringing benefits of improved walking and cycling access to shared mobility services to **52,786** people living within 400m of the improvement corridors

25

More than 100 additional Car Club vehicles will be available in Greater Norwich

Air pollution (nitrogen dioxide) in Castle Meadow will be **reduced** by 15%

Air pollution (nitrogen dioxide) at Norwich Station, will be **reduced** by 18%

Air pollution (nitrogen dioxide) on Chapel Field Road will be **reduced** by 16%

Greenhouse gas emissions will be **reduced** by around **1,600 tonnes** of carbon dioxide equivalent annually within the City region

Greenhouse gas emissions by Park and Ride buses **will be reduced by 64%** (the remaining 36% is due to electricity production elsewhere in the UK, and is expected to decrease as generation becomes more efficient and carbon neutral)

The number of people along our key corridors able to access the city centre within 30 minutes by bus **will increase by 1,500** by 2023.

£108m

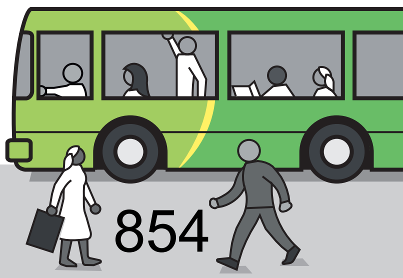
The **overall value** of our programme to the Norfolk economy is **£108m per annum.**

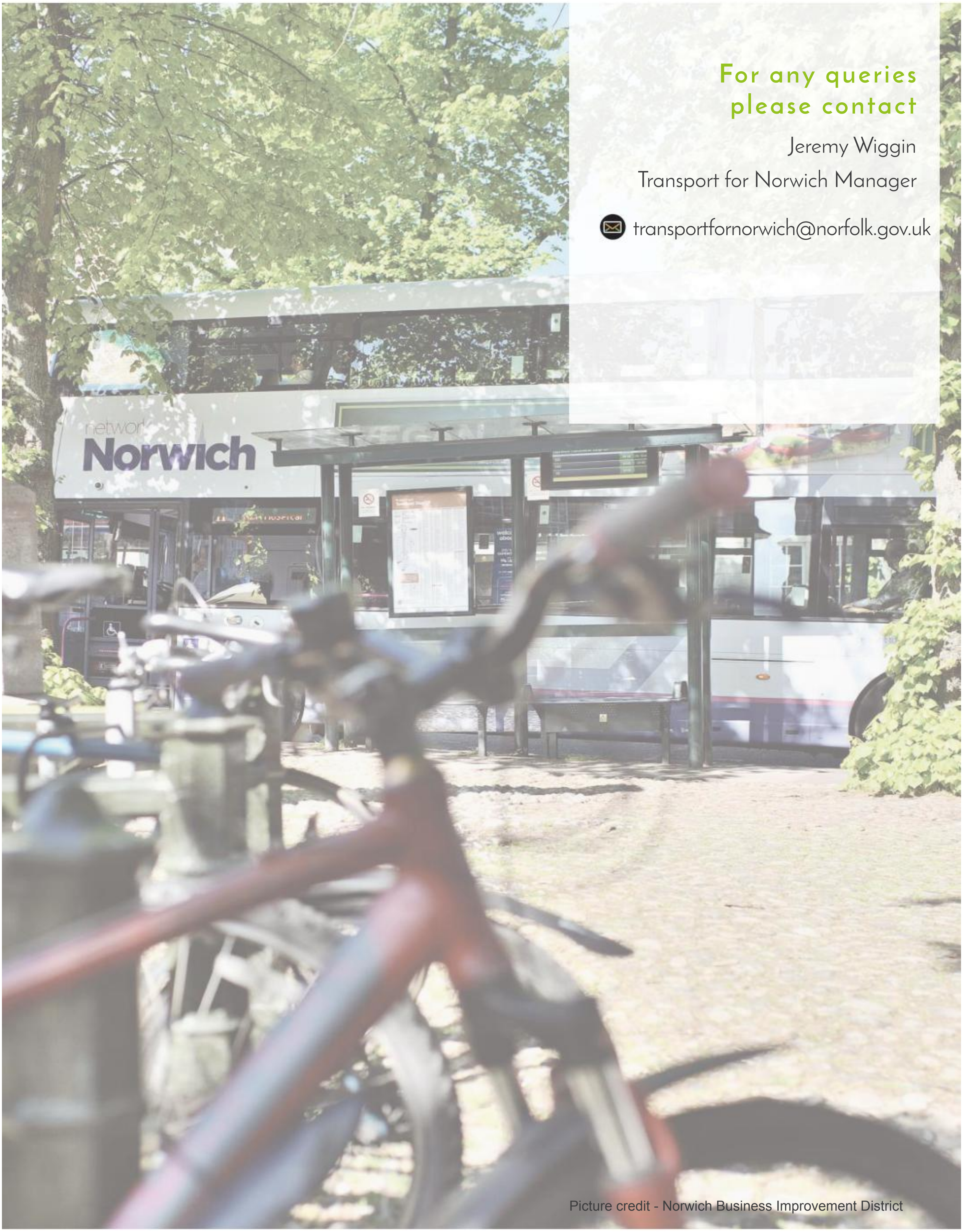
We will **remove 3,900 single ccupancy vehicles from our network** in the AM peak period

57,000 sqm of public realm will be **improved in the city centre**

Access by clean sustainable transport modes will be improved to 14 learning and education sites, 16 historic open spaces, 6 galleries, 22 especially significant listed buildings, 15 conservation areas, 16 performance venues, 4 museums, and 8 sporting venues.

Note - Figures provided are for our Medium Case delivery programme, and are estimated from our current modelling





For any queries please contact

Jeremy Wiggin

Transport for Norwich Manager

transportfornorwich@norfolk.gov.uk

Picture credit - Norwich Business Improvement District

INDUSTRIAL STRATEGY
TRANSFORMING CITIES FUND

Transport for Norwich

Norfolk County Council

Norfolk County Council

Record of Individual Cabinet Member Decision

Responsible Cabinet Member: Councillor Martin Wilby (Cabinet Member for Highways, Infrastructure and Transport)	
Background and Purpose: A number of issues have been reported with parking within Cromer along The Gangway, including concerns of ambulances unable to get past parked vehicles and difficulty for businesses and disabled users to get access to the esplanade and pier. The Local Member and the Town Council believe there is a problem with vehicles parking along the Gangway all year round. Proposals are aimed at providing safe access for Residents and other highway users, in particular emergency vehicles where parking prevents safe access. Preliminary consultation letters were sent out to statutory bodies and frontages in August 2018 After the noticing period was completed the proposed order was published in the Eastern Daily Press on 4th January 2019 with a closing date for objections of 29th January 2019. Notices were placed on site within the extents for the same period of time.	
Decision: To implement the proposal as advertised as shown on drawing PMA239-LDN-TRO-001 attached in Appendix **A**.	
Is it a key decision?	**No**
Is it subject to call in? **If Yes – Deadline for Call in**	**Yes** **Date:** *4pm Thursday 9 January 2020*
Impact of the Decision: It would legally allow NCC to implement a clearway order, therefore successfully delivering the proposed scheme and making the road safer for access purposes to the promenade and for pedestrians	
Evidence and reason for the decision: There have been a number of times where emergency vehicles have been unable to get down to the beach front because of the number of cars parked	

along the gangway, so therefore for safety reason this decision has been made
Alternative options considered and rejected: None within current funding constraints. The above proposal is seen as the best solution. Doing nothing would not improve road safety for all the road users.
Financial, Resource or other implications considered: The scheme will be funded from the local members fund budget and delivered using existing resources within the Council.
Record of any conflict of interest: None
Background Documents: • Appendix A- Plan • Appendix B -Order and Schedule

Date of Decision:	**03/12/2019**
Publication date of decision:	2 January 2020

Signed by Cabinet member: I confirm that I have made the decision set out above, for the reasons also set out **Signed:** M. J. Wilby **Print name: Cllr Martin Wilby** **Date: 03/12/2019**
Accompanying Documents: • **The Report** - The Norfolk County Council (Cromer, The Gangway) Clearway Order • **Appendix A** • **Appendix B**

Once you have completed your internal department clearance process and obtained agreement of the Cabinet Member, send your completed decision notice together with the report and green form to committees@norfolk.gov.uk

Individual Cabinet Member Decision Report

Report title:	**Norfolk County Council (Cromer, The Gangway) Clearway Order**
Responsible Cabinet Member:	**Councillor Martin Wilby (Cabinet Member for Highways, Infrastructure and Transport)**
Responsible Director:	**Tom McCabe (Executive Director, Community and Environmental Services)**
Is this a key decision?	**No**

Executive Summary

Norfolk County Council promoted the implementation of a clearway order on The Gangway Cromer. This proposal is being delivered with response to requests from the Local Member, Town Council and District Council.

Recommendations

1. To implement the clearway restrictions as advertised in order to provide improved access, as well as to improve pedestrian and vehicular safety.

1. Background and Purpose

1.1 A number of issues have been reported with parking within Cromer along The Gangway, including concerns of ambulances unable to get past parked vehicles and difficulty for businesses and disabled users to get access to the esplanade and pier. The Local Member and the Town Council believe there is a problem with vehicles parking along the Gangway all year round.

Proposals are aimed at providing safe access for Residents and other highway users, in particular emergency vehicles where parking prevents safe access.

Preliminary consultation letters were sent out to statutory bodies and frontages in August 2018.

After the noticing period was completed the proposed order was published in the Eastern Daily Press on 4th January 2019 with a closing date for objections of 29th January 2019. Notices were placed on site within the extents for the same period of time.

2. Proposals

2.1 The proposal seeks to implement a clearway order which will include signage to Show the area restricted by the clearway order. The Gangway is relatively narrow and one of the main accesses to the pier and promenade and so the Local Member, Town Council and District Council asked to stop all parking in order to maintain this as well as pedestrian safety.

See Appendix A for design layout.

3. Impact of the Proposal

3.1. The proposal advertised received one letter of approval and three letters of objection. Comments are in section 4 below with Officer comments.

4 Evidence and Reasons for Decision

During the advertisement of the Order three objections were received which are summarised below together with the response from the officer.

4.1 **Objection 1**
As someone who lives close to the gangway and who has very limited options as a central Cromer resident to park my car less than a 10-minute walk from where I live, this is upsetting, as I am sure it is to many of my neighbours. I want to register my objection to this proposal, even though I expect it will make little difference to the outcome.

Officer Comments:
The Gangway is located in a central location which has a high level of pedestrians and so it is not safe to have so many cars parked down the gangway. All the parked cars cause issues for emergency vehicles which need to get access to the Esplanade, pier, and Beach. There are a number of roads close by to Church Street which have no parking restrictions on and so it is considered that there enough alternative parking within close proximity.

4.2 **Objection 2**
Residents would be isolated with wholly inadequate alternatives to parking, we request residents and businesses are given permits, *No issue with access on a daily basis as delivery lorries and refuse use the access on the west promenade. *Appears to conflict with local councils request last year to increase parking in North lodge park, which is within 200 metres of proposed restrictions. Why did the consultation last year cover commercial properties and not residential.

Officer Comments:
There are a number of roads within close proximity to The Gangway where residents can park as an alternative to the gangway, there is only space for around 10 cars so very limited parking anyway it would not be possible to therefore issue permits to everyone who live/own business within the area. All the parked cars cause issues for emergency vehicles which need to get access to the Esplanade, pier, and Beach. It is standard practice to start an initial consultation, contacting the businesses who are directly affected by the proposals. Many who had responded and indicated their approvals for the proposals.

4.3 **Objection 3**
1. Residents would be isolated with wholly inadequate alternatives to parking, there is already a serious lack of residents parking removing a further 7 spaces would make this even worse.
2. I request residents and businesses are given permits.

3. There are no issue with access on a daily basis as delivery lorries and refuse can use the access on the West Promenade.
4. Appears to conflict with local councils request last year to increase paid parking in North lodge park, which is within 200 metres of proposed restrictions.
5 Why was a consultation letter sent out to local businesses last year but not sent to residents.
6. Why was the planning notice posted, on The Gangway on January 4th a period when most residents or owners of properties on or near the Gangway wouldn't be present? I know most of my immediate neighbours are unaware of the proposed restrictions. This could have been avoided with a letter to local residents.
7. Why was the planning notice posted on the lamp posts on the opposite side of Gangway, this makes it harder for drivers that use the Gangway for parking to see the notice, If I was advertising an event I would post where my advert would be most visible... this doesn't appear to be the case here.
8. How will parking restrictions be enforced? I am guessing as the Gangway is listed? So there will be no double yellow lines. Large no parking signs will be ugly and not in keeping with its listed status. I assume there will be small no parking signs that a visitor may miss.
9. No cars on the Gangway would in my opinion increase traffic as it would then become the go to place to drop people off for the beach, so in the height of summer you have many more cars arriving, dropping people off etc. Surely this constant coming and going of cars would be more dangerous than the parked cars that would be there for the majority of the day.
10. I have lived on the Gangway for two years and have in that time only seen two incidents where access vehicle was restricted on both occasions this was caused by large works vehicles parked on The Gangway after temporary parking restrictions were put in place. (Once for works in North Lodge Park, the other BBC Antiques Roadshow). With the restrictions in place, would this then become the obvious place to park large service/works vehicles?

Officers Comments
There are a number of roads within close proximity to The Gangway where residents can park as an alternative. There is only space for around 10 cars so very limited parking. It would not be possible to therefore issue permits to everyone who live/own businesses within the area. All the parked cars cause issues for emergency vehicles which need to get access to the esplanade, pier, and beach. It is standard practice to start an initial consultation, contacting the businesses who are directly affected by the proposals. Many who had responded and indicated their approvals for the proposals. The date that the notice was posted on site was specified by nplaw, for when they were able to advertise the orders. Notices were posted on both sides of The Gangway, this is because the clearway would cover the whole of the width of the road not just the side the cars park on. A clearway order means that there is not a necessity to have any line marking on site, there will be small clearway order signs, posted on each on both sides of the road in multiple locations along the length of the carriageway. For the amount of cars which currently are able to park on The Gangway it is not anticipated that by the addition of the clearway order there will be a substantial increase to the number of people dropping off to get to the beach. Those that do will be able to turn around and leave much easier without the addition of parked cars on one side of The Gangway and so increasing the width available for turning. The clearway order will stop anyone

from parking/stopping along the length of the road, and so the clearway order will also stop the issue of large service vehicles parking too.

4. Alternative Options

4.1. Not implement the proposal as advertised this would provide no improvement in road safety and pedestrian safety at The Gangway.

5. Financial Implications

5.1. Nil – Scheme is funded by the Local Member Budget in its entirety.

6. Resource Implications

6.1. **Staff:**

The scheme will be delivered under existing resources.

6.2. **Property:**

Nil

6.3. **IT:**

Nil

7. Other Implications

7.1. **Legal Implications**

nplaw have advised on the making of this traffic regulation order and have confirmed that actions taken to date have been compliant with the legislative requirements.

7.2. **Human Rights implications**

Nil

7.3. **Equality Impact Assessment (EqIA) (this <u>must</u> be included)**

Norfolk County Council has a duty to pay due regard to equality when exercising its public functions. In making this TRO, we have considered the potential impact on local people, particularly disabled and older people and parents and carers of children, and others who may have particular needs when using the highways.

Public consultation on the TRO has taken place, to enable people to highlight any issues it is important for NCC to be aware of before a decision is made.

7.4. **Health and Safety implications**

Nil

7.5. **Sustainability implications**

Nil

7.6. **Any other implications**

N/A

8. Risk Implications/Assessment

9.1 Option 1- would legally allow NCC to implement a clearway order, therefore successfully delivering the scheme as proposed by the council with support from the Local Member, and Town Council and making the road safer. The proposed scheme is an improvement to road safety and safety aspects.

9.2 Option 2 would prevent a clearway order being implemented and offer no improvement in road safety and pedestrian safety.

9. Select Committee comments

9.1. N/A

10. Recommendation

10.1. To implement the clearway restrictions as advertised in order to provide improved access, as well as to improve pedestrian and vehicular safety.

11. Background Papers

11.1 Appendix A - Advertised Plan

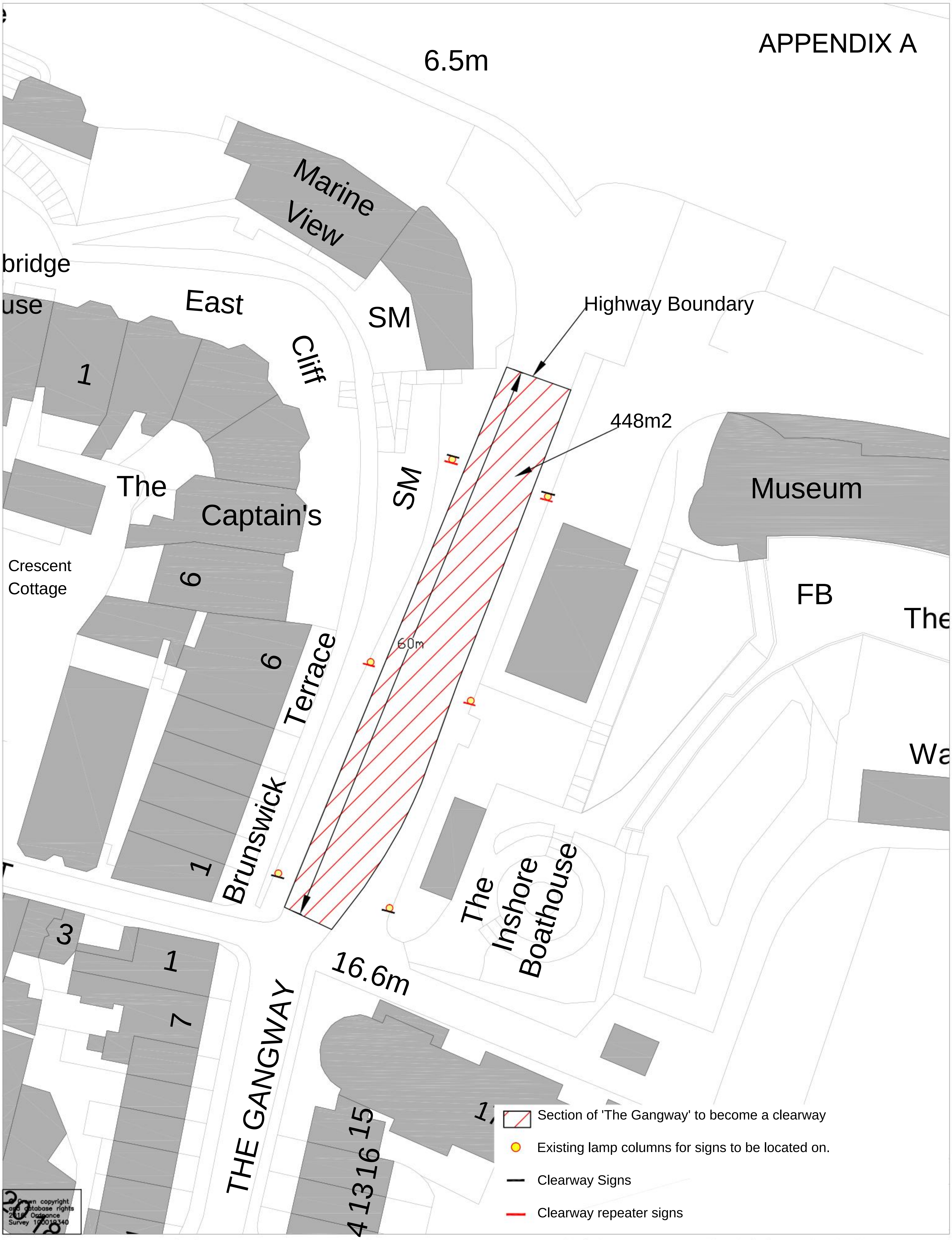
11.2 Appendix B – Advertised Order

Officer Contact

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

Officer name: **Sophie Craske** **Tel No. :** **01263 739041**

Email address: **Sophie.craske@norfolk.gov.uk**



Norfolk County Council

Highway Maintenance
North Area Office
Burgh Road, Aylsham
NR11 6AR
www.norfolk.gov.uk/roads
highways@norfolk.gov.uk

DRAWING TITLE
The Gangway, Cromer
Clearway Order.

REV.	DESCRIPTION	CHECKED	DATE

	INITIALS	DATE
SURVEYED BY	OS	-
DESIGNED BY	SMC	07/18
DRAWN BY	SMC	07/18
CHECKED BY	CA	07/18

DRAWING No. PLA293-LDN-TRO-001
PROJECT TITLE The Gangway, Cromer Clearway Regulation Order Proposals
SCALE 1:250
FILE No. PLA293

ORIGINAL SIZE: A3

APPENDIX B

THE NORFOLK COUNTY COUNCIL
(CROMER, THE GANGWAY) (CLEARWAY) ORDER 2019

The Norfolk County Council propose to make an Order under the Road Traffic Regulation Act 1984, the effect of which will be to prohibit vehicles from waiting on the carriageway or verge of the length of road specified in the Schedule below at any time.

Any objections and representations relating to the Order must be made in writing and must specify the grounds on which they are made. All correspondence for these proposals must be received at the office of nplaw, Norfolk County Council, County Hall, Martineau Lane, Norwich, NR1 2DH, marked for the attention of Mrs Simmons by 29th January 2019. They may also be emailed to trafficorders@norfolk.gov.uk.

A copy of the Order and associated plan together with a statement of the Council's reasons for making the Order may be inspected at Norfolk County Council, County Hall, Norwich, Norfolk, NR1 2DH and at the offices of North Norfolk District Council, Council Offices, Holt Road, Cromer, Norfolk, NR27 9EN during normal office hours.

The officer dealing with public enquiries concerning these proposals is Mrs Craske, telephone 01263 739041.

SCHEDULE
In the Town of Cromer

Clearway Restriction

U10223 The Gangway	-	From the highway boundary line where The Gangway meets the esplanade southwards for a distance of 60 metres.

DATED this 4th day of January 2019

Abdus Choudhury
Practice Director

County Hall
Martineau Lane
Norwich NR1 2DH

Note: Information you send to the Council will be used for any purpose connected with the making or confirming of this Order and will be held as long as reasonably necessary for those purposes. It may also be released to others in response to freedom of information requests.

HKS/59298(CromerPLA293Clearway1stNotice)18

Norfolk County Council

Record of Individual Cabinet Member Decision

Responsible Cabinet Member: Councillor Greg Peck (Cabinet Member for Commercial Services and Asset Management)	
Background and Purpose: Proposed sale of freehold land to support economic development and generate a capital receipt, whilst enhancing the value of NCC's adjacent land.	
Decision: **To:** **1. Approve the proposed sale 2.49 hectares (6.143 acres) of land to Eastern Attachments Ltd, subject to NCC separately approving capital funding for the site infrastructure works.** **2. Approve the proposed transfer of (0.67 hectares (1.649 acres) of land to a new estate management company for the purpose of holding and administering site infrastructure.**	
Is it a key decision?	**No**
Is it subject to call in? **If Yes – Deadline for Call in**	**YES** **Date:** 4pm Friday 10 January 2020
Impact of the Decision: Capital receipt from freehold property sale and commitment to fund site infrastructure	
Evidence and reason for the decision: As set out in the attached report, proposal generates a capital receipt for NCC whilst committing to make a capital contribution to the provision of site infrastructure that will increase the value of a Council asset and provide a beneficial financial return for NCC.	
Alternative options considered and rejected: To not sell the land, foregoing the capital receipt and/or to not commit to infrastructure delivery, which would fail to maximise the value of Council assets.	
Financial, Resource or other implications considered: As set out in the attached report.	
Record of any conflict of interest: None	
Background Documents: None	
Date of Decision:	2/1/2020

Publication date of decision:	3 January 2020

Signed by Cabinet member:

I confirm that I have made the decision set out above, for the reasons also set out

Signed:

Print name: GREG PECK

Date: 2/1/20

Accompanying Documents:

- Report of the Executive Director of Finance and Commercial Services
- Exempt report setting out offer and address

Once you have completed your internal department clearance process and obtained agreement of the Cabinet Member, send your completed decision notice together with the report and green form to committees@norfolk.gov.uk

Report to Cabinet Member

Report title:	Plot sale at Industrial Land off London Road, Attleborough (3002/038)
Date of meeting:	Not applicable
Responsible Cabinet Member:	Cllr Greg Peck Cabinet Member for Commercial Services and Asset Management
Responsible Director:	Simon George Executive Director of Finance and Commercial Services
Is this a key decision?	No

Executive Summary

Approximately 5.3 hectares (13.1 acres) of land adjacent to London Road Attleborough previously forming part of the County Farm's Estate has been declared surplus to NCC use and made available for employment use. This proposal provides details of two transactions, a direct sale of plot 1 amounting to of 2.49 hectares (6.143 acres) of land south of London Road, Attleborough to Eastern Attachments Ltd. The purchaser will install site services to the wider site, with NCC contributing 41% towards the cost of these works. A further 0.67 hectares (1.659 acres) forming the site infrastructure (estate roads, attenuation lagoon etc) will be transferred to a management company set up to manage this.

Recommendations

The Cabinet Member for Commercial Services and Asset Management is asked to:

1. **Approve the proposed sale 2.49 hectares (6.143 acres) of land to Eastern Attachments Ltd subject to NCC separately approving capital finding for the site infrastructure works.**

2. **Approve the proposed transfer of (0.67 hectares (1.649 acres) of land to a new estate management company for the purpose of holding and administering site infrastructure.**

1.0 Background and Purpose

1.1 Approximately 5.3 hectares (13.1 acres) of land adjacent to London Road Attleborough previously forming part of the County Farm's Estate has been declared surplus to NCC use and made available for employment use (shaded pink on attached site plan).

1.2 In 2014 the County Council's Economic Development team began discussions with Eastern Attachments Ltd (EA) over their growth plans. EA initially required a large site to accommodate both their own factory and some additional space to accommodate their supply chain. This 13-acre parcel of County Farms land was proposed as being suitable to accommodate their growth requirements. Further information on Eastern Attachments is provided in **Appendix 1**.

1.3 In 2015 the County Council obtained valuation advice from NPS and subsequently in May 2016 Policy and Resources Committee approved the principle of the disposal without competition on economic development grounds, resolving to 'approve to dispose of part or the whole at market value and terms to be approved by the Executive Director of Finance in consultation with the Chair of the Committee'. The purpose of the approval in principle was to give a level of comfort to both parties in the continued formulation of development proposals and ongoing discussions around the proposed direct sale.

1.4 EA subsequently revised their plans and now only require part of the site for their own factory. Subsequent development design activity has reduced their portion of the site to 2.49 Hectares (6.143 acres) (plot 1 on site plan), leaving NCC with 2.14 Hectares (5.298 acres) (plots 2 and 3 on site plan). The remaining 0.67 Hectares (1.659 acres) is utilised by site infrastructure (estate roads, attenuation lagoon etc) (hatched area on site plan). EA has sought and obtained planning consent (at their expense) for the construction of their proposed factory and associated estate roads and highways junctions.

2.0 Proposals

2.1 **Plot 1 – Freehold sale of 2.49 hectares (6.143 acres)**
NCC proposes to sell plot 1 to EA at market value with an obligation upon the purchaser to install site services and site infrastructure to serve the whole of the 5.2hectare (13.1acre) site. The terms are currently commercially sensitive and are shared in the exempt report. When the deal is settled the details will be publicly available on the land registry web site.

2.2 **Plots 2 and 3 – Provision of site services**
Site services are to be provided by the purchaser of plot 1 as part of their sale contract with NCC. These two sites amount to 2.1 hectares (5.1 acres).

2.3 **Transfer of site infrastructure to estate management company (hatched area)**
It is proposed to transfer this portion of land amounting to 0.67hectares (1.659 acres) to be utilised for site infrastructure (roads, attenuation pond etc) to a new estate management company set up to manage this The transfer will be for nil consideration as the land effectively has no development value but is laden with maintenance obligations.

2.4 The quoted areas are subject to final negotiation and measured survey and may change a little as the transactions are finalised. The transaction links pricing and costs to plot areas, so any variation to the plot sizes will be commensurately reflected in price and costs. It is proposed that the Head of

Property is authorised to agree any mon-material amendments to the quoted areas.

3.0 Impact of the Proposal

3.1 The proposal will generate a capital receipt for the Council and will secure local jobs. The proposal will also bring services and infrastructure to plots 2 and 3 currently retained by NCC, and will increase the value of those plots, providing a financial return to NCC when the Council decides to sell.

4.0 Evidence and Reasons for Decision

4.1 The commercial terms have been provisionally agreed with the purchaser and the land value has been confirmed by the Council's appointed surveyor.

5.0 Alternative Options

5.1 The alternative option is to decline to sell the plot to the purchaser, which would forego the capital receipt and fail to bring infrastructure and services to the site.

6.0 Financial Implications

6.1 A capital receipt plus an obligation for NCC to contribute to site infrastructure to increase the value of plots 2 and 3.

7.0 Resource Implications

7.1 **Staff:** Not applicable**.**

7.2 **Property:** Disposal of part of the site.

7.3 **IT:** Not applicable**.**

8.0 Other Implications

8.1 **Legal Implications:**
Usual legal implications of selling land. Nplaw will act for NCC to mitigate those risks. No undue legal risks are foreseen.

8.2 **Human Rights implications:** Not applicable.

8.3 **Equality Impact Assessment (EqIA) (this <u>must</u> be included):**
This decision has no equality implications. Whilst the transaction has been negotiated as a direct sale at market value, plots 2 and 3 are being advertised in the open market so that any interested parties can make an offer.

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

Not applicable.

8.5 **Sustainability implications** (where appropriate):
Not applicable.

8.6 **Any other implications:**
None.

9.0 Risk Implications/Assessment

9.1 The proposed sale presents very little risk to NCC. Indeed, the sale obviates NCC property holding risks for plot 1.

9.2 The proposed investment in site infrastructure presents financial and legal risks for NCC.

The infrastructure costs have been reviewed for NCC by NPS Property Consultants Ltd and confirmed as realistic. Further advice obtained from Roche Chartered Surveyors indicates that the investment in site infrastructure will generate a positive financial return for NCC by increasing the value of plots 2 and 3, which can be realised through future sale.

The construction works do present the usual Construction Design and Management (CDM) risks for NCC as employer. These risks will be mitigated by obtaining a full project directory and ensuring the design team and contractors provide assignable collateral warranties and hold appropriate professional indemnity insurance.

9.3 The transfer of the site infrastructure land into a new estate management company (to be established and initially controlled by NCC) mitigates NCC's property holding responsibilities by sharing responsibility with plot-holders. Assuming all three plots are eventually sold, NCC would then have no property holding liabilities in respect of the infrastructure land.

10.0 Recommendations

10.1 The Cabinet Member for Commercial Services and Asset Management is asked to approve the proposed sale 2.49 hectares (6.143 acres) of land to Eastern Attachments Ltd subject to NCC separately approving capital finding for the site infrastructure works.

10.2 The Cabinet Member for Commercial Services and Asset Management is asked to approve the proposed transfer of (0.67 hectares (1.649 acres) of land to a new estate management company for the purpose of holding and administering site infrastructure.

Officer Contact

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

Officer name:	Christopher Hewitt Commercial Estates Surveyor	**Tel No.:**	01603 223451
Email address:	christopher.hewitt@norfolk.gov.uk		

IN TRAN communication for all

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

\\Norfolk.gov.uk\nccdfs1\CorporateProperty\Team Admin\Meetings and Groups\Committees\CABINET Member delegation\2019-20\London Rd Attleborough\19.12.18 London Rd Attleborough sale of plot 1 and infrastructure land (CH) draft 0.1.docx

Appendix 1

Eastern Attachments Limited

Eastern Attachments Limited – Company Number **03200715**

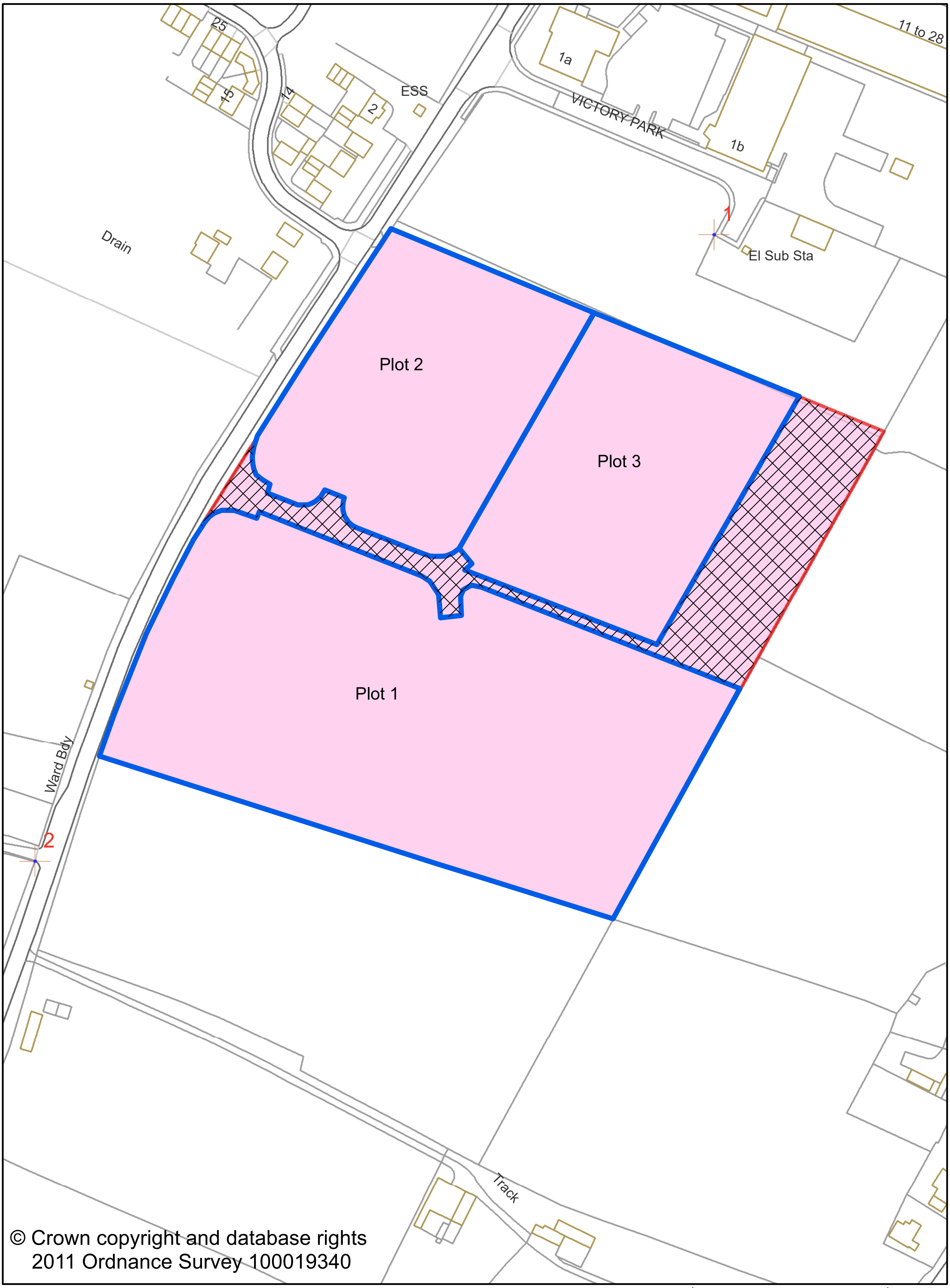
Link to Company web site: http://www.easternattachments.co.uk/

Link to May 2016 press article:
https://www.wymondhamandattleboroughmercury.co.uk/news/family-owned-eastern-attachments-plans-30m-10-year-attleborough-investment-1-4555010

Eastern Attachments (EA) is a family run business manufacturing a variety of metal and composite based products mainly for the construction and agricultural sectors with a particular focus on excavator attachments using pioneering techniques in the use of materials in their production process. EA are based in Attleborough operating out of two freehold owned premises (18,000sqft and 8,000sqft) on the Gaymer Industrial Estate and currently employing approximately 50 people which will increase following expansion into larger premises. Their ultimate growth projections could be to 200 jobs, with more in the local supply chain.

EA wants to remain in Norfolk due to its strong local business connections and continue with the commitment made to further education and corporate social enterprise.

The County Councils Economic Development Department has been assisting EA in their wish to remain in Norfolk rather than relocating their business outside of the County. Due to EA being a major supplier to Midlands based JCB, and having strong connections with the supply chain there, the company is regularly and heavily courted by the inward investment agency there. The Midlands has a strong inward investment offer, and the Economic Development team at NCC has worked hard to ensure EA is provided with the best possible support. As well as significant direct job growth and indirect supply chain growth, the business's reputation as a global strategic supplier to JCB, with a strong focus on innovation and technology, will add to the county's own reputation for attracting key inward investments in this target sector.



Attleborough: Industrial Land (3002/038)

Norfolk County Council

Center of map: **603,350.0610 293,731.2242**

Date created: 17/12/2019

Scale: 1:2,000

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