Norfolk County Council

Cabinet

Date:	**Tuesday 12 January 2021**
Time:	**10 am**
Venue:	**Teams Meeting**

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

Please use this link to view the live meeting online.

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

Membership:

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

A g e n d a

1 To receive any apologies.

2 Minutes Page **5**

To confirm the minutes from the Cabinet Meeting held on Monday 7 December 2020.

3 Members to Declare any Interests

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

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

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

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

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

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

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

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

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

6 Public Question Time

Fifteen minutes for questions from members of the public of which due notice has been given. Please note that all questions must be received by the Committee Team (committees@norfolk.gov.uk) by 5pm on Thursday 7 January 2021. 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.

Any public questions received by the deadline and the responses will be published on the website at approximately 9.45am on the day of the meeting and can be viewed by **clicking on this link**.

7 Local Member Issues/Questions

Fifteen minutes for local member to raise issues of concern of which due notice has been given. Please note that all questions must be received by the Committee Team (committees@norfolk.gov.uk) by 5pm on Thursday 7 January 2021.

8	**Adult Social Services charging policy for non-residential care – next steps following Judicial Review** Report by the Executive Director of Adult Social Care	To follow
9	**Fee levels for adult social care providers 2021/22** Report by the Executive Director of Adult Social Care	Page **43**
10	**Progress with delivering the NCC Environmental Policy** Report by the Executive Director of Community & Environmental Services	Page **56**
11	**Local Flood Risk Management Strategy Review** Report by the Executive Director of Community & Environmental Services.	Page **87**
12	**Responding to Ash Dieback over the next two years.** Report by the Executive Director of Community & Environmental Services.	Page **122**
13	**Finance Monitoring Report 2020-21 P8: November 2020.** Report by the Executive Director of Finance & Commercial Services	Page **166**
14	**Performance and Governance of Norfolk County Council owned companies.** Report by the Executive Director of Finance & Commercial Services.	Page **209**
15	**Norse Group Business Plan.** Report by the Executive Director of Finance & Commercial Services.	Page **224**
16	**Corporate Significant Vital Signs Performance Report** Report by the Director of Transformation	Page **248**
17	**Risk Management** Report by the Executive Director of Finance & Commercial Services	Page **296**

18 **Health, Safety and Well-being Annual Report 2019-20** Page **340**
Report by the Executive Director of Strategy & Governance

19 **Reports of the Cabinet Member Delegated Decisions made since the last Cabinet meeting:**
To note the delegated decisions made since the last Cabinet meeting.

Decisions by the Cabinet Member for Commercial Services and Asset Management.

- Great Yarmouth Third River Crossing - Acquisition of Land
- Acquisition of Land - Outwell

Decision by the Cabinet Member for Children's Services

- Childcare Sufficiency Assessment 2020

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

- Use of Infection Control Fund – Round 2
- Hospital Discharge Service – Section 75 Agreement

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

- Wymondham, Norwich Road TRO
- Emneth TRO
- Blofield, Yarmouth Road – Waiting Restriction Order and Footway Conversion Notice 2020
- Kost Road & Piccoli Close (off-Townhouse Road), Costessey – 20mph Zone
- Former RAF Radar Site, off Norwich Road, Watton – 20mph Zone
- Long Stratton Bypass - Submission of Outline Business Case
- Department for Transport - E-Cycle Extension Fund

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

Date Agenda Published: 4 January 2021

Norfolk County Council

Cabinet
Minutes of the Virtual Teams Meeting held on Monday 7 December 2020 at 10am

Present:

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

Executive Directors Present:

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

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

Cabinet Members and Executive Directors formally introduced themselves.

As this would be the last meeting attended by Fiona McDiarmid, Executive Director of Strategy & Governance, before she left Norfolk County Council in December 2020, The Chairman, on behalf of Cabinet and colleagues, placed on record his thanks for all her hard work over the years and wished her well for the future.

1 Apologies for Absence

There were no apologies for absence.

2 Minutes

The minutes from the Cabinet meeting held on Monday 2 November 2020 were agreed as an accurate record.

3 Declaration of Interests

There were no declarations of interest made.

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

There were no matters referred to Cabinet.

5 Items of Urgent Business

5.1 The Cabinet Member for Highways, Infrastructure & Transport advised that, for the second year running, Norfolk County Council had come first among its peers in the National Highways and Transport Survey. Over the summer 2020, 3,300 people in Norfolk had been asked for their views on topics such as road safety, highways maintenance, congestion and public transport. The results were ranked against other participating councils from across the country to provide a nationwide picture of how Norfolk was performing and out of the 29 county council and larger unitary authorities, Norfolk had secured first place for overall satisfaction.

Norfolk County Council had also achieved its highest average scores in both satisfaction with traffic levels and congestion and condition of highways which was testament to the hard work and dedication of all the highway and transport teams, with one area where Norfolk County Council had been ranked in first place was "professionalism of staff responding to enquiries".

Despite the challenges brought about by the covid pandemic, Norfolk County Council had continued to focus its efforts and expenditure on the things people had highlighted as being the most important to them, for example safe roads that were in good condition. One of the biggest schemes made available by the extra government funding which had been secured was the resurfacing of the A1066 near Thetford which had recently been completed.

The survey had allowed Norfolk County Council to identify areas which needed improvement, for example the investment being made in installing LED streetlights on Norfolk's main roads would help cut electricity consumption and also contribute towards Norfolk's journey to a net zero carbon emission gain, whilst also improving customer satisfaction with street lighting in future surveys.

The Cabinet Member placed on record his thanks to all the teams in Highways, who did a fantastic job, working in all weathers to keep the county moving.

5.1.1 The Chairman endorsed the comments made and the thanks to the Highways teams.

5.2 The Cabinet Member for Adult Social Care, Public Health & Prevention highlighted the arrival of the covid vaccine in Norfolk, which was due to be received on 8 December. Norfolk had two vaccination hubs –the Norfolk & Norwich University Hospital and the James Paget Hospital, Gorleston, where facilities were available to store the vaccine at the required temperature. The Cabinet Member thanked the Minister, Helen Whatley, who had ensured care home residents, care workers and vulnerable people were given high priority to receive the vaccine first. Cabinet noted that staff in Adult Social Care had worked with care providers over the weekend of 6/7 December to identify people for the first round of vaccination appointments, which it was hoped would commence in hospitals soon.

The Cabinet Member urged all residents to have the vaccine if they were offered an appointment.

The Cabinet Member placed on record his thanks to all care workers for their continued efforts, adding that Norfolk County Council would continue to support them with advice, outbreak support and also financial support, which it had done since the start of the outbreak.

The Cabinet Member reiterated that the vaccine would take some months to roll out and the spread of the virus needed to reduce before life could return to normal, therefore it was important people did not become complacent as there was still a high risk of infection until the vaccine had been completely rolled out. He asked everyone to ensure they complied with the guidelines and not take risks; and until the full roll out of the vaccine, maintain personal space and wear a mask when in a crowd, whether indoors or outside, which really did make a difference.

5.2.1 The Chairman thanked the Cabinet Member for the update and also reiterated the need to continue observing the "hands, face, space" guidance and to not become complacent now that a vaccine was close.

6 Public Question Time

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

6.2 **Supplementary Question from Jan Davis**:
As a supplementary question, Mr Davis asked, as a result of the figures quoted, where the funding was coming from, given the downturn in the projected business rates pool.

The Cabinet Member for Highways, Infrastructure & Transport replied that funding for the Norwich Western Link was coming from the Department for Transport and local contributions.

7 Local Member Questions/Issues

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

7.2 **Supplementary question from Cllr Alexandra Kemp**
Cllr Kemp said that Cllr Wilby's answer was inaccurate and did not address safety, business, residential or tourism needs – he had said Clockcase Lane didn't pass through a settlement, although it did. Clockcase Lane passed through Clenchwarton and had continuous farm frontage. The Cabinet Member had said he wanted safe roads, but Clockcase Lane was a deathtrap for pedestrians caught in front of tankers with no safe refuge. She added there was a need to promote walking and cycling and Clockcase Lane was the route to the famous tourist route, the Peter Scott Walk. As a supplementary question Cllr Kemp asked if the Cabinet Member would come and visit Clenchwarton to see for himself the problems faced.

In reply, the Cabinet Member for Highways, Infrastructure & Transport said that he would raise the matter with the Local Highways Engineers and the Director of Highways and Waste at County Hall.

7.3 **Supplementary question from Cllr Emma Corlett**
Cllr Corlett said she completely refuted that what the Cabinet Member had described was biodiversity net gain as replacing mature woodland and habitats established over hundreds of years with new planting was not leaving somewhere in better condition however you tried and spin it.

Given the significant changes in travel patterns that were likely to be long-term as a result of covid and the fact that there was no full environmental impact assessment, Cllr Corlett asked if the Cabinet Member would agree to pause and review the western link decision so that these two vital pieces of information could be properly considered, before council funds were irresponsibly committed based on partial or out of date information.

In reply, the Cabinet Member for Highways, Infrastructure & Transport said there were no plans to pause the Norwich western link project.

7.4 **Supplementary question from Cllr Dan Roper**
As a supplementary question, Cllr Roper asked if any such restrictions had previously existed and if so, when they had expired or when they were lifted.

The Cabinet Member for Commercial Services & Asset Management responded that there were no restrictions on whether Holt Hall was required to be used for educational purposes. In the past Local Government had been required to acquire property for specific purposes under specific Acts and then transferred the land internally, for example land purchased for a highways scheme would be bought under Highways Acts and then appropriated across to the housing committee. The only restriction that would matter was a clause on the Title, however in this case the land was purchased unencumbered, so the answer to the question was that there were no restrictions.

7.5 Some written Supplementary questions were submitted by Local Members which would receive written responses.

8 Business Rates Pool – Annual Report 2019-20 and Pooling Decision 2021-22

8.1 Cabinet received the report by the Executive Director of Finance & Commercial Services providing a summary of the financial benefits of the Business Rates Pool and decisions taken to date in respect of allocating the pool's resources to economic development projects in Norfolk The report also provided details of the work undertaken with Norfolk Leaders in submitting an application to the Ministry of Housing, Communities and Local Government (MHCLG) for a Norfolk Business Rates Pool in 2021-22.

8.2 In introducing the report and moving the recommendations, the Cabinet Member for Finance gave Cabinet some background information on the business rates pool, during which the following points were noted:

- The Business Rates Pool had been in existence for six years and had worked well for Norfolk during that time.
- The Business Rates Pool had allowed the county to retain additional business rates, totalling approximately £28.298m up to 2019-20.
- Last year, as well as the Pool, a pilot scheme had been established which had allowed the Pool to retain 75% of the growth rates, as opposed to 50% previously.
- Funds from pool growth were used for economic development across the county via the Joint Investment Fund (JIF) and the one-off pilot gain had been shared between the individual authorities.
- The list of projects funded by the JIF in 2018-19 and 2019-20 showed the measure of the success.
- Initial returns from the District Councils for 2020-21 were reported to Cabinet on 13 January 2020 and indicated that the county as a whole would show growth in the current financial year above the baseline.
- Support measures by the government had encouraged the District Councils to maintain this view for the current year and although the final outcome would not be known until final returns were received in 2021-22 financial year, the Cabinet Member was confident that Norfolk County Council would continue to benefit from pooling arrangements in the current financial year.
- The additional funds received by pooling had amounted to approximately 3% of the total business rates collected by the county and although useful was not game-changing.
- Under normal pooling arrangements, when an individual authority fell below 92.5% of its baseline funding level, they would move into a safety net position which meant any shortfall was picked up by the remainder of the Pool. Funds were then transferred from the local volitivity fund which was subsequently topped up by the other Pool Members.
- A key issue for 2021-22 was how robust the District Councils were in their forecasting, which was largely based on the assumption that the government would continue to support businesses next year in the same way as they had this year, which was high risk. District Councils were at different distances from the safety net, but it would take a less than 5% reduction in forecast growth rates to require three of the seven lower tier authorities to request support from the local volitivity fund. If that fund contained insufficient funds, Norfolk County Council would be liable for any shortfall until its own safety net level was reached, meaning a loss of approximately £20m.

8.3 The Chairman endorsed the highlighting of the risks, and also highlighted the leverage which had been received from the pool, as well as the partial funding for the establishment of the Norfolk Strategic Fund, which had been set up in response to the need to provide intervention for the Norfolk economy as a result of the covid-19 pandemic.

8.4 The Cabinet Member for Growing the Economy agreed that the fund had proved really useful since it was established, particularly regarding economic development, although as it relied on business rates was an issue as many businesses were struggling to pay their rates as a result of covid-19, or may possibly go out of business.

The Cabinet Member recognised the risks faced by Norfolk County Council if businesses were unable to pay their business rates, which could diminish the pool.

The Cabinet Member supported the recommendations and highlighted that it would be a pity if the Business Rates Pool ceased, as it had funded many infrastructure and business development projects across the county. He added that as soon as possible, he would be advocating maintaining the Pool.

8.5 Cabinet **RESOLVED** to**:**

1. **Note** the performance of the Norfolk Business Rates Pool and endorse the decisions taken by Norfolk Leaders in respect of:
   - Allocation of the 2018-19 Pool resources; and
   - Allocation of the 2019-20 Pilot resources.

2. **Note** the update on the application for a 2021-22 Norfolk Business Rates Pool, considering the increased risks of pooling in 2021-22 highlighted in section 5 and the potential need to dissolve the Norfolk Business Rates Pool, and delegate to the Executive Director of Finance and Commercial Services in consultation with the Leader and Cabinet Member for Finance to confirm (or otherwise) the County Council's participation, taking into account the latest available forecasts for pool income and the level of financial risk.

9 Finance Monitoring Report 2020-21 P7: October 2020

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

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

- The forecast level overspend to the end of October 2020 had been reduced to £1.256m, which was mainly due to a reduction in the overspend by Adult Social Care, which was now £1.9m.
- Children's Services continued to forecast a balanced budget, however, both departments faced considerable additional financial pressures next year as the continuing costs of the pandemic were felt, without receiving equivalent funding from the government to compensate. As a result, Cabinet was being asked to approve the transfer of £2m to each of Adult Social Care and Children's Services business risk reserves, as well as creating a corporate risk reserve.
- In Adult Social Care, arrangements established during the first lockdown had seen Norfolk County Council reimbursed by the NHS for patients who

would normally have received healthcare and who were discharged to the County Council to ensure hospitals had sufficient capacity during the pandemic. Those arrangements would soon cease, however patients remained in the care of NCC and were paid for by NCC.

- In addition, Adult Social Care was also forecasting continued pressure in the forecast purchase of care costs.
- Children's Services was forecasting unfunded pressures in early 2021 due to continuing support for schools, increased costs of transport and ensuring covid-secure provision.
- The covid grant funding received to date was £96.901m.
- The forecast total covid related financial pressures had increased to £108.719m, leaving a net covid-related pressure of £11.818m.
- Of the new funding received £7.262m was in respect of the Contain Outbreak Management Fund (COMF). Cabinet was asked to approve the transfer of £2.645m from this allocation to the District Councils to support compliance with the public health guidance.
- Cabinet had received the exempt appendix to consider recommendation 4 to allocate loan funding to Hethel to purchase additional land.
- Cabinet was also being asked to approve the capital payment of £30k to mitigate Norfolk County Council's card payment system from Global Payments, when their contract ended, and transfer the service to Capita, which the Council had been in contract with since 2019 to manage and support the card payment portal.

9.3 The Chairman thanked the Cabinet Member for referencing the exempt Appendix which contained commercial sensitive information. He added that unless anyone wished to refer to the Appendix, Cabinet would not need to move into a private session, as the recommendation was clear as to what the allocation of the loan funding was for and that it was coming from the existing capital programme.

9.4 The Cabinet Member for Adult Social Care, Public Health & Prevention congratulated the Adult Social Care team for its work in moving to a forecast overspend which was within 1% of the budget at approximately 0.7%, which given the circumstances and the challenging year, was an incredible achievement. He referred to the working with partners in the NHS, which had been enabled by the good relationship fostered by NCC with partners in the health service which was a credit to the senior management team and in all levels of the County Council.

The Cabinet Member endorsed the recommendations, particularly the proposal to transfer money to business risk reserve, adding that Norfolk County Council had been fortunate in receiving support from central government, although the future was not clear and being prudent was an excellent proposal, bearing in mind that one of the Key Priorities was to protect vulnerable people.

9.5 The Cabinet Member for Children's Services highlighted that, although the department was on target to break-even on its budget, it could face additional pressures as the service received greater demand for its services.

9.6 The Chairman agreed that the transfer to risk reserves was prudent in the current circumstances and also, regarding the COMF money, the allocation was the first sum of money allocated elsewhere, with the remainder of the COMF budget being considered through the Health Protection Board to ensure the money was allocated correctly.

9.7 Cabinet **RESOLVED** to:

1. **Approve** the proposed transfers to an Adult Social Services business risk reserve, Children's Services business risk reserve and a corporate Covid risk reserve as set out in paragraphs 2.8, 2.28 and 2.42 of Appendix 1.

2. **Approve** the allocation of a maximum of £2.645m from the Contain Outbreak Management Fund total of £7.262m to District Councils to support delivery of the objectives of the grant, as set out in paragraph 6.1 of Appendix 1 and noting that full details of the planned use of funding will be reported to Cabinet in January.

3. **Recommend to County Council** additional prudential borrowing of £0.030m to be available for the development of software to support the Card Payments programme, as set out in paragraph 4.1 of Capital Appendix 2.

4. **Exempt item: Approve** the allocation of loan funding from within the existing capital programme to Hethel Innovation Limited to purchase additional land as set out in exempt appendix 3, and to delegate the agreement of loan terms to the Executive Director of Finance and Commercial Services in consultation with the Cabinet Member for Finance.

5. **Note** the period 7 general fund forecast revenue overspend of **£1.256m** noting also that Executive Directors will take measures to reduce or eliminate potential over-spends;

6. **Note** the COVID-19 grant funding received of **£96.901m**, the proposed use of that funding, and the related expenditure pressures resulting in net Covid-19 pressure of **£11.818m**.

7. **Note** the period 7 forecast shortfall in savings of **£17.685m**, noting also that Executive Directors will take measures to mitigate savings shortfalls through alternative savings or underspends;

8. **Note** the forecast General Balances at 31 March 2021 of £19.706m, before taking into account any over/under spends;

9. **Note** the expenditure and funding of the revised current and future 2020-23 capital programmes.

9.8 **Evidence and Reasons for Decision:**

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

Appendix 1 summarises the revenue outturn position, including:

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

- Payment performance and debt recovery

Appendix 2 summarises the capital outturn position, and includes:

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

9.9 **Alternative Options**

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

10 Mid-Year Treasury Management Monitoring Report 2020-21.

10.1 Cabinet received the report by the Executive Director of Finance & Commercial Services providing details of the 2020-21 treasury activities and highlights compliance with policy and strategy previously approved in relation to treasury management.

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

- Regarding cash balances and cash flow management, the average level of cash balances to date totalled £177m, against £175m in the previous year.
- Cash balances were managed internally and were invested in accordance with the Council's approved authorised lending list, the key objective of this cash flow management was to minimise balances held in current bank accounts at zero interest.
- The forecast average daily liquidity level was approximately £90m.
- Norfolk County Council debt totalled £704m at 30 September 2020.
- Norfolk County Council remained well within the authorised debt limit of £1.068bn for 2020-21.
- The recent reduction of 1% interest charged by Public Work Loans Board meant this was a very competitive area to source funding, although the municipal bond agency continued to be at slightly better levels of interest.
- Despite unprecedented low levels of interest, the Cabinet Member was aware of the pressure on current and revenue budgets of additional interest costs.
- The option to use previous overpayments in the Minimum Revenue Provision (MRP) to defray repayments would no longer be available after the current financial year, which would increase budget pressures in 2021-22 and beyond.

10.3 Cabinet **RESOLVED** to:

1. **Endorse and recommend to County Council** the Mid-Year Treasury Management Monitoring Report 2020-21.

10.4 **Evidence and reasons for Decision**

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

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

10.5 **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 this report.

11 CES Compliance and Enforcement Policy

11.1 Cabinet received the report by the Executive Director of Community & Environmental Services setting out the CES Compliance and Enforcement Policy which provided a framework for a number of services within the CES directorate to ensure the Council worked in an equitable, practical and consistent manner when undertaking regulatory activities and law enforcement.

11.2 Although not directly related to the report, the Executive Director of Community & Environmental Services said that Cabinet was aware that there had recently been a couple of confirmed outbreaks of Avian Flu in Norfolk. The Executive Director reassured Cabinet that the Trading Standards Officers were working with the Animal Plant Health Agency Team to bring the situation under control and to support local businesses. Cabinet was also informed that national controls were being brought in, which required all keepers of poultry to bring them indoors from 14 December. The Trading Standards team would continue to work with national colleagues and local business to control the outbreak.

11.3 The Chairman passed on his thanks to the Trading Standards Team for their fast responses to both outbreaks and also for how they had kept everyone informed about the latest position.

11.4 The Cabinet Member for Communities & Partnerships also highlighted the work the Trading Standards Team carried out regarding Brexit and the covid regulations, all of which had added to their considerable workload.

11.5 In introducing the report and moving the recommendations, the Cabinet Member for Communities & Partnerships highlighted that this report was produced annually and had been renamed the "Compliance and Enforcement Policy".

The Service had adopted a compliance by consent policy which worked through four stages of Engagement; Explanation and Encouragement by working with businesses and individuals to help and encourage them to meet and comply with the legislation, but if those failed, a fourth stage of Enforcement would be undertaken.

An additional Annex had been included in the Policy, as Trading Standards had taken on the management of the Safety of Sports Grounds.

11.6 The Cabinet Member for Highways, Infrastructure & Transport supported the recommendations in the report, highlighting that the report was an annual review and updated the Enforcement Policy.

11.7 The Cabinet Member for Innovation, Transformation & Performance endorsed the report, highlighting the importance of the adoption of the four stage enforcement which was the correct way forward.

11.8 Cabinet **RESOLVED** to:

1. **Approve** the revised CES Compliance and Enforcement Policy at Appendix A and its annex documents (A-1 to A-6).
2. **Agree to delegate the functions** of the Council for the purposes of the Environmental Protection (Plastic Straws, Cotton Buds and Stirrers) (England) Regulations 2020 and the Air Quality (Domestic Solid Fuels Standards) (England) Regulations 2020 to the Head of Trading Standards by making an addition to the County Council's Constitution Appendix 5 (Scheme of Delegation to Officers).

11.9 **Alternative Options**

A CES wide Compliance and Enforcement Policy is considered to be the most effective way to demonstrate how CES intends to fulfil its regulatory/legal responsibilities. An alternative option would be for each service area within CES to produce its own enforcement policy. However as described in section 1.1 above there is need for consistency in overall approach. This draft Policy does provide for additional (detailed) protocols where necessary or appropriate.

12 Norfolk Strategic Infrastructure Delivery Plan (NSIDP) Refreshed for 2020.

12.1 Cabinet received the report by the Executive Director of Community & Environmental Services setting out the Norfolk Strategy Infrastructure Delivery Plan for 2020.

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

- The NSIDP brought together information on the key strategic infrastructure projects required to deliver economic growth in Norfolk.
- The NSIDP provided a clear message of Norfolk's infrastructure priorities to government and had been recognised as a case study of best practice in supporting housing and infrastructure needs by the Town and County Planning Association.
- The document would be reviewed annually as information became available and projects progressed to completion.
- For a project to be included in the plan, it must meet the following criteria:
    - Deliver significant housing and jobs growth.
    - Be identified in existing plans programme.
    - Have a committed route to delivery.
    - The Project was in Local Authority control or interest.
- The following projects had been added to the 2020 NSIDP:
    - East Norwich Regeneration Area.
    - Great Yarmouth O&M Campus

    - Burlingham Country Park
    - Smart Energy Technology Institute (SETI).
    - Great Yarmouth Outer Harbour
    - Great Yarmouth town centre improvements
- The following projects had been funded in the previous year
    - Local full fibre Network
    - Internet of Things Innovation Network
    - Increase Surface Water Capacity, North Lynn
    - Thetford SUE
- The NISDP had been sense-checked by Economic Development officers in September 2020 and had been shared with Norfolk Leaders, who were in support of the Plan.
- The Infrastructure & Development Select Committee had considered and supported the plan at its meeting in November 2020.
- The NSIDP enabled all priority projects to be held in one document, it included the start date and the progress being made to achieve the planned delivery.
- Progress had been made on many projects which had received funding from the business rates pool using a coordinated approach to ensuring projects progressed.

12.3 The Chairman supported the report which focused on the delivery of projects and supported growth across the whole of Norfolk, whilst demonstrating the large investment across Norfolk.

12.4 The Cabinet Member for Highways, Infrastructure & Transport endorsed the report as he felt it was crucial that the correct and appropriate infrastructure was in place to support delivery and growth and the economy across the whole of Norfolk. The Cabinet Member wished to highlight the following projects, which would help put Norfolk where it needed to be with regard to highways infrastructure:

- Norwich Western Link
- Long Stratton Bypass – which was progressing and would make a difference to people living in the south of the county.
- Great Yarmouth Third River Crossing – due to start construction in January 2021.

12.5 The Cabinet Member for Finance also endorsed the report and highlighted the following points in the west of the county, all of which would improve highways infrastructure in his division:

- West Winch housing access road,
- A10 improvements to the south
- Bypass on the A149 at King's Lynn

The Cabinet Member for Finance also wished to highlight the sustainable element of the report, particularly the green loop and the Weavers Way, which were welcomed as well as the Burlingham Country Park, adding that he looked forward to further schemes being added in the future on the green ways project to reutilise many of the disused rural railway lines as commuter routes for cycling and walking into towns across Norfolk.

12.6 The Cabinet Member for Adult Social Care, Public Health & Prevention endorsed the report which showed that, even when faced with the difficult situation currently experienced with the covid pandemic, the County Council had managed to continue business as usual and produce a list of projects which would have a beneficial outcome for the county.

The Cabinet Member highlighted the town centre improvements in Attleborough which had £4.5m investment; the Snetterton Energy Supply - £3.5m additional investment; Thetford water supply - £9.8m investment; and a sewerage scheme in Thetford - £2m investment. All of these projects were underway, with a further £14m for Thetford in sustainable urban expansion and the ongoing work on the A47. These were all big projects which would deliver infrastructure improvements across Norfolk. The Cabinet Member commended all the work that had been done in producing the report.

12.7 The Cabinet Member for Innovation, Transformation & Performance endorsed the report, which showed Norfolk County Council was continuing its work, whilst in the middle of a pandemic.

The Cabinet Member also highlighted the change from broadband to digital connectivity, which had proved to be very important during the pandemic; in just over 7 years better broadband for Norfolk had risen from 42% of Norfolk properties to 95% of properties having superfast broadband which offered more people the capacity to work from home.

Mobile phone connections were really important not only for rural areas, but also for tourism, to help people stay connected and a lot of work on a shared rural network had been carried out with mobile network operators to fill the gaps and work with the industry to bring benefits to Norfolk.

More information on the Norfolk and Suffolk Rural Innovation Network and, long range wide area network could be found on the NCC website.

12.8 The Cabinet Member for Children's Services welcomed the report which showed the County Council was identifying growth areas and where new schools would be needed in housing growth areas to ensure schools were available when houses were built. The report also covered the need to ensure electricity supplies; drainage and other essential utilities were in place to support housing development.

12.9 The Cabinet Member for Growing the Economy wished to place on record his thanks to the Economic Development Team for producing the report, whilst many of them had been redeployed to other areas during the pandemic in helping to distribute PPE and work within communities.

12.10 The Chairman endorsed the thanks to the Economic Development team for their work.

12.11 Cabinet **RESOLVED** to:

1. **Approve** the 2020 NSIDP as set out in Appendix A of the report.
2. **Agree** to continue to review and update the NSIDP annually.

12.12 **Evidence and Reasons 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.

12.13 **Alternative Options**

If an NSIDP were not to be produced it would be more difficult to retain the inclusive approach to infrastructure planning. It would reduce the ability to keep track of the collective progress of the county's key infrastructure projects. The information in the NSIDP assists in coordinating resources to ensure projects are delivered as planned. Without the NSIDP it would be challenging to maintain the County's approach to infrastructure planning.

13 No Wrong Door

13.1 Cabinet received the report by the Executive Director of Children's Services explaining the rationale of Children's services adopting No Wrong Door, the background of No Wrong Door itself and the expected benefits this would bring to children and young people.

13.2 The Executive Director of Children's Services highlighted that the No Wrong Door model was one of three Department for Education sponsored projects, subject to a bidding process and for which Norfolk County Council was successful in securing £5m of funding to enable the development and implementation of the No Wrong Door model in Norfolk. The model was a core part of the five-year transformation programme in Children's Services which had commenced approximately two years ago, and which had already realised benefits, alongside changing the way the department worked.

13.3 The Cabinet Member for Children's Services introduced the report and moved the recommendations highlighting that the model was supported by funding from the Department for Education and was a new approach to helping young people. Norfolk County Council was being supported and mentored by North Yorkshire County Council who had a proven track record in this area.

13.4 The Chairman endorsed the investment in children's futures as well as how the project would help the transformation programme to build up an integrated service.

13.5 The Cabinet Member for Finance endorsed the report, which was innovative and had been effectively implemented. The No Wrong Door policy was a proven scheme through North Yorkshire County Council and would aim to keep the vast majority of young people out of external residential placements, reducing foster arrangements and keeping families together where possible, which was the right aspiration.

The financial implications highlighted how invest to save projects could work if they were implemented effectively and the Cabinet Member said he looked forward to working with the Cabinet Member for Children's Services and the Executive Director of Children's Services to offer support from a financial perspective.

13.6 The Cabinet Member for Innovation, Transformation & Performance endorsed the report particularly the focus on young people.

13.7 Cabinet **RESOLVED** to:

1. **Endorse** the No Wrong Door model, the benefits this delivers to young people and their families and the rationale for the service level decision to implement No Wrong Door in Norfolk.
2. **Acknowledge and endorse** the proposed plan for how No Wrong Door will be implemented in Norfolk.
3. **Support / agree** the decision made by the Children's Services Leadership Team to develop and implement the No Wrong Door Model in Norfolk.

13.8 **Evidence and Reasons for Decision**

Refer to Section 4 of the report.

13.9 **Alternative Options**

Refer to Section 5 of the report.

14 Norfolk Carers Social Impact Bond: Young Carers and Families Expansion.

14.1 Cabinet received the report by the Executive Director of Children's Services setting out how Children's Services had the opportunity to join the current social impact bond led by Adult Services to include young carers and their families from April 2021, enabling the support for families to increase, and improve outcomes for children and young people who are young carers.

14.2 The Executive Director of Children's Services highlighted that the department had been given an opportunity to join the current Social Impact Bond, led by Adult Social Care, which would provide an opportunity to support young carers and their families from April 2021. The Bond would offer support for families to increase and improve their outcomes for children and young people who become young carers. An application had been submitted to the Department of Culture, Media and Sport (DCMS) and to the Life Chances Fund and if successful would attract additional funding of up to £841k, which would provide resources to support families and young carers, particularly focusing on health, wellbeing and education. This initiative was a further example of the department considered how to provide services in a different way to improve outcomes.

14.3 The Cabinet Member for Children's Services introduced the report and moved the recommendations, highlighting that Children's Services would be joining with the work being done by Adult Social Care with their adult carers. This would bring additional funding into the system to support young carers, which it was well known often suffered from poor attendance at school or poor attainment at school. Cabinet noted some funding had been secured from the National Lottery Community Fund.

14.4 The Cabinet Member for Adult Social Care, Public Health & Prevention endorsed the report highlighting the huge amount of work carried out by carers to support vulnerable adults and children across Norfolk, much of which was unpaid, unrecognised and under-appreciated by society. He added that having a joined up approach with Adult Social Care and Children's Services, together with the additional funding leveraged to support it was something he fully supported.

14.5 The Cabinet Member for Growing the Economy endorsed the proposals, the aim of which was to secure services that reduced inappropriate or excessive caring by children, reduce escalation to statutory services and improve educational outcomes for young carers.

14.6 The Cabinet Member for Innovation, Transformation & Performance endorsed the report and the recommendations, adding that it was important that all young carers were recognised as some of them were aged 11, 12, or 13 and should be offered as much help as possible to ensure they didn't lose out on their schooling or that their emotional welfare was affected.

14.7 The Cabinet Member for Finance supported the proposals, adding that he looked forward to working with the Executive Director in relation to young carers and groups working with young carers in the west of the county.

14.8 Cabinet **RESOLVED** to:

- **Expand** the Carers Social Impact Bond (SIB) to include support for young carers and their families.

14.9 **Evidence and Reasons for Decision**

Refer to Section 4 of the report.

14.10 **Alternative Options**

Rather than expand the current SIB to include young carers and their families, the Council could maintain the current contract for the young carers and families service until March 2022 and seek to commission and directly contract a new service after this date.

This will maintain the separation of how carer services are managed and, in addition, young carers will not benefit from the additional LCF funding that would be attracted through joining the SIB.

15 A Social Impact Bond for the Prevention of Homelessness

15.1 Cabinet received the report by the Executive Director of Adult Social Care providing details of the Social Impact Bond which had been approved by Department of Culture, Media and Sport (DCMS) and, if agreed by Cabinet, would result in mobilisation of services in April 2021.

15.2 The Cabinet Member for Adult Social Care, Public Health & Prevention introduced the report and moved the recommendations, highlighting that the ambition of the report was to reduce homelessness in Norfolk.

During the pandemic Norfolk County Council had successfully worked with the Norfolk Strategic Housing Authorities, helping partners support the "Everybody In" initiative to provide rough sleepers and those who were homeless with emergency accommodation as a result of the covid outbreak.

Norfolk County Council had signed up to the 'No Homelessness in Norfolk' project which would take a long-term strategic approach to reduce homelessness in the county. In the past work had been carried out supporting District Councils by providing funding, although the current agreed tranche of funding was due to cease in March 2021. This project would pick up and move forward from April 2021 and was a way of leveraging an additional £635k of funding to focus on a long-term strategic support for those at risk of, or suffering from homelessness.

The Cabinet Member continued that this was a real opportunity to make progress with the issue of homelessness and continue the work done as a result of the pandemic.

15.3 The Chairman highlighted that this scheme was about system transformation to reduce and hopefully prevent homelessness which would also bring health and social care benefits.

15.4 The Cabinet Member for Children's Services endorsed the report, which was a way of attracting external funding into the county, also collaborative working between the County Council and the District Councils.

15.5 Cabinet **RESOLVED** to:

- **Delegate** the approval of the final contract for 'A Social Impact Bond for the Prevention of Homelessness' to the Executive Director of Adult Social care and Executive Director of finance and Commercial Services.

15.6 **Evidence and Reasons for Decision**

See Section 4 of the Report.

15.7 **Alternative Options**

Undertaking this project under the auspices of the LCF provides a unique opportunity to secure additional, external, funding for homeless prevention while providing the scope to explore innovative approaches using an outcomes approach.

The Department of Culture, Media and Sport have approved the bid subject to NCC Cabinet approval. Should that not be achieved it is recommended that the recommissioning of support is undertaken by Commissioners with the reduced amount available.

16 Review of outdoor learning services at Holt Hall.

16.1 Cabinet received the report, including an exempt Appendix, by the Executive Director of Children's Services setting out that Norfolk County Council had undertaken a review of its approach to outdoor learning in the county because the current arrangements, which included the council acting as a direct provider of outdoor learning services at Holt Hall, were not financially sustainable.

16.2 The Chairman referred to the exempt Appendix which contained commercially sensitive information, which Cabinet Members had received a copy of and considered as part of the decision making process and which would not be considered during the meeting.

16.3 The Executive Director of Children's Services introduced the report which set out an ambition to strengthen and broaden access to outdoor opportunities to learn and support academic subjects, life skills and resilience, mental health and wellbeing which was increasingly more important during the current pandemic. It was proposed to adopt a greater enabling, advisory and leadership role, working with and supporting Norfolk County Council schools to help them deliver their duty to provide a full curriculum, although it was hoped this could expand to supporting and advising carers and other agencies working with children and young people to improve their outcomes. The report explained the reasons for shifting from being a provider of residential and day visits from a single location and apply focus across the whole county and beyond.

The Executive Director drew attention to the executive summary which set out the financial challenges of the current model and also a further chance to use resources creatively and influence different ways of exploring the outdoors, particularly for those children and young people in more vulnerable groups.

16.4 The Cabinet Member for Children's Services referred to an earlier debate, where it had been suggested there may be a risk of him being seen as pre-determined in the matter, because of comments made, or comments attributed to him in the press. The Cabinet Member stated he was neither predetermined nor biased.

The report included an introduction from Cllr Fisher as the Cabinet Member for Children's Services and the recommendations were that the Council should become an enabler of outdoor learning and discontinue delivering outdoor learning provision at Holt Hall. The Cabinet Member added that, although he supported the recommendations in the report, this was not predetermination and that he had an open mind and would consider all the issues raised in the debate and included in the report.

In introducing the report and moving the recommendations, the Cabinet Member drew Cabinet's attention to the fact that he had received correspondence from people lobbying about Holt Hall, both for the closure and against the closure; teachers identifying the uniqueness of the site and the provision for outdoor learning. A petition to keep Holt Hall open and containing more than 5000 signatures had also been received.

The proposal within the report set out how the County Council could offer outdoor learning more effectively by taking up the enabler role and the promotion of Norfolk as an outdoor learning destination.

The evidence and reasons for decision were covered in the report, which had initially been considered by Cabinet in 2010, with the decision at that time taken to retain Holt Hall until at least 2013. It was again considered in 2016, where it was agreed to increase marketing and promotion of Holt Hall and improve access to it to try to make the site viable. Efforts had been made to promote Holt Hall and pricing had been made more attractive to encourage better use of the facility.

The Cabinet Member drew attention to the breakdown by districts using Holt Hall, which appeared to show that Norfolk County Council was sponsoring a facility that was not used by the disadvantaged people it should be helping and who would be helped better under the new arrangements. The data showed that the biggest users of Holt Hall were from other counties. The second largest user was in the Broadland area, two of the schools in the Cabinet Member's division had used the facility, although the Cabinet Member had not received any letters in support or in objection to the proposals from those schools.

The report also identified that Holt Hall was not being used by Special Educational Needs and Looked After Children and less advantaged children, which meant the children that would benefit most from the facility were not accessing it.

There were a total of 12 other providers of outdoor learning in Norfolk, all offering a similar provision to that at Holt Hall, and all of which could match the facility.

The process of the review was covered in section 5 of the report and set out how schools were asked to make an initial comment on the services that the local authority provided to schools and give their thoughts on what should continue or cease. 32 schools had responded to that consultation.

All schools were contacted again in September 2020 and sent a survey advising that the outdoor learning review focused on Holt Hall had recommenced. 94 completed questionnaires were received in response and all responses had been considered as part of the report.

The financial implications were set out in Section 7 of the report, which identified losses of £270k over the past three years and, together with the report from NPS produced in 2018, had identified a £600k spend to keep the property in good repair and maintenance over a 10 year period.

Section 9 of the report set out the legal implications and highlighted that Norfolk County Council had no statutory duty to provide outdoor learning.

The Cabinet Member also stated he was pleased that the report was being presented to Cabinet in order to aid democracy.

16.5 The Cabinet Member for Growing the Economy had also received a number of emails from supporters of Holt Hall. To assist Cabinet in reaching a reasonable conclusion regarding Holt Hall, the Cabinet Member highlighted a number of paragraphs from the report, during which the following points were noted:

- The service provided at Holt Hall by the County Council had been previously considered by Members in 2010. In April 2010, Cabinet had entered into formal consultation on the future of Holt Hall and had decided to continue provision until 2013 on a full cost recovery basis.
- Holt Hall had made a loss year on year since 2013 and in the last three years had lost £270k.
- A marketing scheme had been established in 2016 to promote the facility to all schools and organisations which might use the facility to try to increase the use of facilities at Holt Hall.
- Holt Hall had continued to accommodate a very small proportion of educational visits undertaken by Norfolk Schools with approximately 93% of schools in Norfolk using different provision.
- 4% of residential visits to Holt Hall were from Independent Schools in Norfolk; Great Yarmouth accounted for only 2% of visits.
- The majority of the users of Holt Hall were from outside Norfolk.
- Friends of Holt Hall, which was an independent registered charity, operated a bursary scheme providing one-off grants to give opportunities for disadvantaged young people to engage in environmental and outdoor activities. In 2019-20 17 grants were awarded to the sum of £2,577 which supported 173 young people. In the period 2016 to March 2020 a total of 19 Norfolk Schools had benefited from the bursary scheme.
- Other providers also operate a bursary scheme alongside the Friends of Holt Hall, to support disadvantaged children to attend their provision.

The Cabinet Member said that, in his opinion, the report identified a need which was being supplied by other organisations and Holt Hall was subsidising people from out of the county using the services paid for by Norfolk tax payers. He felt that the County Council should not retain a facility that was predominantly being used by people from outside Norfolk and that there were other companies that offered almost identical services. He added that he supported the proposals in the report that Norfolk County Council should be an enabler for children to access outdoor learning facilities provided across Norfolk, of which there were 12 to 14 providers.

16.6 The Cabinet Member for Innovation, Transformation & Performance had also received several emails and had been lobbied about saving Holt Hall. He considered that there was an element of emotional attachment to the bricks and mortar of Holt Hall where parents, grandparents and their children had received outdoor education. The Cabinet Member said that he had read the report in great detail and was conscious of the strength of feeling engendered by the topic and in press reports.

Holt Hall had been purchased in 1946, after the second world war to give inner city children, children in towns and deprived children a break from their environment without affecting their education. Throughout the intervening years and decades circumstances had changed for many people which was good news. Children with SEND; children eligible for free school meals; children with additional languages and ethnic minority children were all under-represented in the number of people using Holt Hall, which was something cabinet needed to take into account when making its decision, as the very children that needed the service were not receiving the benefit of the service.

The report was another example of the transformation programme the Council was undertaking and he felt it was right the County Council should be moving away from being a provider of an outdoor learning service to becoming an enabler to providing services, whilst not competing with other organisations offering a similar service. He felt it was right the Council should change its focus and stated that he fully supported the recommendations in the report.

16.7 The Cabinet Member for Adult Social Care, Public Health & Prevention had also received a number of representations regarding Holt Hall, which he felt were important in making Cabinet Members aware of counter arguments to the proposals put forward.

The Cabinet Member highlighted that the proposals were not about Norfolk County Council downgrading or minimising the importance of outdoor learning, it was how the Council could support outdoor learning in the county, by focusing on the outcomes and the work to support outdoor learning. If the closure of Holt Hall meant the Council could offer more support to outdoor learning across the county, then that was a different argument from the one that closing Holt Hall would restrict access to outdoor learning.

The Cabinet Member drew attention to the section in the report titled "Leading Norfolk's Outdoor Learning Offer" which set out how the three different areas – participants, practitioners, partners and policy makers would be supported by Norfolk County Council in its enabling role. All of these elements would become more important in extending the reach of outdoor learning, which would benefit the largest number of people with the resources at its disposal.

The Cabinet Member stated that on balance, he was happy to support the proposals in the report.

16.8 The Cabinet Member for Finance agreed with the comments already made by other Cabinet Members, adding that the key objective in the review was to strengthen and broaden outdoor learning to provide greater enabling work for schools, advisors, carers and other agents across the county. When Norfolk County Council had been responsible for all primary and secondary schools in Norfolk, an outdoor learning centre, such as Holt Hall would be used by all schools. Now the majority of schools were academies or free schools, they could spend their budgets how they saw fit and it was clear that as only 7% of Norfolk Schools used Holt Hall, they did not think Holt Hall met the criteria.

The Cabinet Member said that he was not speaking from a financial perspective, but the report made it clear that Holt Hall under performed its peer group in relation to delivering services to SEND; free school meal children, etc. and was not providing value for money.

The Cabinet Member for Finance said he supported the move to a different system of providing outdoor learning which was a very important part of the curriculum.

16.9 The Chairman wished to draw attention to the process of the review which he felt was really important and during which the following was noted:

- The opportunity for the Council to adopt a leadership role for outdoor learning, to make more use of initiatives and to actively promote opportunities for children and young people and their families, schools and community groups in Norfolk, which meant the Council needed to change the way it provided the service was welcomed.
- Section 5 of the report sets out the process for the review into Holt Hall, which had commenced in November 2019, although earlier consideration had been given in 2010 and 2013.
- The background research, engagement sessions and sharing of the start of the review with school leaders via Educate Norfolk had commenced in November 2019, although this work had ceased in March 2020 due to the covid pandemic.
- Work recommenced in July 2020 on a phased review with engagement; questionnaires to schools; regular communication; staff feedback; and engagement with key stakeholders all which had involved a lot of work.
- The summary of feedback from engagement with staff and key stakeholders section of the report summarised the feedback from the engagement sessions with staff and key stakeholders, all of which had been taken into account in the report.
- Regarding alternative options, which was another key element of the process, there were three options considered:
    - Option 1 – Continue to provide outdoor learning at Holt Hall.
    - Option 2 – Explore a partnership approach.
    - Option 3 – Focus on leading an outdoor learning offer for Norfolk.

  All three options set out in the report had been considered, including the advantages and disadvantages of each option.
- When all options had been considered, the conclusion had been reached that the most appropriate option was option 3, which was to focus on leading an outdoor learning offer for Norfolk and to cease provision for learning at Holt Hall.
- All implications of the decision had been considered – the financial; staff and catering services; property; legal; human rights as well as the equality impact assessment, which was a dynamic assessment and would continue as the proposals developed.
- All Health and safety; sustainability and risks had been considered in the decision making process and in the report.

The Chairman stated that, taking into account all the comments made by Cabinet Members about specific implications, he was confident that the process followed by Children’s Services leading to the report had been robust, correct and had covered all the relevant issues Cabinet needed to consider in its decision making process.

As the Cabinet Member for Children’s Services had moved the recommendations in the report, the Chairman stated he was happy to support the recommendations on the basis that Cabinet was making a decision based on the full facts, which were fully articulated in the report and which had come to a reasoned conclusion.

16.10 Cabinet **RESOLVED** to **agree**:

- That the Council should become an enabler of outdoor learning through providing advice, support and access to resources.

- To discontinue delivering outdoor learning provision from the Holt Hall site, with immediate effect.

16.11 **Evidence and Reasons for Decision**

See Section 4 of the report.

16.12 **Alternative Options**

See Section 6 of the report.

17 Disposal, acquisition and exploitation of property.

17.1 Cabinet received the report by the Executive Director of Finance and Commercial Services setting out proposals aimed at supporting Norfolk County Council 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

17.2 In introducing the report and moving the recommendations, the Cabinet Member for Commercial Services and Asset Management highlighted the following key areas:

- The Property Team worked to ensure that the County Council maintained an efficient portfolio supporting service delivery and which achieved a good return for tax payers.
- The report covered surplus land from across the authority. The first five sites in recommendation 1 were areas of land, ranging in size, from parts of the county farms estate. Following the proposed disposal of the five sites, the county farms estate would still exceed 16,000 acres, thereby meeting the minimum requirement as set out in the Norfolk County Council Constitution.
- There were a number of highways holdings now surplus to requirements and which were subject to ascertaining if Crichel Down rules applied (where land was required to be offered back to the previous owner) which was a legal requirement.
- One site at Drayton was being explored with Adult Social Services to see if there was an opportunity for the property to be used to support their service delivery.
- A site at Thorpe End was being considered as suitable for service delivery by both Adult Social Care and Children’s Services.
- If Crichel Down rules did not apply, and the potential reuse by either Adult Social Care or Children’s services was not realised, it was proposed to dispose of the sites by open market sale through auction or by tender.
- Following the Decision taken by Cabinet regarding Holt Hall, the site was subject to an asset of community value application being considered by North Norfolk District Council, placed by the Friends of Holt Hall, a charity. Norfolk County Council would not oppose the application, but would encourage the Friends of Holt Hall to honestly appraise their business case to consider the viability of operating the site as an outdoor education facility.

- Holt Hall required some significant ongoing investment.
- Any sale of Holt Hall would be at open market value. No valuation or appraisal work had yet been undertaken.
- The disposal of 13 various sites would help to bolster the capital account as the Council recovered from covid, enabling it to support other projects which would benefit Norfolk.

17.3 In supporting the recommendations, the Cabinet Member for Adult Social Care, Public Health & Prevention reiterated the policy of maintaining the size of the county farms estate which he supported, where there was value to be made for the tax payers through development, or other uses support the services provided by the County Council.

17.4 The Cabinet Member for Innovation, Transformation & Performance endorsed the recommendations which meant the County Council did not continue to maintain unproductive land when it could be sold and used by others. He added it was important Norfolk County Council land was kept under review and was not held on the off chance it was needed in 20 years time.

17.5 Cabinet **RESOLVED** to **agree**:

1. **To formally declare 5 former County Farms Estate** sites as listed in the report at Brisley, Litcham, Terrington St Clement, Stow Bardolph and Southery surplus to County Council requirements and instruct the Director of Property to dispose of the properties. In the event for each disposal the disposal receipt exceeds delegated limits the Director of Property in consultation with the Executive Director of Finance & Commercial Services and Cabinet Member for Commercial Services and Asset Management is authorised to accept the most advantageous offers.
2. Should Adults Services decide not to reuse the property Cabinet is asked to formally declare the Land at Reepham Road, Drayton (5021/014 part) surplus to County Council requirements and instruct the Director of Property to dispose of the property. In the event the disposal receipt exceeds delegated limits the Director of Property in consultation with the Executive Director of Finance & Commercial Services and Cabinet Member for Commercial Services and Asset Management is authorised to accept the most advantageous offer.
3. To formally declare 3 former highway sites as listed in the report at Erpingham, Repps with Bastwick and Swaffham surplus to County Council requirements and instruct the Director of Property to dispose of the properties. In the event for each disposal the disposal receipt exceeds delegated limits the Director of Property in consultation with the Executive Director of Finance & Commercial Services and Cabinet Member for Commercial Services and Asset Management is authorised to accept the most advantageous offers.
4. Should Childrens Services and Adults Services decide not to reuse the property at Thorpe End, The Railway Crossing, Great & Little Plumstead (5026/015), Cabinet is asked to formally declare the site surplus to County Council requirements and instruct the Director of Property to dispose of the property. In the event the disposal receipt exceeds delegated limits the Director of Property in consultation with the Executive Director of Finance and Commercial Services and Cabinet Member for Commercial Services

and Asset Management is authorised to accept the most advantageous offer.

5. That, subject to the decision at Cabinet on the future of outdoor learning on the 7th December 2020, which would lead to the property no longer being required for NCC service delivery, Cabinet is asked to formally declare Holt Hall, Kelling Road, Holt NR25 7DU (1049/024) surplus to County Council requirements and instruct the Director of Property to dispose of the property. In the event a disposal receipt exceeding delegated limits the Director of Property in consultation with the Executive Director of Finance & Commercial Services and Cabinet Member for Commercial Services and Asset Management is authorised to accept the most advantageous offer.
6. To formally declare Land at Manor Road, North Walsham (1074/034B part) surplus to County Council requirements and instruct the Director of Property to dispose of the property. In the event the disposal receipt exceeds delegated limits the Director of Property in consultation with the Executive Director of Finance & Commercial Services and Cabinet Member for Commercial Services and Asset Management is authorised to accept the most advantageous offer.
7. To formally declare Land at Newman Road, Rackheath (5045/015) surplus to County Council requirements and instruct the Director of Property to dispose of the property. In the event the disposal receipt exceeds delegated limits the Director of Property in consultation with the Executive Director of Finance & Commercial Services and Cabinet Member for Commercial Services and Asset Management is authorised to accept the most advantageous offer.

17.6 **Evidence and Reasons for Decision**

Declaring the sites and land holdings surplus to County Council use means that the Corporate Property Team can consider options for the disposal and exploitation of these sites.

17.7 **Alternative Options**

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

18 Transfer of Greenpark Academy, Greenpark Avenue, King’s Lynn to the Ad Meliora Trust and Transfer of St Edmunds Academy, Kilhams Way, King’s Lynn to Norfolk County Council.

18.1 Cabinet received the report by the Executive Director of Finance & Commercial Services setting out proposals aimed at supporting Norfolk County Council priorities of investing in schools to promote high educational outcomes and providing enough school places to meet demand.

18.2 In introducing the report and moving the recommendations, the Cabinet Member for Commercial Services and Asset Management asked Cabinet to agree to the transfer of the freehold at Greenpark Academy, King’s Lynn to the

Ad Meliora Academy Trust and the acquisition of the freehold of St Edmunds Academy, Kilhams Way, King's Lynn.

King's Lynn and West Norfolk Borough Council had gifted 8.7 acres of land at LynnSport, Green Park Avenue, King's Lynn to Norfolk County Council at no consideration in recognition of the demand for primary school places generated by nearby housing development. A new 420 place primary school and nursery had been built on the Greenpark Avenue land and the pupils would move from the existing St Edmunds Academy to the new school, called The Greenpark Academy in January 2021.

The existing St Edmunds Academy freehold site was owned by the Ad Meliora Trust, therefore it was proposed to simultaneously undertake the transfer of the freehold of the new Greenpark Academy site to Ad Meliora Trust and in return transfer the freehold of the existing St Edmunds Academy to Norfolk County Council.

The St Edmunds academy site would then be subject to a separate project to adapt it to support the County Council's special educational schools sufficiency strategy and on completion of the construction work, the site would form the secondary phase of the Fen Rivers Academy SEMH school and be part of the standard lease for the overall site at Kilhams Way to Catch-22 Multi-Academy Trust.

18.3 Cabinet **RESOLVED** to:

- **Agree** to the transfer of the freehold of Greenpark Academy, Greenpark Avenue, Kings Lynn to the Ad Meliora Academy Trust and the acquisition of the freehold of the St Edmund's Academy, Kilham's Way, King's Lynn and delegate to the Director of Property in consultation with the Executive Director of Finance & Commercial Services the agreement of the final terms and oversee the completion of the transfers.

18.4 **Evidence and Reasons for Decision**

The proposals in this report will support Norfolk County Council priorities of investing in schools to promote high educational outcomes and providing enough school places to meet demand.

18.5 **Alternative Options**

There are no reasonably viable options for the proposals.

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

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

The meeting ended at 12.15pm.

Chairman

Appendix A

Cabinet
7 December 2020
Public & Local Member Questions

Agenda item 6	Public Question Time
6.1	**Question from Amanda Fox** Given the public opposition to the Western Link Road, would council be willing to allow the people of Norwich to decide for themselves on this by putting it to a citizens assembly? **Response**: Cllr Martin Wilby, Cabinet Member for Highways, Infrastructure & Transport. The Norwich Western Link is an important project for the county, including, but not limited to Norwich - which is why the county council has made it one of its key infrastructure priorities. There have been sustained calls to fill in what people saw as the 'missing link' between the A47 and Broadland Northway for some time, which in turn would take traffic congestion out of local communities and improve journey times and reliability. With significant growth anticipated in and around Norwich, we need to make sure we have the right infrastructure in place so that that Norfolk can grow successfully, continuing to provide a good quality of life for our residents, while also supporting local businesses and the economy. As the government has already stated, this will be even more vital as we recover from the coronavirus pandemic. I make no apology for our ambition for Norfolk and our communities. Three public consultations have been carried out to date on the Norwich Western Link, including the Local Access Consultation which was conducted between July and September this year. In our options consultation in 2018/19, 77% of respondents either agreed or mostly agreed when asked to what extent they agreed there was a need for a Norwich Western Link. There is also strong support for the link to be created from parish and district councils, Norfolk MPs, local businesses and emergency services, amongst others. So there is in fact public support for the delivery of an appropriate Norwich Western Link. A further public consultation on the project is planned for 2021 ahead of the planning application being submitted, and then people will have a chance to comment on the planning application once this has been submitted. The statutory process may also result in a public inquiry before all applicable consents are granted.
6.2	**Question 2 from Amanda Fox** Wouldn't it be better if all major infrastructure planning decisions were made in this way so that the people of Norwich decide how they would like the city to be shaped in the future. **Response**: Cllr Martin Wilby, Cabinet Member for Highways, Infrastructure & Transport. County councillors are elected to represent the whole of Norfolk and its people. There are many aspects we need to consider when deciding what infrastructure is needed in the county, including projected growth, potential risks, benefits and impacts, current and future transport issues and needs, how each project fits within the wider transport network, and relevant local and national policy. We also need to listen to what people are telling us they want and need, and this is done through a range of formal opportunities, such as consultations, but also just by getting in touch with your local councillor. There is often a balance to be struck between conflicting interests and we will always act in the best interests of Norfolk. There are no plans

	currently to change the democratic processes at the county council. Again, I make no apology for our ambition for Norfolk and our communities.
6.3	**Question from Jan Davis** The 2020/21 budget allocated a total of £4.055m for the Norwich Western Link road broken down into Procurement (£637K), Design (£931K), Statutory process (£1.94m) and Outline Business Case (£544K). A further £2.98m was allocated to acquire land. A total of just over £7m. How much of each of these allocations has been spent to date and how much is allocated for each in the 2021/22 budget? **Response**: Cllr Martin Wilby, Cabinet Member for Highways, Infrastructure & Transport To month ending October 2020 the costs for each element are Procurement (£0.338m), Design (£0.524m), Statutory Process (£1.013m), Outline Business Case (£0.326m) for financial year 2020/21. There is a degree of overlap between these activities, and the development of the scheme is in line with the budget allocation. Land acquisitions costs to the end of October are £2.380m and include costs from financial year 2019/20 as well as 2020/21. These are as the result of blight notices served on the Council where the qualifying criteria have been met following the preferred route announcement in July 2019. The budget for 2020/21 is heavily influenced by the design and build contractor procurement process currently underway. Allocations will be recommended as part of the Council budget setting early in the new year.
6.4	**Question from Katy Jones** As a result of the pandemic we have seen a huge rise in loneliness and isolation across Norfolk, across all ages. Can NCC confirm the plans and investments that they are going to make to address this critical issue which affects the lives, health and well-being of so many people? **Response**: Cllr Margaret Dewsbury, Cabinet Member for Communities & Partnerships. NCC has always championed initiatives that support residents to overcome loneliness and social isolation, with our “No Lonely Day” campaigns and practical offers like “Just a Cuppa” and activities for young children and their parents’ in libraries. Throughout the pandemic we have offered access to befriending services to our most vulnerable residents, particularly those who have been required to shield for long periods of time. We would expect to resume our offers in services such as libraries as soon as it is safe to do so, and will continue to work with partners to ensure we are reaching out to the people who need us.

Agenda item 7	**Local Member Issues/Questions**
7.1	**Question 1 from Cllr Mick Castle** Often sensationalist media stories about flooding featured in our local papers suggest a fragile coastline where Norwich is about to represent the new front-line coastal town with places like Yarmouth under the sea. Do the Cabinet Members agree with me that when it comes to development of a robust Flood Defence Policy for the County we need to quantify actual risk in a rational manner – recognising that there are many thousands of homes in Norwich and our Market Towns at risk of surface/rain water flooding (often overlooked) and that those homes at risk from coastal flooding are actually concentrated in a small number of locations? **Response:** Cllr Andy Grant, Cabinet Member for Environment & Waste. Yes, I agree that when it comes to the development of a robust policy, it does need to be in a rational and evidence-based manner. The council has assessed the surface water risk against all properties and key infrastructure across the county during the publication of the Preliminary Flood Risk Assessment (PFRA). This has provided comprehensive evidence of the level of surface water risk to our communities and guides our prioritisation of flood risk mitigation work. The policies in our Local Flood Risk Management Strategy have also recently been revised and updated and will be presented to Cabinet in January 2021 for approval.
7.2	**Question 2 from Cllr Mick Castle** Would the Cabinet Members agree with me that towns like Yarmouth - with upwards of 30,000 living in the seafront area and alongside the rivers Yare and Bure - the priority is to drive forward the Environment Agency's long-term project for improving river flood defences to a 1:200 year standard as that protects existing residents and businesses and also enables new homes and businesses to be developed in areas of the town identified for significant regeneration? **Response:** Cllr Andy Grant, Cabinet Member for Environment & Waste. The impacts of coastal towns exposed to significant flood risk, such as Gt Yarmouth, forms part of the work embodied with the "Broadlands Futures Initiative". This is a partnership project that draws on expertise from the Environment Agency, Broads Authority and the County Council. As yet, this work has not yet drawn any final conclusions. However, when it does, the appropriate response to address coastal and inland flood risk, highlighted by Cllr Castle, will be identified.
7.3	**Question from Cllr Sandra Squire** Given the connectivity issues plaguing online council meetings across Norfolk, including this council with members who couldn't connect, were disconnected or couldn't have their camera on during the recent council meeting, a situation which is replicated in district, town and parish councils, does the Cabinet member agree that simply congratulating ourselves on an apparent high level of residents that can receive super fast broadband, is missing the point entirely. That there is a great difference between what is advertised and what is actually received and more needs to be done to look at why these connections are so unstable.

	Response: Cllr Tom FitzPatrick, Cabinet Member for Innovation, Transformation & Performance. While we know that over 95% of Norfolk residents can now get Broadband running at Superfast (24mbps) or better speeds (as reported by reputable independent sources), we recognise that there is more to achieving good internet speeds than just service availability. Sometimes the speed experienced in the home is less than what's advertised and there can be many reasons for this ranging from faulty fibre connections, wiring or electronics, through to internal cabling, wi-fi setup and device (PC/tablet/phone etc) related issues. There are a number of variables to consider and diagnose in the event of poorly performing internet connectivity speeds and reliability. If you are not getting the speed you are paying for then the first point of call should be to check with your internet service provider and to see if that is the problem. If necessary consider switching provider to one which provides a faster or more reliable service, including wireless options in the 5% of homes where Superfast broadband is not yet available. You should try connecting your laptop directly into your router to get the best performance or use good quality power line or Wi-Fi extenders depending on the nature and layout of your property. Norfolk County Council will soon be launching a chatbot which will give elected members and residents advice on how to get the fastest possible broadband and mobile connections. This will also include the in-home issues such as wired connections, Wi-Fi, use of extenders, how to set up devices and more. The tens of millions of pounds of investment being in full fibre / gigabit capable circuits by Norfolk County Council and multiple private sector companies will continue to improve broadband speed and resilience for all of Norfolk's residents and businesses. It should also be noted that even with a good broadband connection, online services can suffer performance problems if they are over subscribed or not optimally configured. Norfolk County Council is continually reviewing its systems to ensure they are as responsive and stable as possible. Considerable progress has been made since Covid-19 so dramatically changed our ways of working. Teams video performance on Corporate laptops is already much improved and this process of optimisation will continue. Last, but not least are the digital skills that both officers and elected members require to get the best out of the devices, software and connections. Training materials and opportunities remain available on demand for councillors and offers in both recorded and live sessions.
7.4	**Question from Cllr Alexandra Kemp** **Norfolk Policy on Speed Management on Single-Lane HGV Access Route Through Clenchwarton** Clenchwarton is a Settlement. Clockcase Lane is the single- lane HGV Access Route, passing through Clenchwarton, to the Anglian Water Works. Norfolk County Council's Speed Management Policy says the norm is that HGV Access Routes, passing through Settlements, should be 30 mph, to give priority to protecting local communities, with the possibility of 20 mph in the immediate vicinity of areas with concentrations of vulnerable users. Therefore, Clockcase Lane, an important amenity for pedestrians and cyclists, who are at risk from Tankers, should have a 30 mph speed limit to protect people. Clenchwarton Residents think so. Does

	Cabinet agree? **Response**: Cllr Martin Wilby, Cabinet Member for Highways, Infrastructure & Transport. Clockcase Lane itself does not pass through a settlement, it is almost entirely rural in nature with two properties at the southern end. This location therefore does not fit the criteria for a 30mph limit however an alternative is to extend the existing 40 mph limit on Ferry Road (up to Bailey Lane) to benefit these two properties. You could choose to progress this option using the Local Member Budget allocated to you. If you wish to consider this further, you can contact your local Highway Engineer.
7.5	**Question from Cllr Mike Smith-Clare** Can the cabinet member for Children's Services explain why 34% of care leavers/ those still in care aged 16-17 and 49% of care leavers aged 18 and over are not in employment, education and training, and of those how many care leavers across both age groups are the whereabouts unknown? **Response:** Cllr John Fisher, Cabinet Member for Children's Services. I would like to thank Cllr Smith-Clare for his question as this does identify the change in statistics from September to now and why reporting to the Department for Education only occurs from December onwards. I believe that figures quoted in this question were for September 2020 but the most recent figures show 28% of 16/17 years old children in care and Care Leavers not in Employment Education or Training and 45% of care leavers aged 18-21. Data collected in the first months of the academic year is often not wholly accurate as children and young people aged 16+ are not counted as being in education, employment or training until they have begun their course and there is often a delay in the recording of academic attendance. Councillor Smith-Clare will be aware there are a great many reasons why young people in care or who have left care might face additional barriers to employment, education or training. These include health problems, ongoing mental health challenges, deficits in skills and qualifications and wider social and legal difficulties. As a member of the Corporate Parenting Board the Councillor will also be very familiar with the clearly defined and dedicated working groups within our Corporate Parenting arrangements focussed on this key issue and we are taking forward a range of steps to help more young people leaving care to progress positively to further education or employment. I would like to thank Cllrs Kemp and Squire for their work with this. Those plans include new apprenticeship schemes (including NCC and districts working together for a consistent and across county offer), volunteer and work experience opportunities for younger children to begin to develop their CVs, work with large organisations for guaranteed interview schemes for care leavers to name a few, supported by Members at County and District level . We are also working with our health partners and through our transformation plans to embed clinicians in teams to address mental health and emotional wellbeing will help and know that the CCG plans to provide a dedicated Leaving Care service to support both physical and mental health needs for 18+ which will further help us to address this. We only have one young person we are aware of who is whereabouts unknown and NEET – unfortunately he is an unaccompanied asylum seeking young person who

	came to us directly from Dover Port and left with someone the following day. I am surprised to have received this question from a Councillor who is already part of CPB and should be fully aware of work outlined and if the Councillor has other ideas or proposals which might help this then these would be most welcome either now or at the next meeting where the sub groups will be reporting on their work.
7.6	**Question from Cllr Emma Corlett** Please can the Cabinet Member for Infrastructure and Development confirm when the full environmental impact assessment for the Western Link road will be available and how this will form part of the outline business case? **Response:** Cllr Martin Wilby, Cabinet Member for Highways, Infrastructure & Transport. The Environmental Impact Assessment (EIA) will be based on the design and build contractor's design and construction proposals. The procurement process for the design and build contractor is in progress and they are expected to be appointed in March 2021. The findings of the EIA will be reported in the Environmental Statement that will be provided as part of the planning application submission in autumn 2021. The Outline Business Case, due for submission early in 2021 is being prepared in accordance with Department for Transport (DfT) guidance and requires a detailed examination of the schemes environmental effects, sufficient for Government to understand the likely impacts and mitigation strategy proposed. The scheme is working to the principles of Biodiversity Net Gain which would leave habitats in a measurably better condition in accordance with Department for the Environment, Food and Rural Affairs Metrics.
7.7	**Question from Cllr Danny Douglas** The Norwich Western Link project stands to receive £1.657m from the 2019-20 Business Rates Funding pool. The refreshed Norfolk Strategic Infrastructure Development Plan on the Cabinet agenda cites the Business Rate Pool as a potential funding source for the development stage of the project. If any one of the Norfolk Councils pulls out of the funding pool as a result of reviewing the impact of the provisional settlement when it is announced, how will this affect the funding of the Norwich Western Link project? **Response:** Cllr Andrew Jamieson, Cabinet Member for Finance. The Business Rates Pool funding is rates collected for the 19/20 Financial year, has already been collected and agreed. It would make no difference at this stage if a partner withdrew from the arrangement
7.8	**Question from Cllr Colleen Walker** The budget for Members' Allowances has increased from £878,830 in 2017/8 to £999,540 for 20/21, in total £120,710. This cost increase is far more than the investment needed to keep the operations at Holt Hall. Similarly the costs of new car parking spaces at county hall c£2m in one year dwarf the predicted investment required capital works on Holt Hall over a decade. Can the Leader explain to my residents and Norfolk how these priorities have been determined, as many will find it perverse to use criteria that put Councillors and County Hall car parking above opportunities for young people to study outdoors? **Response:** Cllr Andrew Proctor, Leader of the Council, Cabinet Member for Strategy

	& Governance. The issues on Member allowances, allowing those who are from a range of backgrounds to represent their communities and provide a diversity of decision making have been well rehearsed. Many Conservative Members have not taken their allowance increase in 2021. All Members who have taken the 2021 increase have prioritised any spending of that over Holt Hall. There is still the need to provide sufficient parking as NCC rationalises its property estate to drive out important revenue savings and transform the way the council will work in the future. NCC has supported Children's wellbeing across the County including a £200k capital contribution to the new YMCA facility in Norwich and substantial investment into education, in SEND schools, working with NSFT to redesign mental health services for children and young people in Norfolk and improving levels of support for young carers. As Cllr Walker is aware Holt Hall attracts only 7% of all residential visits by Norfolk schools, that's 3,000 Norfolk pupils per year, out of a total of 112,000 and is one of several facilities across the County that provide a wide range of outdoor and structured learning for young people
7.9	**Question from Cllr Chris Jones** The Leader advised Cabinet on 2nd November 2020 that £6,000 had been spent on digital equipment for education from a £150,000 budget for laptops and other digital support, to expand the group of children from disadvantaged families who can access education online and maintain social contact as well as assisting people in financial crisis into work. Can he confirm how many households have benefited from the £6,000 spent, which divisions these households are located in, how the Council will determine who will benefit from the remaining £144,000 and if Councillors will be able to recommend residents in their division who are struggling with IT? **Response:** Cllr John Fisher, Cabinet Member for Children's Services. The Department for Education (DfE) has launched two schemes to support the distribution of digital devices and 4G routers to vulnerable young people through the current Covid crisis. The first was launched in May of this year and was aimed at care leavers and children with a social worker (0-19) and young people in year 10 who did not have access to a device through another source. This scheme is still active and distributing devices to care leavers and children with a social worker in Norfolk. For the 2020-21 academic year the DfE have extended the scheme to support vulnerable children in Norfolk schools which have been forced to close (or partially close) due to a Covid incident. Digital devices and routers are available, and schools can order machines directly from the DfE. Schools can apply for additional machines above their allocation directly to the DfE depending on the circumstances of the closure. The Virtual school for looked after children for Norfolk is supporting young people in care aged 16-25 to gain access to digital devices and specialist support through their Access to Computers and Technology (ACT) scheme. Younger pupils can be assisted by the virtual school to get access to devices through their school and the Pupil Premium programme. Norfolk County Council are also helping vulnerable young people and families claiming universal credit or who are on low wages to gain access to digital devices and 4G routers via their Norfolk Assistance scheme. The scheme can supply refurbished equipment to assist families in gaining access to the internet to help home

	learning, applying for jobs, as well as reducing isolation and connecting with family and friends. This digital inclusion scheme was approved with £150,000 from the DEFRA funding through Norfolk Assistance Scheme in Sept 2020. An awareness raising campaign was launched by NCC w/c 30th November and has been circulated widely to professional networks, schools and Children's Services teams. Posters and information will be provided through the library service and community venues that children, young people and families attend. A media release and dedicated web page will follow in due course. (see attached publicity material focused on schools and non-schools audiences) A family can make an application themselves via the website or can be assisted by a support worker, social worker, local member etc who can apply on their behalf. Individuals can also contact the CSC who can support an application being made over the phone. Since the scheme launched 30 laptops have been provided to individuals and families supporting their specific needs along with help with connectivity where needed. We anticipate there will be a further increase in the spending on this programme following the campaign and further training being provided to inhouse Childrens Services staff in completing applications on behalf of families. Decisions made on those who access the scheme are based on meeting the eligibility criteria and evidence of financial hardship. Members are able to direct residents to the scheme via this link (awaiting link).
7.10	**Question from Cllr Brenda Jones** Once again, the Government have failed to address the perilous chasm in Adult Social Care funding at last month's Comprehensive Spending Review. Does Cabinet therefore intend to recommend to Council that it levies the full Adult Social Care precept from April 2021 in order to help balance the books? **Response:** Cllr Andrew Proctor, Leader of the Council, Cabinet Member for Strategy & Governance. We are still looking at all options as part of the budget preparations for 2021/22. Proposals will be presented at the Budget Council in February 2021 and therefore no decisions have been made concerning the Adult Social Care Precept at this time.
7.11	**Question from Cllr Julie Brociek-Coulton** The Chancellor's Comprehensive Spending Review did nothing to address the specific financial pressure on our carers, particularly ringfenced money over this Winter. What plans does the Cabinet have to financially support Norfolk's carers in the coming challenging months?? **Response:** Cllr Bill Borrett, Cabinet Member for Adult Social Care, Public Health & Prevention. Thank you for your question. Norfolk's enhanced Carers Matter Norfolk service launched on 1 September 2020, it's focused on providing robust support to carers earlier and improving carer wellbeing. This five-year contract is being delivered via a Social Impact Bond model and is focussed on delivering outcomes-based contracts that are continuously informed by carers themselves. The model combines £1.3m of annual existing Norfolk County Council budgets,

	including £0.16m paid by the local Clinical Commissioning Group. In addition, we will be able to claim up to £4.1m from the Life Chance Fund (LCF), for a total of £10.6m spend for carers over five years. This project effectively protects and locks in our spending of £1.3m on carers support services for the next five years, demonstrating the high level of commitment to tackle what the Council has identified as a high priority, and in addition the opportunity to attract additional funding via the LCF. Furthermore, as part of addressing the unprecedented challenge for social care that Covid-19 presents, the government provided adult social care with funds through the Infection Control Fund. Designed to support with the prevention and control of Covid-19 in care, Norfolk County Council is actively pursuing utilising the current round of funding it to support unpaid carers in their own homes. We have and continue to recognise the extraordinary lengths that they are going to while they support their loved during the pandemic.
7.12	**Question from Cllr David Rowntree** Barclays bank have announced that they are closing their branch in my division, leaving my residents with no local access to banking facilities. This story is repeated across Norfolk, with banks and building societies withdrawing their services from our towns and suburbs. Can the Cabinet Member for Growing the Economy explain what steps Norfolk County Council is taking to ensure residents across the county have reasonable access to banking facilities? **Response:** Cllr Graham Plant, Cabinet Member for Growing the Economy. There are currently no plans for the County Council to intervene in providing access to banking. We do lobby for reasonable access for banking for residents.
7.13	**Question from Cllr Chrissie Rumsby** Could the Cabinet member for Highways and Infrastructure provide a written statement of the performance against targets for Highways teams covering Norwich since the termination of the agreement with Norwich City Council and the service was brought under Norfolk County Council control? **Response:** Cllr Martin Wilby, Cabinet Member for Highways, Infrastructure & Transport. Since April, we have introduced a monitoring regime and I am pleased to say that, despite the challenges of the Covid situation, the team are performing well and we are now delivering a consistent service across all highways area teams. Since April, the team have received 1,877 customer queries and responded to 90% of these. The remaining queries are live and are currently being investigated. In addition, 2,622 individual works orders have been raised by the team and these have been or are in the process of being delivered. Contractor performance is also monitored and Norse Highways are above target for the delivery of all highways works, averaging over 96% of works delivered on time. In addition, the 2020 National Highways and Transport (NHT) network survey results have just been issued. I am pleased to report that for the second year running Norfolk County Council has come first among its peers for overall satisfaction. In addition, we were also ranked 1st amongst our peer group for the 'professionalism of staff regarding enquiries'.

7.14	**Question from Cllr Dan Roper** Is there a legal requirement for the sale of the building or land that any future use of Holt Hall has to be for educational purposes? **Response:** Cllr Greg Peck, Cabinet Member for Commercial Services & Asset Management. As set out in report detailed work around the disposal has not been undertaken. However, a title report has been commissioned and there are no restrictions that would bind the future use of the land. As vendor, NCC could impose any restrictions on the land although this would obviously limit the market.
7.15	**Question from Cllr Steff Aquarone** Will the testimonies that were given about the value of outdoor education provided by outdoor learning specialists as part of the consultation on the future of Holt Hall be given due weight or is this decision just about the money? **Response:** Cllr John Fisher, Cabinet Member for Children's Services. The value of outdoor learning is recognised in the Cabinet report. Section 5.2 notes the background research and engagement with national leaders in this field between December 2019 and February 2020. During this time, we looked at the role played by other councils and this has influenced our view that we should cease being a direct provider. These initial findings were shared with staff and they were invited to comment at this stage. More recently feedback from staff and others has included some positive suggestions of outdoor learning activity beyond Holt Hall. The Norfolk County Council Specialist Outdoor Learning Manager and Adviser will be critical to shaping the future offer. It is not all about the money which is clearly recognised in the report.
7.16	**Question from Cllr Brian Watkins** How much has the council saved this year through the council staff not being in the office and not incurring expenditure for activity such as car travel? **Response:** Cllr Andrew Jamieson, Cabinet Member for Finance. The council has saved approximately £3m and this is being utilised by services to support the response to COVID-19.
7.17	**Question from Cllr Tim Adams** Care providers are struggling during the Covid pandemic to properly protect people with learning disabilities. People with learning disabilities were up to six times more likely to die from Covid-19 during the first wave of the pandemic. Why have they been forgotten? **Response**: Cllr Bill Borrett, Cabinet Member for Adult Social Care, Public Health & Prevention. Thank you for your question. The short answer is that they haven't been forgotten. Care providers in Norfolk have gone to great lengths to support and protect people with learning disabilities. Adult Social Services has worked closely with all Norfolk's care homes, supported living settings and day services to ensure measures are in place to protect their residents, including strict infection control procedures. For services that support people in the community, we have provided regular, up to date and clear advice about how to limit the spread of the virus during lockdown and

	under the requirements of the national Covid 19 alert levels. Where possible providers are open, with others deciding to provide individual or virtual support under lockdown. Regardless of the number of people a provider supports, we are paying providers at the level paid to them in February (pre-lockdown) to ensure that their income remains at a level enabling them to continue their activities. We have funded extra capacity in the NCC Health and Safety team to assist with risk assessments and we have made funding available from the infection control fund to enable them to make changes and adaptations to reduce infection risk. Where providers need to provide additional support (for example someone living in supported living is unable to attend their usual day service) we are making additional payments to enable them to do so. Respite provision remains open but at a reduced capacity to ensure people can self-isolate for the duration of their stay, in line with national requirements. Where this reduction in capacity has reduced a providers income NCC has provided additional financial support Between March and June a learning disability focused covid positive residential provision was purchased, to reduce infection risk if anyone was unable to self isolate at home (including in an other residential or supported living service). There are plans in place to be able to deploy a similar service at short notice, should it be required over the winter. Throughout the pandemic the learning disability operational social care teams have maintained regular telephone contact with all people with a learning disability who receive NCC services who live in the community. This is to keep in touch, to ensure their ongoing welfare, and to enable practitioners to respond quickly where a situation is deteriorating and identify and deploy support
7.18	**Question from Cllr David Harrison** How many local community schemes were established across Norfolk to help residents cope during the first wave of pandemic. How many of these are closing and how many would you estimate will still be active after Christmas? **Response:** Cllr Margaret Dewsbury, Cabinet Member for Communities & Partnerships. Local councils are working closely with their communities to understand the number and capacity of local community organisations and local groups. Due to the nature and size of these organisations it is difficult to provide exact numbers of them, or the number of requests passed to them. All local councils are reporting that there is good and sustained coverage of these groups, and Norfolk Community Foundation is providing support for them through the winter so that they can continue to provide their vital community activities at this challenging time. Norfolk County Council donated £100,000 to Norfolk Community Foundation (NCF) at the beginning of the pandemic to provide support for the community response, and

	more recently have provided £200,000 to NCF to support families in winter hardship. In addition, NCC have also provided Covid funding to Voluntary Norfolk (£60,000) and Community Action Norfolk (£15,000) to work with community volunteers and smaller voluntary organisations and to regularly provide updates as to any additional needs the sector may have and how best to support them.

Cabinet

Item No: 9

Decision making report title:	**Fee levels for adult social care providers 2021/22**
Date of meeting:	**12 January 2021**
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**
If this is a key decision, date added to the Forward Plan of Key Decisions.	**30 November 2020**

Introduction from Cabinet Member

Norfolk County Council (the Council) invests more than £310m 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 places duties on local authorities to promote the efficient and effective operation of the market for adult care and support as a whole. This can be considered a duty to facilitate the market, in the sense of using a wide range of approaches to encourage and shape it, 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.[1]

The Council purchases almost all adult social care services from the care market with spend by the Council during 2020/21 estimated at £330m, this cost includes c£20m of expenditure that we believe is likely to be non-recurrent as it is related to costs associated with managing COVID. The fee uplift has been calculated on usual prices and exclude any COVID costs. The Council will receive Government funding of £18.829m to meet all additional COVID related cost pressures in 2021/22. Papers to the February 2021 Cabinet and Full Council will propose the recommended use of this funding across all Council services.

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.

In calculating the fee uplift offer for 2021/22 we have:

a) in partnership with Norfolk Care Association (NorCA) held wider engagement events with providers to help inform the approach to be adopted and

[1] Care Act 2014 - Care and Support Statutory Guidance, Section 4.2

b) considered other approaches to calculating the fee uplift. These approaches were shared with providers at the engagement events held so that they could help inform the approach taken to distribute the resource available

Additional growth pressures have been included within the Council's Medium Term Financial Strategy (MTFS) to manage the fee uplifts proposed within this paper. This report sets out the recommended approach for 2021/22.

Guiding Principles:

a) in line with our Care Act duties to do all that we can to promote the sustainable supply of high quality care services for adults in Norfolk
b) to ensure a fair distribution of the inflation uplift resource available
c) to ensure that that care workers are properly rewarded for the work they do

At Full Council on 24/11/2020 the following motion was approved:

'*Council notes the immense challenges faced by care workers in providing essential support to some of Norfolk's most vulnerable residents during the Coronavirus Pandemic and it thanks them for their hard work, bravery and compassion. To ensure that care workers are properly rewarded for the work they do, Council resolves to:*

a) acknowledge that it has in place a set of robust criteria to ensure that staff are properly rewarded, as this is the key to good quality services. In particular for home support the Framework Contract already includes specific requirements taken directly from Unison's Ethical Charter. The Council will continue to publish this information so that those purchasing care can take these factors into account when deciding on which organisations to commission

b) If the costs involved exceed the Council's ability to fund the commitment, Council pledges to campaign actively to the Government for the increased funding needed, creating a level playing field and the highest standards possible for Adult Social Care'

Recommendations

Cabinet is recommended to consider and agree the approach to fee uplifts for the 2021/22 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 fee uplifts, that uplifts are considered in line with those set out in this report
d) In respect of fees above usual price that have been negotiated within the last six months, including short term residential services, it is recommended that no automatic uplift be applied for 2021/22
e) 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. Background and Challenges

1.1. Background

1.1.1. 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. Over the next ten years the population is expected to increase by 50,700[2] with most of the increase in the 65 and over age bands. Across Norfolk the average life expectancy is approximately 80 years for men and 84 years for women. The average number of years a man or a woman can expect to live in good health is about 63. Deprivation and poverty influence the health and wellbeing of the population. The life expectancy gap between the most deprived areas of Norfolk and the least deprived areas is 7.0 years for men and 4.5 years for women.

1.1.2. People are living longer with multiple long-term conditions. The number of people diagnosed with dementia in 2015 was c8,100 people against a prevalence of 14,223. By 2025 the prevalence of dementia in Norfolk is expected to increase to 18,918 which is a 33% increase in prevalence from that calculated in 2015.[3]

1.1.3. Advances in healthcare mean than people with disabilities are now more likely to survive into adulthood and live longer, often in a care home environment.

1.1.4. The care sector employs 1.5m people nationally – slightly more than the NHS. According to Skills for Care, an estimated 25,000 people are employed in the care market in Norfolk. We have serious labour turnover issues amongst staff working in care. In community based services annual staff turnover is 34% (significantly higher in home care), 31% in residential care and 48% in nursing care. This reflects an issue in the sector across direct care staff, professionals such as registered nurses, management and administration roles. The turnover rates are even higher if only direct care staff are counted. The average vacancy rate at any one time across all job roles is 6%, 4% in nursing homes, 5% in residential homes, 9% in community based services with a higher % than this in home care. Promoting social care as a good career opportunity and ensuring that staff are paid an appropriate wage are essential to improving the recruitment and retention of the workforce.

1.1.5. More than a quarter of the CQC registered locations in Norfolk who have been inspected are rated requires improvement or inadequate. In the overall CQC quality league tables, Norfolk is 11th out of the of 11 East of England authorities and 16th out 16 of authorities demographically similar (the family group).

1.1.6. During the first half of 2020/21, seven care homes and three home care providers ceased trading with a loss of 100 beds to the system. 67% of the beds lost were in older people's care homes. These closures often follow serious quality and safety concerns. There are new care homes in the planning and development stages, however these are not always targeted at residents funded by the Council.

1.2. **Care Act Duties**

1.2.1. The Care Act requires Local Authorities to promote the efficient and effective operation of a market in services for meeting care and support needs with a view to ensuring that any person in its area wishing to access services in the market:

a) has a variety of providers to choose from who (taken together) provide a variety of services
b) has a variety of high quality services to choose from
c) has sufficient information to make an informed decision about how to meet the needs in question

1.2.2 In performing this duty a Local Authority must have:

a) regard to the importance of ensuring the sustainability of the market

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[2] People - JSNA - Norfolk Insight

[3] Microsoft Word - Briefing paper - Dementia - November 2016 (norfolkinsight.org.uk)

b) the importance of fostering continuous improvement in the quality of services and the efficiency and effectiveness with which such services are provided and encouraging innovation in their provision
c) the importance of fostering a workforce whose members are able to ensure the delivery of high quality services (because, for example, they have the relevant skills and appropriate working conditions) [4]

1.3. **Challenges**

1.3.1. Adult social care is the Council's biggest area of spend with 75% of the adult social care budget spent directly on care services an estimated cost of £330m in 2020/21. This spend includes c£20m of expenditure that is believed to be non-recurrent.

1.3.2. The adult social care market is characterised by increasing demand, greater complexity of need, increased labour costs, labour shortages and reduced funding. There are rising levels of unmet need for domiciliary care and continuing pressure on fee levels. This is a national issue; it is not specific to Norfolk. Managing these challenges requires a whole system approach, reviewing how, by working together, we can deliver improved value from the available resources.

1.3.3. Over the last four years Adult Social Care has had to make savings in the region of £79.294 million. The 5th October 2020 Cabinet paper on the MTFS outlined plans to make further savings of £7.344million in 2021/22, with consultation on a further £18.014 million of savings for Adult Social Care.[5] The financial challenges faced are immense and these have been exacerbated by the impact of COVID-19 and the continued uncertainty of how this will develop over the coming year. The actual costs of delivering services during COVID-19 have outstripped the monies received.

1.3.4. For Adult Social Services in Norfolk the additional costs associated with managing the COVID-19 pandemic, come on top of a rising demand for social care and the need to change and adapt services to meet people's needs and support them to stay independent, where they can. All of this is set against a backdrop of short-term settlement funding allocations and key reforms to local government funding including the Fair Funding Review, Business Rates localisation, and reform of Adult Social Care funding being repeatedly delayed.

1.3.5. COVID-19 has further exacerbated the pressures being faced by the provider sector with increased financial pressures in adhering to COVID-19 regulations, higher than average void levels within homes and a reduction in the number of new referrals. These system pressures and provider concerns regarding risk has led to a rise in care prices during the pandemic.

1.3.6. The fee uplifts proposed have been calculated on the basis of the usual cost of care and do not take into account any associated COVID-19 premium. In 2020/21 we are aware that providers have had financial support to manage costs beyond our annual fee uplift amount. This included:

a) A number of % premium payments from March to September 2020.
b) An exceptional payments process.
c) Support with the costs and provision of Personal Protective Equipment (PPE) from the Local Authority and Nationally.
d) £22m of infection control funding

On-going costs related to Covid-19, alongside Government funding announcements, will continue to be reviewed as the pandemic unfolds.

[4] The Care Act 2014 – **Promoting diversity and quality in provision of services**
[5] This will be summarised within the finance paper on 1st February 2021 Cabinet.

1.3.7. All of these challenges have increased the risk of individual provider failure. In order to ensure that we have market stability, we continue to enhance our monitoring of provider risk and maintain a close relationship with NorCA. In the first six months of 2020/21, seven care homes and three care at home providers ceased trading in Norfolk. There is a risk of further service closures during 2021/22 which will be exacerbated by a fee uplift that is insufficient to meet the current cost pressures that they are facing.

2. Proposals

2.1. For all care types, the Council's starting point for the process of a fee uplift is to consider the primary categories of cost in the provision of care in those markets. These are split into the three broad categories of Care Staff, Other staff and All other costs[6]. Each category is then given a driver of its cost:

Category	Driver
Care Staff	National Living Wage, National Insurance and Pension contributions
Other Staff	A balance between Care Staff driver and Other Cost driver
Other Costs	Inflation as measured by Consumer Price Index

This method is used to derive a weighted % uplift for each care sector.

The announcement of the National Living Wage Rate (NLW) at the Spending Review on 25 November was lower than anticipated. The Council is recommending a fee uplift increase that would allow providers to pay wage rate increases above the NLW rate announced within the November Spending Review.

The proposal is to implement fee uplifts for the 2021/22 financial year in accordance with specific contractual obligations where they exist and otherwise as set out in the table below:

Table 1: Full Uplift Percentages

Sector	% uplift (full)
Home Support – Framework	3.14%
Residential and Nursing – Older People	2.87%
Residential and Nursing – Working Age Adults	2.77%
Day Care	2.99%
Supported Living	2.98%
Supported Accommodation	2.91%
Shared Lives	2.91%
Direct Payments	3.54%*
Carers	2.91%
Other	1.40%

*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 proposed wage rate

2.2. Indexation of prices

2.2.1. 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.

[6] Note for OP Residential, Nursing and Home Support we have more detailed models that split the categories down into greater detail.

2.3. Fixed Prices

2.3.1. 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.

2.4. Pre agreed tendered prices

2.4.1. With 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.

2.5. Prices subject to annual inflation consideration

2.5.1. 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 its discretion, the Council must have due regard to its market shaping duties under the Care Act. The proposed fee uplifts in respect of contracts where the Council is required to consider a fee adjustment each year are shown in **Table 1 in section 2.1** above.

2.6. Home Support

2.6.1. The Council implemented a new Framework Agreement across the whole Home Support market in November 2019 and 67 home care providers were successful. In October the Framework was re-opened and five new providers have been added to help resolve some of the gaps in delivery such as in the North Locality. 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 the Council to be able to transfer packages to another provider quickly. This is important, especially when a provider ceases trading, and other providers are needed to take on the care packages
d) It allows the Council to create fixed volume block contracts under the Framework for small delivery pilots to meet specific needs and test the market for example, the North Double Assist pilot at a rate that is enhanced to reflect an increased complexity in operational delivery

2.6.2. The Council's focus is the on-going work with the market to create effective partnerships that support the ambition of high quality care being delivered to vulnerable people in Norfolk.

2.6.3. The recommended uplift of 3.14% will increase the hourly rate from £19.08 to £19.68 per hour of care. This uplift will maintain 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 the NLW. The Council 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.

2.6.4. It should be noted 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 2.4 above.

2.7. Independent residential and nursing care for older people

2.7.1. The Council undertook a cost of care exercise with the older people's residential and nursing care sector in 2018/19. Following a consultation process, this agreed a cost of care increase which would be delivered over a two year period 2019/20 and 2020/21.

2.7.2. As can be seen in **Table 1 in section 2.1** above, actual costs of care have been considered with relevant inflationary uplifts applied to pay and non-pay elements within the cost model. The recommendation to provide a full uplift to providers on current prices paid by the Council is therefore, deemed to be a fair approach.

2.7.3. For residential and nursing care there is a requirement to complete a consultation process prior to the implementation of any usual prices for 2021/22. It is intended to commence this process on 12 January 2021 closing on 8th February 2021. 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.

2.7.4. Detailed in Table 2 below are the proposed usual prices for residential and nursing care provided by the independent sector for older people in 2021/22.

For completeness the inflationary element is also set out in Table 1 above.

Table 2: Older People Residential and Nursing Care Inflation Uplift

Market Sector Single room only	2020/21 Rates £	2021/22 uplift		
		Inflation %	Inflation £	2021/22 rate £
Residential Standard	567.74	2.87%	£16.29	£584.03
Residential Enhanced	660.34	2.87%	£18.95	£679.29
Nursing Standard *	584.07	2.87%	£16.76	£600.83
Nursing Enhanced *	640.54	2.87%	£18.38	£658.92

* excludes independently set funded nursing care fee.

2.8. Independent residential and nursing care for working age adults (WAA)

2.8.1. Packages of care for WAA have a range of pricing structures in place and in many cases are negotiated to be specific to the needs being met.

2.8.2. The Council is looking to undertake an overarching review of all WAA care packages to ensure that as a Council future care prices continue to be a fair price for care. As a result, the current banded costs have been inflated by 2.77% as detailed in **Table 1 in section 2.1** above.

2.9. Day Care

2.9.1. The annual cost for these services has been assessed and a fee uplift of 2.99% is proposed as outlined in **Table 1 in section 2.1** above, subject to the contract clause between the Council and a provider, concerning any uplifts in prices.

2.9.2. Before Covid-19 we had the goal to reshape this market to continue to align it with what the people we support have indicated they need. Commissioners continue to work with the providers on this goal and strive to work alongside our providers to shape the offer and price within a post Covid-19 world.

2.10. Supported Living

2.10.1. The annual cost for these services has been assessed and a fee uplift of 2.98% is proposed as outlined in **Table 1 in section 2.1** above. This is subject to the contract clause between the Council and a provider, concerning any uplifts in prices.

2.10.2. Throughout the last 18 months our project team have worked closely with the market to both implement a new framework pricing model but also to review the level of care provision needed in each Supported Living scheme. Whilst there are still a few schemes to review, this process has been able to ensure we are commissioning the right level of care in each of the settings the market provides.

2.10.3. Our commissioning team are also working with this market to develop the provision of new “Enablement” schemes. This type of new offer looks to provide accommodation that supports individuals to build the confidence and skills to allow them to live more independent lives.

2.11. Supported Accommodation (Housing with Care)

2.11.1. The annual cost for these services has been assessed and a fee uplift of 2.91% is proposed as outlined in **Table 1 in section 2.1 above**. This is subject to the contract clause between NCC and a provider, concerning any uplifts in prices

2.12. Shared Lives

2.12.1. In this market there is one main provider that we commission with and this is under specific contractual terms. It is proposed that the contract for this provider be uplifted by 2.91% as outlined in **Table 1 in section 2.1 above**.

2.13. Direct Payments

2.13.1. It is proposed that the Direct Payments budget is increased by 3.54%. 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 proposed wage rate. The proposal would enable the hourly rate for care to increase to £9.30. Other costs would be increased by inflation at 1.4%. 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.

2.14. Carers Services

2.14.1. It is proposed that the contract for Carers services be uplifted by 2.91% as detailed in **Table 1 in section 2.1 above**.

2.15. Approach taken for evaluating cost changes for 2021/22

2.15.1. 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 in section 2.1 above**. This approach remains unchanged.

2.15.2. The basis for evaluating price changes is set out below:

Table 3: Basis for evaluating price changes

Cost	Market Sector	Evidence
Pay	All	National minimum dataset and the level of National Living Wage announced by Central Government
Prices	All	Office of Budget Responsibility estimates for CPI inflation.
Pensions	All	Relevant auto enrolment rate

2.16. The key cost drivers affecting care provision

2.16.1. On the 25th November the Chancellor of the Exchequer in the Autumn Spending Review announced the intention to increase the NLW by 2.2% from £8.72 to £8.91 in April 2021. Furthermore, this rate will be extended to include 23 and 24 year olds for the first time. For workers under 23, a smaller increase will be provided.

	Rate from April 2020	Rate from April 2021	Increase
National Living Wage	£8.72	£8.91	2.2%
21-22 Year Old Rate	£8.20	£8.36	2.0%
18-20 Year Old Rate	£6.45	£6.56	1.7%
16-17 Year Old Rate	£4.55	£4.62	1.5%
Apprentice Rate	£4.15	£4.30	3.6%
Accommodation Offset	£8.20	£8.36	2.0%

2.16.2. The information we acquire from the national minimum dataset information sets out actual pay rates for the care sectors in Norfolk. These tend to indicate that actual average wages in Norfolk's care market are slightly above the National Living Wage. The Council recognises however that in order to compete in the labour market, at a minimum, increases in pay rates in line with increases in the NLW. In addition, the Council recognises that pay differentials need to be supported to aid retention of skilled and experienced staff.

2.16.3. As a result of these market conditions, for 2021/22, we have applied a % above the 2.2% increase of the NLW to the care staff component of our care models. Whilst there is slight variation within each market, due to the existing median pay levels, the % applied is typically between 3.5% to 3.9%.

2.16.4. This, alongside the training and development opportunities available to adult social care staff through, for example, the ESF funded Health and Social Care Development fund, will help to support adult social care as a career and hopefully attract more people into the sector.

2.16.5. As indicated in Table 3, the other main driver of cost in our model is the general price inflation that providers are likely to face in 2021/22. As in previous years, we have used the Consumer Price Index (CPI) as the proxy measure for this cost pressure. As in previous years we have utilised the forward projections produced by the Office of Budget Responsibility (OBR)[7] which indicates a 1.4% increase in these costs.

2.17. Consideration of affordability – budget planning

2.17.1. 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.

2.17.2. The financial context continues to be challenging. The 2021-22 Budget is being developed in a climate of almost unprecedented risk and uncertainty. Not only are settlement funding allocations short term, key reforms to local government funding including the Fair Funding Review, Business Rates localisation, and reform of Adult Social Care funding have all been repeatedly delayed.

[7] OBR "November 2020 Economic and fiscal outlook – supplementary table 1.7" – available online

2.17.3. Compounding these wider uncertainties, the Council faces a potential double impact of the COVID-19 pandemic in terms of significant risks to both the underlying cost base and demand side pressures within the Budget, alongside an anticipated shock to key local sources of income (council tax and business rates), which remains difficult to forecast at this stage with any degree of confidence.

2.17.4. The budget proposals for 2021/22 included developing a targeted approach to the annual price uplift for 2021/22 recognising the overall local authority budget pressure. These proposals are presented within this report.

2.17.5. The Strategic and Financial Planning Paper presented to Cabinet in October 2020 sets out the wider financial position including the predicted impact of the Spending Round. We have now received the 2021/22 Local Government Financial Settlement and its implications, including the financial impact of the decision within this paper, will be presented to Cabinet in February 2021.

2.17.6. Application of the process described in section 2.15 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 in section 2.1 above.**

3. Impact of the Proposal

3.1. The fee uplift for 2021/22 incorporates a proposed higher percentage increase to the 2.2% uplift announced for the NLW rate, this increase depending on the market, is typically between 3.5 and 3.9%. This rate is affordable within the planned financial resource for fee uplifts for 2021/22 and supports the agreed County Council motion to better reward adult social care staff within Norfolk.

3.2. The recruitment and retention of the adult social care workforce continues to present challenges and this impacts on the quality of provision and market stability. Whilst we recognise that every business model is different, and some agency usage will be required to allow a flexible workforce, it is far more cost effective if permanent staff can be recruited and retained. An above NLW offer continues to enhance the chance of attracting staff and reduces any reliance on agency provision, thereby continuing to reduce the risk of services no longer being financially viable.

3.3. The financial challenges being faced by the Council means that it is not possible to increase the fee uplift beyond that proposed in this paper. At the provider engagement events held to discuss the approach to fee uplifts for 2021/22 the Council outlined other support that it could potentially offer to providers. Support available includes:

a) Support to enable providers to move from delivering standard to enhanced provision
b) Opportunities for block contracts or guaranteed care at home activity volumes
c) Continued focus on housing and prevention with a Council capital fund of £29m to support the development of 3,000 units of housing with care across the county
d) Implementation of the workforce strategy and continuation of the recruitment and retention support provided by Council officers
e) Delivery of the ESF funded skills development programme across health and social care
f) Supporting the market to maximise the benefits of technology
g) Strengthening our relationship with the Anglia LEP to provide greater support for providers as their businesses contribute significantly to the Norfolk economy

4. Evidence and Reasons for Decision

4.1. The legal framework – The Care Act 2014

4.1.1. 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.

4.1.2. 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.

4.1.3. 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.

4.2. Contracts

4.2.1. The Council spends over £310m 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.

4.2.2. At current usage rates the fee levels proposed in this report would add £10.143m 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.

5. Alternative Options

5.1. The option recommended within this report is affordable within the Council's budget planning approach and alternative options are not presented. However, members could choose to make different budget decisions as part of the County Council budget process.

6. Financial Implications

6.1. The recommended option is deliverable within the budget earmarked in the MTFS to meet the fee uplift costs for 2021-22.

7. Resource Implications

7.1. Staff:

7.1.1. The care fees discussed within this paper are applicable to commissioned external providers only. Any care staff employed within the Council, such as those with Norfolk First Support, are subject to the Council's wider staffing terms and conditions.

7.2. Property:

7.2.1. Not applicable.

7.3. IT:

7.3.1. The care sector digital support programme will help providers to identify and implement technology enabled services including the scaling up of the use of assistive technology.

7.3.2. The council's external funding team will work with providers to identify new investment opportunities that support technological solutions and skills development for the sector

8. Other Implications

8.1. **Legal Implications**

8.1.1. None identified

8.2. **Human Rights implications**

8.2.1. None identified

8.3. Equality Impact Assessment (EqIA) (this <u>must</u> be included)

8.3.1. Not applicable

8.4. Sustainability implications

8.4.1. This proposal would provide a full uplift taking into account the Office for Budgetary Responsibility(OBR) estimates for the Consumer Price Index (CPI) and an uplift that would support a rate of pay above the announced NLW. It is felt that this option would therefore support provider sustainability.

8.5. Any other implications

8.5.1. None identified

9. Risk Implications/Assessment

9.1. 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.

9.2. The proposed fee uplifts represent a significant investment for the Council and provides an above inflation increase. The inflation uplift is based on the usual price for care. COVID related costs incurred during 2021-22 are to be managed separately funded by government grants.

9.3. The inflation uplift approach recommended incorporates a small contingency to manage the risks associated with COVID related expenditure that are assumed to be non-recurrent for the Council. This recognises that progress to review all the NHS reinstatement packages is very time intensive and at the time of drafting this report there is insufficient data to robustly model the likely cost outcome for the Council.

10. Select Committee comments

10.1. Not applicable

11. Recommendations

11.1. **Cabinet is recommended to consider and agree the approach to fee uplifts for the 2021/22 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 respect of fees above usual price that have been negotiated within the last 6 months, including short term residential services, it is recommended that no automatic uplift be applied for 2021/22
e) 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, please get in touch with:

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Cabinet

Item No 10

Decision making report title:	**Progress with delivering the NCC Environmental Policy**
Date of meeting:	**12 January 2021**
Responsible Cabinet Member:	**Cllr Andy Grant (Cabinet Member for Environment & Waste)**
Responsible Director:	**Tom McCabe (Executive Director, Community & Environmental Services)**
Is this a key decision?	**Yes**

Introduction from Cabinet Member

Cabinet endorsed the creation of a Member Oversight Group to provide the governance for delivering our new Environmental Policy. Since then this Group has been working to oversee this process. This report provides an update with progress.

Executive Summary

In November 2019, Full Council adopted a Corporate Environmental Policy which covers a number of broad environmental themes, reflective of the Government's 25 year Environmental Plan. The Council agreed to adopt stringent climate change targets in excess of the Government's net zero carbon target by 2050 across its own activities and to become an influencer, leading through exemplar projects on its own land holding to deliver benefits leading to nature recovery.

Oversight of work to implement the Policy lies with a cross-party Environmental Policy Member Oversight Group, which receives regular updates on progress from an Environmental Policy Officers' group.

Progress on work to implement the Policy was reported to Cabinet on 6 April 2020 (see published reports and decisions) and to the Infrastructure and Development Committee on 11th November 2020.

This current report provides an update for Cabinet on progress to date, including NCC carbon reporting and future trajectory, tree planting, a concept for a land management best practice project, an approach for internal engagement within NCC which will inform department and organisation-wide future activities to deliver the Policy, and how the Policy sits within the wider context of the County's 25 Year Environment Plan.

We also report on the recent completion of work commissioned through the UEA to review the county's Natural Capital assets (Natural Assets Compendium) which has identified 7 priority themes for action.

This essential baseline will inform development and delivery of the 25 year plan to protect, conserve and enhance the region's environment.

NCC External Funding team is developing a Green Funding Framework, built on Norfolk's evidenced natural asset baseline, to bring forward projects that will enhance Norfolk's environment in a measurable and comprehensive approach. We will seek to develop and leverage innovative funding mechanisms to deliver these projects, alongside the use of existing funding sources.

Recommendations

1. **To review progress to date on the delivery of the Environmental Policy and to approve changes to the Member Oversight Group's Terms of Reference (Appendix 1), reflecting ongoing activities to deliver the Policy.**

1. Background and Purpose

1.1. At the end of 2019, the Council approved the NCC Corporate Environmental Policy, which sets out how the Council will deliver important benefits for Norfolk's environment and people alongside ambitious carbon reduction targets (net zero by 2030) through new approaches to the management of its own estate and activities.

1.2. The NCC Environmental Policy sits in the wider context of:
(i) The Government's 25 Year Environment Plan;
(ii) The Environment Bill, which will place duties on all local authorities to deliver improvements for water resources, air quality, handling of waste, and biodiversity.

1.3. Oversight of work to implement the Policy lies with a cross-party Environmental Policy Member Oversight Group which receives regular feed in on progress from an Environmental Policy Officers' group.

Changes to the Terms of Reference for the Group are proposed, which reflect ongoing activities to deliver the Policy (please see Appendix 1 for revised Terms of Reference).

1.4. **Progress:**

- Carbon baseline figures for the NCC estate have been compiled
- An internal engagement plan has been drafted
- Planning to deliver on the commitment to plant one million trees over a five-year period is well underway and a collaborative approach with district councils will be adopted
- A Statement of Intent concept note for the Burlingham Estate to explore the estate's potential to deliver significant gains for the Environmental Policy

alongside opportunities for the green economy has been drafted and an options appraisal is in preparation

- The NCC Environmental Policy addresses the Council's own desire to reduce its environmental impact. It sits within the wider context of a 25 Year Environment Plan for Norfolk and Suffolk, which is being led by Norfolk and Suffolk County Councils and partners. A baseline Compendium of Natural Capital assets for Norfolk and Suffolk – an inventory of six categories of natural asset: land; soil; habitats and species; freshwater; coast and marine; and atmosphere; along with the current and future risks to these assets – has just been completed for the partnership by UEA. This essential baseline will inform development and delivery of the 25 year plan to protect, conserve and enhance the region's environment against 7 key themes.
- Work has been tendered for 4 EV charging points on County Hall Forecourt to support service vehicles as they switch to EV.
- Norfolk County Council is a partner in an ongoing project with the City Council and UK Power Networks called 'The Charging Collective', that seeks to install EV on-street charging infrastructure in appropriate areas within Norwich. Currently Norwich has no on-street provision.
- Successfully achieved funding (£1.5m) to support Active Travel as part of the post-Covid recovery programme. This will be to support cycling and walking infrastructure, as well as the development of a community engagement programme.
- Strong continuing progress in terms of the County Council's ambitious streetlighting programme, with the completed rollout of 13,500 residential streetlight upgrades to LED in November 2020, with further LED replacement programmes scheduled for delivery in early 2021.

1.5. **COVID 19 challenges and opportunities**

The lockdown due to Covid19 has presented both challenges and opportunities. As far as the latter is concerned, the reduced levels of transport, and operational costs for the property portfolio, are likely to have had an impact. Work is already underway to lock-in some of the benefits and this will need to be incorporated into wider carbon/energy management activity.

1.6. **Waste Disposal**

New arrangements to treat around 180,000 tonnes of waste that the County Council is responsible for, in its role as a Waste Disposal Authority, start next April and will save around 47,000 tonnes of carbon emissions every year. Over the life of the six contracts, savings of over a quarter of a million tonnes of carbon emissions are expected. The assessment of the carbon footprint takes account of reduced or avoided carbon emissions from any recycling, energy recovery processes, as well as landfill diversion that proposals could achieve. In addition, emissions from the reduced levels of transport are expected.

Evaluating the carbon footprint is part of the County Council's Waste Policy and forms a key part of any future proposals to treat waste that the County Council is responsible for.

2. Proposals

2.1. Measurable baselines for carbon

Work to assess measurable NCC baseline carbon emissions has been undertaken **see Appendix 2 and Appendix 3**

Expected carbon footprint trajectory

It is expected that the green tariff will reduce the total carbon footprint for 2020/2021 to 8,000 tCO2e and will offset nearly all Scope 2 emissions. However, future years won't necessarily show further reductions without additional work, especially around transport and buildings. The next phase is, therefore, to achieve departmental and staff buy-in through a consultation and engagement exercise to explore how further reductions can be achieved through:

(i) Reduced energy demand;
(ii) Energy efficiency measures.

Targets over the plan's 3 phases (short, medium and long term) will be agreed.

The engagement exercise will also help with development of a carbon emissions 'dashboard' which will enable departments to monitor and report on progress.

Continued purchase of green energy and installation of renewable energy systems on NCC land holdings will help address Scope 2 emissions, as it is classed as a legitimate offset.

Carbon offsetting mechanisms such as tree planting will be progressed to enable NCC to reach carbon neutrality by 2030.

2.2. **Engagement Exercise**:

An internal engagement approach will:

- Adopt any learning or best practice from other authorities where it exists;
- Set up engagement workshops to explore NCC's own carbon emissions on a departmental basis, and actions that will help tackle them;
- Develop practical advice that can be rolled out to staff to foster buy-in.

Whilst ongoing communication for the Policy will be key to its success, the initial staff engagement consultation will lead to:

- Understanding and buy in from NCC directorates for the Environmental Policy;

- A prioritised draft 10 year action plan (short, medium and long-term targets) to reduce / offset carbon emission to enable Council leaders make informed decisions on actions and where to focus expenditure.
- A workforce that has a good understanding of the Council's Environmental Policy and what they, as individuals can do to help;
- A shopping list of practical advice and guidance that is needed for staff and departments to put into a toolkit to enable them to deliver their actions.

The Environmental Policy Officers' Group is in the process of developing a programme for the engagement workshops which will take place at Directorate level to enable Departments and Teams create their own focused environmental action plans and approaches (largely focussed on carbon reduction measures, but also taking account of other Environmental Policy targets). Plans will be shared with the Member Oversight Group.

Draft plan outline:

- 5 workshops will take place between January to March, one for each NCC directorate
- Workshops will last for up to 2 hours and will be conducted over Teams or Zoom and will include presentations; breakout ideas capture for carbon footprint reduction; priorities for organisational change; priorities for a resources toolkit; breakout ideas capture for projects that will help NCC with carbon offsetting, energy generation or deliver any other aspect of the Environmental Policy
- Departments will consult further with staff to complete their draft plans/individual approaches by late Spring
- Further workshops will be offered between mid-May to mid-June to help complete this whole organisational planning, aiming for the delivery and approaches to be agreed and signed off by the Summer

2.3. **Statement of intent (management of Burlingham Estate)**

Nature Recovery aspects of the Environmental Policy will be advanced over the coming months.

An Options Appraisal will be produced for the Burlingham Estate, a 3,000 acre landholding owned by NCC near Acle, to look at the estate's potential to deliver significant gains for the Environmental Policy alongside opportunities for the green economy and benefits to the expanding community in the area. Providing them access to green space and opportunities to engage with the current use of the land for agriculture and hopefully open this up for engagement with the local community with concepts such as Care Farms and Farm Share being adopted. The project will ensure that by redefining underused buildings and the way the land is used, the initiatives implemented can be fed back to the community and benefit the wider local area through education, awareness and engagement heightening the benefits of the work and its impact on the environment.

Feasibility studies will review use of buildings on the estate; the potential for green uses of the site such as water retention, soil protection and habitat recovery; cycling and walking opportunities which link to the Broads National Park and other new parks such as Horsford and Beeston; connection of the area to public transport links; and the potential for nature recovery projects.

This will all help to ensure that the project can serve a wider area and be defined as a community asset that is valued and used, which will help to protect the nearby sensitive area of the Broads. It will meet the needs of the local community as well as the environment and maintain the ethos of the County Farms Estate of benefiting those beginning their journey in agriculture by retaining land that is shown to be viable for agriculture along with the potential for some less suitable land to be repurposed for environmental and community gain.

A working group with membership drawn from within NCC and others will ensure the feasibility work is mindful of other key strategies and initiatives such as the GNDP and will help develop and deliver our ambitions.

Through this exemplar project, Norfolk County Council can play a key role in nature recovery, the creation of green transport links and in driving benefits for the green economy, demonstrating how we are leading by example on our own estate whilst addressing a method of addressing some of the 7 themes within the Norfolk and Suffolk 25 Year Plan (see section 2.6).

The initial phase of the work has been funded through the Business Rates Pool.

2.4. **Healthy Streets and Greenways to Greenspaces**

NCC has received £1.5m to develop an Active Travel programme which will help people become fitter and healthier in urban and rural Norfolk and improve air quality over the next 3 years. This is likely to be based on the ‘Healthy Streets’ initiative from the DfT.

2.5. **Norfolk Climate Change Partnership**

The Norfolk Climate Change Partnership was set up in January and meets 6 times each year to work on issues of shared importance across local government to address the climate change challenge.

The Partnership consists of Norfolk’s local authorities, Norfolk County Council, New Anglia LEP and the Environment Agency working with other organisations. The Partnership has a shared interest in supporting Norfolk’s communities, public, voluntary and community organisations, businesses and residents to reduce carbon emissions, realise the economic benefits of reducing utilities consumption and adapt to the future impacts of climate change.

The Partnership aims for Norfolk to become an exemplar in tackling climate change and protecting and enhancing its natural environment. The Partnership provides: leadership; focus and co-ordination; opportunities for sharing resources, ideas and solutions; a means of preventing overlap and duplication; a method of mainstreaming climate change/ environmental sustainability; a shared commitment to environmental improvement.

Working in partnership with the local authority family in this way, as well as with other organisations with key areas of expertise such as the Carbon Trust (e.g. on mitigation tools to meet net zero carbon) will be essential to meet the aims of our Environment Policy and deliver full-scale benefits across Norfolk.

2.6. **Offsetting**

Tree planting forms a way that NCC can offset carbon emissions and an NCC Tree Planting and Resilience Strategy was adopted by Council on 6 April 2020.

A pledge between NCC and district councils to work collaboratively on tree planting targets across Norfolk has been developed to pool resources and effort across the county which was well received at a recent meeting of the Norfolk Climate Change Partnership.

The focus for the 2020/21 planting season has been on developing relationships with other government organisations such as DEFRA and NGO's such as the Woodland Trust and The Tree Council. The aim is to set up joint projects to share pool resources in co-operative projects.

This year planting effort has focused on County-Farm land. This is to demonstrate NCC can lead by example and develop funding partnerships.

Planting is being carried out with bio-degradable guards to reduce plastic use. Herbicide use has also been minimised through the use of natural mulches and matting to suppress weed growth around new planting and reduce vulnerability to drought stress in the summer. Trees such as disease resistant elms are being planted in gappy hedgerows to improve diversity, improve resilience to disease and increase connectivity across landscapes.

Greater emphasis will be given to community lead schemes in 2021/22 when the restrictions and uncertainty around COVID 19 is expected to be reduced.

Work is ongoing to develop funded demonstration projects to Boost Community Tree Nurseries, increase the number of Agroforestry schemes and the effectiveness of rolling out free tree schemes.

Accreditation for carbon offsetting through tree planting schemes is being explored with the Forestry Commission.

2.7. **25 Year Environment Plan for Norfolk and Suffolk**

NCC's Environmental Policy addresses the Council's own desire to reduce its environmental impact. The Policy sits within the wider context of an initiative to develop a 25 Year Plan for the Environment for Norfolk and Suffolk which is being led by a Steering Group of stakeholder partners coordinated by Norfolk and Suffolk County Councils.

The Plan is a regional response to the Government's own 25 Year Environment Plan – 'A Green Future' which sets out how the environment will be improved within a generation https://www.gov.uk/government/publications/25-year-environment-plan

Considerable work has been undertaken by project partners at UEA to produce a baseline Compendium of Natural Capital assets for Norfolk and Suffolk – an inventory of six categories of natural asset: land; soil; habitats and species; freshwater; coast and marine; and atmosphere; along with the current and future risks to these assets. The plan has recently been signed off and is being made available widely: http://www.greensuffolk.org/assets/Greenest-County/Natural-Solutions/Natural-Capital-Evidence-Compendium-for-Norfolk-and-Suffolk.pdf and http://www.norfolkbiodiversity.org/assets/Uploads/NCC-SCC-Natural-Capital-Assets-Evidence-Compendium-30oct20.pdf

The Norfolk and Suffolk 25 Year Plan Steering Group is now working on next steps which will see the Compendium used as a springboard for practical action across the region. Action will be focused on 7 key themes:

1. **Water availability**. Develop a policy framework to safeguard water availability within planning control and other spheres of influence
2. **Land management**. Support policy and programmes for sustainable land management across whole landscapes to safeguard biodiversity, soil and water quality, food production and access that benefits health and wellbeing
3. **Greenhouse gases**. Develop a policy framework and programmes to reduce greenhouse gas emissions through planning control, to ensure energy efficiency and sustainability in new build, support retrofit in older buildings, decarbonise heating, prioritising off-gas areas and by working with and targeting support at large point-source emitters
4. **Carbon sequestration**. Develop a policy framework and programmes to support carbon sequestration initiatives (e.g. through peatland restoration and measures to enhance soils and their organic content)
5. **Habitats**. Develop policy and programmes for partnership working to increase species richness, abundance and ecological resilience by managing existing habitats, improving habitat connectivity and enabling habitats and species migration (especially in coastal areas)
6. **Biosecurity**. Support policy and programmes to improve biosecurity (e.g. raise awareness of, and provide early alert to, invasive species, pests and diseases)
7. **Resilience**. Assess natural asset vulnerability and develop contingency planning in preparation for increasing likelihood of extreme climate events

e.g. droughts and wildfires, floods, extreme storms and associated amplified coastal erosion.

2.8. **Funding Approach**:

Identified corporate funding is available to support improvements on the NCC estate and provide revenue support for engagement programmes. We are currently working with colleagues to investigate further opportunities, including already identified national streams, including those available through the Energy Savings Trust who currently administer the EV funding on behalf of the DfT. We are also evaluating possibilities around crowd-funding and other investment fund options. The pilot work with UKPN hinges on an investment model that proves attractive to the private sector.

This approach also underpins work underway by the External Funding Team who are developing a Green Funding Framework which will build on Norfolk's evidenced natural asset baseline in the Natural Capital Evidence Compendium, prepared with research conducted by the School of Environmental Sciences at the University of East Anglia. This baseline describes benefits that we derive from Norfolk's environmental assets and the pressures upon them. As such, the Framework will provide the reasoning for environmental projects together with more granular means to assess their outputs and outcomes. A pipeline of projects will sit beneath the Framework, and funding sources will be sought for the emerging projects. We will also seek to develop and leverage innovative funding mechanisms to deliver these projects.

2.9. **Embedding the Environment Policy in Planning**

To ensure that the adopted Environmental Policy is considered as part of the planning around future County Council development projects, it is suggested that the priorities set out in the Environmental Policy form part of County Council Project Design Brief for all relevant future developments. It is suggested that the Environmental Policy be given appropriate weight in the design process by the developing department and ensure that any available possibilities to comply with the Policy are maximised and that there must be appropriate reasons provided if the guidance/approaches laid out in the Environmental Policy are not able to be fully adhered to.

However, whilst it is a material consideration in terms of the current planning process, the Policy is not part of the Development Plan and any policy or guidance which carries significant weight in the planning balance will only follow once the Environment Bill 2020 has been enshrined into UK Law, and following that, relevant Planning legislation.

2.10. **Next Steps (with delivery reported on a twice-yearly basis to NCC Cabinet?)**

Time	What

January 2021 to September 2021	Staff buy in / engagement / promotion; Agree departmental carbon reduction activities and targets; Develop practical advice and guidance for staff (carbon reduction activities); Refine carbon reduction emissions strategy and trajectory / offsetting / use of renewables, in the light of beneficial opportunities that have emerged through the COVID crisis; Agree carbon reduction dashboard / reporting mechanisms; agree how progress will be captured and reported on all aspects of the Policy; Identify and scope (including funding) opportunities for projects to achieve carbon reduction targets and offsetting; Progress tree planting; Progress options appraisal for Burlingham Estate; Develop wider community activity addressing key impact areas.

3. Impact of the Proposal

3.1. This report lays out the impact of the delivery of the commitments outlined in the County Council's Environmental Policy.

4. Evidence and Reasons for Decision

4.1. This report details the progress being made to deliver the commitments in the County Council's Environmental Policy. Although the work is at an early stage, good progress is being made, overseen by the Member Oversight Group and with input from key stakeholders, including the UEA.

5. Alternative Options

5.1. No alternative options are being considered. The approach outlined within the report is felt to be the logical approach at this time. As delivery develops, the approach can be further refined. If major changes are envisaged these will be developed by the Member Oversight Group, for Cabinet to consider.

6. Financial Implications

6.1. Arrangements for meetings of the new Group can be accommodated within existing resources.

6.2. As part of the budget setting process for 2020/21 onward, Members have agreed £1m capital funding over the next 2 years to match fund capital projects and revenue funding rising to £350k to ensure appropriate staff and other resources can be put in place to deliver on the Policy commitments. This work includes strategic priorities including Tree Planting and scoping work to ensure that other key projects are ready for development when additional resources are secured.

Spend has been delayed owing to Covid, however, in outline, the projection is for;

- £100,000 capital reserved for tree planting (it will be used to leverage more funding);
- Full programme costing to follow the engagement exercise which will lead to short, medium and long term targets and activities to deliver the Policy (see 2.2);
- Some revenue funding to be allocated for staff to work on the Policy.

Please also see section 2.8 (Funding Approach).

6.3. Opportunities to access external funding streams will also be explored, a mapping exercise is currently underway with the External Funding Team to identify key funding streams.

7. Resource Implications

7.1. **Staff:** Arrangements cover the current support have been identified within existing resources.

Future resource needs will be identified and discussed with the Member Oversight Group. This is likely to follow the internal engagement exercise which will inform decisions on the best line of approach to tackle organisational change to reduce carbon: where expenditure is needed; where there is opportunity; incentivising behaviour change etc. These next steps will require resourcing in the form of a project manager (or managers), plus funding for agreed measures and activities.

7.2. **Property:** The property elements of this work are outlined in the main report.

7.3. **IT:** The IT elements of this work are outlined in the main report.

8. Other Implications

8.1. **Legal Implications:** N/A

8.2. **Human Rights implications:** N/A

8.3. **Equality Impact Assessment (EqIA):** There are no relevant potential equality impacts associated with the work identified to date.

8.4. **Health and Safety implications:** N/A

8.5. **Sustainability implications:** The work identified supports the creation of a more sustainable approach to the organisation delivering on its committed environmental obligations, as outlined in the County Council's Environmental Policy.

9. Risk Implications/Assessment

9.1. Risks associated with delivering the Environment Policy are currently focused on reaching the carbon target by 2030. This will need to be broken down to a set of measures that will be agreed through the Council wide engagement exercise described in this report.

10. Select Committee comments

10.1. The Infrastructure & Development Committee met on 11 November 2020. Minutes from the meeting can be accessed here

11. Recommendations

11.1.

1. **To review progress to date on the delivery of the Environmental Policy and to approve changes to the Member Oversight Group's Terms of Reference (Appendix 1), reflecting ongoing activities to deliver the Policy;**
2. **To revise the standard NCC Committee report template so that all reports (e.g. planning reports) consider the adopted Environmental Policy and 7 priority themes identified in the recent Natural Capital Evidence Compendium (2020)**

12. Background Papers

12.1. N/A

Officer Contact

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

Officer name:	John Jones, Head of Environment	**Tel No.:**	01603 222774
Email address:	john.jones@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.

Terms of Reference – amended draft

Environmental Policy for NCC Member Oversight Group
(Revisions drafted December 2020)

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:

- Ongoing work by 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.

- Ongoing work by officers to develop demonstrator projects that showcase environmental excellence - such as developing 'rewilding' and carbon sequestration and offsetting projects (including strategic tree-planting), subject to available funding.

- Ongoing work by officers to bid for external resources through emerging funding streams supporting the wider environmental agenda and developing innovative funding mechanisms.

- 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:

- Oversee NCC's approach to the delivery of the national targets set out in the Government's new 25 Year Plan for the Environment
- Monitor the progress being made to deliver the obligations set out in the Environmental Policy and seek compliance with the Policy across all Council activities through the adoption of a revised Committee Template that includes consideration of key requirements of the 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 organizations involved in the environmental sector, as deemed necessary
- Support Council projects and opportunities which deliver action for the 7 priority themes identified in the Compendium of Natural Assets for Norfolk and Suffolk (2020) https://www.norfolkbiodiversity.org/assets/Uploads/NCC-SCC-Natural-Capital-Assets-Evidence-Compendium-30oct20.pdf which concern:
  - Water availability
  - Land management (soil protection and food production)
  - Greenhouse gases (efficient, sustainable, clean energy)
  - Carbon sequestration (capture and offsetting)

- Habitats (improve, increase and better connect)
- Biosecurity (manage invasive species and pests)
- Resilience (to extreme weather events)

- Support NCC in seeking funding and additional resources to deliver the goals set out in the Environmental Policy

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 –Director of Culture & Heritage - and senior officer lead for the Environmental Policy
- John Jones – Head of Environment
- Simon Hughes – Director of Property
- Dominic Allen – Sustainability Manager

The Group may wish to invite other NCC officers, partners or stakeholders – including those from academic institutions - 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.

Appendix 2

Measurable baselines for carbon

Significant work has been undertaken to assess NCC baseline carbon emissions using the Greenhouse Gas Protocol format https://ghgprotocol.org/ showing baseline NCC emissions for the past two years under 3 categories or ‘Scopes’ (where Scope 1 is direct carbon emissions; Scope 2 is indirect emissions such as those associated with purchased electricity; Scope 3 is emissions that occur at a source not owned by NCC such as business travel). Measurements are in CO_2e, the shorthand for ‘carbon dioxide equivalents’, a standard unit in carbon accounting to quantify greenhouse gas emissions.

A summary of NCC baseline carbon emission can be seen below.

Greenhouse gas emissions (tonnes of CO_2e*) data covering the last two financial years (excluding schools)**		
	2018-19	**2019-20**
Scope 1**	5,551	4,729
Scope 2	9,201	8,302
Scope 3	3,565	3,570
Total gross emissions	**18,317**	**16,601**
Total net emissions	**18,230***	**11,625***

*The totals quoted above show both gross and net emissions of the estate. The net emissions are the final tallies when renewable and green energy are taken account of. The 2019 – 20 figure also includes benefits accrued from a ‘green energy tariff’ for electricity.

Appendix 3

NORFOLK COUNTY COUNCIL – CARBON FOOT-PRINTING - OVERVIEW

Dominic Allen, Sustainability Manager
Michael Dawson, Energy and Sustainability Manager

Norfolk County Council

https://www.norfolk.gov.uk/news/2019/11/ambitious-net-zero-carbon-target-proposed-for-norfolk

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Ambitious net zero carbon target proposed for Norfolk

05 November 2019

An ambitious date of 2030 for Norfolk to achieve net zero carbon emissions has been proposed as part of a new and far-reaching environment policy for the County Council.

A cross party group was set up in May 2019 to look closely at the key issues and actions needed to help the county council understand and address its environmental impacts from the buildings the authority uses, the way people travel, and how the land owned by the Council is used.

Over recent months the four-member working group heard from representatives of a range of organisations including Extinction Rebellion, the Broads Authority, the UEA and the New Anglia Local Enterprise Partnership. A set of proposals are now available for members of the Infrastructure and Development Select Committee to discuss at their meeting on Wednesday, 13 November. If agreed, the policy would then be considered for adoption by Full Council on 25 November.

Cllr Barry Stone, Chair of Infrastructure and Development Select Committee, said: "We are living with climate change and I'm keen to see the authority on the right track to reducing the environmental impact of the essential services we run. We need to focus on the things we have influence over to ensure improvements are within our gift. I believe the ambitious 2030 net zero carbon emission target is the right way to go and

'…we will work with our neighbours within the region, specifically Suffolk County Council and the Broads Authority, to collectively achieve 'net zero' carbon emissions on our estates by 2030, but within our wider areas, work towards carbon neutrality' also by 2030.

Norfolk County Council

The following diagram identifies the main types of emissions sources under each scope:

Scope 1: Direct

- **Fuels Combustion** (e.g. boilers, furnaces or turbines)
- **Owned Transport** (e.g. trucks, trains, ships, airplanes, cars)
- **Process Emissions** (e.g. cement, aluminium, waste processing)
- **Fugitive Emissions** (e.g. air conditioning and refrigeration leaks, methane leaks from pipelines)

Scope 2: Energy Indirect

- **Consumption of purchased electricity, heat, steam and cooling**

Scope 3: Other Indirect

- **Purchased materials and fuels** (e.g. extraction, processing and production)
- **Transport-related activities*** (e.g. commuting, business travel, distribution)
- **Waste disposal** (e.g. waste, recycling)
- **Leased assets, franchising and outsourcing**
- **Sold Goods and Services** (e.g. Use of goods and services)

Key: Recommended / Discretionary

*From / to point of ownership transfer

Norfolk County Council

Baseline Footprint

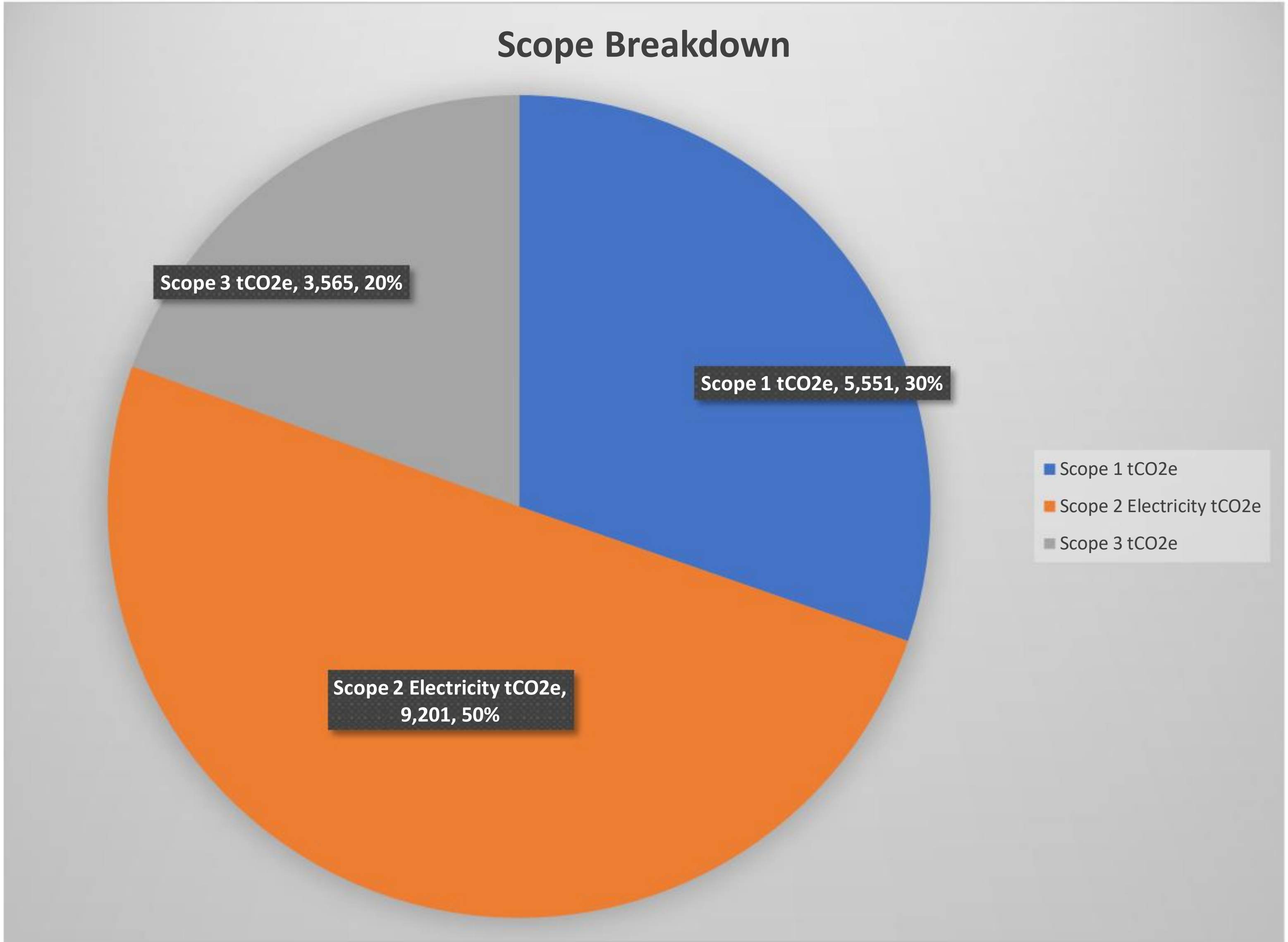
Highlights

- Baseline is data for 2018-19 and is for NCCs own activities
- Around 18,000 tCO_2e split across all three scopes
- The total footprint is roughly split into thirds between travel, buildings and streetlighting

Scope explanation

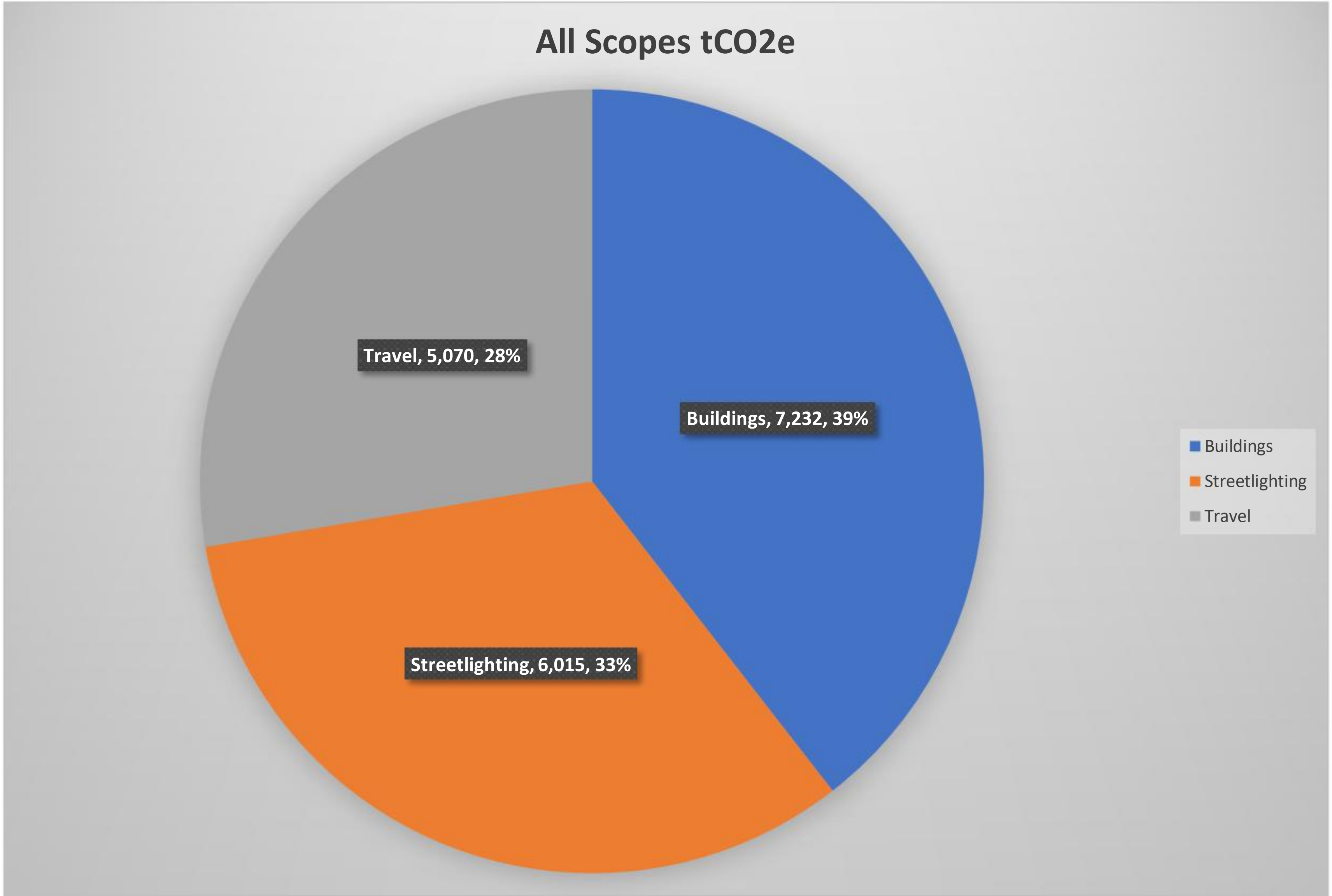
- Scope 1 = directly burnt fuels (such as cars, boilers)
- Scope 2 = electricity consumed that has been generated at power stations via the National Grid
- Scope 3 = indirect emissions, such as staff own vehicles mileage, transportation and distribution of fuels (electricity, gas, oil), rail, water. Scope 3 emissions are voluntary/discretionary for reporting purposes

All Scopes Baseline 2018-19

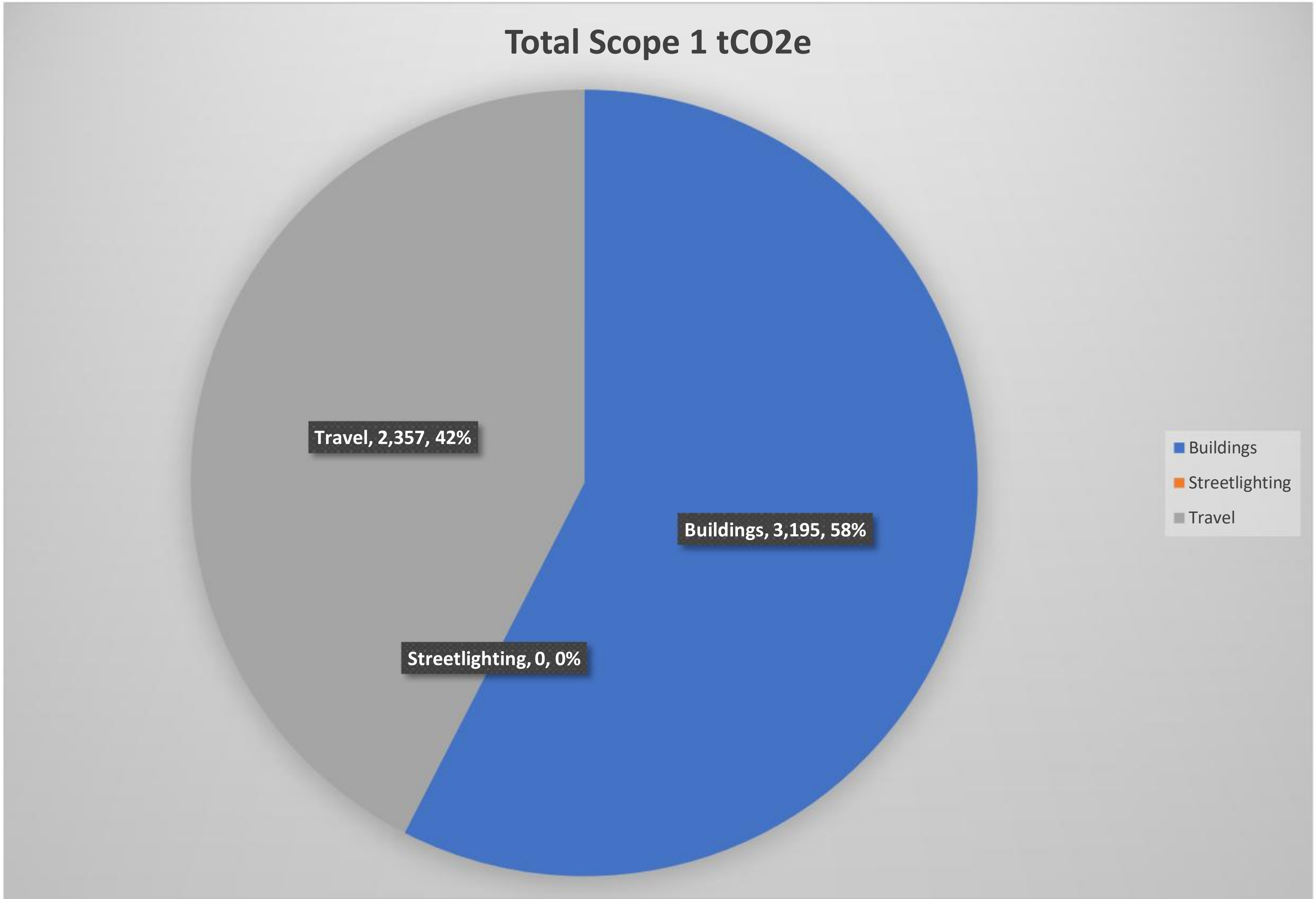


Norfolk County Council

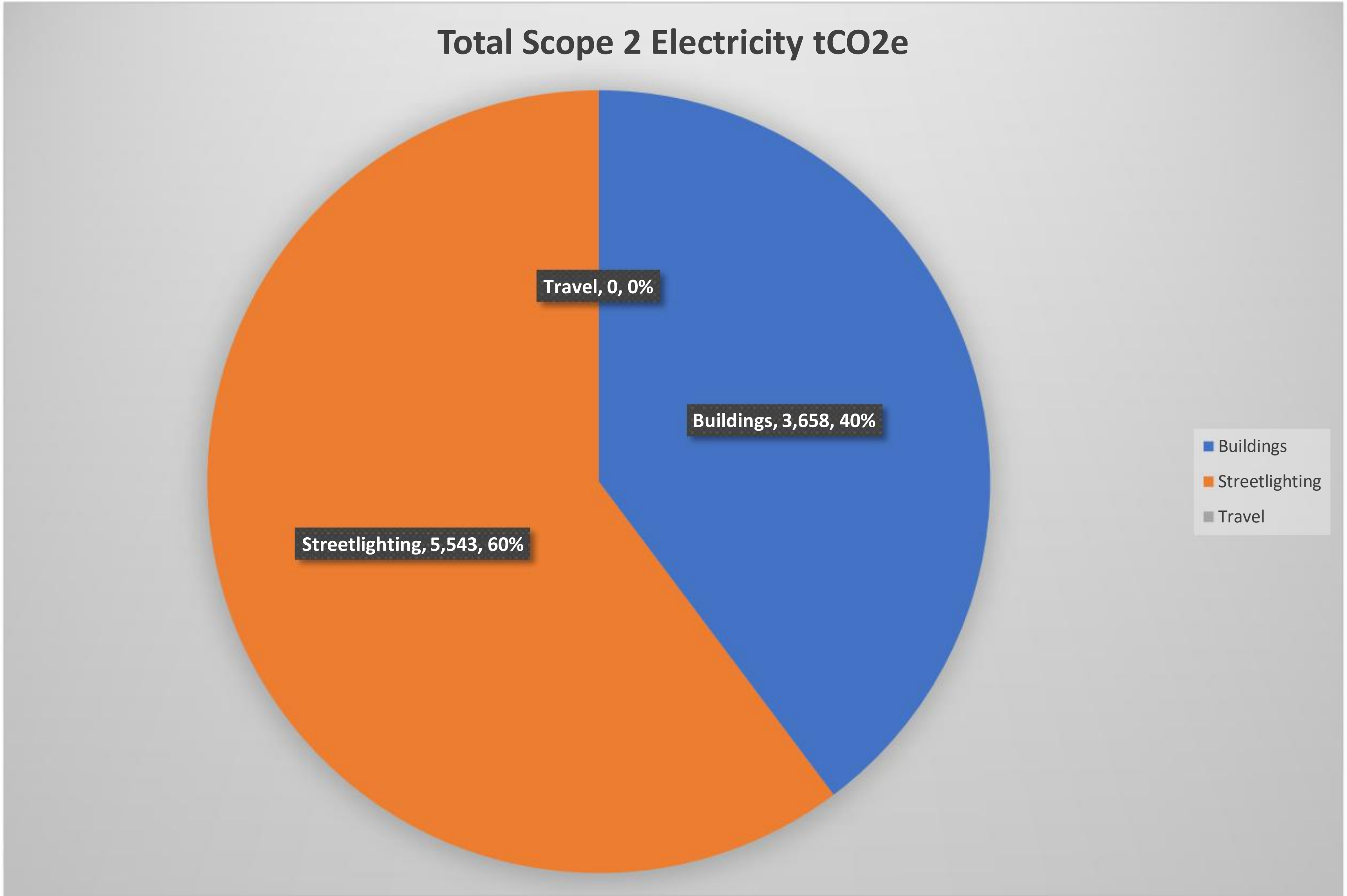
All Scopes Baseline 2018-19



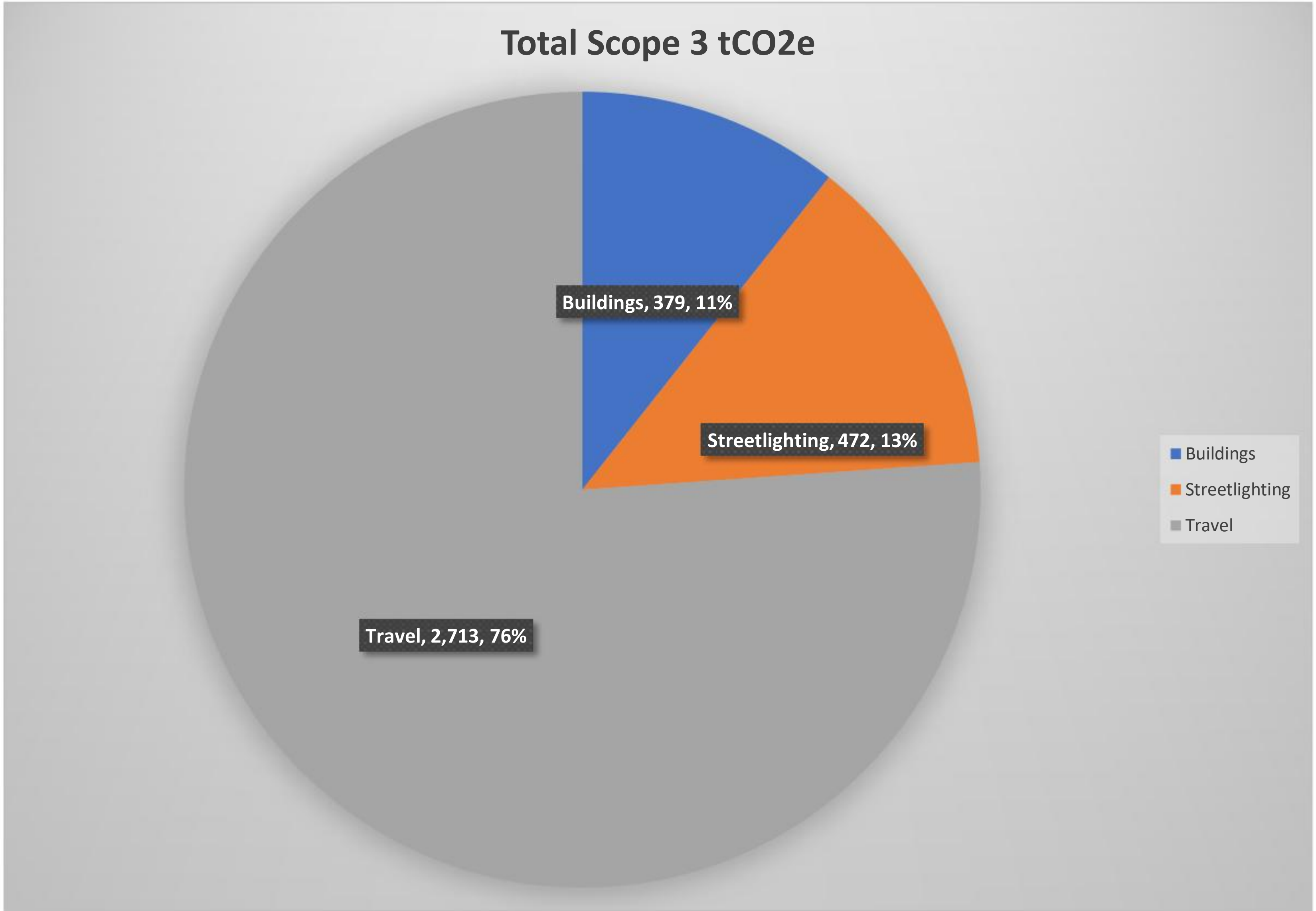
Scope 1 Baseline



Scope 2 Baseline



Scope 3 Baseline



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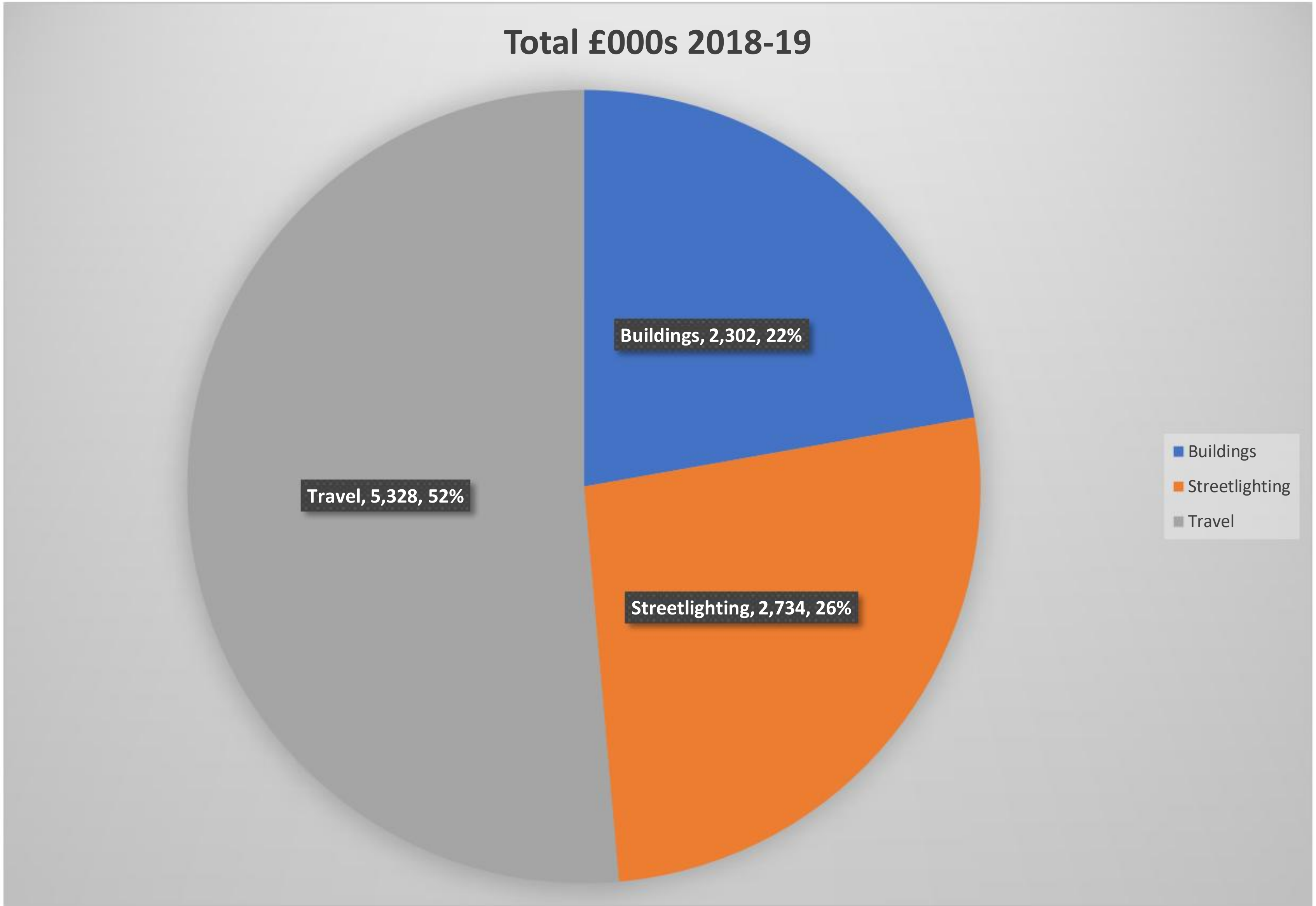
Baseline Spend

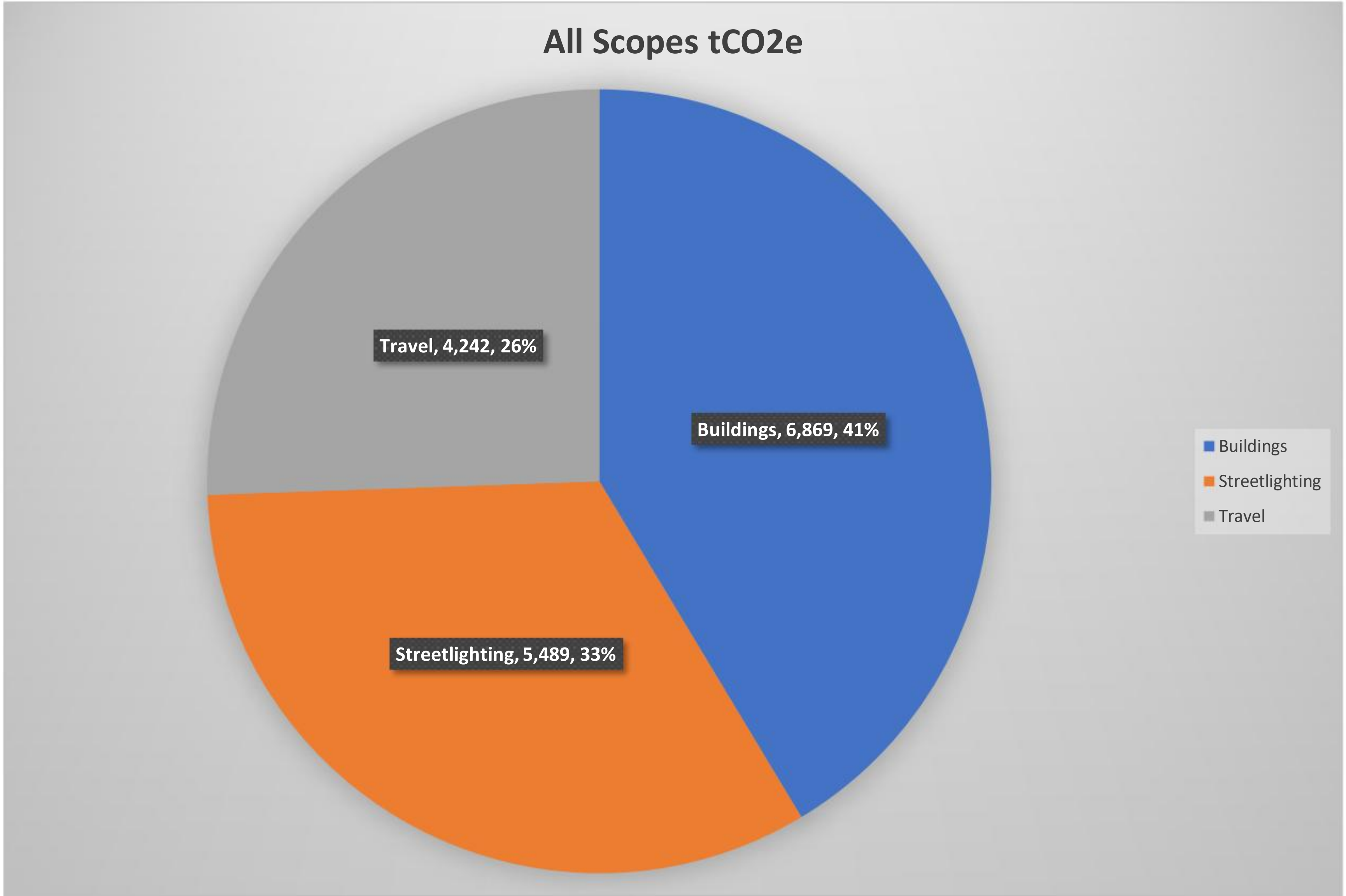


Norfolk County Council

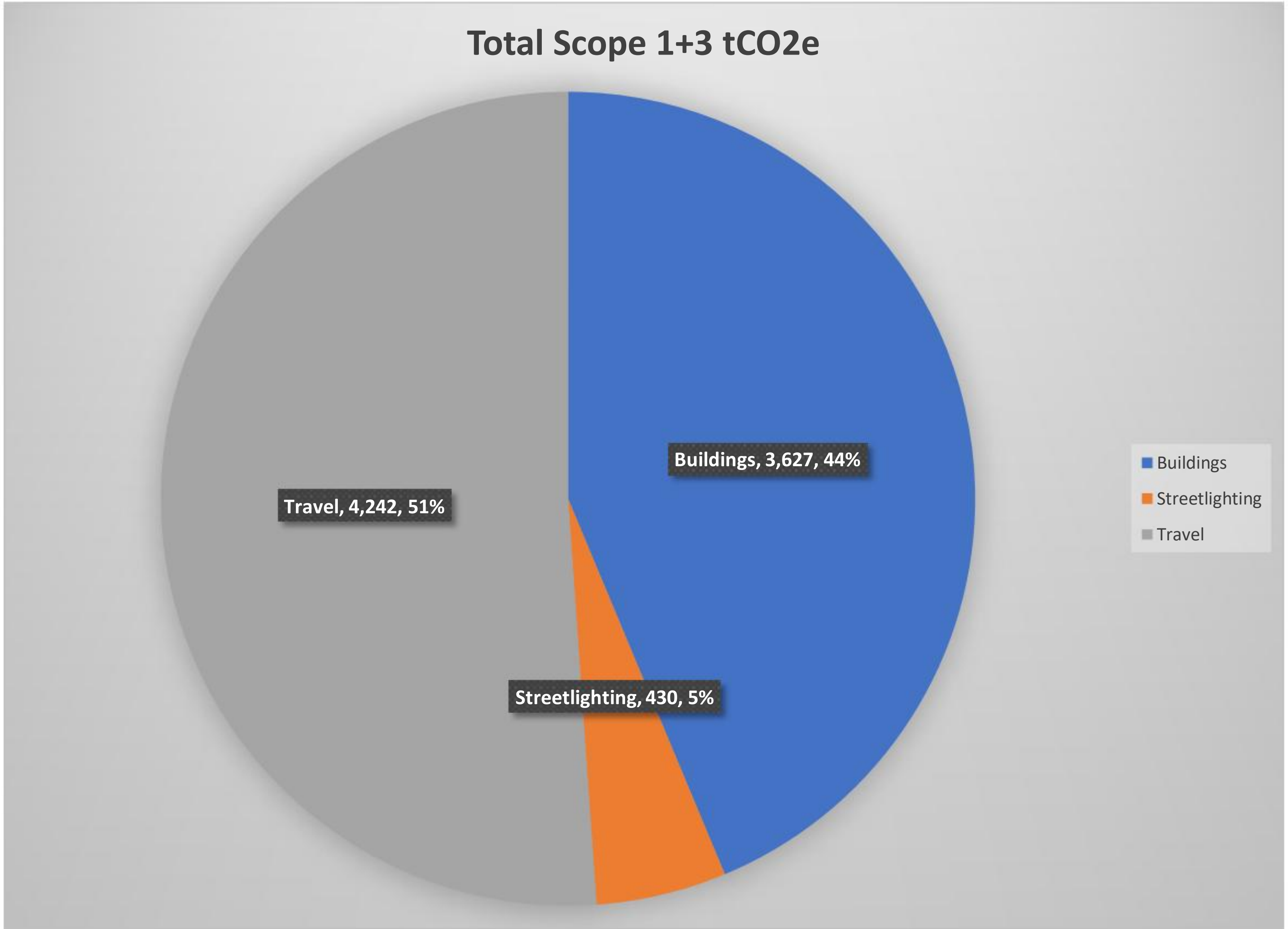
2019-20 Footprint

- Overall footprint has reduced from around 18,000 tCO_2e to 16,500 tCO_2e
- The green electricity tariff from October 2019 has reduced this further to 11,500 tCO_2
- It is expected that the green tariff will reduce the total carbon footprint to around 8,000 tCO_2e next year and will offset nearly all Scope 2 emissions
- % splits remain relatively consistent with 2018-19.

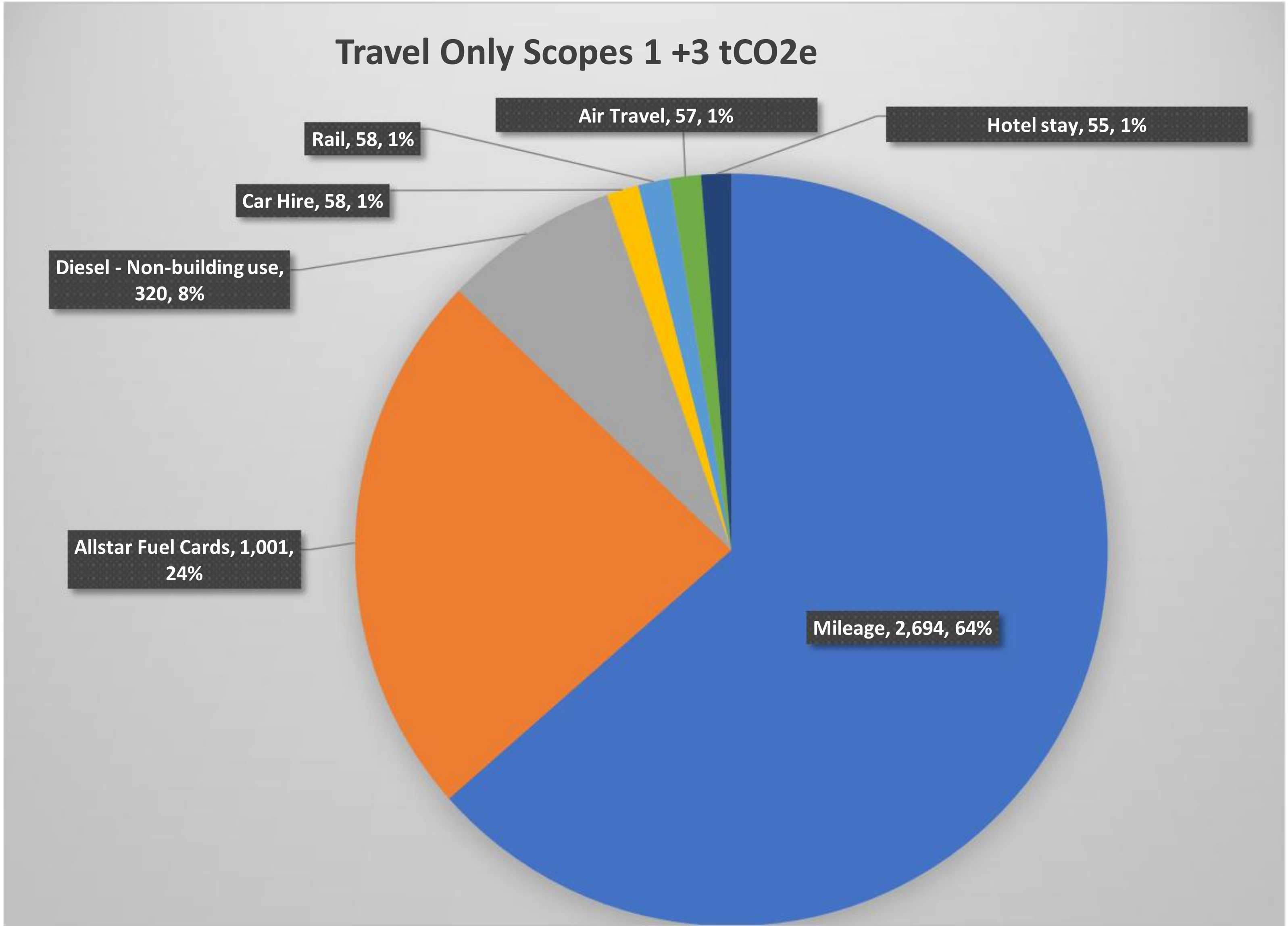
All Scopes 2019-20



Scopes 1 and 3 2019-20



Travel CO2e breakdown 2019-20



Norfolk County Council

Green Tariff Benefits and Issues

- *Overall, with regard to total gross emissions, there is a year on year reduction of 9%. When renewable energy/green tariffs have been taken into account, this shows a significant total reduction of 36%. Next year this will offset nearly all Scope 2 emissions and the total reduction will be around 50%, which would leave 8,000 tCO2e remaining to be reduced or offset further.*
- *If we continue to subscribe to a green electricity tariff, then future years will likely level out in terms of emissions and will not necessarily show a continuing reducing profile towards 2030 without additional work, especially in terms of transport and buildings.*
- *In addition, some of these gains could reverse if a decision was made in future not to pursue a green tariff. In that case any previously discounted footprint figures (under Scope 2 electricity) would have to be included, and the previous benefits would be reversed.*
- *Beyond the benefits attributed to moving to a green tariff, progress needs to be maintained across all areas of the organisation in order to meet our 2030 target.*

Norfolk County Council

Taking stock

- The baseline position with regard carbon emissions provides a platform to address future emissions and cost reductions.
- As yet, there is perhaps insufficient data to accurately model the trajectory of the impact of the current footprint…
- …however, as the refining of the data takes place, it is likely that a ‘business as usual’ approach e.g. pre-Covid, would see at best a modest decrease in emissions year on year. In order to meet our target of net zero by 2030, a commitment by the whole organisation is required.

Norfolk County Council

Cabinet

Item No: 11

Decision making report title:	**Local Flood Risk Management Strategy Review**
Date of meeting:	**12 January 2021**
Responsible Cabinet Member:	**Cllr Andy Grant (Cabinet Member for Environment and Waste)**
Responsible Director:	**Tom McCabe (Executive Director, Community and Environmental Services)**
Is this a key decision?	**Yes**
If this is a key decision, date added to the Forward Plan of Key Decisions.	**21 July 2020**

Introduction from Cabinet Member

It has been 5 years since the adoption of our Local Flood Risk Management Strategy and in that time, Norfolk has been subject to significant rainfall and widespread flooding (as well as droughts and heatwaves). This includes the event in summer 2016, which saw over 250 properties flooded, blocked roads and required emergency provisions to deliver ballot boxes on the referendum vote.

Over the last 5 years, Norfolk has also seen significant growth and development. There have been expansions of many market towns and settlements, particularly along the A11 corridor and around Norwich and Great Yarmouth. Alongside this, major infrastructure projects have been developed and delivered, including Broadland Northway completed in 2018.

The legislative landscape has also changed and with the publication of the revised National Flood and Coastal Erosion Risk Management Strategy for England, our Strategy needs to be updated to remain consistent and relevant.

Executive Summary

Officers have reviewed the existing policies in the Local Flood Risk Management Strategy against new and emerging national strategies and policies. This has resulted in the proposal of 3 new policies and minor updates to our existing policies. These proposed changes have been shared with relevant stakeholders and the public across Norfolk for comment.

Officers have also reviewed the key areas of work over the last 5 years and produced a summary report in Appendix B

Recommendation

1. **To approve the new policies set out in para 2.1 of this report and the amendments to the existing policies set out in Appendix A for inclusion in the Local Flood Risk Management Strategy.**
2. **Cabinet notes the heightened risk to Norfolk from flooding and coastal change when compared to much of England and agrees to set up a task force to work with our MPs and other stakeholders to ensure that the Environment Agency develops comprehensive, costed and funded plans to meet these challenges as set out in the recently published national strategy for England.**

1. Background and Purpose

1.1. The Flood and Water Management Act placed a duty on all Lead Local Flood Authorities (LLFAs) to develop, maintain, apply and monitor a strategy for local flood risk management in its area.

Norfolk's Local Flood Risk Management Strategy (LFRMS) was approved at Full Council on 19 October 2015.

One of the requirements placed on the LFRMS is that it must be consistent with the National Flood and Coastal Erosion Risk Management Strategy for England. The revised National Strategy was published on 14 July 2020.

The purpose of this report is to update our local flood risk polices to maintain consistency with national policies, and to provide a 5-year summary review of the work undertaken local flood risk and drainage, as summarised in Appendix B.

2. Proposals

2.1. The proposed new policies for inclusion in the LFRMS are:

Draft Policy 1: Towards Net Zero

> The Lead Local Flood Authority and Risk Management Authorities will expect all parties, involved in design and construction of local flood risk and water management structures associated with development, to make reasonable efforts to minimise carbon footprint, while maximising opportunities to contribute to environmental and climate improvements.

Draft Policy 2: Biodiversity and Environmental Net Gain

The Lead Local Flood Authority and Risk Management Authorities, using all available legislative and regulatory measures, will seek to ensure that new local flood risk and water management structures will protect and enhance the environment in a manner that results in biodiversity and environmental net gain for local communities.

Draft Policy 3: Flood Resilience and Adaption

The Lead Local Flood Authority will provide support, where possible, to communities, other services and Risk Management Authorities through the process of planning and developing local flood risk adaption and resilience activities.

The Lead Local Flood Authority will support other Risk Management Authorities in providing information and advice on property level preparedness, resistance and resilience improvements to property owners and occupiers at risk of local flooding.

The Lead Local Flood Authority, with the support of other services and Risk Management Authorities, will encourage communities at local flood risk to develop community led and focused flood action plans and support groups to improve community resilience.

2.2. Officers have reviewed the existing policies in the LFRMS against new and emerging national strategies and policies. Some changes to these existing policies are proposed to strengthen the commitment to implement Sustainable Drainage Systems that follow best practice and to use the most up to date information on flood risk modelling and climate change predictions.

Following consultation with Risk Management Authorities (RMA) and the public in Norfolk the proposed amendments are detailed in Appendix A

3. Impact of the Proposal

3.1. 1: Towards Net Zero

Over the past 35 years significant evidence has been presented to demonstrate the link between the rise in Greenhouse Gas Emissions and global warming. In June 2019, the UK became the first major economy in the world to pass laws to end its contribution to global warming by 2050. While the UK has already reduced emissions by 42%, the UK is legally required to bring all greenhouse gas emissions to net zero across all sectors. This is likely to involve the further reduction in emissions and the offsetting of emissions using a combination of technology (such as carbon capture) and nature driven schemes (like tree planting). Defra undertook desk-based research into understanding the impact of Flood and Coastal Erosion Risk Management (FCERM) on the causes of climate change.

The study indicated that FCERM activities on the whole presented a net reduction in emissions. This is due to flood alleviation actions reducing and preventing damages from flooding and consequential the associated greenhouse gas emissions with those damages. It was noted within the Defra research that the greatest contribution to the carbon footprint estimates came from surface water flood damage.

The recently published national policy statement on flood and coastal erosion risk management, identified the need for all those responsible for designing and building flood and coastal defences to ensure the carbon footprint is minimised and where possible is offset in accordance with the UK's carbon neutral approach.

The current published Norfolk Environmental Policy reflects the need and ambition to work towards net zero.

2: Biodiversity and Environmental Net Gain

The Environment Bill is currently going through parliament and seeks to put the environment at the centre of all policy making. The Bill seeks to build upon the National 25 year Environment Plan and proposes to legislate the requirement for new developments to deliver schemes that protects and enhances nature while helping to deliver thriving natural spaces for local communities that ultimately results in 'biodiversity net gain'.

The recently published nation policy statement on flood and coastal erosion risk management identified a central theme of harnessing the power of nature to reduce flood and coastal erosion risk. The policy envisages and directs the use of natural flood management, catchment management, land and soil management practices and environmental improvements and enhancements to increase the resilience of the local communities to flood risk.

In addition, the policy statement identified the need for all those responsible for designing and building flood and coastal defences to maximise the opportunities to contribute to environmental and climate improvements with the aim of seeking an environmental net gain on each occasion.

The 'biodiversity net gain' is most feasible if an overall environmental net gain is achieved. Ultimately, the policy statement wants "a planning system that supports beautiful design; and meets the challenges of climate change".

The current published Norfolk Environmental Policy clearly states the requirement for an environmental net gain for housing and infrastructure developments.

3: Flood Resilience and Adaption

The recently published national policy statement on flood and coastal erosion risk management identified a central theme of better prepared and more resilience communities who have adapted to the changing environment and climate. The policy statement aims to encourage communities to adapt their perspective from one of flood protection to that of flood resilience and flood management.

The policy statement reflects upon the need to acknowledge both the changes in the climate and the geography hazards locally. While there is the opportunity to build and rebuild structures and infrastructure in a manner that enables rapid recovery from flooding, there is also the need to acknowledge the need to avoid areas of high flood risk.

It is reflected by many victims of flooding who confirm that it is an emotionally difficult experience that leaves people suffering from the impacts for several years after the event. The Defra partnership funding tools now acknowledges the mental health impact on both households and communities. The policy statement seeks to review the existing support framework and identify opportunities to both improve support for victims of flooding and improve the resilience of households, businesses and communities in relation to flood risk.

In addition to these changes, the policy statement identifies the need to consider the difficult and emotional aspect of when to transition away from some areas of high flood and coastal erosion risk that are not viable in the future. The policy statement insists this is not a mandate to abandon communities, rather an acknowledgement that in some areas across the UK communities will need to work with relevant risk management authorities to manage a sustainable transition away from areas at high flood risk.

3.2. Appendix B provides a summary review of the major areas of work that the Flood & Water Management Team undertake and the key elements of the Flood & Water Management Act.

A great deal of work has been undertaken by the LLFA and RMAs in Norfolk to meet the requirements of the Flood & Water Management Act. Flood risk studies and schemes totalling over £30m have been completed in the last 5 years.

However, we have been subject to regular storms that have overwhelmed existing drainage systems and climate change predictions suggest that this situation will get even worse over time.

4. Evidence and Reasons for Decision

4.1. With the publication of the National Flood and Coastal Erosion Risk Management Strategy for England the policies in the Local Flood Management Strategy needed to be reviewed and updated to ensure consistency.

4.2. Following the consultation minor amendments have been made to the proposed new policies.

5. Alternative Options

5.1. Members could decide to make further amendments or changes to the policies. The proposed additions and amendments are consistent with the National Strategy.

6. Financial Implications

6.1. Local flood risk and water management schemes will have to consider protecting and enhancing the environment while minimising the carbon footprint when bidding for funding and using existing resources.

Additionally, the delivery of many of the measures and actions identified within the LFRMS require successful funding bids to proceed. Surface water mitigation schemes still score poorly compared to schemes for coastal and main river flooding in the Environment Agency Grant in Aid funding calculator. Funding will need to be secured from a variety of sources and more cost-effective solutions will need to be developed to improve the flood resilience of our communities.

7. Resource Implications

7.1. **Staff:**

N/a

7.2. **Property:**

N/a

7.3. **IT:**

N/a

8. Other Implications

8.1. **Legal Implications**

The Local Flood Risk Management Strategy must be consistent with the recently updated National Flood and Coastal Erosion Risk Management Strategy for England.

8.2. **Human Rights implications**

N/a

8.3. **Equality Impact Assessment (EqIA)**

The new LFRMS policies have been developed to inform and benefit all groups and individuals living and working in Norfolk. Further assessments will be undertaken in the preparation of any local flood risk and surface water management scheme design proposals, ensuring good design practices.

Please see Appendix C for the Equality Impact Assessment for LFRMS Policies.

8.4. **Health and Safety implications**

N/a

8.5. **Sustainability implications**

This report aims to bring the LFRMS in line with new and emerging national and local strategies and policies such as National FCERM Strategy, Environment Bill, the National 25-year Environment Strategy and the Council's Environmental Policy.

8.6. **Any other implications**

8.6.1. There are no other relevant implications.

9. Risk Implications/Assessment

9.1. The new and amended policies ensure that our LFRMS is consistent with the National FCERM Strategy and mitigates any risk of challenge regarding the delivery of our local flood risk functions.

10. Select Committee comments

10.1. The Infrastructure and Development Committee RESOLVED:

1. To support the draft new policies and amended existing policies for the Local Flood Risk Management Strategy for adoption by Cabinet with amendments made following a public consultation.
2. To note the work undertaken in the last 5 years on local flood risk and drainage as set out in Appendix B.

11. Recommendation

11.1.

1. **To approve the new policies set out in para 2.1 of this report and the amendments to the existing policies set out in Appendix A. inclusion in the Local Flood Risk Management Strategy.**
2. **Cabinet notes the heightened risk to Norfolk from flooding and coastal change when compared to much of England and agrees to set up a task force to work with our MPs and other stakeholders to ensure that the Environment Agency develops comprehensive, costed and funded plans to meet these challenges as set out in the recently published national strategy for England.**

12. Background Papers

12.1. The Local Flood Risk Management Strategy

Officer Contact

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

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IN TRAN communication for all

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Appendix A

Local Flood Risk Management Strategy Review

Proposed amendments to existing policies

1. Introduction

1.1. The Local Flood Risk Management Strategy must be consistent with the recently updated National Flood and Coastal Erosion Risk Management Strategy for England

To ensure that, officers have reviewed the existing policies in the Local Flood Risk Management Strategy against new and emerging national strategies and policies. Following consultation with Risk Management Authorities in Norfolk the proposed amendments are detailed below.

1.2. All the policies and supporting text in this section should be read and applied together. Where a proposal is supported by one policy but is in conflict with another policy the proposal should be taken to be unsupported by the strategy. Where a proposal is not supported by the strategy, it should not proceed unless very special circumstances indicate that the benefits of the proposal, to society as a whole, outweigh the policy objection.

Additions are in blue and deleted text is in ~~red~~.

2. Undertakings and Commitments

2.1. **UC1: Sustainability**

The Lead Local Flood Authority, district councils, internal drainage boards and highway authorities will adopt a sustainable approach to Flood Risk Management, maximising environmental and social benefits from policies and programmes, contribute to the achievement of sustainable development, balancing the needs of society, the economy and the urban, rural and natural environment, taking account of the cultural heritage and seeking to secure environmental benefits.

2.2. **Policy UC2: Flood Investigation**

The Lead Local Flood Authority will undertake a formal flood investigation where it is determined that;

(a) There is ambiguity surrounding the source or responsibility for a flood incident, and/or;
(b) There is cause to investigate the flood incident, due to either its impact, or consequence

When a decision is taken to investigate, the Lead Local Flood Authority will notify the relevant Risk Management Authorities and affected parties and will seek to determine the causal effects of flooding and understand the response of relevant Risk Management Authorities to the incident. After a formal flood investigation has been carried out, the Lead Local Flood Authority will publish the results of its investigation and notify any relevant Risk Management Authorities.

The Lead Local Flood Authority will publish a Flood Investigation Protocol describing how it proposes to carry out flood investigation duties and clarifying the factors that will be taken into account when assessing whether the impact or consequence of an event will trigger a formal investigation.

During widespread flooding the Lead Local Flood Authority will prioritise flood investigations based on the characteristics of the event, with greatest priority given to those events which are judged to have created a risk to life.

2.3. Policy UC 3: Flood Risk Asset Register

The Lead Local Flood Authority will identify those structures or features whose function or attributes have a significant effect on an area of flood risk and will record such assets in an Asset Register.

The Lead Local Flood Authority will also maintain a record of each structure or feature listed in the register, including information about its ownership, state of repair, which person or body is responsible for maintenance and/or operation. The Lead Local Flood Authority will provide a copy of that record to any owner/manager of such structure or feature.

The Lead Local Flood Authority will make the Asset Register available by prior agreement, during office hours at County Hall, Martineau Lane, Norwich and on-line on the Norfolk County Council web site (http://www.norfolk.gov.uk/).

The Lead Local Flood Authority will publish an Asset Register Protocol describing how it proposes to implement this duty.

SuDS delivered as part of new developments may ~~will also~~ be included in the Register.

2.4. Policy UC 4: Critical Drainage Catchments

In areas where Surface Water Management Plans or other studies identify a significant risk of surface runoff, groundwater, or ordinary watercourse flooding to homes, commercial properties and/or essential infrastructure, the Lead Local Flood Authority, in partnership with other Risk Management Authorities, may publish maps identifying local catchments as 'Critical Drainage Catchments' (CDCs).
The Lead Local Flood Authority and its partner Risk Management Authorities will proactively develop schemes to reduce flood risk in Critical Drainage Catchments and will seek the cooperation of local landowners to implement such proposals where funding is available.

The Lead Local Flood Authority will also object to any planning application that might, on its own or in combination with other developments, lead to a material increase in flood risk within Critical Drainage Catchments and will expect ~~encourage~~ measures to reduce flood risk where opportunities arise.

2.5. **Policy UC 5: Publishing flood risk information**

The Lead Local Flood Authority has a significant role in disseminating and publishing flood risk information. It is committed to;

- Publishing formal flood investigation reports on its website
- Making asset register information available by prior agreement
- Publishing Lead Local Flood Authority led or supported studies on local flood risk once adopted by the Council
- Highlighting the most up-to-date data and mapping on flood risk, integrating this with National datasets where appropriate.

2.6. **Policy UC 6: Emergency Planning**

The Lead Local Flood Authority acknowledges its role in advising emergency planning services and will:

- Seek to ensure that Emergency Response and Recovery Plans take account of emergencies that might arise as a result of local flood risk.
- Contribute to the review of such plans, in consultation with the Environment Agency and other partners within the Norfolk Resilience Forum when required; and
- Provide information and guidance on local flood risk to emergency response organisations during flood events if required.

2.7. **Policy UC 7: Sustainable Flood Management**

In order to support an adequate, economically, technically and environmentally sound approach to providing flood management services, Risk Management Authorities will:

(a) support a strategic approach to provision of flood mitigation measures ~~defences~~, particularly by assessing any potentially wider effects of proposed measures. To this effect Risk Management Authorities will continue to play a full role in Local Environment Agency Plans for Norfolk;

(b) support and guide the provision of sustainable flood mitigation measures which provide social and/or economic benefits to people whilst taking full account of natural processes and which avoid committing future generations to inappropriate defence options.

2.8. **Policy UC 8: Risk based approach to prioritisation of resources**

All Risk Management Authorities will support the investment of resources in areas of highest risk within their respective jurisdictions through;

- Utilising consistent and up-to-date information on local flood risk in the development of any projects and programmes.
- Detailing the level of flood risk mitigation proposed by projects and programmes in terms of 'return period' for any exceedance events.
- Identifying the possibility of match funding from third parties and beneficiaries of mitigation schemes.
- Assessing the potential wider synergies and effects of proposed mitigation schemes on wider catchments, communities and other Risk Management Authority schemes through consultation with the Norfolk Water Management Partnership.
- Supporting the delivery of sustainable flood mitigation schemes which provide social and/or economic benefits to people whilst taking account of natural processes.

2.9. **Policy UC 9: Designation of 3rd party structures or features**

The Lead Local Flood Authority, the Environment Agency, Internal Drainage Boards or District Councils will 'designate' any structure or natural/manmade feature of the environment, where, in the opinion of the risk management authority, the protection of such asset would be beneficial in ensuring protection of land and property against flood or coastal erosion risk.

Lead Local Flood Authorities will normally be the relevant authority for designating structures or features that affect surface runoff, groundwater or ordinary watercourses outside of Internal Drainage Board districts. Where it is considered to be necessary for the purpose of ensuring the continuity of effective surface water drainage in the locality, SuDS structures or features (whether on public land or on private property ~~/ private~~) may also be designated by the Lead Local Flood Authority.

The Environment Agency will normally be the relevant authority to designate structures or features that affect strategic sources of risk such as large raised reservoirs, the sea and main rivers.

Internal Drainage Boards will normally be the relevant authority to designate structures or features that affect ordinary watercourses within Internal Drainage Board districts.
District Councils will normally be the relevant authority to designate structures or features that affect surface runoff, groundwater or ordinary watercourses in areas where they have responsibility for managing coastal flood and erosion defences if those structures or features integrate with coastal flood or erosion defence structures or features.

Designating authorities may agree with other authorities to designate on a different basis where material circumstances indicate that is appropriate to do so.

2.10. **Policy UC 10: Planning**

The Lead Local Flood Authority will take a proactive role in the development of local plans and will expect planning authorities to prepare policies that redress ~~address~~ local flood risk issues and ensure the provision of effective sustainable drainage in new developments.

The Lead Local Flood Authority will also work with local planning authorities to prepare guidance for applicants and will provide advice in respect of individual planning applications where these effect or are affected by local flood risk.

The Lead Local Flood Authority will expect planning authorities to take account of flood risk identified by Surface Water Management Plan modelling, Strategic Flood Risk Assessments and other sources of flood risk modelling (such as the flood risk mapping provided by the Environment Agency) and either avoid locating new development within areas that are at risk of flooding, or if that is not possible, ensure that designs fully mitigate for the expected flood risk.

The Lead Local Flood Authority will raise objection to any developments or plans that might lead to an increase in flood risk.

2.11. **Policy UC11: Securing Sustainable Drainage**

The Lead Local Flood Authority shall, using all available legislative and regulatory measures, seek to secure the implementation of high quality, multi-functional Sustainable Drainage Systems (SuDS), which follow the most up to date guidance, in new development.

Where practicable, the Lead Local Flood Authority will also, through the voluntary cooperation of landowners, aim to secure adaptation of existing drainage networks to Sustainable Drainage Systems (SuDS).

2.12. **Policy UC 12: Water Company liaison**

Risk Management Authorities will work closely with water companies in partnership to;

- Reduce the occurrence of public sewer flooding caused or exacerbated by sources of local flood risk.
- Influence Water Companies to consider local flood risk in their development of sustainable water resources and infrastructure.
- Promote water efficiency where appropriate

2.13. **Policy UC 13: Adapting to climate change**

When developing policy, determining applications or taking enforcement action, Risk Management Authorities must take into account ~~will have regard to~~ the predicted impacts of climate change including the ~~need to account for~~ changes in sea level and more frequent extreme weather events. In doing so Risk Management Authorities will use ~~have regard to~~ the most up to date advice available, including UKCIP Climate Change Projections.

3. Ordinary Watercourse Regulation Policies

3.1. **Policy OW1: Maintenance of Ordinary Watercourses**

Where responsibility for maintenance of ordinary watercourses rests with a land owner, the Lead Local Flood Authority and other Risk Management Authorities (RMAs) will aim to secure co-operation in ensuring appropriate maintenance takes place, but will draw on powers of enforcement when necessary.

The Lead Local Flood Authority and other Risk Management Authorities will inform and advise individuals of their riparian owner responsibilities and of the route for settling disputes with other riparian owners where appropriate.

3.2. **Policy OW2: Enforcement**

The Lead Local Flood Authority (LLFA) and other Risk Management Authorities (RMAs) will take a risk-based and proportionate approach to enforcement action under the Land Drainage Act 1991, taking into account the location and nature of any nuisance caused by:

- the failure to repair or maintain watercourses, bridges or drainage works
- un-consented works
- impediments to the proper flow of water

The Lead Local Flood Authority will take enforcement action where there is, or has been, a risk to life or serious injury, internal flooding of residential or commercial properties and flooding impacting on critical services. An initial assessment will be based on the Lead Local Flood Authority's impact criteria.

Where works are un-consented and the relevant landowner, person and/or risk management authority responsible provides no evidence or insufficient evidence to support an assertion that the un-consented works would not cause a nuisance or increase flood risk, there will be a presumption that the un-consented works would cause a nuisance or increase flood risk, unless visible evidence suggests otherwise.

The Lead Local Flood Authority may close an enforcement case file and/or take no action where:

- there is a lack of physical evidence to corroborate the impact of a flood event and/or

- there is no actual or potential risk to properties or infrastructure; and/or
- that the matter complained of is not the cause of the drainage problem; and/or
- the matter is trivial in nature (de minimis)

Where no enforcement action is taken further correspondence may include:

- referral to the First Tier Tribunal (Property Chamber), Agricultural Land and Drainage (AL&D) where appropriate
- informing those of their riparian responsibilities

Where the Lead Local Flood Authority or other Risk Management Authorities are made aware of breaches to other legislation they will advise the appropriate authorities.

3.3. **Policy OW3: Consenting of works on Ordinary Watercourses**

The Lead Local Flood Authority (LLFA) will normally approve alterations to ordinary watercourses where proposed works would not:

(a) lead to an increase in unmanaged flood risk on the site;
(b) increase the risk of flooding elsewhere ~~in areas beyond the site~~;
(c) materially increase the risk of a watercourse becoming obstructed;
(d) increase the risk of erosion on the site or in areas beyond the site;
(e) result in water quality that does not meet standards required by the Water Framework Directive or other legislation;
(f) have a detrimental impact on

- protected species of flora and fauna,
- SSSI, Natura 2000, or Ramsar sites
- Marine Conservation Zones,
- National Nature Reserves,
- Local Nature Reserves,
- County Wildlife Sites, or
- sites covered by Priority Habitats

(g) have a materially detrimental impact on the morphology of natural watercourses.

3.4. **Policy OW4: Culverting**

The Lead Local Flood Authority (LLFA) will only approve an application to culvert a watercourse if there is no reasonably practicable alternative, or if the detrimental effects of culverting would be so minor that they would not justify a more costly alternative.

In all cases, where it is appropriate to do so, adequate mitigation must be provided for damage caused. Wherever practicable the Lead Local Flood Authority and other Risk Management Authorities will seek to have culverted watercourses restored to open channels.

The Lead Local Flood Authority will normally reject applications for culverting (other than vehicle accesses) in areas identified as being;

- in Flood Zones 2 or 3a/3b and/or

- at risk of surface run-off flooding as indicated by the Environment Agency's updated flood map for surface water
- and/or other sources of flood risk modelling.

This is due to the potential of proposed works increasing flood risk. Exceptions to this policy will only be considered if the applicant is able to demonstrate that, on the balance of probabilities, the proposed development would not increase flood risk.

Where opportunities arise and there is benefit in doing so, the Lead Local Flood Authority may encourage landowners to remove existing culverts and restore surface watercourses.

4. Environmental Policies

4.1. Policy E1: Nature Conservation

Risk Management Authorities will:

- play a positive role in fulfilling their statutory and other responsibilities for furthering nature conservation, including achievements of the Government's environmental obligations and targets;
- fulfil their responsibilities in relation to nationally and internationally important conservation areas, under the Wildlife and Countryside Act 1981 and as a competent authority under the terms of the Conservation of Habitats and Species Regulations 2010 by applying strategies and policies laid down in policy documents;
- fulfil their responsibilities in relation to the Habitats and Birds Directives (European Directives 92/43/EEC, 79/409/EEC and2009/147/EC) and ensure that no works or plan approved by the Authorities results in adverse effects either directly or indirectly on the integrity of identified European sites (Natura2000 Sites) or designated Ramsar sites.
- when carrying out works, seek opportunities for environmental enhancement, aim to avoid net damage to environmental interest and ensure no net loss to Priority Habitats
- where an environmental impact assessment or scheme is required, monitor all losses and gains of such habitats as a result of these operations and report on them to Natural England and/or the Environment Agency; and
- ensure that they work in partnership with Natural England to complete, implement and review plans, policies and measures.

4.2. Policy E2: Protect habitats

When carrying out works consistent with the need to maintain satisfactory drainage and flood protection standards, Risk Management Authorities and riparian owners (or their contractors) shall:

- avoid any unnecessary damage to natural habitats
- avoid any long term damage to natural habitats

- ensure no net loss of Priority Habitats
- take appropriate opportunities to enhance habitats.

4.3. **Policy E3: Water levels (habitats)**

Within pumped catchments, Risk Management Authorities shall sustain water levels in accordance with Water Level Management Plans prepared for Sites of Special Scientific Interest and (in conjunction with Natural England and other interested parties) shall participate in the review of such plans.

4.4. **Policy E4: Ecological Potential**

The Lead Local Flood Authority, and , where relevant, Internal Drainage Boards will require applications for Ordinary Watercourse Consents to include measures within their design to preserve or (where practicable) enhance ecological potential, including, where appropriate, providing landscaping using native species that are compatible with the local water environment.

Where there are technical or operational reasons why drainage or flood defence features cannot be designed to preserve or enhance ecological potential, the Lead Local Flood Authority, and, where relevant, Internal Drainage Boards will expect applicants to provide compensatory enhancement measures in the locality of the proposed works.

Applications for the modification of watercourses or the creation of new watercourses may be refused if insufficient information on landscaping and ecological potential is provided, or if landscape proposals are of poor quality.

4.5. **Policy E5: River Morphology**

Developments which alter the bank of an ordinary watercourse or which create a new watercourse as part of a sustainable drainage scheme shall mimic features of natural river morphology and hydrology wherever it is practicable to do so. Where it is not practicable to do so compensatory measures may be required.

4.6. **Policy E6: Landscaping**

Landscape proposals accompanying applications for works to an ordinary watercourse shall be designed to:

- enhance the drainage characteristics of the scheme;
- stabilise areas that may be vulnerable to erosion;
- enhance the visual appearance of the development; and
- enhance the ecological potential of the local environment.

The use of plants that are likely to be invasive and/or detrimental to the wider natural environment will not be permitted.

4.7. **Policy E7: Heritage Assets**

When considering applications for ordinary watercourse consent in the vicinity* of protected heritage assets, the Lead Local Flood Authority, or relevant Internal Drainage Board will make enquiries to confirm that applicants have given due regard to the impact of the development on such assets and, where relevant, that they have sought the appropriate consent.

When Risk Management Authorities are carrying out works in the vicinity of heritage assets, they will seek advice from the appropriate heritage body and, wherever it is practicable to do so, will aim to avoid any detrimental effect on heritage assets.

Local Flood Risk Management Strategy Review

Appendix B – Review of flood risk and drainage work

1. Introduction

1.1. This summary review covers the major areas of work that the Flood & Water Management Team undertake and the key elements of the Flood & Water Management Act.

It is not intended to cover every policy area within the Local Flood Risk Management Strategy.

1.2. The statistics below cover a period from April 2015 to March 2020.

2. Flood Investigation Reports

2.1. S19 of the Flood & Water Management Act places a duty on NCC to investigate reports of flooding to the extent that it considers it necessary or appropriate.

The LFRMS Policy UC2 sets out that the LLFA will undertake a formal flood investigation where it is determined that;

(a) There is ambiguity surrounding the source or responsibility for a flood incident, and/or;

(b) There is cause to investigate the flood incident, due to either its impact, or consequence

The Flood Investigation Protocol and associated impact criteria provide more detail on the process and thresholds for formal investigations.

The formal reports cover the rainfall intensity and impact, response of relevant organisations, the likely causes and recommend remedial actions and measures. However, we have no powers to enforce many of these recommendations and rely on partnership schemes to address the issues.

2.2. Norfolk has been affected by a number of significant rainfall events over the last 5 years, particularly in 2016 when over 250 properties were internally flooded in a band that stretched from Diss to Cromer, with a concentration of reports in Watton and Dereham. 2019 saw another event that affected over 100 properties mainly across the east of the County. On both these dates rainfall intensities were recorded as having return periods of a 1:40 event or higher.

These reports of flooding are contained in 48 Flood Investigation Reports published on our website.

2.3.

Year	Reports of flooding	Internal flooding
2015 – 16	157	44
2016 – 17	848	266
2017 – 18	392	63
2018 – 19	235	51
2019 – 20	380	129
Totals	**2012**	**553**

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2.4. The threshold for undertaking a formal flood investigation is internal flooding to 1 or more properties, any risk to loss of life or serious injury and/or priority roads being made impassable due to flooding. This threshold is lower than a number of other LLFAs and this places considerable resource pressures on the team during times of widespread and frequent flooding.

However, we have developed streamlined processes and utilised flexible resource sources to produce reports in a timely manner. To assist this process, we have an agreement with the Environment Agency for their officers to attend site visits following a major flood event and we have developed our Flood Report Generator tool to help input data and produce report templates.

More work is underway to develop tools to capture images and data in a mappable format while out on site that can be directly transferred into flood reports.

3. Sustainable Drainage in new development

3.1. Schedule 3: Sustainable Drainage, of the Flood & Water Management Act, set out measures to create SUDs approval and adoption bodies within LLFAs.

This schedule has not been enacted. Instead, on the 15th of April 2015, Norfolk County Council as LLFA became a Statutory Consultee on all planning applications for major development.

The LLFA is therefore required to comment on major planning applications in regard to surface water drainage. This was previously the responsibility of the Environment Agency.

The LFRMS Policies UC10 and UC11 set out how the LLFA will respond to Local Plan, planning applications and in securing Sustainable Drainage.

Greater detail is provided in the LLFA Guidance as Statutory Consultee to Planning

3.2. The County has seen considerable growth in development and related infrastructure schemes such as urban extensions of greater Norwich, Thetford, Wymondham, Attleborough and Great Yarmouth and major projects such as Broadland Northway and the Third River Crossing.

In the last 5 years, the team has been consulted by Local Planning Authorities and developers over 4,500 times. This does not equate directly to planning applications though as we can be consulted a number of times for each application.

The majority of consultations relate to formal planning applications; however, we also respond to Local and Neighbourhood Plans, NSIPs and appeals.

We also offer a chargeable pre-application advice service which helps improve the quality of applications before they are formally reviewed and provides an income stream for the County. In the last 5 years we have been contacted over 330 times for pre-application advice.

3.3.

Application type	2018 – 19	2019 – 20	**Totals**
Full (inc Hybrid)	340	387	727
Outline	125	101	226
Reserved Matters	118	122	240
Discharge of Conditions	189	249	438
Totals	**772**	**859**	**1631**

**Due to the change of our database in 2018, only data from the last 2 years can be directly compared*

3.4. In our role as Statutory Consultee we must provide a substantive response to all consultations for major development. This can be either: no comment, standing advice, no objection or an objection. Bespoke comments are usually given where an application meets our thresholds and we make a no objection or an objection response

Thresholds for providing bespoke comments have been lowered since the service began, which means that we are providing more detailed advice to the

LPAs. Until the COVID-19 restrictions came into place, officers also worked at LPA offices each month to provide extra support. This is now offered virtually.

The Statutory Consultee role covers all consultations before the planning application is determined. However, we do provide detailed responses to Reserved Matters and Discharge of Condition applications if we have provided bespoke comments at the Outline stage.

We have no role in ensuring the designs for SUDs agreed in the planning application process are built to the required standard or maintained appropriately afterwards. If new developments suffer from flooding, we investigate the instances following our standard protocols.

The have been a number of occasions where development has commenced, beyond site clearance, and pre-commencement conditions have not been discharged, which makes changes to provide a satisfactory scheme for surface water drainage very limited if required. A conflict can arise between our recommendations that the developer achieves best practice and the physical constraints from having built properties and set surrounding ground levels. In these circumstances we provide and assessment of the current drainage details and the residual risk if national standards are not met to aid the LPA in their determination.

Our role does not cover minor development. To provide LPAs with support for flood risk and drainage issues in minor development we have produced standing advice and also offer informal advice directly to the LPA case officers.

4. Local Flood Risk and Drainage Schemes

4.1. The LFRMS proposed measures to achieve its objectives. It also detailed relevant funding mechanisms and discussed the prioritisation and distribution of any secured funding. Policy UC8 requires all RMAs to support the investment of resources in the areas of highest risk within their respective jurisdictions.

The Preliminary Flood Risk Assessment (PFRA) which was updated in 2017, provides a useful indicator of the populations most at risk of surface water flooding. This has allowed the LLFA team to prioritise our flood risk studies in areas where the possibility of securing 3rd party funding and implementing mitigation measures is highest.

Alongside this, a need for schemes are highlighted through Flood Investigation Reports. Where these coincide with areas of concentrated risk, they provide valuable evidence to validate our modelling and designs for mitigation measures. Often though, flooding occurs in scattered, widespread locations where the likelihood of achieving partnership funding is low. In these circumstances, we can provide grants to residents for Property Level Protection measures and seek lower cost solutions in the form of small-scale drainage works and Natural Flood Management techniques where appropriate.

4.2. The LLFA has carried out Surface Water Management Plans, flood risk studies and initial assessments in almost all the top-ranking settlements in the PFRA.

While much work has been undertaken in mapping and modelling the risk, it has been very difficult to identify retrofit drainage schemes that meet the cost-benefit criteria to secure external funding for implementation.

One exception to that has been the EU Interreg project CATCH. This pilot project in the Norwich urban area aims to reduce the amount of rainfall entering the sewer systems by capturing it in thousands of water butts before releasing it slowly back into the sewers. This project is currently in its implementation stage, that has been extended due to the COVID-19 restrictions. If this is judged a success, bids for similar projects will be made to UK funding bodies for other suitable areas in Norfolk.

If the issues with securing external funding for capital flood mitigation measures continue this will become a serious concern for the long-term flood protection of existing communities in Norfolk.

4.3. Across the County work on new and improving existing drainage and flood risk schemes have been carried out by a range of RMAs.

NCC Highways have spent over £17m on drainage schemes for the Local Transport Plan, Market Town Drainage Initiative and the Drainage Challenge Fund. Major investments include North Walsham and Diss Market Town Drainage schemes and the works for the £10.3m Norwich Fringe Drainage Project.

Outside the County Council other RMAs, notably Internal Drainage Boards have spent over £15m in the last 5 years. Major investments include the Islington and Wolferton Catchment Flood Risk Management Schemes

5. Powers under the Land Drainage Act 1991

5.1. The LFRMS Policies OW1, OW2, OW3 and OW4 cover the S21, S23, S24 and S25 Land Drainage Act powers transferred to the LLFA by the Flood and Water Management Act, in regard to maintenance, enforcement, consenting and culverting of ordinary watercourses.

Ordinary Watercourse Consent Protocol and Enforcement Policy provide more detail on the process and thresholds for our regulatory works in this area.

5.2.

Year	Applications for consent	Consents given	Consents refused
2015 – 16	64	40	0

2016 – 17	58	38	1
2017 – 18	58	50	2
2018 – 19	39	22	6
2019 – 20	48	39	2
Totals	**267**	**189**	**11**

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In the same period the team has received 52 potential enforcement cases. No formal enforcement action has been carried out beyond advisory letters being sent, as matters have been resolved or the matter did not meet the required thresholds for action.

5.3. Consent applications, which all have an 8-week determination period, are separate to the planning process and can be submitted at different times. However, we often receive consultations for major development that also require consent applications for work on ordinary watercourses. This can lead to difficulties in determining the planning application if the proposed works are unlikely to receive consent. Alternately, consents can be given before planning applications are submitted, which may limit the options in the drainage strategy or the layout. We recommend that consent applications are made at the same time as planning application submissions, so that the two can be assessed together.

Officers are currently reviewing and updating the protocols for our consenting process to align them with our guidance for SUDs for new development.

6. Asset Register

6.1 LFRMS Policy UC3: Flood Risk Asset Register sets the duty placed on the LLFA with regards to the Asset Register and Record.

All available asset data from Norfolk's RMAs has been collated and those assets in or associated with settlements with a high flood risk in the PFRA have been assessed and assets that have evidence that they provide flood protection to 100 properties or more have been published on our website.

This first tranche of data covers assets in Great Yarmouth. Officers are working on assessing assets in King's Lynn and West Norfolk for inclusion in the Register, before moving on to other areas of the County.

The Register is intended to be a living document and assets will be added as new information is made available or if new assets that meet the criteria are constructed.

Norfolk County Council

Draft Additional Local Flood Risk Management Strategy Policies

Equality Assessment – Findings and Recommendations

October 2020

Mark Ogden

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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:

- **Proposal Description** – The proposal will be presented along with some contextual information about the issues being addressed.

- **Proposal Effects and Impacts** – Consideration of the effects of the proposed new policies and how they will interact with the population and the management of the flood risk in the county. Any negative impacts on people with protected characteristics would then be identified and shared within this report.

The Proposal

Proposal Background
The Flood and Water Management Act 2010 sets out a duty for the County Council in its role as the Lead Local Flood Authority (LLFA) for Norfolk to "develop, maintain, apply and monitor a strategy for local flood risk management in its area". This strategy sets out objectives, policies and measures to support the management of local flooding and flood risk from surface runoff, groundwater and ordinary watercourses.

The purpose of the Local Flood Risk Management Strategy (LFRMS) is to outline the authority's approach to its LLFA role and to local flood risk management in Norfolk. The current LFRMS is due for review as it covers 2015-2020. In addition, the Local Flood Risk Management Strategy requires a policy review due to the changing national policy environment.

On reviewing the new national flooding and coastal erosion management policy statement along with consideration of the various other policies and strategic reviews. It should be noted that it is not within the scope of the LFRMS to influence national policy.

The proposed draft policies to be included within the LFRMS are in accordance with central government's policy statement and associated risk-based approach which prioritises the management of flood risk that affects people, property and infrastructure. The LFRMS and its policies prioritised risk to life as the highest risk on its scale. This prioritisation would continue to be applied to the proposed new LFRMS policies and acknowledges some people are more vulnerable to flood risk, such as older people or disabled people living in areas of deprivation, especially in relation to those with limited physical or social mobility.

During the review, policy gaps and improvements were identified and required to Norfolk's Local Flood Risk Management Strategy (LFRMS) and its policies. The most notable policy gaps related to;

- Net Zero;
- Environmental Net Gain; and
- Flood Resilient and Adaptive Communities.

The proposed draft policies are presented below.

Proposed Draft Policy 1: Towards Net Zero
The Lead Local Flood Authority and Risk Management Authorities will expect all parties involved in design and construction of local flood risk and water management structures associated with development are to make reasonable efforts to minimise the carbon footprint, while maximising opportunities to contribute to environmental and climate improvements.

Proposed Draft Policy 2: Biodiversity and Environmental Net Gain
The Lead Local Flood Authority and Risk Management Authorities using all available legislative and regulatory measures, will seek to ensure that new local flood risk and water management structures will protect and enhance the environment in a manner that results in biodiversity and environmental net gain for local communities.

Proposed Draft Policy 3: Flood Resilience and Adaption
The Lead Local Flood Authority will provide support, where possible, to communities, other services and Risk Management Authorities through the process of planning and developing local flood risk adaption and resilience activities.

The Lead Local Flood Authority will support other Risk Management Authorities in providing information and advice on property level preparedness, resistance and resilience improvements to property owners and occupiers at risk of local flooding.

The Lead Local Flood Authority, with the support of other services and Risk Management Authorities, will encourage communities at local flood risk to develop community led and focused flood action plans and support groups to improve community resilience.

Who Is Affected?

Flooding is a complex environmental hazard. Its impact and affects apply to residents living in communities across Norfolk county irrespective of gender, race, age, disability, religion, sexual orientation, marital status or pregnancy.

Therefore, it is considered that all people with and without protected characteristics would be affected by the local flood risk aspects these proposed policies would address*:*

Protected Characteristics	Y/N
People of all ages	**YES**
A specific age group (please state if so):	**NO**
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**
People without protected characteristics (e.g. the remaining population not within the above groups)	**YES**

Analysis Of The People Affected

The Strategy, its objectives, policies and measures will deliver key outcomes for the service in managing or reducing flood risk through influencing the planning and delivery of local flood risk management in Norfolk. Flooding is a complex environmental hazard that has the potential to affect the lives of people living and working in Norfolk irrespective of protected characteristics. However, it is likely that some people may be more adversely affected than others such as people with some disabilities, sensory impairments and older people with mobility impairments.

The surface water management is not restricted to areas at local flood risk. Surface water drainage systems are necessary on nearly all new developments irrespective of whether the site is within a surface water flood risk area or not.

The surface water management system is heavily interlinked to the design of the development in conjunction with the managements of surface water flood risk. Therefore, the application of these policies would be strongly influenced by the location of new development directed by the Local Plan and the appropriate planning authority. An equality impact assessment for each of the Local Plans would have been undertaken separately. This assessment is focused on the three proposed policies for inclusion in the Local Flood Risk Management Strategy (LFRMS) by the Lead Local Flood Authority (LLFA).

The application of the biodiversity and environmental net gain policy would be required to all flood risk and water management schemes for all sources of flood risk across the whole of the county. This policy is aimed at improving the environment and biodiversity for everyone on or near to the proposed development.

While the net zero and the resilience and adaptation policies focus on local flood risk and water control structures. The net zero policy is about reducing emissions associated with the development across the whole county. This small change would benefit not only the people who live and work in Norfolk but others in the UK and the rest of the world.

The resilience and adaptation policy is also targeting all those who live and work in Norfolk, although some people may benefit to a greater extent than others. The flood resilience and adaption throughout the policy statement is about engaging and encouraging people to reconsider how they interact with the place and spaces around them to gradually improve the physical and mental resilience of both individuals and communities to flood risk. This new resilience and adaption policy is building on the new government policy statement, which is promoting the need for local at risk communities and individuals to be actively engaged and participate (in varying ways and amounts of) in improving their own resilience.

For many people this will involve changing their perspective on the management of flood risk and the management of flooding and the associated risks to themselves, their communities and their properties. The LLFA proposed policy aims to support these people and communities on their own personal and community wide journeys.

With regard to community resilience, it is about acknowledging where the risk is and how to make best use of future changes to improve the management of flood risk to and within the affected community. Community resilience is interlinked with emergency planning. The general agreement of scientists and many professionals associated with flooding and climatic hazards is that flooding incidents are likely to be more frequent and gain in severity in the future. The aim of individual and community resilience is to improve and increase the tolerance of individuals and communities to more frequent flood incidents by supporting people and communities to change their response. Essentially, by normalising the management of more frequent flood events, the response to a flood event changes from an ‘emergency’ response to ‘manageable occurrence’.

These new local policies have been developed to inform and benefit all groups and individuals living and working in Norfolk in relation to the management of local flood risk. Notwithstanding this, some disabled residents and people whose first language is not English may be placed at a potential disadvantage if they are not provided with information or communications in a format which is most suitable to them in accessible formats.

A consultative approach to delivering local flood risk management is promoted by the LLFA throughout the LFRMS to ensure that the needs of local communities are taken into account. The findings of the public consultation on the new LFRMS policies will be used to review this Equality Impact Assessment ahead of amending the document and seeking adoption by the authority.

Potential Impact

All people who live on or near a new development could potentially be impacted upon by local flood risk management schemes associated with the new development.

The impact of these schemes is largely a function of the design, layout and location of any new developments. Older people and people with some disabilities are generally likely to be more vulnerable to local flood risk due to their ability to move from their current accommodation to an alternative should flooding occur. They are also more likely to have adapted their accommodation to meet their own specific needs, making finding a new property, even on a temporary basis, more challenging.

Older people and some people with disabilities or sensory impairments are likely to have additional visual needs and mobility considerations.

However, with the proposed new policies would strengthen the policy setting and overall there would be an improvement in the management of flooding and the associated systems which would lead to a reduction in flood risk in the future for all residents.

Accessibility Considerations

All people who live on or near a new development could potential be impacted on by local flood risk management schemes associated with the new development. The impact of these schemes is largely a function of the design, layout and location of any new developments. Older people and people with disabilities are generally likely to more vulnerable to local flood risk due to mobility limitations.

Therefore, the design of local flood risk management system (such as drainage networks) would need to be in accordance with the local design standards and national policy to ensure safe access and egress during flood events is possible for both the public and the emergency services. These requirements are addressed within the current Local Flood Risk Management Strategy.

Recommended Actions

Set out below are actions that will help to mitigate the adverse impacts identified.

	Action	Lead	Date
1.	As per other existing policies, accessibility will be considered in the preparation of any local flood risk and surface water management scheme design proposal reviewed or developed.	Mark Ogden	12/01/2021
2.	Local Flood Risk Management Strategy to be made available in alternative accessible format.	Mark Ogden	As requested
3.	Apply and advise the application of good design practices to surface water and local flood risk management schemes.	Mark Ogden	12/01/2021
4	Review responses to public consultation and make any amendments necessary to address concerns raised about equality impacts.	Mark Ogden	07/12/2020

Evidence Used To Inform This Assessment

- Equality Act 2010
- Public Sector Equality Duty
- Local Flood Risk Management Strategy 2015-2020
- Flood and Water Management Act 2010
- Land Drainage Act 1991
- Flood Risk Regulations 2009
- Environment Bill
- National Flood and Coastal Erosion Risk Management Policy Statement (25th Sept 2020)
- National Planning Policy Framework

Further Information

For further information about this equality impact assessment please contact Flood and Water Manager on LLFA@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 on Flood and Water Manager on LLFA@norfolk.gov.uk or 0344 800 8011 (Textphone).

Guidance notes

Completing this assessment – what you need to know:

- Find out if you need to conduct an equality impact assessment (see below)
- Remind yourself what constitutes a good equality impact assessment (see below)
- Work through the three simple steps on the next page.

Do I need to conduct an equality impact assessment?

You need to conduct an equality impact assessment if you are planning, changing or commissioning policies, projects, strategies, infrastructure or services and this may impact on people - eg service users or staff.

When do I need to undertake it?

The findings of your assessment must be made available to decision-makers before a final decision is taken. You cannot justify a decision after it has been taken.

What constitutes a good equality impact assessment?

The principles below, drawn from case law, explain what is essential:

- **Proportionate** - where a proposal may affect large numbers of vulnerable people, the need to pay 'due regard' is very high.
- **Sufficient evidence** – you must consider what evidence you have and what further information may be needed to inform your assessment.
- **Consultation** - if a proposal constitutes a significant change to an existing service, people affected should expect to be consulted.
- **Genuine assessment** - the courts expect to see written evidence of a comprehensive and objective assessment. Your assessment will be considered inadequate if issues are only considered at a broad level or if relevant evidence is not taken into account.
- **No delegation** – the decision-makers responsible for determining the proposal cannot delegate consideration of the equality impact assessment to anyone else.
- **Contracted services** – the Council is responsible for ensuring that contracted services comply with equality law and do comply in practice.
- **Actions to mitigate any negative impact** – if adverse impact is identified by an assessment, consideration must be given to measures to avoid or mitigate this before agreeing the decision.

It is not always possible to adopt the course of action that will best promote the needs of people with protected characteristics. However, assessments enable informed decisions to be made, that take into account every opportunity to minimise disadvantage.

[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.

Cabinet

Item No 12

Decision making report title:	**Responding to Ash Dieback over the next two years**
Date of meeting:	**12 January 2021**
Responsible Cabinet Member:	**Cllr Andy Grant (Cabinet Member for Environment & Waste)** **Cllr Martin Wilby (Cabinet Member for Highways, Infrastructure & Transport)**
Responsible Director:	**Tom McCabe (Executive Director, Community & Environmental Services)**
Is this a key decision?	**No**

Introduction from Cabinet Member

Executive Summary

Ash Dieback (ADB) was first identified in Norfolk in 2012. Norfolk County Council's (NCC) ADB Project was set up in 2016 and since then the Arboriculture and Woodland Team have assisted all NCC departments by establishing the current and projected scale of the issue, and arranging tree works to help meet NCC's duties and responsibilities. We have proactively surveyed the major highway routes, carried out tree work and advised landowners to ensure trees are made safe. The team have also ensured that ash trees on non-highway NCC sites are being inspected and made safe where necessary.

Work has focused on managing the busiest and most sensitive sections of highway and NCC's busiest sections of green infrastructure, particularly along Norfolk's Trails and landholdings such as Burlingham Woods. All schools in Norfolk have been provided with advice and visited when needed.

Ash trees continue to decline by around 5% each year and there is a pressing need to step up efforts to manage the safety, landscape and wildlife impacts of this decline. We are now reporting the scale of the issue and outlining the resources required to manage the disease over the next two years.

Recommendations

1. To increase the resource to manage Ash Dieback across NCC departments to £1m over the coming two financial years, with a view to developing a comprehensive 10 year programme.

2. Thank Defra for their support in our work to date and work with Central Government to develop the case for a nationally funded programme to manage Ash Dieback.

1. Background and Purpose

1.1. Scale of the issue

Thanks to funding from Defra (Department for Environment, Food & Rural Affairs), our Ash Dieback highway survey data is analysed by Fera Science (formerly the Food and Environment Research Agency) each year. The results of these surveys can be seen in Appendix 1, 2 and 3.

Data shows there are approximately 168,000 ash trees within proximity of the highway. Of these, an estimated 12% (20,200 trees) are NCC owned, with full liability. Primary responsibility of the remaining 147,800 trees lies with their landowners. An estimated 6% of these are on unregistered land where no owner can be found of which NCC may have no option but to incur the costs of management. NCC has powers to enforce the felling of dangerous trees and hence some responsibility to encourage good management of private trees. In addition to trees near roads there is a similar density across the Public Rights of Way and Norfolk Trails network (an estimated additional 150,000 trees) (Appendix 3).

Spatial analysis of data (Appendix 2) indicates clustering of advanced dieback in the south and west of Norfolk. Across Norfolk the average rate of decline is approximately 5% deterioration in tree canopy cover per year. Our results are broadly consistent with rates across the country. However, individual regions in England and Wales have recently experienced dramatic increases in decline and it is possible that rates will change in Norfolk. Fera Science forecast that by 2023 half (49%) of all roadside ash trees in Norfolk will have advanced (>50%) decline where we would expect either increased rates of inspection, tree work, or felling to become necessary.

A small proportion of ash trees have resilience to ADB. These trees must remain in the landscape to provide a source of seed to allow landscape recovery from the disease through natural selection. As such, felling all ash trees is not appropriate. In addition to ash trees, a large proportion of other tree species requiring management are identified during ADB inspections. Notably there is a rise in the number of declining oak trees, plus high numbers of small dead elm trees that have suffered from Dutch Elm Disease (Appendix 6). Landowners are notified of these non-ash trees that require work.

NCC will face challenges managing many other tree species in the future as climate change progresses and new tree pest and diseases reach Norfolk.

1.2. Collaboration

NCC has worked collaboratively at national and local levels in both Government and NGO sectors, including work with the John Innes Centre and Forest Research. We have provided NCC land and plant material for ash tolerance trials, aiming to develop ash trees that are tolerant of ADB for the future. We represent NCC as a stakeholder at the National ADB Health and Safety Task Force meetings where our experience of the disease is helping to inform national policy. NCC's work is published in the Tree Council's Ash Dieback Action Plan Toolkit and was presented at the National Tree Officers Conference. The team are jointly working with a PhD student based at Newcastle University looking at land-based sensing techniques for assessing tree populations and tree health by attaching a multispectral camera to a vehicle to collect data of roadside trees (similar to Google street view). This work aims to record tree species and condition adjacent to the highway, improving management of trees along the network and enable the Council to respond more efficiently to future pest and disease outbreaks.

NCC will continue to seek opportunities to work at a national level and take the lead on innovative new projects particularly when this is supported by external funding.

1.3. **New ways of working**

The NCC Tree Safety Management Policy has been updated to provide guidance on how departments should inspect, report and manage ash trees (Appendix 4 and 5).

NCC now has an efficient inspection and reporting system for roadside ash trees. This system uses new data created by NCC's Data Services Team on the location of all trees in Norfolk to target inspections to sections of the network that are the busiest and with the most trees.

Current resources are insufficient to allow for regular proactive inspections of the whole highway network or for an extensive programme of landowner engagement. Collaborative meetings with NCC Highways and Risk and Insurance officers in 2019 determined the most efficient use of allocated resources is to concentrate tree inspections on high risk areas-based on the data available.

NCC's Data Management Service has now obtained (at no cost) and interpreted data which represents the location and height of woodland, tree and hedge features in Norfolk. We have used this to prioritise the inspections of the tallest tree groups closest to the busiest sections of the network. We can further prioritise inspection of areas where evidence indicates the highest levels of dieback. This approach will help to shift our focus towards the inspection of trees that are likely to represent the highest risk and could be used to respond to other pests and diseases. In 2020 around 30% of the highway network has been identified as a higher risk from tree failure and these sections are subject to a driven tree inspection carried out by highly trained arboriculturists. In 2020, with current resources and COVID 19 restrictions, 19% of the highway was inspected using this method. The remaining sections continue to be inspected by Level 1 inspectors as per the Tree Policy (Appendix 4 and 5). This approach, combined with the development of an automated report and letter writing system, has greatly increased efficiency and accuracy from previous systems (Appendix 7).

1.4. **COVID 19**

The lockdown due to COVID 19 has presented challenges. Inspection procedures were significantly impacted and working remotely from the office required new IT solutions to enable the full function of the tree database used to record inspection results.

2. Proposals

2.1. **Increase the frequency of inspection of ash trees adjacent to the highway and increase essential tree work on ash trees**

Increase proactive inspection and management of declining ash trees adjacent to sections of the highway that have the highest density of trees and are the most important or heavily used to the highway network. This will involve using new mapping developed by NCC's Data Services Team to prioritise these inspections with the aim to inspect these areas specifically for ADB once every 3 years.

2.2. **Increase inspection and support across NCC departments**

In parallel to improving highway safety, work to manage ash trees across the estate will increase, particularly areas with high public access.

2.3. **Improve landowner communication**

In addition to meeting NCC's duty of care by inspecting and carrying out tree work, NCC will progress a programme of landowner engagement to encourage the appropriate and timely management of the 88% of roadside ash trees that are privately owned. This will be achieved with a targeted communications plan which focuses awareness raising efforts in the parishes that we have identified as most in need of management. Success with this campaign will improve road safety and reduce the resource spent informing landowners of the need to make safe the trees identified during inspections. NCC will ensure that ash tree owners are aware of the challenges of tree management and that their trees are their responsibility.

2.4. **Promote Biodiversity net gain**

NCC will seek funding particularly where these trees are linear features, isolated trees outside of woodlands or near to communities, to improve tree diversity, cover and resilience through proactive management and planting during this period of ash decline (Appendix 8, Environmental Policy).

2.5. **Use new technology**

We will look to develop smarter ways to capture, analyse and display data on ash dieback to make best use of technology and communicate better to all audiences. The use of in-house GIS based systems will be investigated to improve performance and communications. Systems will be developed and tested in 2021/22 before rolling out for future years.

2.6. **Review**

After one year we will review processes, particularly the management and co-ordination of tree work, to ensure the most efficient and joined-up approach is taken forward into 2022/23.

3. Impact of the Proposal

3.1. An increased number of trees that represent an unacceptable risk to the public will be managed. These proposals will demonstrate that NCC is meeting its duty as a landowner and as a Highway Authority in the management of declining ash trees. Greater awareness will be raised in the need to manage the disease across NCC departments and with private landowners.

4. Evidence and Reasons for Decision

4.1. This report details the use of existing, interpreted and new data in a risk-based approach to target the management of ash trees.

Evidence on the increasing decline of ash trees supports the need to provide more resource to manage ash populations across NCC departments and particularly on the highway network in a responsible and defendable way.

5. Alternative Options

5.1. No alternative options are being considered. Without an increase in effort and resource to manage the risk of tree failure due to ash dieback, NCC would not be acting responsibly. The approach outlined within the report is felt to be the most appropriate at this time.

6. Financial Implications

6.1. The cost for carrying out tree safety work, key biodiversity enhancement projects, strategic habitat restoration and awareness raising, inspecting, reporting, is £1m over two years. It should be noted, however, that the overall programme is likely to run for many years beyond this initial period.

6.2. Arrangements for carrying out increased levels of tree work will be reviewed after 2021/22 to evaluate costs and rate of increase of decline of ash trees.

6.3. Opportunities to access external funding will continue to be explored, particularly from Central Government.

7. Resource Implications

7.1. **Staff:** Additional staff will be required to deliver this work with a particular requirement for seasonal staff over the summer months to carry out inspections, create reports for tree work and manage tree work on the highway and NCC estate.

7.2. **Property:** These measures will support NCC property managers in meeting their legal duties of care by maintaining declining ash trees in reasonably safe condition.

7.3. **IT:** The technological approaches outlined above, and particularly in 2.5, will be explored and developed with the support of NCC's IMT department.

8. Other Implications

8.1. **Legal Implications:** These measures will help NCC demonstrate that it is meeting its duties as a landowner and Highway Authority in managing tree safety.

8.2. **Human Rights implications:** N/A

8.3. **Equality Impact Assessment (EqIA):** There are no relevant potential equality impacts associated with the work identified to date.

8.4. **Health and Safety implications:** The key reasons for this work are covered in the report.

8.5. **Sustainability implications:** The loss of ash trees across Norfolk will impact on the ecosystem services that these trees provide. Habitat enhancement and the delivery of biodiversity plans will be part of this project.

9. Risk Implications/Assessment

9.1. The decline of ash increases the likely hood of harm to users of the highway and NCC property. Without the increase in effort and resource outlined in this report NCC may be open to claims of negligence.

10. Select Committee Comments

10.1. N/A

11. Recommendations

11.1. 1. To increase the resource to manage Ash Dieback across NCC departments to £1m over the coming two financial years, with a view to developing a comprehensive 10 year programme.

2. Thank Defra for their support in our work to date and work with Central Government to develop the case for a nationally funded programme to manage Ash Dieback.

12. Background Papers

12.1. Ash Dieback Combined Appendices Jan 2021:

1. Graph showing change of condition for ash trees from 2016 to 2020.

2. 2017 Fera science spatial Analysis Report ref: FY2017

3. 2019 Fera Science Report Forecasting of Ash Dieback along roads in the Norfolk County Council rea: 2019 Update

4. Tree Policy Addendum 1 Ash Dieback Disease June 2020

5. Norfolk County Council's Procedure for trees showing symptoms of Ash Dieback (ADB)

6. Species Breakdown of Dangerous Trees Identified in 2020

7. Standard letter to landowners with trees that require work 2020

8. Norfolk County Council's Environmental Policy

EDT Committee Ash Dieback Report 16 September 2016 (page 56 of agenda pack)

EDT Committee Ash Dieback Project Update 10 November 2017 (page 80 of agenda pack)

Business and Property Committee 18 January 2018 (Performance Management Report, page 105 of agenda pack)

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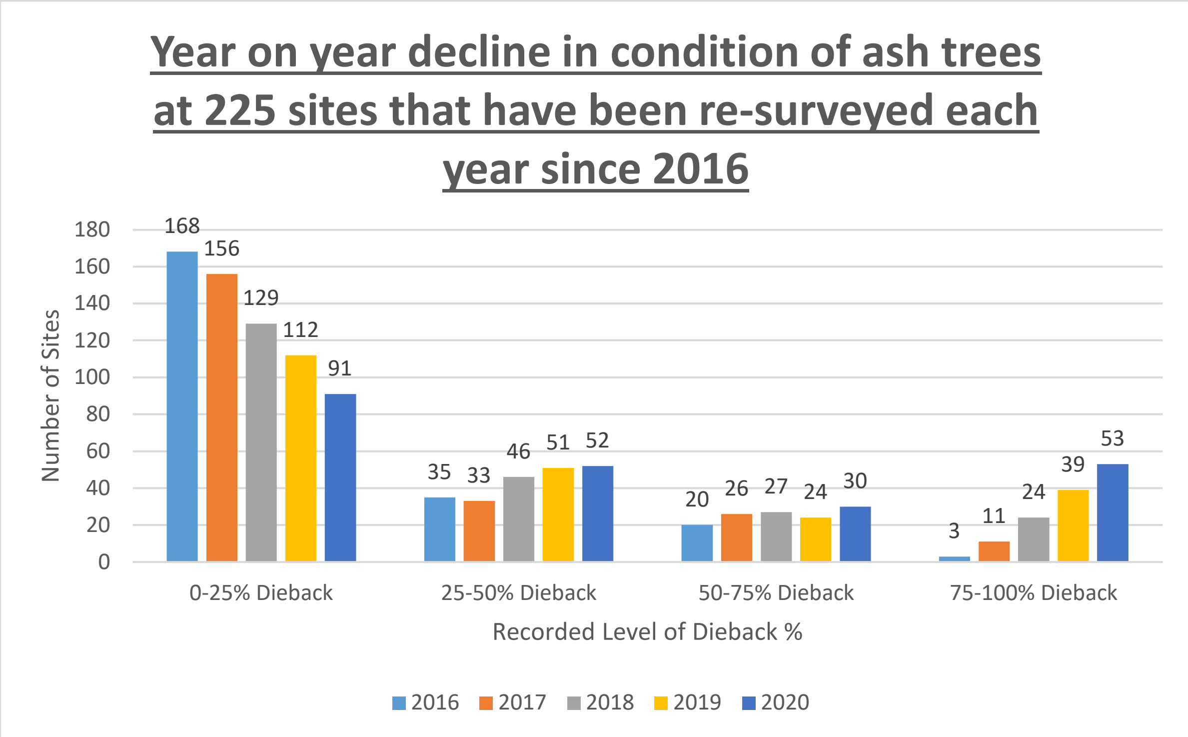
Responding to ash dieback over the next two years. 12 January 2021 NCC Cabinet Combined Appendices

Appendix 1

Graph showing change of condition for ash trees from 2016 to 2020.

Based on surveying 3005 trees across 225 sites. This demonstrates the decline of healthy ash trees (0-25%), the increase in unhealthy (75-100%) and the uncertainty of transition phase (25-75%).



Appendix 2

2017 Fera science spatial Analysis Report ref: FY2017

Disclaimer

The results reported by Fera are preliminary in nature unless otherwise stated. They should be considered indicative rather than definitive unless and until validated. Any decisions or processes based on the information provided should be made in light of the validation status of the results presented. Fera always attempts to provide accurate information in a transparent way but accepts no responsibility nor liability arising from the use of the information provided.

Caveats for total population estimates

1. The preliminary results are based on the simplifying assumption that there would have been no change in the dieback class of a tree between 2016 and 2017.
2. The class thresholds for stand size were arbitrarily set to give similar numbers of trees in each stand size class. The threshold between the two height classes was chosen based on how tree management decisions are structured within NCC, with dieback on trees smaller than 15m being considered a lesser risk than dieback on trees taller than 15m. No work has been done on the sensitivity of the estimates to the class thresholds.
3. The model assumes that all trees in a stand exhibit the same level of dieback rather than there being trees in a mixture of different dieback classes that average to the assigned die back class for the stand. No information has been provided that would allow a sub-stand distribution of die back classes to be incorporated in the model, but if collected and made available in the future then such information could significantly change the estimates.
4. The majority of the uncertainty in the totals for the county comes from the estimates for the 'Other' road class. This is the class of road that is both most poorly sampled and incorporates the highest diversity of road conditions, meaning that the uncertainty around the estimates may be higher than reported.

Caveats for spatial clustering

5. The spatial clustering analysis indicates areas where the proportion of trees showing a particular level of dieback is higher than would be expected compared to a randomised distribution across the whole area. The results are partially dependent on the characteristics of the study area as a whole and therefore altering the study area can affect which locations, if any, are considered clusters of high incidence.

Introduction

Norfolk County Council (NCC) are performing a 3 year (2016-2018) survey of ash tree dieback along roads in their area. The 2016 survey concentrated on surveying along A roads, while surveys undertaken in 2017 and 2018 involved a mix of A, B and other roads. The aim of the surveys is to estimate the total population of ash trees along Norfolk roads and to determine the number of ash trees showing different levels of dieback. This will be done using a stratified statistical analysis using a combination of road class, stand size and tree height to define the individual stratum within the analysis.

Methods

Data

A preliminary dataset from the 2016 A-road census of ash trees was provided by NCC in July 2017. This data was used to develop a statistical model for the resurvey to assess changes in the prevalence of dieback classes in the ash population and identify the statistical properties of survey estimates. NCC provided finalised survey data from 2016 and 2017 in November 2017, with an update to the 2016 data supplied in January 2018. The survey data was accompanied by a number of other spatial data layers (descriptions given in Appendix 1) to help provide contextual information for interpretation of analysis results. Table X indicates the combined length of each class of road surveyed in 2016 and 2017 and the total length of each road class in the NCC area.

Table X. Length of road segments surveyed and the total length of roads in the NCC area for each road class

ROAD CLASS	SURVEYED (KM)	TOTAL (KM)
A	709.2048	788.184
B	620.3833	643.7556
ALL OTHER	326.4974	9508.188

Resurvey Statistical Design

Estimates of Ash Tree Dieback

The aim of the analysis of the results is to provide an estimate of the dieback (expressed as number of trees in each dieback class) associated with stand size (large (>40), medium (11-40), small (1-10)) and tree height (>=15m, <15m) so that 1) the total quantity of trees in each dieback class can be estimated, 2) the change in dieback associated with each stratum and previous dieback can be estimated.

Estimation Method

In 2016 a near full census of ash trees on A roads was completed. This provides a full population estimate for dieback in ash tree stands. Using this information we can calculate the expected mean dieback proportions and standard error (uncertainty measure) resulting from a sampling programme with defined sample sizes.

The preferred method for the sampling and analysis is a stratified random sample. This method involves splitting the prospective samples into classes (or strata) based on known characteristics. By incorporating additional information in the form of strata, the error of the estimate can be reduced.

In this survey the sampling unit is the stand. The assumption for the survey is that stands are made up of variable numbers of trees but which all have the same height and level of dieback. We can then stratify the parcels by their size and height characteristics. Our proposed stratification involves three stand size classes (0: 1-10, 1: 11-40, 2: >40) and two height classes (0: <15m, 1: ≥15m). Table X gives the number of stands and trees in each strata. Within the 2016 survey dataset there were five rows where dieback class had not been recorded, and these were excluded from the analysis for estimated counts and standard errors.

A 95% confidence interval (CI) can be found by multiplying the standard error for the sample mean by 1.96. The 95% CI defines the range around the sample mean which contains the true mean in 95% of cases. Table X provides estimates for the expected population mean and the standard error for the sample mean based on a sampling protocol which surveys 10 stands within each strata (surveying 60 stands in total). Based on resource availability, this number could be increased, which would reduce the size of the standard error.

Table X. Number of stands in each stratum for 2016

Stand Size Strata: 0: 1-10, 1: 11-40, 2: >40

Height Strata: 0: <15m, 1: ≥15m

Stand Size	Tree Height	Number of stands	Number of Trees
0	**0**	1775	4950
0	**1**	424	951
1	**0**	216	4522
1	**1**	51	1066
2	**0**	46	3313
2	**1**	12	974

Table X: Estimates and uncertainty for numbers of trees in each dieback class from sampling 10 stands within each combination of strata.

Stand Size Strata: 0: 1-10, 1: 11-40, 2: >40

Height Strata: 0: <15m, 1: ≥15m

Stand Size	Tree Height	Dieback	Estimated Number of Trees	95% Confidence Interval (+/-)
0	**0**	**0**	2535	687
0	**0**	**0-25**	1972	697
0	**0**	**25-50**	257	38
0	**0**	**50-75**	123	8
0	**0**	**75-100**	64	4
0	**1**	**0**	462	134
0	**1**	**0-25**	352	117
0	**1**	**25-50**	87	13

Stand Size	Tree Height	Dieback	Estimated Number of Trees	95% Confidence Interval (+/-)
0	**1**	**50-75**	27	3
0	**1**	**75-100**	22	2
1	**0**	**0**	1486	401
1	**0**	**0-25**	2470	778
1	**0**	**25-50**	482	89
1	**0**	**50-75**	42	2
1	**0**	**75-100**	42	2
1	**1**	**0**	167	34
1	**1**	**0-25**	773	202
1	**1**	**25-50**	84	9
1	**1**	**50-75**	42	5
1	**1**	**75-100**	0	0
2	**0**	**0**	936	249
2	**0**	**0-25**	1873	513
2	**0**	**25-50**	216	26
2	**0**	**50-75**	216	30
2	**0**	**75-100**	72	6
2	1	0	81	11
2	1	0-25	568	83
2	1	25-50	325	28
2	1	50-75	0	0
2	1	75-100	0	0

Spatial analysis

The spatial ash survey data supplied by NCC is in polygon data for groups of trees and point data for individual trees. These were harmonised to point data by converting the polygon data to centroid points. TREECODE was determined to be the appropriate identifier to link the survey attribute data to the spatial location data. To make this consistent across the 2016 and 2017 spatial and attribute data, the 2017 TREECODE field in the imported attribute data had to be recast from a numeric to a text field. For the 2016 attribute data, the TREECODE field had to extracted as a substring of the Tree_number text field.

After tree attribute data was joined to each of the survey location point datasets based on the TREECODE field, records with invalid dieback condition (see Dieback column in Table 2 for valid classes) were discarded from the joined dataset. Trees that were resurveyed in 2017 were removed from the 2016 dataset and, after examination of the remaining records found the presence of duplicate records for tree survey locations, duplicate records were removed from the data for each year. The group and individual tree datasets were merged for each year and then the two years were merged together to give the final survey location dataset for analysis.

The statistical model uses road class to scale up from the sample to population estimates. To ensure that each surveyed section was attributed to the correct road class for the scaling up procedure, the surveyed road features were intersected with full NCC road network. Not all of the surveyed trees were associated with roads and so point locations that were greater than 100m away from a surveyed road were dropped from the dataset used for the population estimations. The remaining points were then attributed with the road class for the nearest surveyed road section. The final output file for use in the statistical analysis contained the fields listed in Table X

Table X. Field list for combined 2016-2017 ash tree survey output file

FIELD NAME	DESCRIPTION
OID	Unique row identifier
TREECODE	Unique survey location identifier
SPECIES	Tree species at location
TREENO	Number of trees at location
CONDITION	Dieback class
HEIGHT	Estimated average tree height (m)
DIEBACK_UL	Upper limit of percentage dieback
ROAD_CLASS	Road class for nearest surveyed section to location
POINT_X	Easting for survey location
POINT_Y	Northing for location

Statistical Analysis

Cluster analysis

A cluster analysis was performed on the data using the Kulldorff statistic. This was applied using the *opgam* function from the DCluster library (Gómez-Rubio et al. 2005) in R (version 3.4.3; R Core Team 2017). The Kulldorf statistic identifies clusters based on a circular moving window of variable size. The window size is defined by the proportion of the population, in this case 10% of the population, within the window rather than using a preset radius. The Kulldorff statistic compares the count of positive instances against the expectation under a null model. In this application we are using maximum likelihood estimators based on the negative binomial distribution and conditioned on the survey data for the null model.

A 5km grid was used to summarise the number of trees in each dieback class. The centroid of each grid cell is then used to test for the presence of clustering of trees showing one of three levels of dieback; >25% dieback, >50% dieback and >75% dieback. The function performs a likelihood ratio test against the null model using a Monte-Carlo sample of 1000 replicates and only those clusters where the test statistic was significant at $p \leq 0.05$ were identified as clusters.

Results

Statistical Analysis

Analysis of the combined data for 2016 and 2017 produced a total estimate for the number of ash trees along roads in the Norfolk County Council area of between 155700 and 180100. The full breakdown of the estimates by dieback class and road class is given in Annex 2. Eighty percent of the ash trees are healthy and show no or little (<25%) dieback. Approximately 6% of ash trees are exhibiting extreme dieback (>75%) or are already dead, giving an estimated total of between 8100 and 10700 ash trees exhibiting extreme dieback symptoms. The majority of these (94%) are on the minor roads.

Clustering of Dieback

Figures X, Y and Z show the location of the clusters for each of the three dieback classes, as well as the grid cells making up the most important cluster for each dieback class. The results show two distinct clusters when looking at the >25% and >50% classes. The larger of the clusters covers the central southwest sector of the NCC area and is also coincident with the clusters identified for the >75% dieback trees. The smaller is an area just west of Cromer on the north Norfolk coast and is not identified as a cluster for >75% dieback.

In all three dieback classes the most important cluster (cluster with the highest test statistic) is located in the area between Thetford and Swaffham. The most important cluster for the >75% dieback is in the area just north of Thetford, and this expands in a north-westerly direction when looking at the most important cluster for >50% and >25% dieback.

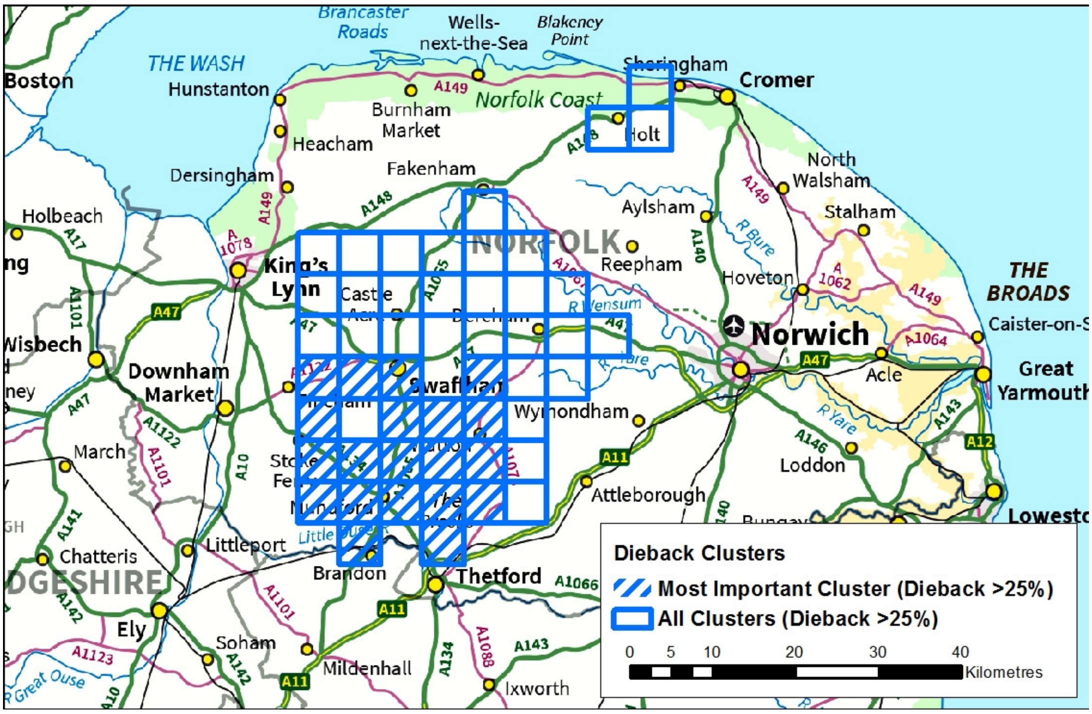


Figure X. Location of clusters for trees showing >25% dieback

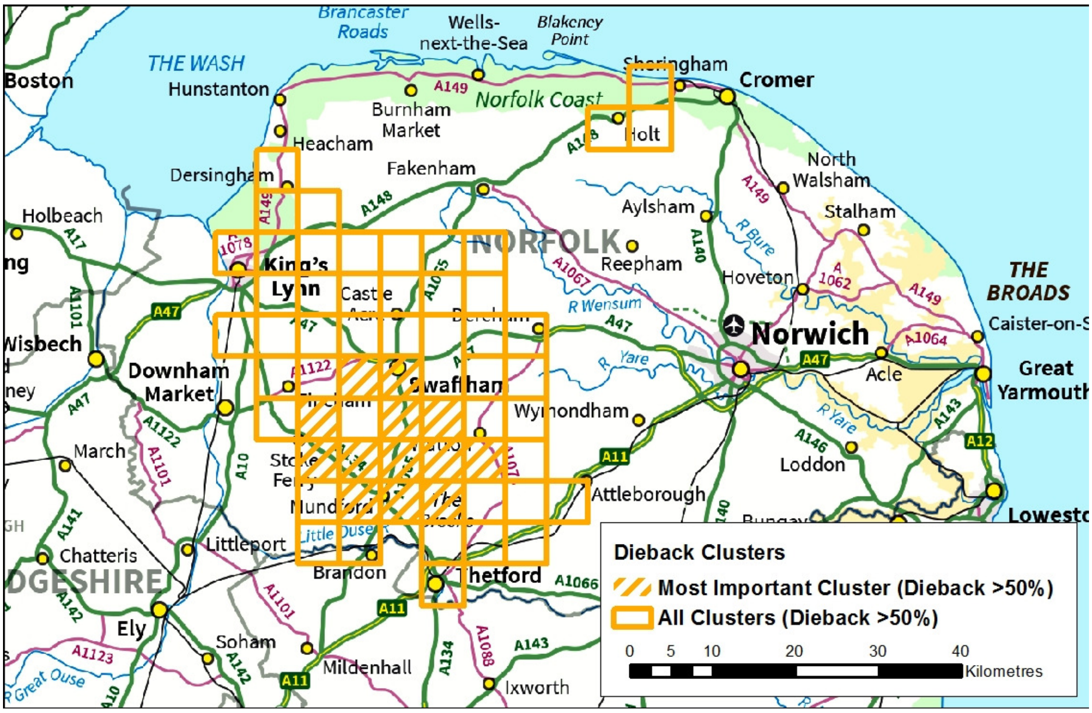


Figure Y. Location of clusters for trees showing >50% dieback

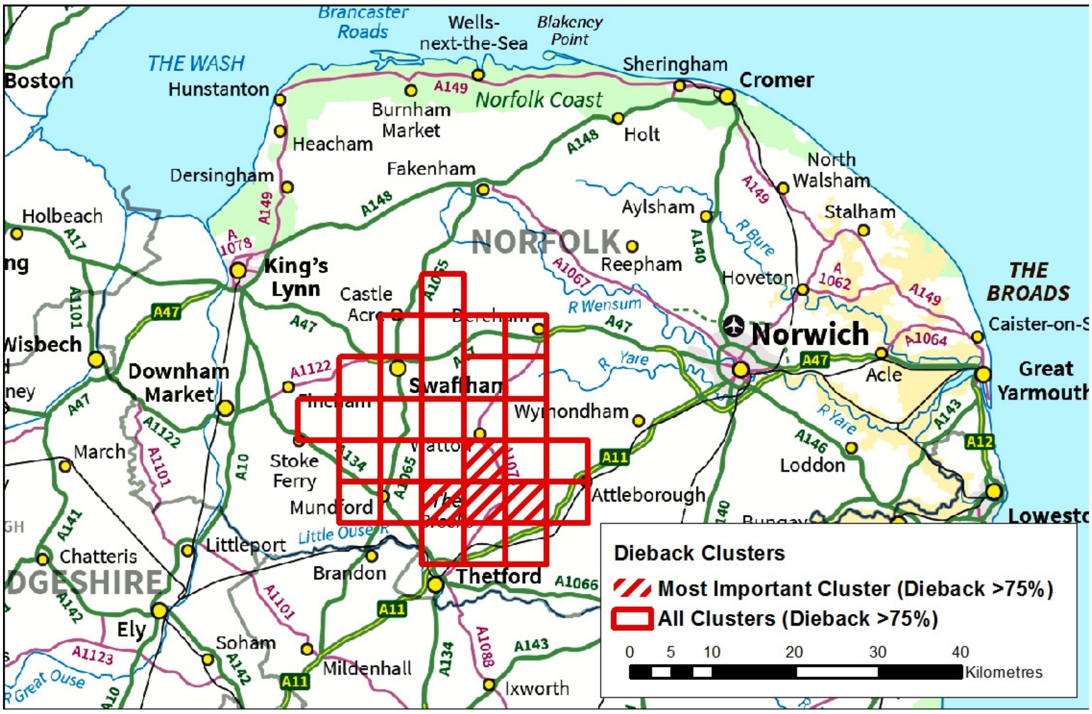


Figure Z. Location of clusters for trees showing >75% dieback

Future Work

To date the work has looked only at geographic patterns and has not considered environmental drivers for the incidence and severity of dieback. The next set of analyses will use exploratory statistical and machine learning methods to identify correlations between social and environmental variables. This will involve using logistic regression and random forest prediction methods. We plan to apply the Local Interpretable Model-Agnostic Explanations (LIME) approach (Ribeiro et al 2016) to explaining the predictions from these analyses in terms of the contribution of different predictors to the final classification.

References

Gómez-Rubio, V., Ferrándiz-Ferragud, J., López-Quílez, A. (2005). Detecting clusters of disease with R. Journal of Geographical Systems. 7, Number 2:189-206

Kulldorff, M. (1997). A spatial scan statistic. Communications in Statistics-Theory and methods, 26(6), 1481-1496.

R Core Team (2017). R: A language and environment for statistical computing. R Foundation for Statistical Computing, Vienna, Austria. URL https://www.R-project.org/.

Ribeiro, M. T., Singh, S., & Guestrin, C. (2016, August). Why should i trust you?: Explaining the predictions of any classifier. In Proceedings of the 22nd ACM SIGKDD International Conference on Knowledge Discovery and Data Mining (pp. 1135-1144). ACM.

Annex 1. Statistical formulae

We are provided with information about stands of trees in K size classes. The trees within each stand are assigned one of J average tree height classes. L stands are surveyed within each stratum (j,k). In addition the total number of stands in each stratum from which samples have been taken is reported. Hence, we are given:

$H_{j,k}$: the total number of trees in the stratum (in strata of stand size class k, and tree height j)

$N_{j,k}$: the total number of stands in the stratum

$L_{j,k}$: number of stands surveyed within the stratum

$m_{j,k,l}$: number of trees surveyed within each stand in each stratum

$m_{j,k,l,z}$,: number of trees surveyed in each of Z dieback classes within each stand in each stratum.

Then we estimate the average proportion of trees in each dieback class in each stratum (j,k). We multiply each estimate by the total number of trees area in each stratum to provide an estimate of the number of trees in each dieback class within each stratum and the total number of trees in each dieback class.

In more detail, we estimate:

$r_{m_{j,k,z}}$,: mean proportion of trees in dieback class z within each stratum

$s_{m_{j,k,z}}$: the between-stand standard deviation of proportion of trees in dieback class z within each stratum

$n_{j,k,z}$: number of trees in dieback class z within each stratum

$s_{n_{j,k,z}}$: the between-stand standard deviation of number of trees in dieback class z within each stratum

n_z: estimated total number of trees in each dieback class

se_{n_z}: standard error of the estimated number of trees in each dieback class

Estimates are provided using the following formulas

Estimators

$$r_{m_{j,k,l,,z}} = \frac{m_{j,k,l,z}}{m_{j,k,l}} \qquad \textit{Equation 1}$$

$$r_{m_{j,k,z,}} = mean\left(r_{m_{j,k,l,z}}\right), l = 1,2 \ldots L_{j,k} \qquad \textit{Equation 2}$$

$$s_{m_{j,k,z}} = sd\left(r_{m_{j,k,l,,z}}\right), l = 1,2 \ldots L_{j,k} \qquad \textit{Equation 3}$$

$$n_{j,k,z} = H_{j,k}.r_{m_{j,k,z}} \qquad \textit{Equation 4}$$

$$n_z = \sum_{j=1}^{j=J} \sum_{k=1}^{k=K} n_{j,k,z} \qquad \textit{Equation 5}$$

$$se_{n_{j,k,,z}} = \sqrt{H_{j,k,z}^2 \frac{s_{m_{j,k,z}}^2}{L_{j,k}} . \frac{N_{j,k} - L_{j,k}}{N_{j,k} - 1}} \qquad \textit{Equation 6}$$

$$se_{n_z} = \sqrt{\sum_{j=1}^{j=J} \sum_{j=1}^{j=J} se_{n_{j,k,z}}^2} \qquad \textit{Equation 7}$$

Standard errors, se_{n_z}, and $se_{n_{j,k,,z}}$ are estimated by a first order Taylor approximation [[1]] (Equations 6,7) with a finite population correction [[2]] (Equations 7)

95% confidence intervals for estimates A_j, $n_{j,j,k,z}$, A and n_z are estimated as mean±1.96×standard error.

1 BIPM, (2008). Evaluation of measurement data — Guide to the expression of uncertainty in measurement, JCGM 100:2008

2 Isserlis, L. (1918). "On the value of a mean as calculated from a sample". Journal of the Royal Statistical Society. 81 (1): 75–81.

Annex 2. Breakdown of Ash Tree Estimates

Norfolk County Council 2016 – 2017 Tree Survey

1. **Estimated number of trees with 95% confidence interval in each dieback class for type A roads.**

DIEBACK CLASS	NUMBER OF TREES	STANDARD ERROR	95 % CI
0 %	5219	85.40	(5052, 5386)
0 % - 25 %	7367	104.48	(7162, 7572)
25 % - 50 %	1281	67.48	(1149, 1413)
50 % - 75 %	786	10.53	(765, 807)
75 % - 100 %	308	7.65	(293, 323)
100 %	18	2.13	(14, 22)
TOTAL	14979	151.46	(14682, 15276)

2. **Estimated number of trees with 95% confidence interval in each dieback class for type B roads.**

DIEBACK CLASS	NUMBER OF TREES	STANDARD ERROR	95 % CI
0 %	2482	17.39	(2448, 2516)
0 % - 25 %	4205	22.44	(4161, 4249)
25 % - 50 %	1030	17.15	(996, 1064)
50 % - 75 %	283	3.88	(275, 291)
75 % - 100 %	150	2.93	(144, 156)
100 %	67	2.62	(63, 71)
TOTAL	8217	33.61	(8151, 8283)

3. Estimated number of trees with 95% confidence interval in each dieback class for Other type roads.

DIEBACK CLASS	NUMBER OF TREES	STANDARD ERROR	95 % CI
0 %	41656	3405.70	(34981, 48331)
0 % - 25 %	73570	3607.40	(66499, 80641)
25 % - 50 %	18441	3379.55	(11817, 25065)
50 % - 75 %	2168	22.01	(2125, 2211)
75 % - 100 %	6778	45.91	(6688, 6867)
100 %	2122	599.49	(947, 3297)
TOTAL	144735	6032.87	(132911, 156559)

Appendix 3

2019 Fera Science Report

Forecasting of Ash Dieback along roads in the Norfolk County Council area: 2019 Update

Background

In 2018 a forecast was produced for 2022 based on the condition of trees recorded in a 2017 survey of the majority of A and B roads and a sample of minor roads. A resurvey of 225 stands over the period 2016 to 2018 was used to produce an annual transition matrix which was applied in a Markov chain simulation to forecast the number of trees in each dieback class in 2022. The survey of the 225 stands was repeated in 2019 and this data has been added to the analysis to produce a new transition matrix. In addition, NCC have requested that a new forecast be made to estimate the number of trees in each dieback class in 2023

Updated Transition Matrix

Table 1 shows the updated transition matrix that has been estimated using four years of resurveys of the 225 stands. Table 2 shows the difference between the updated transition matrix estimated with four years of resurveying and the matrix estimated from the first three years of resurvey. In most cases there has been little change, with 33 out of the 36 transitions showing an absolute change in transition probability of less than 5% and 26 transition probabilities changing by less than 2%. Of the three transition probabilities that have changed by more than 5%, one is the case of trees with 25%-50% dieback remaining in the same dieback class with the updated matrix having a 10% higher probability of a tree remaining in the class than in the original matrix. The other two transitions which show a large change between the original and updated matrices are in the line for 75-100% dieback in year T. In this line the number of trees transitioning from 75-100% dieback to being felled has increased by almost 20%. We believe that this is likely to be a result of the stands being monitored and decisions to fell being made as a result of the enhanced information from the resurvey, resulting in a higher rate of felling than might be expected for the population as a whole.

Table 1 Annual dieback transition matrix based on records of 225 stands resurveyed annually between 2016 and 2019 showing probability of dieback class transition between year T and T+1

		T+1					
	Dieback Class	0	0-25	25-50	50-75	75-100	Felled
T	0%	0.654	0.314	0.0270	0	0.00541	0
	0%-25%	0.0186	0.761	0.183	0.0187	0.00373	0.0149
	25%-50%	0.0175	0.0439	0.658	0.211	0.0614	0.00877
	50%-75%	0	0.0274	0.0137	0.658	0.247	0.0548
	75%-100%	0	0	0	0	0.719	0.281
	Felled	0	0	0	0	0	1

Table 2 Difference in probabilities between the transition matrix derived from three years of resurveys (2016-2018) and the transition matrix derived from four years of resurveys (2016-2019)

		T+1					
	Dieback Class	0	0-25	25-50	50-75	75-100	Felled
T	0%	0.00337	-0.00840	-0.000370	0	0.00541	0
	0-25	-0.00943	0.0309	-0.0250	-0.00943	-0.00189	0.0149
	25-50	0.00284	-0.0297	0.0991	-0.0248	-0.0415	-0.00593
	50-75	0	-0.0161	0.0137	-0.0381	0.00745	0.0331
	75-100	0	0	0	0	-0.198	0.198
	Felled	0	0	0	0	0	0

Updated Forecast

Comparison of 2022 forecast using 2016-18 and 2016-19 transition matrices

While the changes to the transition matrix are relatively small, these can become compounded through the simulation to produce substantial changes in the forecasted estimates of the number of trees in each dieback class (Table 3). The numbers in the 0% and 0%-25% are relatively similar with a very small relative increase in the number of 0%-25% trees and slightly larger relative decrease in the 0% trees. There is a significant increase in the estimated number of trees in the 25%-50% dieback class almost matched by a similar sized reduction in the estimated number in the 50%-75% dieback class. There is a very large relative increase in the number of trees predicted to be felled by 2022, with a more than doubling in numbers. This is unlikely and it may be best to combine the 75%-100% and Felled estimates into a single class for comparison and interpretation. If this is done, then the combined class displays a small relative reduction in numbers across the three road types when using the 2016-19 transition matrix compared to the 2016-18 matrix.

Table 3 Difference in mean counts forecast for each dieback class in 2022 using 2016-18 transition matrix and 2016-19 transition matrix. Numbers in brackets indicate the percentage increase in the number of trees between the 2016-18 and 2016-19 forecasts.

Dieback Class	A Roads	B Roads	Other Roads
0%	-96 (-8.35)	-43 (-7.43)	-776 (-7.81)
0%-25%	137 (2.95)	55 (2.22)	952 (2.24)
25%-50%	452 (16.0)	267 (17.4)	4427 (16.7)
50%-75%	-403 (-16.7)	-198 (-14.7)	-3267 (-14.2)
75%-100%	-1367 (-44.4)	-794 (-44.9)	-15227 (-46.6)
Felled	1277 (146)	711 (138)	13891 (135)
75%-Felled	-90 (-2.33)	-83 (-6.64)	-1336 (-3.12)

Change between 2022 and 2023 forecasts using 2016-2019 transition matrix

The forecasts for the number of trees in each dieback class for the three road classes in 2022 and 2023 are given in Tables 4-6, and plotted in Figures 1-3. The forecasts estimate that there will be almost 11000 more roadside ash trees that will have been felled or be in the more advanced (>50%) dieback classes where we would expect interventions or felling to become necessary, in 2023 compared to in 2022. Of these, c.a.1000 are expected to be on A-roads and thus present a higher risk to public safety and disruption to travel and transport. By 2023 the forecast is for only 31% of roadside ash tree trees to be showing no or low dieback compared to the baseline in 2017 of 80%.

Table 4 Forecasts of the number of ash trees alongside A roads in 2022 and 2023 using the 2016-19 transition matrix

	2022			2023		
Dieback Class	Mean	Lower CI	Upper CI	Mean	Lower CI	Upper CI
0%	1054	826	1320	846	630	1077
0%-25%	4781	4319	5256	4157	3698	4638
25%-50%	3271	2827	3718	3088	2690	3514
50%-75%	2011	1642	2392	2105	1715	2504
75%-100%	1710	1351	2057	1945	1593	2330
Felled	2150	1785	2544	2835	2438	3244
75%-Felled	3860	3348	4385	4780	4249	5342

Table 5 Forecasts of the number of ash trees alongside B roads in 2022 and 2023 using the 2016-19 transition matrix

	2022			2023		
Dieback Class	Mean	Lower CI	Upper CI	Mean	Lower CI	Upper CI
0%	536	425	676	429	328	564
0%-25%	2529	2293	2785	2202	1972	2440
25%-50%	1800	1580	2033	1681	1451	1904
50%-75%	1149	963	1361	1180	988	1383
75%-100%	975	794	1172	1111	931	1319
Felled	1225	1036	1427	1613	1409	1829
75%-Felled	2200	1938	2482	2724	2452	3024

Table 6 Forecasts of the number of ash trees alongside other roads in 2022 and 2023 using the 2016-19 transition matrix

	2022			2023		
Dieback Class	Mean	Lower CI	Upper CI	Mean	Lower CI	Upper CI
0%	9163	6578	12378	7289	5163	10301
0%-25%	43394	37732	49485	37608	32157	43839

25%-50%	30861	25644	36823	29154	24056	34897
50%-75%	19768	15280	24904	20452	16026	25541
75%-100%	17421	13451	22178	19317	15221	24035
Felled	24128	19720	29092	30915	26377	36168
75%-Felled	41549	35617	48424	50232	44119	57293

Figure 1 Estimates of number ash trees in each dieback class along A roads in 2017 and the forecasts for 2022 and 2023

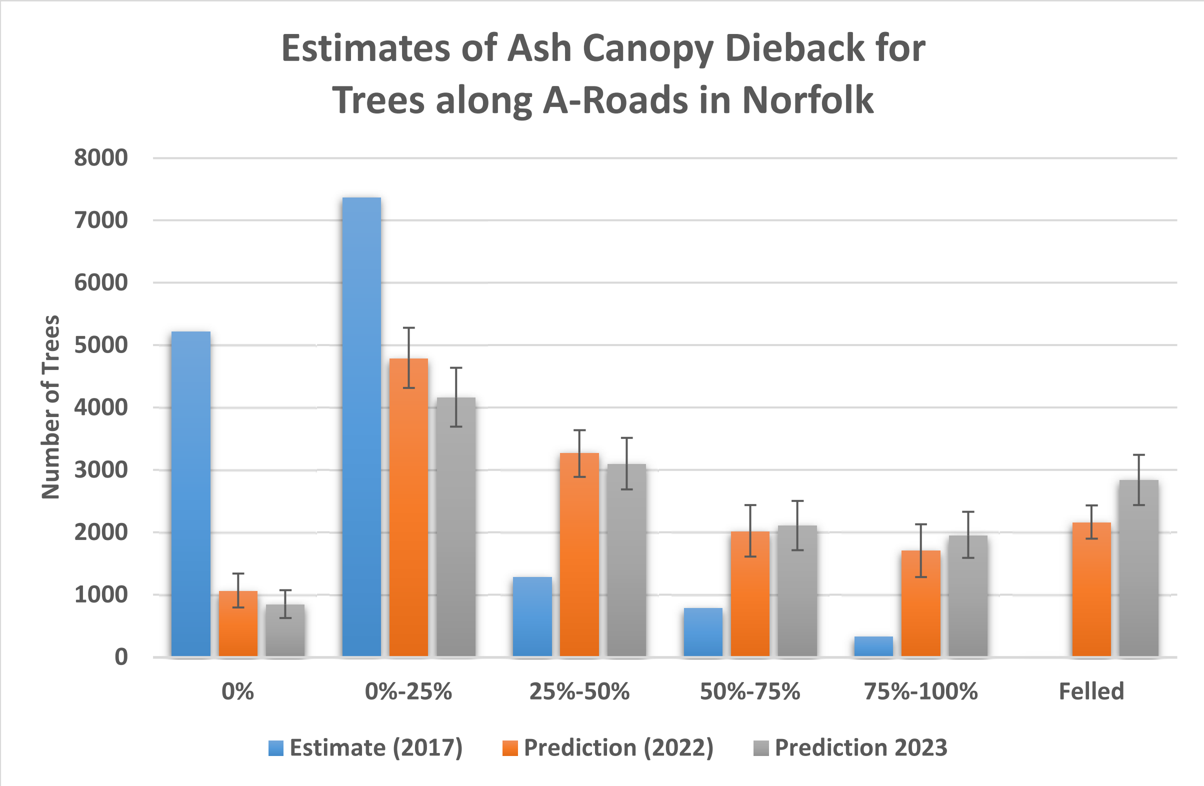


Figure 2 Estimates of number ash trees in each dieback class along B roads in 2017 and the forecasts for 2022 and 2023

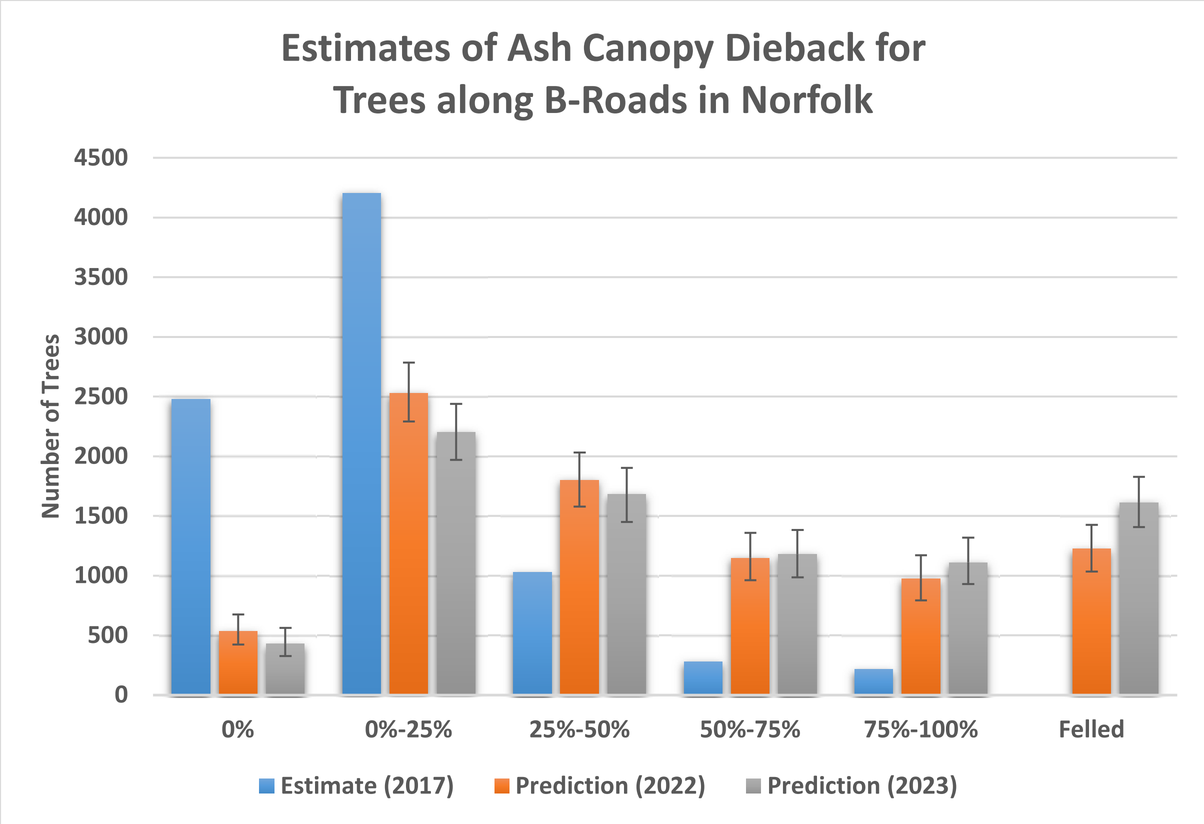
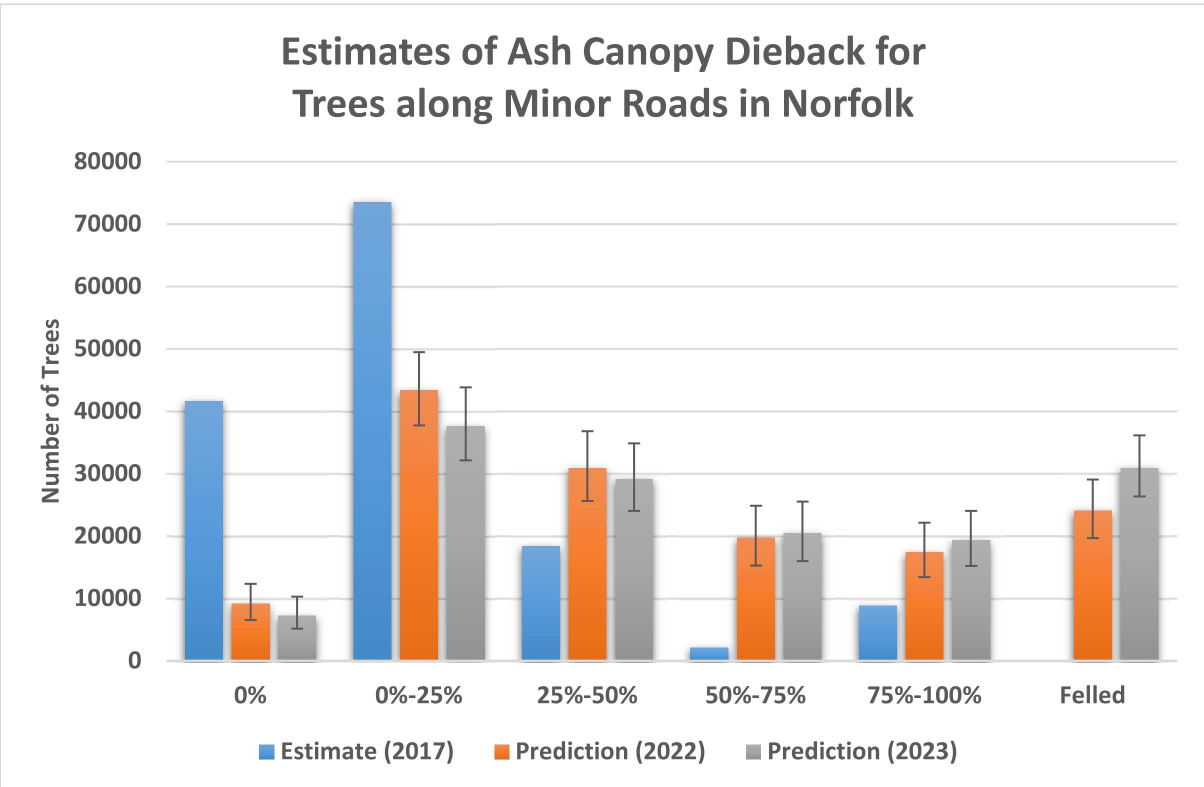


Figure 3 Estimates of number ash trees in each dieback class along other roads in 2017 and the forecasts for 2022 and 2023



Appendix 4

Addendum 1
Ash Dieback Disease
June 2020

Ash Dieback (ADB) is a disease of ash trees caused by a fungus called *Hymenoscyphus fraxineus,* formerly known as *Chalara fraxinea*. The disease causes leaf loss, crown dieback and bark lesions in affected trees. Young trees can be killed by the fungus relatively quickly. Older trees can be weakened by the disease to the point where they can succumb more readily to attacks by other pests or pathogens such as honey fungus (see page 6).

Ash trees suffering with ADB have been found widely across Europe since trees were first reported dying in large numbers in Poland in 1992. These have included woodland trees, trees in urban areas such as parks and gardens, and also young trees in nurseries.

ADB was first confirmed in the UK in Buckinghamshire in February 2012 when it was found infecting young trees imported from a Dutch nursery. Subsequently other infections were discovered that were traced to infection through imported young trees. But in October 2012, a small number of cases in established woodland, away from recently planted nursery stock, were confirmed in Norfolk and Suffolk. Further finds in trees in the wider environment have since been confirmed across the UK, but the disease remains concentrated in the east and south-east of England.

Over the last 15 years we have seen decline in ash trees from a number of other causes that include *Inonotus hispidus* (a fungus that decays trunk and branches – see page 5), insect defoliators, pigeon damage (page 7) and ash bud moth. However, we are now starting to see areas where trees are looking poor because of infection with ADB. For example, on the Marriott's Way at Whitwell, crown dieback in several large groups of ash is up to 75% - i.e. only 25% of the crown is healthy.

NCC's current tree inspection regime (as dictated by the Tree Safety Management Policy) is still fit for purpose regarding the inspection of infected trees; however the County Council's Arboriculture and Woodland Team have also received funding to carry out proactive inspections of high risk areas such as major roads and promoted trails to address the potential safety, financial and resource impact of large numbers of trees dying simultaneously.

This addendum is intended to describe the symptoms of the disease, inform the best time to identify it and to inform the procedure when infected trees are found. This procedure will apply until any future proactive management is put into place.

For identification of ash trees please see the Woodland Trust website.

More information on ash dieback and managing the disease can be found on the Forest Research and Arboricultural Association websites.

The Tree Council has published detailed guidance in its Ash Dieback Action Plan Toolkit for councils and other public authorities which manage trees.

Appendix 5

Norfolk County Council's
Procedure for trees showing symptoms of Ash Dieback (ADB)

See Photos on Page 3 that show examples of percentage dieback of ash trees

We need to ensure that inspections for ADB are carried out when ash trees are in leaf, which limits the inspection window to the months of June, July and August. This may mean that you need to carry out an ***additional*** inspection for ADB if this is not when your level 1 inspections are due to be carried out.

Trees with symptoms of ADB that have 0-50% dieback
Trees with lower percentages of dieback may be able to respond initially to the disease by producing epicormic branches, although they may need deadwood removal if over public or high use areas.
Procedure

- Take photos of infected trees in the summer. Take photos from several specific reference points (e.g. north, south, east, west) to allow for future comparisons. File photos for reference
- Take photos from the same places the following summer to determine how the crown has changed
- If there are dead branches more than 60mm diameter (thickness of your wrist) and there is a potential "target", use Form B to refer the trees to the Arboriculture and Woodland Officers for a Professional Tree Inspection as per the standard procedure in the Tree Safety Management Policy.

Trees with symptoms of ADB that have 50-75% dieback
Trees with lower percentages of dieback may be able to respond initially to the disease by producing epicormic branches, although they may need deadwood removal if over public or high use areas.
Procedure

- Take photos of infected trees in the summer. File these for reference
- Take photos from the same place the following summer to determine how the crown has changed
- Carry out a full inspection of the trunk and branches for other defects, especially fungal fruiting bodies or cavities on the trunk, at the base and on the branches
- If any defects are found on the tree and there is a potential "target", a further inspection is required. Use Form B to refer the trees to the Arboriculture and Woodland Officers for a Professional Tree Inspection as per the standard procedure in the Tree Safety Management Policy.

Trees with symptoms of ADB that are more than 75% crown dieback
We consider that these are unlikely to recover. Trees with ADB disease may be more at risk from other pests and diseases.

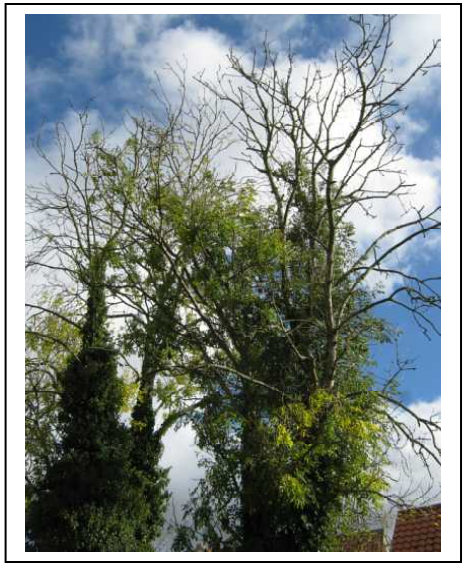
- If a Level 1 tree inspector finds trees with 75% crown dieback or upper crown dieback they need to refer the trees to the Arboriculture and Woodland Officers for a Professional Tree Inspection as per the standard procedure in the Tree Safety Management Policy
- If the tree is considered to be an imminent danger, follow the procedure detailed in Section 2.5iii of the Tree Safety Management Policy.

Photos of percentage dieback

0% dieback

0-25% dieback

25-50% dieback



75-100% dieback

100% dieback

Mature trees showing typical symptoms of ash dieback

Wilting leaves

ABOVE - Mature tree showing approx. 10% dieback on right hand side

Younger tree showing similar dieback symptoms (approx 25% dieback)

Other defects common on ash trees

There are other diseases that may produce symptoms on ash that may look similar to ADB. If any tree is showing signs of 75% dieback or more it should still be reported on Form B.

Fruiting bodies of *Inonotus hispidus*
ABOVE - fresh
LEFT - old blackened fruiting bodies that are frequently seen on ash trunks and branches – these fungi are often seen near woodpecker holes (below left). Areas of indented bark or wounds may be sites where the fungus has been present and caused decay. Branches and trunks often break when decayed by this fungus

LEFT - Fruiting bodies of honey fungus are found at the base of infected trees. This disease is likely to be able to take advantage of trees weakened by ash dieback and may cause them to die.

When ash trees get honey fungus, one of the symptoms when the mushrooms are not present is a white sheet (called mycelium) under the bark. Honey fungus can cause trees to die and fall over.

Also look for fungal fruiting bodies at the base of ash trees similar to this. These can also make trees decline and show signs of dieback

Ash tree showing pigeon damage to leaves at the top of tree, which could, at a distance, be mistaken for ADB

In the autumn and winter there may be clumps of ash keys (seeds) seen on ash trees which may look like dead leaves from a distance. It is normal to see these and they are NOT a sign of ADB

Diagrams of Operation Procedures

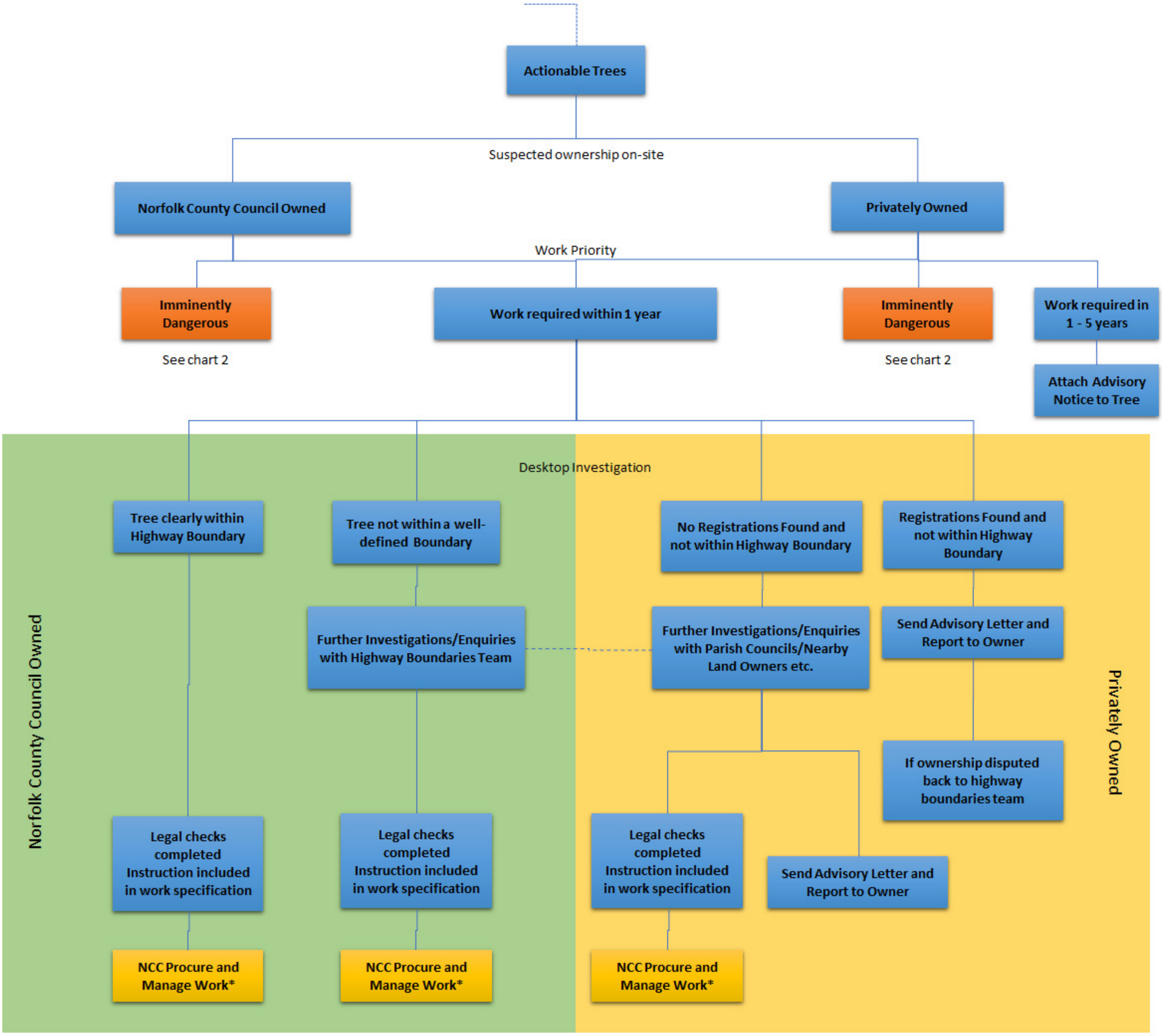


CHART 1. FLOW DIAGRAM REPRESENTING ASH DIEBACK SURVEY PROCEDURE FOR NON URGENT WORK.

***NCC Procure and Manage Work to include:**
- Management / procurement costs
- Arranging traffic management and associated costs
- Landowner Liaison
- Highway boundary disputes
- Working with utility companies
- Apply for various permissions such as felling licenses, TPO's etc
- Disposal or sale of arisings
- Publicity / complaints

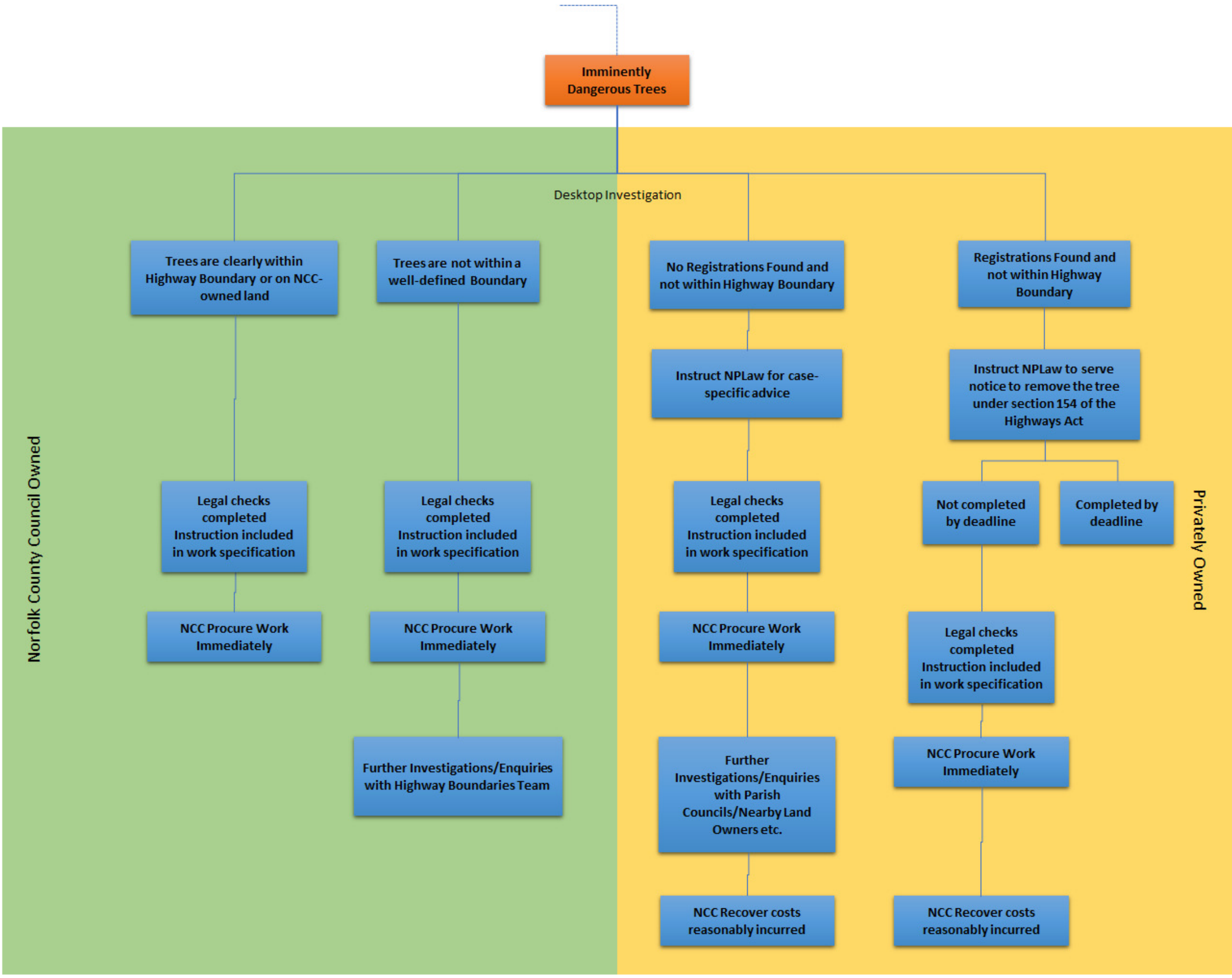


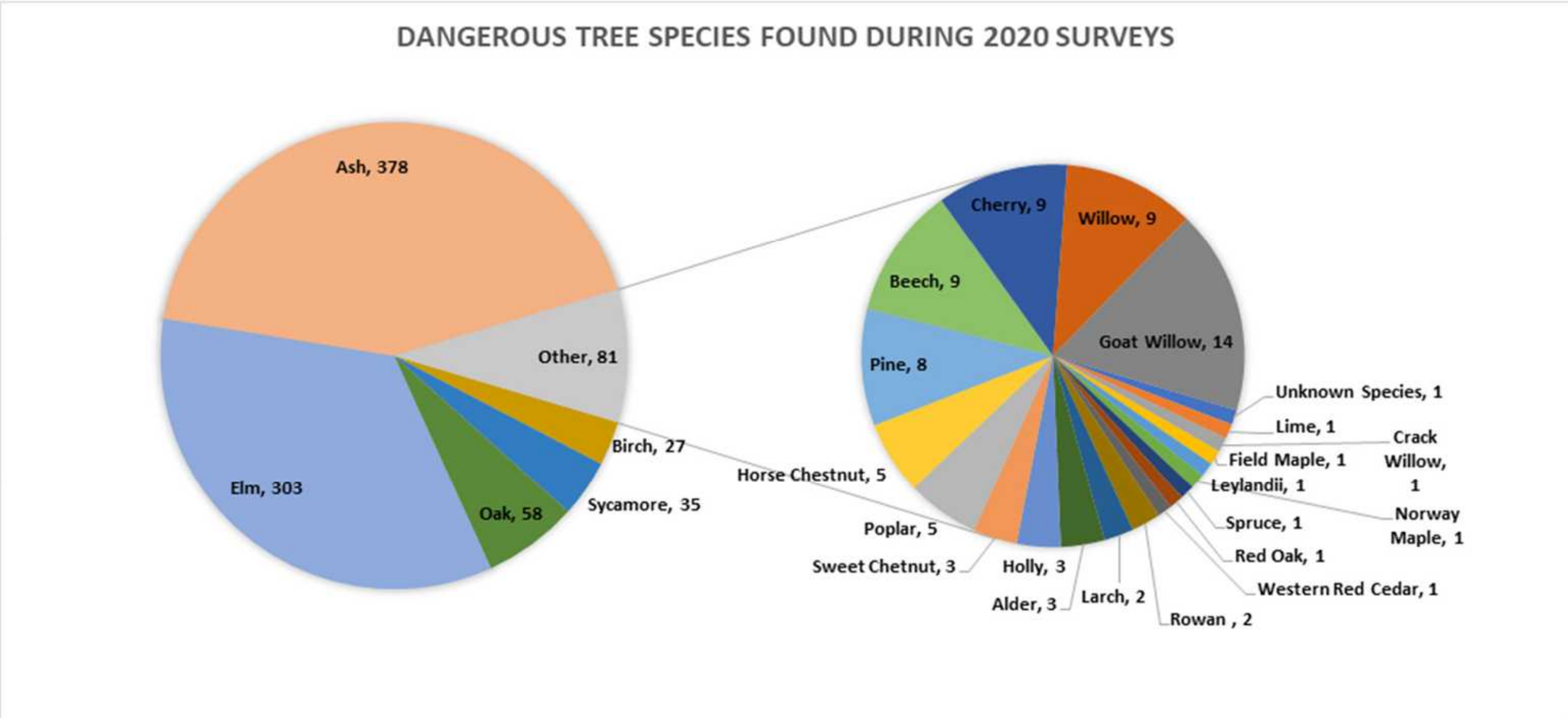
CHART 2. FLOW DIAGRAM REPRESENTING ASH DIEBACK SURVEY PROCEDURE FOR URGENT WORK - REQUIRED WITHIN 2 WEEKS.

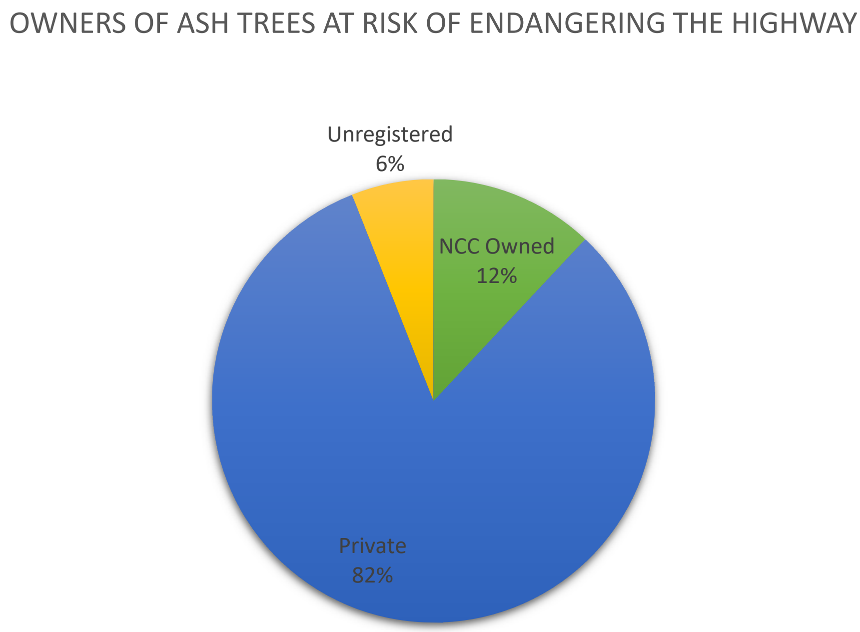
ASH DIEBACK YEAR PLAN

Appendix 6

Species Breakdown of Dangerous Trees Identified in 2020

It is estimated that there are 168,000 ash trees within falling distance of the highway. Of these, an estimated 12% (20,200 trees) are NCC owned, with full liability. Primary responsibility of the remaining 147,800 trees lies with their landowners. Approximately 6% of these are on unregistered land where no owner can be found.





Appendix 7

Norfolk County Council

Community and Environmental Services
County Hall
Martineau Lane
Norwich, Norfolk
NR1 2SG

NCC contact number: 0344 800 8020
Text relay no.: 18001 0344 800 8020

My Ref:

Tel No: 01603 222112
Email: ashdieback@norfolk.gov.uk

23 November 2020

Dear Sir/Madam

Re: Trees on your land

During a recent inspection of the county's roads, we noted trees which could pose a threat to the highway and which may need owners to take appropriate action to ensure their continued safety.

Norfolk County Council regularly carries out inspections of trees alongside roads and pavements to ensure the safety of highway users. As the highway authority we have a duty of care to inspect and carry out work to trees on highway land and maintain them in a reasonably safe condition. However, many trees within falling distance of roads are privately owned and their safety and maintenance are the responsibility of the owner.

During the inspection it was noted that trees referenced above situated on land which you own or occupy could cause a future danger to the highway, road or footpath to which the public has access. Enclosed is a Tree Condition Report advising work required. It would be useful to bear in mind that this was not part of a comprehensive survey of trees on your land so there may be other trees under your ownership that could require inspection and remedial work. Please be aware if you own large or multiple areas of land in Norfolk, it is possible you may receive more than one advisory letter, as we are carrying out surveys on a parish by parish basis.

Please note that this letter, making you aware of a potential issue, could be referred to if there was an incident or accident on the highway which led to a claim for civil damages for loss or personal injury linked to the subject of this letter.

The Norfolk County Council website provides advice and information for tree owners including a list of Tree Surgeons. For additional information on how to recognise and manage ash dieback disease, please visit our website at www.norfolk.gov.uk/ashdieback. More information can be found on the Forest Research website.

Should you have any questions regarding the above please contact the Natural Environment Team on 01603 222112 or email ashdieback@norfolk.gov.uk.

Yours faithfully

A-Crotty

Anne Crotty
Senior Arboriculture and Woodland Officer
Ash Dieback Team, Norfolk County Council

www.norfolk.gov.uk

Appendix 8

Norfolk County Council's Environmental Policy

This is Norfolk County Council's new Environmental Policy. It takes as its starting point the Government's own 25-year Plan published in 2018 and is structured to reflect the key environmental concerns embodied in that plan. In addition, it is framed to reflect the increasing importance that climate change has on all aspects of the environment, whether the landscape itself, the species within it, or the rich cultural heritage that occupies it.
This policy reflects the areas that the Council sees as key to protecting and maintaining the health of Norfolk's distinctive environment and its occupants. The Policy itself signposts to overarching activity that spans a range of environmental interactions that the Council is involved with, including those where it already has its own statutory environmental responsibilities.
As reflected in our current six-year business plan – 'Together for Norfolk', we will put at the centre of our efforts, an approach that ensures that the development of Norfolk's economy is socially inclusive, while championing innovative and sustainable development. It will support investment in green jobs and infrastructure, while ensuring that we both protect and enhance the environment.

We will champion resource efficiency in how we conduct our own operations, setting stringent environmental targets, and we will work within the County at large to ensure it goes beyond the expectations of national government, as far as the national 'net zero' carbon target is concerned. In this we will align with our partners in the region.
We will continue to ensure that the distinctive Norfolk environment is cared for, both for current and future generations, and that we will continue to explore new ways to make our countryside and coast as accessible as possible, whilst respecting the sensitivities around certain natural landscapes and sites. By continuing to operate a proactive and evidence-based approach, we will ensure that a net improvement ('net gain') to biodiversity and habitat creation is the norm.
From now on this Environmental Policy will guide all the Council's future decision-making.
Goals
We fully support the Goals the Government has stated for its Environmental Plan and have used them as the basis for framing this policy. These are:

- Clean air for the population
- Ensuring a clean and plentiful water supply
- Encouraging a thriving plant and wildlife community
- Reducing the risk of harm from environmental hazards such as flooding and drought
- Using resources from nature more sustainably and efficiently
- Enhancing beauty, heritage and engagement with the natural environment
- Mitigating and adapting to climate change
- Minimising waste
- Managing exposure to chemicals
- Enhancing biosecurity

Policy – in enacting these goals, the supporting key policy aims are**:**

Using and managing land sustainably

- Creating and embedding in our strategic planning a more holistic approach to address climate change, particularly within the local planning frameworks
- Embedding an 'environmental net gain' principle for development, including housing and infrastructure
- Improving soil health
- Focusing on woodland to maximise its many benefits for the environment and our communities
- Working with key partners to ensure an adequate water supply, including exploring water harvesting initiatives
- Reducing risks from flooding and coastal erosion where possible
    - Expanding the use of natural flood management solutions
    - Putting in place more sustainable drainage systems
    - Working to make 'at-risk' properties more resilient to flooding

Recovering nature and enhancing the beauty of landscapes

- Protecting and recovering nature
    - Publishing a Norfolk 25-year Environmental Strategy for nature
    - Recognising that Norfolk is losing biodiversity, particularly insect populations. Therefore, a Pollinator Action Plan will be produced as a key element of our Environmental Strategy
- Conserving and enhancing natural beauty
    - Providing support for designated sites, including the Norfolk & Suffolk Broads, and the Norfolk Coast Area of Outstanding Natural Beauty, Natura 2000 sites and species, and County Wildlife Sites
- Respecting nature in how we use water
    - Working to incentivise greater water efficiency, with users, and supporting water companies

Connecting people with the environment to improve health and wellbeing

- Helping people improve their health and wellbeing by using green spaces
    - Promoting the opportunities to enhance health and wellbeing that are available through exposure to the natural environment
- Encouraging children to be close to nature, in and out of school
    - Working with schools to make the most of their green spaces
- Greening our towns and cities
    - Supporting the creation of green infrastructure in our key urban areas
- Planting more trees to improve biodiversity and as a potential mitigation measure for climate change in appropriate locations
- Working with County Farms tenants to move to higher level stewardship and greater biodiversity
- Supporting the community to make sustainable travel choices
    - Working to support alternatives to car travel including promoting sustainable public transport and initiatives that utilise the growing cycling and pedestrian improvements within the County
    - Encouraging sustainable travel on all new developments within the County, through the appropriate planning agreements

    - Helping to develop integrated transport hubs across the County and maximising the opportunities presented through schemes such as Transforming Cities

Increasing resource efficiency, and reducing pollution and waste

- Maximising resource efficiency and minimising environmental impacts at end of life
    - Achieving zero avoidable plastic waste in operations
    - Reducing the impact of waste generally in our operations through working with the supply chain regarding single use products
    - As part of our statutory function, continue to explore opportunities for improving the management of residual waste
    - Working with partners to maximise the opportunities for recycling waste
    - Addressing the impacts that our own use of energy has on the environment by developing an Energy Strategy that takes account of all greenhouse gases produced, whilst exploring opportunities to generate energy on our own estate
    - Working with our supply chain wherever possible to reduce the environmental footprint created
- Reducing pollution
    - Supporting initiatives that lead to clean air, such as developing new proposals within the forthcoming Local Transport Plan and its supporting strategies

Securing clean, healthy, productive and biologically diverse seas and oceans

- Working with key agencies to ensure that our offshore areas and coastline contributes to the network of well-managed Marine Protected Areas (MPAs)
    - Focusing on delivering on the statutory duties with respect to the Wash, and North Norfolk European Marine Site

Protecting and improving our global environment

- Understanding that the consequences of the decisions we take can have global significances and developing a greater awareness of the complex network of inputs and outputs of our actions, all of which have a local, national and international consequences. In this area, our activity will focus on the following:
    - Working with those sectors of the community that have the greatest carbon footprint to help them mitigate their impact
    - Working with a wide range of partners including academia, the business community, local authorities within Norfolk and our neighbouring authorities where appropriate, as well as with the community themselves
    - Embedding the ethos and practice of supporting ‘clean growth’ within the economy, including investigating opportunities which help to develop the green/renewable energy sector
    - Ensuring that each project the Council undertakes is assessed for the contribution it will make towards achieving our environmental targets
    - Working, where possible, with our partners to plan, resource and implement measures that together achieve the overall targets for

Norfolk, underpinned by a robust approach to monitoring, measuring and reporting on the outcomes

- Striving to meet this collective global challenge, we will work with our neighbours within the region, specifically Suffolk County Council and the Broads Authority, to collectively achieve ‘net zero’ carbon emissions on our estates by 2030, but within our wider areas, work towards ‘carbon neutrality’ also by 2030

Cabinet

Item No. 13

Report title	**Finance Monitoring Report 2020-21 P8: November 2020**
Date of meeting	**12 January 2021**
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

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

Executive Summary

Subject to mitigating actions, the forecast revenue outturn for 2020-21 at the end of period 8 (November) was an overspend of **£0.349m** on a net budget of £430.421m. General Balances are £19.7m and service reserves and provisions are forecast to total **£100.2m.**

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

Recommendations

1. To approve the setting up of a CES business risk reserves of £1.681m as set out in paragraph 2.35 of Appendix 1, and to approve proposed additional transfers to the Adult Social Services business risk reserve (£3.857m), Children's Services business risk reserve (£1m) and the corporate Covid risk reserve (£2.5m) as set out in paragraphs 2.8, 2.28 and 2.43 of Appendix 1.

2. Note the period 8 general fund forecast revenue overspend of **£0.349m** noting also that Executive Directors will take measures to reduce or eliminate potential over-spends;

3. Note the COVID-19 grant funding received of **£97.320m,** the proposed use of that funding, and the related expenditure pressures resulting in net Covid-19 pressure, of **£10.161m** taking into account proposed transfers to the Corporate Risk reserve.

4. Note the period 8 forecast shortfall in savings of **£17.685m**, noting also that Executive Directors will take measures to mitigate savings shortfalls through alternative savings or underspends;

5. Note the forecast General Balances at 31 March 2021 of £19.706m, before taking into account any over/under spends;

6. Note the expenditure and funding of the revised current and future 2020-23 capital programmes.

1. Background and Purpose

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

2. Proposals

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

3. Impact of the Proposal

3.1. The impact of this report is primarily to demonstrate where the Council is anticipating financial pressures not forecast at the time of budget setting, primarily relating to the implications of the Covid-19 pandemic, together with a number of other key financial measures.

3.2. The capital expenditure proposals will ensure sufficient capital funding is available for these newly identified purposes, without affecting the remainder of the capital programme or the current year's revenue budget.

4. Evidence and Reasons for Decision

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

Appendix 1 summarises the revenue outturn position, including:
- Forecast over and under spends
- Covid-19 pressures and associated grant income
- Changes to the approved budget
- Reserves
- Savings
- Treasury management
- Payment performance and debt recovery.

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

5. Alternative Options

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

6. Financial Implications

6.1. As stated above, the forecast revenue outturn for 2020-21 at the end of P8 was an overspend of **£0.349m** linked to a forecast shortfall in savings of **£17.685m**. Forecast service reserves and provisions are forecast to total **£100.2m**, and general balances of **£19.7m**. Grant funding of **£97.320m** has been received to off-set additional expenditure occurred as a result of the COVID-19 pandemic, resulting in net Covid-19 pressure of **£10.161m**.

Within the forecast overspend are net financial pressures identified in Adult Social Services and Finance and Commercial Services, mainly relating to Covid-19 related pressures, the majority of which have been offset by additional grant funding received. A full narrative is given in Appendix 1.

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

7. Resource Implications

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

8. Other Implications

8.1. **Legal Implications**

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

8.2. **Human Rights implications**

None identified.

8.3. **Equality Impact Assessment**

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

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

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

9. Risk Implications/Assessment

9.1. The Council's Corporate Risk Register provides a full description of corporate risks, including corporate level financial risks, mitigating actions and the progress made in managing the level of risk. Specifically, risk RM002, which is included in in Appendix C of the Corporate Risk Management report to January 2021 Cabinet, outlines the potential risk of failure to manage significant reductions in local and national income streams. In addition, the majority of corporate risks, if not managed, could have significant financial consequences such as failing to generate income or to realise savings.

Unlike many other parts of the public sector such as the NHS, local authorities are required by law to set a balanced budget. As part of their duties, the Executive Director of Finance and Commercial Services has a responsibility to report to members if it appears to him that the authority will not have sufficient resources to finance its expenditure for the financial year. While not underestimating the severity of the current crisis and its continuing impact on the Council's finances, the Executive Director of Finance and Commercial Services believes the current year's forecast gap will be closed through mitigating actions.

10. Select Committee comments

10.1. None

11. Recommendation

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

12. Background Papers

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

Officer Contact

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Appendix 1: 2020-21 Revenue Finance Monitoring Report Month 8

Report by the Executive Director of Finance and Commercial Services

1 Introduction

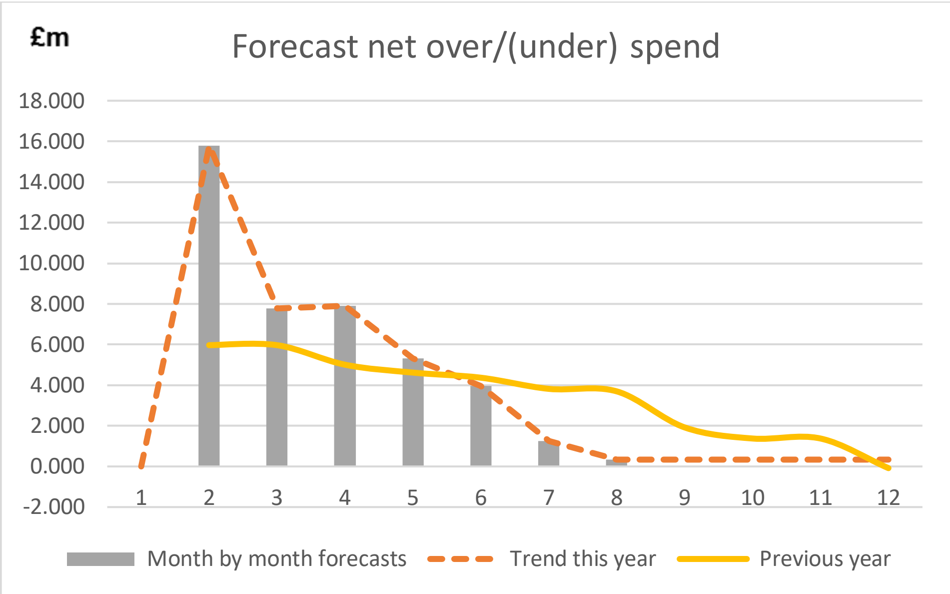
1.1 This report gives details of:

- the P8 monitoring position for the 2020-21 Revenue Budget
- additional financial information relating to the Covid-19 pandemic
- forecast General Balances and Reserves at 31 March 2021 and
- other key information relating to the overall financial position of the Council.

2 Revenue outturn – over/underspends

2.1 **At the end of November 2020** an **overspend of £0.349m** is forecast on a net budget of £430.421m

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



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

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

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

Service	Revised Budget	Net (under)/ over spend	%	RAG
	£m	£m		
Adult Social Services	255.793	1.000	0.4%	A
Children's Services	196.311	0	0.0%	G
Community and Environmental Services	161.799	0	0.0%	G
Strategy and Governance	9.362	0.029	0.3%	G
Finance and Commercial Services	32.671	0.905	2.8%	A
Finance General	-225.515	-1.585	0.7%	G
Totals	**430.421**	**0.349**	**0.1%**	**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:** The forecast outturn as at Period 8 (end of November 2020) remains at a break-even position, considering the immediate impact of Covid-19, the allocated Covid-19 grants and the re-started transformation programme. The department continues to review the financial impact of Covid-19 in this financial year as well as looking ahead to the risks for the next financial year.

2.5 The significant pressures previously identified remain in the areas of Learning & Inclusion (primarily lost trading income and home to school / college transport) and Social Care (primarily delays in savings delivery, approximately 6 months delay to the transformation programme, and support for the market). These have been off-set by government grants allocated to the service.

2.6 The business planning for this financial year had included significant investment in additional staffing capacity through the transformation programme and, in particular, the social care operating model. Significant progress has been made to implement the new operating model despite the pandemic, but there has been delays in recruitment whilst attention was focussed upon both the immediate and ongoing response to the pandemic. This has led to a one-off staffing underspend in this financial year.

2.7 Alongside this one-off impact upon staffing, the department has identified some direct one-off pandemic related expenditure that is likely to continue into the new financial year for which there is no additional government funding identified, for example increased support to schools and education providers, additional cost of provision for children and families due to ensure provision is covid secure, market pressures within social care and transport due to the uncertainty of the current trading conditions, and uncertainty regarding the impact of further peaks in infection upon transformation.

2.8 The ongoing review of the department's forecast has identified a further £1m to transfer into a business risk reserve from one-off impacts in this financial year where investment has been delayed and where covid impacts cross the financial years.

2.9 Any surge, or the impact of the second peak that we are now seeing as a nation, could lead to unpredictable demand for social care support and placements, and could disrupt current, stable placements. The department has undertaken modelling of the potential surge that may be seen now that schools have returned to full-time, primarily classroom-based teaching, considering various patterns of demand and impact upon services. The department has continued to see a significant rise in referrals both to Family Support teams (through the Childrens' Advice and Duty Service) and to the Inclusion Helpline for schools compared to the same time period last year. There has also been a significant increase in the number of parents electing to home educate, which brings additional duties to the authority. It is too early to know how these trends will continue and how they may translate into increased demand on Social Work and, potentially, placements in the medium-to-longer-term. Therefore, this risk will continue to be kept under close review.

2.10 It should be noted that although this position continues to be reviewed, there remains a significant degree of uncertainty in relation to expenditure and income for Children's Services as a result of Covid-19 at the time of preparation. Given the current national context, there continues to be significant influences beyond the Council's control that continue to make delivery of the transformation programme (and, therefore, savings) difficult in light of the ongoing recovery work, ongoing Covid-related restrictions, potential surge in demand and further waves. Again, this risk will continue to be kept under close review.

2.11 **Dedicated Schools Grant**: The outturn forecast is £11.5m overspend on the High Needs Block, with a small underspend of (£0.2m) on the Schools Block and all other blocks forecast to break-even. Therefore, the net forecast outturn as at Period 8 (end of November 2020) is £11.3m.

2.12 As the Autumn term has progressed, the information regarding changes to school placements has become clearer and the forecast picks up all known changes to school placements. It should be borne in mind that the forecast is based upon the best information available at the time of preparation and, given the uncertainty surrounding expectations upon schools and education providers as a result of Covid-19, it will be subject to review as the situation, and year, progresses.

2.13 In comparison to this forecast, 2019-20 saw an overspend of £10.307m within the High Needs Block and this forecast represents an increase in expenditure year-on-year compared to 2019-20 of approximately £8m, primarily due to demographic growth and increasing needs seen nationwide, and the full-year effects of last year's pressures, partially offset by in-year savings delivered due to the SEND & AP Transformation Programme. This in-year overspend will be combined with the cumulative overspend of £19.703m brought forward from prior years. This forecast is in line with the latest reset of the DSG Recovery Plan for Norfolk and considers:

- demographic growth based upon modelling;
- the significant pressure seen in 2019-20 for Section 19 related support and post-16 support;
- ongoing pressure for special school places (2019-20 included a significant increase (approx. £2-2.5m) in independent school expenditure in the last third of the year);
- presumed continued reduction in expenditure for Alternative Provision following significant work to reduce exclusions alongside schools;
- savings based upon the special school and SRB places opening during the financial year reducing the demand upon independent provision;
- specific school-based posts to support inclusion within mainstream schools and to reduce demand for specialist placements.

2.14 Whilst there was a HNB increase year-on-year of funding allocation of £11.3m, approximately £5.4m was assumed prior to the Autumn government announcements regarding 2020-21 HNB funding (both 1% growth assumption previously seen in funding allocations alongside ongoing transfer from the Schools Block in line with the 2019-20 that would have required approval from the Secretary of State). Given the government funding announcements in the Autumn, the funding increase above our planning expectations was just under £5.9m.

2.15 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.

2.16 Learning and Inclusion colleagues have continued to actively support the Covid-19 response from the Council, with their focus upon supporting the schools of Norfolk (mainstream and specialist) to remain open, as appropriate, in line with government expectations and Public Health advice, as well as to support schools to support pupils to adapt to the changed expectations upon them. This work will continue for the foreseeable future to support schools to continue to adapt as the education landscape changes in response to the latest government announcements. However, focus has also returned to the transformation programme work, wherever possible.

2.17 Construction work was paused during the first national lockdown, affecting builds in relation to expanding Specialist Resource Base provision and additional special school places. This work has restarted, and the forecast is based upon the current anticipation that the additional places will be open in line with pre-Covid-19 expectations.

2.18 Whilst all schools in Norfolk have returned in line with Government expectations, there remains considerable uncertainty as to how school budgets have been affected by Covid-19 in the medium term and, in the short-term, there is significant variances between schools with regards to the financial impact. Therefore, there remains a risk that if schools have seen a significant impact this could cause further pressure in terms of schools being unable to meet the needs of children. This could result in increases in exclusion, higher referral rates for Education, Health and Care Plans, higher requests for HNB support into mainstream or special schools.

2.19 At the end of the summer term, the government announced additional, DSG funding for 2021-22 onwards. Estimates of the impact for Norfolk have been produced and shared with schools as part of the funding consultation undertaken with all schools and Norfolk Schools Forum in October and November 2020.

2.20 The estimated impact of the additional DSG funding announced for 2021-22 for the HNB has been built into the DSG Recovery Plan for Norfolk. The plan has recently been reset to reflect the latest information available with respect to demand, funding and the SEND & AP Transformation Programme, and has been shared with Norfolk Schools Forum and the Department for Education. The plan will be reviewed on a regular basis to reflect amendments to assumptions and to refine the financial modelling. The DSG 2021-22 budget will be brought to Cabinet in February 2021 for decision, which will include the latest version of the DSG Recovery Plan.

2.21 **Adult Social Services**: The forecast outturn as at Period 8 (end of November 2020) was a net overspend of £1.000m after utilising £26.052m of Council Covid-19 grant funding and an estimated £27m of funding from the NHS to support hospital discharge arrangements. The forecast also includes a proposed transfer of £3.857m to the Adult Social Services Business Risk Reserve to mitigate some of the continuing financial risks arising from the pandemic, affecting both the current forecast position and additional financial pressures for next financial year. The risks for the service have been highlighted to Cabinet in previous reports and are detailed below. Following the final instalment, the service has received £22.829m of infection control funding during the year, which will be allocated to the Norfolk care market and used in full to enable care providers to action infection control measures in line with government guidance.

2.22 The forecast overspend has reduced by £0.900m since our Period 7 position.

2.23 As reported in previous monitoring reports, the forecast has been challenging this year, due to changing legislation affecting the number and breadth of people that we are supporting; the funding routes requiring monthly reclaim of costs; the price of care during the pandemic and the difficulty delivering a significant proportion of planned savings. The three key financial risks are described in more detail below.

2.24 Hospital discharge – in overall terms we are seeing an increasing number of people being supported with adult social care by the Council. This is predominately due to the hospital discharge arrangements during the pandemic, which required self-funders and people who would normally have received continuing health care to be supported through council held contracts for discharges before 1 September and for up to six week for discharges after this date. The additional costs of this have been funded via monthly claims to NHS England and Improvement (NHSEI), however, from 1 September 2020, adult social care teams and the Norfolk and Waveney Clinical Commissioning Group are in the process of reinstating normal funding arrangements for people discharged before September. We cannot accurately know how many people will remain with NCC funded contracts, as it depends on factors such as continuing healthcare assessments. However, we are estimating we will have a volume of service users slightly above the number at the start of the year. This mainly impacts on purchase of care for older people, with current forecasts showing a £13.444m overspend on expenditure for this budget and £10.266m of additional income. Our forecast is based on being able to continue to reclaim on a reducing basis for these care costs, introduction of charging for NCC service users and the reinstatement of self-funders to private contracts. There are risks related to these assumptions and this has been taken into account within the forecast. The Council is reliant on the reclaim of funding from the NHS, any change to this or variation to the assumptions around reinstatement of normal will either reduce or increase the overspend position.

2.25 Price of care – although prices have remained stable for service users that were in receipt of care prior to the pandemic, we have seen increasing prices for new care packages, particularly where there is discharge from hospital. Although some of the pressure has arisen through increased acuity of people leaving hospital, it is also due to provider concerns within the market and changes to the business models for self-funded care. The price has no doubt been affected by both health and social care needs being part of the discharge model, but the price of care is not financially sustainable for social care alone. Although the risks of this are absorbed within the forecast for this financial year, due to one-off funding, this presents a significant financial risk for 2021-22. Commissioning and operational teams are taking action to help reduce the longer-term financial impact.

2.26 Delivery of savings - The service started the year having achieved good progress in 2019-20 towards demand management through the promoting independence strategy. However, the outlook for 2020-21 was challenging with a £23m savings target – mostly related to demand management – and therefore strong delivery of the savings programme, in this financial year, was critical for the service. We have forecast that £13.251m of our savings will not be achieved in this financial year and the allocation of the NCC covid grant funding has helped support this. Due to the additional grant funding this will be managed within this financial year, however, there remains a significant risk for next year. As described above, we are expecting that our volume of service users will be slightly higher than at the start of the year, however, due to the level of demand management savings our budget is based on 896 fewer service users across all specialisms. It is increasingly clear that the environment that teams and providers are working within will not be back to normal for the foreseeable future. This will mean that the higher volumes and prices compared to our base budget will not be rectified before the end of this financial year and will therefore increase budget pressures next year.

2.27 Covid-19 has meant that our staff have had to work differently in continuing to meet our duties. Financially this has meant that embracing a socially distanced approach to social care has meant that recruitment and staff travel have naturally slowed leading to a reduction in the associated expenditure in this area. Across our 3 core front line areas of the department we have seen the identification of vacancies, combined with a reduction in expenditure for travel and subsistence, for Care & Assessment teams within Community Social Work (£0.596m) and Community Health and Social Care (£0.728m), as well as within Early Help & Prevention (£0.806m). In addition, the reinstatement work and new hospital discharge arrangements mean that social work teams are requiring some additional capacity to manage the temporary but increased workloads. There is some funding from NHSEI to support these costs.

2.28 The department recognises the financial pressure the future risks, and in particular, the under-delivery of 2020/21 savings is having on the Council. The Covid-19 recovery governance includes a specific financial recovery workstream. This is predominately looking at the transition arrangements for the hospital discharge service requirements, to mitigate financial risks and to look at the price of care in the market and opportunities to manage this. The service is working to reinstate approaches that will enable some savings programme work to recommence. However, it is clear that there will be remaining financial pressures from the pandemic that will extend beyond the current one-off funding. The service has therefore proposed that a further £3.857mm is transferred to the Business Risk Reserve to help support these costs next financial year and provide some additional time for both stabilisation of prices and work to be able to recommence to reduce demand. This transfer will increase the business risk reserve to £10.288m.

2.29 With the Purchase of Care (POC) budget making up 77% of our ASC budget, and being heavily dependent on the individual needs of the 14,000+ people at any one time being supported by this budget, it is perhaps not surprising that this is the area feeling the financial pressure. One-off funding is helping to reduce the overspend on the purchase of care budget, reducing the in-year overspend to £3.178m. The department had been aiming to achieve savings of £23m in this financial year, and as described in the budget savings section of this paper, it has been extremely difficult in the current climate to deliver against this challenge.

2.30 The largest area of forecast overspend is with Purchase of Care for Older People. As highlighted above for this financial year, we expect additional Covid funding to meet the majority of these additional costs. Our Living Well ethos requires a different climate to be wholly effective in preventing, reducing and delaying need for formal services. In the first four months of the year many of our care providers were paid fixed (minimum amounts whereby additional services provided are paid for in addition) payment amounts to enable them to have secure cash flow during Covid-19. Whilst this is a vital investment in sustaining a crucial market, it has meant that the spend per month was fixed at a level above which we had initially budgeted. We have also ensured that where providers have been in a position to undertake home support above this level that additional payment have been made. These costs have been offset by adjustments to spend on respite care, which has been significantly lower due to the pandemic. The transition from payment based on averages to actuals was completed earlier in the autumn. The only exception is day services where providers are delivering service below normal capacity to enable social distancing guidelines. This has meant that people continue to not be charged for these services and this has formed part of the claim to MHCLG for lost sales and fee income.

2.31 During the pandemic we have seen a combination of additional packages put in place to meet differing or escalating care needs and with our NHS partners have also had to manage a different hospital discharge arrangement, that has also temporarily altered our financial assessment procedures. Whilst we have been recovering the Covid-19 related costs incurred on behalf of the NHS, it has clearly meant a different approach that has required the focus of the service.

2.32 Whilst our income related to the NHS has increased due to the Covid-19 reclaims, our general customer contribution levels has decreased. For those that are part of the NHS discharge arrangement, we will not lose out financially in the short term. However, where services are not being fully supplied to the customer, but still being paid for by NCC, such as Day Care, we will not be recovering any financially assessed customer contributions. Our forecast includes £0.253m for income compensation from MHCLG. In addition, we have reviewed our planned phase 2 charging policy around the Minimum Income Guarantee which will reduce our income against the associated saving target.

2.33 A paper is included elsewhere on this agenda, summarising the outcome of a recent Judicial Review regarding the Council's non-residential charging policy for working age adults. The Business Risk Reserve is in place to manage unplanned costs for the service and could be used to support any further adjustments to the charging policy that are required without risk to the current or next year's budget plans. Planned implementation of phase 2 of the charging policy had already been reviewed in April 2020 and the forecast has included the reduction in income throughout this financial year.

2.34 Outside of purchase of care, our budgets for NorseCare and Independence Matters within Commissioning are both forecast to overspend, due to the expected non-delivery of savings. However, actions are being taken to reduce this variance in-year.

2.35 **CES:** Historically CES budgets have been fairly stable throughout the year and we continue to review the financial impacts of Covid-19. We are currently forecasting a balanced position, after taking into account Covid-19 grant income of £6.112m, forecast recovery of income losses from the MHCLG income compensation scheme, and the Local Outbreak Control Public Health grant of £3.718m and the Contain Outbreak Management Fund of £7.143m. The forecast also includes the creation of, and proposed transfer of £1.681m to a CES Business Risk Reserve, to mitigate some of the continuing financial risks arising from the pandemic

2.36 The most significant pressure for CES is the ability to achieve planned income which accounted for the majority of the current forecast pressures within Community

Information and learning and Culture and Heritage. Pressures on Income also account for part of the services pressure within Highways and Waste.

2.37 There is a significant uncertainty in relation to the impacts on income and we will therefore be reviewing and revising these forecasts as the year progresses. Overall, we have assumed that this position is likely to be mitigated when income under the Local government income compensation scheme for lost sales, fees and charges is received, although this is subject to on-going calculations.

2.38 The forecast pressures within Highways and Waste also relates to waste volumes and Impacts of Dutch Incineration tax on the cost of waste disposal. We are currently seeing significant additional waste volumes through kerbside collection and therefore we are currently seeing additional costs of waste disposal and recycling credits. There remains significant uncertainty in relation to the overall waste tonnages due to the impacts of working from home and therefore costs may continue to increase in this area.

2.39 The service has also incurred additional costs in relation to the re-opening of Household Waste Recycling Centres for traffic management and site security.

2.40 The Department is also reviewing any potential areas for savings that will help off-set this pressure which will include reduced spend on travel, printing and other administration areas. There are also likely to be a number of posts that are currently vacant and therefore we have not been able to recruit to, which will deliver a one-off saving.

2.41 **Corporate services:** Both the Strategy and Governance and Finance and Commercial Services directorates are forecasting overspends. The overspend primarily relates to property management: both additional costs and reduced income, and other central Covid-19 related costs.

2.42 **Finance General:** The forecast underspend in Finance General is £1.585m, with an underlying overspend made up of unbudgeted Covid-19 related costs, partly off-set by forecast underspends on the costs of borrowing and additional government Emergency Assistance and Winter Grant funding for Food and Essential Supplies. The forecast net underspend is mainly due to MHCLG funding is being held for allocation to services. Further details are given in Revenue Annex 1.

2.43 Following approval at 7 December 2020 Cabinet, a new Corporate Covid Risk Reserve has been created, of £8.108m will be set aside in this reserve to address financial pressures resulting from the pandemic, either in 2020-21 or in future financial years. This is made up of MHCLG tranche 4 Covid grant funding of £5.608m, £1m previously set aside for in-year Covid-19 pressures, and a proposed additional £1.5m to address future pressures.

3 Approved budget, changes and variations

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

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

Service	Approved net base budget	Revised budget P7	Revised budget P8
	£m	£m	£m
Adult Social Services	255.740	255.793	255.793
Children's Services	196.211	196.311	196.311
Community and Environmental Services	163.471	161.799	161.799
Strategy and Governance	9.365	9.362	9.365
Finance and Commercial Services	30.811	32.671	32.668
Finance General	-225.177	-225.515	-225.515
Total	**430.421**	**430.421**	**430.421**

Note: this table may contain rounding differences.

3.2 During period 8, there was one very minor budget movements between support services to reflect responsibilities for payroll debt collection. The Council's net budget for 2020-21 has remained unchanged.

4 General balances and reserves

General balances

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

Reserves and provisions 2020-21

4.2 The use of reserves anticipated at the time of budget setting was based on reserves balances anticipated in January 2020. Actual balances at the end of March 2020 were higher than planned, mainly as a result of grants being carried forward, including Covid-19 support grants, and reserves use being deferred.

4.3 The 2020-21 budget was approved on the basis of a forecast reduction in earmarked revenue reserves and provisions (including schools reserves but excluding LMS and DSG reserves) from £73m to £65m, a net use of £8m.

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

Reserves and provisions by service	Budget book forecast balances 1 April 2020	Actual balances 1 April 2020	Increase in opening balances after budget setting	2020-21 Budget book forecast March 2021	Latest forecast balances 31 March 2021
	£m	£m	£m	£m	£m
Adult Social Services	16.896	20.291	3.395	10.371	21.764
Children's Services (inc schools, excl LMS/DSG)	1.961	6.200	4.239	3.321	6.772
Community and Environmental Services	35.847	40.934	5.087	32.612	44.793
Strategy and Governance	3.042	2.916	-0.126	3.265	2.763
Finance & Commercial Services	2.469	4.301	1.832	2.472	3.287
Finance General	12.915	49.428	36.513	12.915	20.912
Reserves and provisions excluding LMS and DSG balances (see below)	**73.130**	**124.070**	**50.940**	**64.956**	**100.291**
Schools LMS balances	12.001	12.361	0.360	4.212	12.814
DSG Reserve (negative)	-18.387	-19.704	-1.317	-18.830	- 31.004
Total	**66.744**	**116.727**	**49.983**	**50.338**	**82.101**

4.4 Actual overall provisions and reserves (excluding capital, DSG and LMS reserves) at 31 March 2020 were approximately £50m in excess of 2020-21 budget book assumptions. This is due primarily to £26.8m Covid-19 government grants received in late March, which will be fully used in 2020-21, plus general increases in reserves, including unspent grants and contributions, brought forward after budget setting.

4.5 The forecast also includes:

- The creation of, and transfer of £1.681m to a CES Business Risk Reserve;
- an additional transfer of £3.857m to the Adult Social Services Business Risk Reserve, in addition to £2m approved at 7 December 2020 Cabinet; and

- an additional transfer of £2.5m to the Corporate Covid Risk Reserve in addition to MHCLG tranche 4 Covid grant funding of £5.608m approved at 7 December 2020 Cabinet.

4.6 A £2m contribution to a Children's Services Business Risk reserve, was approved at 7 December 2020 Cabinet in order to mitigate the financial risks and manage the impact of Covid-19 and an additional contribution of £1m is proposed in this report.

4.7 As a result of these factors, the latest forecast net total for reserves and provisions at 31 March 2021 (excluding schools LMS and DSG reserves) is approximately £35m higher than was assumed at the time of budget setting due to the increase in grants brought forward and government grants being set aside to address continuing covid-19 pressures.

4.8 **Provisions included in the table above**

The table above includes forecast provisions of £26.8m comprising £9.9m insurance provision, £12.6m landfill provision (this provision is not cash backed), £4.1m provisions for bad debts, and a small number of payroll related provisions.

5 Covid-19 financial implications

5.1 Details of central government funding announcements, and forecast Covid-19 pressures are set out below.

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

Table 4a: Covid-19 funding

Funding	**Actual/forecast 2020-21 £m**
MHCLG tranche 1 (received March 2020)	26.932
MHCLG tranche 2	16.742
MHCLG tranche 3	6.001
MHCLG tranche 4	5.608
Contain Outbreak Management Fund	7.262
Infection Control Fund – first round	12.386
Infection Control Fund – second round	10.443
Home to School and College Transport Funding – Tranche 1	0.747
Home to School and College Transport Funding – Tranche 2	0.503
Wellbeing for Education Return Grant	0.146
Local Outbreak Control: test and trace service support grant	3.718
MHCLG - income compensation scheme April-July	2.657
Emergency Assistance Grant for Food and Essential Supplies	1.016
COVID Winter Grant Scheme	2.740
Total previously reported P7	**96.901**
Home to School and College Transport Funding – Tranche 3	0.419
Total to date	**97.320**

5.3 **MHCLG funding**: The tranches of MHCLG funding listed above are unringfenced, and expected to address additional expenditure, lost income and delayed or irrecoverable savings while assisting those who are in most need of additional support and social care, and those at higher risk of severe illness. The latest tranche of £5.608m has been transferred to a new Corporate Covid Risk reserve, to mitigate against future cost pressures resulting from the pandemic.

5.4 **Contain Outbreak Management Fund**: In October, additional funding relating to the government's "tiered" approach to breaking the chains of transmission was confirmed. From 12 October 2020, Local Authorities were eligible for tiered payments from the Contain Outbreak Management Fund to support proactive containment and intervention measures. When national restrictions came into force on 5 November, all Upper Tier Local Authorities were allocated the maximum of £8 per head of population. For Norfolk this amounted to £7.262m.

5.5 Government has confirmed that the Contain Outbreak Management Fund is to be increased to provide monthly payments to local authorities facing higher restrictions until the end of the financial year. As a result of Norfolk moving to Tier 2 after 2 December, additional funding of £2 per head per month is expected, equating to approximately £1.8m per month. Subject to a government review in January 2021, it is anticipated that the additional funding will be available until the end of March 2021, and further details are awaited.

5.6 To enable District Councils to implement immediate mitigating actions, 7 December 2020 Cabinet approved the allocation of a maximum of £2.645m to District Councils following the discussions at the Covid19 Engagement Board (17 November 2020) and taking into account recommendations from the 27 November 2020 Health Protection Board.

5.7 The Health Protection Board is reviewing the allocation of funding. At the time of writing the detailed funding allocations are still being considered.

5.8 **Infection Control Fund**: "to ensure care homes can cover the costs of implementing measures to reduce transmission", with a proportion passed straight to care homes in Norfolk (regardless of whether they contract with the Council), with the remaining element spent on broader infection control measures. In addition to the first-round grant of £12.386m, a second round of Infection Control Grants has been announced, with an additional £10.443m to be received by Norfolk in October and December 2020. This round requires 80% to be passed to care homes and community care providers. 80% of the October funding has been paid to care providers. The allocation of the remaining funds has focused on wider measures for care homes and community care providers, as well as day services and carers. This will enable wider use of funding for supporting staff with testing and vaccine rollout.

5.9 **Dedicated Home to School and College Transport Funding:** for transport authorities to help address the impact of social distancing rules on public transport, for the period September 2020 to February 2021 half term. A third tranche of £0.419m covering the first half of the Spring term was announced on 8 December 2020, bringing to the total for Norfolk to £1.669m.

5.10 **Wellbeing for Education Return Grant**: to support pupils' and students' wellbeing and psychosocial recovery as they return to full-time education in autumn 2020.

5.11 **Local Outbreak Control: Test and Trace Service Support Grant:** to fund expenditure relating to the mitigation against and management of local outbreaks of COVID-19 as part of the Council's public health responsibilities.

Local government income compensation scheme for lost sales, fees and charges. This scheme compensates local authorities for irrecoverable income losses due to the impact of COVID-19, as much as 75% of lost income where losses exceed 5% of planned income. The first claim of £2.657m, covering the period to April to July

2020, has been approved by MHCLG. The first claim was split between services as follows:

Table 4b: income compensation claims April-July

	£m
Adult Social Services	0.253
Children's Services	0.647
Community and Environmental Services	1.260
Strategy and Governance	0.342
Finance and Commercial Services	0.155
	2.657

The scheme has been extended until June 2021, and a second claim totalling £1.525m was submitted on 16 December 2020 for the period from 1 August 2020 to 30 November. The claim was certified by MHCLG on 21 December, and will be reflected within service totals in the next monitoring report.

5.12 **Emergency Assistance Grant** / **COVID Winter Grant Scheme**: to help those who are struggling to afford food, energy and water bills and other associated costs due to Covid-19.

New / confirmed funding

5.13 As reported in the paragraphs above

- a third tranche of Dedicated Home to School and College Transport Funding, £0.419m covering the first half of the Spring term, was announced on 8 December 2020 and
- the second income compensation claim for the four months to November, totalling £1.525m, has been certified by the MHCLG.

Covid-19 related cost pressures

5.14 A summary of the forecast Covid-19 related cost pressures are as follows:

Table 4c: Covid-19 cost pressures

	Adult Social Services	**Children's Services**	**Community and Environmental Services**	**Strategy and Governance Department**	**Finance and Commercial Services and Finance General**	**Total**
	£m	**£m**	**£m**	**£m**	**£m**	**£m**
Previously reported	56.952	8.897	18.134	1.960	17.168	**103.111**
Net changes this month	-0.298	-0.208	-0.099	-0.822	-2.311	-3.738
In year cost pressures	**56.654**	**8.689**	**18.035**	**1.138**	**14.857**	**99.373**
Corporate risk reserve					8.108	8.108
Total cost pressures	**56.654**	**8.689**	**18.035**	**1.138**	**22.965**	**107.481**
Government support						97.320
Net Covid-19 pressure						**10.161**

5.15 The net cost pressure of £10.2m has reduced from £11.8m in P7. The latest forecast cost pressure includes transfers to reserves of £8.1m to cover costs which are likely to be incurred in the early part of the next financial year. This will allow the Council to meet its response to the coronavirus pandemic.

5.16 Details of cost pressures by services are set out in Revenue Annex 2. The cost pressures shown in Finance and Commercial Services and Finance General include additional staff and property costs relating to the Covid-19 response and lost income from County Hall car park. Also within Finance General is the impact of the Council continuing to incur costs sourcing PPE, medical requisites, and cleaning materials for use across our services.

Other pressures

5.17 An additional element of cost mitigation included in forecast over and underspends is the Government's **Coronavirus Job Retention Scheme**. While the scheme has not been used to duplicate other sources of public funding, such as the Covid-19 support grants, the government has recognised that there are exceptional cases where, for example, Local Authorities have needed to close venues such as museums and registry offices. Claims for the period from March to the end of October 2020 total £0.927m, including £0.200m, in respect of schools.

5.18 A particular risk relates to Business Rates and Council Tax income. No pressures have been included for 2020-21 with any impact not expected to have an impact on the general fund until 2021-22 and this is being taken into account during 2021-22 budget setting. To assist future budgeting, the government will allow Council's to spread their tax deficits over 3 years rather than the usual one year

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

6 Budget savings 2020-21 summary

6.1 In setting its 2020-21 Budget, the County Council agreed net savings of £40.244m. Details of all budgeted savings can be found in the 2020-21 Budget Book. A summary of the total savings forecast to be delivered is provided in this section.

6.2 The latest monitoring reflects total forecast savings delivery of £22.559m and a total shortfall of **£17.685m** (44%) forecast at year end.

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

Table 5: Analysis of 2020-21 savings forecast

	Adult Social Services	Children's Services	Community and Environmental Services	Strategy and Governance Department	Finance and Commercial Services	Finance General	Total
	£m	£m	£m	£m	£m	£m	£m
Budget savings	22.897	9.250	5.013	-0.613	1.389	2.308	**40.244**
Period 8 forecast savings	9.343	6.774	3.898	-0.691	0.927	2.308	**22.559**
Savings shortfall	13.554	2.476	1.115	0.078	0.462	0.000	**17.685**

Commentary on shortfall savings

6.4 The impact of the COVID-19 pandemic is having a profound effect on the Council's ability to achieve planned budget savings. Further details on the emerging financial implications of COVID-19 including the impact of non-delivery of savings are reflected elsewhere in this report.

6.5 Thirty-four savings are forecasting a shortfall, representing a budgeted total savings value of £28.949m and a forecast savings shortfall of £18.598m. This total is before adjustment for forecast savings over-delivery of £0.913m detailed in the paragraphs below. Commentary on each saving is provided in Revenue Appendix 3.

Commentary on overdelivering savings

6.6 Twos saving are currently forecast to over-deliver in 2020-21.

Adult Social Services:
ASC035 Investment and development of Assistive Technology approaches, budget £0.500m, over delivery £0.910m: Current projections, tested by the ASTEC Board, suggest we will over-deliver.

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

2021-22 to 2023-24 savings

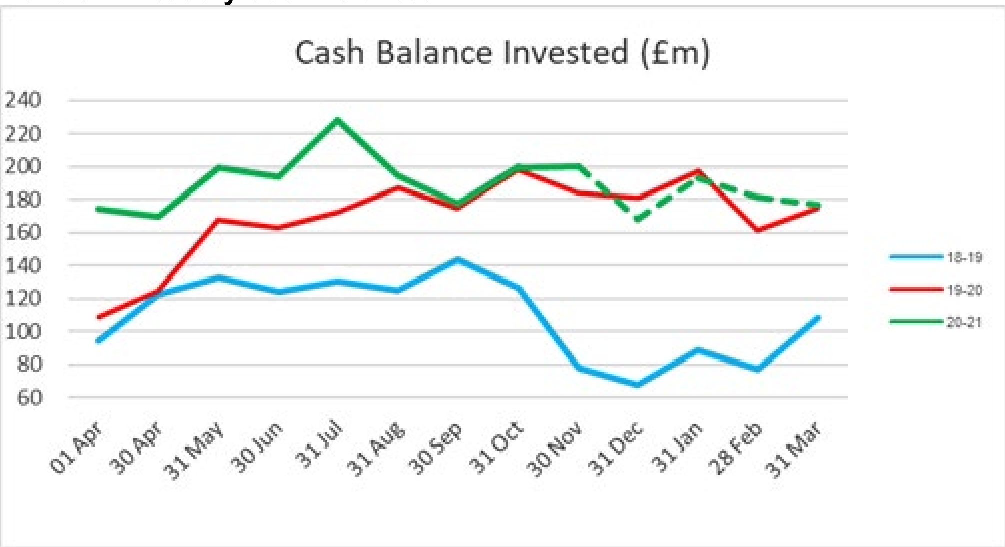
6.7 Budget setting in 2020-21 saw the approval of £20.747m savings for 2021-22, £2.383m for 2022-23 and £0.412m savings for 2023-24. Any impacts on the deliverability of these savings, and any 2020-21 savings that are permanently undeliverable, are considered as part of the 2021-22 budget setting process.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

Strategic and Financial Planning report to October Cabinet set out details of the currently proposed delays and reversal of a number of existing savings within the developing 2021-22 Budget; this will continue to be refined with a final position being presented to Cabinet in February 2021 for recommendation to Full Council as part of the overall budget for next year.

7 Treasury management summary

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

Chart 2: Treasury Cash Balances



7.2 Assuming £80m is borrowed in the current financial year to fund capital expenditure, in line with the Council's Treasury Strategy, the forecast closing balance is approximately £175m, above average for recent years but in line with the balance at 31 March 2020.

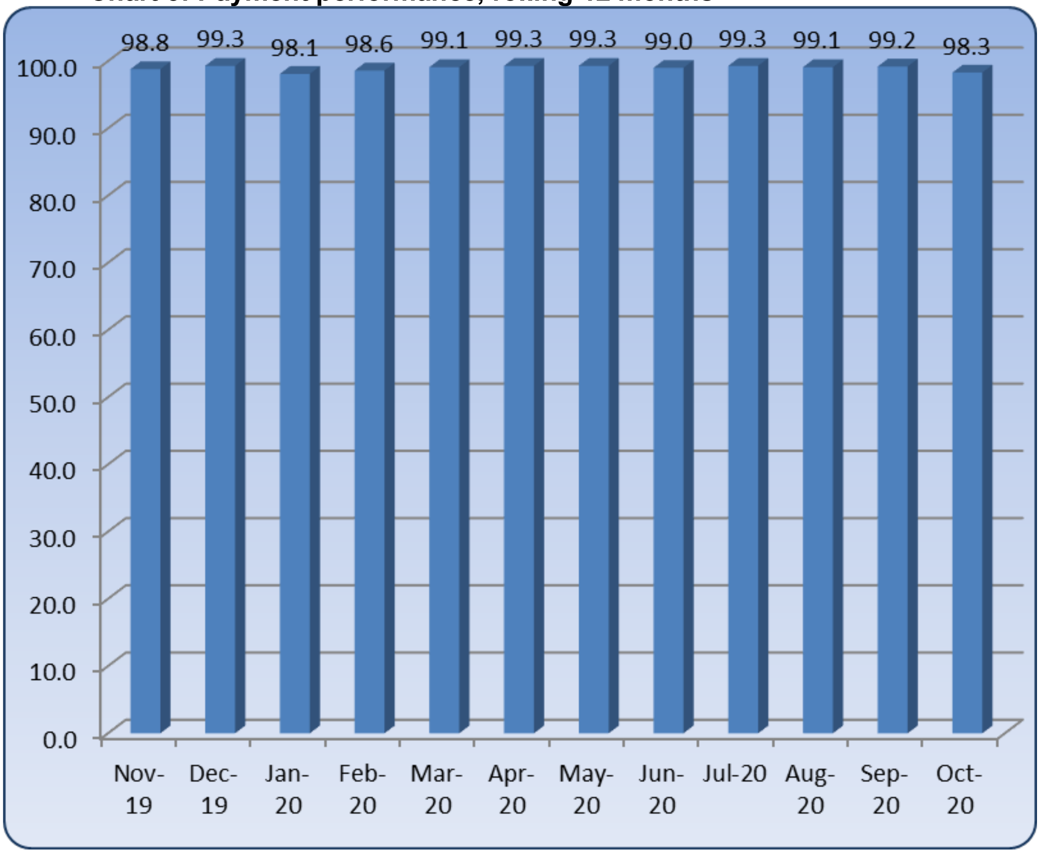
7.3 PWLB and commercial borrowing for capital purposes was £702.0m at the end of November 2020. Associated annual interest payable on existing borrowing is £29.3m.

7.4 In October 2019, an unexpected increase of 1% in PWLB rates meant that many local authorities, including Norfolk County Council, decided to defer PWLB borrowing until such time as a government review of margins was concluded. The consultation process concluded in November 2020, and PWLB margins have reduced to pre-October 2019 levels.

8 Payment performance

8.1 This chart shows the percentage of invoices that were paid by the authority within 30 days of such invoices being received. Some 470,000 invoices are paid annually. 98.3% were paid on time in October against a target of 98%. The percentage has not dropped below the target of 98% in the last 12 months.

Chart 3: Payment performance, rolling 12 months



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

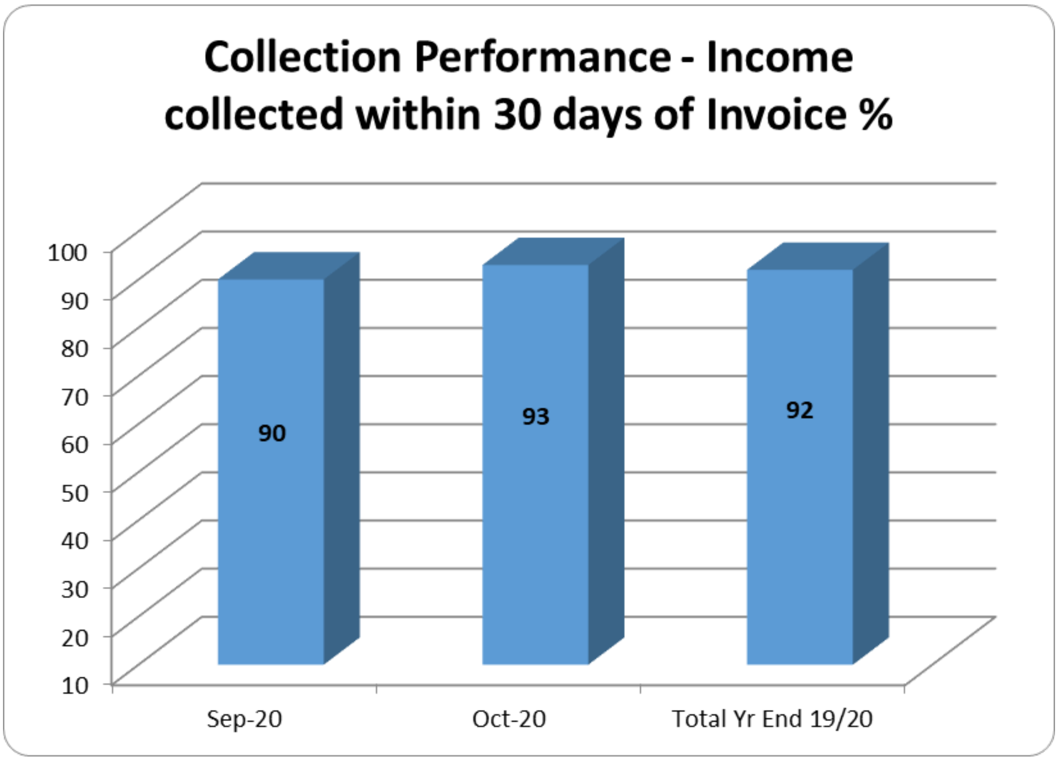
9 Debt recovery

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

Debt collection performance measures – latest available data

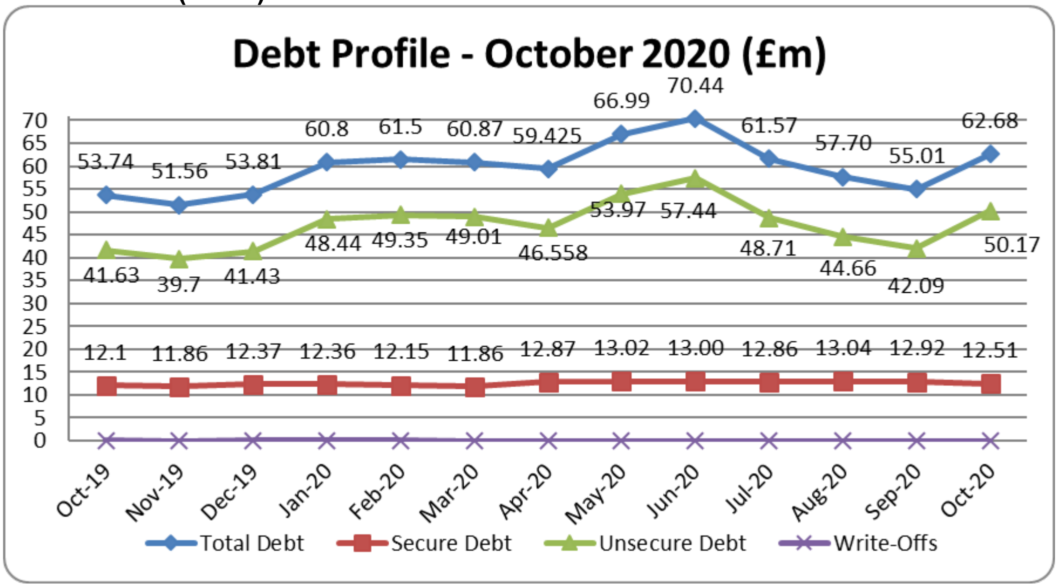
9.2 The proportion of invoiced income collected within 30 days for invoices raised in the previous month – measured by value – was 93% in October 2020.

Latest Collection Performance



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

Debt Profile (Total)



9.4 Of the £50.2m unsecure debt at the end of November, £16.9m is under 30 days. The largest area of unsecure debt relates to charges for social care, £43.4m, of which £17.8m is debt with the CCG's for shared care, Better Care Pooled Fund, continuing care and free nursing care.

9.5 Secured debts amount to £12.5m. Within this total £5.0m relates to estate finalisation where the client has died, and the estate is in the hands of the executors.

9.6 **Debt write-offs**: In accordance with Financial Regulations and Financial Procedures, Cabinet is required to approve the write-off of debts over £10,000. The Executive Director of Finance and Commercial Services approves the write-off of all debts up to £10,000.

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

9.8 For the period 1 April 2020 to the end of October 2020, 117 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 £6,418.30.

9.9 No debts over £10,000 have been approved for write-off since 1 April 2020.

Forecast revenue outturn

Revenue outturn by service

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

Service	Revised Budget	Net total over / (under) spend	Over / (under) spend as %	Forecast net spend
	£m	£m		£m
Adult Social Services	255.793	1.000	0.4%	256.793
Children's Services	196.311	0	0.0%	196.311
Community and Environmental Services	161.799	0	0.0%	161.799
Strategy and Governance	9.362	0.029	0.3%	9.391
Finance and Commercial Services	32.671	0.905	2.8%	33.576
Finance General	-225.515	-1.585	0.7%	- 227.100
Forecast outturn this period	**430.421**	**0.349**	**0.1%**	**430.770**
Prior period forecast	430.421	1.256	0.3%	431.677

Reconciliation between current and previously reported underspend

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

	£m
Forecast overspend brought forward	**1.256**
Movements November 2020	
Adult Social Services	-0.907
Children's Services	
Community and Environmental Services	-0.478
Strategy and Governance	
Finance and Commercial Services	-0.073
Finance General	0.551
Outturn over/(under) spend	**0.349**

Covid-19 grant allocation by service

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

	£m
Adult Social Services	49.134
Children's Services	7.174
Community and Environmental Services	18.352
Strategy and Governance	0.674
Finance and Commercial Services	1.515
Finance General	20.469
Rounding	0.002
Covid-19 grants received	**97.320**

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**
Purchase of Care	29.485		- 3.646
Commissioned Services	1.548		0.089
Community Social Work		- 0.596	- 0.121
Business Development	0.008		-
Early Help & Prevention		- 0.806	- 0.084
Community Health & Social Care		- 0.728	- 0.058
Management, Finance & HR		- 1.606	2.913
Use of Infection control grant	22.829		
Covid-19 grant allocation		- 49.134	
Forecast over / (under) spends	**53.870**	**- 52.870**	**- 0.907**
Net total	**1.000**		
Children's Services	**Over spend**	**Under spend**	**Changes**
	£m	**£m**	**£m**
Learning & Inclusion	1.879		
Social Care	0.680		-1.000
Commissioning, Partnerships and Resources	-0.200		
Use of Home to School and College Transport Funding	1.669		0.419
Use of Wellbeing for Education Return Grant	0.146		
Covid-19 grant allocation		-7.174	-0.419
Contribution to Children's Services Business Risk Reserve	3.000		1.000
Forecast over / (under) spends	**7.174**	**-7.174**	
Net total	**-**		
Dedicated schools grant			
High Needs Block	11.500		0.200
Schools block		-0.200	
Increase in net deficit to be carried forward	-	-11.300	-0.200
Forecast over / (under) spend	**11.500**	**11.500**	
Net total	**-**		

Community and Environmental Services	Over spend	Under spend	Changes
	£m	£m	£m
Community Information and Learning	0.743		-0.512
Culture and Heritage	1.058		-0.380
Fire	0.298		0.132
Growth and Development	0.906		0.110
Highways and Waste	3.226		0.032
Performance and Governance		-0.487	-0.405
Director of Public Health		-0.053	-1.136
Covid-19 grant allocations		-7.372	
Local Outbreak Control: test and trace service support grant		-3.718	
Use of Local Outbreak Control: test and trace service support grant	3.718		
Contain Outbreak Management Fund		-7.262	
Use of Contain Outbreak Management Fund	7.262		
Contribution to CES Business Risk Reserve	1.681		1.681
Forecast over / (under) spend	18.892	-18.892	-0.478
Net total	0		

Strategy, Finance and Finance General	Over spend	Under spend	Changes
	£m	£m	£m
Strategy and Governance			
Registrars and other net loss of income	0.703		
Covid-19 grant		-0.674	
Forecast over / (under) spend	**0.703**	**-0.674**	
	0.029		
Finance and Commercial Services			
Client Property Management	1.022		0.263
Covid-19 related costs - loss of income/recharges	1.135		-0.186
Covid-19 related costs - savings delays	0.463		-0.327
Finance directorate reduced overheads and costs		- 0.200	0.177
Covid-19 grant allocation		- 1.360	
Covid-19 income compensation scheme		- 0.155	
Forecast over / (under) spend	**2.620**	**-1.715**	**-0.073**
	0.905		
Finance General (see below for narrative)			
Covid-19 additional costs – including a large proportion of PPE, shielding and homeworking costs.	9.235		-0.700
Income: transfers of PPE to partner organisations		-0.170	-0.049
DEFRA Local Authority Emergency Assistance Grant		-1.016	
Local assistance scheme	1.516		
COVID Winter Grant Scheme		-2.740	
Use of COVID Winter Grant Scheme funding	2.740		
Extended rights to free travel grant		-0.463	
Members travel		-0.082	
Interest on balances		-2.000	-0.200
Covid-19 grant allocation		-5.104	
Covid-19 grant tranche 3		-6.001	

MHCLG tranche 4		-5.608	
Transfer to new Corporate Covid Risk reserve (incorporating reserve to meet increase staffing capacity and related costs)	8.108		1.500
Forecast over / (under) spend	**21.599**	**-23.184**	**0.551**
Net total		**-1.585**	

Finance General forecast over and underspends

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

Covid-19 additional costs and associated income:
- Covid-19 additional costs: forecast overspend £9.235m
- Income: transfers of PPE to partner organisations: forecast underspend £0.170m
- Covid-19 grant allocation: forecast underspend £5.104m
- DEFRA Local Authority Emergency Assistance Grant for Food and Essential Supplies £1.016m (see paragraph below)
- Covid-19 grant tranche 3 – to be allocated: forecast underspend £6.001m (see below)

Costs related to Covid-19 pandemic which have not been allocated to service departments have resulted in a forecast overspend, partly off-set by government grants. Expenditure includes the purchase of medical supplies and protective (PPE) clothing to ensure continuity of supply for council staff, care homes, early years providers and others. Some of this PPE is forecast to be transferred to partner organisations at cost. To address costs of meeting pressures from a Covid-19 "second wave", an in-year reserve is included to meet increase staffing capacity and related costs.

Local assistance scheme / Emergency Assistance Grant
The Norfolk Assistance Scheme helps by providing emergency food, cash and household expenses. Due to the coronavirus situation, a coordinated emergency relief response has been developed for Norfolk people in crisis. In period 3, government funding was made available which is being used to provide food and essential supplies for those in the greatest need. An additional 0.500m from Core Covid grant funding was allocated to the scheme, and in period 7 an additional £2.740m COVID Winter Grant Scheme government funding was received and is forecast to be fully spent in 2020-21.

Extended rights to free travel grant (forecast underspend £0.463m)
Additional grant forecast in respect of extended rights to free travel.

Members travel (forecast underspend £0.082m)
Since the start of the financial year, meetings have not been held at County Hall. Members have instead held meetings electronically significantly reducing the costs of travel.

Interest on balances (forecast underspend £2.000m)
The interest payable/receivable budget was prepared on the basis of a number of assumptions including cash flows, interest rates and the amount of borrowing. The cost and timing of borrowing has resulted in a forecast underspend.

Covid-19 grant tranche 3 – to be allocated (forecast underspend £6.001m)
As noted in section 5 of this report, an additional £6.001m of government funding has been allocated to Norfolk County Council. Now that the effect of the Local government income compensation scheme for lost sales, fees and charges is understood, the tranche 3 funding is now being used to off-set central PPE costs within Finance General.

Corporate Covid risk reserve (£8.107m) – allocated to a new Covid reserve
As noted in section 5 of this report, Covid-19 grant tranche 4 government funding of £5.607m has been allocated to a new Corporate Covid risk reserve. In addition, an additional £2.5m has been allocated to this reserve to address future pressures.

Revenue Annex 2

Impact of Covid-19 – forecast cost pressures

Forecast cost pressures summarised in paragraph 5 of the main report are as follows:

	2020-21 Forecast £m
Identified / forecast costs	
Adult Social Care	
Enhancements to packages of care where not related to hospital discharge (mainly LD and MH and includes care need escalation)	1.450
Additional Block capacity purchased from market	0.500
Provider support payments to cover liquidity/sustainability issues and any additional costs where not specifically related to a person's changing care needs	11.541
Other care market pressures	3.722
Paying for additional day time support to Supported Living/Residential providers whilst the day centres are closed	0.887
Loss of income: Adults: No charges for services not received	0.613
Equipment and Support for our teams (e.g. PPE for in-house teams)	0.035
Support for people experiencing domestic abuse	0.150
Loss of savings: Adults: Savings delivery risk	10.727
Temporary postponed implementation of the second phase of the charging policy implementation (2020-21 cost pressure)	3.000
Equipment - spike in usage and increase in costs	0.200
Weekend or Overtime staff costs	0.700
Vulnerable People Resettlement	0.200
Redeployed interims	0.100
Full use of infection control funding	22.829
Adult Social Care Total	**56.654**
Children's Services	
Loss of income - Children's Services - Initial estimate primarily relating to trading with schools	1.895
Loss of income - Transport	0.243
Safeguarding campaign - *Project Stay Safe*	0.010
Loss of savings: Children's: Savings delivery risk	2.476
Maintaining Early Year's Provision	0.460
Education Cell Outbreak Management Centre	0.127
Additional placement costs for over-18s	0.342
Additional placement costs for under-18s	0.250
Additional costs of contracted delivery	0.250
Sustainability grants and support to the market	0.250
Enhanced Zoom licenses	0.015
Additional frontline agency costs	0.554
Book fund for Social Work apprentices	0.002
Full use of Home to School and College Transport Funding	1.669
Full use of Wellbeing for Education Return Grant	0.146
Children's Services Total	**8.689**
Community and Environmental Services	

	2020-21 Forecast £m
Food boxes for older people (NCC provision)	0.700
Waste – Contract costs reflecting 15% increase in residual waste volumes	0.192
Waste – Recycling credits reflecting 15% increase in recyclables / garden waste	0.240
Reopening Recycling Centres – (traffic management, security, volume increase)	0.365
Loss of income: CES including Museums / Libraries	2.060
Loss of income: CES including Adult Education / Records Office	0.754
Loss of income: CES including Highways and Public Transport	1.045
Loss of income: CES including Planning and Development	0.008
Loss of income: CES including Recreation and Sport	0.021
Loss of income: Parking Services	0.500
Loss of income: CES including Centres and Blue Badges	0.325
Loss of income: CES including On-street Parking	0.555
Loss of savings: CES	0.290
Full use of Local Outbreak Control: test and trace service support grant	3.718
Full use of Contain Outbreak Management Fund	7.262
Community and Environmental Services Total	**18.035**
Strategy and Governance	
Norfolk Community Foundation - grant donation	0.100
Joint comms systems for the Norfolk Resilience Forum	0.035
Increased Coroner's costs	0.250
Loss of income: Registrars	0.675
Loss of savings: Strategy and Governance	0.078
Strategy and Governance Total	**1.138**
Finance and Commercial Services and Finance General	
Emergency Planning Director / Strategic Command Group / MAFG Director costs	0.020
Covid response costs - redeployed staff, property costs	0.637
Mortuary facility vans provided by NORSE	0.004
Corporate procurement of PPE	5.100
Food distribution hub - Site costs	0.050
Re-assignment of FES staff (HR and Finance System replacement) to COVID-19 response	0.335
Homeworking equipment	1.000
Extension of SWIFTS Pool Cars / Enterprise	0.037
Extension of Norfolk Assistance Scheme (NAS)	1.516
Software solution from Agilisys and Microsoft to handle the contacts to vulnerable adults in receipt of Letters and all related activities	0.060
Lost income not eligible on lost SFC scheme	0.561
Loss of income across Finance and Commercial Services including IMT Services to Schools, Property and Car Park income	0.574
Loss of savings: Finance and Commercial Services / Finance General	0.463
Additional costs associated with the NCC schools contracts, between NCC and Norse Eastern Ltd	0.750
Vulnerability Tracker App	0.010
Provision for match funding Business Rates Pool to establish Norfolk Strategic Fund	1.000

	2020-21 Forecast £m
Use of COVID Winter Grant Scheme funding	2.740
Finance and Commercial Services and Finance General Total	**14.857**
Covid-19 financial pressures Norfolk County Council total	**99.373**

Revenue Annex 3

Commentary on forecast savings shortfalls

Commentaries on savings shortfalls referred to in paragraph 6 of the main report are as follows:

Adult Social Services:

ASC006 Promoting Independence for Younger Adults, budget £5.000m, shortfall £2.550m: Relies on our ability to offer alternatives (including accommodation) which are not currently available. Staff teams set up for dedicated reviewing have been repurposed to directly support COVID response. There is less ability to focus on prevention when in crisis and needs may escalate due to current pandemic. The service has reviewed the schedule of LD PFAL cases expected to transition in 2020-21 and the forecast saving has been reduced in relation to forecast Autism costs.

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

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

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

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

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

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

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

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

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

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

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

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

ASS008 Developing consistent contracts and prices for nursing care by working more closely with health services, budget £0.190m, shortfall £0.190m. The service is currently working under the Government Hospital Discharge Service Requirements, and the council is contracting for both health and social care nursing contracts. The challenges currently faced across the social care market will make it deliver savings from these contracts in this financial year.

Children's Services:

CHS001 Prevention, early intervention and effective social care – Investing in an enhanced operating model which supports families to stay together and ensures fewer children need to come into care, budget £1.000m shortfall £0.607m: At the start of the financial year, we were unable to work as closely with some families to support resilience during isolation, family support networks reduced, and pressure of people being at home together potentially leading to an increase in domestic abuse. Additionally, resources have been diverted away from transformation activity due to the covid-19 response, resulting in delays to planning and implementation of the programme.

CHS003 Transforming the care market and creating the capacity that we need – Creating and commissioning new care models for children in care – achieving better outcomes and lower costs, budget £3.500m, shortfall £1.869m: It is been harder to move forward new foster carers, people wanting to adopt, and permanency arrangements as social workers have been restricted to essential visiting only where necessary to ensure the safety and welfare of a child. Resources have also been diverted away from transformation activity due to the covid-19 response and, additionally, construction work delays have impacted upon the opening of new semi-independent accommodation for care leavers and solo / dual placements for children looked after.

Community and Environmental Services:

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

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

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

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

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

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

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

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

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

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

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

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

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

Strategy and Governance Department:

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

Finance and Commercial Services:

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

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

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

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

Finance General:

BTP001-5 Business Transformation savings: Currently forecasting no variance on the delivery of planned Business Transformation savings. An updated plan and new business transformation baseline are being prepared. Any updates to the forecast delivery of savings will be included in future monitoring to Cabinet.

Appendix 2: 2020-21 Capital Finance Monitoring Report

Report by the Executive Director of Finance and Commercial Services

1 Capital Programme 2020-21

1.1 On 17 February 2020, the County Council agreed a 2020-21 capital programme of £282.688m with a further £253.909m allocated to future years', giving a total of £536.577m.

1.2 Additional re-profiling from 2019-20 resulted in an overall capital programme at 1 April 2020 of £645m. Further in-year adjustments have resulted in the capital programme shown below:

Table 1: Capital Programme budget

	2020-21 budget	Future years
	£m	£m
New schemes approved February 2020	21.497	24.414
Previously approved schemes brought forward	261.650	235.779
Totals in 2020-23+ Budget Book (total £543.340m)	**283.147**	**260.193**
Schemes re-profiled after budget setting	94.503	0.598
Other adjustments after budget setting including new grants	7.531	
Revised opening capital programme (total £645.972m)	**385.181**	**260.791**
Re-profiling since start of year	-130.296	130.296
Other movements including new grants and approved schemes	77.041	44.105
Total capital programme budgets (total £767.120m)	**331.927**	**435.193**

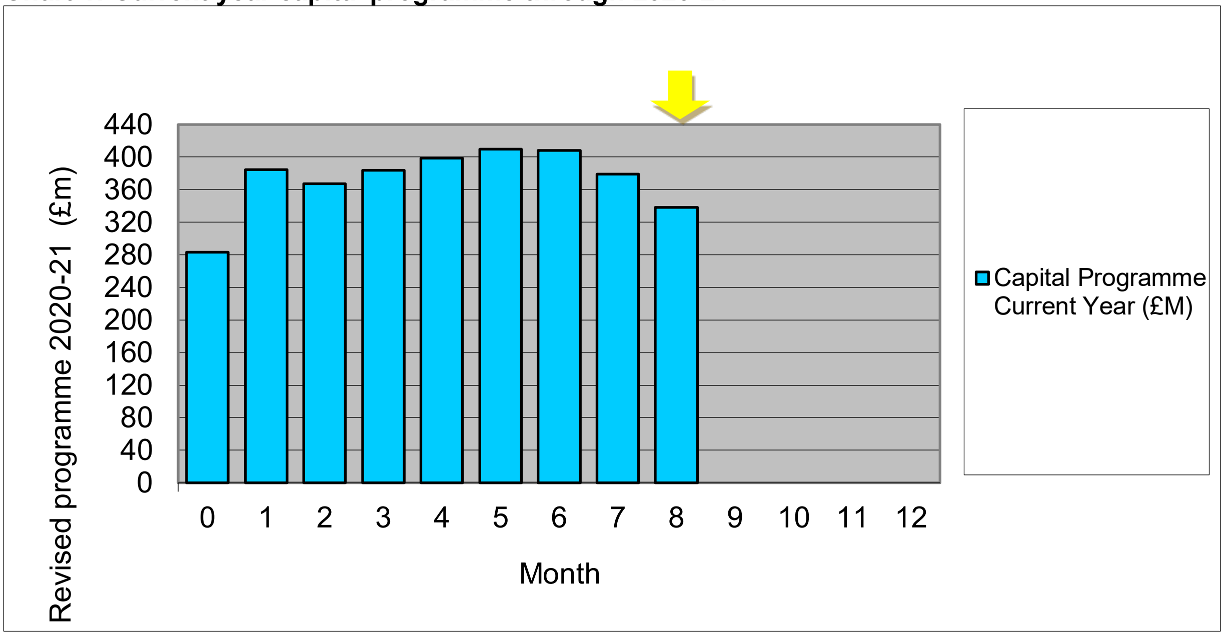
Note: this table and the tables below contain rounding differences

1.3 The "future years" column above includes existing and new schemes approved as part of the 2020-21 capital strategy and programme.

Changes to the Capital Programme

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

Chart 1: Current year capital programme through 2020-21



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

1.6 The current year's capital budget is as follows:

Table 2: Service capital budgets and movements 2020-21

Service	Opening programme	Previous report	Reprofiling since previous report	Other Changes since previous report	2020-21 latest Capital Budget
	£m	£m	£m	£m	£m
Children's Services	122.963	83.369	-11.959	0.000	71.410
Adult Social Care	15.604	23.675	-12.048	0.000	11.627
Community & Environmental Services	165.262	200.628	-12.122	-0.153	188.354
Finance & Comm Servs	81.252	70.950	-11.993	1.480	60.436
Strategy and Governance	0.100	0.100			0.100
Total	**385.181**	**378.722**	**-48.122**	**1.327**	**331.928**
				-46.795	

Note:: this table may contain rounding differences.
Figures relating to the previous report have been amended in this and the following table to correct the services and Strategy and Governance budget between current and future years.

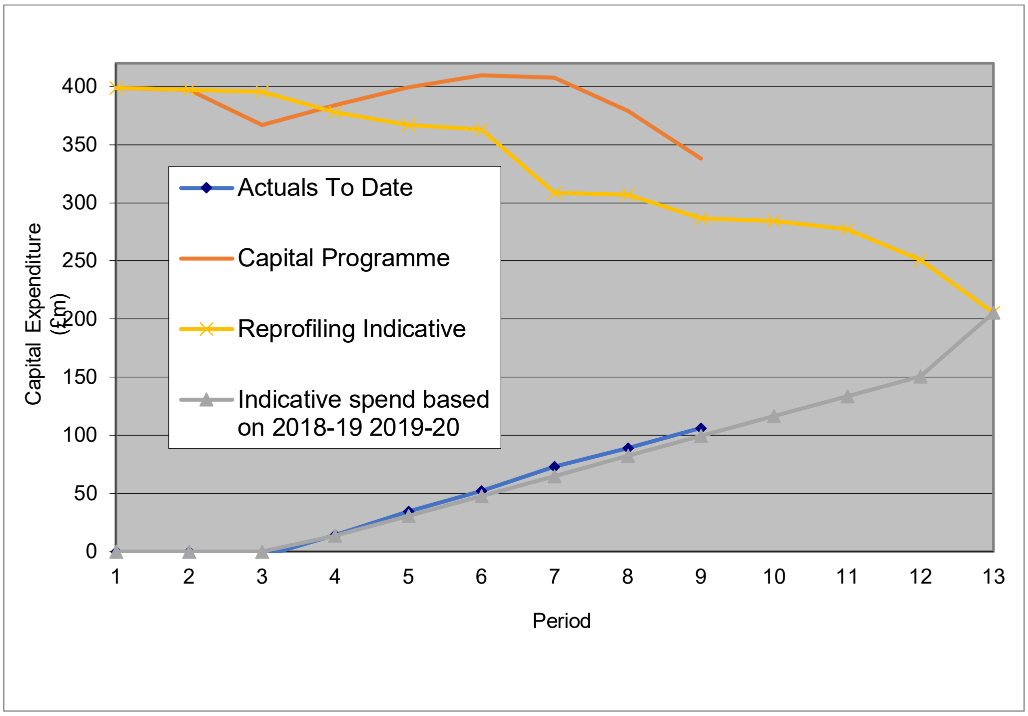
1.7 The revised programme for future years (2021-22 to 2023-24 and beyond) is as follows:

Table 3: Capital programme future years 2021+

Service	Previously reported future programme	Reprofiling since previous report	Other Changes since previous report	2020+ Future Capital Budget
	£m	£m	£m	£m
Children's Services	194.655	11.959	-2.456	204.158
Adult Social Care	25.394	12.048	0.000	37.442
Community & Environmental Services	118.434	12.122	0.024	130.580
Finance & Comm Servs	50.619	11.993	0.000	62.613
Strategy and Governance	0.400	0.000	0.000	0.400
Total	**389.502**	**48.122**	**-2.432**	**435.193**
			45.690	

Note: this table may contain rounding differences

1.8 The graph below shows the movement on the current year capital budget and year to date capital expenditure:



The graph shows that actual year to date capital spend is slightly higher than forecast, based on the opening capital programme and an indicative calculation based on previous year's expenditure. It also shows that budgets are being re-profiled to future years as the progress on projects becomes clearer. As a result, capital expenditure of approximately £200m is expected to take place in 2020-21.

2 Financing the capital programme

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

Table 4: Financing of the capital programme

Funding stream	**2020-21 Programme**	**Future Years Forecast**
	£m	**£m**
Prudential Borrowing	151.917	304.758
Use of Capital Receipts	-	-
Revenue & Reserves	0.381	-
Grants and Contributions:	-	-
DfE	40.388	42.408
DfT	99.900	58.117
DoH	8.546	0.291
MHCLG	0.240	0.019
DCMS	5.532	0.183
DEFRA	0.133	1.940
Developer Contributions	11.123	20.351
Other Local Authorities	0.888	-
Local Enterprise Partnership	3.468	-
Community Infrastructure Levy	0.853	0.282
National Lottery	2.463	6.771
Commercial Contributions	3.224	-
Business rates pool fund	1.658	-
Other	1.215	0.073
Total capital programme	**331.928**	**435.192**

Note: this table may contain rounding differences

2.2 Significant capital receipts are anticipated over the life of the programme. These will be used either to re-pay debt as it falls due, for the flexible use of capital receipts to support the revenue costs of transformation, with any excess receipts used to reduce the call on future prudential borrowing. For the purposes of the table above, it is assumed that all capital receipts will be applied directly to the re-payment of debt and transformation projects, rather than being applied to fund capital expenditure.

2.3 Developer contributions are funding held in relation to planning applications. Section 106 (Town and Country Planning Act 1990) contributions are held in relation to specific projects: primarily schools, with smaller amounts for libraries and highways. The majority of highways developer contributions are a result of section 278 agreements (Highways Act 1980). The Commercial Contribution referred to above is in respect of next generation broadband access (Better Broadband for Norfolk).

3 Capital Receipts

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

3.2 The capital programme, approved in February 2020, gave the best estimate at that time of the value of properties available for disposal in the three years to 2022-23, totalling £14.0m.

Table 5a: Disposals capital programme forecast

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

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

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

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

Capital receipts 2020-21	**£m**
Capital receipts reserve brought forward	1.347
Loan repayments – subsidiaries forecast for year	0.504
Loan repayments – LIF loan repayments to date	2.471
Actual property sales to P8 net of associated costs	1.012
Secured capital receipts to date	**5.334**
Potential current year farms sales	2.000
Potential current year non-farms sales	2.000
Potential development property sales	3.500
Potential capital receipts	**12.834**
Forecast use of capital receipts	
Budget 2020-21 to repay debt	2.000
Maximum flexible use of capital receipts to support transformation costs	3.000
Total forecast use of capital receipts	**5.000**

As can be seen from this table, sufficient capital receipts will be secured in order to support the 2020-21 revenue budget. Further sales may occur this year to increase the value of capital receipts, and estimated values are shown above, but the timing cannot be guaranteed.

Capital Annex 1 - changes to capital programme since last Cabinet

Service	Project	Funding Type	2020-21 Change (£m)	2020-21 REPROFILE	21-22+ Change (£m)	21-22+ REPROFILE	Reason
Adult Social Care	SC8120 Social Care unallocated	Borrowing		-7.040		7.040	Reprofile to future years ,to match likely spend.
	SC8143 Care Act Implemeentation	Borrowing & External		-0.870		0.870	Reprofile to future years ,to match likely spend.
	SC8147 Social Care Information System	Borrowing		-0.732		0.732	Reprofile to future years ,to match likely spend.
	SC8156 Living Well - Homes for Norf	Borrowing		-3.288		3.288	Reprofile to future years ,to match likely spend.
	SC8139 Winterbourne Project	External		-0.050		0.050	Reprofile to future years ,to match likely spend.
	SC8140 Disabled Facilities Grant	External		-0.068		0.068	Reprofile to future years ,to match likely spend.
Total Adult Social Care			**0.000**	**-12.048**	**0.000**	**12.048**	
Children's	EC3826 Loddon Developer pot contribution virement to EC4926 CM - Loddon Junior	S106 External contributions	-0.500				Allocated agreed as per process of project.
	Virement from Loddon Developer pot , and reporfile to future year	S106 External contributions	0.500	- 0.480		0.480	Allocated agreed as per process of project.
	Developer contirubtions .	S106 External contributions		- 9.476		9.476	Reprofile to future years ,to match likely spend.
	EC4746 CS - John Grant Expansion, Reprofile .	Borrowing		- 2.003		2.003	Reprofiled as per contract approval report November 2020
	DfE - Capital Maintenance	External			- 2.456		Correction to manual adjustment , funding included in ledger.
Total Children's services			**0.000**	**-11.959**	**-2.456**	**11.959**	

	Economic Development -						
	PU0010 SEP Capital project	Borrowing		-3.200		3.200	Reprofile to future years ,to match likely spend.
	PU2916 Great Yarmouth Energy Park	Borrowing		-2.750		2.750	Reprofile to future years ,to match likely spend.
	PU2917 Development of Norfolk Infra	Borrowing & External		-0.656		0.656	Reprofile to future years ,to match likely spend.
	Highways Other-						
	PQ3037 HWRC North A11/South Norwich	Borrowing		-1.000		1.000	Reprofile to future years ,to match likely spend.
	PQ3038 HWRC Sheringham Improvements	Borrowing		-1.000		1.000	Reprofile to future years ,to match likely spend.
	PQ3040 Caister Transfer Station	Borrowing		-2.000		2.000	Reprofile to future years ,to match likely spend.
	PQ6000 CES - Customer Services Strategy	Borrowing		-0.135		0.135	Reprofile to future years ,to match likely spend.
	PQ7005 Environmental Policy	Borrowing		-0.500		0.500	Reprofile to future years ,to match likely spend.
	PQ7008 Norfolk Windmills Trust - Review	Borrowing		-0.050		0.050	Reprofile to future years ,to match likely spend.
	Fire -						
	CF0336 N Lynn Improvements	Borrowing	-0.102				Project complete , funding not used.
	CF0386 NFRS Compressor Room improvements	Borrowing		-0.150		0.150	Reprofile to future years ,to match likely spend.
	CF0221 Equalities Improvements to on call fire stat	Borrowing		-0.088		0.088	Reprofile to future years ,to match likely spend.
	CF0385 Gt Yarm FS refurbishment	Borrowing		-0.052		0.052	Reprofile to future years ,to match likely spend.
	CF0387 Thetford FS refurbishment	Borrowing		-0.354		0.354	Reprofile to future years ,to match likely spend.
	CF0388 West Walton FS refurbishment	Borrowing		-0.060		0.060	Reprofile to future years ,to match likely spend.
	CF0507 Critical equipt replacement program.	Borrowing	-0.050				Virement from critcal equipment budget to Fireground radios , to fund additional purchase .
	Highways - various projects minor changes	External	-0.005				minor adjustments to external funding.
	Library - various projects supported by developer contributions.	External	0.004	-0.127	0.024	0.127	Reprofile to future years ,to match likely spend.
Total CES			**-0.153**	**-12.122**	**0.024**	**12.122**	

	CPM005 - Cap loans facility subsidiary companies	Borrowing		-3.000		3.000	Reprofile to future years ,to match likely spend.
	CPM002 - GNGB Supported Borrowing Facility	Borrowing		-1.339		1.339	Reprofile to future years ,to match likely spend.
	KF0088 - HR & Finance Systems Replacement	Borrowing		-2.880		2.880	Reprofile to future years ,to match likely spend.
	KF0077 - Card Payment System	Borrowing	0.030				Cabinet approval November 2020
	CB0098 Purchase of Framland at Outwell	Borrowing	1.400				Cabinet approval September 2020, funding to support purchase of Farmland.
	CB0084 Mautby - Paston Farm - Conts towards Conversion	Borrowing		0.053		- 0.053	Allocated funding and reprofile to match likely spend.
	AA0400 Corporate Minor Works Pot	Borrowing		0.200		- 0.200	Reprofile to current year ,to match likely spend.
Property offices	CA2259 Corporate Refurbishment - Fire Property	Borrowing		-1.553		1.553	Reprofile to future years ,to match likely spend.
	CA2262 Whitegates Relocation/Fire Station Remod	Borrowing		-0.200		0.200	Reprofile to future years ,to match likely spend.
	CA2266 Accommodation Rationalisation Programm	Borrowing		3.388		- 3.388	Reprofile to current year ,to match likely spend.
	CA2269 Local Service Strategy	Borrowing		-0.250		0.250	Reprofile to future years ,to match likely spend.
	CA2287 Changing Places Toilets	Borrowing		-0.300		0.300	Reprofile to future years ,to match likely spend.
	CA2288 Defibrillators (20/21)	Borrowing		-0.035		0.035	Reprofile to future years ,to match likely spend.
	CA2289 Energy Related Project (20/21)	Borrowing		-0.780		0.780	Reprofile to future years ,to match likely spend.
Property C.Hall	CA2267 Annex Car Park 2019-20	Borrowing		-1.854		1.854	Reprofile to future years ,to match likely spend.
	CA2268 Car park Resurfacing	Borrowing		-0.109		0.109	Reprofile to future years ,to match likely spend.
Property other	CA2271 Childrens Homes Refurbishment Programm	Borrowing		-2.877		2.877	Reprofile to future years ,to match likely spend.
	CA2272 Kings Lynn Museum (20/21)	Borrowing		-0.150		0.150	Reprofile to future years ,to match likely spend.
Property Fire	Norfolk fire service training facilities refurbishment programme	Borrowing		-0.807		0.807	Reprofile to future years ,to match likely spend.
	CA2270 Corporate Minor Works - Other (20/21)	Borrowing		0.500		- 0.500	Reprofile to current year ,to match likely spend.
	KT2703 Fire Service- Fireground Radios	Borrowing	0.050				For Purchase of Fireground radios.
Total Finance			**1.480**	**- 11.993**	**-**	**11.993**	
Total			**1.327**	**-48.122**	**-2.432**	**48.122**	

Cabinet

Item No. 14

Report title:	**Performance and Governance of Norfolk County Council owned companies**
Date of meeting	**12 January 2021**
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**

Introduction from Cabinet Member

The governance of the Council's companies, whether wholly or partially owned, is vital to both understand whether the arrangement is delivering the intended benefits and to safeguard the Council's interest held by the subsidiary.

This report and the attached annex provide Cabinet with details of the Council's companies and sets out the governance arrangements on how the Council's interest as shareholder are safeguarded.

Executive Summary

This report provides information on the performance and the governance arrangements of the Council's companies and an assessment of the adequacy of the governance arrangements.

Recommendations

Cabinet is asked to:

- **Review and endorse the governance arrangements for the Council's companies**
- **Note the performance of the Council's companies**

1. Background and Purpose

1.1. The Council's companies form an important part in achieving the Council's objectives and in some cases the delivery of services to residents. Cabinet is responsible for creating, monitoring and dissolving the Council's companies.

2. Proposals

2.1. This report provides details of the performance and governance arrangements for the County Council's wholly and partially owned companies.

3. Impact of the Proposal

3.1. The impact of this report is to demonstrate that, in the light of experiences at some other local authorities, the Council has appropriate governance arrangements and oversight of its companies.

4. Evidence and Reasons for Decision

4.1. One annex is attached to this report, giving details of the performance and governance of Norfolk County Council owned companies including:

- Details of the ownership of each company
- Why councils create companies?
- The company governance arrangements within the constitution
- The framework for assessing whether a company is delivering the intended benefits and that the Council's interest are safeguarded.

5. Alternative Options

5.1. In order to manage the Council's companies, no viable alternative options have been identified to the recommendation in this report.

6. Financial Implications

6.1. There are no direct financial implications arising from this report.

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 reviews the ongoing viability of the Council's companies and the performance of their activities, with a view to ensuring that the County Council's interests are being protected.

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

8.3. **Equality Impact Assessment**
No equality impact assessment issues have been identified.

9. Risk Implications/Assessment

9.1. The Council's Corporate Risk Register includes corporate risk RM013 which specifically addresses 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 and the risk of the failure of entities controlled by the Council to follow relevant guidance or share the Council's ambitions.

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:	Harvey Bullen	**Tel No. :**	01603 223330
Email address:	harvey.bullen@norfolk.gov.uk		

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Norfolk County Council

Annex 1: Performance and Governance Arrangements for the Council's companies

Report by the Executive Director of Finance and Commercial Services

1. Introduction

1.1 There have recently been several high-profile cases of local authority companies having a detrimental impact on their parent council. This is therefore an opportune time for Cabinet to review the current arrangements and satisfy itself that sufficient scrutiny and challenge of its wholly and partially owned companies is taking place.

1.2 The wholly or partially owned companies are detailed in Appendix 1 with a brief summary of their purpose. This information has been mainly extracted from the 2019-20 Annual Governance Statement and the 2019-20 Statement of Accounts.

2. Why do local authorities create companies?

2.1 If a local authority wishes to explore the potential for generating a profit from commercialisation or trading, it is a legal requirement that is does this via a company.

2.2 In other circumstances, companies can be established to enable joint ventures or collaboration to occur between the Council and another party. This could be through partnering with another public body or collaborating with a private sector investor or partner.

3. Company Structures

3.1 There are different legal structures that can be utilised when a company is created, and the structure chosen will depend upon the purpose of the company and its objectives. At the time each company was formed, legal and financial advice would have been considered in determining the most appropriate legal structure.

3.2 As detailed in Appendix 1, the County Council has used several different structures when creating its companies, such as company limited by shares, company limited by guarantee and community interest companies.

4. Governance Arrangements

4.1 The governance arrangements for a company are different to those for a local authority. This can create potential conflicts of interest when councillors or officers from the local authority are appointed to run a local authority company.

4.2 By the formation of a company, new duties and relationships are created that need careful management. There are different task and roles which need to be performed and which did not exist before; for example:

- Director and board appointments: with legal responsibilities to manage the day-to-day functions of the new company;
- Shareholder interests: to attend general meetings and help protect members interests through shareholder protections and reserved matters;
- Contract management: companies may be set up to provide a service back to the local authority and the contract will require careful management by both parties;
- Client: representing the local authority's client interests, whilst avoiding duplication of any functions provided by the new company.

4.3 Directors under the Companies Act 2006 have seven duties that they must perform. These equally apply to directors of local authority owned companies and are:

- Duty to act within powers (company's constitution and articles of association)
- Duty to promote the success of the company
- Duty to exercise independent judgment
- Duty to exercise reasonable care, skill and diligence
- Duty to avoid conflicts of interest
- Duty not to accept benefits from third parties
- Duty to declare an interest in a proposed transaction or arrangement

Further explanation of these duties is set out on the Companies House website being a company director. There are also other duties that a director must perform; for example: apply confidentiality about the company's affairs.

5. County Council Constitution

5.1 The Council's financial regulations, Appendix 15 of the County Council's constitution, includes the governance arrangements for creating new companies, oversight of the companies and for dissolving companies. The financial regulations are reviewed annually, and amendments were recently approved at the County Council meeting on 23 November 2020. The relevant paragraphs are set out below:

5.10 Companies, Trusts and Charities

5.10.1 Cabinet is responsible for:

- Approving the establishment and viability (including the business case) of all new companies, trusts and charities.
- Approving investments in other companies, trusts and charities, in which the County Council has a financial interest except where the investment is within criteria Cabinet has previously delegated to an Executive Director.
- Taking decisions as shareholder and sole trustee where appropriate.
- Monitoring and receiving reports on the County Council's companies.
- Dissolution of County Council's companies, trusts and charities

5.10.2 Executive Directors are responsible for informing the Director of Governance and Executive Director of Finance and Commercial Services of any new proposals, to ensure that legal and financial considerations are properly considered before any arrangements with an outside body or creation of a new company, trust or charity are considered.

5.10.3 Executive Directors are also responsible for ensuring tight controls are in place for the financial management of loan and guarantor arrangements with Norfolk County Council owned companies. This includes ensuring the Executive Director of Finance and Commercial Services is presented with robust business cases and signed loan agreements.

5.10.4 The Executive Director of Finance and Commercial Services is responsible for reviewing the ongoing viability of such entities and regularly reporting the performance of their activities, with a view to ensuring that the County Council's interests are being protected.

5.10.5 All relevant companies must have their accounts incorporated and consolidated within the County Council's financial accounts in accordance with proper accounting standards and best financial practice. The Executive Director of Finance and Commercial Services is responsible for ensuring the proper financial accounting treatment and compliance with current legislation.

5.10.6 The appointment and removal of directors to companies, trusts and charities in which the County Council has an interest must be made by Cabinet, having regard to the advice of the Executive Director of Finance and Commercial Services. The directors will then have a statutory duty to the company, trust or charity and must therefore act in accordance with the Companies and / or Charities Act where applicable.

5.10.7 The Executive Director of Finance and Commercial Services and Director of Governance should be contacted for assistance at an early stage to discuss the proposals.

5.2 As set out in the Financial Regulations, the Executive Director of Finance and Commercial Services is the lead officer within the Council and works closely with the other Executive Directors and the Director of Governance to ensure there is proper oversight of the Council's companies.

6. How does the Executive Director of Finance and Commercial Services assess whether the companies are delivering the intended benefit and the Council's interests are safeguarded?

6.1 The framework for assessing the performance and governance arrangements of the companies is based on considering key areas and then quantifying the risk, which will vary according to the assessed level of impact. This could be either reputational, financial or both. The assessment takes into consideration the following key areas:

- Business Plan. Each company is required to produce a business plan annually. In some cases, the business plan is presented annually to Cabinet for approval. The information contained within the business plan enable an assessment to be made as to whether the company is planning to deliver the benefit expected by the County Council as shareholder.

- Articles of Association. Each company is required under the Companies Act to have its own Articles of Association which details the decision-making process within the company. Within some of the company's articles of association, the directors of the company are required to seek shareholder consent before they can take a course of action. For example, disposing of part of the business. In this way the Council can exercise more influence over its companies.

- Appointment of and removal of directors. After considering professional advice, Cabinet decide who to appoint as directors to the Council's companies. This enables Cabinet to influence the direction of its companies and ensure that they have the appropriate level of skills and expertise to deliver the company's objectives. Whilst some directors of the companies are councillors or senior officers, non-executive directors have also been appointed to some of the companies to ensure that the board has the skills and expertise required, and there is also an appropriate level of challenge at the board.

- Company oversight. Company oversight is undertaken by several different mechanisms such as a shareholder committee, shareholder meetings, shareholder agreement, shareholder representative and a shareholder letter which sets out the Council's expectations for its company to the directors. The level of oversight depends upon the size and complexity of the company. For example, the largest company is the Norse Group Limited and is overseen by a shareholder committee with councillors.

- Voting rights. The Council determines the voting rights for each wholly owned company, and this can help ensure that the Council's objectives are being delivered. For example, the councillor and officer directors on the Norse Group Limited board have majority voting rights.

- Financial governance arrangements within each company. Whilst this is a legal responsibility for the directors of the company, it can provide an early warning sign if these are not being fulfilled properly. For example, annual accounts not being filed on time with Companies House, a qualified audit opinion on the accounts, the annual business plan not being available, performance is consistently below the business plan or inadequate financial reporting to the board.

- Financial arrangements with the companies. If the Council has provided a loan, is there a written loan agreement, is the company meeting the loan repayments in accordance with the agreement and are there unexpected requests for additional funding.

6.2 In assessing the financially viability and the impact each company may have on the Council, the size of the company and the services it delivers is considered. Currently only two companies, Norse Group Limited and Independence Matter CIC, are of sufficient size that require their year-end accounts to be consolidated into the Council's group financial statements. The Norse Group Limited is much larger than any of the other companies and understandably the Council focuses more attention on ensuring it is delivering the intended benefit and the Council's interests are safeguard. For example, this has included recent external reviews of the governance arrangements.

6.3 As part of producing the annual governance statement, Norfolk Audit Services seek assurance about each company's governance arrangements. Assurance about the governance in place for Norse is obtained through the reports received from their Internal Auditors. All other significant companies are asked to sign an Annual Positive Assurance Statement and complete a supporting assurance table.

6.4 The mid-year and annual treasury management reports to the Treasury Management Panel and Cabinet provide details of the loans that the Council has provided to its companies and the balance of outstanding loans. The Council through its Treasury Management Strategy has also put in place short-term loan facilities for five of its companies.

6.5 The Council is not reliant on the income from these loans and the potential impact on the Council's revenue budget is not material in comparison to its turnover. The ability of a company to meet their loan obligations and whether they make use of the short-term loan facilities can be an early indication of any financial difficulties.

6.6 Several of the Council's companies have been set up to provide services back to the Council and there are contracts in place between the Council and the company. This helps to ensure that the council will obtain the intended benefit from the company and that expectations are clear from both perspectives. As an example, a contract has been signed between the Council and NCC Nurseries Limited to run the nurseries in Great Yarmouth.

6.7 Most of the Council's companies have a qualified accountant on their board, usually a senior finance officer from the Council, or have access to finance support. Due to its size, the Executive Director of Finance and Commercial Services performs the role of the shareholder representative for the Norse Group Limited. These arrangements provide a level of assurance on the running of the Council's companies.

7. Companies House Requirements

7.1 Directors have a legal responsibility for sending up to date information to Companies House. This includes the annual confirmation statement, annual accounts and any changes to the company's directors. Table 1 below includes a link for each company which will include the latest financial information.

Table 1: Companies House Information Service

Company	**Website Link**
Norse Group Limited	Norse Group
Independence Matters CIC	Independence Matters
Hethel Innovation Limited	Hethel Innovation
Norfolk Safety Community Interest Company	Norfolk Safety
Legislator 1656 Limited	Legislator 1656
Repton Property Developments Ltd	Repton Property
NCC Nurseries Limited	NCC Nurseries
LCIF 2 Limited	LCIF 2
St Edmund's Park Estate Management Limited	St Edmund's
NCC HH Limited	NCC HH
The Great Yarmouth Development Company	GYDC
Nplaw Limited (formerly Public Law East Limited)	Nplaw

8. Current Assessment

8.1 Whilst the pandemic has had a significant impact on the economy and the Council's companies have had to adapt to the new environment, this is a good time to take stock of the performance and governance arrangements of the Council's companies. This high-level review using the framework in section 6 above has not identified any concerns that need to be brought to Cabinet's attention at this time or any areas that need strengthening in the Council's governance arrangements.

8.2 Some of the issues that have been identified in public interest reports in other councils' companies do not apply in Norfolk, for example missed loan repayments by the company to the council, lack of written loan agreements, lack of adequate financial information being presented to the company board or concerns about the level of financial skills on the company boards.

8.3 The performance and governance arrangements of the Council's companies will continue to be kept under review by the Executive Director of Finance and Commercial Services. If governance issues arise, these will be reported to a future Cabinet meeting which will include, where appropriate, recommendations for improving the Council's management and governance arrangements of its companies.

Appendix 1

Norfolk County Council Companies

The Council currently owns twelve companies; nine of these are active companies and three are non-active. Of the twelve companies:

- Ten are limited by shares and two are limited by guarantee with no share ownership
- Nine are 100% owned by the Council with the remaining three partially owned by the Council

In addition, Educator Solutions Limited and Norfolk Energy futures Limited have been dissolved during 2020-2021 as they were no longer required.

Further details on the twelve Council companies are set out below:

Active Companies:

1. Norse Group Limited

Norse Group Limited is the largest wholly owned company by the Council. The company was formed on 1 February 2006 and its principal activity is that of a holding company. Norse Group Ltd includes Facilities and Waste Management provider Norse Commercial Services Limited (NCS), NPS Property Consultants Limited (NPS) and Norse Care Limited (NCL).

Facilities Management services include cleaning, printing, building maintenance, waste collection, transport, environmental services and security, as well as support services such as human resources and payroll. Waste management includes operating and maintaining landfill sites, waste transfer stations, and recycling facilities, as well as waste collection and composting services.

Property consultancy services include architectural services, CDM and project management, building surveying, valuation and estate management, land agency, quantity surveying, graphic design and archaeological services.

Care services includes the management and staffing of 21 residential homes and 15 housing with care schemes across Norfolk.

The group delivers a comprehensive range of professional services to both public and private sector clients throughout the UK. During 2019-20 the group continued to expand and strengthen its position throughout the UK within its core markets, despite pressures caused by the general economic climate and significant reductions in public expenditure. The group's client list includes many local authorities and housing associations, government departments, health authorities and emergency services.

The Council has supplied several loans to the Norse Group and its subsidiaries for capital investment purposes, including £10m for energy projects (2015-16) and £6.25m to support the development of the International Aviation Academy Norwich (2016-17). The total balance outstanding on all Norse Group capital loans at 31 March 2020 was £22.4m.

Based on its turnover, the Norse Group Ltd is material to the Group financial statements. The results for the Norse Group Ltd to 31 March 2020 are shown in the table below.

2018-19		2019-20
£000s		**£000s**
64,903	Current Assets	72,565
118,397	Non-current assets	134,926
(59,642)	Current Liabilities	(72,340)
(107,706)	Non-current liabilities.	(108,774)
15,952	**Net Assets for the accounting period**	**26,377**
306,777	Revenue	338,613
13,442	Profit or loss from continuing operations	7,332
8,317	Profit/(Loss) for the accounting period (after Tax)	4,032
(10,529)	Other comprehensive (expense) / income	2,332
(2,212)	**Total comprehensive (expense) / income**	**6,364**
	<u>Extent of non-controlling interests:</u>	
(2,476)	Non-controlling equity interest	(463)
(1,556)	Non-controlling interest in the Profit/(Loss) for the accounting period before intra-group eliminations	569

The non-controlling interests result from several joint ventures entered into by the Norse Group Limited. For more information regarding NORSE and its services, please refer to its website at http://www.norsegroup.co.uk

2. Independence Matters CIC

Independence Matters is a Community Interest Company (CIC) which started trading on 1 November 2013. The Council owns 49% of the shares with the remaining shares held by an Employee Benefit Trust. A ten-year strategic partnership agreement was signed with Norfolk County Council in July 2019. Within the partnership agreement both parties have signalled the intention to transfer the 51% staff share ownership to Norfolk County Council to support future procurement if it is in the best interest of all parties. Currently staff shares are held by Independence Staff Matters Ltd as corporate trustee of the Independence Matters Employee Benefit Trust. The new partnership agreement has removed the block contract covering the traded services, with service predominately contracted through the use of the relevant procurement framework.

The main activities of the company are the provision of the following services:

- Day services at community hubs
- Personal Assistants Services
- Supported Living - for people in their own homes
- Respite Care – personalised short break respite care
- Norfolk Industries – a stand-alone enterprise manufactures pet bedding with a workforce of employees with disabilities
- Stepping Out - providing support for people with mental health problems.

During 2019-20, over 90% of the company's turnover of £19.409m was with Norfolk County Council. The company is therefore considered to be controlled by Norfolk County Council and is fully consolidated into the group financial statements.

In response to the issues facing a national home care provider and to ensure continuity of care, Home Support Matters CIC was set up on 10th December 2018, as a wholly owned subsidiary of Independence Matters.

For more information regarding Independence Matters please refer to its website at http://independencematters.org.uk/.

3. Hethel Innovation Ltd

Hethel Innovation is wholly owned by the Council. The primary purpose of the company is to support inclusive economic growth and deliver associated economic benefits for the benefit of Norfolk communities, particularly where there are specific challenges, or the market has failed to address need. The company owns and runs the Hethel Engineering Centre, manages Scottow Enterprise Park on a lease from the Council, and promotes a variety of networks and events to promote enterprise in Norfolk. For more information please refer to the website at http://hethelinnovation.com/.

4. Norfolk Safety Community Interest Company

Norfolk Safety Community Interest Company (CIC) operates in partnership with Norfolk Fire and Rescue Service, and provides a range of risk management, training and development and other services to public bodies, third sector organisations and businesses. The company is limited by guarantee with no share ownership and the guarantees are provided by County Council employees acting on behalf of the County Council. For more information on the CIC please refer to website at http://norfolksafety.org/

5. Legislator 1656 Limited

Legislator 1656 Limited is a holding company which is jointly owned with Norwich City Council and is controlled through each party owning 50% of the voting share capital. The company owns 100% of Legislator 1657 Limited whose principal activity is the leasing of investment properties. The companies were created when Norwich City Council and the County Council jointly sold 80.1% of their shares in Norwich Airport in 2004.

6. Repton Property Developments Ltd

Repton Propery Developments Ltd, incorporated on 27 July 2017, is wholly owned by the Council. Its primary objective is to undertake direct property development using the Council's surplus properties with the aim of maximising financial returns (capital receipts and revenue income) for the Council to support service delivery.

7. NCC Nurseries Limited

NCC Nurseries Limited is wholly owned by the Council and was incorporated on 27 November 2019. The company has been set up to provide nursery provision after the previous provider, Great Yarmouth Community Trust, went into receivership. It operates five nurseries in the Great Yarmouth area and in due course it is expected that the company will seek alternative providers to run the nurseries and will withdraw from the sector.

8. LCIF 2 Limited

LCIF 2 Limited was incorporated on 29 August 2019. The company is a management company which is responsible for the set up and implementation of the Low Carbon Innovation Fund. The company is limited by guarantee with no share ownership and the guarantees are provided 50% by the Council and 50% by the University of East Anglia. The Fund will invest in equity and convertible loans to support growing technologies across three LEP areas (New Anglia, Herefordshire and the Cambridge and Peterborough Combined Authority).

9. St Edmund's Park Estate Management Limited

St Edmund's Park Estate Management Limited was incorporated on 4 December 2020. The company has been created as part of Repton Property Developments Limited's development of St Edmund's Park Acle. Once all the plots on the development have been sold, the responsibility for the estate management company will be transferred to the residents of St Edmund's Park to own and run and the Council step out of the picture.

Non-Active companies:

10. NCC HH Limited

NCC HH Limited, incorporated on 27 November 2019, was established to continue the provision of education at Horatio House Independent School which was under threat as a result of the Great Yarmouth Community Trust going into liquidation 10 December 2019. NCC HH Limited ceased actively trading on 31 August 2020. As the company had fulfilled its purpose, Cabinet on 2nd November 2020 agreed that the company should be dissolved.

11. The Great Yarmouth Development Company

The Great Yarmouth Development Company is jointly owned with Great Yarmouth Borough Council, with each party owning 50%. The company is currently dormant and in the process of being dissolved.

12. Nplaw Limited (formerly Public Law East Limited)

Nplaw Limited incorporated on 13 February 2017, is a wholly owned company. It is currently dormant.

Cabinet

Item No. 15

Report title:	**Norse Group Business Plan**
Date of meeting	**12 January 2021**
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**

Introduction from Cabinet Member

This report and the attached annex provide details of the Norse Group Business Plan for 2021-22.

Executive Summary

In order to aid good governance Cabinet is tasked with reviewing and approving the business plan for Norse on an annual basis.

Recommendations

Cabinet is recommended to:

- **Review and approve the Norse Group Business Plan for 2021-22 to ensure that it reflects the aspirations of the shareholder.**

1. Background and Purpose

1.1. The Norse Group brings together facilities management specialists Norse Commercial Services, property consultancy NPS Group and care provider NorseCare. Together they have a combined turnover in excess of £350 million and provide employment for over 10,000 people.

1.2. The Norse Group currently provides a diverse range of services across the functions of facilities management, waste management, property related services and care provision. The Group controls 62 companies, 37 of which are joint ventures with 32 local authorities.

1.3. In 1988, Norfolk County Council (“NCC”) established Norfolk County Services (“NCS”) as a direct service organisation (“DLO”), initially supplying services such as cleaning, catering and grounds maintenance. Five years later, Norfolk Property Services (“NPS”) was similarly formed as a business unit of the County Council. The focus of NPS was property related and its activities included surveying, property design and asset management. Both NCS and NPS were incorporated as companies in 2002. In 2006, NCS and NPS were formally brought together as sister companies within the Norse Group Limited. NCS subsequently changed its name to Norse Commercial Services Limited. In 2011, Norse Care Limited commenced trading when the Norse Group took over responsibility for 26 residential care homes and 13 day care centres across Norfolk from the County Council.

1.4. At the start of 2018 the Group brought together NPS and NCS under one management structure. In November 2019 it was decided by the Board to take the same approach with NorseCare. In January 2020 the Norse Group board employed a Group CEO to oversee operations from all three companies. Each company has its own COO who reports directly to the CEO. The purpose of the mergers is to drive out efficiency, enhance profitability, improve the governance arrangements, and increase the return to the shareholder.

1.5. Further, in August 2019 the Group employed three independent non-executive directors (NED) and restructured their supporting Committees. Said NED's provide further support, challenge and guidance to the Groups senior management team.

2. Proposals

2.1. Cabinet is asked to review and approve the Norse Group Business Plan for 2021-22.

3. Impact of the Proposal

3.1. Norse Group 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. Norse Group Limited Board has approved a business plan and is subsequently seeking Cabinet's consent to operate the company in accordance with the business plan. The business plan is attached as an annexe to this report.

5. Alternative Options

5.1. The County Council, as shareholder, could set alternative objectives for the company and request a revised business plan.

6. Financial Implications

6.1. There are set out within the attached business plan.

7. Resource Implications

7.1. There are no direct staff, property or IT implications arising from this report as all staff, property and IT are provided directly by the Norse Group Limited.

8. Other Implications

8.1. **Legal Implications:**
None identified.

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

8.3. **Equality Impact Assessment**
The report is not directly relevant to equality in that it is not making proposals that will have a direct impact on equality of access or outcomes for diverse groups.

9. Risk Implications/Assessment

9.1. The effective performance of the Norse Group will have both financial and operational impacts on the county council. The Board of the Norse Group Limited receives regular reports which identify the significant business risks and the mitigation measures which have been put in place. All new major contracts or partnerships are subject to a full business plan and risk assessment. These are reviewed, challenged and approved by the relevant advisory groups before submission to the Norse Board for approval (or not). New companies are subject to Norfolk county council approval. The diverse range of services and companies across the Norse Group enables it to manage the risks within acceptable levels.

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:	Harvey Bullen	**Tel No. :**	01603 222330
Email address:	Harvey.bullen@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.

norse GROUP

Appendix A

Group Business Plan 2021-22

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1. INTRODUCTION

The Norse Group is the largest local authority trading company (LATCO) in the UK and one of the country's fastest growing outsourcing providers, offering an impressive range of services including facilities management, environmental services, property services and specialist care facilities. We believe great service is not simply a task. We are focused on meeting our customers' needs and ensuring the outcome of our services helps them achieve their business goals. We provide a well-defined set of services, as part of an integrated offering, delivered by our people. This platform allows us to offer integrated facilities services, either through our unique local authority partnership model or directly across private markets.

We deliver services through people, supported by effective processes and skilled management. Our customers and clients define what outcomes or services they need to deliver, and we develop new and more effective ways to deliver them, in a way that ensures the quality of our services is utmost in our approach to delivering them. We make a positive difference to the lives of millions of people each and every day, often caring for some of the most vulnerable and disadvantaged in society.

Given continuing public sector austerity, increasing market consolidation and rising customer expectations, the outsourcing industry remains both highly competitive and challenging. Market landscapes are continuing to evolve from low-margin, labour-based models, to a sustainable technology-driven approach. As a company offering a variety of key frontline services, the Group is seeking ways to leverage service delivery and provide bundled and integrated services across our client base. Clients are continuing to place additional focus on driving efficiencies through innovative technology and the Group is committed to continuing to invest in our IT infrastructure to provide a better integrated service.

Over the past 12 months the Group has been developing a new three-year strategy. The Business Plan provides an oversight of our strategy and is commensurate with our short-term strategic plans for developing the Group further.

Image taken pre-Covid-19

1.1 Our purpose

Our purpose is simple; we believe we should improve people's lives.

1.2 Our mission

Our mission is to afford an integrated approach to providing public sector services, generating sustainable long-term relationships and returns in a fair and ethical way for the benefit of our clients, employees and all our other stakeholders.

1.3 Our Group Values

Our Group Values help us stand out from the crowd. They drive our success by delivering prosperous partnerships nationwide which enhance the communities in which we work, develop our staff and increase returns to our shareholder.

By doing this we seek to:

1. provide good quality, value for money services to our clients and the end consumer;
2. generate an appropriate financial return for our shareholder and other public sector partners to allow them to reinvest for the benefit of their local communities;
3. be recognised as a good employer.

Quality

We strive to deliver outstanding quality and make business excellence the standard by which we measure ourselves.

Innovation

We embrace new ideas and have the courage to be creative so our services are delivered in the most effective and safe way possible.

Respect

We value everyone as an individual. We respect their rights, life choices and the personal contribution they make to our business success.

Trust

We want to be a trusted provider, partner and employer, recognising that to do so, our word must be our bond. If we say we will do something, we do it.

£3.253m
RETURN
TO OUR
PARTNERS

1.4 Our locations and services

Our services include:

- Architectural services
- Building cleaning
- Building and premises management
- Building maintenance
- Catering
- Compliance and health and safety
- Dementia specialists
- Development management
- Engineering services
- Environmental services
- Estates and strategic asset management
- Grounds maintenance
- Highways
- Housing with care
- n-able assisted living
- Print and design operation
- Procurement services
- Residential care homes
- Security
- Short-term re-ablement services
- Surveying services
- Total facilities management
- Transport
- Waste management

2. OUR KEY MARKETS

Markets full of opportunity

The Norse Group operates across a variety of key public and private sector markets and it is important that the Group reviews key trends which could affect our operational provisions.

2.1 UK economy

The Group is UK based, with operations contained domestically, with any key changes in key indices potentially affecting our financial and operational performance. According to the Office for National Statistics (ONS), in 2019 UK GDP grew 1.4%, a slight increase from 1.3% in 2018. The ONS revised down real GDP growth in 2019 from 1.6% to 1.2%, against the backdrop of considerable uncertainty over the next steps in the Brexit process.

As Brexit uncertainty continues alongside the impact of the global pandemic, the ONS continues to downgrade its GDP forecast for the UK economy in 2020, with a predicted 8% contraction. With this in mind, the Group has conducted a Business Impact Analysis (BIA) to identify specific risks in the supply chain and the mitigating actions carried out by our suppliers across our ESPO framework. The likelihood of a no-deal Brexit is prevalent across our Corporate Strategic Risk Register, and the Executive Team regularly monitors the fluidity of such risk.

As part of our general business continuity procedures and risk management system, we have processes in place to address issues such as disruption to the fuel supply, reduced staffing levels and increased costs.

Notwithstanding some unique difficulties in the UK market in recent years, the business of providing services to local authorities remains attractive in the long term for a couple of reasons. First, in many areas of public service provision, private companies, properly managed, can deliver services of higher quality and lower cost than local authorities can themselves. Secondly, authorities will continue to face pressure to deliver more and better public services, at lower cost, and that this will lead them to focus on value for money and the quality of service provision.

This pressure comes from four key forces:

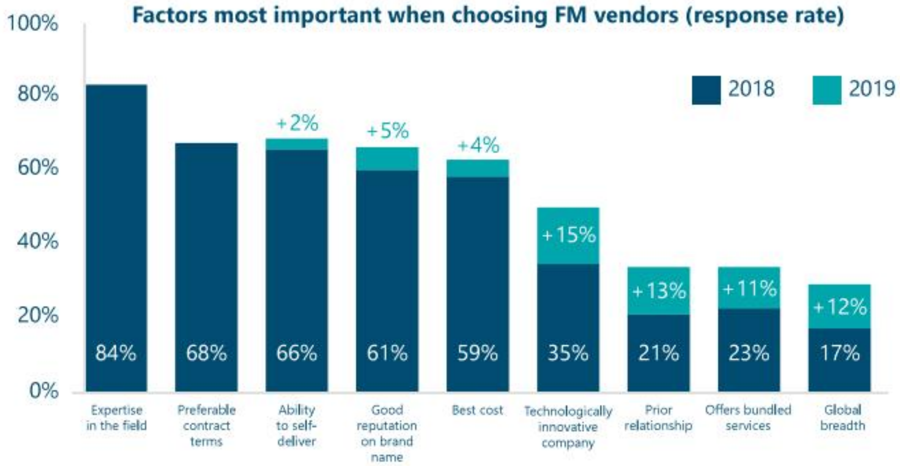
- the unavoidable increase, at rates above GDP growth, of demand for public services across important areas of government. Examples are the pressures on health and social care driven by ageing populations
- the need to reduce public debt and expenditure deficits
- rising expectations of service quality amongst public service users
- the unwillingness of voters and corporate taxpayers to countenance tax increases.

2.2 The FM market

The UK has a large and established outsourced facilities management (FM) market, which is forecast to grow at around 4-5% through 2021. As the market continues to move away from insourcing to a fully integrated outsourcing model, growth in this area is predicted to be in the region of £2bn over the next 12 months.

Market landscapes are continuing to evolve, most notably across the FM industry, from a shift in low-margin, labour-based models to a more sustainable technology-driven approach. To remain competitive, companies such as Norse must understand the key drivers for value which clients are seeking. Clients are pursuing technically competent delivery, harnessed through the delivery of innovative technological solutions. They are adjusting their approach through pursuing similar values and innovation, rather than just being focused on price. This helps to alleviate the unprecedented rise in labour rates across blue collar services. Moreover, they are willing to try alternative approaches in search of greater value and better experience, while shifting their risk appetite and seeking longer-term relationships built on trust.

In general terms across the sector, profit before tax across five identified averages is c.4% in recent years, with returns on capital across the same averages at c.9%. This is expected, given the lower nature of investment required. The Group compares reasonably, but more so when seeking to assess our Return on capital.



Source: UBS research

2.3 Environmental services

The delivery of waste management and environmental services across the public sector has continued to grow exponentially over the last five years. A consistent year-on-year increase has developed a market opportunity worth £8.3bn in the UK alone. The Group has capitalised on this with c£25m of new business added across this service line in the last 18 months. Local authorities are continuing to turn to the Group as service standards and provision quality deteriorates across key market leaders. The commodity markets are in turmoil, following bans on the export of paper into China. As most contracts expose local authorities indirectly to these markets, the Group provides a clear partnership arrangement at a predetermined profit level.

2.4 Property consultancy

The consultancy sector, as others, is presented with a number of challenges and opportunities that impact providers both directly and indirectly. Although the UK's departure from the EU is now confirmed, the outcome of trade deal negotiations are likely to have a continued, and probably increasing, impact in the year ahead. While much of this impact has now been factored into the market, it continues to have influence on market conditions. Set against this are key infrastructure programmes being promoted by the Government that, if pursued, will help soak up supply in the sector. Local government reform, specifically around devolution, will also provide some stimulating dynamics. Fees continue to be price sensitive, exacerbated by the greater use of fixed and disaggregated fee structures. That said, following high profile contract failures in the sector, there are signs that true 'value for money' is returning to the marketplace. Social value and the role of the built environment in addressing the climate emergency are gaining real traction and rapidly becoming key influencers.

2.5 Care

The care home market in England is dominated by private providers, with very few local authorities left directly running care facilities. The 'Big Four' providers account for only 15% of all care home beds, while the top 25 account for 31%. A feature of the care home market is the prevalence of small and medium sized providers. Unlike the NHS, social care is not free at the point of use; a means-test is applied to determine eligibility for local authority funding support. Local authority funded residents account for more than half of care home places (in both residential and nursing settings). However, local authorities have considerable negotiating power with care homes, and, combined with pressures on local authorities' finances, it has been shown that the local authority fees paid on average are at, or less than the true cost of running the establishments. Many care homes therefore seek to charge self-funding clients more than their local authority counterparts. This is known as 'cross-subsidisation', with self-funders typically paying 40% more than local authority residents for the same care. While well documented and publicised within the industry, there is a lack of public awareness regarding this issue.

In Norfolk, around 50% of beds are purchased by self-funding clients. About 22% of NorseCare's income comes from private providers, so our ability to cross subsidise is less than the market average and we sit in a band of a quarter of homes across the UK who rely on more than 75% of beds being filled by local authority clients. It is these providers that are under the most extreme financial pressure.

3. RESOURCES AND CAPABILITY MIX

As part of our strategy setting process, the Group reviewed our resources and capabilities and benchmarked these against those of other providers in the outsourcing sector. This is essential in helping calibrate our strategy setting process to ensure we build on our significant resources and capabilities, while also identifying those which we need to improve upon in order to meet sector challenges

Resources	Importance [1]	Relative strength [2]	Comments
R1 Finance	8	4	Norse has a turnover of approx. £340m per annum. This is smaller than most competitors. Gross profit margin is comparable to market average, however after rebates, retained profit margin is below private sector competitors. Balance sheet strength is considerably less than competitors due to public ownership. Accordingly, access to capital is not as quick to achieve as competitors.
R2 Assets	7	4	Norse Group assets are considerably smaller than those of main competitors (due to disparity of company size). This can negatively impact commercial contract opportunities when asset comparison is used by potential customers to evaluate Norse alongside competitors.
R3 Technology	7	5	Core business platforms are well established. Increasingly complex variety of applications, individual to joint ventures and operating divisions. Hard to achieve full integration with core business applications and easily produce integrated management information. Varying adoption of mobile workflow applications and hardware across Norse.
R4 Location	8	4	Norse has operations across the country, with a strong presence in East Anglia, South East and South West. Geographical gaps in Midlands and North England.
R5 Reputation	9	8	Norse's reputation is very strong within joint venture market (local authorities). The Group is well known for true collaborative partnership working and also established in the private sector, much less so than key competitors (e.g. Mitie).
R6 Brand	9	9	Consistent brand affirmation across market sectors through selected hard and soft marketing approaches. Customer advocacy within market sectors due to careful selection of work ensuring Norse can deliver sustainable margins and positive outcomes for partners.
R7 Culture	9	8	Norse's historic roots and local authority ownership has created a culture of quality, innovation, respect and trust.
R8 Skills	9	7	Broad range of service specific skills, at varying management levels retained within Norse. Strong focus on staff retention, and internal "upskilling" via dedicated Skills Hub.

[1] Scales for importance and relative strength: 1 = very low, 10 = very high
[2] Resources and capabilities are compared with broad overview of competitors. 5 equals parity of strength

Capabilities	Importance [1]	Relative strength [2]	Comments
C1 Financial management	9	9	Strong reliance on traditional management accounting principles. Robust and prudent assessment of all new business opportunities (JVs and contracts). Strong governance controls in place to ensure approval is obtained from shareholder for key investment / borrowing requirements.
C2 Management development	9	7	Strong ethos of internal recruitment and progression through management positions. Experience valued at equal parity with management qualifications. Staff retention closely monitored – monitored as a business KPI.
C3 Strategic innovation	8	6	Successful use of Teckal compliant JV model with local authorities. Sometimes conservative in innovating through new ways of working / technical solutions.
C4 Comprehensive integrated management information systems	8	4	Management information produced varies in type, detail, quality, and ease of reproduction between JVs and operating divisions. Production of some management information can require considerable human intervention / manual processing. This can impact on ability to produce information in a timely fashion, as well as consistency of quality.
C5 Volume driven efficiency generation	9	8	Cultural business approach centres upon volume driven efficiencies and savings as key unique service point. Key business ethos, used to establish long-term partnering relationships. Long-term relationships preferable to short-term high margin work.
C6 Continuous improvement in operations	9	6	Improvement sometimes deemed as achieving efficiency saving, due to strong business ethos (as C5). Not as quick to identify capital dependant service improvements as major competitors.
C7 Flexibility / speed of response	7	7	Norse approach to partnering requires strong level of flexibility. Sometimes this requires input / validation from multiple parties (depending upon specific JV / operating division requirements). Decisions normally keep pace with speed of response required by partners.
C8 Marketing: brand management	9	9	Consistent, subtle, brand affirmation through tailored mix of soft and hard marketing channels. No hard selling philosophy. Enduring relationships built gradually. Consequential thinking approach to marketing activities – no interest in short-term wins.

[1] Scales for importance and relative strength: 1 = very low, 10 = very high
[2] Resources and capabilities are compared with broad overview of competitors. 5 equals parity of strength

When shown relative to each other, and categorised into four basic groups to aid assessment, the majority of our resources and capabilities are considered as key business strengths. This assessment grouping reflects the careful way in which Norse has been managed since its formation. Public sector ownership, selective investment of capital, and a stable senior management team have contributed immeasurably to our success.

However, some of our resources and capabilities which score less well warrant discussion:

Resource 1 (Finance), Resource 2 (Assets):

Relative to the annual turnover / balance sheet strength of major competitors within the sector, the Group is considered small, although net margins are in line with our competitors. Furthermore, our balance sheet is carefully managed to ensure long-term sustainability.

While turnover and balance sheet strength are often used as measures of "strength" during formal tender processes, our wider performance in such tenders allows us to operate effectively – achieving an acceptable "hit rate" of tender wins. Moreover, our partnering approach is not reliant on formal tendering. For these reasons, Norse will continue to perform well within the sector.

Resource 4 (Location):

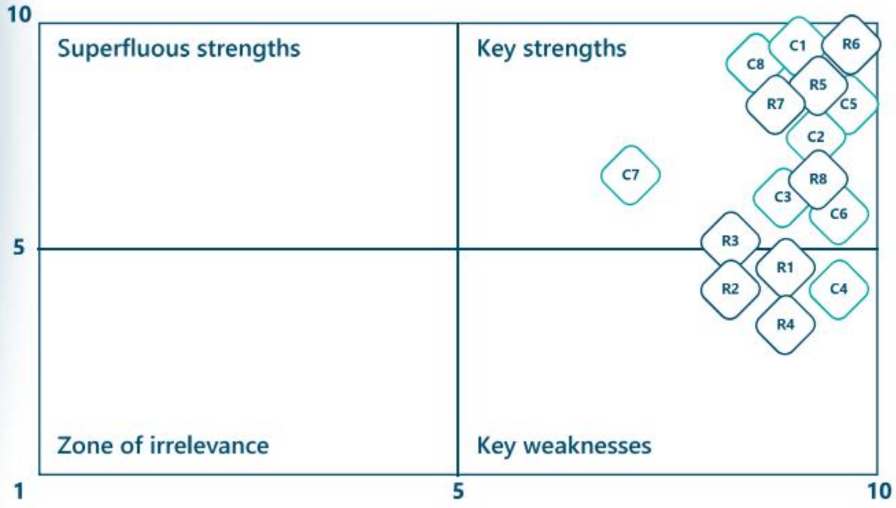
Relative to our larger competitors, our geographical spread is patchy. While we aim to increase this coverage to allow us to benefit from geographical economies of scale, we will continue to grow on a selective basis. We will not pursue work in new geographical areas if it does not meet our core requirements: long-term sustainable business with associated margin, achieved through true partnering and improving service levels.

Capability 4 (Comprehensive integrated management information systems):

While our existing systems are stable and achieve our customer's current level of management information requirements, much of the sector is embracing complex information systems to deliver mobile working and comprehensive information suites for customers. We must continue to approach IT development in a considered way, while ensuring our systems and processes keep pace with the market and are capable of meeting ever complex "big data" customer requirements.

We have used the overall results from this resource and capability analysis to shape our strategic objectives for the next business cycle.

An assessment of our resources and capabilities



3.1 Top competitors directly affecting the Group

The Group has a number of national and international competitors, however, we are not aware of a single competitor offering the complete range of services the Norse Group can offer.

The Group is able to offer a broader selection of services and by coordinating multiple products and capabilities, often disparate or disconnected, we are able to service customers more fully – a unique selling point.

Key competitors directly affecting the Group		
NPS Property Consultants	**Norse Commercial Services**	**NorseCare**
Atkins	**Private sector:**	Greensleeves
Aecom	G4S PLC	HC-One Ltd
Mott MacDonald	Interserve PLC	Barchester Healthcare
Arcadis	Serco PLC	Care UK
WSP | Parsons Brinckerhoff	Veolia	Black Swan
Arup	Sodexo	Belong
Turner and Townsend	Churchill Services	Runwood Homes
Mace	**LATC:**	
	Vertas	
	Cormac	
	Oxford Direct Services	

3.2 SWOT analysis

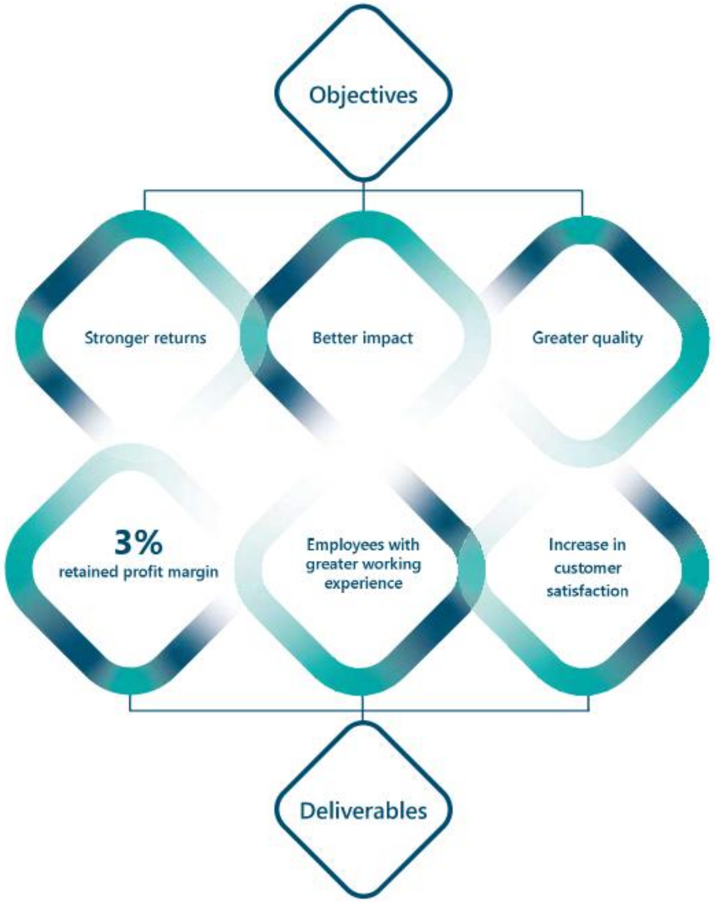
Strengths	Opportunities
• Capacity, expertise and reach • Our business infrastructure • P2P relationships • P2P joint venture model • Teckal exemption • Range of services • Ethos and reputation • Strong public sector client base • Group governance	• Cross-sell to existing clients • Maximise reputation in public sector • Strength of Group • Expand geographic presence • Capitalise on loss of trust in outsourcing • Government policy • New markets existing services
Weaknesses	**Threats**
• Profit margin • Geographic gaps • Availability of capital • Workforce costs • Stability in the short term	• Global and UK economies • BREXIT • Commodities markets • Government policy • Rising labour costs • Skills/labour shortage • Damage to reputation • Covid-19

4. OUR STRATEGIC OBJECTIVES FOR 2021-22

Combining our market understanding, and assessment of our resources and capabilities allows us to create a powerful set of Group objectives and deliverables.

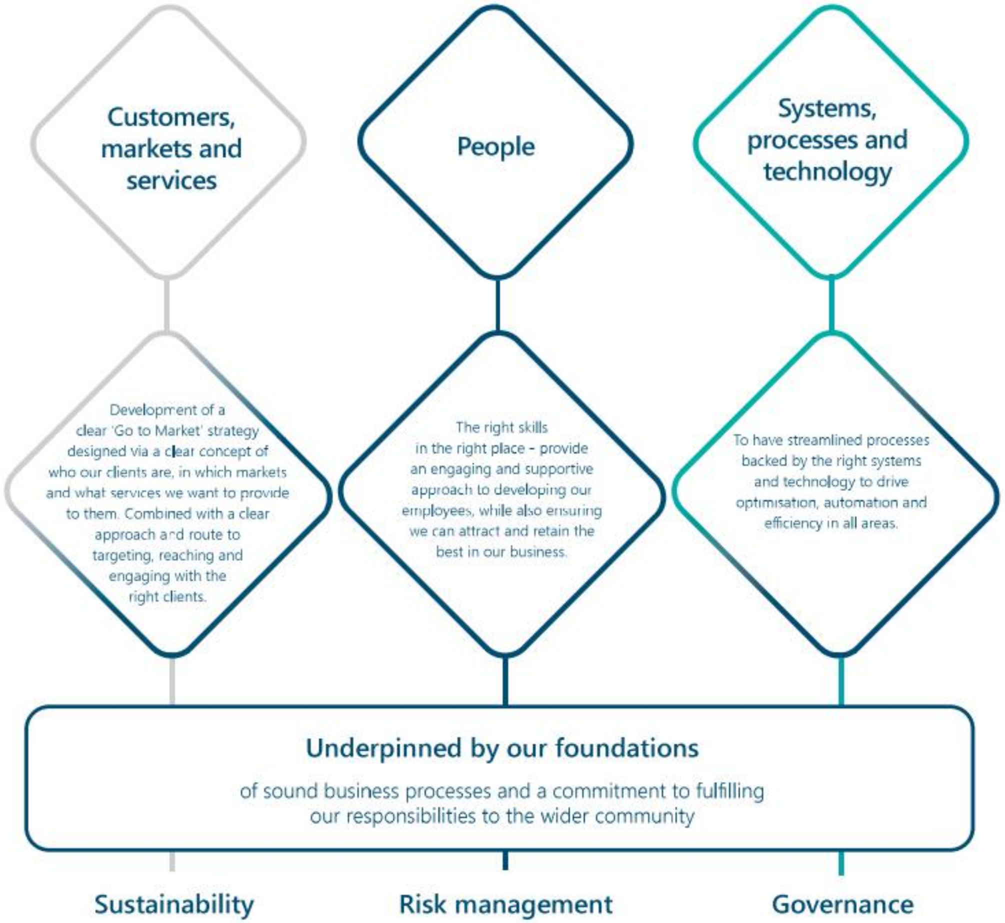
Our core strategic aim is to deliver sustainable profitable growth. Our key objectives are monetary, people and quality focused. These objectives are to deliver stronger returns, deliver a better impact and drive quality delivery.

Our deliverables are linked to our objectives, with the aim of delivering a 3% retained profit margin, employees with greater experience and an increase in customer satisfaction. By delivering on our promise, meetings out objectives will ensure the Group continues to meet shareholder expectations.



5. OUR STRATEGIC FRAMEWORK

To deliver our objectives and deliverables, the Norse Group has developed a strategic framework. The framework has been designed to focus attention and generate true value using a three-pillar approach. Our pillars help shape and categorise attention and are underpinned by sound business processes and a commitment to fulfilling our responsibilities to the wider community.



6. OUR STRATEGIC PILLARS

Delivering value through a pillared approach

Many markets across facilities management, environmental services, property services and care services are evolving fast. Recently, most sectors have faced several challenges, but with those challenges comes immense opportunity as the markets begin to take stock, recalibrate and move forward. The Norse Group is ambitious for its future, its customers and its employees and has set out a clear strategy to deliver sustainable profitable growth and to pioneer the next generation of services.

The strategy has been developed through three key strategic pillars, each with relevant imperatives which are linked to covering actions. This framework for delivery will help play a critical role in differentiating us and we are confident that delivering this agenda will create sustainable profitable growth.

A high-level overview of our pillars is noted opposite:

£2.165m
RETAINED
PROFIT

Customers, markets and services

- **The right clients** (who work in the right way, and can generate the right long-term returns)
- **Core markets and services** (where integrated service offerings are able to be offered, and where we can excel at service quality and efficiency)
- **Clear 'Go to Market' approach** (to proactively track and target those we want with what we want)

People

- **Values** (to embed a clear and shared set of values across the Group which are reflected in everything Norse does)
- **Skills and development** (create an integrated approach to training, appraising and managing staff and their progression)
- **Communication and engagement** (develop a complete approach to engaging with our employees and communicating directly to them in an effective manner)
- **Pay and rewards** (enable a transparent framework for grading of staff and developing an appropriate reward programme that rewards in the right way)
- **Recruitment and retention** (develop a clear recruitment and retention approach, managed in a single, integrated way)

Systems, processes and technology

- **Operational solutions** (develop a suite of preferred solutions that maximise service delivery and the latest developments, and which are integrated into the wider system landscape)
- **Infrastructure** (ensure robust and secure but flexible working solutions that can adapt to the requirements of the business over time)
- **Back office solutions** (maximise integration, automation and the value of information captured with a simple approach with a single point of entry/action for users that drives efficiency across the business)

7. OUR FOUNDATIONS

Supporting our strategy through strong foundations

Supporting our strategy is a strong foundation of sound business practices and a promise to fulfil our responsibilities to the wider community. This will resonate through our commitment to sustainability, risk management and governance. Developing and focusing on the foundations that support our business will help us towards achieving our vision for delivering long-term sustainable profitable growth through development of effective management systems.

Being a sustainable business underpins everything that we do. It's about ensuring our future through responsible behaviours and doing the right thing, such as creating an inclusive workplace that attracts and retains talent, embedding our values into our business and suppliers, plus reducing our carbon footprint. As a commercial business, we bear responsibility for the environmental compatibility and sustainability of our services, and in some cases, our products. As such, the Group will develop a full sustainability plan to reduce our energy consumption, pollution and improve the environmental impacts of our activities. The Group will continue to reinforce our values, culture and behaviours to make sure our staff go home safe each and every day. Our 'One Safe Way' initiative will be cascaded through the business and become a central part to how we operate. We will continue to develop and invest in our people and workforce, by providing an open, honest, transparent and innovative environment.

The Group's commitment to collective risk management is paramount. Effective risk management and a sound system of internal control will help underpin the Group's strategy and support objectives. We will protect our reputation as the largest local authority trading company in the UK through regular analysis of macro and microeconomics.

This will help the Group understand key market, environmental and monetary trends to ensure it is not affected by strategic drift. The Group will make sure we retain and gain the relevant legal and legislative requirements that enable us to keep our workforce safe and develop our business. Moreover, the Group will continue to develop business continuity plans and business impact assessments which cover operational and environmental risks. The safety, health, environmental and quality (SHEQ) team will continue moving towards a business partnering approach to help guide and provide valuable experience and knowledge across all our UK operations, via the implementation of an integrated management system (IMS).

Effective governance is an important foundation of any business. The Group will ensure the continuation of business performance through regular operational and account reviews and guarantee that relevant compliance, standards and ethical conduct is always maintained, minimising any potential risk to reputation and operations. The Group's committees will carry on providing guidance, review and challenge alongside other internal controls such as internal and external audit to ensure continual business improvement.

Customers, markets and services

Development of a clear 'Go to Market' strategy designed via a clear concept of who our clients are, in which markets and what services we want to provide to them. Combined with a clear approach and route to targeting, reaching and engaging with the right clients.

People

The right skills in the right place - provide an engaging and supportive approach to developing our employees, while also ensuring we can attract and retain the best in our business.

Systems, processes and technology

To have streamlined processes backed by the right systems and technology to drive optimisation, automation and efficiency in all areas.

Sustainability

- Reduce the environmental impact of our operations.
- Reinforce our culture and values.
- Improve the engagement and health and safety of our staff.
- Meet our current and future needs.
- Manage resources effectively.
- Plan for long-term future.

Risk management

- Identify significant risks that could affect the Group.
- Protect our reputation as a service provider.
- Analyse the macroeconomic and microeconomic environments for key trends and risks.
- Understand our legal and legislative obligations keeping abreast of changing legislation.
- Develop detailed and supportive business continuity plans.
- Management of succession planning.
- Install effective change management.
- Continuity plans.

Governance

- Constantly monitor our operational and financial performance.
- Effectively develop and utilise board committees, to provide challenge, advice and feedback.
- Engage with internal audit to better streamline our business.
- Continually assess our board composition.
- Make sure we adhere to compliance standards, ethics and conduct.
- Consult, where required, with relevant regulators.
- Engage with internal and external audit for continual business improvement.
- Develop clear lines of accountability.

7.1 The role of the Board

The Board is responsible for:

- creating and delivering sustainable shareholder value through the management of the Group's businesses
- determining the strategic objectives and policies of the Group to deliver such long-term value, providing overall strategic direction within a framework of risk appetite and controls
- ensuring that management strikes an appropriate balance between promoting long-term growth and delivering short-term objectives
- demonstrating ethical leadership and promoting the company's values, culture and behaviours and acting in a way that promotes the success of the company for the benefit of our shareholder
- ensuring management maintains systems of internal control that provide assurance of effective and efficient operations, internal financial controls and compliance with laws and regulations
- ensuring management maintains an effective risk management and oversight process at the highest level across the Group
- having regard for what is appropriate for the Group's business and reputation, the materiality of the financial and other risks inherent in the business and the relative costs and benefits of implementing specific controls
- deciding other matters of importance which would be of significance to the Group as a whole because of their strategic, financial or reputational implications or consequences.

Specific key decisions and matters have been reserved for approval by the Board. These include decisions on the Group's strategy, approval of risk appetite, capital and liquidity matters, major acquisitions, mergers or disposals, Board membership, financial results and governance issues, including the corporate governance framework.

7.2 The voting rights of Directors

- Non-executive Directors (NCC Officer or Member) - seven votes each
- Independent Non-Executive Directors - one vote each
- Executive Directors - one vote each

Whoever chairs the Board has a casting vote.

7.3 Our Board members

Fiona McDiarmid

Chair, Non-Executive Director appointed by Norfolk County Council

Lord Gary Porter, CBE

Independent Non-Executive Director

Andrew Proctor

Non-Executive Director appointed by Norfolk County Council

Brian McCarthy

Independent Non-Executive Director

Dean Wetteland

Chief Executive Officer (CEO) Norse Group Ltd

Simon Hardwick

Independent Non-Executive Director

Nick Frogbrook

Chief Finance Officer (CFO) Norse Group Ltd

Karen Knight

Non-Executive Director

7.4 Board advisory committees

Particular Board responsibilities are referred to the following Board advisory committees:

- Investment Committee
- Audit Committee
- Remuneration and Nomination committee

This structure allows particularly detailed or complex matters to be given special scrutiny and oversight.

Except where decisions are specifically delegated, each committee reports and submits recommendations back to the Board for its review and, where necessary, decision.

Each committee operates within clearly defined terms of reference, which are reviewed annually by the relevant committee, and, if necessary, approved by the Board to ensure they remain appropriate and reflect any changes in good practice and governance.

The **Investment Committee** recommends and provides advice to the Board on the development of the Group's Investment Strategy and investment priorities. The committee takes an active role in reviewing previous investments and also provides constructive challenge and support to the Group executive team in relation to significant investment decisions.

The Group's **Audit Committee** provides effective governance over the appropriateness of the Group's financial reporting, and the performance of both the internal and external audit functions. The committee also oversees the Group's internal control systems, business risks management and related compliance activities.

The **Remuneration and Nomination Committee** evaluates the composition, diversity, experience, knowledge, skills and independence of the Board and its committees. This allows the appropriate balance to be maintained and ensures the continued effectiveness of the Board. The committee also ensures that appropriate succession plans for the Non-Executive Directors, Executive Directors and the Group's senior management are also kept under review, taking into account the challenges and opportunities facing the Group, and the diversity, skills and expertise that are therefore required in the future.

The Group's committees are chaired by a Non-Executive Director and directly report back to the Norse Group Board.

7.5 Shareholder's committee

As part of its governance of the Norse Group, Norfolk County Council appoints a member to represent its interest as shareholder. The Shareholder Representative is invited to all company board meetings and the company's annual general meeting.

In addition, the Group is monitored by a County Council Shareholder Committee, which supports the development of the Group and provides feedback to the council on decisions made by the Board.

The Shareholder Committee considers all the matters reserved for shareholder approval and the Shareholder Representative then takes the committee's recommendations to the shareholder for final agreement.

The Shareholder Committee meets quarterly and regularly receives updates on financial performance and business development opportunities.

7.6 Key personnel

To direct and support the day to day activities of the Group, the Senior Executive Team is responsible for executing the Group's objectives, strategies, tactics and activities along with upholding the Group's values and strong culture and ethos.

£2.4m RETURN
TO OUR SHAREHOLDER

8. OUR BUSINESS PLAN FOR 2021-22

The Group has been assessing the continuing impact of COVID-19, along with Brexit, on its expectations for the following 2021-22 financial year.

It has taken a stronger view on its position regarding negotiations and its right to retain profits, in part to support our shareholder's rebates committed to previously, which are £2.4m in 2022-23.

As such, the proposed Business Plan projections for 2021-22 for the Group are as shown in the table below.

Norse Group Business Plan financial projections 2021-22

£'000	Commercial	Property	Care	Support	Group
Revenue	243,163	49,380	44,000	-	336,543
Operating costs	(237,723)	(46,628)	(43,250)	-	(327,601)
Trading profit	**5,439**	**2,752**	**750**	**-**	**8,941**
Margin	2.2%	5.6%	1.7%	0.0%	2.7%
JV rebates	(2,371)	(882)	-	-	(3,253)
NCC rebates	(1,535)	(589)	(277)	-	(2,400)
Taxation	(675)	(243)	(185)	(19)	(1,123)
Retained profit Pre IAS19	**858**	**1,038**	**288**	**(19)**	**2,165**
IAS19	(1,215)	(405)	-	-	(1,620)
Retained profit post IAS19	(357)	633	288	(19)	545

9. OUR STRATEGIC FOCUS FOR 2021-22

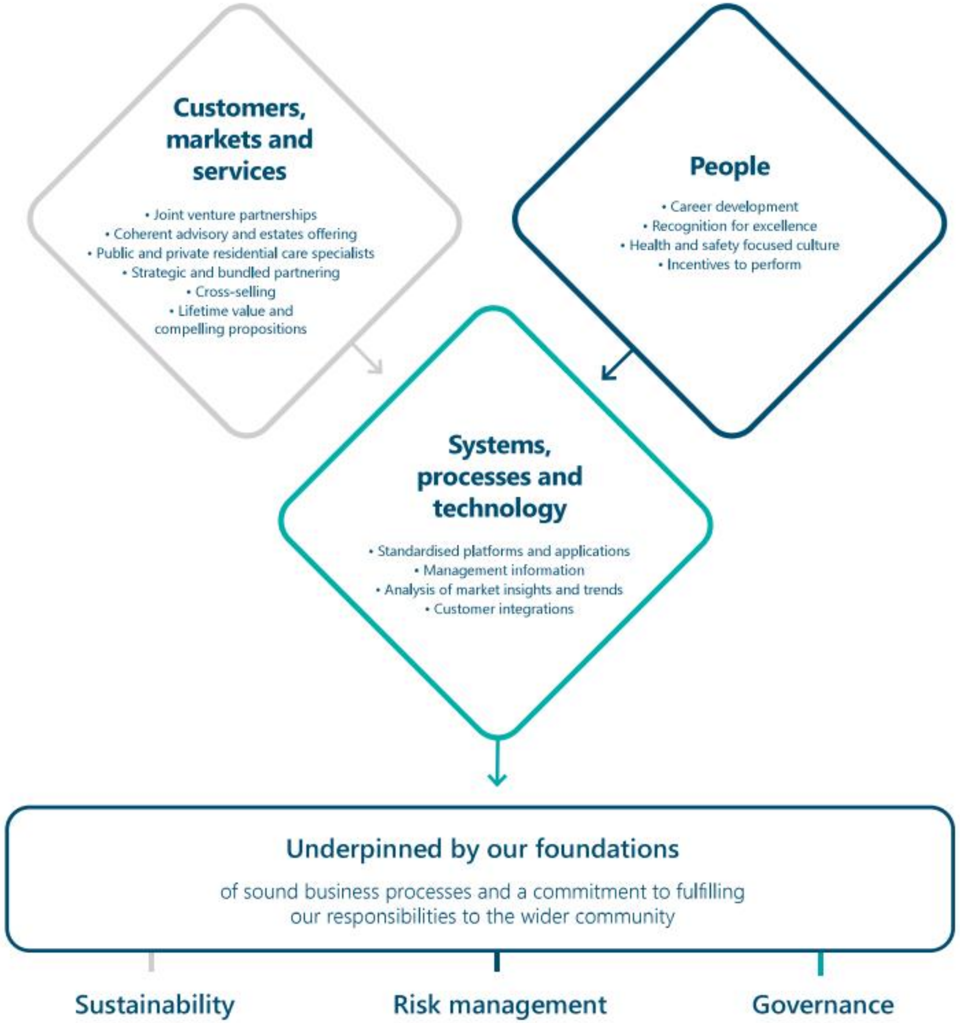
Underpinning our strategy is a strategic action plan which has been devised to ensure the smooth delivery of our strategic pillars and imperatives. Our focus for the forthcoming year is shown below:

Pillar	Imperative	Strategic focus
Customer, markets and services	The right clients	• Develop clear market map and intelligence to provide information for targeting of opportunities.
	Core markets and services	• Continue with plan and execution for materials recycling facility commercial tonnages post end of existing contract. • Review overlap with property services and focus client/market driven solutions that are more integrated in approach to take to market. • Conclude review on catering divestment. • Conclude review of areas of property services which sit better within FM/TFM range of services to aid integration of offering and complete changes. • Develop market offering clearly under Norse banner.
	Clear 'Go to Market' approach	• Re-organisation of Sales and Marketing to re-shape. • Leverage knowledge and contacts to develop networking plan and intelligence gathering. • Need to set defined returns by service to aid assessment. • Use our joint venture partnership model as a tool to secure work, but re-engineer to improve returns and look at commercial models that enable this (or operational delivery to enable leveraging of regional overheads).
People	Skills and developments	• Define training needs analysis (TNA) for all staff, including effective induction programme. • Have a structured programme for graduates and apprentices.
	Communication and engagement	• Redesign and ensure exit surveys are undertaken. • Regularise employee surveys/touch points.
System, process and technology	Pay and rewards	• Establish a structured and single reward/ benefit offering across the Group.
	Infrastructure	• Review existing platforms and suitability, and roadmap for change where required. • Review risk of security and contingencies and ensure appropriate to risk profile.
	Back office solutions	• Map processes and streamline, identifying the right systems to support these and how best to integrate these.

10. OUR BUSINESS MODEL FOR 2021-22

Our three strategic pillars give the Group a solid base to move the business forward. Our business model is simple. It is supported by our culture and underpinned by our foundations.

We provide value to our customers by delivering safe efficient services that support their strategic objectives. Our colleagues are part of a business that delivers compelling and coherent partner services which support the communities we serve. Our business model will stabilise the Group and help deliver long-term sustainable profitable growth.



11. OUR STRATEGIC RISKS

Risks which could affect the delivery of our business plan

Identified principal strategic risks to the achievement of our strategic business objectives and deliverables are outlined in the following section, together with their potential impact and the mitigation measures in place. We believe these risks to be the most significant with the potential to impact our business plan for 2021-22 and our reputation. That is why each risk is aligned to a strategic pillar. Key strategic risks to the Group are captured below:

Principal risks and uncertainties	Controls and mitigating actions

Political

Political and economic uncertainty in the UK may adversely affect our customers' approach to outsourcing decisions and our ability to plan and invest. The lack of clarity around the possible impacts of Brexit adds further uncertainty.

Impact on: Customers, markets and services · People · Systems, processes and technology

As all the Group's client base is within the UK, we are particularly exposed to uncertainties in the UK's political and economic landscape. A major aspect of this uncertainty continues to be the outcome of the UK leaving the European Union (Brexit). This may result in changes to regulatory frameworks, as well as restrictions in the supply of labour, goods and services.

Political and economic factors also influence the decisions taken by both public and private sector clients on which activities should be outsourced and the amount of discretionary spend available for outsourcing activities. This may result in fewer opportunities for the Group and have a consequential negative impact on our financial performance. It could potentially also provide further opportunities for our joint venture partnership model.

The Government has promised a solution to the social care-funding crisis with the Health Secretary announcing cross-party talks in May. However, with successive governments over the past 20 years failing to deliver a solution, there is scepticism this will lead to meaningful action.

Further, it is important that we are able to offer competitive, innovative and high-quality solutions to clients, and demonstrate the value we bring to them. We also need to ensure we carefully monitor and identify the most appropriate opportunities in both the public and private sectors.

Controls and mitigating actions

- Maintain a blend of public and private sector clients.
- Continue to seek long-term contracts with local authorities through our partnership model.
- Regular reviews of sales opportunities by business development teams.
- Focus on high-margin opportunities with growth potential.
- Drive for greater customer retention through improvements in the value we deliver.
- Development of new service offerings and focus on integrated and bundled solutions.

Principal risks and uncertainties	Controls and mitigating actions

Structural complexity

The Group has historically operated using complex manual processes and an organisational model with a high and misaligned cost base, rather than leveraging its technology. If we do not address these issues we will be unable to execute client contracts efficiently, resulting in sub-optimal customer experiences and erosion of sustained profitable growth.

Impact on: Customers, markets and services · People · Systems, processes and technology

Norse's business and organisational model has evolved over time with many unnecessary complexities, including multiple and inconsistent processes, isolated and underdeveloped IT systems, and unclear organisational and reporting structures. These complexities have required a disproportionately high cost base to maintain them.

As a Group we are continuing to address internal costs by leveraging the opportunities from bringing all our companies together.

In addition, we will continue to invest in IT system improvements, notably in HR and Finance. We will also continue to simplify end-to-end processes and the structure of our organisation with effective management platforms.

Further, social care services are monitored independently by the Care Quality Commission (CQC). The sector is highly regulated, and operators have to follow strict operational guidelines in the delivery of services.

Controls and mitigating actions

- Closer collaboration across support services, to share best practice and work collaboratively.
- Development of one suite of Group processes and procedures, to standardise actions and behaviour.
- Focus on procurement processes to simplify supplier base and leverage cost opportunities.
- Use of digital technology to improve communication across the Group for employees and clients.
- Development of Procurement and SHEQ management platforms.

36
PARTNERSHIPS
JOINT OWNERSHIP

Principal risks and uncertainties

Cyber

Failure of critical infrastructure, including through a cyber-attack, could affect client delivery operations and cause critical delays

Impact on: Customers, markets and services | People | Systems, processes and technology

The reliability and effectiveness of our technology is vitally important to ensure we meet our contract obligations, deliver improvements in operational processes, generate meaningful management information and help deliver value for our clients.

We are investing in technology to simplify our business and improve resilience and security to protect against systems failure or a cyber-attack. We will continue to invest in systems and technology to replace the legacy estate, automate processes and ensure the smooth and efficient operation of our business. It is also important to have effective business continuity and disaster recovery plans and this is another key focus.

We have also delivered a number of system improvements in our core systems, such as iTrent, our purchase to pay solution and our integrated workforce management service.

Controls and mitigating actions

- Clear strategy to invest in technology improvements, both in internal systems and client offering.
- Upgrades to legacy systems to reduce complexity and improve management information.
- Maintenance and testing of effective disaster recovery plans.
- Improvements to cyber security controls across all systems and infrastructure.

Principal risks and uncertainties

People

Inability to recruit, retain and reward suitably talented employees, as well as failure to implement appropriate development plans and simple consistent processes across the business, could negatively impact our operational and financial performance.

Impact on: Customers, markets and services | People

It is important for our success that we continue to recruit, develop, motivate and retain talented individuals. If we are unable to do so there would be an adverse impact on the profitable and successful delivery of our contracts, and we would be limited in our ability to win future opportunities and grow the business.

In addition, there are 1.5 million people nationally working in social care and it is estimated that between 650,000 and 950,000 new adult social care jobs will be needed by 2035. Vacancy rates for staff run at circa 8% and direct care jobs have a turnover rate of 35%. The sector has an ageing workforce and struggles to recruit younger entrants into roles.

We need to have the right level of experience and expertise available and be able to develop a culture of high standards of achievement, compliance to the Norse values and good governance and control. To achieve this, we also need to provide development opportunities for our employees to enable them to reach their full potential.

In addition, it is important that we maintain a stability and consistency in our senior leadership team to provide high-quality direction for the business and deliver our strategy.

An important element of the culture is ensuring that we have one way of operating and collaborate effectively across the business. This will give greater consistency in processes and controls and allow for seamless movement of staff across the Group. It will also help us to successfully cross-sell services.

Controls and mitigating actions

- Continue to develop and roll out Kallidus, the Group's resourcing system.
- Simplified approach and consistent process to both temporary and permanent recruitment.
- Regular communications from the senior management team.
- Competitive and industry led remuneration and terms and conditions.
- Training and development programmes for senior leadership.
- Provide regular employee offers.
- Produce succession planning for critical roles, especially for the senior management team.
- Clear performance management and appraisal framework.

Principal risks and uncertainties	Controls and mitigating actions

Safety, health, environmental and quality systems

Maintain appropriately high standards in health, safety and environmental management, such as compliance with the Climate Change Act 2008 and future ban on sales of aspirated vehicles by 2030. Failure to comply and maintain may result in harm to employees, client staff or members of the public, with consequential fines and reputational damage.

Impact on: Customers, markets and services | People

As a company we are committed to maintaining the highest levels of safety, health, environmental and quality (SHEQ) standards. The services we deliver could potentially present an increased risk of a health and safety incident involving our employees, clients, customers or even members of the public. Our activities also carry a risk of damage to the environment. It is essential we manage these risks in a highly diligent and effective manner.

The safety of our people and environment is our number one priority and we ensure that all risks are properly assessed and managed, our employees are trained, our expectations of how they perform their work are clearly explained, and adherence to health and safety standards is regularly monitored. If we do not manage these risks appropriately, it could lead to harm to individuals and damage to the environment, and consequently prosecution, fines and significant damage to our reputation.

Controls and mitigating actions

- Restructuring of the Group SHEQ division to incorporate a partnering approach to delivering services.
- Development of a standard and compressive SHEQ policy for Group wide activities.
- Regular training and communication delivered throughout the company.
- Clear and standardised KPIs introduced at joint venture and divisional level.
- Gain Group quality and environmental ISO accreditation.
- Standardised risk reporting and documentation for business continuity plans and actions.
- Regular risk forums with key management to denote new risks and update current risks.
- Regular review of Infection Control within NorseCare schemes.

Legal

Failure to comply with applicable laws and regulations may lead to fines, prosecution and damage to our reputation.

Impact on: Customers, markets and services

Our business is subject to a wide range of laws and regulations. Given the nature of our business, these include, amongst others, health and safety, employment, anti-bribery and corruption and statutory wage requirements. In addition, NorseCare is regulated by the Care Quality Commission (CQC) which has its own very stringent requirements.

Failure to comply could result in prosecution and/or significant fines, and, from a reputational perspective, could damage our relationships with clients and our ability to win work.

We continue to ensure that we have effective governance and oversight of our compliance with applicable laws and regulations and continuously assess the impact of changes in relevant legislation. It is also important that we provide appropriate communications and training for our people to ensure they are aware of their obligations, and that regular monitoring of compliance is undertaken.

Controls and mitigating actions

- Regular monitoring of legal and regulatory changes by services and Group functions.
- Development and communicated Group code of conduct to all employees.
- Policies updated for changes to laws and regulations and maintained online using our document management tool.
- Regular external and internal audit by third party providers.
- Training, awareness and best practice to communicate and update changes to laws and regulations.
- Externally hosted whistleblowing service provided.

Cabinet

Item No: 16

Report title:	**Corporately Significant Vital Signs report**
Date of meeting:	**12th January 2021**
Responsible Cabinet Member	**Cllr FitzPatrick, Cabinet Member for Innovation Transformation and Performance**
Responsible Director:	**Sam Pittam-Smith, Director of Transformation**
Is this a key decision?	**No**

Executive Summary/Introduction from Cabinet Member

The purpose of this report is to provide the Cabinet with an update on the Council's current performance towards achieving its strategic outcomes set out in Together, For Norfolk. Each quarterly performance report provides an opportunity to review current performance, validate the actions being taken to address gaps in performance and identify further opportunities for improvement using the resource and knowledge of the Council as a whole.

This paper outlines the actual performance of the Council against its targeted performance for quarter two of 2020/21.

Quarter Two Performance Summary

The table below provides a summary of how the Council's Corporately Significant Vital Signs performed at the end of quarter two.

	Totals
Green	13 vital signs met or exceeded the target.
Amber	2 vital signs are within the accepted tolerance of the set target, with performance due to be back on track in the following reporting period.
Red	11 vital signs are below or behind the target set.
Not reported	5 vital signs are **not** reported this quarter. The data for VS:210, VS:317, VS:349, VS:407, VS:412 and VS:413 are not reported this quarter due to data availability and/or methodological changes.

COVID-19 and Corporately Significant Vital Signs

COVID-19 has had a significant impact on residents, communities, businesses and Council with changing demands and a shift in priorities. The Corporately Significant Vital Signs reported in this quarter were agreed prior to COVID-19 and, in some cases, may not provide an overview of performance in the COVID-19 context. These vital signs are currently being reviewed.

Cabinet are asked to:

1. Review and comment on the current performance data and agree the planned actions as set out in Appendices 1 and 2.

1. Background and Purpose

1.1. 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.

1.2. The Corporately Significant Vital Signs are closely aligned to the four principles underpinning our Council Plan, Together, For Norfolk:

- 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.

1.3. 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.

1.4. This report provides an update on the monthly, quarterly and annual Corporately Significant Vital Signs and contains:

- Key explanatory points on each vital sign
- A dashboard of the current performance, trends and historical performance in Appendix 1 and;
- Individual report cards for each vital sign in Appendix 2.

1.5 New set of corporately significant vital signs

1.6 The move to a new Cabinet system of Governance, the launch of Together, For Norfolk and the impact of COVID-19 provides an opportunity to review the current vital signs to align them to the revised priorities. Work towards this is ongoing.

2. Current performance

2.1 **Table 1.0.** below identifies the vital signs that have met or positively exceeded the target at the end of quarter two.

Service	Corporately Significant Vital Sign
Adult Social Services	**203:** Decreasing the rate of admissions of people to residential and nursing care per 100,000 population (18-64 years)
	204: Decreasing the rate of admissions of people to residential and nursing care per 100,000 population (65+ years)

Children's Services	**400:** Percentage of Referrals into Early Help Services who have had a referral to EH in the previous 12 months
	401: Percentage of Referrals into Section 17 CIN Services who have had a referral to S.17 CIN in the previous 12 months
	402: Percentage of Children Starting a Child Protection Plan who have previously been subject to a Child Protection Plan (last 2 yrs)
	403: Percentage of Children Starting to be looked-after who have previously been looked-after
	410: Rate of Looked-After Children per 10,000 of the overall 0-17 population
Community and Environmental Services	**311:** % of Norfolk homes with superfast Broadband coverage
Workforce indicators	**615:** Sickness absence - percentage lost time
	637: New Employee Retention
	639: Vacancy rate
Financial Indicators	**502:** Capital programme tracker
	504: Savings – Efficiencies compared to Front Line

2.2 **Table 1.1.** below highlights the vital signs that have not met the target.

Service	Corporately Significant Vital Sign
Adult Social Services	**202:** % of people who require no ongoing formal service after completing reablement
Children's Services	**404:** Child in Need (CIN) with up to date CIN Plan
	405: Child Protection (CP) - % children seen
	406: LAC with up to date Care Plan
	408: LAC with up to date Health Assessment (HA)
	414: Percentage of all young people in EET
	416: Percentage of Education, Health & Care Plans completed within timescale
	417: Percentage of Relevant and Former Relevant Care Leavers in EET
Community and Environmental Services	**325:** Customer Satisfaction (with council services)
Workforce Indicators	**638:** Performance Development % of written goals agreed
Financial Indicators	**500:** Budget monitoring – forecast vs budget at a County level
	501: Savings targets delivered - by Service
	503: Ratio of corporate net expenditure compared to frontline net expenditure

2.3 Please note with the emergence of the COVID-19 Virus some performance deviates from expected plans and trajectories over the coming months.

3.0 Services Performance

3.1 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.

3.2 Adult Social Services

3.3 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.

3.4 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 these indicators has been positive over the last year with downward trends.

203: Permanent admissions to residential and nursing care per 100k population (18-64)

Historic admissions to residential care for people aged 18-64 were very high in Norfolk at nearly three times the family group average. 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.

Analysis of choices for younger people with disabilities highlighted shortcomings in options for people, with a lack of 'step-down' or step-up facilities for people as an alternative to permanent accommodation. In response, we have developed two accommodation-based enablement schemes.

A range of actions are being taken to reduce the rate of permanent admissions to residential and nursing care such as:

- The development of further accommodation-based enablement schemes and new supported housing schemes for people with the most complex needs, including those moving out of hospital, is in progress.
- Carrying out an options appraisal to inform the recommissioning of our shared lives provision.
- The development of a comprehensive housing needs register, and engagement with people who use our services to help shape an accommodation strategy
- Actions to increase the take up of direct payments so more people can manage and arrange their own bespoke care
- Building a business case for bespoke specialist accommodation for those with the most complex needs
- Creating alternatives to residential care for individuals with severe, enduring mental health issues
- Recruiting a team of reviewers to review residential settings to ensure that they are of high quality, meet the needs of residents and deliver great outcomes.

204: Permanent admissions to residential and nursing care per 100k population (65+)

In the last year reductions in permanent admissions have been driven by a focus on preventing older people requiring permanent residential care. Whereas people would previously often be admitted to residential care indefinitely (or "permanently"), there has been a much greater focus on reablement and rehabilitation (including new accommodation-based reablement schemes)

There appears to be a real reduction in the rate of permanent admissions, as overall numbers of people in long term residential care has reduced slightly in the last year. As overall numbers of people aged 65+ within all 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.

Analysis of the impact of COVID to date highlights that Adult Social Services is supporting more people than anticipated. However, further work needs to happen to understand if this will have a significant impact on the rate of permanent admissions.

The most recent wave has seen increasing pressure on hospitals, and on social care teams to support smooth flow. Additional short-term beds have been commissioned to support this, so we may well see an increase of short-term placements impacting on this measure.

3.5 A key element of the Adults' Strategy is to intervene and keep people living independently. The Council has provided a reablement service for several 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.

With the COVID-19 outbreak many people initially were reluctant to have face to face visits from Norfolk First Response plus there were fewer hospital discharges. However, the number of visits each day have increased in March but not yet matching those levels seen pre-Covid and leaves this figure performing below target.

Actions to bring this performance indicator back within target include:

- A review of Norfolk First Response 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. The review will be the focus until the end of this financial year.
- To continue to work on targeted recruitment to vacancies within the council's Home-Based Reablement services.
- Maximising capacity within the service

210: Delayed transfers of care attributable to Adult Social Care.

Delayed Discharges of Care reporting was suspended during COVID-19. Therefore, there is no data reported for this quarter. The NHS has indicated it will not be re-introduced before April 2021.

3.6 Children's Services

3.7 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

3.8 The number of Looked After Children (LAC) 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 number of Looked After Children has increased from 1,096 to 1,103 in this quarter giving us a rate per 10,000 of 64.9. However, when the Unaccompanied Asylum Seeking Children (UASC) population is removed from the LAC numbers, there are 999 Looked After Children, an actual reduction overall.

There has been a rise in admissions to care from 17 in July to 21 in September, however this also included an abnormal 33 in August as we received a UASC allocation.

403: Percentage of children starting to be looked after who have previously been looked after

The percentage of LAC who started to be Looked After and who had been Looked After in the preceding 12 months of start date is 2.8%, this is a reduction on the previous quarter from 5.1%. This falls within our target rate of <15%.

There has been a consistently lower amount in admissions to care if you exclude the Unaccompanied Asylum Seeking Children population.

402: Percentage of Children Starting a Child Protection Plan who have previously been subject to a Child Protection Plan (in the last 2 years)

This vital sign ensures we are providing and have provided good and sustainable outcomes for children who have had a Child Protection Plan.

The rate in September 2020 is 11.7%, which is a small increase on the previous quarter.

Strategy Discussions, apart from the month of August, have stayed at the levels seen in the first quarter but lower than the same point last year.

There has been a reduction in the number of Section 47 investigations throughout the quarter. There has also been a reduction in the overall Child Protection Plan Population from 614 to 530 in the last quarter.

400: Percentage of Referrals into Early Help Services who have had a referral to EH in the previous 12 months

Early Help Services aim to offer support early and ensure the support that is offered delivers long-term sustainable outcomes that prevent re-referral.

Over the last quarter then has been an overall increase in Family Support Cases and an increase of contacts with the presenting issue of Family Support and Step Downs from Social Work.

As contacts and referrals have increased so have re-referrals, from 8.6% at the beginning of this quarter to 17.3% at the end of September. However, this still remains below target.

401: Percentage of Referrals into Section 17 CIN Services who have had a referral to S.17 CIN in the previous 12 months

This vital sign measures the efficacy of Social Work assessment and intervention.

There has been an overall reduction of contacts and referrals compared to the same point last year. We've also seen a reduction in the overall Child In Need population from 1,385 in July to 1,324 in September.

404: Child in Need (CIN) with up to date CIN Plan

CIN section 17 numbers in this quarter have fallen from 1,342 to 1,324 (with a rise in July to 1385). The CIN number with up to date CPP have fallen from 1,970 to 1,854 (with a rise in July to 1999). However, CIN Visits have remained above 80% during this period as contact with children was prioritised.

405: Child Protection (CP) - % children seen

Visiting children regularly informs planning and safety factors. Additionally, it ensures we mitigate risk and understand the child's lived experience as part of the care planning process.

All CP children are seen face to face unless there is an overriding risk to children from COVID-19. There was an increase in new Child Protection children in July with 88 new plans compared to 54 plans in the previous month.

97% of CP children in the last year are seen within the 20-day national standard.

3.9 A good quality care plan alongside regular health assessments are essential to ensure that Looked After Children receive the correct services and support to achieve their full potential.

406: LAC with up to date Care Plan

The Looked After Children population has increased from 1,096 to 1,103 in the quarter. However, when the UASC population is removed from the LAC numbers are 999 children. There has been a rise in admissions to care from 17 in July to 21 in September, however this also included an abnormal 44 in August/Sept as we received a UASC allocation from South East.

Looked after Children with up to date Care Plan at the end of September is 91.6%. This is a decrease on the previous quarter and down on the targeted 100% performance but broadly in line with the month on month performance.

408: LAC with up to date Health Assessment (HA)

Norfolk Community Health & Care (NCH&C) LAC Health Team have worked with NCC Childrens Services to improve performance which is evidenced in a further rise in performance from 87.0% in June to 91.5% in September. However, this Vital Sign is down on the targeted 100% performance for this quarter.

3.10 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.

3.11 In addition to this, several 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)

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.

Norfolk's participation rate in September is 80.7%. This is drop in performance from the previous months and lower than that of our target of 92%.

Norfolk's Employment without training (1.4%) is twice that of England's (0.7%).

Participation and Not Known figures vary widely between LA's at this time of year dependent on when they move year 11s into transition and Further Education Enrolment lists are updated.

Actions to improve this 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. Decreasing the number of young people who enter employment without accredited training through the promotion of apprenticeships and work with providers to reduce the number of young people who 'drop out'.

417: Relevant and Former Relevant Care Leavers (19-21) in Employment, Education and Training

We have changed the age parameters for these measures to 19-21-year olds in line with the benchmarking. However, we continue to monitor the data across all age groups.

At the end of quarter two this vital sign remains considerably lower than the target set. In June, 50.5% of Norfolk's 19-21-year-old care leavers were engaged in employment, education or training against a target of 70%.

There are several actions that are currently in progress to ensure that the rate of relevant and former relevant care leavers between the age of 19-21 in EET improves such as:

- Corporate Parenting Strategy subgroup has been set up and is working on providing opportunities for EET for Care Leavers
- Further plans around transformation of LC services in Norfolk to go live April 2021
- Tenancy Awareness and employment courses begin Jan 2021
- Meeting with Districts and County to explore wider opportunities for employment and building of CV within Norfolk LG

416: Percentage of Education, Health & Care Plans (EHCP) completed within timescale

EHCP timescale performance has been an area of leadership focus since 2018 and has been overseen within the SEND and AP Transformation Programme. Governance has now moved to the Ofsted / CQC Written Statement of Action.

Performance directly relates to the significant increase in the rates of assessments for EHCPs carried out by the Local Authority with thresholds for such set out in statutory legislation.

Referrals for assessment and assessments carried out continue to rise and has outstripped additional capacity and so we have not yet seen a significant performance improvement. Performance for this quarter remains at 19.8%, same as the previous quarter reporting period.

Further investment is being made in the EHCP workforce as part of the 20/21 budget to continue to respond to the rising referral rate. Recruitment is complete and additional resource will be in place by the end of the term.

EHCP systems and processes have not been robust enough to track and manage progress through the timescale at a granular level. There has been improvement in the volume of EHCPs we are issuing each month which is impacting positively on our backlog of overdue cases.

415: Number of Children subject to a Permanent Exclusion

Exclusions result in breaks in, and disruptions of, learning for children and young people which research shows has a negative impact on education outcomes and life-chances.

The number of confirmed exclusions in Summer 2020 is Nil with one unconfirmed exclusion. It should be noted that this figure will have been affected by school closures due to COVID-19.

Following the partial reopening of schools, the Inclusion and Norfolk Steps Teams provided support for schools in relation to 224 pupils who were previously at risk of exclusion. The Inclusion and Norfolk Steps continue to work closely with schools to support the return to school of those pupils most vulnerable to exclusion. Advice and guidance documents have been produced and shared with schools regarding how best to support pupils on return to school, particularly those most likely to find this transition challenging.

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).

No new data has been released since the previous reporting period. DfE Apprenticeship starts data across England up to 31st July 2020 represents the continuing impact of COVID-19 on recruitment. Apprenticeship starts are negatively affected with overall numbers down 47% compared to the same time last year. Under 19s continue to be the most severely impacted with 68% less.

There is no comparable Norfolk data for the same time period, our last data to April 2020 showed that overall starts locally were down 11% when compared to the same period in 2019. This is a slightly lower decline than the England average decline of 12.5%.

There is a significant amount of activity underway to raise the profile of apprenticeships and arrest the decrease in starts seen in recent times. This activity is detailed in the corresponding report card in Appendix 2 of this report.

3.12 Community and Environmental Services

3.13 In addition to the social care measures we monitor several indicators relating to access to wider services across Norfolk:

317: on call (retained) fire station availability

As previously reported, the data for this Vital Sign is not currently accessible due to ongoing reporting issues since the introduction of the new command control software (Vision 4).

Databases have moved from Oracle to SQL Server and the old reports will not run. NFRS Intelligence Unit is in the process of re-writing the reports, but the task is more complex than anticipated. This problem is ongoing, and currently only some VS data from NFRS is available. Progress is being made and a solution is anticipated soon.

The service is monitoring availability as part of day to day service management and no significant performance issues have been identified since the previous reporting quarter.

325: Customer Satisfaction (with council services)

This indicator measures customer satisfaction across a wide range of council services and communication channels.

For September 2020, overall satisfaction remained at 84%, just below the 90% target.

Email satisfaction increased marginally to 69% for September 2020 from 68% in August 2020. There has been an increase in the volume of Blue Badge and Concessionary Travel pass applications following lockdown easing. Applicants responded to the email survey to express their dissatisfaction with the outcome of a Blue Badge application, or the request to provide additional information to support their application. Therefore, the satisfaction score is skewed by the policy decision.

Phone satisfaction for September 2020 was 89%, based on the 2,154 completed surveys. Of the negative comments, 11% are directly related to the ongoing telephony issues where the call disconnects and calls goes straight to the survey. Work is ongoing with IT and Capita to resolve this issue and we expect to see satisfaction to continue to increase.

Excluding the feedback received where IT related line issues were mentioned (135), telephone satisfaction increases to 95% demonstrating the high quality of customer service.

It should be noted that the 90% performance target assumed a traditional service operating model, which is currently not the operating reality.

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, 95% of properties in Norfolk can access fast broadband which meets the target of 95%.

Work continues to extend this coverage through the Better Broadband for Norfolk partnership.

3.14 Financial and Workforce Measures

3.15 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.

3.16 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. Subject to mitigating actions, the forecast revenue outturn for 2020-21 at the end of period 6 (September) was an overspend of **£3.956m** on a net budget of £430.421m. General Balances are £19.7m and service reserves and provisions are forecast to total £73.6m. Covid-19 financial pressures have been taken into account in the forecasts.

Within the forecast overspend are significant financial pressures identified in Adult Social Services, Community and Environmental Services, and Finance, generally associated with Covid-19 related pressures (net of grants received).

Within Adults, the areas of highest pressures, the main area of forecast overspend is on Older People and Learning Disability services within the Purchase of Care budget.

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.

The ratio of corporate to frontline costs, both Budget and actual has been consistent over the past few years when adjusted for adjustments to reflect evolving changes in the way services are managed, and for year-end capital accounting adjustments.

The actual ratio forecast for 2020-21 is slightly higher than budget due to the relative impact of Covid-19 related costs within a number of public serving activities within Corporate departments.

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 2020/21 is £40.244m.

Historically the Council has a good record of achieving budgeted savings delivering £325.706m of savings in the period 2011-12 to 2018-19, against budgeted savings of £363.768m (90%).

In the current year, 2020-21, as at Period 6 (Quarter 2), a shortfall of £17.382m is forecast against a wide range of the total budgeted savings of £40.244m. (43% of planned savings). This is out of line with previous year trends for delivery and is substantially due to the impact of the response to COVID-19, which has absorbed organisational capacity and impacted on both the operating environment and underlying assumptions within saving plans.

An element of the funding received from Government for the COVID-19 response is intended to support the non-delivery of savings. Work is underway across services to re-establish delivery of saving programmes and minimise delay / non-delivery.

504 Savings – Efficiencies 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. Savings of £40.244m are budgeted for 2020-21 of which £33.679m are planned to be efficiencies (84%).

The forecast outturn position (as at Period 6), is for a significant shortfall in the delivery of savings of £17.382m, across the full savings programme due to the impact of COVID-19.

Further details are set out in monitoring reports to Cabinet. An element of the funding received from Government for the COVID-19 response is intended to support the non-delivery of savings. Forecasts for the subsequent years reflect the 2020-21 MTFS and are assumed to be broadly in line with budget.

502: Capital Programme Tracker

Members set a capital budget each year in the expectation that capital projects will be delivered, and budgets controlled.

Actual spend for the six months to September after adjusting for year-end accruals was £73m. Year end accruals account for approximately 2 months of capital expenditure, so this represents roughly 4 month’s expenditure at an average spend of £18.

In 2019-20, average monthly capital spend was £15.5m. Based on the current year’s opening capital programme and previous year’s patterns of expenditure and re-profiling this is 112% of anticipated expenditure at this stage of the year.

3.17 Workforce

3.18 A number of measures are monitored to understand the total available capacity and engagement of the organisation to deliver our services.

615: 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 2020 was 3.3%, below the target of 3.5% and compared to 3.81% 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 203.2 fte in lost productivity.

Sickness absence has consistently decreased since the pandemic restrictions. This is in line with trends reported by other organisations (CIPD website). The ceasing of all but critical services, the move to working from home and the reduction in social interactions for all of us is likely to have contributed to this.
Adults (4.4%) and Children's Services (3.2%) continue to have the highest levels of absence (although Children's Services has reduced and is now below target). We continue to work proactively with these services to understand the reasons for absence and support improvement

All other departments have absence rates at under 3.15%, with Strategy & Governance the lowest at 2.2%

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 two years.

Turnover for the last 12 months is 10.8% (9.2% voluntarily) with (683 voluntarily) employees leaving NCC employment. Of those, 201 (163 voluntary) had less than one years' service on leaving. There were a total of 963 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.

Our average retention rate during the 12 months up until the end of September is 68.01% which is broadly comparable with the 2018 national CIPFA survey where the average retention rate was 70%.

It remains the case that the pandemic has led to some instability in the job market and we continue to see increased unemployment in certain sectors leading to an increase in candidates for NCC roles and more stability in our workforce (although numbers have consistently increased since the initial drop in leavers in May). Our current insight indicates that this has had a positive impact on retention. We will continue to monitor impact over the coming months.

638: HR Performance Development (Previously appraisals) Percentage of written goals agreed

External research identifies that goals linked to future plans and conversations between managers and building on employee strengths are critical for effective people performance. This is the third year that services are operating to plans on a page supporting the linkage between performance development and organisational goals.

At end of Oct 2020 79% of colleagues had their date of written goals agreed recorded. A significant improvement from Oct 2019 (48%), although below the target. Actions taken to provide dashboard information at Directorate and Service level on completions and non-completions for 20/21 together with new functionality within My HR and Payroll has improved ease of recording and tracking.

639: Vacancy Rate (Accuracy of establishment data)

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.

The vacancy rate for September 20 was 9.8%, so below the target rate, although increasing slightly from a July low of 9.2%. The overall trend continues to move downwards with a 12-month rolling average of 10.71% in September 2020.

COVID-19 has had an impact on the workforce with considerably fewer leavers in the three months of lockdown, between 50 and 75% of those in February. The numbers are now increasing again, but still below pre lockdown levels, which reflects continued uncertainty in the marketplace.

4. Impact of the Proposal

4.1 Information Report

5. Evidence and Reasons for Decision

5.1 N/A

6. Alternative Options

6.1 Information Report

7. Financial Implications

7.1 N/A

8. Resource Implications

8.1 Staff N/A

8.2 Property N/A

8.3 IT N/A

9. Other Implications

9.1 **Legal Implications** N/A

9.2 **Human Rights implications** N/A

9.3 **Equality Impact Assessment (EqIA) (this must be included)** N/A

9.4 **Health and Safety implications** (where appropriate) N/A

9.5 **Sustainability implications** (where appropriate) N/A

9.6 **Any other implications** N/A

10 Risk Implications/Assessment

10.1 This report is intended to be read with the Risk Management Report.

11 Select Committee comments

11.1 N/A

12 Recommendations

12.1 This report is for information and therefore, there are no recommendations.

13. Background Papers

13.1 Information within Appendices 1 and 2

Officer Contact

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

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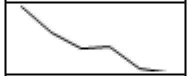
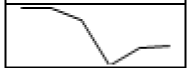
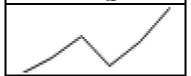
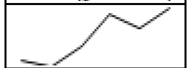
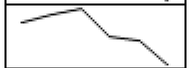
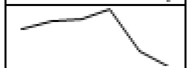
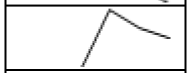
IN TRAN communication for all

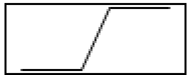
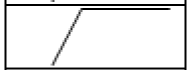
If you need this Agenda in large print, audio, Braille, alternative format or in a different language please contact Corinne Lawrie 0344 800 8020 or 0344 800 8011 (textphone) and we will do our best to help.

Appendix 1: Corporately Significant Vital Signs Dashboard – Monthly Indicators

Corporately significant vital signs – Sept. 2020

Ref	Monthly	Bigger or Smaller is better	Apr 20	May 20	Jun 20	Jul 20	Aug 20	Sep 20	Target	Trend	Past Performance
202	(ASC) % of people who require no ongoing formal service after completing reablement	Bigger	58.1%	60.3%	59.5%	63.2%	61.6%	60.4%	69%	↘	
203	(ASC) Decreasing the rate of admissions of people to residential and nursing care per 100,000 population (18-64 years)	Smaller	23.31	21.74	20.37	19.98	19.98	20.76	22.70	↗	
204	(ASC) Decreasing the rate of admissions of people to residential and nursing care per 100,000 population (65+ years)	Smaller	563.8	536.11	520.62	522.49	499.96	495.27	571.1	↘	
317	(NFRS) On call (retained) fire station availability	Bigger	N/A	N/A	N/A	N/A	N/A	N/A	90%	↗	
325	Customer satisfaction (with council services)	Bigger	91.6%	91.5%	89.3%	80.7%	84.0%	84.3%	90%	↘	
400	(ChS) Percentage of Referrals into Early Help Services who have had a referral to EH in the previous 12 months	Smaller	7.5%	9.8%	13.1%	8.6%	12.1%	17.3%	20%	↗	
401	(ChS) Percentage of Referrals into Section 17 CIN Services who have had a referral to S.17 CIN in the previous 12 months	Smaller	28.4%	22.8%	16.8%	19.1%	22.6%	17.3%	20%	↘	
402	(ChS) Percentage of Children Starting a Child Protection Plan who have previously been subject to a Child Protection Plan (last 2 yrs)	Smaller	10.0%	9.8%	10.5%	11.5%	11.0%	11.7%	<15%	↗	
404	Child in Need (CIN) with up to date CIN Plan	Bigger	70.0%	74.4%	75.3%	71.0%	69.9%	65.9%	100%	↘	
405	(ChS) Child Protection (CP) - % children seen	Bigger	97.6%	98.4%	99.1%	96.5%	96.0%	93.6%	100%	↘	
406	(ChS) LAC with up to date Care Plan	Bigger	95.3%	93.9%	94.3%	95.1%	96.0%	91.6%	100%	↘	
408	(ChS) LAC with up to date Health Assessment (HA)	Bigger	82.2%	86.2%	87.0%	89.1%	90.1%	91.5%	100%	↗	
414	(ChS) Percentage of all young people in EET	Bigger	90.4%	90.2%	90.2%	89.9%	90.2%	80.7%	92%	↘	
417	(ChS) Percentage of Relevant and Former Relevant Care Leavers in EET	Bigger	52.9%	53.5%	53.7%	54.3%	51.5%	50.5%	70.0%	↘	
500	(Finance) Budget monitoring – forecast vs budget at a County level	On plan	-£0m	£1.58m	£7.78m	£7.9m	£5.31m	£3.96m	£0.0m	↘	

Appendix 1: Corporately Significant Vital Signs Dashboard – Monthly Indicators

501	{Finance} Savings targets delivered - by Service	Bigger	£40.24m	£22.14m	£22.46m	£22.46m	£22.94m	£22.86m	£40.2m	↗	
502	{Finance} Capital programme tracker	Bigger	N/A	N/A	102.2%	112.6%	109.0%	112.0%	100.0%	↗	
503	{Finance} Ratio of corporate net expenditure compared to frontline net expenditure	Smaller	N/A	N/A	6.9%	6.9%	7.0%	6.9%	6.8%	↗	
504	{Finance} Savings - Savings – Efficiencies compared to Front Line	Bigger	83.7%	85.0%	85.0%	85.0%	85.3%	85.3%	84.0%	↗	
615	{HR} Sickness absence - percentage lost time	Smaller	3.60%	3.54%	3.40%	3.45%	3.44%	3.30%	3.50%	↘	
637	{HR} New Employee Retention	Bigger	68.50%	63.64%	68.33%	76.47%	64.86%	87.50%	80.0%	↗	
639	{HR} Vacancy rate	Smaller	11.7%	9.7%	11.7%	9.2%	9.5%	9.8%	12.00%	↘	

Appendix 1: Corporately Significant Vital Signs Dashboard – Quarterly, Termly and Annual Indicators

Ref	Quarterly	Bigger or Smaller is better	June 20	Sept 20	Target	Past Performance
311	{BBfN} % of Norfolk homes with superfast Broadband coverage	Bigger	95%	95%	95%	
349	{PE} Number of apprenticeship starts	Bigger	4,210	N/A	5,021	Data is cumulative
403	{ChS} Percentage of Children Starting to be looked-after who have previously been looked-after	Smaller	5.1%	2.8%	<15%	
410	{ChS} Rate of Looked-After Children per 10,000 of the overall 0-17 population	Smaller	64.5	64.9	69.4	
416	{ChS} Percentage of Education, Health & Care Plans completed within timescale	Bigger	19.8%	19.8%	55%	
638	{HR} Performance Development % of written goals agreed	Bigger	58%	79%	95%	

	Termly		Autumn 19	Spring 20	Summer 20
415	{ChS} Number of Children subject to a Permanent Exclusion	Smaller	84	38	0

Appendix 2: Individual Report Cards

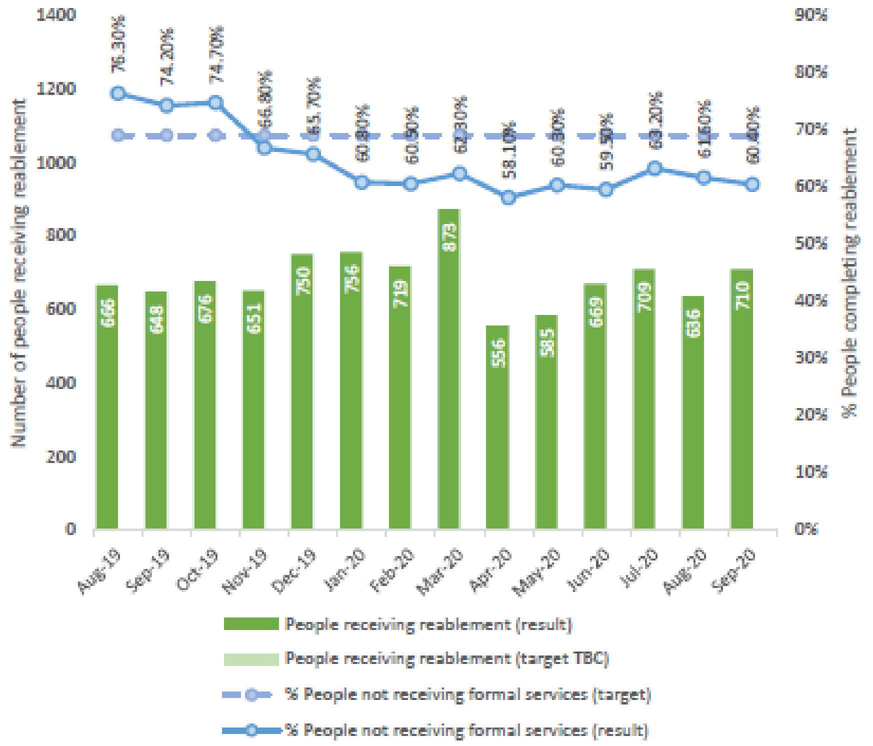
202: The effectiveness of Reablement Services -% of people who do not require long term care after completing reablement

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 these targets were exceeded. NCC invested further in NFS in 2019-20 and the CCGs provided some more funding in the latter part of 2019-20 and in 2020-21 , meaning more people have been reabled.

Performance

The percentage of people receiving reablement that do not go on to require formal care services



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
- With the COVID-19 outbreak many people initially were reluctant to have face to face visits from Norfolk First Response plus there were less hospital discharges.
- However, the number of visits each day have increased since May and are almost back to levels at the end of March but not those pre-Covid
- Staff have been supported through clarity on infection control and now having a stable source of PPE

What are the planned actions?

- To continue to work on targeted recruitment to vacancies within 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.
- Maximising capacity within the service
- Norfolk First Response are undergoing a review and recommendations from the review will be the focus until the end of this financial year

What is the action status?

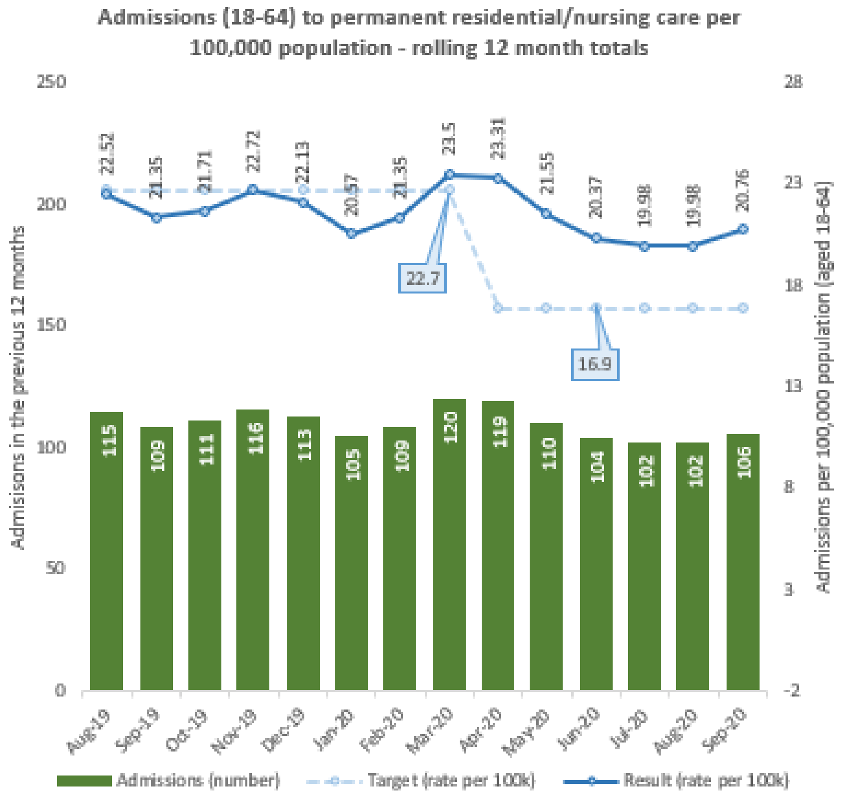
- Recruitment and induction is continuing.
- Norfolk First Response review is main focus while maintaining a quality, effective service during a pandemic .

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.
- 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
- Analysis shows that there has historically been a 'data lag' for this indicator, meaning that some admissions do not make it onto our system immediately, artificially reducing the rate for most recent months. However, work with practitioners has improved data compliance.
- Analysis of choices for younger people with disabilities highlighted shortcomings in options for people, with a lack of 'step-down' or step-up facilities for people as an alternative to permanent accommodation. In response, we have developed two accommodation-based enablement schemes.
- Approximately 120-150 very accessible housing units are needed over the next 5 to ten years across the county, with particular pressure in the East and West of the county
- The reporting period here is pre-COVID-19, following which fewer people we support have been able to change their accommodation, but work continues to develop alternatives to residential accommodation.
- We have launched a new Preparing for Adult Life Service which works across adults, children's, education and health to support and improve transitions between children's and adults services.

What are the planned actions?

- Development of 2 further accommodation-based enablement schemes is in progress.
- Carrying out an options appraisal to inform the recommissioning of our shared lives provision.
- Actions to increase the take up of direct payments so more people can manage and arrange their own bespoke care
- Development of a comprehensive housing needs register, and engagement with people who use our services to help shape an accommodation strategy
- Building a business case for bespoke specialist accommodation for those with the most complex needs.
- Creating alternatives to residential care for individuals with severe, enduring mental health issues.
- We are also recruiting a team of reviewers to review residential settings to ensure that they are of high quality, meet the needs of residents and deliver great outcomes.

What is the action status?

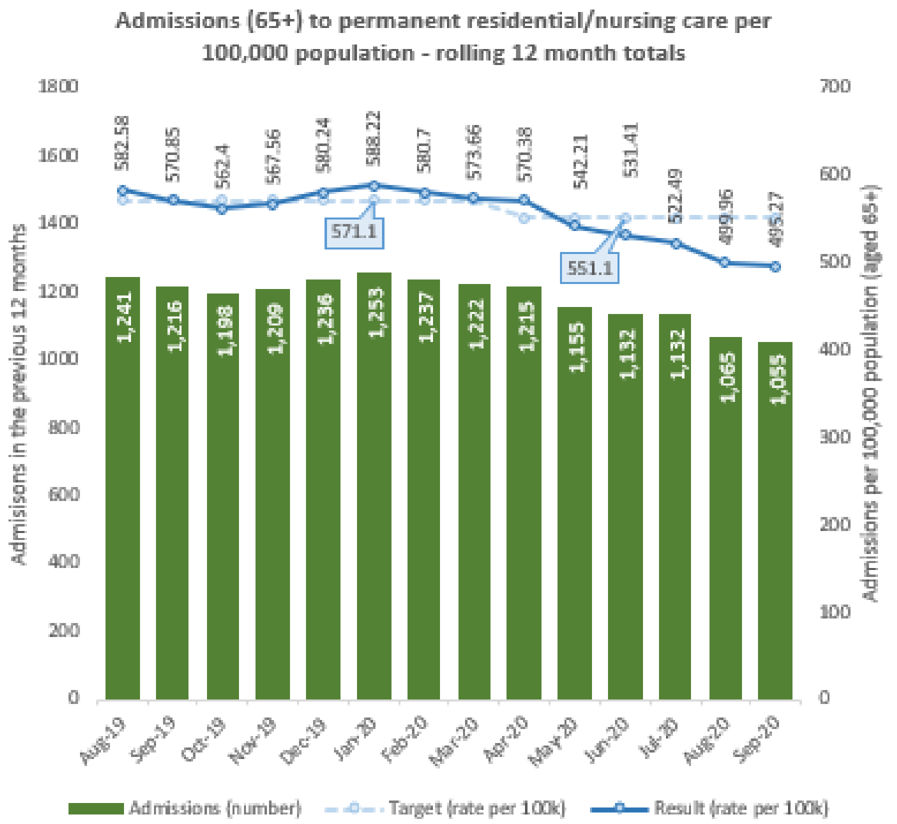
- Implementation of Living Well model of social work is ongoing.
- A Physical Disability plan has been agreed and being delivered by the physical disability work group, made up of operational Physical Disability leads from locality teams, commissioners and finance colleagues.
- Monthly Steering groups across specialisms, and performance and finance meetings at locality level to develop actions, scrutinise performance, identify issues, and problem solve.
- We have a dedicated joint commissioning/operational team reviewing all our Supported Living settings in Learning Disabilities to ensure that they are of high quality, meet the needs of residents and deliver great outcomes.
- The Supported Living Reviewing Team commenced in 2019/20, and has delivered £2.45m in savings to date, with a projected additional £0.800m when the remaining reviews are completed.

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 statistical family group average
- Over the past three years the rate of admissions in Norfolk has decreased and the most recent benchmarking data shows that Norfolk's rates of admission for older people are just below the England average and 'family group' average.
- In the last year reductions have been driven by a focus on preventing older people requiring permanent residential care. Whereas people would previously often be admitted to residential care indefinitely (or "permanently"), there has been a much greater focus on reablement and rehabilitation (including new accommodation-based reablement schemes)
- Nevertheless there appears to be a real reduction in the rate of permanent admissions, as overall numbers of people in long term residential care has reduced slightly in the last year. As overall numbers of people aged 65+ within all 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.
- Analysis of the impact of COVID to date highlights that Adult Social Services is supporting more people than anticipated. However, further work needs to happen to understand if this will have a significant impact on the rate of permanent admissions.
- The most recent wave has seen increasing pressure on hospitals, and on social care teams to support smooth flow.
- Additional short-term beds have been commissioned to support this, so we may well see an increase of short-term placements.

What are the planned actions?

- Commissioning activity in line with the agreed joint winter plan to focus on effective interventions such as reablement, sustainable domiciliary care provision, crisis management and extra care accommodation
- We are following up with people who were discharged from hospital between March and September to ensure their needs are reviewed and their care plans are robust
- We are reviewing – with NHS partners – how out of hospital services are best organised, ensuring a balance between reablement, rehabilitation, and other community based support.

What is the action status?

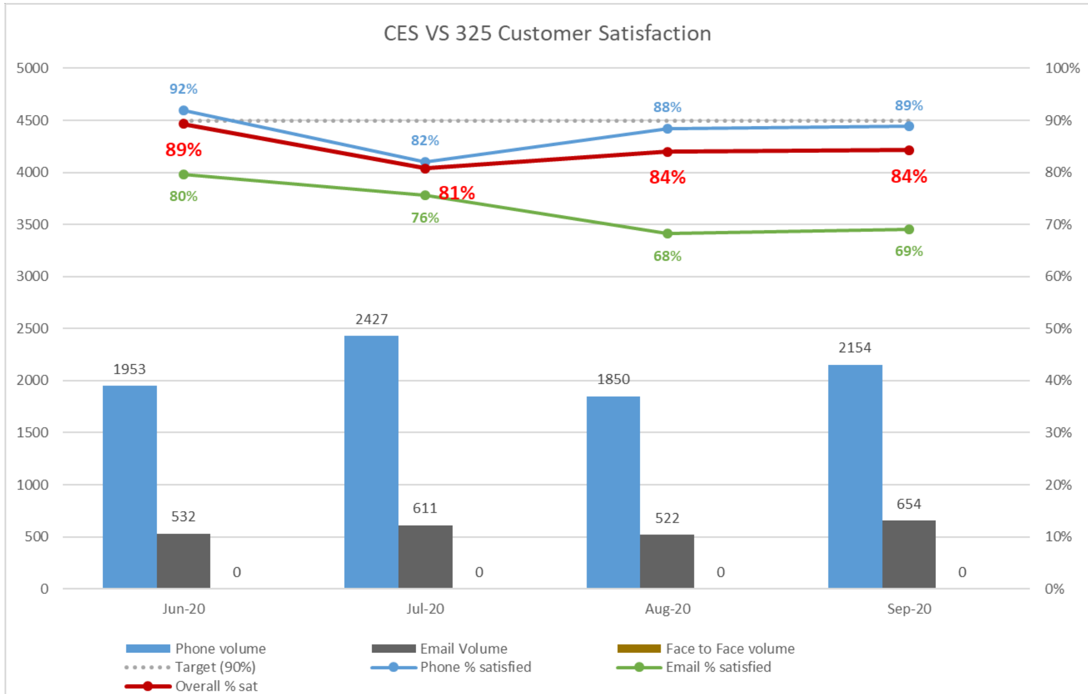
- Daily activity reporting is available to track discharges from hospitals
- Systematic approach underway to review people already discharged.
- Focus on assessing and reviewing people in the community – rather than in hospital – to support maximum return to independent living.
- Reablement activity is returning closer to pre-COVID levels which will contribute to enabling people to return to live in their homes

325: Customer Satisfaction (with council services)

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?

<u>Overall satisfaction</u>

Overall satisfaction remained at 84% for September 2020

<u>Email</u>

Email satisfaction increased to 69% for September 2020, based on the 654 completed surveys. Blue Badge and Concessionary Travel pass application volumes are increasing following lockdown easing. Applicants used the survey to express their dissatisfaction with the outcome of a blue badge application, or having to provide additional information to support their application.

<u>Phone</u>

Phone satisfaction was 89% for September, based on the 2,154 completed surveys.

Of the negative comments, 11% are directly related to the ongoing telephony issues where the call disconnects and calls goes straight to the survey. IT and Capita continue to work on the issues and a fix is due to be implemented by the end of the month.

Excluding the feedback received where line issues were mentioned (135), telephone satisfaction increases to 95%. Overall satisfaction increases to 89%. It's a similar pattern to last month

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

- IT to investigate and fix the issue where customers can leave multiple feedback.
- IT to complete investigation of calls not connecting to an agent

Responsible Officers

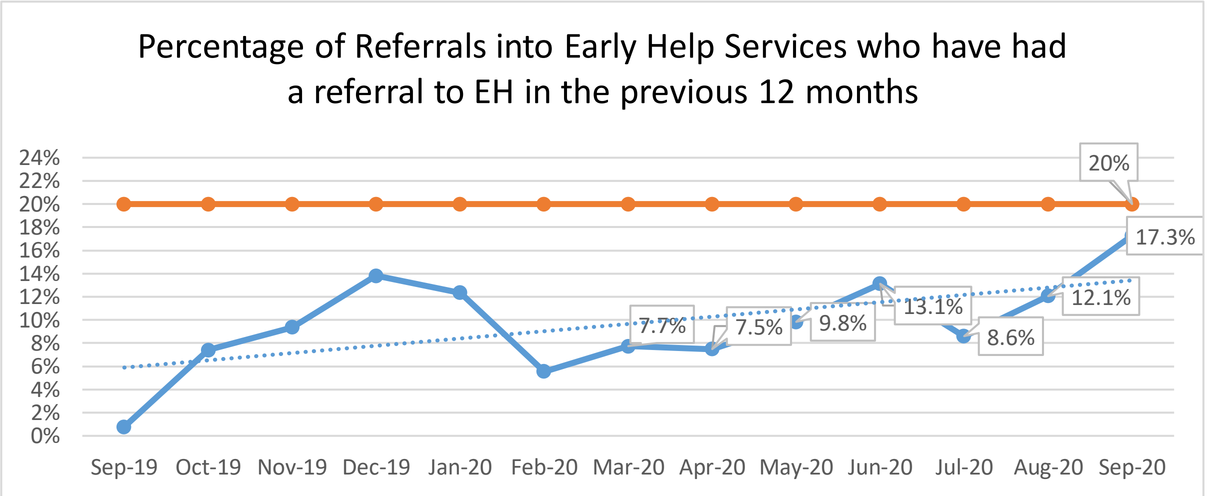
Lead: Ross Cushing, Contact Centre Delivery Manager; Data: Paul Green, Customer Services Reporting Officer

400: Percentage of Referrals into Early Help Services who have had a referral to EH in the previous 12 months

Why is this important?

To ensure we are providing good and sustainable outcomes for children who have previously had a Referral into Early Help Services

Performance



What is the background to current performance?

- Over the last quarter then has been an overall increase in Family Support Cases
- An increase of contacts with the presenting issue of Family Support and Step Downs from Social Work
- As contacts and referrals have increased so have re-referrals

What will success look like?

- A reduction of re-referrals into services

Action required

- Continued focus upon quality, to ensure interventions are effective
- Continued close working relationship to strengthen the intervention ability in Community and Partnerships.

Responsible Officers

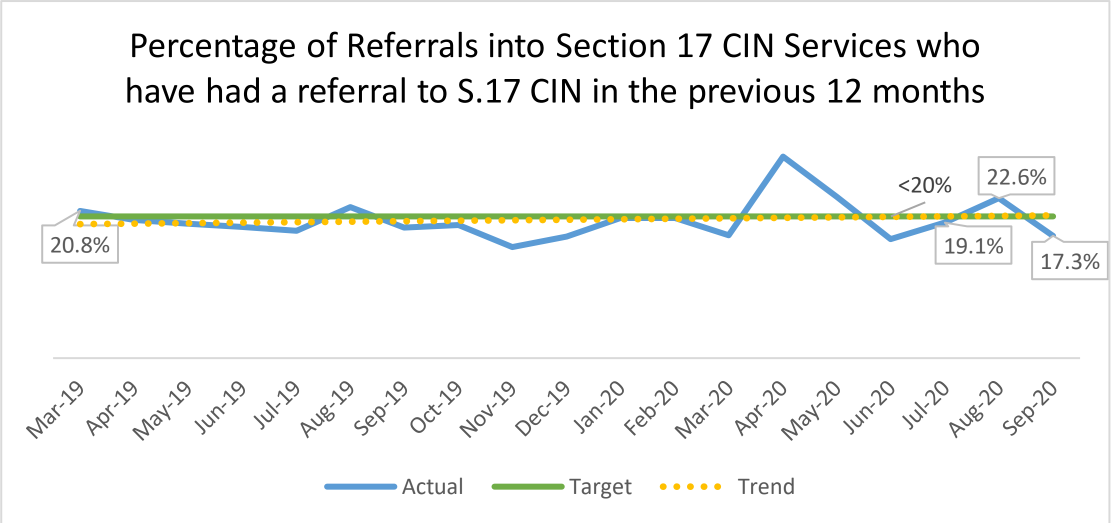
Lead: Daniel Newbolt - (Assistant Director CSC) Data: George Potter (Senior Systems & Reporting Manager

401: Percentage of Referrals into Section 17 CIN Services who have had a referral to S.17 CIN in the previous 12 months

Why is this important?

To measure and ensure the efficacy of Social Work assessment and intervention.

Performance



What is the background to current performance?

- An overall reduction of contacts and referrals compared to the same point last year
- Lower level contacts coming to the front door CADS
- The overall CIN population has reduced from 1385 in July to 1324 in September

What will success look like?

- A continued reduction of re-referrals into services

Action required

- Further improving the effective involvement of family networks meaning resultant plans are more sustainable.
- Improvement in step-down process to ensure plans are overseen and contingency plans adhered to.

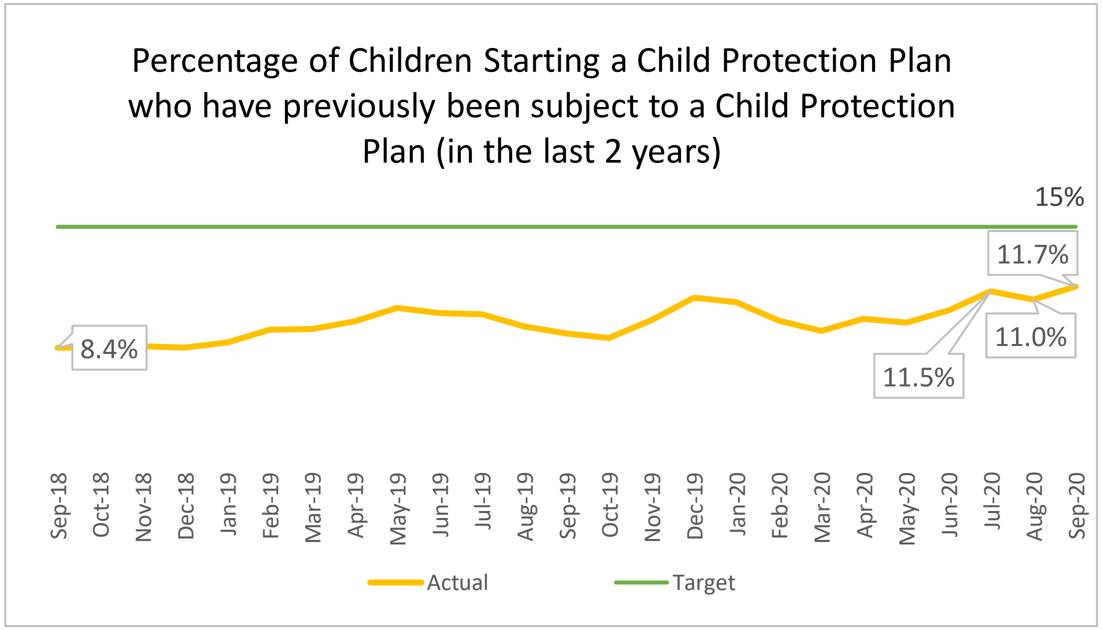
Responsible Officers	Lead: Daniel Newbolt – (Assistant Director CSC) Data: George Potter (Senior Systems & Reporting Manager)

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?

To ensure we are providing and have provided good and sustainable outcomes for children who have had a Child Protection Plan

Performance



What is the background to current performance?

- Strategy Discussions apart from the month of August have stayed at the levels seen in the first quarter but lower than the same point last year
- Throughout the quarter the number of Section 47 investigations have reduced
- The overall CPP population has reduced from 614 to 530 in the last quarter
- Overall re-referrals to Social Care are reducing in the quarter to 17.8% in September

What will success look like?

- A reduction of the % of children who are subject to child protection plan for a second or subsequent time

Action required

- Further improving the effective involvement of family networks meaning resultant plans are more sustainable

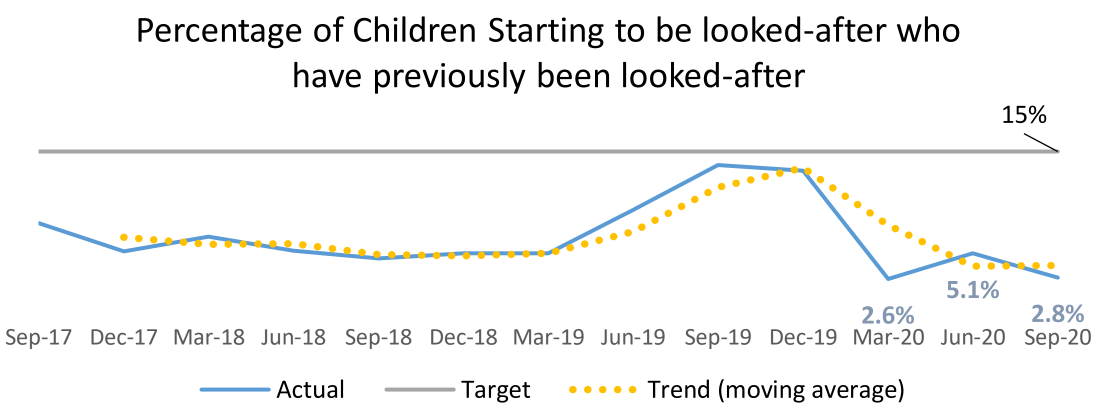
Responsible Officers	Lead: Daniel Newbolt (Assistant Director, CSC)	Data: George Potter (Senior Systems & Reporting Manager)

403: Percentage of children starting to be looked after who have previously been looked after

Why is this important?

To ensure we are providing good and sustainable outcomes for children who have previously been looked after

Performance



What is the background to current performance?

- The Looked After Children population has decreased in the quarter 1096 to 1103 in the quarter if you exclude the 33 UASC
- There has been a consistently lower amount in admissions to care if you exclude the UASC population
- Focus on Family Network and Signs Of Safety allows us to plan creatively with families to prevent LAC unless really needed
- Good edge of care support and focus on reunification of long term LAC

What will success look like?

- A reduction of the number and percentage of children who are readmitted to care

Action required

- Transformation of LAC/LC to ensure full use of family networking approach and signs of safety to find safety within the family
- Transformation also embeds clinical work within social work teams, promoting stabilisation and return home work, to go live April 2021
- Focus on life story approach to support restorative way of working for longer term LAC
- Continued embedding of edge of care support such as Stronger Families and Family Networking
- Introduction of NWD to further reduce number of adolescents becoming long term LAC

Responsible Officers

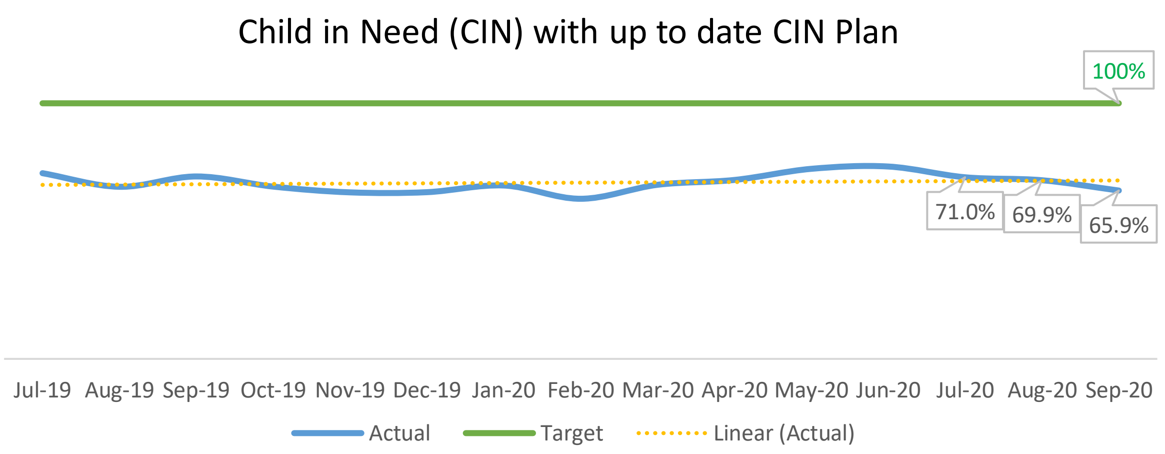
Lead: Daniel Newbolt (Assistant Director CSC) Data: George Potter (Senior Systems & Reporting Manager)

404: Child in Need (CIN) with up to date CIN Plan

Why is this important?

Demonstrates driving positive outcomes with management oversight a plan for Children in Need

Performance



What is the background to current performance?

- CIN section 17 numbers in the quarter have fallen from 1342 to 1324 (with a rise in July to 1385)
- CIN number including CPP have fallen from 1970 to 1854 (with a rise in July to 1999)
- CIN Visits have remained above 80% during this period as contact with children was prioritised

What will success look like?

- Children seen within timescales
- Good quality visits to children
- Family Network Approach used as foundation of CIN planning.

Action required

- Continued focus upon Family Network to lead and inform planning.

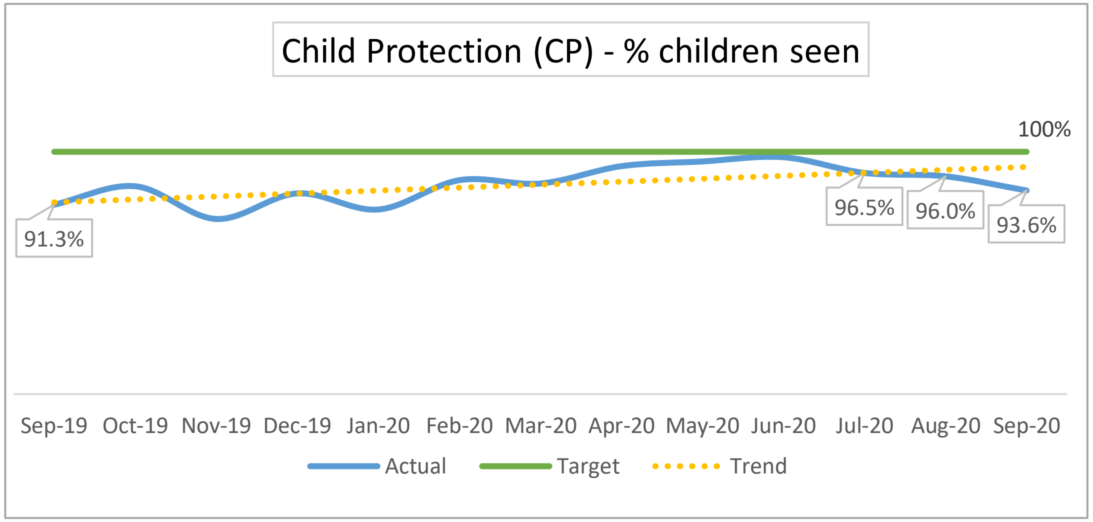
Responsible Officers Lead: Daniel Newbolt (Assistant Director CSC) Data: George Potter (Senior Systems & Reporting Manager)

405: Child Protection (CP) - % children seen

Why is this important?

By visiting children regularly this informs planning and safety factors. Additionally, it ensures we mitigate risk and understand the child's lived experience as part of the care planning process

Performance



What is the background to current performance?

- All CP children are seen face to face unless there is an overriding risk to children from Covid.
- The overall CPP population has reduced from 628 to 530 in the last quarter
- There was an increase in new CP children in July with 88 new plans compared to 54 the month previously
- 97% of CP children in the last year are seen within the 20 day national standard

What will success look like?

- Children seen within timescales
- Good quality visits to children

Action required

- Continued focus upon purposeful visits that clearly gain the voice of the child.

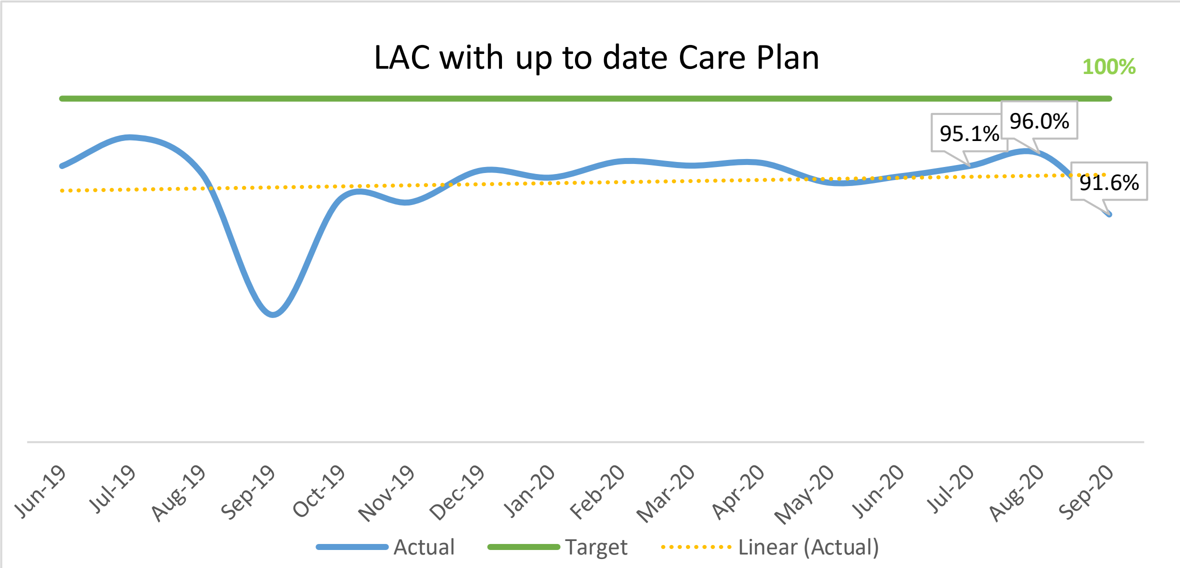
Responsible Officers	Lead: Daniel Newbolt (Assistant Director CSC)	Data: George Potter (Senior Systems & Reporting Manager)

406: LAC with up to date Care Plan

Why is this important?

By ensuring LAC have an up to date care plan we can ensure their needs are met and provide stability to their placement

Performance



What is the background to current performance?

- The Looked After Children population has increased from 1096 to 1103 in the quarter
- When the UASC population is removed from the LAC numbers are 999 children
- There has been a rise in admissions to care from 17 in July to 21 in September, however this also included an abnormal 44 in August/Sept as we received a UASC allocation from South East
- The number ceasing care has risen from 22 in July to 27 in September an upward trajectory
- Despite the lockdown children being visited has stayed around the 98% mark
- Childs participation in their reviews is at 98.7%
- 53.4% of children attended their reviews in September (60.3% in July and 74% in August)

What will success look like?

- A large proportion of LAC with an up to date Care Plan – at least 90%
- Plans that include the decisions of the most recent LAC Review
- Good quality Plans that include the child's voice
- Care plans are written in a way that children can understand and engage with their own plan

Action required

- A renewed focus on creatively supporting attendance at LAC reviews for children – children experiencing fatigue with virtual meetings which increased when they returned to school in Sept
- Focus on care plans remains – compliance and quality – audits review care plan to give clear themes
- Work underway on recording care plans for a child so they are able to own it

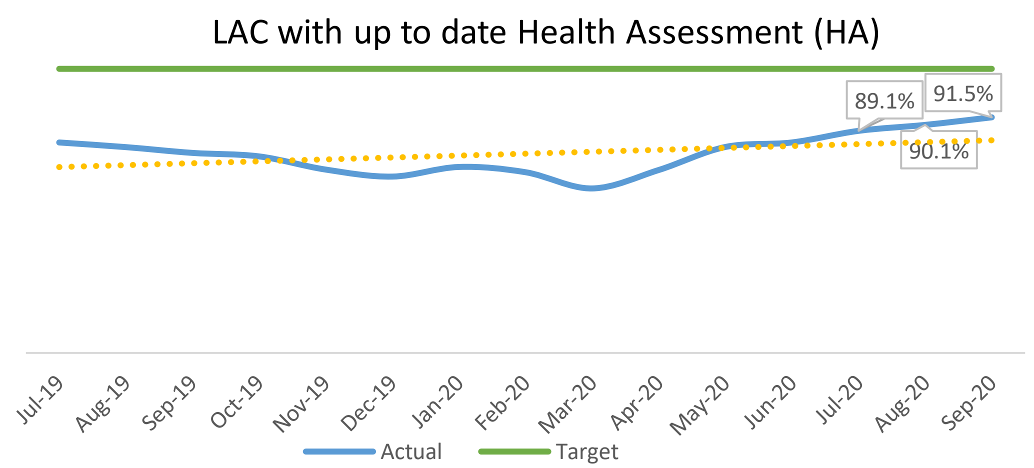
Responsible Officers	Lead: Kate Dexter Assistant Director for Corporate Parenting Data: George Potter (Senior Systems & Reporting Manager)

408: LAC with up to date Health Assessment (HA)

Why is this important?

To ensure that we are a good Corporate Parent to the children in our care, that their health needs are assessed regularly

Performance



What is the background to current performance?

- Norfolk Community Health & Care (NCH&C) LAC Health Team have worked with NCC Childrens Services to improve performance
- SW teams have focused on ensuring requests for assessments are sent to health colleagues in good time

What will success look like?

- All Looked After Children having regular health checks within timescale
- Initial Health Assessments will be completed within 28 days of a child becoming Looked After

Action required

- Improvements continue across NCC and our Health Colleagues – this now needs to be maintained and improved upon until we can reach 100%
- A significant number of UASC brought into Norfolk due to the crisis in the South East – 36 young people in the month of September – work must continue to ensure that this does not impact on the health and wellbeing of all newly Looked After young people
- We continue to experience some 'was not brought' appointments with carers not presenting young people for health assessments – SW Teams and Fostering service are now working together to ensure this does not continue, with social work teams following up any missed appointments with carers/providers

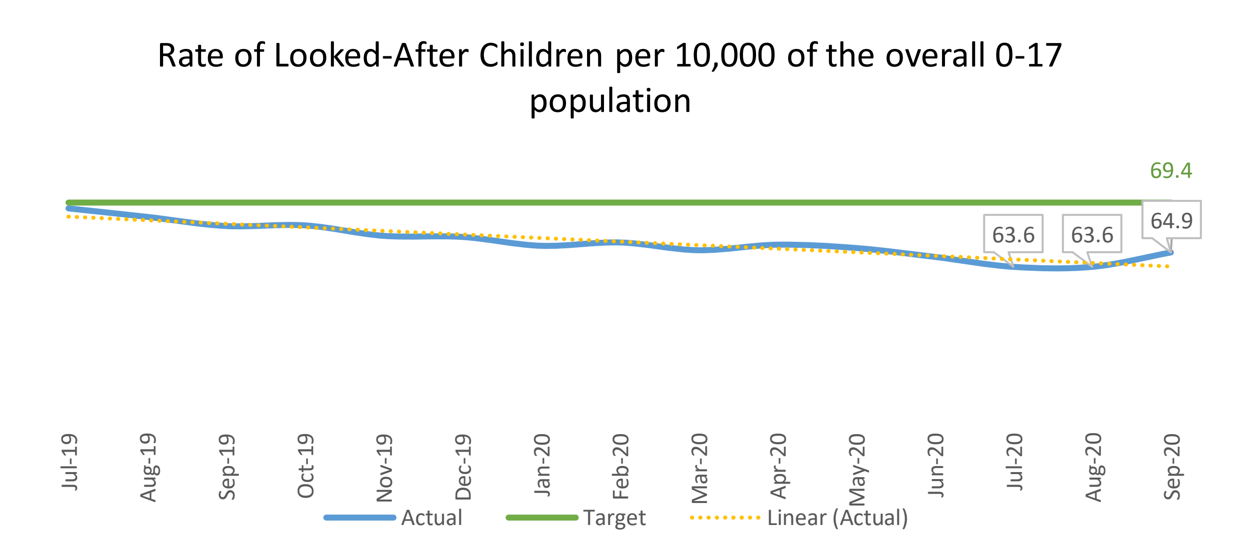
Responsible Officers	Lead: Kate Dexter Assistant Director Corporate Parenting Data: George Potter (Senior Systems & Reporting Manager)

410: Rate of Looked-After Children per 10,000 of the overall 0-17 population

Why is this important?

The rate of LAC enables a comparison across National, Regional and Statistical Neighbours

Performance



What is the background to current performance?

- The Looked After Children population has increased from 1096 to 1103 in the quarter
- When the UASC population is removed from the LAC numbers are 999 children an actual reduction overall
- There has been a rise in admissions to care from 17 in July to 21 in September, however this also included an abnormal 33 in August as we received a UASC allocation
- The number ceasing care has risen from 22 in July to 27 in September an upward trajectory

What will success look like?

- A reduction of LAC to a rate to that of similar local authority areas

Action required

- Continue to monitor LAC numbers excluding UASC to ensure we understand trends and needs of cohort
- Ensure we have services/resources in right place to continue return home and edge of care work effectively and in timely way
- Promote family networking approach in LAC/LC now we have advisors in post

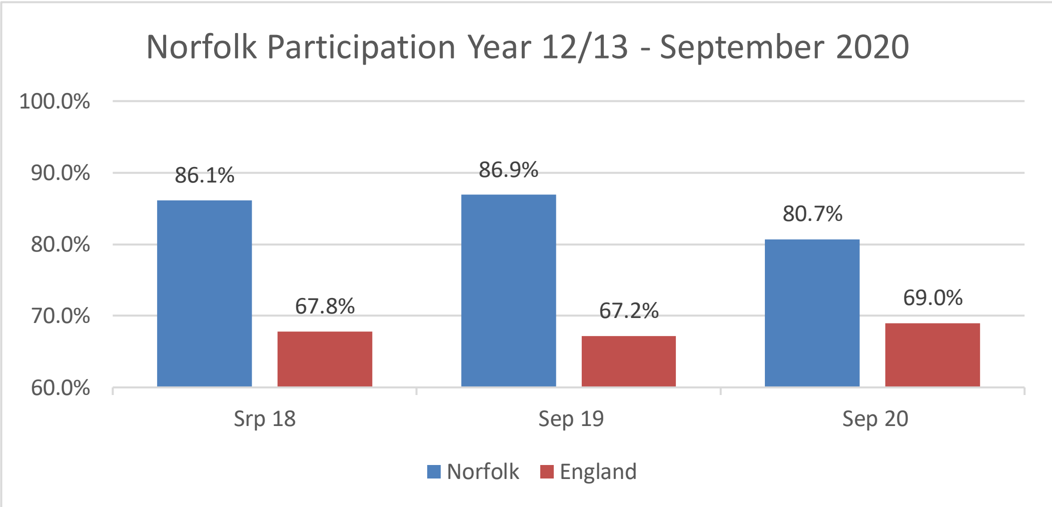
Responsible Officers	Lead: Kate Dexter Assistant Director Corporate Parenting Data: George Potter (Senior Systems & Reporting Manager)

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
- Norfolk's Employment without training (1.4%) is twice that of England's (0.7%)
- Participation and Not Known figures vary widely between LA's at this time of year dependent on when they move year 11s into transition and Further Education Enrolment lists ate updated.

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 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: Peter Kean-Cockburn, Information Systems and Analysis Officer

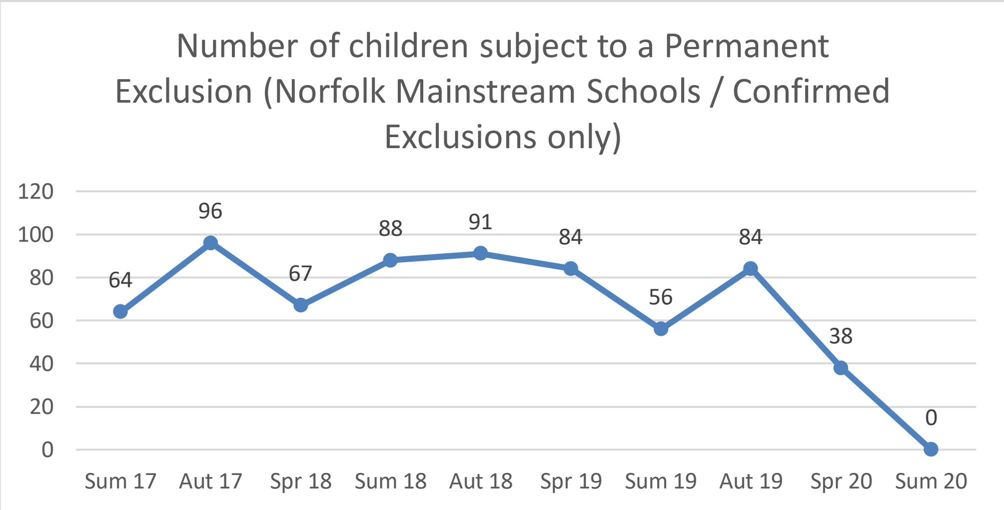
415: Number of children subject to a Permanent Exclusion. Summer term 2020

This report is based on mainstream schools and only Confirmed Exclusions (as per DfE methodology)

Why is this important?

Exclusions result in breaks in, and disruptions of, learning for children and young people which research shows has a negative impact on education outcomes and life-chances.

Performance



Reported termly

What is the background to current performance?

- Nil confirmed in Summer (One unconfirmed)
- The number of exclusions in Spring 2020 was significantly lower than in the previous two years - it should be noted that this figure will have been affected by school closures due to COVID-19. *However, there was a decline in the number of exclusions during the period schools were open, in comparison to the same period in the previous year.*
- Following the partial reopening of schools, the Inclusion and Norfolk Steps Teams provided support for schools in relation to 224 pupils who were previously at risk of exclusion
- The Inclusion and Norfolk Steps are currently working closely with schools to support the return to school of those pupils most vulnerable to exclusion
- Advice and guidance documents have been produced and shared with schools regarding how best to support pupils on return to school, particularly those most likely to find this transition challenging

What will success look like?

Fewer children subject to Permanent Exclusions from schools & colleges

Action required

For pupils who need short term intensive interventions to stabilise challenging behaviours to receive this whilst remaining in mainstream settings through a combination of bespoke support and accessing alternative provision as appropriate.

For pupils to make timely reintegrations from the Short Stay School for Norfolk when appropriate.

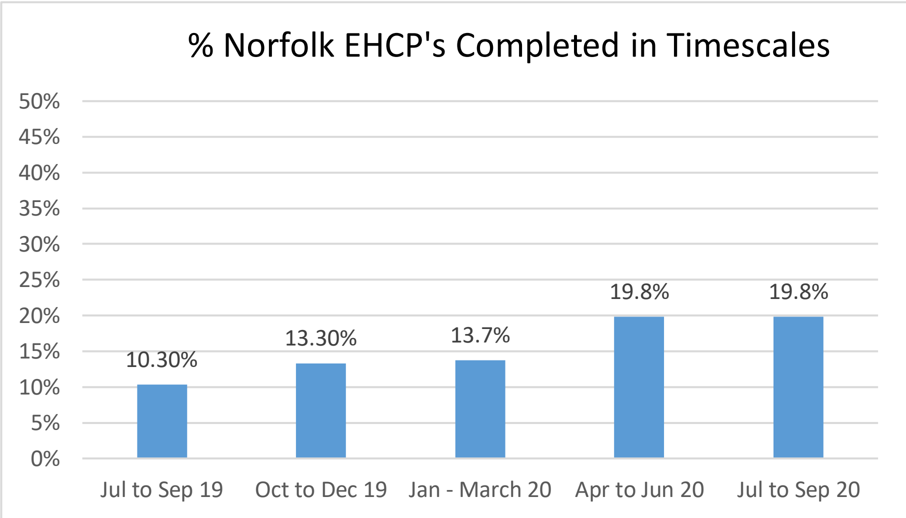
Responsible Officers	Lead: Andy Tovell, Head of Service, Education Vulnerable Groups Achievement & Access Data: Dom Mingaye, Data Manager, Education Achievement and EY Service

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



What is the background to current performance?

- EHCP timescale performance has been an area of leadership focus since 2018 and has been overseen within the SEND and AP Transformation Programme. Governance has now moved to the Ofsted / CQC Written Statement of Action.
- Performance directly relates to the significant increase in the rates of assessments for EHCPs carried out by the Local Authority with thresholds for such set out in statutory legislation.
- Rates of assessments carried out have risen by 70% since 2016.
- Referrals for assessment and assessments carried out continue to rise and has outstripped additional capacity and so we have not yet seen a significant performance improvement. There have been some dips during 2020 due to the impact of Coronavirus.
- Further investment is being made in the EHCP workforce as part of the 20/21 budget to continue to respond to the rising referral rate. Recruitment is complete and additional resource will be in place by the end of the term.
- EHCP systems and processes have not been robust enough to track and manage progress through the timescale at a granular level.
- We have improved the volume of EHCPs we are issuing each month which is impacting positively on our backlog of overdue cases.

What will success look like?

- Success will be where Norfolk's timescale completion rates reflect at least the national average which currently stands at 60%.
- Norfolk's overall ambition is to have timescale completion rates of 90%+.
- The overall number of days taken to issue an EHCP has been gradually improving and there is a steady reduction in the numbers of cases out of timescales.

Action required

- EHCP Timescale Performance and Quality is a central theme of NCC's Ofsted / CQC SEND Written Statement of Action. A robust action plan has been constructed which DfE has confirmed is a strong response to our challenges.
- The Actions within the WSOA are subject to direct scrutiny by the Head of Service and Director for Learning and Inclusion and in turn reports to the WSOA Executive Board chaired by the Executive Director.

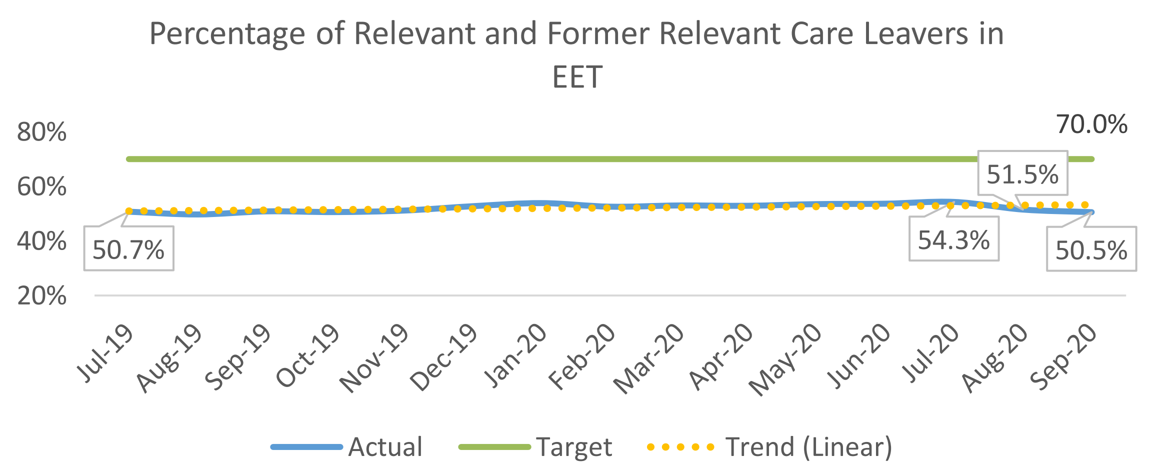
Responsible Officers	Lead: Nicki Rider, Interim Head of Education High Needs SEND Service Data: Dom Mingaye, Data Manager Education Achievement and Early Years Service

417: Relevant & Former Relevant Care Leavers (aged 19-21) in Employment, Education or Training

Why is this important?

To ensure that Care Leavers are afforded the opportunities that will give them life long skills and financial stability

Performance



What is the background to current performance?

- The trajectory throughout lockdown was for us to be increasingly in touch with Care Leavers to know their current situation
- Care Leavers have found the contact at times overwhelming
- In September we were in touch with 75.9% of our Care Leavers
- In September 90.2% of Care Leavers were in Suitable Accommodation

What will success look like?

- All Care Leavers reaching their potential by being in Employment, Education or Training

Action required

- Continued focus on EET within Corporate Parenting Sub Group - Member led, new initiatives about to begin
- Further plans around transformation of LC services in Norfolk to go live April 2021
- Tenancy Awareness and employment courses begin Jan 2021
- Meeting with Districts and County to explore wider opportunities for employment and building of CV within Norfolk LG
- Work beginning Dec 2020 on CL Covenant and Kickstart

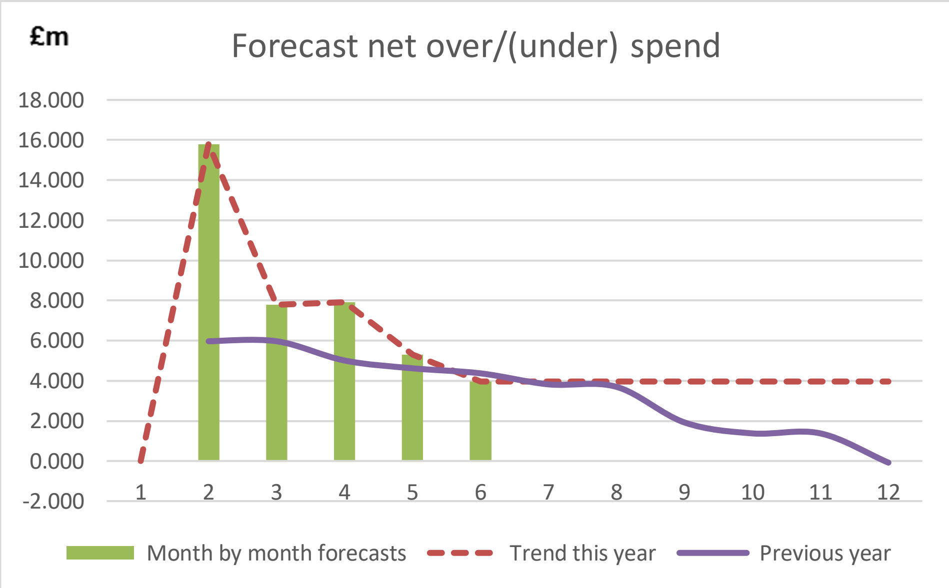
Responsible Officers	Lead: Kate Dexter (Assistant Director Corporate Parenting)	Data: George Potter (Senior Systems & Reporting Manager)

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 P6 (end of September 2020) overspend of **£3.956m** for 2020-21.

What is the background to current performance?

Subject to mitigating actions, the forecast revenue outturn for 2020-21 at the end of period 6 (September) was an overspend of **£3.956m** on a net budget of £430.421m. General Balances are £19.7m and service reserves and provisions are forecast to total £73.6m. Covid-19 financial pressures have been taken into account in the forecasts.

Within the forecast overspend are significant financial pressures identified in Adult Social Services, Community and Environmental Services, and Finance, generally associated with Covid-19 related pressures (net of grants received).

Within Adults, the areas of highest pressures, the main area of forecast overspend is on Older People and Learning Disability services within the Purchase of Care budget.

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 take measures throughout the year to reduce or eliminate potential over-spends.

Responsible Officers	Lead: Harvey Bullen, Director of Financial Management Data: Howard Jones, Corporate Accounting Manager

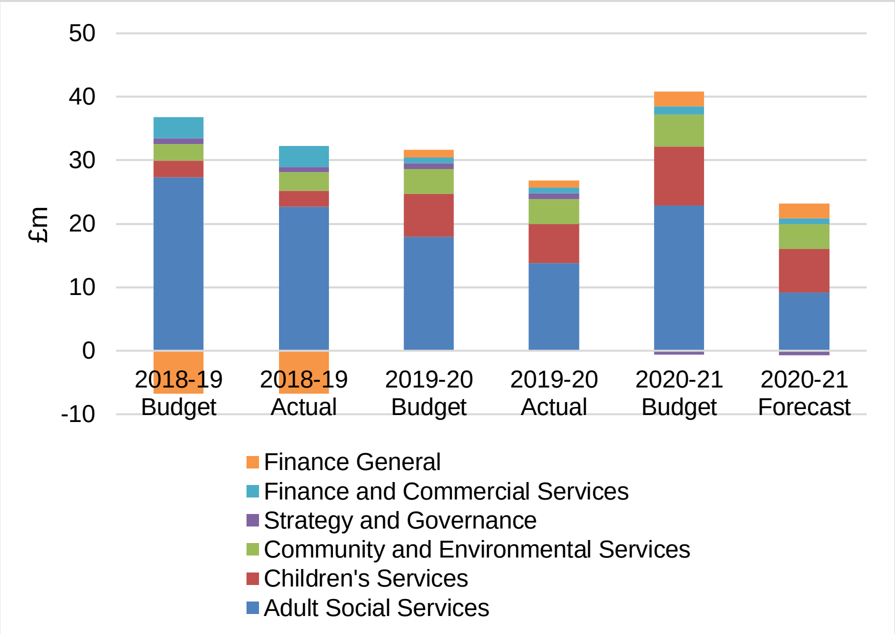
501: Savings targets delivered – by Service

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



At Period 6, the savings forecast to be achieved for 2020-21 are £22.862m, this is 43% below budget.

What is the background to current performance?

- Historically the Council has a good record of achieving budgeted savings, delivering £325.706m of savings in the period 2011-12 to 2018-19, against budgeted savings of £363.768m (90%).
- In 2019-20 savings of £26.853m were delivered, a shortfall in savings of £4.752m, compared to budgeted savings of £31.605m (85%). The shortfall principally related to achievement of Adult Social Services savings linked to Promoting Independence, and also savings relating to Transport and Digital / New Technology. In the main these are ultimately expected to be delivered, although not in line with the original timescales.
- In the current year, 2020-21, as at Period 6 (Quarter 2), a shortfall of £17.382m is forecast against a wide range of the total budgeted savings of £40.244m. (43% of planned savings). This is out of line with previous year trends for delivery and is substantially due to the impact of the response to COVID-19, which has absorbed organisational capacity and impacted on both the operating environment and underlying assumptions within saving plans. An element of the funding received from Government for the COVID-19 response is intended to support the non-delivery of savings. Work is underway across services to re-establish delivery of saving programmes and minimise delay / non-delivery.

What will success look like?

- Planned levels of savings are achieved and/or COVID-19 delays minimised, supporting the Council to deliver a balanced outturn position for 2020-21.
- A robust financial position ensuring stability for the budget-setting process for future years.

Action required

- Actions to deliver individual saving plans taken in 2020-21, and/or to restart delivery of savings to minimise 2021-22 impacts and/or alternative options identified.
- The shortfall in savings is reported to Cabinet monthly, and details of mitigating actions are also set out in that report.

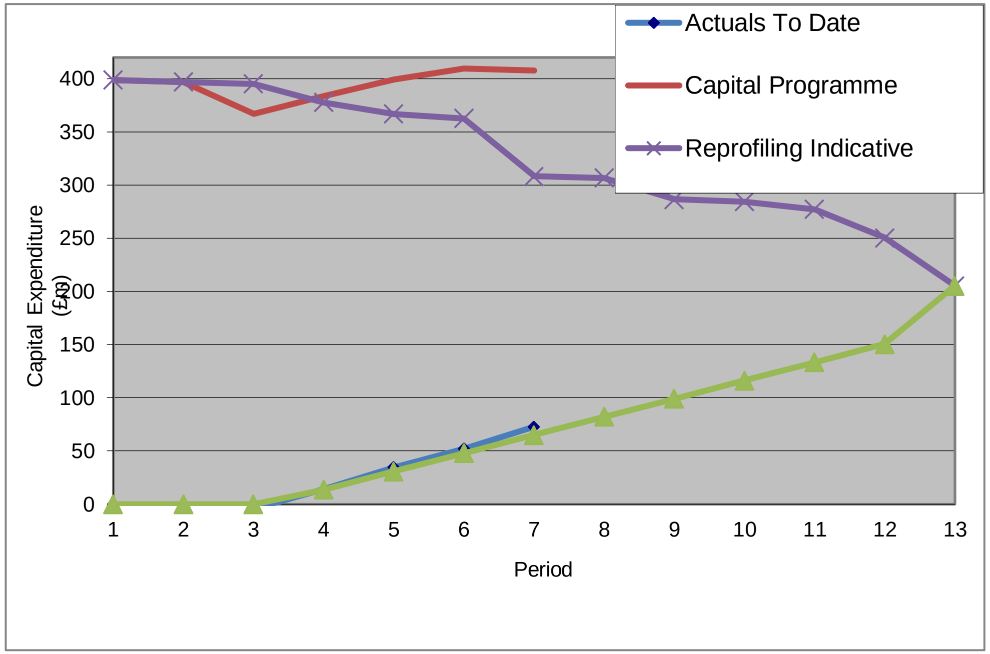
Responsible Officers	Lead: Harvey Bullen, Assistant Director – Finance	Data: Titus Adam, Financial Projects and Planning Manager

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 P6 after clearing year end accounting accruals, was £73m. This is in line with indicative spend based on the current year's opening capital programme and previous year's patterns of expenditure and re-profiling.

What is the background to current performance?

Actual spend for the six months to September after adjusting for year-end accruals was £73m. Year end accruals account for approximately 2 months of capital expenditure, so this represents roughly 4 month's expenditure at an average spend of £18.

In 2019-20, average monthly capital spend was £15.5m.

Based on the current year's opening capital programme and previous year's patterns of expenditure and re-profiling this is 112% of anticipated expenditure at this stage of the year.

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, Director of Financial Management
Data: Howard Jones, Corporate Accounting Manager

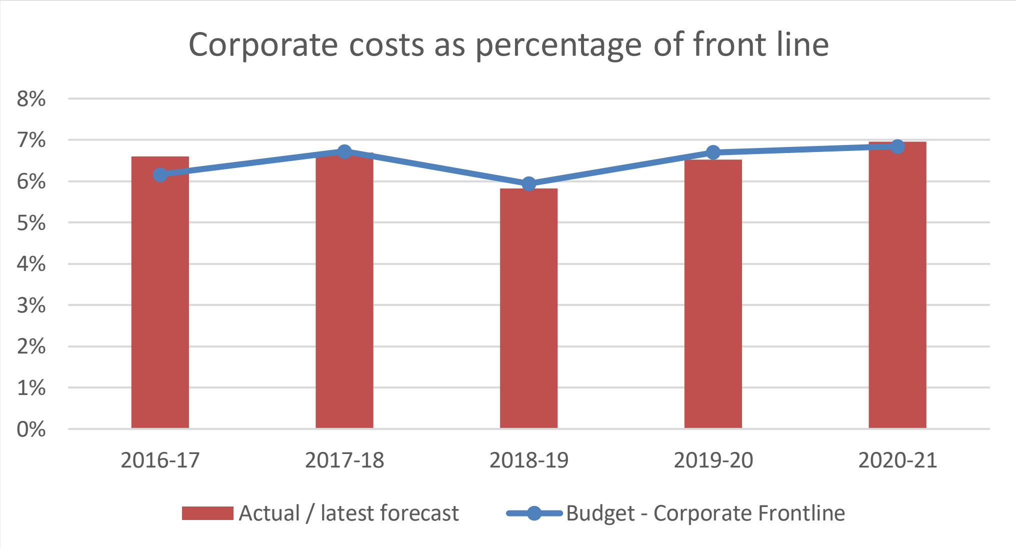
503: Ratio of Corporate net expenditure compared to Frontline

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 September 2020 (P6), the forecast ratio is 6.9% against a budget ratio of 6.8%.

What is the background to current performance?

- The ratio of corporate to frontline costs, both Budget and actual has been consistent over the past few years when adjusted for adjustments to reflect evolving changes in the way services are managed, and also for year-end capital accounting adjustments.
- The actual ratio forecast for 2020-21 is slightly higher than budget due to the relative impact of Covid-19 related costs within a number of public serving activities within Corporate departments.

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, Director of Financial Management Data: Howard Jones, Corporate Accounting Manager

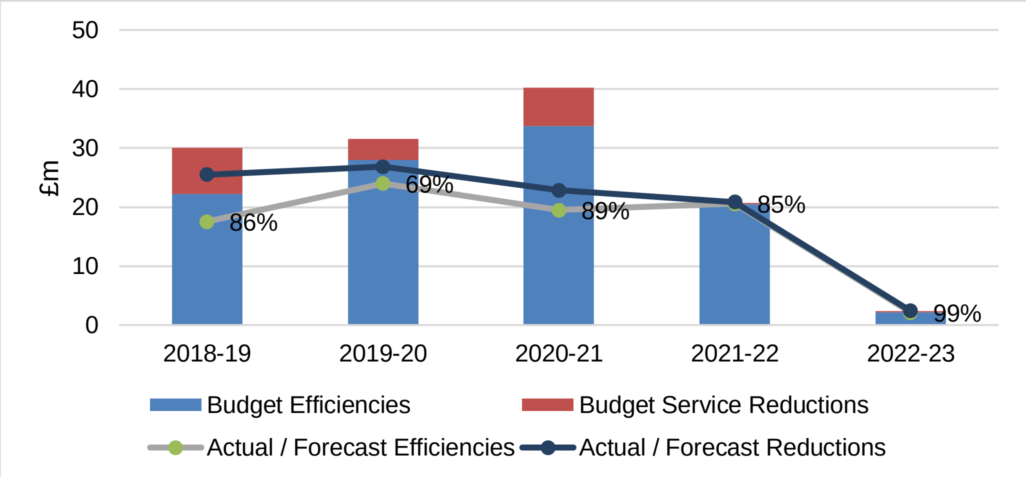
504: Savings – Efficiencies compared to Front Line

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 6, the percentage of savings forecast to be achieved from efficiencies is 85%, this is in line with the budgeted percentage (84%).

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 2018-19, against budgeted savings of £363.768m, £246.130m (68%) were planned to come from efficiencies. Actual savings achieved for the period saw £229.650m from efficiencies against total savings of £325.706m (71%)
- In 2019-20 £23.978m came from efficiencies out of total savings delivered of £26.853m (89%). There was a shortfall in the overall delivery of savings in the year of £4.752m.
- Savings of £40.244m are budgeted for 2020-21 of which £33.679m are planned to be efficiencies (84%).
- The forecast outturn position (as at Period 6), is for a significant shortfall in the delivery of savings of £17.382m, across the full savings programme due to the impact of COVID-19. Further details are set out in monitoring reports to Cabinet. An element of the funding received from Government for the COVID-19 response is intended to support the non-delivery of savings. Forecasts for the subsequent years reflect the 2020-21 MTFS and are assumed to be broadly in line with budget.

What will success look like?

- Savings delivered in line with budget plans, with a focus on efficiency savings – 84% 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 2020-21, along with mitigating actions as part of COVID-19 response.
- The shortfall in savings is reported to Cabinet monthly, and details of mitigating actions are also set out in that report.

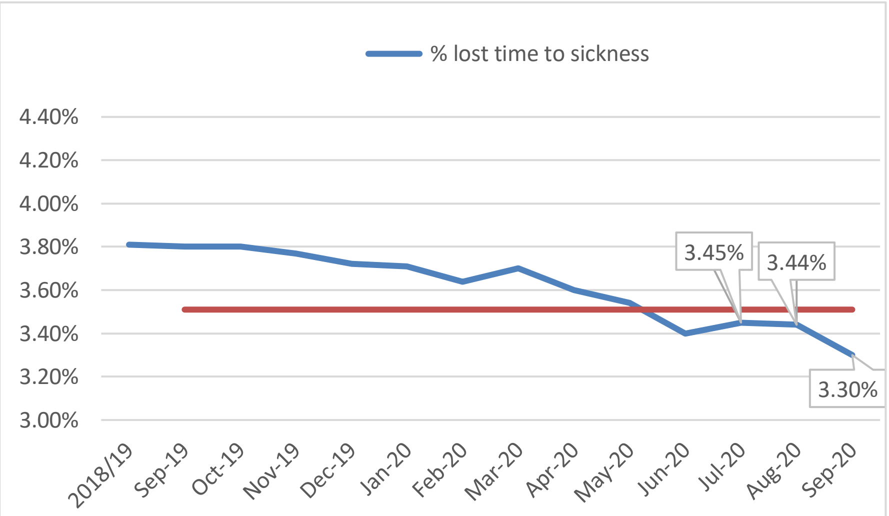
Responsible Officers	Lead: Harvey Bullen, Assistant Director – Finance	Data: Titus Adam, Financial Projects and Planning Manager

615: 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 overall relationship between the employee and employer.

Performance



What is the background to current performance?

- The **sickness absence** rate to the end of September 2020 was **3.3%,** below the target of **3.5%** and compared to **3.81%** 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 203.2 fte in lost productivity.
- Sickness absence has consistently decreased since the pandemic restrictions. This is in line with trends reported by other organisations (CIPD website). The ceasing of all but critical services, the move to working from home and the reduction in social interactions for all of us is likely to have contributed to this.
- Adults (**4.4%**) and Children's Services (**3.2%**) continue to have the highest levels of absence (although Children's Services has reduced and is now below target). We continue to work proactively with these services to understand the reasons for absence and support improvement
- All other departments have absence rates at under **3.15%**, with Strategy & Governance the lowest at **2.2%**
- There was a 18.01% increase in days lost through Mental Health sickness in Q2 4632) compared with Q1 (3,925). Time lost for Muculoskeletal reasons has also increased in Q2 from 1,671 in Q1 to 1,849 in Q2, so an increase of 10.6%. However, Q1 and 2 data for both mental health absence and musculoskeletal absence is lower than for Q3 and 4 from 2019/20. The 12 month picture is reasonably stable for these types of absence, despite the pandemic

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)

Action required

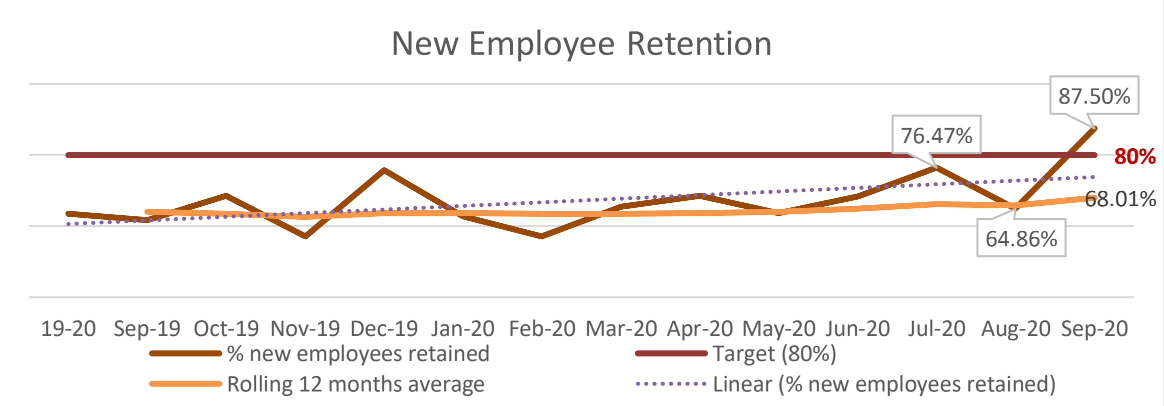
- Implementation of the HR & Finance Replacement system to speed up the current lag between notification and system entry.
- HR to continue to provide proactive support for managers, ensuring that all relevant absence cases have a clear case management plan
- HR to continue to provide focussed support to ASSD and Children's Services, both in terms of absence management and well-being e.g. seeking advice from occupational health

• The average absence rate for large organisations (5,000+ employees) is **4.3%** (CIPD Health and Wellbeing at work survey 2018).	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.
Responsible Officers	Lead: Sarah Shirtcliff, Director for People 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 (i.e. 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



The monthly new employee retention rate increased considerably to 87.5% with only 6 of 48 employees who joined NCC in August 2018 leaving. It is likely that than COVID pandemic will have had an impact on this as many organisations reduced or paused recruitment.

The average retention rate for the financial year 2019-20 is **64.14%.**

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 for the last 12 months is **10.8%** (**9.2%** voluntarily) with (**683** voluntarily) employees leaving NCC employment. Of those, **201 (163 voluntary)** had less than one years' service on leaving. There were a total of **963** 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.

Our average retention rate during the 12 months up until the end of September is **68.01%** which is broadly comparable with the 2018 national CIPFA survey where the average retention rate was **70%.**

It remains the case that the pandemic has led to some instability in the job market and we continue to see increased unemployment in certain sectors leading to an increase in candidates for NCC roles and more stability in our workforce (although numbers have consistently increased since the initial drop in leavers in May). Our current insight indicates that this has had a positive impact on retention. We will continue to monitor impact over the coming months.

The impact of recent work to implement mechanisms to retain social workers will be measured carefully, however it is too soon to draw any conclusions currently. As at end of September

	annual turnover of Social Worker roles is at 9.3% in Children's and 9.6% in Adults, both of which are slightly below the overall NCC rate. The roll out of management dashboards has raised visibility on employee retention.
What will success look like?	Action required
• **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. We will review our targets for next year with a focus on retention of key front line roles for social work and social care.	HR working group to: • Provide analysis of turnover to understand 'hot spots' in the turnover and recommend evidence-based methods of costing turnover • Understand the nature of the 'hot spots' and root causes with SHRBP's alongside Service senior stakeholders • Develop an exit survey approach to build learning • By the end of Q4 have an integrated survey approach that is easy to complete and targeted as close as possible to when people leave

Responsible Officers	Lead: Sarah Shirtcliff, Director for People Data: Teresa Baker, HR Customer Delivery Manager and Dave Nugent, Workforce Insight Lead

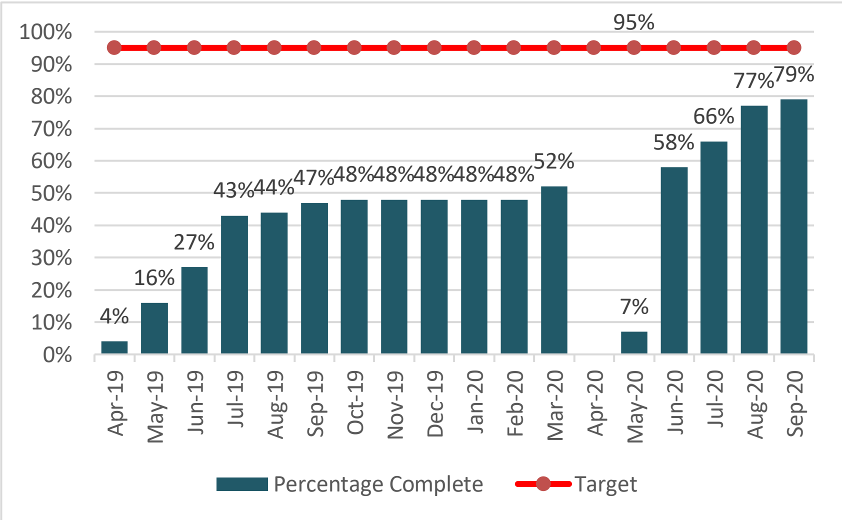
638 HR: Performance Development (previously appraisals) - % Written Goals agreed

Why is this important?

The new approach to Performance Development is intended to contribute to the people development of an effective performance culture.

Performance

% Performance Development written goals agreed



Note No reporting in April 2020 due to COVID Pandemic

What is the background to current performance?

- External research identifies that goals linked to future plans and conversations between managers and building on employee strengths are critical for effective people performance.
- This is the third year that services are operating to plans on a page supporting the linkage between performance development and organisational goals.
- The goal is for all employees between April and June annually to have a PDP and followed up mid-year Oct-Nov. (For Education as a result of operating on an academic year, the annual discussion is Aug-Sept.)
- 2,237 staff in the 2020 staff survey told us that the most important factor in their contribution is whether 'there is a clear link between my Performance Development Discussion and my team's goals'. Speaking openly about work related issues as an opportunity to improve things is the second most important factor for employee engagement and motivation.
- At end of Oct 2020 **79%** of colleagues had their date of written goals agreed recorded. A significant improvement from Oct 2019 **(48%),** although below the target. Actions taken to provide dashboard information at Directorate and Service level on completions and non-completions for 20/21 together with new functionality within My HR and Payroll has improved ease of recording and tracking.

What will success look like?

- 95% of employees having agreed written goals

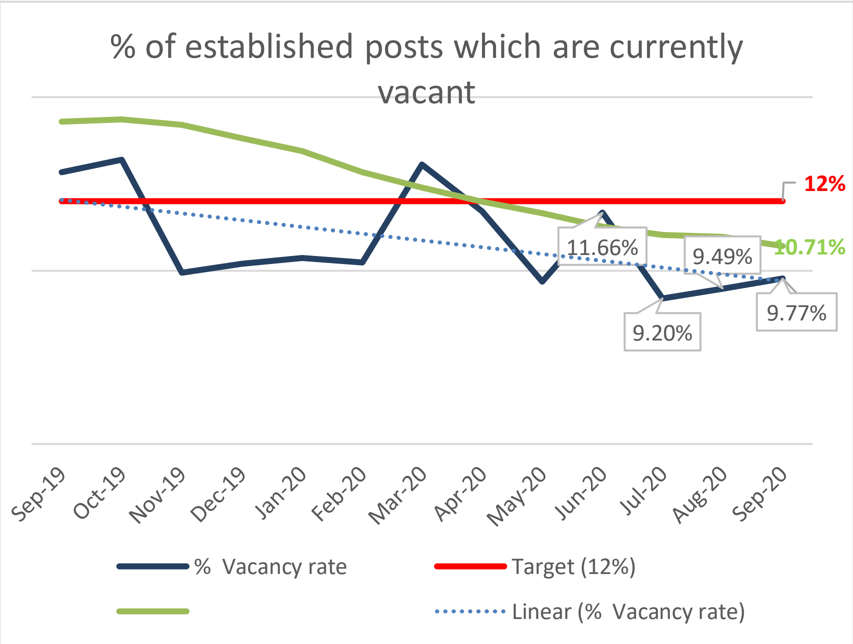
Action required

- Work is being finalised in Q4 to integrate Performance Development discussions so that all new employees have these discussions from the start of employment and during the probationary period.
- System improvements utilised so that managers receive system generated emails when new starters are due to receive a 3 month and 6 month review.

Responsible Officers	Lead: Sarah Shirtcliff, Director for People: Ruth Grant (Strategic OD Lead) Dave Nugent (Workforce Insight and Data)

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	What is the background to current performance?
 The vacancy rate for September 20 was **9.8%**, so below the target rate, although increasing slightly from a July low of **9.2%**. The overall trend continues to move downwards with a 12 month rolling average of **10.71%** in September 2020.	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 normal to have some level of vacancy rate as managers manage budget opportunities as well as reflecting 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 always 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, however we are implementing some changes to RMS to make it easier for managers to keep establishment accurate 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. COVID-19 has had an impact on the workforce with considerably fewer leavers in the three months of lockdown, between 50 and 75% of those in February. The numbers are now increasing again, but still below pre lockdown levels, which reflects continued uncertainty in the marketplace. A number of measures including management dashboards, and the introduction of online claims have encouraged mangers to ensure that their current organisation is accurately reflected on the pay system.
What will success look like?	**Action required**

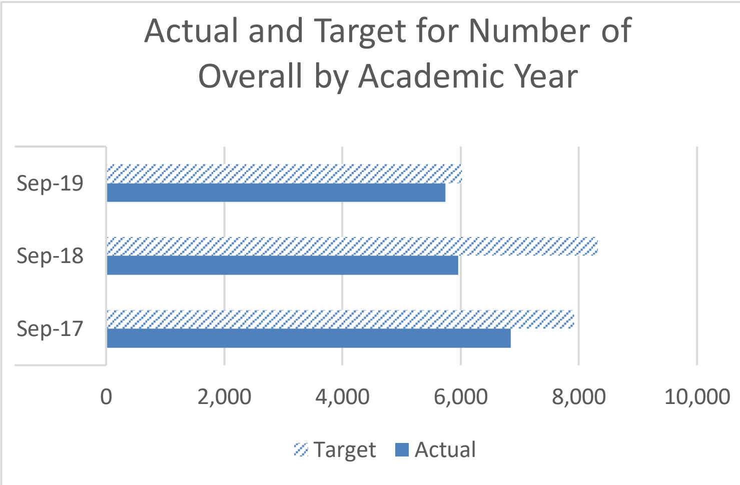
• NCC will have a vacancy rate of 12% of established posts • We will hold and maintain accurate establishment data		• Implementation of new integrated HR & Finance system which will ensure that establishment information is in one system only
Responsible Officers	Lead: Sarah Shirtcliff, Director for People	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	2014/15	2015/16	2016/17	2017/18 (Aug-July)	2018/19 (Aug-July)	2019/20
	Actual	Actual	Actual	Actual	Actual	Target
All starts – all levels/ages	7,290	7,670	6,850	5,960	5,740	6,199

No new data has been released since the last scorecard. DfE Apprenticeship starts data across England up to 31st July 2020 showed the continuing impact of COVID-19 on recruitment. Starts are affected with overall numbers down 47% compared to the same time last year. Under 19s continue to be the most severely impacted with 68% less starts. There is no comparable Norfolk data for the same time period, our last data to April 2020 showed that overall starts locally were down 11% when compared to same period in 2019, slightly better than the England average of a 12.5% decline.

What will success look like

Success will be measured by the overall achievement of the annual target whilst maintaining quality, level and range.

Action required

Much activity is taking place that will raise the profile of apprenticeships and hopefully arrest the decrease in starts seen in recent times.

Current activity:

- RRR As of 12th October we have received 45 successful applications;
  93% have been newly recruited apprentices, and 7% are supporting apprentices made redundant by CV19.
  78% of applications have been for apprentices aged 16-18, and 22% for age 19-24.
  We have had applications from all districts in Norfolk.

	We are collating data to identify trends in terms of where the businesses applying for RRR incentives are located, at which level and in which sector, to help us consider targeted future marketing. • RRR has been designed to align with national incentives of £2000 for employers taking on a new young apprentice • Successful bid to Norfolk Strategic Fund to support extension of RRR incentive • Gaining good traction via the existing and new social media platforms. We have been adding weekly Apprenticeship Vacancies in Norfolk, which have seen a reach of between 1.5k and 4.5k on Facebook and we are collating data to identify trends in terms of where vacancies are located, at which level and which sector, to help us consider targeted future marketing. • Working with increasing number of referrals – which come in via website/email or social media. Currently proud to have supported several employers from the very early 'not knowing where to start' stage, with impartial guidance - right through to successful recruitment of apprentice and RRR application stage, with apprentices now in place in their businesses. Aiming to track through and seek case study/testimonials at later stage. • Worked with UEA to jointly publish a Higher Apprenticeships Survey for employers in Norfolk to complete to help us identify demand for higher skills needs. Survey will run initially in October 2020. • Supported Norwich Opportunity Area with a 'Instagram Takeover' virtual event to offer advice and guidance on post-16 options and questions about apprenticeships. • Supported JCP with a virtual Apprenticeships event – approx. 50 people attended. • Website development continues – planned launch for first phase of new website is November 2020. There are some new exciting features, including an interactive matrix to see which providers offer exactly which apprenticeships by standard & level (with additional links to IfATE to view the apprenticeship standards) across the whole of Norfolk • Working to support ESFA to provide Norfolk case studies for some national Apprenticeship promotional activity
Responsible Officers — Lead: Jan Feeney	Data: Jan Feeney 15/10/20

Cabinet

Item 17

Decision making report title:	**Risk Management**
Date of meeting:	**12th January 2021**
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

The COVID-19 outbreak, which started in late 2019 and developed rapidly during early 2020, meant that the Council deployed the Civil Contingencies Act 2004 [1] provisions and in order to follow government guidance on remote working and social distancing suspended Council meetings. In May the Council successfully deployed remote Council meetings. Decisions have been taken by Cabinet Portfolio Holders or the Head of Paid Service, as allowed for in the Council's Constitution. Business and officer meetings, briefings, communication and training continued successfully in a virtual format exploiting and leveraging the Council's Microsoft TEAMs facilities. The system has shown capacity for over 4,500 simultaneous users. The Government passed a Coronavirus Act 2020 in March 2020 and has subsequently issued supporting regulations. The Council has participated in the Norfolk Resilience Forum and has held effective Gold and Silver, and latterly Recovery Group meetings regularly throughout the outbreak. The Council continues to monitor and implement national guidance on COVID-19.

In relation to the EU Transition, a trade deal between the UK and the EU was struck in December 2020, with the implications of this deal for Norfolk County Council being worked through including any further risks over and above those already identified and being treated.

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 October 2020.**

2. **To consider and agree the corporate risks as at December 2020 (Appendix C).**

1. Background and Purpose

1.1. This report sets out the latest corporate risks for the Cabinet to consider and agree. **Appendix A** provides a summary of the latest proposed changes to corporate risks since October 2020, with the current general corporate risk register scores visually summarised in **Appendix B**, which also shows proposed score changes. Details of all risks on the general corporate risk register are located in **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.

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 corporate risks has taken place with risk owners, and reviewers, and Corporate Board as a group.

- It is proposed to increase the current score of risk RM010 – The risk of the loss of key ICT systems, from 3 to 4, (the current impact score being raised from 3 to 4) following greater reliance on effective ICT systems whilst the majority of the Council continues to work from home.

- The Audit Committee continues to be responsible for monitoring the adequacy and effectiveness of the systems of risk management.

- This corporate risk management report should be read in conjunction with the performance and finance reports.

Further details of proposed risk changes can be viewed at **Appendix A**.

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.

3.2 Details of the proposals above in 2.1 can be viewed in Appendix A, offering further rationale and impact of the proposals.

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:** The risk of COVID-19 negatively impacting on staff can be seen within risk **RM032a - Effect of COVID-19 on NCC business continuity (staff, service users, and service delivery).** There are also staffing resource implications to consider 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.** With the implications of COVID-19 on the economy, there continue to be signs that NCC is attracting more candidates as the public sector is seen as a more secure employer. This will continue to be closely monitored in the months ahead.

7.2. **Property:** Risk assessments continue to be carried out by the Health, Safety, and Wellbeing team at sites where services are preparing to be restarted following the second national lockdown, to ensure that it is appropriate to reopen with adapted measures, ensuring that the Council follows advice with regards to social distancing. The Health, Safety and Wellbeing team continue to work closely with services that would normally deliver a face to face offering to the public.

7.3. **IT:** The Council's Information Management Technology team are continuing to closely monitor cyber security threat levels, and continue to roll out the technology advances that are helping Members and officers to carry out their duties effectively. Significant progress is being made on a number of fronts, which are detailed further in Appendix A as part of the risk RM010 update.

8. Other Implications

8.1. Legal Implications

There are no current 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 must be included)

None applicable.

8.4. Health and Safety implications (where appropriate)

There are health and safety risk implications as set out in the corporate risk **RM032a - Effect of COVID-19 on NCC business continuity (staff, service users, and service delivery, and RM032b - Effect of COVID-19 on supply chain**. Mitigations are in place to ensure that the health, safety and wellbeing of all Council staff continues as a top priority to ensure that services continue to be adapted for continued delivery.

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 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.

- **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 October 2020.**
- **To consider and agree the corporate risks as at December 2020 (Appendix C).**

12. Background Papers

There are no further background papers to note.

Officer Contact

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

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thomas.osborne@norfolk.gov.uk

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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 / Adapted Corporate Risk**
RM001						
RM002						
RM003a						
RM003b						
RM004						
RM006						
RM010	✓					
RM013						
RM022a						
RM022b						
RM023						
RM024						
RM026						
RM027					✓	
RM028					✓	
RM029					✓	
RM030						
RM031	✓					
RM032a						

Proposed Risk Score Changes

RM031 - NCC Funded Children's Services Overspend

This risk measures an 'in year' forecast It is proposed to lower this risk from 25 to 20, with the risk likelihood lowered from 5 (almost certain) to 4 (probable) due to the department currently projecting a balanced budget outturn position for 2020/21, but balanced against considerable financial pressures for 2021/22 and uncertainties in year due to COVID-19.

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.

It is proposed to increase the current score from 3 to 4, with the current impact score increasing from 3 to 4). This score increase recognises the increased impact that the risk materialising would have with the majority of NCC staff continuing to work at home, using key ICT systems as their primary source of communication.

Whilst nationally, we are seeing a significant increase in targeted cyber-attacks since the beginning of the pandemic, the likelihood of this risk materialising has not been increased due to the numerous IMT activities undertaken to strengthen resistance and resilience against a cyber-attack. These activities include;

- Extensive communications to NCC staff on remaining vigilant against cyber-attacks;
- Increased take up of IT training;
- A simulated phishing exercise, carried out to understand where weaknesses remain;
- Roll-out of Safe Links technology, which screens MS Office attachments and links before being opened;
- Anti-spoofing technology software being introduced.

The mitigations above also help to mitigate risk **RM003b - Failure to comply with relevant information security requirements**

Target date changes

RM022a – Implications of Brexit for Council staff and services

RM022b - Implications of Brexit for external funding / Norfolk businesses

The target date for the above risks have been revised to the end of the financial year to take into account any implications arising in the first three months after January 1st 2021.

Risk Owner Changes

Risks owned by the Executive Director for Strategy and Governance have been transferred in January 2021 to the appropriate Director for the risk area as follows;

RM027 - Risk of failure of new Human Resources and Finance system implementation

RM027 is now owned by the Head of the HR and Finance Programme.

RM028 - Risk of any failure to monitor and manage health and safety standards of third party providers of services

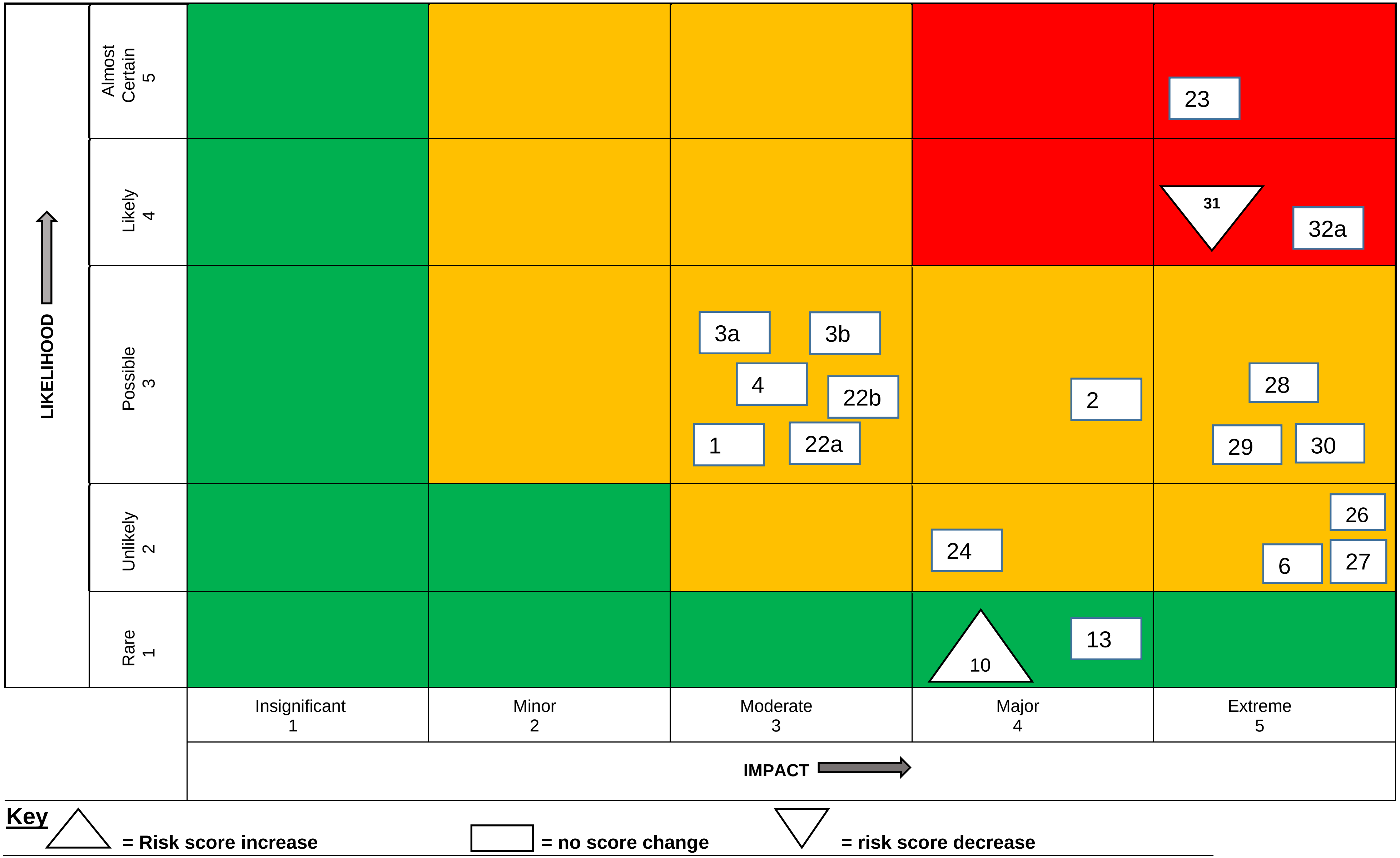
RM028 is now owned by the Director for People.

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

RM029 is now owned by the Director for People.

Appendix B

Generic Corporate Risks - Heat Map



No.	Risk description	No.	Risk Description
RM001	Not realising infrastructure funding requirements to achieve the infrastructure ambition of the Business Plan.	RM022a	Implications of Brexit for Council staff and services
		RM022b	Implications of Brexit for external funding / Norfolk businesses
RM002	The potential risk of failure to manage significant reductions in local and national income streams.	RM023	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.
RM003a	Potential for failure to comply with statutory information compliance requirements.	RM024	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).
RM003b	Potential for failure to comply with relevant information security requirements		
		RM026	Legal challenge to procurement exercise.
RM004	The potential risk of failure to deliver effective and robust contract management for commissioned services.	RM027	Risk of failure of new Human Resources and Finance system implementation.
RM006	The potential risk of failure to deliver our services within the resources available for the period 2018/19 to the end of 2020/21.	RM028	Risk of failure to monitor and manage health and safety standards of third-party providers of services.
		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.
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.	RM030	Non-realisation of Children's Services Transformation change and expected benefits.
		RM031	NCC Funded Children's Services Overspend
RM013	The potential risk of failure of the governance protocols for entities controlled by the Council, either their internal governance or the Council's governance as owner. The failure of entities controlled by the Council to follow relevant guidance or share the Council's ambitions	RM032a	Effect of COVID-19 on NCC business continuity (staff, service users, and service delivery)

Risk Number	RM001	**Date of update**	1st December 2020
Risk Name	Not 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**	3rd 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-21	**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: Impact of Covid-19 likely to affect funding streams in both the short and longer-term. Government announcement 21 October on one year spending review potentially provides opportunity for new announcements, but likely to lead to overall delay in long-term funding decisions. 1.1) DfT has approved NWL to progress to the next stage of development the Department has made a contribution of £1,024,000 towards the costs of developing an Outline Business Case (OBC). Cabinet approved OBC, to be submitted to DfT in January 2021. Cabinet approved Long Stratton Bypass OBC, to be submitted to DfT December 2020. West Winch Housing Access Road Strategic OBC anticipated to be submitted to DfT at end of year. Work has commenced on A47/A14 Pullover Junction King's Lynn. Positive funding decision received from DfT for Transforming Cities funding (£32m). Gt Yarmouth Third River Crossing successfully receieved its statutory consents and now awaits a decision on releasing funding from DfT.   Transport East has agreed to write letters of endorsement for all of these schemes on submission of the business cases. 1.2) Funding secured from PBR for development of Norwich Western Link; West Winch Housing Access Relief Road (see 1.1). £1.5m receieved for Phase 2 Emergency Active Travel Fund from DfT (now known as Active Travel Fund). 1.3) October A47 Alliance meeting agreed refreshed advocacy work up to 2021 spending review. Officers to meet DfT to discuss. Letter send to Baroness Vere. Alliance members to support. Continuing work on Great Eastern Main Line (Norwich to London): Draft business case completed, shows good case for improvments identified by Network Rail for infrastructure required for Norwich in 90 services. Decision on progression to the next stage awaited. Local authorities' study on wider economic benefits complete. Continuing to work on Ely Task Force: Consultation undertaken by Network Rail on infrastructure improvements required to unlock a range of additional passenger and freight services showed public support. Continuing to support East West Rail Consortium: Eastern Section prospectus published. 1.4) Government review of planning system (consultation) published in August. County Council proposed response agreed at October Cabinet. 1.5) Continuing to work with Transport East on transport strategy and Interim Investment Plan; 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.

Risk Number	RM002	Date of update	8th December 2020
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	31st 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-21	**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
County Council on 17.02.20 approved the 2020-21 budget and future Medium Term Financial Strategy taking into account the Final Local Government Finance settlement for 2020-21. The council's external auditors gave an unqualified audit opinion on the 2019-20 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 31.03.2020. The implications of the COVID-19 response, coupled with continued uncertainty and the further delay of the significant planned reforms for local government finance, represents a major challenge for the Council in developing its Medium term Financial Strategy. Cabinet on 5.10.20 considered the latest financial position, agreed the budget savings for public consultation and the next steps for the budget planning process for 2021-22 including the requirement to develop further budget savings. Further reports will be presented to Cabinet during the year incorporating future Government funding announcements and updates on the budget planning process in order that County Council can agree the 2021-22 Budget and level of council tax at its February 2021 meeting. The draft settlement for 2021/22 is expected the week commencing 14th December 2020 following the 25th November 2020 government spending review.

Risk Number		RM003a					**Date of update**		1st December 2020	
Risk Name		Failure to comply with statutory information compliance requirements								
Portfolio lead		Cllr. Andrew Proctor				**Risk Owner**	Andrew Stewart			
Risk Description							**Date entered on risk register**		21st August 2020	
There is a risk of failing to comply with statutory information compliance requirements (e.g. under GDPR, FOI, EIR) which could lead to reputational damage and financial impact.										
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	3	**12**	3	3	**9**	2	3	**6**	Mar-21	**Green**

Tasks to mitigate the risk

1. Mandatory Training in place for all colleagues - ongoing
2. Development and monitoring of MI for responding to Data Subject Rights Requests, FOIs, EIRs and breaches - ongoing
3. Developing a positive relationship with the ICO - ongoing
4. Implementation of activities determined by the SOCITM report in March 2020 by December 2020
   •Deliverable 1: Define a clear Information Governance approach for Norfolk County Council (incorporating clear responsibilities and measures of success)
   •Deliverable 2: Deliver a management information suite to allow effective management, analysis and assurance of the Information Governance Service
   •Deliverable 3: Review all current “record management” type processes to ensure efficient, proportionate and up to date
   •Deliverable 4: Appoint to all roles required (including DPO, SIRO and Member lead) and ensure reflected in the constitution
   •Deliverable 5: Relaunch the Information Compliance Group with clear accountabilities
   •Deliverable 6: Review and update all Information Governance related policies, standards and procedures
   •Deliverable 7: Define and deliver effective Information Governance training and engagement across NCC, Members and Partners
   •Deliverable 8: Review and deliver identified opportunities for Smarter Working
   •Deliverable 9: Define a clear future vision for the Information Governance Service and resource appropriately
5. Departmental risks focussing on quality of data held by NCC - September 2020

Progress update

Progress update
Head of Information Governance appointed to take forward the SOCITM recommendations and embedding the information governance agenda in NCC. This will enhance many of the mitigations to a higher standard, reducing the risk further over the next two years. - IG Framework created and due to be published alongside revised policies and procedures on myNet alongside mandatory e-learning on Information Governance (including Data Protection) being finalised for launch in December 2020 - Basic MI now in place and being further developed to give the full picture of performance and compliance across Information Governance remit - All recruitment finalised in October 2020 to enable focus on both backlog and ongoing statutory and non statutory Information related activities (e.g. DSR, EIR, FOI, Police, breaches) with good progress already being made - All key IG roles in place including separation of DPO / SIRO roles - Information Compliance Group relaunched in November 2020 as the Information Governance Group, along with a new Information Goverance Steering Group to provide effective escalation and oversight - Smarter working opportunities progressing with a new online FOI/ EIR request form being delivered in October 2020 - Future vision being evolved and discussions underway to ensure 2021/22 budget is in place for current remit Risk score of 9 remains until all issues identified in SOCITM report that need addressing to reduce the likelihood of the risk manifesting. The impact should anything happen would likely result in local media attention, depending on the severity of the issue.

Risk Number		RM003b						**Date of update**	1st December 2020	
Risk Name		Failure to comply with relevant information security requirements								
Portfolio lead		Cllr. Tom Fitzpatrick					**Risk Owner**	Geoff Connell		
Risk Description								**Date entered on risk register**	21st August 2020	
There is a risk of failing to comply with relevant information security requirements (e.g. NIS, PSN, PCI-DSS) which could lead to reputational damage and financial impact.										
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	3	**12**	3	3	**9**	1	3	**3**	Mar-21	**Green**

Tasks to mitigate the risk

1. Mandatory Training in place for all colleagues - ongoing
2. Development and monitoring of MI for breaches - ongoing
3. Implementation of improved security measures - ongoing
4. External networking to ensure best practice - ongoing

Progress update

- Rollout of new Mandatory training to all colleagues by Christmas 2020
- Implementation of improved security measures e.g. E5 Licencing
- Focus on improved storage and retention to reduce risk
- Involvement with National cybersecurity organisation
- Extensive communications to NCC staff on remaining vigilant against cyber-attacks
- Increased take up of IT training;
- A simulated phishing exercise, carried out to understand where weaknesses remain;
- Roll-out of Safe Links technology, which screens MS Office attachments and links before being opened;
- Anti-spoofing technology software being introduced.

Risk score of 9 at present due to improved measures that have been implemented but acknowledgment that further activities would reduce the risk further, with a number of new challenges in a COVID landscape. The impact should anything happen would likely result in local media attention, depending on the severity of the issue.

Risk Number	RM004	**Date of update**	8th December 2020
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**	2nd 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	3	**9**	2	3	**6**	Mar-21	**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
- Develop robust process to spot other early warning signs eg late filing of accounts, media monitoring

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:
Implement phased plan as agreed at corporate board 3 December 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) Internal audit undertaking audits of the contract management control environment in the three service directorates.

Progress update

1) Process developed with finance to respond to CreditSafe alerts.Creditsafe contract to be reviewed to see whether it remains the best solution.
2) Pipeline reporting frequency at Corporate Board increased to quarterly and process is in place for monthly review by Director of Procurement and Executive Director of Finance
3) Contract compliance and optimisation workstream plan was approved at Corporate Board in December 2019 and phased implementation was under way, prior to COVID-19. Implementation of phased plan paused whilst efforts are focussed on the COVID-19 response.
4) Transition/handover checklist developed and in use. Mitigation implemented.
5) Internal Audit has undertaken an audit of the senior management monitoring of significant contracts, with the findings now being worked through.

Risk Number	RM006	**Date of update**	1st December 2020
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**	13th 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

Progress update
Regular budget and performance monitoring reports to Cabinet now set out how the Council is delivering against the 2020/21 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. There is financial monitoring of in-year cost to address the impact of COVID-19 within departments, with monitoring of 2020-21 spend reported to Cabinet on a monthly basis and monitoring of COVID-19 spend reported to Corporate Board regularly. Financial forecasting is taking place to further understand where there are likely to be areas of greater financial challenges as a result of COVID-19 beyond 2020-21. There will be an updated MTFS position reported to Cabinet in September, savings proposals published for consultation in October, budget setting meeting of Full Council in February, and monitoring reports taken to Cabinet in 2021-22. Work is being carried out by Departmental Leadership Teams, the Recovery Group and the Business Transformation Programme on future savings required. Savings proposals were taken to the Budget Challenge session in July and will be presented again in September for Member review and then taken to October Cabinet.

Risk Number	RM010	**Date of update**	1st December 2020
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**	1st 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	4	**4**	1	3	**3**	Mar-21	**green**

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 arrangements 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

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. 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. Soft telephony has been successfully rolled out an an accelerated pace follwing COVID-19. 6) We are still working through the cyber audit actions which are more complex than first thought. 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 delivered an 'EXECSIM' excercise with the corporate board to ensure we are fully prepared in the event of a Cyber Attack, communications and approach at a 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. IMT and the resilience team will be presenting a number of scenarios selected by the business to the silver group to test, understand and challenge a number of key disaster scenario's to inform the business continuity plans and any highlight any further improvements we can make. 8) We have already held a Business Continuity exercise to understand and reduce the impact of risk scenarios and this will be re-run within 12 months to further reduce the risk. Large scale remote access exercise successfully carried out in February 2020, with over 3000 staff working remotely from a non-NCC based site. Since COVID-19 has resulted in the majority of the workforce working from home, the network has been able to cope effectively with a vastly increased number of users working remotely. Exercise Steel will build on the work of Exercise Horseshoe. 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.

Risk Number	RM013	**Date of update**	8th December 2020
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**	2nd 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 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.

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-21	**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.
7) To update Cabinet and provide assurance on the performance and governance of wholly owned companies through a report.

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. 7) There is a report being presented at the January 2021 Cabinet meeting, which provides assurance on the performance and governance of wholly owned companies. The framework for assessing the performance and governance arrangements of the companies is based on considering key areas and then quantifying the risk, which will vary according to the assessed level of impact. This could be either reputational, financial or both. The assessment takes into consideration the following key areas: Business Plan; Articles of Association; Appointment of and removal of directors; Company oversight; Voting rights; Financial governance arrangements within each company; Financial arrangements with the companies.

Risk Number	RM022a	**Date of update**	28th December 2020
Risk Name	Implications of Brexit for Council staff and services		
Portfolio lead	Cllr. Andrew Proctor	**Risk Owner**	Tom McCabe
Risk Description		**Date entered on risk register**	28th August 2020

There are important risk implications to the Council in the following areas: The legal base – understanding the legal implications of the deal agreed. Council services dependent on a migrant workforce – for example nationally, 7% of existing adult social care staff come from other EU nations. 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.

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**	Mar-21	**Amber**

Tasks to mitigate the risk

1) Human Resources to support managers and staff who may be directly affected by this issue.
2) 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.

Progress update

1) 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

2) There has been a transition period until the end of 2020, whilst the UK and EU negotiated additional arrangements. Trade deal talks between the UK and the EU have concluded with a deal struck. The implications of the deal for Norfolk County Council are being worked through.
3) Communications will continue to be incorporated in Manager Briefings to advise managers on any actions required post-Brexit.

The target date for this risk has been revised to the end of the financial year to take into account any implications arising in the first three months after 1st January 2021.

Risk Number		RM022b			**Date of update**				28th December 2020	
Risk Name		Implications of Brexit for external funding / Norfolk businesses								
Portfolio lead		Cllr. Graham Plant				**Risk Owner**		Tom McCabe		
Risk Description					**Date entered on risk register**				28th August 2020	
There are important risk implications to the Council in the following areas: The Council's EU funded programmes supporting the local economy. 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 external funding / implications for Norfolk businesses.										
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**	Mar-21	**Amber**

Tasks to mitigate the risk

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.

We 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. Also, signposting to information from Government on preparations businesses should make is available at www.newanglia.co.uk.

Progress update

The Treasury Guarantee confirms 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 been published. We continue to work with New Anglia and other relevant partners. NCC Brexit Silver Group and Resilience Reps looked at reasonable worst 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.

Progress update
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 have been 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. Our revised Business Impact Analysis has identified 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 at https://www.norfolk.gov.uk/what-we-do-and-how-we-work/preparing-for-brexit

The target date for this risk has been revised to the end of the financial year to take into account any implications arising in the first three months after 1st January 2021.

Risk Number	RM023						**Date of update**		1st December 2020	
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**		18th 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**	Mar-22	**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) Covid-19 has caused a seismic and immediate refocus of services, process and planning. The financial consequences of this continue to emerge, but it is having a material impact on the ability to deliver the full level of planned savings in both 202021 and 2021-22. As a result, alongside the longer term delivery of Promoting Independence, the immediate priority and context for Adult Social Services' is the post-pandemic recovery – with services facing unprecedented challenges this year (2020-21) and continued uncertainty – particularly relating to demand, funding and sustainability of wider market. Demand and demography modelling continues to be refined through the cost and demand model. Main themes for transformation reviewed and updated: Front door; Services for people with a learning disability; older people and people with physical disabilities; maximising digital technology; embedding strengths-based social work through Living Well; housing; supporting informal carers. 2) Market shaping and development - strengthened working relationships; clear objectives; increases in funding. 3a) Strengthened investment in prevention, through additional reablement, social prescribing, local initiatives for reducing social isolation and loneliness. 3b) Workforce – continued and on-going recruitment campaign to sustain levels of front line social workers and occupational therapy staff. Joint European funded programme with Suffolk to support workforce in the wider care market 3c) Better Care Fund targeted towards supporting people to stay independent, promoting and enabling closer integration and collaboration across health and social care. Better Care Fund currently under review to reflect closer joint aims and objectives between health and social care 4) Close joint working with NHS, through the STP, to shape and influence future integration of health and social care 5) We are still awaiting the Green Paper on Social Care; will now review the NHS 10-year Plan and establish how this will impact on the direction of travel for health and social care 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.

Risk Number	RM024	**Date of update**	1st December 2020
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**	14th 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.
6) An internal audit is currently being carried out to provide the Audit Committee and management with independent assurance that the controls in place, to mitigate, or minimise risks relating to pricing in stage 2 of the project to an acceptable level, are adequate and effective and operating in practice.

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. 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. A gateway review was completed to coincide with the award of contract decision making - the findings have been reported to the project board (there were no significant concerns identified that impact project delivery). Internal audit on governance report finalised 14 August 2019 and findings were rated green. Further gateway review completed summer 2020 ahead of progressing to next stage of contract (construction). 2) Specialist cost and commercial consultants appointed and continue to review project costs. 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 remains sufficient. A further budget review was completed following appointment of the contractor. The full business case has been developed and submitted to DfT at end of September 2020 - the project is still at agreed budget. 3) An overall project programme has been developed and is owned and managed by the dedicated project manager. Any issues are
highlighted to the board as the project is delivered. The start of DCO examination was 24 September 2019, with a finish date on 24 March 2020. The approval of the DCO was confirmed on 24 September 2020 (no legal challenge). Construction is due to commence early 2021, with the bridge completed and open by early 2023. 4) Learning from the NDR the experience of commercial specialist support was utilised to develop contract details ahead of the formal commencement of the procurement process. Further work 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) and continue in this role to manage contract administration. 5) The project board receives 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. The project currently remains on budget and the programme to complete the works and open the scheme in early 2023 is still on track. 6) The further internal audit has been concluded and a report circulated in this period. Findings are green with only one minor observation (already actioned).

Risk Number	RM026							Date of update		1st December 2020
Risk Name	Legal challenge to procurement exercise									
Portfolio lead	Cllr. Andrew Jamieson						Risk Owner	Simon George		
Risk Description					Date entered on risk register					4th 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**	Mar-21	**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.

Additional tasks identified February 2020:
12) Update HotDocs to include definitive versions of new templates - by 31 March 2020
13) Formal sign-off of updated process by Nplaw- by 31 March 2020
14) Further formal training for procurement officers - by 30 April 2020

Progress update

Progress update
1) Reminder given at team meeting - complete 2) Pipeline report frequency now quarterly. Pipeline being discussed with EDs or senior commissioners before each board - complete 3) Corporate board has signed off the new approach - complete 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. Complete. 6) Scoring grid was updated as planned. Complete. 7) Template provisional award letter has been reviewed and updated. Complete 8) Existing reports have been reviewed and new report is being developed. Complete. 9) Evaluator guidance updated and in use as standard. Feedback from evaluators is positive. A new mechanism for capturing feedback on tenders is now in use after extensive piloting. 10) Scoring grid has now been updated and is in use as standard. - Complete 11) Added to senior staff objectives. Reviewed January 2020; no new issues identified beyond those in this risk 26 Additional tasks 12 to 14 to be implemented in March and April 2020 have been paused in the wake of managing the COVID-19 response.

<table>
<tr><td>Risk Number</td><td>RM027</td><td colspan="5">Date of update</td><td colspan="4">1st December 2020</td></tr>
<tr><td>Risk Name</td><td colspan="10">Risk of failure of new Human Resources and Finance system implementation</td></tr>
<tr><td>Portfolio lead</td><td colspan="3">Cllr. Tom FitzPatrick</td><td colspan="3">Risk Owner</td><td colspan="4">Diana Dixon</td></tr>
<tr><td colspan="2">Risk Description</td><td colspan="5">Date entered on risk register</td><td colspan="4">16th August 2019</td></tr>
<tr><td colspan="11">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</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>2</td><td>5</td><td>10</td><td>2</td><td>5</td><td>10</td><td>2</td><td>2</td><td>4</td><td>Sep-21</td><td>Green</td></tr>
</table>

Tasks to mitigate the risk

1) Programme has moved from procurement phase to Implementation as planned
2)Rigorous monitoring of risk accurs at Programme level on a weekly basis with significant risks escalted to Programme Board for management. Particular attention is being paid to the risk to the project of being impacted by any Covid-19 resurgence that may affect NCC and / or Implementer teams causing a delay and associated cost. Mitigation of this includes agreement to protect the project team resources such that they remain aligned to the programme (at one stage 50% of team had been moved to C-19 response)
3) Programme management team from NCC and Systems Implementer jointly develop plan with formal sign off underpinned by contractual stage payments
4) Initial impact of Covid-19 mitigated by the addition of a new transition stage into the plan with delay to implementation held to 1 month
5) Programme governance revised to reflect move to Implementation
6) Corporate Select Committee continue to oversee the programme

Progress update

1) Cabinet via delegated approval to Exec Director S&G (in consultation with ED for FCS, the Leader and Cabinet Member for Innovation, Transformation and Performance) endorsed the award of the contract to Oracle Consulting Services implementing a cloud Oracle solution as planned.
2) On-going visibillty of the plans via Programme Board, also the Corporate Select Committee continues to offer oversight.
3) Strong engagement from HR and Finance into the familiarisation stage of the programme which supports system design decisions
4) Eight benefit themes applied to the project from the outset underpin all design discussion / decision, programme board are responsible for delivering against these benefits.
5) Governance managed by project board and programme board for project plans and budget.
6) Strong management of the familiarisation process by both NCC and the Systems Implementer to ensure remote ways of working are not impacting the quality of the engagement or decision-making
7) Robust risk management in place, particularly in respect of C-19 and the potential impact this could have on timescales and costs
8) Business impacts being captures as familiarisation with the software solution develops
9) The procurement of a change partner with local authority expertise and experience in adopting our software solution has taken place to support business adoption of new ways of working that underpin realisation of savings
10) Resource levels are kept under review as the understanding of the future plan matures with pressures around resourcing being managed by Project Board

Risk Number	RM028				**Date of update**					1st December 2020	
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**	Sarah Shirtcliff				
Risk Description					**Date entered on risk register**					29th 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**	2	5	**10**	Mar-21	**Amber**	

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 then 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.

3) Monitoring is actively in place for a number of services and is due to commence for other services throughout 2020/21. Monitoring of service providers has significantly improved.

The Health and Safety Team have been focussing efforts on carrying out risk assessments ahead of the re-opening of sites for service delivery. This work has included supporting departments to seek assurance on 3rd party providers approach to being COVID-Secure as their services re-open/scale up.

Prospects of meeting target changed to amber to reflect identification of some areas of further work needed following investigation by HSE

Risk Number	RM029	**Date of update**	1st December 2020
Risk Name	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		
Portfolio lead	Cllr. Andrew Proctor	**Risk Owner**	Sarah Shirtcliff
Risk Description		**Date entered on risk register**	29th July 2019

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 (ageing) 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

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	5	**15**	3	5	**15**	2	5	**10**	Mar-21	**Green**

Tasks to mitigate the risk

• 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 Higher Education providers to ensure that the GCSE, A level and Degree subjects meets the needs of future workforce requirements.

Progress update

Progress update
We are utilising the apprenticeship levy to focus on critical areas e.g. Social Work, Fire Service. New Apprenticeship strategy 20-23 to be signed off Dec 20 Workforce Development Plans in services are in development focusing on areas of critical service delivery. We are also developing an improved approach to workforce planning through accessing regional expertise and support. This approach will support targetted provision of apprenticeships and other schemes. We have developed key Organisational Development priorities of future and roles of work in NCC, suporting an effective organisation, recruiting for strengths, creating life friendly careers and the deal in service of our people vision. These priorities thread through and inform all strategic work carried out by the HR team. A strengths-based approach to Talent is under development and will support, via the Oracle HR&Finance system, increased transparency of vacancies and the ability of current NCC employees to find and match themselves with appropriate roles. We are a Cornerstone Employer, and have a silver award for the Armed Forces Convenance, supporting an inclusive approach to recruitment We are revising our mandatory training policy to support key skills and knowledge of our workforce Implementation of HR & Finance system will give us capability to improve our workforce planning through real time reporting, improved data and access to talent information. This system will be implemented on a phased basis. The creation of Career Families is central to making best use of the system functionality and a pilot of this work has been completed. The delivery of the full project will take place between Jan 2021 and April 2022. We are developing our branding of NCC to attract people with the future skills we need to continue to be successful and deliver NCCs vision and strategy We are working with partners to establish joined up recruitment and systems streamlining needs We have reshaped our core learning and development offer to the organisation through the Norfolk Development Academy and Social Care Academy e.g. digital skills, leadership and management skills. We now have a comprehensive suite of learning offers for both areas. The Human Resources Team have been focussing their staff resources on addressing work related to COVID-19. This risk will continue to be mitigated with an ongoing commitment to ensuring that the Council continues to operate effectively with the required skillsets of its staff in place going forward. Government initiatives being introduced to try and mitigate the impact of COVID-19 on the economy may offer more opportunities to help mitigate this risk. Further information is expected in September and we will evaluate these before updating in the next period. There are also early signs that NCC is attracting more candidates as the public sector is seen as a more secure employer and people explore moving out of major cities. It is too early however to reduce the level of risk on this basis.

Risk Number	RM030	**Date of update**	1st December 2020
Risk Name	Non-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**	8th 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

Progress update
21/8 - As part of the recovery phase the majority of transformation projects have restarted, but there is ongoing support needed to manage the continued response to COVID. It is still anticipated there will be a delay to benefits realisation and these assumptions are being built into the business planning process for 2021-22. 8/6 – It is anticipated there will be a 6 month impact on benefits realisation as a result of the COVID 19 crisis. There is also the potential for a delayed surge in demand for services as lockdown is lifted and new need is identified. Majority of transformation, operational and corporate resource has been redirected to support emergency COVID response during lockdown. Resources are now beginning to focus on restarting transformation during re-set and recovery phase. 1) Leads and transformation team in place. Roles involved in transformation will increase and decrease in line with programme demand. Currently increasing our capacity to support projects as part of the SCARF and SEND &AAP transformation programmes. 2) SEND transformation workstreams are established, project mandates agreed an the capital programme for the first build is underway. Current profile of £12-15m investment is £2m per year. The Council has also agreed additional £5m front-line staffing investment pa from 2020-21. 3) SEND consultation stages / work with IMPOWER completed and design stage underway for Specialist Resource Bases (SRBs) and revised Inclusion Model. 4) Governance structures and reporting processes in place and being actively used through stocktake meetings and trajectory reports. Transformation Board has refreshed to focus on Benefits Realisation and has cross council representation both Members and Officers. 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.

Risk Number	RM031				**Date of update**				1st December 2020	
Risk Name	NCC Funded Children's Services Overspend									
Portfolio lead	Cllr. John Fisher					**Risk Owner**		Sara Tough		
Risk Description					**Date entered on risk register**				1st 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										
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	**Met**

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

Progress update
Scoring rationale - Risk impact relates to financial impact of over £3m, therefore scored 5. Risk likelihood has reduced from "almost certain" to probable, due to department currently projecting a balanced budget outturn position for 2020/21, but balanced against considerable financial pressures for 2021/22 and uncertainties due to COVID 19. Nov 2020 update: Improved monitoring systems in place and becoming embedded: Assistant Director financial monitoring meeitngs, LAC tracker, Permanancy Planning Meetings, DCS Quarterly Performance meetings, weekly Getting to Good Meetings and Transformation and Benefits Realisation Board chaired by Cabinet Member CS and attended by members and CSLT. Multiple Transformation projects under-way and delivered, for example the new Social Care delivery model, Fostering Recruitment Transformation and use of an enhanced fostering model. Current projects such as our LAC and LC transformation have recently been approved to commence implementation. Norfolk has been successful in being awarded DfE funding to introduce the No Wrong Door model in partnership N Yorks. This is a proven model at working with adolescents differently improving outcomes and reducing costs. Due to COVID this project has been delayed, and has not commenced implementation with a target go live date of June 2021. Children Looked After numbers have now been in steady sustained decline for a since January 2019, which has resulted in reduced overall placement costs. The rate of reduction has slowed during COVID, but remains stable. Where numbers have reduced, overall unit costs have not decreased. A number of existing transformation projects are in train to support these young people more effectively and reduce unit costs over the medium term

Risk Number	RM032a	**Date of update**	1st December 2020
Risk Name	Effect of COVID-19 on NCC business continuity (staff, service users, and service delivery)		
Portfolio lead	Cllr. Andrew Proctor	**Risk Owner**	Tom McCabe
Risk Description		**Date entered on risk register**	27th February 2020

There is a risk of disruption to service delivery if there are widespread cases of COVID-19 in Norfolk affecting the health, safety and wellbeing of Norfolk County Council and contracted partner employees. This could impact on Norfolk County Council financially and reputationally. Cause: Not effectively containing COVID-19. Event: Widespread positive cases of COVID-19 across Norfolk, affecting NCC staff, partners, and service users. Effect: There are potential effects on staff, partner organisations, and service user's health, safety and wellbeing if there is widespread exposure to COVID-19 within Norfolk. 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**	4	5	**20**	3	2	**6**	Mar-21	**Green**

Tasks to mitigate the risk

1) Coordination of communications to make staff, service users, and contracted third parties aware of the latest guidance from Public Health England to help to contain cases of COVID-19, provide reassurance of the Council's response to COVID-19, contribute to the support structure, and demonstrate leadership. Action owner: James Dunne
2) Ensuring staff continue to be provided with information on safe working, particularly for those working in the community. To continue to ensure that measures to support mental health are available. Action owner: Derryth Wright
3) Modelling to be carried out to give best estimates on the prevalence of COVID-19 in Norfolk. Action Owner: Tim Winters
4) Adaptation of Business Continuity arrangements to meet service demands. Business Continuity Plan owners will need to review BCP's with their management teams to ensure that they reflect changes since COVID-19 which could affect current plans around such events as a loss of ICT, loss of a key system, shortage of key personnel, recognising other current priorities of services. Action Owner: Heads of Service
5) Assessment of financial impact. Action Owner: Harvey Bullen
6) Continued monitoring of risk mitigation progress for risks covering the winter 2020/21 period and beyond. Action Owner: Recovery Group and Thomas Osborne
7) Identifying nuanced implications of pupils back at school and working to ensure that all aspects of this are managed. Action Owner: Chris Snudden
8) To consider how and when sites might be re-opened for staff on a prioritisation basis using any revised government guidance, where and when it is safe to do so. Action Owner: John Baldwin
9) To ensure that children with disabilities (CWD) and their families are able to access short breaks to prevent family breakdown or potential harm to vulnerable children.

Progress update

Progress update
1) Communications continue to go out to all staff advising on how to seek further guidance issued by Public Health England. External communications to third parties are reviewed to ensure that external communications as well as internal communications are consistent. Communications are providing reassurance of the Council's response to COVID-19, contributing to the support structure, and demonstrating leadership. Members are receiving a Members Briefing document. In line with cases rising nationally and a subsequent second national lockdown, communications have been launched to further help to stop the spread of COVID-19 in Norfolk, encouraging people to stay at home as much as possible to protect ourselves, protect others and protect Norfolk. 2) Staff continue to receive guidance on safe working, including the use of personal protective equipment provided. The Health and Safety team continue to issue regular communications and provide well-being support to ensure people have access to any mental health support they may need including Norfolk Support Line, Mental Health First Aid Champions, wellbeing officers, and online e-Learning on personal resilience, all of which are available to staff. Support channels continue to be widely communicated to staff. This is important to help to mitigate the risk of staff feeling isolated from prolonged home working. Significant changes re. PPE have been incorporated in the guidance. The wellbeing staff survey provides greater insight to the wellbeing of the workforce during COVID-19. The survey is showing an increased level of pressure being felt by staff in the teams that have undertaken it, but the survey is designed to support the development of solutions by the team, for the team. This will help teams to manage their well-being directly. The provision of additional well-being support is also being launched through a wider winter offer. This includes adult learning sessions following the 5 ways to wellbeing model. 3) Modelling has been carried out to provide further understanding of the numbers of expected cases in Norfolk. We have also modelled to align numbers of resources to how many we think we need e.g. for social care discharges, community food distribution, and projected mortality rates. The COVID-19 epidemic curve forecasts produced at a national and regional level for mortality, hospital admissions and infection prevalence are being applied to our local population as we have done previously. This gives us scenarios around which to estimate system capacity required for testing, hospital admissions, hospital discharges and mortality. The Head of Public Health Information is reviewing the implications for Norfolk of the potential national scenarios as and when they are published, including the challenges we face during this Winter period. 4) Service delivery is being modified to adapt to the everchanging demands on services, including through online channels during lockdown for those services where it is appropriate to do so. In relation to care homes, the Health Section Care Provider delivery group continues to support collaboration between NCC and Norfolk & Waveney CCG and has been developed to both prevent new outbreaks in care homes and support those currently experiencing an outbreak. The Care Provider Incident Room (managed by N&W CCG) is the single point of contact for care homes to access support and advice and to report outbreaks. The Outbreak Management Team (managed by NCC) includes a Multi-disciplinary team with the ASSD Quality team working with PH consultants to manage outbreaks and to offer wrap around support to care homes. Enhanced arrangements continue to be in place for governance & oversight, infection control, testing, PPE & clinical equipment, workforce support and financial support. Business Continuity Plans across the Council continue to be reviewed to ensure they incorporate changes to service delivery. 5) There is financial monitoring of in-year cost to address the impact of COVID-19 within departments, with monitoring of 2020-21 spend reported to Cabinet on a monthly basis. Financial forecasting is taking place to further understand where there are likely to be areas of greater financial challenges as a result of COVID-19 beyond 2020-21. The Strategic and Financial Planning report was taken to Cabinet in October highlighting the latest assessment of significant areas of risk and uncertainty around emerging budget pressures for the 2021-22 Budget and Medium Term Financial Strategy. This paper also asked Members to consider and agree proposed savings. Public consultation will be undertaken on the 2021-22 Budget and saving proposals ahead of the budget setting meeting of Full Council in February 2021. The October paper also proposed next steps in the Budget planning process for 2021-22, including the actions required to develop further saving proposals in light of the significant uncertainty about the overall financial position. Monitoring reports will be taken to Cabinet in 2021-22. 6) Ongoing monitoring of risk mitigation progress on a weekly review through Recovery Group, with support from the Risk Management Officer. 7) Staff with children continue to show great flexibility around family needs. The Health and Safety team are working with Children's Services (CS) on the general monitoring programme, with Children's Services identifying which schools require additional support. Health and Safety are providing feedback to CS with common themes to be addressed. 8) Reopening of services has suspended following the national lockdown. However, when we return to a situation where services can reopen again a clear process for assessing need and suitability considering all the risks has been developed and is in place. This is managed through a working group chaired by the Head of Finance Exchequer Services and Health and Safety are members of that group. 9) CWD short breaks is one of the prioritised areas to resume face to face services under Theme G, with additional support provided in response to growing evidence of fatigue and strain amongst families.

Cabinet

Item 18

Decision making report title:	**Health, Safety and Well-being Annual Report 2019-20**
Date of meeting:	**12th January 2020**
Responsible Cabinet Member:	**Executive Leader Andrew Proctor, (Cabinet Member for Governance and Strategy)**
Responsible Director:	**Sam Pittam-Smith, Director of Transformation**
Is this a key decision?	**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 Members, volunteers and 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 of NCC, as the accountable persons, twice a year on our progress and delivery to that system. The main purpose of this report is to provide Cabinet with an in-year update on agreed 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

Since February 2020 the HSW team have necessarily shifted much of their focus to responding to the Coronavirus COVID-19 pandemic. The first enquiries relating to COVID-19 came into the team in January and despite the significant impacts not being felt by many in the Council until late in March 2020 when the first stay at home guidance came into effect, the HSW team were working on plans from early February. This continues to be the teams main focus as we responding to the development of the pandemic and the various changes in the national approach and much of our wider proactive work has ceased and this is reflected in the information reported here.

Executive Summary

This report provides data and analysis on the Health, Safety and Well-being (HSW) mid-year performance of Norfolk County Council (NCC) as an employer.

All numerical data is compared to the same position last year (19/20 data is provided in brackets) 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 a mixed picture overall. A summary is provided below. Positive indicators are:

- The number of all incidents have reduced compared to the same point last year with reportable incidents at 0.74 per 1000 f.t.e compared to 0.83 in 19/20 and non-reportable incidents at 35.14 compared to 39.97 in 19/20. However, caution is needed when interpreting these dips as the reduction in activity is likely to have impacted on incident rates.
- The 19/20 whole year figure for reportable incidents is 2.23 per 1000 f.t.e compared to the national benchmark of 2.38
- Mental Health First Aid Champions are using their skills to support colleagues during the pandemic with 79% using their knowledge to increase others awareness, 76% using it to signpost people to available services and 57% feeling more competent to support colleagues during these challenging times.
- Over 3000 employees have made use of the scheme providing access to equipment to set up their home workstation safely.
- The use of well-being services is increasing following a dip in quarter 1, positive feedback from users of the services continue to demonstrate the value these services bring.
- Employees continue to maintain high levels of mandatory training completion, with the overall rate at just over 89%

Some of the indicators highlighting where NCC still requires improvement include:

- Whilst the management of incidents had previously improved, the trajectory is now in the wrong direction with 72% being signed off within the target set and 92 currently remaining open. A further 227 remain open from previous reporting years.
- NCC received an Improvement Notice from the Health and Safety Executive this year, our first since 2013. This relates to the management of an activity contracted

to a third party for delivery. As an indicator of how well we are managing health and safety risks, the serving of an improvement notice indicates we have fallen some way short of expectations of the regulator in this area.

- Violence remains the single biggest cause of incidents. Whilst there has been a significant reduction in incidents in schools, this is very likely as a result of the partial closure of schools during the reporting period. The significant number remains in Children's Services, with their numbers remaining fairly static. It should however be noted that Children's Services colleagues support some of our most vulnerable children and preventative measures are often limited.
- Whilst the Musculoskeletal Rehabilitation Scheme is estimated to have saved NCC over £250,000 in absence prevention so far this year only 59% of employees remained at work at the time of referral, a considerable drop from 90% at the same point last year and the uptake on computer workstation assessments has decreased to 36 compared to 110 in 19/20. There are a variety of possible reasons for this that are highlighted in this report.
- Income from traded services is less at the half year point compared to the same point last year (£242,000 compared to £310,000).

Overall assessment for NCC remains amber.

Recommendations

1. **To consider the reported performance of NCC**
2. **To note that the health and safety team have redirected efforts to manage service changes to create "COVID-Secure" services and workplaces, and more recently have provided professional support to Public Health colleagues and educational settings managing situations and outbreaks**
3. **Agree that priority actions for the HSW team are to:**
    a. **Continue to focus on the response to the COVID-19 pandemic,**
    b. **Re-instigating the monitoring programme in a COVID-Secure way**
    c. **Develop the training offer to enable remote delivery**
4. **Agree that actions for services are to focus on key priorities during continued pandemic which will support mental health, well-being and safety including:**
    a. Effective people leadership and management practice as priority
    b. Working from home arrangements including DSE assessment
    c. Lone working procedures
    d. Continued well-being of staff

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. NCC also retain some liabilities in relation to contracted and commissioned services.

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 reported performance of NCC**
2. **To note that the health and safety team have redirected efforts to manage service changes to create "COVID-Secure" services and workplaces, and more recently have provided professional support to Public Health colleagues and educational settings managing situations and outbreaks**
3. **Agree that actions for the HSW team are to:**
    a. **Continue to focus on the response to the COVID-19 pandemic**
    b. **Re-instigating the monitoring programme in a COVID-Secure way**
    c. **Develop the training offer to enable remote delivery**
4. **Agree that actions for services are to focus on key priorities during continued pandemic which will support mental health, well-being and safety including:**
    a. **Effective people leadership and management practice as priority**
    b. **Working from home arrangements including DSE assessment**
    c. **Lone working procedures**
    d. **Continued well-being of staff**

Officer Contact

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

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Norfolk County Council

Health

Safety

Well-Being

Mid-year Report 2020/21

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Healthandsafety@norfolk.gov.uk

Well-being@norfolk.gov.uk

1.0 Overview of the Health, Safety and Well-being Service

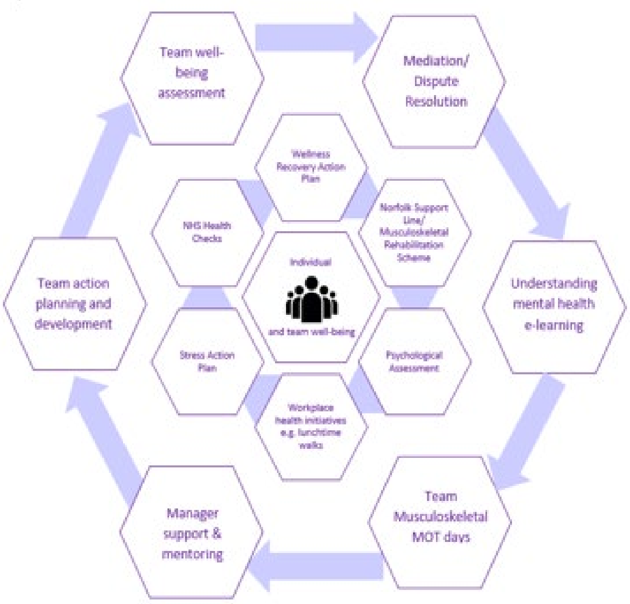
The HSW service provides the strategic framework for NCC to deliver its statutory HSW responsibilities. We provide professional advice and support to services, teams and individuals across NCC to ensure effective and proportionate management of risks and organisational resilience.

The services provided support the Council's strategic ambitions as described in the diagram below:

NCC vision & 6 year plan	Caring for Our County – Together for Norfolk		
Strategic Ambitions	Growing Economy	Thriving People	Strong Communities
Outcomes HSW supports/ contributes to	• The local economy is inclusive, and supports and benefits local businesses and communities	• All children in Norfolk have a good education which meets their needs, encourages ambition and gives them knowledge and skills for adult life and employment	• People of all ages enjoy good health and increased well-being • Community groups and voluntary organisations are able to deliver services which people need in their communities • Communities are safe and resilient
HR vision	To lead and encourage every employee to be their best at work so that we can improve the lives of our communities to grow, thrive and prosper		
HSW Priorities	NCC has a positive HSW culture	The standard of HSW management ensures that employees are at work, well and productive	HSW has a successful strategic approach to trading and cost recovery

The services provided to support delivery of these priorities are:

Well-being Service



Occupational Safety and Health Service

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 2019/20, 53% of the service costs were covered by income generation, an increase from 49% in 2018/19.

2.0 Strategic 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 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

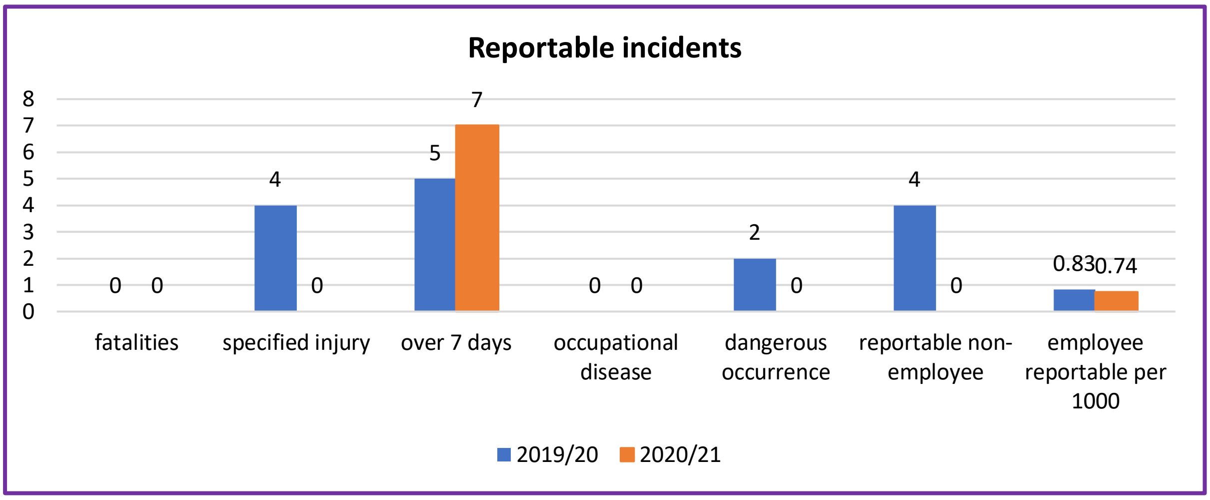
For each outcome an overall analysis and assessment of position is provided.

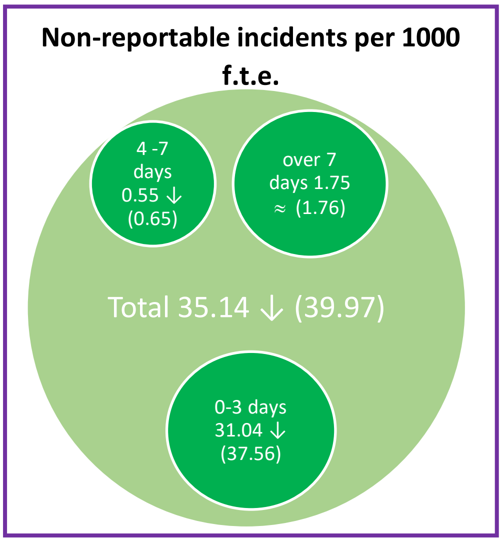
2.1 Outcome 1: NCC has a positive health, safety and well-being culture

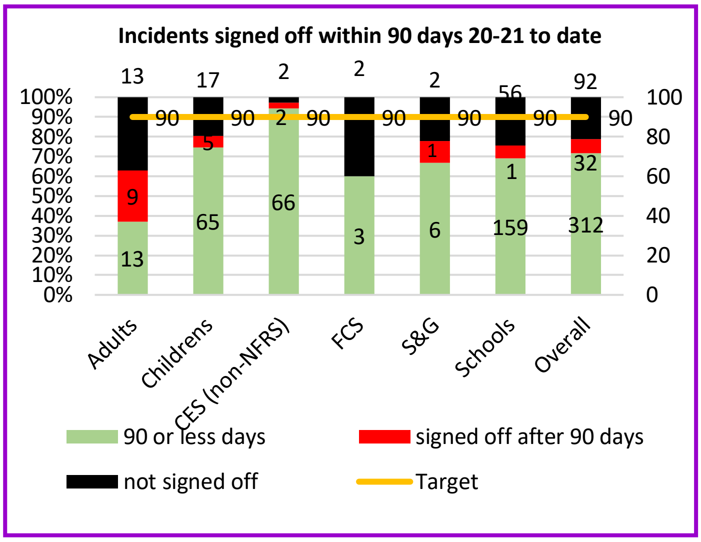
The below measures are designed to inform NCC whether accountability for health, safety and well-being matters is being taken at the right levels throughout the organisation and if there is good engagement with the organisation’s employees and their representatives

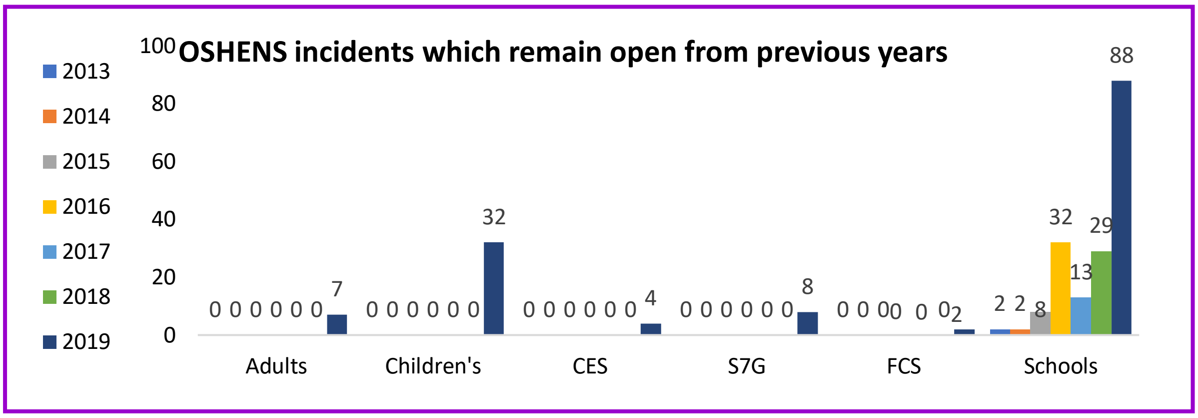
The measures focus on 3 broad areas: incidents, leadership and employee involvement

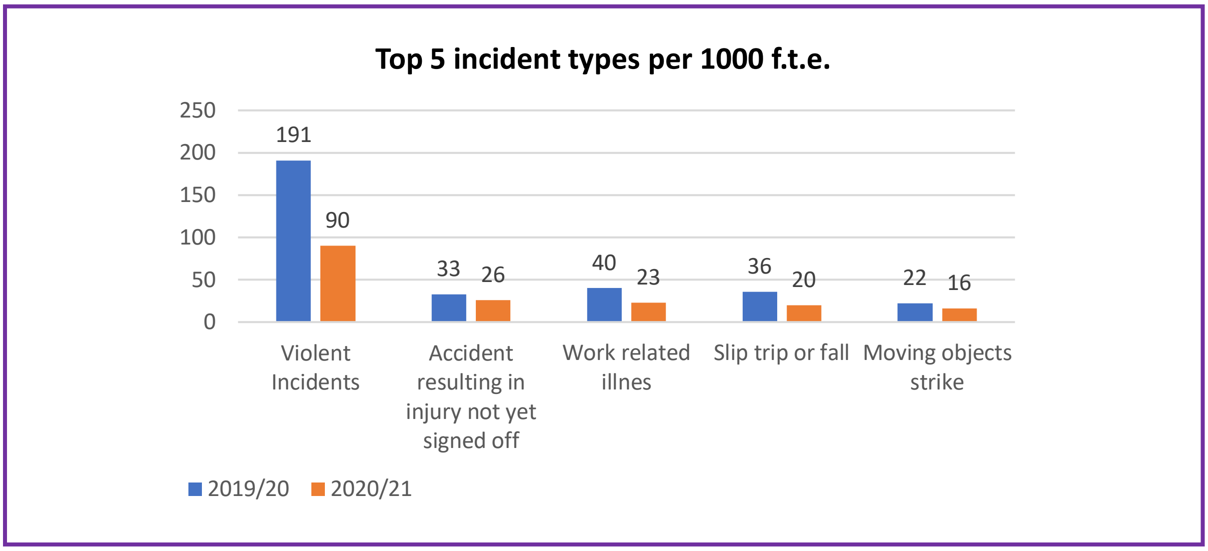
2.1.1 Incidents



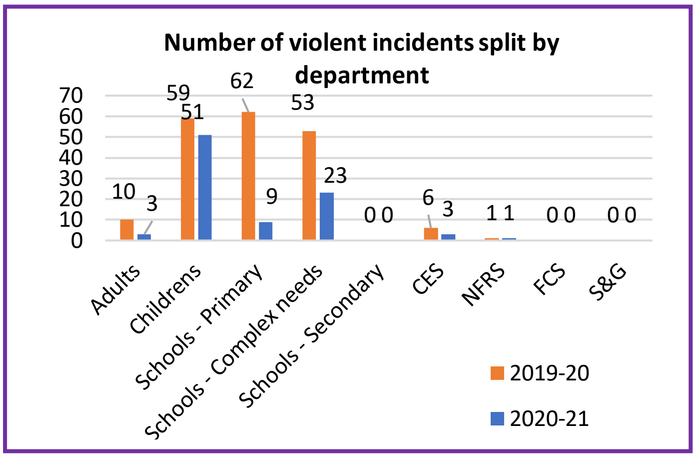




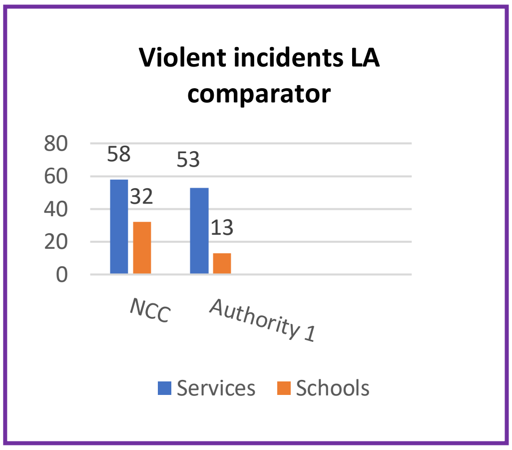




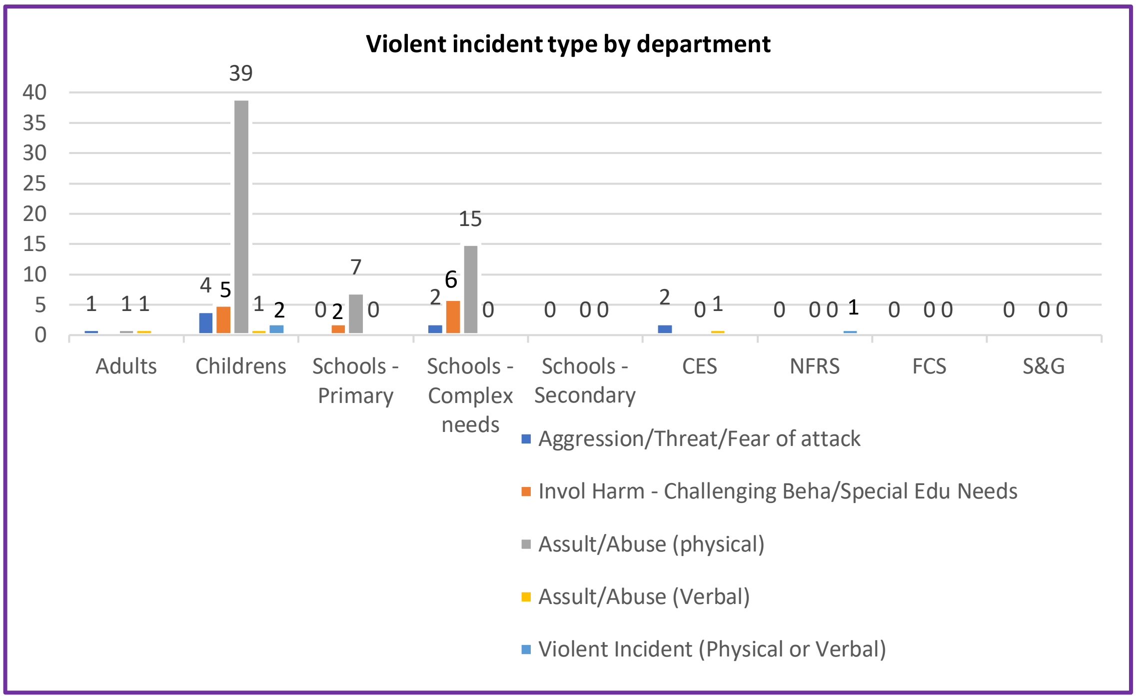
Top 5 incident types per 1000 f.t.e.
250
200
150
100
50
0
191
90
33
26
40
23
36
20
22
16
Violent Incidents
Accident resulting in injury not yet signed off
Work related illnes
Slip trip or fall
Moving objects strike
2019/20
2020/21



Number of violent incidents split by department
70
60
50
40
30
20
10
0
10
3
59
51
62
9
53
23
0 0
6
3
1 1
0 0
0 0
Adults
Childrens
Schools - Primary
Schools - Complex needs
Schools - Secondary
CES
NFRS
FCS
S&G
2019-20
2020-21



Violent incidents LA comparator
80
60
40
20
0
58
32
53
13
NCC
Authority 1
Services
Schools



Violent incident type by department
40
35
30
25
20
15
10
5
0
1
1 1
4
5
39
1
2
0
2
7
0
2
6
15
0
0
0 0
2
0
1
0
0 0
1
0
0 0
0
0 0
Adults
Childrens
Schools - Primary
Schools - Complex needs
Schools - Secondary
CES
NFRS
FCS
S&G
Aggression/Threat/Fear of attack
Invol Harm - Challenging Beha/Special Edu Needs
Assult/Abuse (physical)
Assult/Abuse (Verbal)
Violent Incident (Physical or Verbal)

Data analysis

Overall, the number of reportable incidents, both in number and per 1000 f.t.e has reduced this year compared to the same point last year. All such incidents caused more than 7 day's absence from work. Non- reportable incidents have also reduced. The downward trend is not surprising as NCC continues to operate reduced services in many areas as a result of the COVID-19 pandemic. The 19/20 benchmark figure for employee reportable incidents per 1000 f.t.e is 2.38 compared to the NCC figure of 2.23 for the same year. The national figure is released in October of the following year and therefore this is the first time this comparison has been reported. It is pleasing to note the NCC figures remains marginally below the national figure.

In 19/20 there was a significant focus by Executive Directors to improve 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. This has been supported by regular data provision via the HSW team. Unfortunately, but understandably, performance in this area has slipped slightly with CES being the only service meeting the target of 90% of incidents being reviewed and signed off within 90 days. Overall, 72% of incidents are being reviewed and signed off within target. The number of actual incidents below target is 124, with 92 of those still remaining open, 56 of which are in schools. This is most likely as a result of services and schools responding to the current crisis. In addition, a total of 227 incidents remain open from previous years. The management of incidents remains important, even in these difficult times, to make sure we both meet our statutory obligations and learn lessons from incidents in a timely way.

The types of incidents that are most frequently reported remain broadly the same as previously and the numbers of each of these also remain fairly static, except for violent incidents which have decreased in number. This is likely to be a reflection on the services that were fully or partially closed or delivered in a remote way for much of the reporting period.

NCC requests comparison data from other counties in the region. Only one other authority was able to provide the data requested. In terms of corporate services, the reports are similar, although NCC has more reports from schools. 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.

This year we introduced the ability to categorise violent incidents further by type of incident as the category of violence is a broad one, covering everything from verbal threat to physical assault and also includes involuntary action as a result of a health condition. The majority of incidents being reported by the injured party are categorised as a result of physical assault. Whilst any incident of violence is concerning, it is important to note that Children's Services, where the largest number of incidents occur, are dealing with some of the most challenging service users and the preventative actions available to the service are limited. Children's Service's will review the incidents being reported to identify if any further proactive steps can be taken to support employees.

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 overall services have made good progress working towards completing the action plans contained within the risk profile. Three services were reviewed by HSW at the end of 19/20 and all had action plans in place, had reviewed the risk profile and could demonstrate engagement of DMT with the profile. No further proactive reviews by HSW have taken place as a result of prioritisation of work relating to COVID-19.

Another measure of health and safety leadership is good involvement of the HSW team in a proactive way. Unfortunately, there is one incidence of delayed involvement of the team of some significance that occurred in the first half of this year. This relates to a HSE inspection that was undertaken at one of our sites that subsequently resulted in the serving of an improvement notice on NCC. The HSW team were only engaged after the service of the notice. Early engagement with the team is vital to ensure appropriate support can be provided.

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. Workplaces 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.

We have worked closely with Unison and the various teaching unions during the COVID-19 pandemic to ensure engagement with our approach and swift resolution of issues.

Well-being facilitators are employees who 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. Up to 73% of facilitators are engaging with the well-being facilitator group on Teams, indicating the role is utilised in the way it was intended. There are currently **209** well-being facilitators following the reconfiguration across NCC against a target of ≥ 250. This is less than the **251** that were in place at the same point last year. Further recruitment and engagement of teams has been affected by the COVID pandemic

Overall assessment of data and analysis: AMBER
Overall, the picture is a mixed one with some positive indicators such as the number of incidents being reported, but also some areas dipping, such as the management and sign off of incidents and the receipt of an improvement notice.

Issues and dependencies:

- Incident figures and absence figures include NFRS which are managed separately to other NCC services
- Incident figures and absence figures include NCC schools which have more devolved management
- The COVID-19 pandemic and our response to that will have an influence on activity and incidents

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

Prior to the COVID-19 pandemic, monitoring of teams and premises was routinely undertaken by the HSW team to evaluate compliance and risks. At each visit the team/premise would be 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. An overview of the premise and team scores would ordinarily be provided in this report, however, monitoring was suspended at the beginning of the pandemic and has not yet properly recommenced. Visits are only happening in a limited capacity where managers or the HSW team consider this would be appropriate to support COVID-Secure compliance. With more and more services opening up or extending their provision recommencing the monitoring programme is considered a priority for the team.

The risk profile data has not been refreshed for some time and is therefore omitted from the report. More information on the factors ordinarily considered and the purpose of risk profiling is provided in the glossary.

The receipt of enforcement notices requiring significant improvements is another indicator of the management of health and safety risks. The receipt of such notices is rare for NCC and has not occurred since 2013. However, we have received an Improvement Notice in the first half of this year. This relates to the maintenance and management of Haven Bridge, a structure that is owned by NCC but operated by a third party on our behalf. An action plan to ensure compliance with the notice has been developed by the department with support from HSW. The serving of this notice demonstrates the need to ensure contracted activity is appropriately managed and monitored by NCC. Executive Directors are asked to seek assurances relating to their contracted services management in the light of this notice.

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 % 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.

Additional strategies reported separately include our all employee survey and action plans and our recent smarter working survey which provides key insight of the key engagement and well-being needs of employees to be effective at work.

- The **sickness absence** rate to the end of September 2020 was **3.3%** against the target of **3.5%** and compared to 3.81% 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).
- The new employee retention rate is **87.5%** as at the end of September 2020, compared to 63.45% last year and against a target of **80%.**
- The vacancy rate for September 2020 was **9.8%,** compared to 12.8% last year and against a target of **12%.**

As reported in our vital signs, we believe these measures have been impacted by the pandemic. With significant uncertainty in the employment market and increases in unemployment, there will be a correlation with increased retention and corresponding vacancies.

In the current difficult times mental health support to colleagues is even more important, as we all adjust to working remotely and being restricted in our movements, and for some having to work in the frontline supporting the most vulnerable in our society in the face of the virus; it is important to keep connected with our colleagues and give everyone the support they need. The MHFA Champions play an important role in that and we have continued to publicise their availability to colleagues throughout this pandemic.

Mental Health First Aid

Our annual Survey of MHFA Champions was issued in April, with 58% of the 333 champions responding. Of those who responded:

- Four-fifths (79%) had used their skills and knowledge to increase mental health awareness in their colleagues
- Three-quarters (76%) had used their skills and knowledge to signpost employees on at least one occasion.
- Over half (57%) said it had made them more competent in supporting their colleagues during the COVID pandemic

In response to suggestions from the MHFA Champions regular group sessions have been arranged to provide support and advice, and weekly posts on the MHFA Champion Team channel are being delivered by the HSW team to engage with the champions and support their continued development.

Following the COVID pandemic, all face to face training was suspended including MHFA Champion training. The course is prescribed by MHFA England and they didn't provide a template for a virtual training version of their course until September. We are currently trialling the effectiveness of this training before considering whether to make it part of our regular training offer.

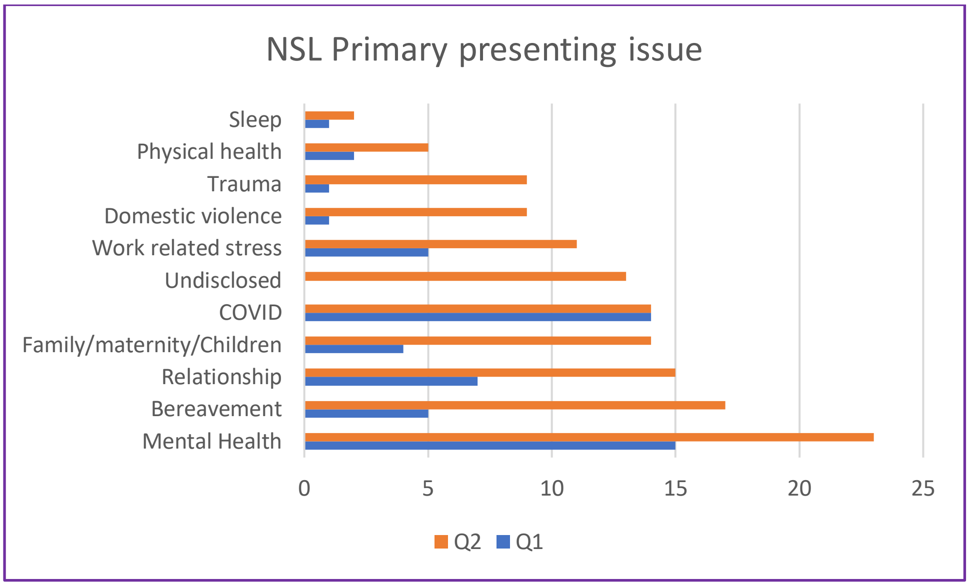
Norfolk Support Line

Norfolk Support Line 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.

The contract was retendered last year, with the new provider due to take over from 1st April. As a result of the COVID pandemic, the transfer was delayed until 1st July. However, the phone number and web domain were redirected to the new provider on 1st July without incident.

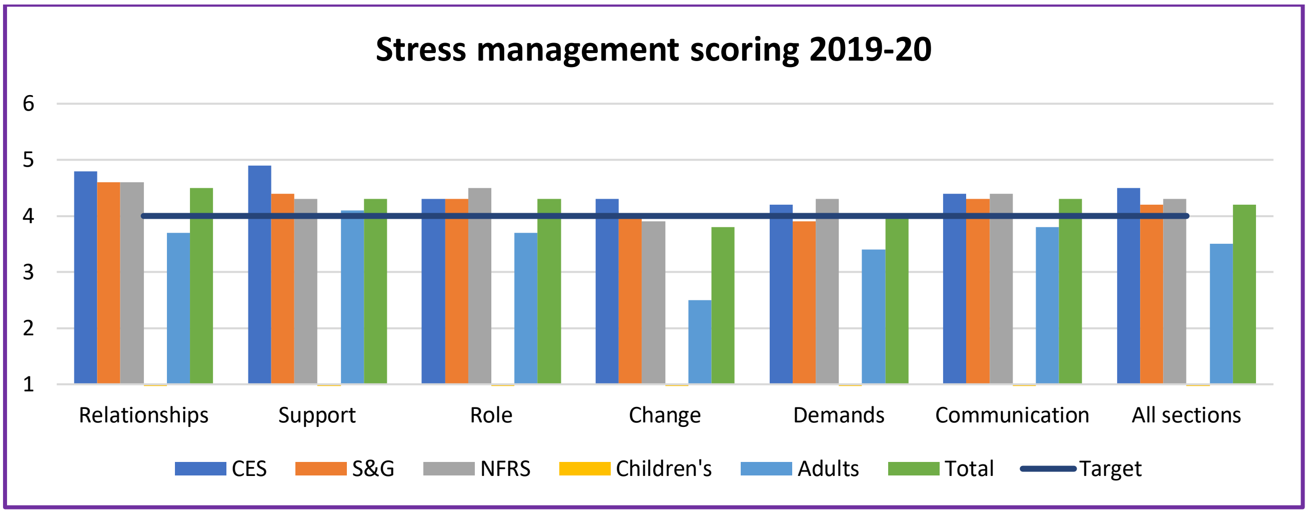
The commencement of the lockdown period in March saw calls to NSL reduce for the first 6 weeks. As a consequence, usage rates over quarter 1 reduce from the normal rate of 7% of the workforce to 2.9%, however in quarter 2 this increased to 10.1%.

Whilst the use of NSL has increased, the proportion of calls relating to personal issues has increased by a greater rate. During 2019/20, 73% of employees contacted NSL where the primary issue was personal, whereas during quarter 1 and 2 of 2020/21 this increased to 91%. Whilst this is reassuring that staff have not felt work to be the primary factor affecting their health, and there are some factors that were expected to increase (e.g. bereavement, trauma, COVID), it has also revealed the impact of domestic violence on our staff (see graph below). We will therefore be increasing our focus on support available for this and any other emerging areas of concern.



Well-being risk assessment

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. From the teams that undertook the well-being risk assessment so far this year we can provide a position statement on these standards:

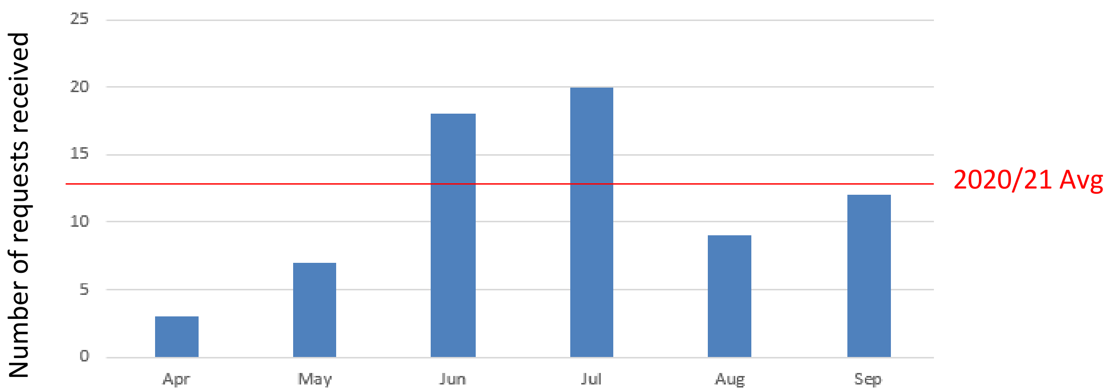


The majority of teams that participated in the assessment are showing good scores. Some results are below target for some teams. However, a number of teams have been working under great pressure for the last 8 months and therefore a dip in scores is not wholly unexpected. How this is managed and actions taken as a result will be important to ensuring well-being and morale improve. As part of the assessment process the teams work on producing action plans to address any areas identified, this is a highly important part of the process, giving them ownership of the actions they consider important to effect change.

It is worth noting that this chart shows the average across the teams that participated, therefore the score can be influenced by the numbers that participated and any outliers. With a total of 23 teams participating during this period we cannot use this data to make wider assumptions across the organisation. The employee survey that took place earlier in the year provides a more reliable cross organisational picture. However, the well-being assessment can serve as an excellent follow on analysis tool as it provides a means of much more localised drill down at a team level and empowers the participates to identify the areas they consider the most important to work on.

Well-being officer support

Well-being Officers provide direct support to employees who are struggling with the relationship between their health and work. The COVID pandemic resulted in an initial reduction in referrals, although that increased from June, (see below) which mirrored the usage of NSL over the same period. **69** employees have accessed this support during quarter 1 and 2 compared to 80 during the same period last year. Whilst **60%** stated work as the underlying cause, the support provided implied the work had exacerbated an underlying chronic health issue, rather than being solely down to work. This was a small increase on work related referrals, which stood at **55%** last year. Whilst the support is highly valued by those that use it, it does indicate there is still some work to do to help manager/employee relationships to improve to reduce the need for Well-being Officer support in this area as many of the tools used are readily available for managers and employees to complete together. The continued investment in manager development will be key to improvement.



The number of referrals for support being made before an employee goes absent has decreased slightly from 71% to 65% but continues to reflect a generally proactive approach by employees and managers.

Musculoskeletal Rehabilitation Scheme

The Musculoskeletal Rehabilitation Scheme 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.

The service moved to remote assessment and treatment for much of the first half of this year as a result of the pandemic. This initially had an impact on the number of referrals, reducing to 25% of pre-COVID levels, however, as the data provided below shows, those that used the scheme continue to see the benefits from it. Following suitable risk assessment of COVID security, hands-on treatment recommenced in September, and referral rates have started to increase, in Q2 referrals were at 63% of pre-COVID levels.

Employees using the service are asked to feedback on the impact the treatment has had:

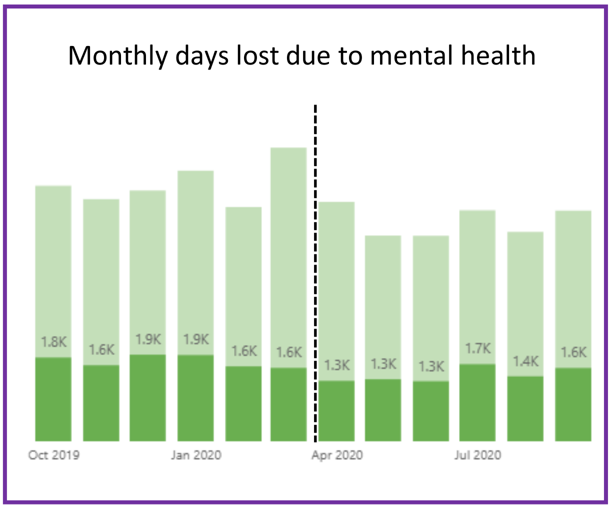
68% of employees who gave feedback on the MIRS scheme said that the treatment helped with their injury or condition, a further **23%** said it helped a little. The scheme is estimated to have saved **2,972** days sickness absence equivalent to **£252,620** so far this year. **59%** of employees were still at work when referred for treatment. This is a decrease from 90% last year. There a number of potential reasons for this:

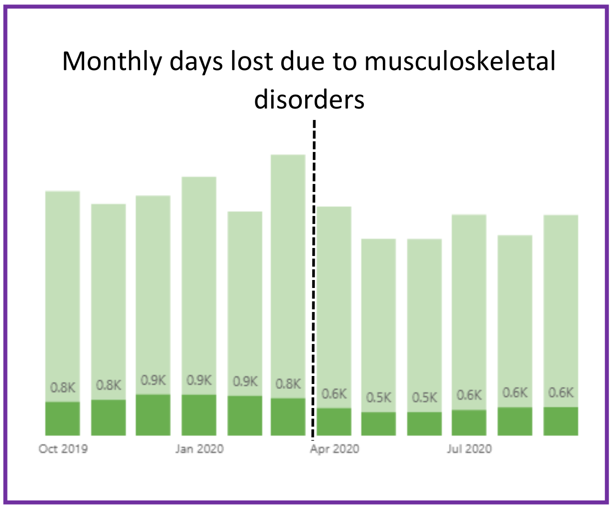
- Colleagues may not have been aware that the service remained available, or may have been put off by the move to a remote service
- The critical nature of the pandemic, and the risk it poses of serious illness and death, can result in individuals down-grading the seriousness of other ill health, such as musculoskeletal injuries, and not seeking treatment until it has a significant impact on their lives, i.e. absence from work.
- Working remotely reduces the visibility of employees to managers and colleagues, who might otherwise notice their colleague has an injury and encourage referral.
- Employees adapt their work in a way they might not have been able to when in the office (for example they may work whilst laying on a bed) which may relive the symptoms in the short term, but not address the cause of the injury.

The network of referral managers has been an effective method of ensuring employees access treatment early in their injury, but the change our ways of working appear to have reduced the effectiveness. We will therefore be increasing the support for referral managers and arrange for simple but repetitive message to be communicated to staff regarding the importance and benefits of early referral after sustaining a musculoskeletal injury.

The service also carries out assessments for employees who have a musculoskeletal injury thought to be related to working with a computer (DSE assessments). Since the commencement of lockdown they have been undertaken remotely (though a video call) but the number of assessments has fallen considerable – 36 in the quarter 1 and 2 of 2020/21, compared with 110 in the same period last year. Again, this may be for a number of reasons, including some of those identified above, but also, that employees may not be comfortable for an assessment to take place ‘in their home’ even if it is via video link. Again, further promotion of this service and how it works will be important to encourage use.

At the beginning of lockdown, when the majority of employees were required to work from home, NCC introduced a scheme whereby employees could purchase equipment to help them work safely from home. At the end of Q2 over 3000 employees have made use of this scheme. We will continue to promote the scheme to support employees to set up their workstations appropriately.

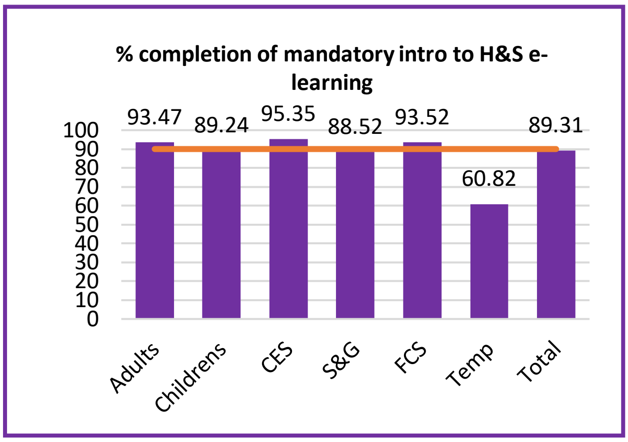


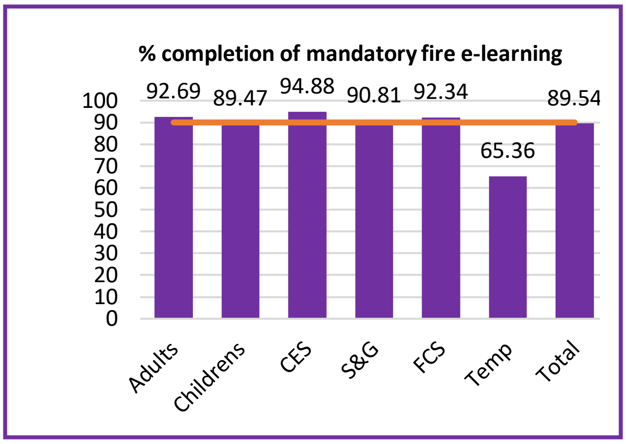


Specific cause of absence as a % of all absence

Whilst there has been a rise in both mental health absence and musculoskeletal absence in Q2 compared to Q1 they have remained fairly consistent over a rolling year and compared to the previous 6 months including pre-pandemic. A rise in absence relating to these conditions would not be unsurprising at this time. There is certainly evidence that nationally self-reported mental health and well-being has worsened during the pandemic and this peaked during April, with levels currently above pre-pandemic occurrence but on a downwards trajectory. NCC absence due to mental health has not followed this trend, with pre pandemic levels higher than during the pandemic, although these do now appear to be plateauing. This would suggest that despite a dip in service use in quarter 1, the services and support available to colleagues is helpful.

2.2.3 Employee competency





The target for completion of mandatory e-learning was raised from 85% to 90% last year following the work undertaken by services to secure improvements. It is pleasing to see that even with the increased target all departments are very close to meeting or exceeding the target. Temporary staff remain the area of improvement needed. 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. Prior to the coronavirus outbreak the HR Resourcing team had been working to improve compliance amongst temporary staff, however this work has ceased since the redirection of resources to support workforce challenges resulting from the pandemic. The introduction of the new HR and Finance system will help to resolve this issue in the longer term.

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. Not only have monitoring visits ceased but all of the tutor led training has currently ceased due to the HSW team resource being aligned to reactive work relating to the pandemic. Moving these courses to a remote platform is a priority for the team to ensure employee competence is maintained.

Overall assessment of data and analysis: AMBER

Services to support mental health and well-being continue to receive good feedback and help employees to continue to work and manage conditions. After an initial dip in use, these are becoming more utilised again. However, as a result of some HSW services and activity being suspended not all measures are currently available, so caution needs to be applied to the overall assessment.

Issues and dependencies:

- Absence figures include NFRS which are managed separately to other NCC services
- Absence figures include NCC schools which have more devolved management
- The risk score may be impacted by turnover of managers and headteachers
- The COVID-19 pandemic and our response to that has had an influence on activity and measures

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. 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.

46 academies/trusts have purchased the health and safety advice service, 108 schools and 32 academies/trusts have purchased the MIRS service, and 143 of schools and 30 of academies have purchased NSL so far this year. **£242,500** has been generated from all HSW traded services (including other public sector organisations) so far this year compared to **£310,000** at this point last year

Following the outbreak of Coronavirus COVID-19 the Head of HSW made the decision to offer advice and support to all schools and early years settings free of charge to support the wider Public Health effort. Whilst this was the right decision to make, this may have had an impact on traded services so far this year and a process of withdrawing these services must be initiated with sensitivity and in a timely way at some point. In addition, prioritisation of responding to the pandemic has impacted on resources available for supporting trading opportunities.

Overall assessment of data and analysis: AMBER
Current sales position is lower than this time last year overall but is not so reduced as to cause a red rating at this point.

Issues and dependencies:

- Academy chains become too large to buy our services (they employ in-house resource)
- Academy chains that already have in-house resource increase their market share
- NSL comparable services are included in some HR or insurance packages from alternate suppliers purchased by some academy chains

3.0 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.