

# Cabinet

Date: **Monday 8 August 2022**

Time: **10 am**

Venue: **Council Chamber, County Hall, Martineau Lane,  
Norwich NR1 2DH**

## Membership

### Cabinet Member:

Cllr Andrew Proctor

Cllr Graham Plant

Cllr Bill Borrett

Cllr Margaret Dewsbury

Cllr John Fisher

Cllr Tom FitzPatrick

Cllr Andrew Jamieson

Cllr Greg Peck

Cllr Eric Vardy

Cllr Martin Wilby

### Responsibility:

Chair. Leader and Cabinet Member for Strategy & Governance.

Vice-Chair. Deputy Leader and Cabinet Member for Growing the Economy.

Cabinet Member for Adult Social Care, Public Health & Prevention

Cabinet Member for Communities & Partnerships

Cabinet Member for Children's Services

Cabinet Member for Innovation, Transformation & Performance

Cabinet Member for Finance

Cabinet Member for Commercial Services & Asset Management

Cabinet Member for Environment & Waste

Cabinet Member for Highways, Infrastructure & Transport

## Advice for members of the public:

This meeting will be held in public and in person.

It will be live streamed on YouTube and, members of the public may watch remotely by clicking on the following link: [Norfolk County Council YouTube](#)

However, if you wish to attend in person it would be helpful if, you could indicate in advance that it is your intention to do so as public seating will be limited. This can be done by emailing [committees@norfolk.gov.uk](mailto:committees@norfolk.gov.uk).

The Government has removed all COVID 19 restrictions and moved towards living with COVID-19, just as we live with other respiratory infections. However, to ensure that the meeting is safe we are asking everyone attending to practice good public health and safety

behaviours (practising good hand and respiratory hygiene, including wearing face coverings in busy areas at times of high prevalence) and to stay at home when they need to (if they have tested positive for COVID 19; if they have symptoms of a respiratory infection; if they are a close contact of a positive COVID 19 case). This will help make the event safe for all those attending and limit the transmission of respiratory infections including COVID-19.

## A g e n d a

### 1 To receive any apologies.

### 2 Minutes

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To confirm the minutes from the Cabinet Meeting held on Monday 4 July 2022

### 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](mailto:committees@norfolk.gov.uk)) by 5pm on **Tuesday 2 August 2022\***. 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 from 9.30am on the day of the meeting and can be viewed by clicking this link once uploaded: [Click here to view public questions and responses](#)

**\*Please note that the deadline for public questions has changed. Following Council's agreement to amend the Council's Constitution on 19 July 2022, three working days' notice are now required.**

**7 Local Member Issues/Questions**

Fifteen minutes for local member to raise issues of concern of which due notice has been given. Please note that all questions must be received by the Committee Team ([committees@norfolk.gov.uk](mailto:committees@norfolk.gov.uk)) by 5pm on **Tuesday 2 August 2022**.

**\*Please note that the deadline for Member questions has changed. Following Council's agreement to amend the Council's Constitution on 19 July 2022, three working days' notice are now required.**

**8 Customer Experience Programme**

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Report by the Executive Director of Community and Environmental Services

**9 Forum Trust**

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Report by the Executive Director of Community and Environmental Services

**10 Finance Monitoring Report 2022-23 P3: June 2022**

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Report by the Executive Director of Finance and Commercial Services

**11 Disposal, acquisition and exploitation of property**

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Report by the Executive Director of Finance and Commercial Services

**12 Reports of the Cabinet Member and Officer 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 Highways, Infrastructure and Transport:**

- [Great Yarmouth, Harfreys Roundabout – National Highways improvement project](#)
- [Great Yarmouth Charter Academy – School Keep Clearway](#)
- [Kings Lynn – Nar Ouse Enterprise Zone](#)

**Decisions by the Cabinet Member for Communities and Partnerships:**

- [Response to the Government “Reforming our Fire and Rescue Service” consultation](#)

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

- [Outwell - Moors Lodge Farm \(2107/101\), sale of property](#)

**13 Exclusion of the Public**

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

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

**14 Disposal, Acquisition & Exploitation of Property: Exempt Annex**

Report by the Executive Director of Finance & Commercial Services

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

Date Agenda Published: 29 July 2022



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## **Cabinet**

### **Minutes of the Meeting held on Monday 4 July 2022 in the Council Chamber, County Hall, at 10am**

**Present:**

Cllr Andrew Proctor	Chairman. Leader & Cabinet Member for Strategy & Governance.
Cllr Graham Plant	Vice-Chairman and Cabinet Member for Growing the Economy
Cllr Bill Borrett	Cabinet Member for Adult Social Care, Public Health and Prevention
Cllr Margaret Dewsbury	Cabinet Member for Communities and Partnerships
Cllr Daniel Elmer	Deputy Cabinet Member for Children's Services
Cllr Tom FitzPatrick	Cabinet Member for Innovation, Transformation & Performance.
Cllr Andrew Jamieson	Cabinet Member for Finance (attending via video link)
Cllr Eric Vardy	Cabinet Member for Environment and Waste
Cllr Martin Wilby	Cabinet Member for Highways, Infrastructure and Transport

**Executive Directors Present:**

James Bullion	Executive Director of Adult Social Services
Paul Cracknell	Executive Director of Transformation and Strategy
Kat Hulatt	Head of Legal Services
Simon George	Executive Director of Finance & Commercial Services
Sara Tough	Executive Director of Children's Services

Cabinet Members and Executive Directors introduced themselves.

**1 Apologies for Absence**

- 1.1 Apologies were received from the Cabinet Member for Children's Services, (Deputy Cabinet Member for Children's Services substituting), the Cabinet Member for Commercial Services and Asset Management and the Executive Director for Community and Environmental Services (Grahame Bygrave, Director of Highways, Transport and Waste, substituting).

**2 Minutes from the meeting held on Monday 6 June 2022.**

- 2.1 Cabinet agreed the minutes of the meeting held on Monday 6 June 2022 as an accurate record.

**3 Declaration of Interests**

- 3.1 No interests were declared.

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

- 4.1 None.

## **5 Items of Urgent Business**

- 5.1 There were no matters of urgent business discussed.

## **6 Public Question Time**

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

- 6.2.1 Ruth Goodall asked a supplementary question:
- Ruth Goodall was a representative of Weston Longville Parish Council
  - She thanked officers for negotiating mitigation measures should the Norwich Western Link be delayed after completion of the A47 work.
  - She asked if the results of the public consultation due to take place in the summer would be weighted according to its impact on parishes; ie whether the views of those most affected would be given the most weight. Weston Longville's concern was that as a small parish, that their concerns would be "washed away" by other submissions in the consultation. They would therefore like reassurance that their concerns would be taken into account.

- 6.2.1 The Cabinet Member for Highways, Infrastructure and Transport replied that the consultation would start as soon as possible in summer 2022 after the July Full Council meeting. The council had worked closely with parishes who would be affected by the Norwich Western Link and would continue to do so, including Weston Longville. The Cabinet Member for Highways, Infrastructure and Transport agreed that it was right to take note of comments and issues from the consultation, particularly from local parishes as these people lived in the area to be affected by the road, and these would therefore be taken fully into account.

- 6.3.1 Nova Fairbank, Chief Operating Officer for Norfolk Chambers of Commerce, asked a supplementary question:
- Nova was pleased to see the positive impacts that the Norwich Western Link would produce. She noted that Norfolk had historically lagged behind the UK in infrastructure. As a multi-modal rural county, infrastructure was essential to businesses and the public, and with investment having been made in the Northern Broadway, it made sense to invest in the missing link and there had been interest in completing it.
  - Nova asked if there were any sectors that would not see a benefit in completion of the Norwich Western Link.

- 6.3.2 The Cabinet Member for Highways, Infrastructure and Transport agreed with the success of the Broadland Northway and that the Norwich Western Link was a crucial piece of infrastructure for the county. The council would do all it could to deliver for the future prospects of Norfolk and all people who visited the county.

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

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

- 7.2.1 Cllr Alexandra Kemp asked a supplementary question:
- Cllr Kemp did not agree with the answer provided to her substantive

question as she believed that good governance and equal opportunities were matters for Cabinet. She asked why there was a proposal for Conservative motions to be taken first at full Council, and the smallest, women only, group's motions to be taken last. She believed that this led to sexism and asked why the Leader was putting women last.

- 7.2.2 The Chairman replied that there was no attempt towards discrimination. The issue of the constitution was being taken to Corporate Select Committee in July 2022; the recommendations regarding this were based on the recommendation of the Director of Governance and would then be taken to Full Council for finalisation.
- 7.3.1 Cllr Paul Neale asked a supplementary question:
- Cllr Neale referred to the data given in response to his substantive question, stating that it was unquantifiable. He asked how much money was at risk and whether assurance could be given to taxpayers on the whole life cost of the project if it went ahead.
- 7.3.2 The Cabinet Member for Highways, Infrastructure and Transport replied that the Norwich Western Link was still considered a high value for money project and was a key piece of infrastructure which would improve the lives and environment of people living to the West of Norwich.
- 7.4.1 Cllr Emma Corlett asked a supplementary question:
- Cllr Corlett was concerned that the answer to her substantive question didn't make clear that by avoiding the impact on barbastelle bat roosts, this had moved the route onto foraging routes. A decision on whether the route was on a designated site of special interest was being awaited and Cllr Corlett asked what impact this would have on planning consent.
- 7.4.2 The Cabinet Member for Highways, Infrastructure and Transport replied that the council took its environmental responsibility seriously and had experts who brought forward reports on bats. Future work would be evidence based, as work had been throughout the work so far.

## **8. Norwich Western Link Update**

- 8.1.1 Cabinet received the report providing an update on work undertaken on the project since the 7 June 2021 and March 2022 Cabinet meetings and including the development of the scheme design and the need to complete this work before undertaking a pre-application consultation.
- 8.1.2 The Cabinet Member for Highways, Infrastructure and Transport introduced the report to cabinet
- In December 2016 the County Council agreed a motion which stated the '...Council recognises the vital importance of improving our road infrastructure and that this will help to deliver the new jobs and economic growth that is needed in the years ahead.' The Norwich Western Link (NWL) was included as one of three priority infrastructure schemes and highlighted in the Norfolk Infrastructure Delivery Plan 2017-2027.
  - The NWL was a proposed 3.9-mile-long dual carriageway between the western end of Broadland Northway and the A47.
  - Traffic congestion, rat-running and delays to journeys were all significant

issues on minor roads and in local communities to the west of Norwich and were expected to get worse with population and job growth in and around the city without intervention.

- The NWL would bring crucial benefits to the county if completed and open for use as set out below. These are set out in greater detail in the report:
  - i. Significantly reduce many journey times to the west of Norwich
  - ii. Lead to a reduction in carbon emissions from vehicles by making many journeys more efficient
  - iii. Boost Norfolk's economy and support its businesses
  - iv. Improve road safety
  - v. Take traffic off unsuitable local roads through communities including Weston Longville
  - vi. Wider air quality and quality of life improvements
  - vii. Create new habitats and improve existing ones
  - viii. Strengthen network resilience
- Complementary measures designed to maximise these benefits and support sustainable forms of transport were intended to be delivered as part of the project and as part of the wider Transport for Norwich Strategy, including a network of walking and cycling links to connect communities local to the project as part of the Sustainable Transport Strategy for the project, and improvements to the Dereham Road corridor into Norwich with new bus lane proposals being developed as part of the Transforming Cities Fund project.
- Improvements had been delivered or were programmed within the Greater Norwich area including the wider Transforming Cities programme such as active travel improvements, investment in the bus fleet including introduction of electric buses, zero emission city development including funding from DfT and improvements as part of the wider Bus Services Improvement Plan.
- The benefits of the NWL project were balanced against the potential environmental impacts and concerns that had been raised. The Council took its environmental responsibilities on the project very seriously and appropriate environmental mitigation measures were an essential part of the scheme design. A significant proportion of the scheme cost was allocated to ensure their provision and delivery of biodiversity net gain.
- The project would aim to minimise and mitigate adverse effects it may have on nature and wildlife, seek to create new habitats for wildlife and improve existing ones across a wide area to the west of the city. The project team continued to take an evidence-based approach and receive advice from experts and statutory bodies to develop the design proposals.
- The Cabinet Member for Highways, Infrastructure and Transport moved the recommendations as set out in the report

#### 8.2.3 The Cabinet Member for Finance gave an introduction on the financial implications of the project:

- The NWL project had an adjusted Benefit to Cost Ratio within a range from 2.17 to 2.47 based on the latest assumed overall budget position.
- The report made clear at paragraph 2.6.9 (page 54), that the NWL was still considered to be in the 'high' value for money category according to Department for Transport (DfT) criteria for a transport infrastructure project.
- For too long Norfolk residents had been fobbed off by short term considerations that interfered with strategic objectives that would enable

the council to narrow the earnings gap with the rest of the country by putting in the type of infrastructure that would support the creation of newer, better paid jobs by making inward investment more attractive, reducing transport costs, journey times and improving links with the rest of the country. The NWL was a key strategic priority which would contribute to “levelling up” in Norfolk.

- The forecast additional costs of the project were outlined in the table at paragraph 2.3.4 (page 49) of the report, reflecting an increased cost estimate of £52.646m compared to the June 2021 Outline Business Case. The business case addendum for the revised project cost would be submitted to the DfT on the basis that the 85/15 funding split continues. As such, the cost increase to the Council was estimated to be £7.9m. This additional cost would mean an increase of approximately £434,000 annually to Norfolk’s £1.6 billion budget.
- £7.9m represented the difference between the local contribution in the June 2021 Outline Business Case of £29.8m compared to the anticipated adjusted local contribution of £37.7m if the uplifted contribution from DfT could be secured.
- The report made clear at paragraph 2.3.5 (page 50) that over £82m of the total budget was an allowance for inflation and risk at around 33%. This meant that one third of the total estimated costs of the project were contingency costs.
- The forecast total cost of the project proceeding was therefore now £251.032m, of which £37.655m would fall to be funded locally. The response to the question from Cllr Jermy set out how this would be funded, with a £3.131m contributed from pooled business rates, and £5.061m set aside in the capital receipts reserve, leaving a balance to be funded by prudential borrowing of £29.463m. Assuming 3% interest and MRP spread over 40 years, this equated to an annual revenue cost of £1.621m made up of interest of £0.884m and MRP of £0.737m.
- The implications of the project not going ahead were addressed in detail in section 6 (page 61) of the report. There were risks to the project delivery that could result in it not proceeding to construction and ultimately delivering a capital asset, and should this happen, the cost expended to develop the scheme to that point may need to be treated as revenue expenditure. This risk was present with all capital projects and the report set out in paragraph 6.6 (page 62) how such an outcome would be funded with a hierarchy of funding sources to be considered.
- Departmental, or earmarked reserves, were currently forecast to stand at £141.458m.
- The increase in the local contribution of £7.9m would be funded by prudential borrowing. Within the annual revenue forecast cost for the project of £1.621m, the increase in scheme costs since June 2021 contributes £0.434m. The anticipated additional borrowing was within affordable levels, and overall borrowing was within the authorised limit set by Council each year as part of the Treasury Management Strategy.
- The project would enable a major infrastructure improvement of £251.1m, which represented a good return on the local contribution required, whilst delivering on a number of our key strategic and policy ambitions.
- The Cabinet Member for Finance stated his support for the project.

8.3 The Vice-Chairman noted that this scheme was expected to deliver approximately £97m of wider economic benefits over the 60-year appraisal

period made up of impacts such as agglomeration and reduced journey times. Total agglomeration benefits were estimated to be just under £90m. Page 37 of the report stated that the project would “take traffic off unsuitable local roads through communities” “leading to an improved quality of life”. This meant that better bus services could be provided and a reduced carbon footprint. The Vice-Chairman also noted that emergency services would benefit from improved emergency response times; as such the Norfolk Fire and Rescue Service and Norfolk and Norwich University Hospital had indicated their support for the benefits in reducing congestion.

- 8.4 The Cabinet Member for Adult Social Care, Public Health and Prevention was disappointed that inflation had affected global markets, noting the impact that the war in Ukraine had on global prices. He was therefore not surprised that the costs of the road had increased due to global increases in interest. The benefits for the project still stood, and the Cabinet Member for Adult Social Care, Public Health and Prevention noted it still stood in the top quartile of schemes brought forward nationally. Work on the A47 continued, and it was important as part of this work to confirm whether a junction to join with the Norwich Western Link was required while this work was underway, and the cost could be covered by Government. The project had been designed to increase the quality of life of those living in Norwich by taking HGVs out of the city and reducing congestion, road traffic accidents, and increasing air quality in the city. As Councillor representing an area which would be affected by the road, he noted that these communities were currently affected by traffic and HGVs travelling down small rural roads. Economic benefits of the project to the city and the county were important. He was therefore pleased to hear about the support from the Norfolk Chamber of Commerce. The serious issue around connectivity in getting people to acute hospitals would be mitigated by the new road by reducing response times for blue light services.
- 8.5 The Cabinet Member for Environment and Waste noted that to some people it seemed counter intuitive that a new road would reduce carbon emissions. He asked the Cabinet Member for Highways, Infrastructure and Transport how confident the council were that this would happen. The Cabinet Member for Highways, Infrastructure and Transport replied that the council had confidence in the assessments carried out to date. They suggested that the Norwich Western Link would be beneficial in reducing carbon emissions. With housing and job growth in the area, more cars would use the road network meaning more cars and queues unless action was taken. The Norwich Western Link would address this with less congestion and more efficient journeys. One objective was to support walking, cycling and public transport by introducing complementary measures, also reducing carbon emissions
- 8.6 The Cabinet Member for Environment and Waste asked how a road project could promote and improve environments, which was one of the project's objectives. The Cabinet Member for Highways, Infrastructure and Transport replied that modern infrastructure projects were required to meet high environmental standards, such as to reduce carbon emissions, reduce noise and traffic. Targeted measures would be introduced to mitigate negative impacts on environments and produce benefits where possible. Further details would be shared in the upcoming consultation and planning application.
- 8.7 The Cabinet Member for Innovation, Transformation and Performance thanked

all officers involved in the scheme. He noted the importance of having improved access for people coming to Norfolk from London and the south and keeping through-traffic out of the historic area of Norwich. Ambulance response times being reduced was a very important benefit of the scheme and reason to support its construction. The Cabinet Member for Innovation, Transformation and Performance also noted the importance of considering the impact on local residents of reducing rat running.

- 8.8 The Deputy Cabinet Member for Children's Services expressed his sympathy to all affected by the war in Ukraine but noted that it was important to not change the actions of Norfolk because of the actions of President Putin. He noted that the report set out benefits to the airport employment zone and Bowthorpe employment area; building the Norwich Western Link would make it easier for businesses to trade and for access for employees.
- 8.9 The Cabinet Member for Communities and Partnerships noted her continuing support for the Norwich Western Link due to its impact on reducing the response times for the Fire Service, Police and ambulances. It would also reduce traffic tailbacks in villages in the project area such as Lower Easton, Costessey, Ringland and Weston Longville, allowing people to access their homes more easily, reducing carbon emissions and therefore making these areas more healthy. The Cabinet Member for Communities and Partnerships noted the difference that the Southern Bypass had made in keeping traffic out of southern areas of Norwich, and believed that once it had been built, future generations would wonder how long they managed without the Norwich Western Link.
- 8.10 The Chairman summed up the discussion
- The Chairman noted that it had not been an easy task to reach this stage and a lot more remained to be done. Norfolk needed better infrastructure and the Norwich Western Link was a key strategic priority which would contribute levelling up in Norfolk.
  - A key issue raised since publication of the report had been cost however the project still represented value for money and the case for building it remained strong. No cost increases were welcome but inflation and rising costs were affecting everyone and hitting major transport schemes across the country. The increase for the project was due largely to global inflation increases and the decision to refine the route to protect barbastelle bat roosts.
  - The Norwich Western Link project had an adjusted benefit to cost ratio within 2.17 to 2.47 based on the latest assumed overall budget position so was considered to be in the high value for money category according to Department for Transport (DfT) criteria for a transport infrastructure project.
  - Not all of the £251m cost would be from the council; one third was an allowance for inflation and risk i.e. a contingency.
  - The outline business case had been submitted to Government in 2021 for them to invest 85% of the cost; an addendum would be submitted to continue this funding ratio so that their investment to Norfolk would be £213m. Norfolk County Council's share would rise given the new financial situation, as outlined by The Cabinet Member for Finance. This was affordable and the investment return to Norfolk would be enormous.
  - Government had confidence in Norfolk, shown by its recent decision to dual the A47 between Blofield and North Burlingham.

- The implications of not going ahead with the project were discussed by The Cabinet Member for Finance and were also set out in section 6 of the report. These implications were not peculiar to the Norwich Western Link but were the case for all major capital projects.
- The main benefits the Norwich Western Link would bring to Norfolk were:
  - Better connectivity, reduction in accidents, easing of rat-running through villages and better air quality especially in Norwich
  - Strong business support as they know it will be a boost to the economy, through reduced journey times and improved productivity
  - A likely reduction in carbon emissions ranging from 177,000 tonnes to 350,000 tonnes, when carbon from constructing and using the road is taken into account
  - Supporting people to walk, cycle and use public transport in line with TCF and TfN objectives– this project is not just about building a road
  - Creating new habitats and improving existing ones across a wide area to the west of Norwich to support a range of wildlife using green bridges and wildlife underpasses. Appropriate environmental mitigation measures are an essential part of the scheme design, and a significant proportion of the scheme cost is allocated to ensure their provision, together with the delivery of biodiversity net gain.
  - improve access to key growth and employment sites e.g. the Food Enterprise Park, Norwich Research Park and Norwich Airport
  - Quicker access to the N & N hospital – we must not ignore the fact that lives would be saved
- Because of the route refinement and associated work, the public consultation, planning submission and start and end date would be delayed. Statutory approvals were required, but an evidence-based approach was being taken particularly with regard to the bat surveys.
- Norfolk County Council had an excellent record of delivering major road projects, including the Broadland Northway and Great Yarmouth 3<sup>rd</sup> River Crossing. Getting more investment into Norfolk would enable the council to build the Norwich Western Link.
- As with all projects there were risks as set out in the risk register of the report. This register showed that none were red or high category. The majority were green ie low category, and those in the medium category didn't have high scores and had mitigations in place to improve them.
- It was clear that the balance is in favour of taking the project forward.

8.11 Cabinet **RESOLVED** to:

1. Take account of the details presented in this report and approve the continued delivery of the NWL project.
2. Following the above, delegate to the Executive Director of Community and Environmental Services in consultation with the Cabinet Member for Highways, Infrastructure & Transport, the authority to approve the details of an Addendum to the Outline Business Case, on the basis of the financial costs presented in this report, to be submitted to the Department for Transport (DfT), in order to secure up to c.£213.4m of government funding for the project for Norfolk.
3. To acknowledge the revenue implications of the scheme, as outlined in paragraphs 6.4, 6.5 and 6.6 of the report, should the scheme not proceed.
4. To recommend to the next available meeting of Full Council to include an increased amount of £52.7m in the future year forward capital programme (of which £7.9m is the increase in local contribution), based on the overall project budget being funded from £213.4m of DfT Grant and £37.7m local contribution,

underwritten by the County Council (which would be funded through additional prudential borrowing if necessary).

5. For the purpose of consultation to take forward the alignment refinement of the preferred route that is recommended in the Alignment Refinement Appraisal Report.
6. To reapprove the commencement of the non-statutory pre-planning application consultation for the NWL project on the basis of that alignment, and to approve the details of the consultation as described by the updated Pre-application Consultation Plan included in Appendix D to the report (noting that the summary of the results of this consultation and the completion of the necessary assessment work, including consideration of alternatives in the Environmental Statement, will be reported to a future Cabinet meeting where approval will be sought to submit a planning application for the finalised scheme).
7. To reaffirm authorisation granted to the Executive Director of Community and Environmental Services to take all appropriate actions necessary for the purpose of negotiating the terms and conditions to acquire by agreement (in advance of the compulsory purchase order) the land and new rights over land which are needed to allow the construction, operation and maintenance of the NWL project.
8. To reaffirm agreement to acquire land required for the delivery of the NWL project by negotiated agreement and if this is not achievable in the timescales required, to agree in principle to the Council's use of compulsory purchase powers, and for authority to be delegated to the Executive Director of Community and Environmental Services to proceed with preparatory work (including land referencing and requisitions for information) to facilitate the drafting of, and all necessary steps to prepare for the making, publication and submission to the DfT for confirmation, of a compulsory purchase order (CPO) in support of the NWL project (noting that a further Cabinet resolution will be sought in due course, to authorise the making, publication and submission of the CPO and confirming the final details therein).
9. To reaffirm agreement in principle to the Council's making of a side roads order (SRO) under the Highways Act 1980 to authorise works necessary in connection with the delivery of the NWL project, and to the subsequent making, publication and submission of the SRO to DfT for confirmation, and for authority to be delegated to the Executive Director of Community and Environmental Services to proceed with preparatory work to facilitate the drafting of, and all necessary steps to prepare for the making, publication and submission of the SRO to the DfT for confirmation (noting that a further Cabinet resolution will be sought in due course, to authorise the making, publication and submission of the SRO and confirming the final details therein).

#### **8.12 Evidence and Reasons for Decision**

See section 4 of the report.

#### **8.13 Alternative Options**

See section 5 of the report.

### **9. Norfolk Social Infrastructure Fund**

- 9.1.1 Cabinet received the report setting out the work of the Norfolk Social Infrastructure Fund and setting out proposals for the process in 2022

9.1.2 The Chairman introduced the report to Cabinet:

- It was the third year of the Norfolk Social Infrastructure Fund which awarded a series of capital grants each year to voluntary and community groups for community projects, including improvements to their existing facilities, or to fund new initiatives. The scheme was part of the council's ongoing commitment to the Voluntary, Community and Social Enterprise sector and supporting local communities to deliver positive outcomes for Norfolk residents.
- The funding supported projects to help the council deliver on the Better Together, for Norfolk strategic priorities. The projects supported so far had made a big difference to the recipients of the grants and their users, helping people to overcome disadvantage and social exclusion, supporting those in need, and helping people to play a more active role in their local communities. It had also played a key role in helping communities come together and recover from the Covid-19 pandemic.
- It had funded small but essential community projects, such as getting running water and a toilet for the *Reading Room* in Quidenham, as well as major infrastructure projects, such as supporting Centre 81 in Great Yarmouth to convert their new premises into a thriving skills and activities centre, and the Community Supermarket in Shrublands, Gorleston which enabled local residents with sustainable solutions to cost of living pressures and food access. It had been positive to see so many projects delivered in time to play a central role in the Platinum Jubilee celebrations.
- In 2021 the fund was refined by opening it up to smaller projects, allowing it to reach further into Norfolk and provide grassroots local projects with the money to develop facilities that mattered most to their local communities. Help was also provided to smaller organisations with bid writing support to improve funding bids and support bid applications.
- Each year £1m capital was awarded and it was proposed to continue to award this amount this year, 2022-23
- Following evaluation of the scheme, some changes were proposed in how the fund was managed and the support offered to applicants. It was proposed to improve the experience of those applying to the fund and the support offered by moving to a two-stage application process so that projects needing more support could be identified early on, and only projects likely to be successful would therefore need to submit fully detailed proposals.
- This year £775k would be made available to community organisations, as £225k had been committed to continue the successful partnership with Norfolk Community Foundation in expanding their Nourishing Norfolk food hubs across the county, with an ambitious aim of 15 being open by the end of 2022. £550,000 was set aside for larger projects of between £50,000 and £250,000, and £225,000 for smaller projects of between £5,000 and £50,000.
- Not all applications could be funded, but those who could, would be of enormous benefit to local communities.
- The Chairman moved the recommendations as set out in the report

9.2 The Cabinet Member for Adult Social Care, Public Health and Prevention was pleased to note that this fund had been in place for three years supporting grassroots communities. It played a role in Promoting Independence and helping local and voluntary groups to support each other. A lot had been learned from the Covid-19 pandemic on the importance of local networks, therefore this

was an important scheme to invest in.

9.3 The Cabinet Member for Communities and Partnerships noted that voluntary and community organisations were grateful for the Norfolk Social Infrastructure Fund which was developed at a time when they were struggling to find funding for local communities. The new two stage process and bid writing support would help those not used to seeking funding; the £1m funding would make a huge difference to many projects across Norfolk and she welcomed its continuation.

9.4 The Vice-Chairman recently attended the official launch of Nourishing Norfolk and was presented with the Breckland Bus which was a great resource to people in that area. This fund would continue to provide flexible support to local organisations and 15 food hubs were earmarked to be funded as part of it. Alternative options would be to not change the scheme options in 2021, however this would not allow unsuccessful projects to be identified early on or provide support to people to write bids.

9.5 The Cabinet Member for Innovation, Transformation and Performance noted that the extra bid writing help given to people early on in the process would be helpful.

9.6 The Chairman noted that the fund had been oversubscribed in the past two years, so the extra steps being introduced would help ensure that the right projects were supported to support Norfolk communities.

9.7 Cabinet **RESOLVED:**

1. To acknowledge the positive impacts that have been made possible by the County Council's £1m investment in social and community infrastructure through the 2021 grants, as set out in Annex 1 of the report.
2. To agree the proposed changes to the Social Infrastructure Fund scheme criteria and process for 2022, as set out in detail in Section 2 of the report, aimed to improve the support we offer and therefore the quality of applications.
3. To agree the timetable for the 2022 Fund, as set out in para 2.4 of the report, which would see Expressions of Interest for 2022 open on 25 July 2022.

9.8 **Evidence and Reasons for Decision**

The changes proposed to the Social Infrastructure Fund are based on feedback from the sector as above. As well as improving the application experience, the proposal will help support applicants with any grant applications, not just those for the fund. The fund enables vital community infrastructure to be strengthened across Norfolk.

9.9 **Alternative Options**

The alternative option would be to not make any changes to the scheme process for 2022. The scheme ran successfully in 2021 and could operate with the existing process. However, this would mean we would not be able to identify unsuccessful projects early on and give them the support they need to write high quality bids. As a result, some external funding opportunities might be missed.

**10. Norfolk Minerals and Waste Plan**

10.1.1 Cabinet received the report setting out Norfolk County Council's statutory

duty to produce and maintain an up-to-date Minerals and Waste Local Plan, forming the basis for determining any relevant planning applications that are lodged with the authority and setting out the revised development scheme and revised Statement of Community Involvement for approval and recommendation to Full Council.

10.1.2 The Cabinet Member for Environment and Waste introduced the report to Cabinet:

- The Minerals and Waste Local Plan formed part of the development plan for Norfolk meaning it was a consideration in planning applications lodged with district councils where there was a potential for the applications to impact safeguarding minerals and waste management activities
- The provision of a steady and adequate supply of minerals and management of waste constituted essential infrastructure to support the economic development of the county.
- A new Norfolk Minerals and Waste Local Plan was being produced to consolidate the three existing plans into one local plan to ensure policies in the plan stayed up to date, and to extend the plan period from 2026 to 2038.
- Two public consultations had taken place on the Minerals and Waste Local Plan, with the initial one being in summer 2018 and one on preferred options in 2019. Responses from these informed the production of the publication version of the plan. The report gave information about the publication document including the proposed planning policies for minerals and waste management development and proposed mineral extraction sites.
- The next stage was formal representation periods and submission of the plan to Secretary of State for examination.
- The council must prepare and maintain a Minerals and Waste Local Plan and Statement of Community Involvement.
- The Cabinet Member for Environment and Waste moved the recommendations as set out in the report

10.2 Cabinet **RESOLVED** to:

1. To approve and recommend that full Council resolve that the 2022 Minerals and Waste Development Scheme (MWDS) (Appendix A to the report) shall have effect from 11 October 2022 and that this replaces the current MWDS (2019).
2. To approve and recommend Full Council resolve to formally adopt the 2022 Norfolk Statement of Community Involvement (Appendix B to the report) and that this replaces the current SCI (2018).
3. To authorise the Head of Planning to make any further necessary minor corrections, factual updates, formatting changes and other non-material changes that are identified prior to the publication of the Norfolk Minerals and Waste Local Plan (NM&WLP);
4. To agree to publish the NM&WLP (incorporating any later suggested modifications approved under recommendation 3b) for representations to be made, over a six-week period starting in September 2022, in accordance with Regulations 19 and 20 of the Town and Country Planning (Local Planning) (England) Regulations 2012;
5. To authorise the Executive Director of CES, in consultation with the Cabinet Member for Environment and Waste, to review the Pre-Submission representations made. If no fundamental weaknesses are identified, agree to

submit the NM&WLP (and supporting/background information) to the Secretary of State for independent examination in accordance with Regulation 22 of the Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended);

6. To agree to formally request that the appointed independent Planning Inspector makes any necessary Main Modifications under section 20 (7C) of the Planning and Compulsory Purchase Act 2004 (as amended) that he/she judges necessary to make the NM&WLP sound and legally compliant; and
7. To authorise the Executive Director of CES to agree minor modifications to the NM&WLP prior to its submission and to negotiate any modifications necessary to the NM&WLP as part of the Independent Examination.

### 10.3 **Evidence and Reasons for Decision**

See section 4 of the report.

### 10.4 **Alternative Options**

See section 5 of the report.

## 11. **Safe, Sustainable Development Aims and Guidance notes for Local Highway Authority requirements in Development Management, Parking Guidelines and Pre- application charging**

- 11.1.1 Cabinet received the report setting out an update of the Council's Safe Sustainable Development aims and guidance notes, and review of the Council's Parking Guidelines for new developments in Norfolk and the introduction of pre-application charging.

- 11.1.2 The Cabinet Member for Highways, Infrastructure and Transport introduced the report to Cabinet:
- The documents set out in the report support safe and sustainable development in Norfolk and sits below the local transport plan. The Council's Safe Sustainable Development aims and guidance document and Parking Guidelines for new developments in Norfolk had both been updated. There was also a new proposal covering charging for pre application advice for major development enquiries. These were necessary and detailed documents.
  - The Safe Sustainable Development guidelines documents provided guidance and advice to support district councils and developers design suitable transport networks, provide more active travel and reduce carbon emissions to contribute to the Council's net zero target.
  - Charging for pre application advice, on large-scale development proposals only, would allow the council to provide consistent advice in a timely fashion, raise issues early, recover the costs of providing the service and provide a better service.
  - Documents were presented to the Infrastructure and Development Select Committee on 25 May 2022 and suggestions and amendments from this meeting had been incorporated into the document.
  - The Cabinet Member for Highways, Infrastructure and Transport moved the recommendations as set out in the report.

- 11.2 The Chairman agreed that it was reasonable to charge for pre-application advice

as a professional service was being provided.

11.3 Cabinet **RESOLVED** to:

1. Review and consider the updated Safe, Sustainable Development 2022 document and Parking Guidelines 2022.
2. Review and consider the new proposed pre-app charges.
3. Approve and adopt the updated Safe, Sustainable Development and Parking Guidelines documents and agree that any necessary minor future changes be delegated to the Cabinet Member for Highways, Infrastructure & Transport.
4. Approve and adopt the pre-app charges and agree that any necessary minor future changes be delegated to the Cabinet Member for Highways, Infrastructure & Transport.

11.4 **Evidence and Reasons for Decision**

See section 4 of the report.

11.5 **Alternative Options**

Without published guidance, officers would need to dedicate more time to explaining requirements in person.

Norfolk County Council could carry on providing pre-application charging for free on major developments, but this takes up officer time.

**12. Market Position Statement**

12.1.1 Cabinet received the report setting out Norfolk's Market Position Statement, developed with key messages to providers up-front with greater detail about the types of service needed, where they are needed and volume required in the market analysis section of the Market Position Statement.

12.1.2 The Executive Director for Adult Social Services introduced the report to Cabinet:

- There was an annual requirement to provide a market position statement; the market position statement set out in the report signalled the key changes around provision of the digital care record and expectations around carbon reduction.
- It was a practical document; the version uploaded to the Council's website would be updated throughout the year, allowing providers to understand key market messages in their area.
- The market position statement contained "I" statements, which were national statements of expectations of what the council expected people to say in terms of how accessing how provision worked for them; this would be what the council would be inspected against.

12.1.3 The Cabinet Member for Adult Social Care, Public Health and Prevention introduced the report to Cabinet:

- Care providers were independent businesses. The Council was the largest procurer of care places in Norfolk but not the only one. The council had overall responsibility to the market to help them look at issues of quality. It would help those running independent care businesses and those working for them who had demonstrated their commitment over the

past few challenging years.

- The Market Position Statement's key aspirations were:
  - Access to the right high-quality support, in the right place, at the right time. Supporting people to live independently for longer.
  - Passionate, well-trained, supported staff with opportunities for a great career in social care.
  - At least 85% of commissioned provision to be rated good or outstanding by 2024.
  - Working together to shape a sustainable market that provides choice of high quality provision.
  - Working together to design a better more efficient sector.
  - Working together to design a lower carbon sector.
- This Market Position Statement was a resource for the care sector to use to develop their businesses going forward. Aspirations for the care market had been evolving, and the Covid-19 pandemic had showed that change would be needed going forward. People had said that what they wanted was more ways for people to live independently for longer.
- The Council wanted parity of esteem with the health service for those working in care, and to help support those in care have a career, be valued and increase the perception of the role of care workers. Care was one of the largest sectors of the economy and the Cabinet Member for Adult Social Care, Public Health and Prevention hoped to see workers get more recognition for their work.
- The Market Position Statement was a working document which would continue to evolve
- The Cabinet Member for Adult Social Care, Public Health and Prevention moved the recommendations as set out in the report.

12.2 The Vice-Chairman noted that changes in the market were occurring, with Covid-19 still having an impact. The market was still not sufficiently stable for modelling to take place. Providers had asked for information at place level in future statements. Therefore, this would be a living document to meet these requirements.

12.3 The Cabinet Member for Environment and Waste noted that the Council took the responsibility of looking after communities seriously and this report showed this. It was important to strive to improve services to communities and vulnerable people.

12.4 The Chairman highlighted the key messages to providers on page 515 of the report, which indicated there was still a lot further to be done.

12.5 Cabinet **RESOLVED** to approve the Adult Social Care Market Positions Statement update (Appendix 1 of the report) for publication.

## 12.6 **Evidence and Reasons for Decision**

Market Position Statements currently include data on spend and activity that is over a year old. The intention to develop the MPS during the year to include links to live dashboards will be far more useful for providers as part of their business planning, especially if we are able to develop the dashboards at place level.

## 12.7 **Alternative Options**

N/A

## 13. **Norfolk Fire and Rescue Service - Significant Incident Review Policy**

13.1.1 Cabinet received the report setting out the Norfolk Fire and Rescue (NFRS) Significant Incident Review Policy, the purpose of which was to detail NFRS's actions following incidents resulting in a fatality or fire related life threatening or life changing injuries, detailing the follow up action and collaborative engagement with relevant partner agencies to educate, reassure and reduce the risks from fire to the communities of Norfolk.

13.1.2 The Cabinet Member for Communities and Partnerships introduced the report to Cabinet:

- When a fire related fatality or significant injury occurred, a review was carried out to identify any preventative strategies or learning which could be used in future at similar events.
- The service wanted to prevent accidents or learn from them to ensure that the service dealt with them in the best way possible. The service reviewed incidents and worked with other agencies to share its experience and knowledge. All activity was compiled into a single policy meaning it was easier to pass on as training and to ensure everyone recorded incidents in the same way.
- Any new experiences and learning were shared regionally and nationally. A recent big learning experience was the Grenfell fire in London and since this, the service had purchased fire hoods for similar incidents.
- The procedure was set out in appendix A of the report.
- The Cabinet Member for Communities and Partnerships moved the recommendations as set out in the report.

13.2 Cabinet **RESOLVED**:

1. To approve the NFRS Significant Incident Review Policy set out in Appendix A of the report.
2. To delegate authority to the Chief Fire Officer to approve minor and consequential changes to the policy to reflect operational experience and learning.

## 13.3 **Evidence and Reasons for Decision**

The Significant Incident Review Policy provides a framework that ensures NFRS works collaboratively with its partners and other stakeholders in an equitable, practical, and consistent manner when undertaking reviews into fire fatalities and significant injuries.

NFRS is committed to be at the heart of protecting the communities of Norfolk and aims to make them safer by reducing the number of emergency incidents through continuous improvement to our Prevention, Protection and Response activities.

## 13.4 **Alternative Options**

Amend the policy. However, this is not suggested as the policy has been

developed with input from relevant bodies, including technical input from qualified Fire and Rescue staff.

Not approve the policy. However, this is not suggested as the benefits of the enhanced approach to multi-agency reviews would not be delivered.

#### **14. Health, Safety and Well-being Annual Report 2021-22**

14.1.1 Cabinet received the report providing data and analysis on the Health, Safety and Well-being (HSW) performance of Norfolk County Council (NCC) as an employer for the reporting period 2021/22.

- 14.1.2 The Chairman introduced the report to Cabinet:
- This annual report gave Cabinet the opportunity to review the overall performance for 2021-22 against commitments made in previous reports and consider the recommended areas for focus for 2022-23.
  - Checking in on health, safety and wellbeing performance was important to meet the council's legal obligations and to ensure we are focussing efforts in the right place to support employees to be well and resilient. These are key foundations to productivity and feeling valued and therefore our ability to manage the changes ahead and deliver our strategic aims.
  - The report reflected the impact of the pandemic on services and activities of the Council including the work of the Health Safety and Wellbeing Team. The Chairman thanked the team for their work through the pandemic including supporting the procurement of high quality PPE for Norfolk, supporting Public Health and the Outbreak Management Centre in setting up and delivering services to the people of Norfolk such as testing, outbreak investigation and advice and providing continuously updated guidance and support to all our education settings across Norfolk
  - Key areas of focus for the report continued to be mental health, musculoskeletal health and core health and safety management. The report showed that absence due to mental health had shown a small increase over the last year from 1.2% to 1.43% of time lost, compared to a 0.1% rise for all absence. This reflected national studies that showed the significant impact the pandemic had on mental health with 34% of adults in the UK feeling that their mental health had got worse in the last year.
  - Services provided by the Health, Safety and Wellbeing team continued to be well used and the report gave feedback and data on the difference these were making.
  - Leaders and managers played a pivotal role in influencing the wellbeing of employees at work which is why there was a commitment to provide mental health first aid training for all managers, with nearly 500 completing this to date. The report recommended that Executive Directors prioritise supporting team and individual wellbeing through ensuring managers are well equipped with the skills necessary to build wellbeing into everyday management practice. This would become increasingly important to support employees to deliver the challenges ahead.
  - Musculoskeletal absence was also rising at a quicker rate than the "all absence" rate, now equating to 0.55% of time lost, up from 0.44%. There may be several contributing factors to this including a general reduction of

physical health through the pandemic and changes to how and where staff work. The Health Safety and Wellbeing team had reviewed and updated the tools and guidance available to support these changed ways of working but more focus was needed to make sure they were utilised. The report recommended that Executive Directors ensure fundamentals such as core training and risk assessments are in place.

- The musculoskeletal rehabilitation scheme was estimated to have prevented over 4000 days of absence at an estimated cost prevention of over £350,000, however data suggested that the scheme was not fully utilised by employees. One of the recommendations of the report was for the Health, Safety and Wellbeing team and managers to improve promotion of the scheme.
- The key health and safety management data further supported the recommendation that Executive Directors focus on the fundamentals of health and safety management. Whilst the number of more serious incidents had decreased slightly from 1.64 per 1000 fte to 1.29 the overall number of incidents had increased and there continued to be room for improvement in relation to management of incidents with 86% being signed off within target and completion of mandatory training currently at 84%.
- The data showed that the increase in incidents being reported was due to an increase in violence reporting and slips, trips and falls. The report recommended that the Health, Safety and Wellbeing team provide some focused resource to review these incidents and reflect the learning in their work with services and schools.
- To further support Executive Directors to secure improvements in health and safety management it was also recommended that the Health, Safety and Wellbeing team develop a communication and promotion plan that supports managers understanding of what is needed.
- £358,951 of traded income had been raised this year up from £326,897 last year
- The Chairman moved the recommendations as set out in the report

14.2 The Cabinet Member for Innovation, Transformation and Performance noted that the biggest asset in any organisation was its staff; he also noted the challenges of the past two years due to the pandemic which had impacted on people's mental health.

14.3 Cabinet **RESOLVED** to endorse the proposed actions:

1. The focus and priorities for Executive Directors are to ensure the approach to health, safety and wellbeing in their services reflect and supports new ways of working and supports employees through forthcoming change by:
  - a. Supporting and encouraging line managers to develop their conversational practice skills and prioritise supporting team and individual wellbeing
  - b. Utilising the data available in the employee survey, this report and other sources to better understand the areas for focus
  - c. Focussing on the fundamentals such as training, risk assessments, incident investigations and DSE assessments

2. The focus and priorities for the Health, Safety and Wellbeing Service for the forthcoming year are to:
- a. Develop and deliver a communications and promotion plan that supports managers to understand and deliver the fundamentals of good health, safety and wellbeing management and demonstrate their commitment to it.
  - b. Review and improve the tools, training and services available to managers to support them to improve take up of services that support good health, safety and wellbeing such as the employee training offer and wellbeing services
  - c. Work with services to understand the health, safety and wellbeing data and focus resources on improving performance including understanding the underlying causes of increasing slip, trip and fall and violent incidents, mental health and musculoskeletal absence and reducing the number of long term open incidents in schools
  - d. Continue to re-establish the health, safety and wellbeing core activity such as the monitoring programme following the suspension of services during the pandemic

**14.4 Evidence and Reasons for Decision**

N/A

**14.5 Alternative Options**

N/A

Cabinet took a break from 11:40 until 11.50.

**15. Corporately Significant Vital Signs**

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

- 15.1.2 The Cabinet Member for Innovation, Transformation and Performance introduced the report to Cabinet:
- Corporately Significant Vital Signs helped ensure that trends in performance were identified, validate what was being done, and when action needed to be taken.
  - The Council was operating in a period of unprecedented challenges including recovery from the Covid-19 pandemic, huge increases in cost of living and people taking in refugees from Ukraine.
  - The county was moving into a period of looking for budget savings and undertaking a Strategic Review which would be key in operating sustainably and effectively in the future.
  - Paragraph 6.25 onwards of the report showed what was happening, with 29 of the vital signs having met or exceeded target. Five signs were within the accepted tolerance and 13 were below or behind the target set.
  - The aims were set out in the report. Mitigations were in place for signs that were not on target.
  - The Cabinet Member for Innovation, Transformation and Performance moved the recommendation as set out in the report.

15.2 The Deputy Cabinet Member for Children's Services commented on two of the

children's services vital signs that were below target. Vital Sign 315: "% Attendance of Looked After Children" had dipped below target by 0.7%. At least 1% of this was due to the effects of Covid-19. Vital Sign 317: "% of Looked After Children with up-to-date Personal Education Plan" dropped by 1% due to record keeping issues. This has been resolved and figures had gone back up.

- 15.3 The Cabinet Member for Highways, Infrastructure and Transport noted that the Community and Environmental Services vital sign "% of defects dealt with within timescales" was deteriorating. He noted that this related to a very small decrease and the vital sign was well above the target set. The Cabinet Member for Innovation, Transformation and Performance replied that the council set challenging targets so even slight variances would show but noted that this sign was well above target.

- 15.4 Cabinet **RESOLVED** to:
1. Review and comment on the end of quarter three performance data.
  2. Review the considerations and next steps.
  3. Agree the planned actions as set out.

15.5 **Evidence and Reasons for Decision**

N/A

15.6 **Alternative Options**

Information report.

**16. Authority to enact revenue pipeline**

- 16.1.1 Cabinet received the report asking them to take the necessary executive decisions in respect of the council's larger revenue contracts, with expiry dates and break points in the next 12 month period.
- 16.1.2 The Cabinet Member for Finance introduced the report to Cabinet:
- The Council spent £900m each year on works, good and services for residents via third party contracts so it was imperative that contracts were reviewed regularly. This represented almost 50% of the council's combined gross revenue budget and capital programme.
  - The approach adopted by the Director of Procurement was proactive, business like and designed to ensure Norfolk County Council was a good organisation to work with. Recommendation D had been altered to ensure that responsible Cabinet Members as well as Directors were charged with visible oversight of contract renewals and the Cabinet Member for Finance would work with them to ensure contracts were still required and were not over-specified. This was part of increased financial oversight in all areas of the Council's spending and followed on from setting up of the capital review Board last year.
  - It was tempting to assume that, with an £800 million spend, it must be possible to trim overall costs by some arbitrary percentage, thereby making a sizable saving. The Cabinet Member for Finance felt that a better approach in this inflationary market would be demand substitution: how can we intervene early to avoid the need for expensive interventions later; how can we invest capital to make revenue savings; how can we

reduce demand for energy, for floorspace, for materials and reduce our carbon emissions into the bargain; how can we work with our strategic partners to move services online; how can we retain the best staff and minimise agency spend?

- The Strategic Review would provide the council with the opportunity of challenging decisions over what should be procured and how contracts should be managed. This would be most effective response to inflationary pressures.

16.2 The Cabinet Member for Adult Social Care, Public Health and Prevention voiced his support of the report and the recommendations.

16.3 Cabinet **RESOLVED** to agree:

- A. To proceed with the procurement actions set out in Annex A of the report.
- B. To delegate to each responsible chief officer authority to discuss with the contractors concerned the issues around extension of contracts designated herein as open for extension and to determine whether to extend the contracts (with such modifications as the chief officer considers necessary) or whether to conduct a procurement exercise to replace them
- C. To delegate to the Director of Procurement authority to undertake the necessary procurement processes including the determination of the minimum standards and selection criteria (if any); to shortlist bidders; to make provisional award decisions; to award contracts; to negotiate where the procurement procedure so permits; and to terminate award procedures if necessary.
- D. That the officers exercising the delegated authorities set out above shall do so in accordance with the council's Contract Standing Orders and Public Contract Regulations 2015 and in consultation, as appropriate, with the responsible Cabinet Member.

16.4 **Evidence and Reasons for Decision**

Cabinet recommended adoption of the budget and it is now logical that it approves the decisions in respect of contracts needed to deliver the budget. Expedient execution of the contract pipeline requires the delegations to officers set out in this programme.

Reasons for decisions about individual contracts or groups of contracts are set out at Annex A of the report.

16.5 **Alternative Options**

Cabinet could choose not to approve the delegations set out herein. This would require a plethora of individual cabinet or cabinet member decisions and be likely to delay programme execution. This course of action is not recommended.

17. **Strategic and financial planning 2023-24**

17.1.1 Cabinet received the report setting out details of the initial savings proposals for 2023-24 and explaining the broad approaches planned to enable further options to be brought forward in order to contribute to a balanced budget being proposed for 2023-24.

- 17.1.2 The Executive Director of Finance and Commercial Services drew attention to paragraph 4.2, 4.3 and 4.4 of the report which set out the next steps to be taken after this report to close the budget gap, particularly 4.4 which set out his view on council tax procedures.
- 17.1.2 The Chairman noted the Executive Director of Finance and Commercial Services opinion on council taxes set out in paragraph 4.4 of the report.
- 17.2 The Cabinet Member for Finance introduced the report to Cabinet:
- 2023-24 would be challenging as funding used to fight the pandemic was no longer in the system and long-term costs, particularly in Adults and Children's Services were difficult to rein in.
  - The Council needed to set a balanced budget for the year and needed to do so in light of comments by Mr Gove that the DLUHC was keeping the position under review but at this stage no additional funding was available for inflationary pressures. He said *"I don't think it would be fair on local government or on anyone else to hold out the prospect of significant additional public spending. That just isn't the route."*
  - Some comfort could be gained by a continuing commitment to County Deals as well as a review of Business Rates, however little could be relied on in the short term. It was good news to hear Mr Gove confirm that Local Government would receive a two-year funding allocation for 23-24 and 24-25 and that there would be Consultation on spending plans "shortly" which it was assumed would be over the summer period.
  - Along with an announcement that the fair funding review would come in this calendar year, Mr Gove committed to reduce the number of funding pots and bidding processes, which if it meant Local Government had the flexibility to administer funds locally as required would be welcome.
  - The principles for the 2-year settlement should be simple as there was no new money to allocate from within the 2020-21 spending review.
  - Local government needed to hear how Government would address the impact of inflation on local services, particularly social care and if any add funding would be included in the 2-year settlements
  - The section 151 officer highlighted that one of the options available to Mr Gove would be raising the current council tax threshold of 1.99% plus a further 1% adult social care precept set out in report. However, to do so would negate the Government's stated aim to tackle the cost-of-living crisis and the Cabinet Member for Finance believed that a better approach would be for them to find additional funding for local authorities in 2023-24 to 2024-25.
  - The report set out the planning process for the budget; the council would look to meet an estimated £60m budget gap by asking spending departments to find an initial list of savings totalling £15m; table 1 of the report set out these savings targets.
  - Having excluded the proposals which did not represent long term value for money, £13m were presented to cabinet, listed by department in table 2 and in full in table 3 of the report.
  - The bulk of Adult Social Services savings would come from further use of reserves as it moved towards a programme of preventative management and connecting communities where savings at the higher end of expectations were now expected to be realised.
  - The withdrawal from and sale of the Professional Development Centre was part of the council's decision to focus services on core buildings

enabling £1.2m savings to be realised by children's services. The department's New Road's programme would deliver a further £1m in savings.

- Community and Environmental Services had produced a long list of savings. The significant ones of these included £600,000 from the Business Rates Pool. The 2022-23 Pool was expected to deliver additional one-off revenue Budget resources to Norfolk County Council of approximately £2.6m. These funds would be available for use, at the Council's discretion, from 2023-24 and it was currently envisaged that £600,000 will be used to support the 2023-24 Budget gap.
- Reduction of weed killing to a single treatment would provide an environmental and a financial benefit.
- As part of a comprehensive plan to resolve chronic traffic problems in Coastal villages, it was anticipated that parking charges may be introduced in some areas.
- Closure of recycling centres on Wednesday's would align the council with neighbouring counties, closing the centres on the day of least demand.
- A consultation would be carried out over the summer to inform development of a proposal that mobile libraries at the end of natural life be replaced with new ones. The service would look to continue to support areas where it was most needed.
- This was the first of a sustained and in-depth review of how and where the council spent residents' money; the results of savings from the ongoing Strategic Review and Transformation programmes would be discussed in September and October 2022. Savings would be hard however the Cabinet Member for Finance believed that Norfolk residents expected the council to be as effective, efficient and agile as possible. He felt that better outcomes should cost less and that a sustainable budget could be delivered next year, 2023-24.

- 17.3 The Cabinet Member for Communities and Partnerships commented on the mobile library consultation; this consultation would be open to ideas on ways to redesign the service.
- 17.4 The Cabinet Member for Adult Social Care, Public Health and Prevention noted that setting the budget was challenging; the ageing demographic put pressures on the budget which continued to grow in a landscape of increasing demand.
- 17.5 The Vice-Chairman noted that £60m in savings were being sought from budgets, while ensuring that good services were provided for residents. Difficult decisions would need to be made to meet these savings while ensuring that services were provided in a safe and effective way. It was important to note that there was less money in the system due to it having been spent on keeping people safe during the pandemic.
- 17.6 The Chairman noted that the Treasury had stated the need to focus on core activities, however The Chairman felt it was better to say be efficient and effective. The local government sector was underfunded to provide what they were being asked to do. He heard what the Executive Director of Finance and Commercial Services said and noted his professional opinion on this but did not agree to raising council tax to the maximum amount. He also noted that withdrawing from the Professional Development Centre referred to withdrawing from the building, and not stopping associated services.

17.7 Cabinet **RESOLVED:**

1. To agree the initial package of budget proposals as set out in section 2 (Table 3) of the report to be incorporated into the Council's 2023-24 Budget planning for further consideration and ultimately recommendation to Full Council as part of Cabinet's overall budget recommendation in January 2023.
2. To agree that:
  - a. public consultation will be undertaken over the summer in relation to the following proposal with service delivery implications in order to support in shaping the specific saving proposal:
    - Review of Norfolk's Mobile Library Service
  - b. public consultation in relation to all other proposals will be undertaken later in the year, alongside the consultation on any additional savings proposals brought forward for consideration by Cabinet in October 2022.
3. To note that Children's Services has conducted a review of its property portfolio and the analysis from that work has determined that the functions currently delivered at the Professional Development Centre could in future be delivered from alternate locations and, as such, the site can be released from its current use. Therefore, the site will be considered by the Corporate Property Steering group to A) assess if another use for the site is appropriate or B) if members should consider it surplus to requirements and for it to be disposed of.

17.8 **Evidence and Reasons for Decision**

See section 5 of the report.

17.9 **Alternative Options**

See section 6 of the report.

18. **Finance Monitoring Report 2022-23 P12: May 2022**

- 18.1.1 Cabinet received the report giving a summary of the forecast financial position for the 2022-23 Revenue and Capital Budgets, General Balances, and the Council's Reserves at 31 March 2023, together with related financial information.
- 18.1.2 The Cabinet Member for Finance introduced the report to Cabinet:
  - A balanced budget continued to be forecast for the 2022-23 financial year.
  - General reserves were forecast to be £23.84m and departmental reserves and provisions were forecast to be £141.458m at the close of the period.
  - At this stage in the financial year, spending departments were forecasting a balanced outturn. Service pressures as a result of the pandemic continued, as shown in department reports, but the council remained confident that the Covid reserves brought forward from 2021-22 would meet these financial pressures.
  - Due to the significant deficit in the High Needs Block that Norfolk and other counties continued to experience, Norfolk had been invited to take part in the Department of Education's Safety Valve programme to help the Department of Education better understand the opportunities and challenges of operating in an environment of increasing cost pressures from the independent sector. Progress on this would be reported once available.
  - At the end of May 2022, the Government set out the basis of an extension

to the Household Support Fund from the end of September 2022 until March 2023. Norfolk had received an indicative allocation of £6.696m. This would help the council to support the most vulnerable households during the cost-of-living crisis.

- The total capital programme remained unchanged from June 2022 and a breakdown of financing for the programme was shown in table 4 of the report.

18.2 The Chairman noted that Councils were the only part of the public sector required to set a balanced budget by law. Key risks included the risk of failure to funding.

18.3 Cabinet **RESOLVED:**

1. To recognise the period 2 general fund forecast revenue **of a balanced position**, noting also that Executive Directors will take measures to reduce or eliminate potential over-spends where these occur within services;
2. To note the brought forward COVID-19 of £31.125m from 2021-22;
3. To recognise the period 2 forecast of 100% savings delivery in 2022-23, noting also that Executive Directors will continue to take measures to mitigate potential savings shortfalls through alternative savings or underspends;
4. To note the forecast General Balances at 31 March 2023 of **£23.840m**.
5. To note the expenditure and funding of the revised current and future 2021-26 capital programmes.

18.4 **Evidence and Reasons for Decision**

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

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

- Forecast over and under spends
- Changes to the approved budget
- Reserves
- Savings

**Appendix 2** of the report summarises the key working capital position, including:

- Treasury management
- Payment performance and debt recovery.

**Appendix 3** of the report summarises the capital outturn position, and includes:

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

Additional capital funds will enable services to invest in assets and infrastructure as described in Appendix 3 section 4 of the report.

18.5 **Alternative Options**

To deliver a balanced budget, no viable alternative options have been identified to the recommendations in this report. In terms of financing the proposed capital

expenditure, no further grant or revenue funding has been identified to fund the expenditure, apart from the funding noted in Appendix 3 of the report.

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

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

The meeting ended at 12.29

**Chairman of Cabinet**

**Cabinet**  
**4 July 2022**  
**Public & Local Member Questions**

	<b>Public Question Time</b>
6.1	<p><b>Question from Ruth Goodall</b></p> <p>Weston Longville is the parish most affected by the NWL. If it fails to go ahead we will suffer years of ever increasing volumes of traffic having the only remaining direct routes across the Wensum Valley. If it goes ahead residents of Weston Green will have to live with a dual carriageway and 20,000 plus vehicles a day cutting through a network of footpaths and quiet lanes less than half a mile from their homes. We have supported the NWL but our support is conditional on the mitigation measures we have requested being fully implanted. We would like an assurance from this Cabinet meeting that this will be the case.</p> <p><b>Response from the Cabinet Member for Highways, Infrastructure and Transport</b></p> <p>We are committed to working with Weston Longville Parish Council and other local communities on developing and agreeing a full package of mitigation measures for the Norwich Western Link scheme.</p> <p>In addition, we are committed to continue working with Weston Longville Parish Council and National Highways (NH) to consider a scheme of mitigation works should the A47 North Tuddenham to Easton dualling be completed before the Norwich Western Link.</p> <p>The latest position between these parties was documented in a Statement of Common Ground that was submitted to the Examining Authority during the public examination of the A47 North Tuddenham to Easton Development Consent Order.</p> <p>This confirmed that the parties would continue to work together to develop a proportionate scheme of mitigation works for Weston Longville and the trigger point for the approval of such a scheme would be 9 months prior to the removal of the existing Easton roundabout and associated closure of Church Lane to through traffic.</p> <p>It is the intention of the County Council to agree a scheme of mitigation measures to the timescales set out in the Statement of Common Ground.</p>
6.2	<p><b>Question from Nova Fairbank, Chief Operating Officer for Norfolk Chambers of Commerce</b></p> <p>The creation of Broadland Northway was strongly welcomed by the Norfolk business community and we feel that it is essential for the missing link between the A1067 and A47 to be completed as soon as possible.</p> <p>The overall cost of doing business is rising and any opportunity to help reduce costs and deliver benefits – such as reduced journey times, less congestion and the ability to access new markets is becoming more and more important to businesses.</p> <p>Will the delivery of the Norwich Western Link support Norfolk's key industries such as agriculture, tourism and manufacturing by reducing journey times and transport costs as well as opening up potential new markets?</p> <p><b>Response from the Cabinet Member for Highways, Infrastructure and Transport</b></p> <p>In addition to reducing traffic on unsuitable roads through local communities such as Weston Longville, the Norwich Western Link (NWL) will reduce traffic movements</p>

within and around the city. This will support existing businesses and unlock opportunities for economic growth by freeing up capacity to better accommodate planned housing and employment growth.

The Cabinet report outlines the some of the benefits the NWL is expected to create for Norfolk, which supports Norfolk's key industries, including (over a 60 year period and at 2010 prices):

- £353million worth of travel time benefits, an average of just over £5.5million a year.
- £26million worth of journey reliability benefits, an average of £430,000 a year.
- Productivity gains of £97million, an average of £1.6million a year.

**Cabinet  
4 July  
Local Member Questions**

	<b>Local Member Issues/Questions</b>
7.1	<p><b>Question from Cllr Alexandra Kemp</b>  Why are Conservatives discriminating against King's Lynn, planning to have Council Motions debated in a new order that would always place King's Lynn South last?  Elaine from South Lynn said, they can't do that. It's about accountability. It's a democracy, not a dictatorship.  Nigel from Clenchwarton said, you need strong Opposition in a democracy.  The Conservative plan to limit Questions, Motions, even the length of full Council meetings, prompted outrage in this Division. I discovered the changes were left off the Corporate Select Committee Agenda Report, none were tracked in the 300-page constitution. I had to press NCC to publish a log and summary of changes.  NCC  Transparency: Nulle Point</p> <p><b>Response from the Leader and Cabinet Member for Governance and Strategy</b>  Thank you for your question, although this is not actually a matter for Cabinet. The review of the constitution is being carried out by the Director of Governance in line with Article 12 of the Constitution. Areas where amendments would be appropriate together with recommended amendments have been presented to Members to consider and refine. The Deputy Leader and I made one or two suggestions to the Director of Governance, as any Member was free to do, and some have been included in the proposals. This has been a fully transparent and inclusive process with a clear timetable. There have been several Member workshops where topics were discussed in detail; regular updates on the Councillor Portal plus an email address to receive Members' views and suggestions. Unfortunately, a technical issue occurred when publishing the agenda for Corporate Select Committee and some of the tracked changes from the report were no longer highlighted however an updated version was uploaded as soon as possible together with a log summarizing the proposed changes. The papers for the July Corporate Select Committee were published on Friday 1<sup>st</sup> July and present a comprehensive log of the suggestions, ideas and requests made for that committee to review before final recommendations are made to Full Council on 19th July.</p>
7.2	<p><b>Question from Cllr Lucy Shires</b>  Can you please provide a table showing how the number of care homes that are rated as inadequate or require improvement by the Care Quality Commission compared to the other local authority areas in the East of England?</p> <p><b>Response from the Cabinet Member for Adult Social Care, Public Health and Prevention</b>  Thank you for your question.</p> <p>As set out in the paper presented to June Cabinet, there is a long standing challenge with the quality of care provided in the county. The Council has identified</p>

this a priority issue and as well as taking actions prior to the Covid pandemic to strengthen the Council's quality assurance function, we have agreed a strategic approach to work with the independent providers across the integrated care system to identify and support improvement. The table below shows the position for independent care homes (residential and nursing) compared to the other authority areas in the East of England.

	Nursing		Residential	
	Inadequate % (Number)	Requires Improvement	Inadequate	Requires Improvement
<b>Bedford</b>	0%	8.3%	1.6%	27%
<b>Cambridgeshire</b>	0%	13.3%	0%	6%
<b>Central Bedfordshire</b>	10%	25%	0%	21.6%
<b>Essex</b>	0%	22.4%	1.3%	13.1%
<b>Hertfordshire</b>	2.7%	26%	1.7%	10.8%
<b>Luton</b>	0%	0%	3.1%	25%
<b>Norfolk</b>	3.4% (2/58)	32.8% (19/58)	4.8% (13/269)	25.7% (69/269)
<b>Peterborough</b>	0%	0%	0%	12.5%
<b>Southend-on-Sea</b>	8.3%	16.7%	4.2%	12.7%
<b>Suffolk</b>	1.5%	9.2%	3.3%	11.5%
<b>Thurrock</b>	0%	20%	0%	9.1%
<b>East of England</b>	2.1%	19.8%	2.4%	16.1%

7.3

**Question from Cllr Rob Colwell**

When the county council's director of adult social care, James Bullion, says he has never been so worried as he currently is about the state of Norfolk's care market, how bad does it have to get before Norfolk County Council demand to government that freedom of movement and single market access must return?

**Response from the Cabinet Member for Adult Social Care, Public Health and Prevention**

Thank you for your question.

It has been widely reported that the Government changed immigration rules for health and care workers in December last year due to representations from many authorities including Norfolk. This has meant that social care workers, care assistants and home care workers are now eligible for the Health and Care Worker Visa, in addition to senior care workers and registered managers who were already included in the list of eligible roles. Some providers are already sponsoring individuals from overseas and there is growing interest in this market. We are working with providers and the Integrated Care System to help share information and to build a support model to aid successful recruitment.

7.4

**Question from Cllr Watkins**

What is the current turnover rate of staff employed by Norse and how does this compare to each of the last 3 years?

**Response from the Leader and Cabinet Member for Governance and Strategy**

The Council takes its responsibilities seriously as ultimate owner but does not receive that precise data because Norse is its own legal entity. However, each year Cabinet receives the Norse Business Plan which provides assurance that the business is managed appropriately.

**Question from Cllr Watkins**

An independent review has recently recommended that the minimum age for buying cigarettes should be raised by one year annually, as part of a drive to eradicate smoking by 2030. The review also suggested that the Government should commit £125 million a year in helping to make this happen. Would the Cabinet member like to see this initiative introduced in Norfolk?

**Response from the Cabinet Member for Adult Social Care, Public Health and Prevention**

Thank you for your question. I welcome the report and its findings. It is an important milestone, reminding all of us of the dangers of smoking and the need to have dedicated investment to achieve the national ambition of Smokefree by 2030.

The impacts on health from smoking and tobacco are substantial and we currently invest in a range of services. More national investment could allow us to further develop these services, work with partners like the NHS to prioritise prevention, and improve the health and wellbeing of Norfolk residents.

7.5

**Question from Cllr Steffan Aquarone**

By how much has the council's debt servicing costs grown since 2016/17 relative to the council's revenue spending and how does this compare to the other local authorities in the East of England?

**Response from the Cabinet Member for Finance**

The council's debt servicing costs have increased from £25.657m in 2016-17 to £30.904m in 2021-22 per the table below.

Interest Payable		Net revenue budget	Ratio of interest expense to net revenue budget	Ratio of interest expense to total borrowing
	£ms	£ms	£m	£m
2016-17	25.657	339.0	7.6%	4.9%
2017-18	25.800	358.8	7.2%	4.8%
2018-19	26.900	388.8	6.9%	4.3%
2019-20	29.000	409.3	7.1%	4.1%
2020-21	29.266	430.4	6.8%	3.9%
2021-22	30.904	439.4	7.0%	3.6%

	<p>The benchmarking information previously provided by CIPFA is no longer available and therefore comparative data with other local authorities in the East of England is not readily available.</p> <p><b>Second question from Cllr Steffan Aquarone</b> Should the County Council, given its recent support for home education, consider a fund to support home educators to mitigate the rising costs of living, especially given that their decision has a positive impact on Council budgets?</p> <p><b>Response from the Cabinet Member for Children's Services</b> Whilst Norfolk County Council strongly encourages attendance at school, it also respects any decision by families, who choose to take responsibility for educating their children at home. Our Service to home educators signposts advice and support and conducts some monitoring. Our website outlines the support available for families.</p> <p>Unfortunately, students who are not on roll of a school do not attract funding for the Designated Schools Grant or any grant received by Norfolk County Council. There is an additional cost for NCC to support the Home Education register and government is considering how this will change if the Schools Bill currently going through parliamentary process is enacted. Norfolk County Council already operates a number of schemes to support families experiencing hardship.</p>
7.6	<p><b>Question from Cllr Tim Adams</b> To what extent is the council meeting its target repair times for road defects where known including specifically potholes, line markings, damages to signs?</p> <p><b>Response from the Cabinet Member for Highways, Infrastructure and Transport</b> The performance of the authority's contractors in completing defects on time is measured as part of the corporate vital sign 216. Tarmac, Norse Highways, Amey and Swarco (formerly Dynniq) are included within this monitoring and reporting. This metric has been reported on since April 2021 and to date I am pleased to report that performance has exceeded the 92.5% target, which covers pothole repairs, line markings and damage to signs along with all other highway maintenance work types.</p>
7.7	<p><b>Question from Cllr Saul Penfold</b> Uswitch's Green council report: Are county councils taking sustainable steps? shows Norfolk County Council only at the Silver tier with a partial commitment to being green and behind Suffolk County Council. Will you agree to immediately changing the council's tariff with its energy supplier to one that is for renewable energy or are you happy for the council to be seen to be lagging behind other local authorities in dealing with climate warming?</p> <p><b>Response from the Cabinet Member for Environment and Waste</b> NCC has been on a 100% renewable green tariff for electricity from the 1<sup>st</sup> October 2019 and have just signed up for another term running until 30<sup>th</sup> September 2023.</p> <p>Our supplier has not historically offered a 'green gas tariff', but is bringing in an option from the 1<sup>st</sup> April 2023. It's also worth bearing in mind that we would still</p>

	<p>receive the same natural gas (which already has a 10% biomethane mix) with a green gas tariff, it's just that the supplier invests in carbon reduction projects to offset the carbon produced – or is part of the Green Gas Certification Scheme (GGCS - <a href="https://www.greengas.org.uk/">https://www.greengas.org.uk/</a>) where green gas generation (usually biomethane from waste) is injected directly into the grid. Officers are currently evaluating the accreditation and cost of the tariff.</p> <p>As part of our commitment to Net Zero, NCC is currently reviewing the whole estate to look at improving the building fabric and energy efficiency of our buildings.</p>
7.8	<p><b>Question from Cllr Paul Neale</b></p> <p>The cost of the Norwich Western Link has now ballooned to nearly £100 million over the original budget for the project. What is the upper limit to the amount of funds the county council is willing to put at risk in pursuing the Norwich Western Link?</p> <p><b>Response from the Cabinet Member for Highways, Infrastructure and Transport</b></p> <p>The budget for the project has been reviewed and updated and includes significant allowances for inflation and risk. If there is a significant change to the risks around the project in the future, we would of course take this into account in our decision making.</p> <p>The Norwich Western Link remains in the high value for money category for infrastructure projects, according to the Department of Transport's assessment criteria.</p>
7.9	<p><b>Question from Cllr Ian Mackie</b></p> <p>Rat running is causing a real problem across our rural communities, but also throughout Norwich, we witnessed this during the recent closure of Sweet Briar Road - Norwich didn't have an alternative main road to deal with such volumes of vehicles. What are the improvement in outcomes to capacity, health and safety if rat running is reduced and Norwich is given extra highway capacity?</p> <p><b>Response from the Cabinet Member for Highways, Infrastructure and Transport</b></p> <p>A resilient network is essential for Norfolk's residents, visitors and businesses. As highlighted, the recent unplanned, emergency closure of Sweetbriar Road on the Norwich outer ring road caused significant congestion for a prolonged period as traffic used alternative routes, affecting many local communities.</p> <p>By providing an alternative route around the west side of Norwich, the proposed NWL will increase the resilience of the road network in this area and result in reduced traffic movements in and around the city and within several local communities.</p> <p>The NWL is also expected to lead to improvements in road safety, with over 500 fewer accidents involving a motor vehicle over 60 years as set out in the Cabinet Report section 3.4. This in turn would create a saving worth in the region of £20million in costs associated with road traffic collisions.</p>

7.10	<p><b>Question from Cllr Barry Duffin</b> Would I be right in saying that the increase in costs to the Norwich Western Link are not unique to this project, but normal for all similar projects across the Country?</p> <p><b>Response from the Cabinet Member for Highways, Infrastructure and Transport</b> Yes, inflation is affecting all construction projects across the country at the current time and I would expect that other projects being assessed by the Department for Transport will also be impacted by increasing cost pressures, most notably related to current inflation levels. This issue is not therefore exclusive to the Norwich Western Link project but affecting all local authorities and infrastructure providers across the country.</p>
7.11	<p><b>Question from Cllr Jamie Osborn</b> We now know that if the Norwich Western Link fails, the county council will have to use its revenue reserves to fund its expenditure on the road. That already amounts to £25million, and will increase to at least £35.million by spring - not including inflation which shows no signs of slowing down. Can the Cabinet Member confirm what the minimum remaining level of revenue reserves would be if the capital costs of the project revert to revenue and have to be covered by reserves?</p> <p><b>Response from the Cabinet Member for Finance</b> As set out in the Cabinet papers, if the scheme were not to go ahead, any costs incurred would fall to the revenue budget as there would be no asset to capitalise. There would be a hierarchy of how the Council would fund any such write-off as set out within the report (paragraph 6.6). The final source of funding would be a call on the General Fund reserve, but it is not possible at this point to determine what the level of any use of the General Fund would be as there are a number of variables involved, including the level of costs to be met from revenue, and the availability of other resources to meet these. However, any use of the General Fund would not impact technically on the assessment of the minimum level of General Fund which the Council seeks to hold to address major financial shocks, which is calculated and agreed annually as part of the budget setting process. In the event that it were to become necessary to use the General Fund reserve, the expectation would therefore be to seek to replenish the General Fund to the minimum level as soon as possible following any call upon it, and the plan to achieve this would be addressed as part of annual budget setting.</p> <p><b>Supplementary question from Cllr Jamie Osborn</b> If the Department for Transport agrees to fund 85% of the current cost of the NWL, equivalent to £213million, the county council will have to fund any subsequent cost increases. How much is the Cabinet preparing to fund from this Council's own budget to cover for the inevitable cost increases after the DfT funding has been sealed?</p> <p><b>Response from the Cabinet Member for Finance</b> The budget for the project has been reviewed and updated and includes significant allowances for inflation and risk. If there is a significant change to the risks around the project in the future, we would of course take this into account in our decision making.</p> <p>The Norwich Western Link remains in the high value for money category for</p>

	infrastructure projects, according to the Department of Transport's assessment criteria.
7.12	<p><b>Question from Cllr Shelagh Gurney</b></p> <p>The recent closure of Sweet Briar Road adjacent to my division and subsequent diversions on the Hellesdon Bridge, Hellesdon Low Road and across Hellesdon in general, highlighted the impacts of dangerous rat running through our communities, both for road safety and the wider negative air quality implications.</p> <p>To what extent does the Norwich Western Link alleviate these problems for other impacted communities across the County?</p> <p><b>Response from the Cabinet Member for Highways, Infrastructure and Transport</b></p> <p>I would refer to my response to Cllr Mackie's and Nova Fairbank's similar questions. In addition to reducing traffic on unsuitable roads through communities such as Weston Longville, the NWL will reduce traffic movements in and around the city. The NWL is also expected to lead to improvements in road safety, with over 500 fewer accidents involving a motor vehicle over 60 years as set out in the Cabinet Report section 3.4. This in turn would create a saving worth in the region of £20million in costs associated with road traffic collisions.</p> <p>In addition, Section 3.6 of the Cabinet Report sets out the carbon emission savings with a carbon reduction range from 177,000 tCO<sub>2</sub>e, to 350,000 tCO<sub>2</sub>e being projected as a result of the NWL, when both construction and operation are considered.</p> <p>The NWL will therefore provide a more resilient network which is essential for Norfolk's residents, visitors and businesses, and help alleviate the problems highlighted for those local communities.</p>
7.13	<p><b>Question from Cllr Brenda Jones</b></p> <p>When fee levels for Adult Social Care providers were agreed by Cabinet on 31<sup>st</sup> January 2022, the rates were set using a forecast CPI rate of 3.7%.</p> <p>As the CPI has been 9% or above since April 2022, can the Cabinet Member for Adult Social Care, Public Health &amp; Prevention confirm what impact this is having on adult social care providers, how Norfolk County Council is planning to support providers facing escalating costs and protect those receiving care from any issues, given the growing cost of living crisis?</p> <p><b>Response from the Cabinet Member for Adult Social Care, Public Health and Prevention</b></p> <p>Thank you for your question.</p> <p>Each year the Council reviews prices for the coming year, based on factors including National Living Wage and inflation. These rates aim to ensure a fair cost of care, but take into account affordability for the Council. Fee rates are set as part of the budget planning process and setting of council tax for the year ahead. Within</p>

	<p>the funding parameters for the Council, further price increases have been increased for home support services, reflecting the fuel cost increases experienced in April. As part of the social care reforms the Council is currently asking care providers across home support and residential and nursing care for older people to provide details of the costs of delivering services to enable a revised fair cost of care to be identified. The Council will be submitting a market sustainability plan to the Department for Health and Social Care in October.</p>
7.14	<p><b>Question from Cllr Terry Jermy</b> Can the Cabinet Member for Finance confirm the new estimated total cost of prudential borrowing to meet Norfolk County Council's increased share of costs related to the Norwich Western Link Road?</p> <p><b>Response from the Cabinet Member for Finance</b> As set out within the Cabinet report in the funding profile table at 2.3.3, the budgeted local contribution to the project is £37.655m. £3.131m is to be funded from pooled business rates, and £5.061m has been set aside in the capital receipts reserve, leaving a balance to be funded by prudential borrowing of £29.463m. Assuming 3% interest and MRP spread over 40 years, this equates to an annual revenue cost of £1.621m (Interest £0.884m and MRP £0.737m).</p> <p>Each additional £1m of borrowing increases the borrowing cost by £0.055m per annum.</p> <p><b>Supplementary question from Cllr Terry Jermy</b> With increased inflation costs, can the Cabinet Member for Finance confirm the latest estimate for yearly costs that Norfolk County Council will incur for maintenance of the Western Link Road and what the total cost is likely to be over the road's lifespan?</p> <p><b>Response from the Cabinet Member for Finance</b> The details related to maintenance are included in sections 3.4, 4.4 and 4.5 of the Outline Business Case published on our website <a href="#">here</a>. There is also an update in the draft OBC addendum which is appended to the Cabinet Report. The assessment period is over 60 years. The costs per annum will vary depending on the condition and maintenance requirements of the various features included as part of the project.</p> <p>A management and maintenance plan will be developed as part of the detailed design process, therefore a more detailed breakdown of spend profile cannot be provided at this stage.</p>
7.15	<p><b>Question from Cllr Alison Birmingham</b> Following the scheduled closure of Woodside Nursery in Autumn 2022 and the proposal to withdraw from the Professional Development Centre included in the first round of budget cuts, can the Cabinet Member for Commercial Services and Asset Management confirm what will happen to the site if these plans go ahead?</p> <p><b>Response from the Cabinet Member for Commercial Services and Asset Management</b> Should these proposals go-ahead and the site is declared surplus, then it will</p>

	<p>initially go to Corporate Property Strategy Group (CPSG), to identify whether there is an NCC use for this site. All directorates are represented at this meeting.</p> <p>If there is not an internal NCC requirement for the site, a formal Cabinet decision will be required to dispose of the site.</p>
7.16	<p><b>Question from Cllr Chrissie Rumsby</b> Increasing working wages so people can afford to feed, clothe and keep a roof over their families' heads without needing support from Norfolk County Council or the Welfare system is much better for Norfolk's residents, the local economy and Norfolk County Council's budget. Doesn't the Cabinet Member for Growing the Economy agree?</p> <p><b>Response from the Cabinet Member for Growing the Economy</b> Thank you for your question.</p> <p>In order to ensure we can grow the economy and move to a high skill, high wage economy, we must continue to progress our ambitious skills programmes, giving everyone in the County the opportunity to gain new qualifications and skills, whether through the employer, apprenticeships, or through access to qualifications, is vital. We will continue to support those across all areas of the County who wish to pursue these options to participate in Norfolk's evolving economy in ways that are best for them through our Norfolk Investment Framework.</p> <p>The Norwich Western Link will ensure that those from the West of the County in particular will be able to access these employers, programmes and initiatives, which I hope will be welcomed by yourself.</p>
7.17	<p><b>Question from Cllr Emma Corlett</b> Given the complex and ongoing work to understand and mitigate risk to the Barbastelle Bat colony how can Cabinet satisfy itself that it is making a sound and reasonable decision today, when the risk register cannot appropriately account for the extent of unknowns in respect of risk of planning failure and of harm to this protected species</p> <p><b>Response from the Cabinet Member for Highways, Infrastructure and Transport</b> The Council takes its environmental responsibilities very seriously. The NWL route has been refined to avoid a direct impact on a roost location used by a maternity colony of barbastelle bats which has a significant level of environmental protection. Mitigation and compensation design associated with the predicted impacts is still ongoing by the project ecologists. This work is part of the normal development of the project and will continue up to the submission of the planning application. All risks will continue to be carefully managed and considered as the project progresses.</p>
7.18	<p><b>Question from Cllr Ben Price</b> The Director of Adult Social Care has commented publicly that he has never been so worried about the sector, this in light of the impact of surging inflation as well as imminent changes to the rules which mean thousands more people are about to become eligible for council-funded care. What steps is the Cabinet Member taking to ensure the sustainability of care funding?</p>

**Response from the Cabinet Member for Adult Social Care, Public Health and Prevention**

Thank you for your question.

During the past 2 years, the Council ensured over £50m was provided swiftly to Norfolk's care providers to support them in the most difficult of circumstances. As Cabinet Member, I too recognise and share the Director's concerns about our essential and much valued care market. It is for this very reason that in January, I was able to secure £18m of investment into the Care Market as part of this Council's highest provider fee uplift in many years. In addition, I brought forward to Cabinet in June 2022 our new Care quality improvement framework. Today to Cabinet, I bring our Market Position Statement (Item 12), and in September will bring forward our Care Market Sustainability plan.

We welcome the reforms to Social Care being brought forward by Government. The successful implementation of these vital changes will build towards a sustainable platform for Care. We continue to work with the County Councils Network, the Local Government Association and the Association of Directors of Social Care to continue to make the important case for the sustainable funding of Social Care as part of this work.

Each year we have a robust process for setting our Medium Term Financial Strategy. I continue to work closely with my fellow Cabinet Members, to ensure the delivery of Care is prioritised financially, despite the difficult financial circumstances the Council faces. As the largest spending department in the Council, I work closely with the Cabinet Member for Finance to support the broader Councils approach to attracting adequate funding for Norfolk.

We continue to engage with Government, MPs and other stakeholders to campaign for adequate and sustainable funding for Norfolk to continue to deliver vital services to residents, businesses and visitors. Through submitting responses to consultations including those on the 2021 Spending Review, provisional settlement and reviews of Business Rates, we seek to maximise the funding available. We contribute to national lobbying through our broader membership of the County Council's Network and Society for County Treasurers, who also work alongside DLUHC to develop and test technical funding proposals.

The Council continues to lobby the government to ask that the Fair Funding Review be concluded to provide an adequate overall quantum of funding for local government within the system, update the relative needs formula, and fully recognise the costs associated with rurality and sparsity. We have also engaged with the Government's Levelling Up agenda and is pursuing additional powers and funding through County Deal negotiations.

**Second question from Cllr Ben Price**

Given care providers and UNISON advise us that employers struggle to increase pay rates because of inadequate funding by NCC, what commitments can the Cabinet member give to ensure funding is provided to ensure all workers on Council contracts receive as a minimum The Foundation Real Living Wage hourly

	<p>rate?</p> <p><b>Response from the Cabinet Member for Adult Social Care, Public Health and Prevention</b></p> <p>Thank you for your question.</p> <p>We are committed to ensuring that we pay fair prices for the services that we commission and we make sure that everyone pays at least the National Living Wage (NLW) through our contracts.</p>
7.19	<p><b>Question from Cllr Maxine Webb</b></p> <p>It appears that the traffic modelling used in the proposed A47 North Tuddenham to Easton Project and the Norwich Western Link Strategic Outline Business case are substantially different.</p> <p>Can the Cabinet Member for Highways, Infrastructure and Transport explain how Norfolk residents can have confidence that robust processes are in place across the Council when this sort of discrepancy is being highlighted to the Secretary of State for Transport?</p> <p><b>Response from the Cabinet Member for Highways, Infrastructure and Transport</b></p> <p>The variation in modelled flows is partly because the two models use different base years. Therefore, some variability of flows between the two models, especially on links with low base year traffic volumes would be expected. Despite this, the main intention of strategic modelling is to understand the relative differences between scenarios and magnitudes of impact across the network, rather than to provide absolute numbers. NCC and National Highways have worked closely during the development of the two different models in order to understand the differences between them and on this basis we are comfortable that the model used for the NWL is robust.</p>

# Cabinet

Item No: 8

**Report Title: Customer Experience Programme**

**Date of Meeting: 8 August 2022**

**Responsible Cabinet Member:**

Cllr Tom FitzPatrick (Cabinet Member for Innovation, Transformation & Performance)

Margaret Dewsbury (Cabinet Member for Communities and Partnerships)

**Responsible Director:**

Ceri Sumner, Director of Community, Information and Learning

Geoff Connell, Director of IMT and Chief Digital Officer

**Is this a Key Decision? Yes**

**If this is a Key Decision, date added to the Forward Plan of Key Decisions: 26 January 2022**

**Executive Summary / Introduction from Cabinet Member**

The Council's Customer Experience Strategy 2021- 26 was approved by Cabinet in April 2021 and sets out how the council will deliver consistently good service for residents at the same time as reducing costs by:

- using technology to operate more cost effectively and responsively and grow its digital service offer
- evolving the way services are delivered to keep pace with customer needs and expectations

New capabilities, together with people, process and technical change will be needed to achieve this vision. A new 'One Customer, One Council' customer experience transformation programme is underway as the delivery vehicle for the strategy.

Beyond enhancing customer experience, this programme will contribute to the council's overall drive for transformation and efficiency. The activity and underpinning principles complement those of the strategic review, particularly in terms of removal of duplication and the consolidation and rationalisation of

business functions for the purpose of providing more consistent and efficient service to customers.

**This paper outlines an element of the programme scope and business case relating to the required technology for consideration by Cabinet and seeks approval to proceed with procurement of a replacement customer experience platform as part of the programme, within existing revenue and capital budgets.**

### **Recommendations:**

1. To agree to proceed with a procurement exercise to purchase a replacement customer experience platform in line with the previously agreed Customer Experience Strategy
2. To delegate award of new contract(s), up to £6m over a period of 5 years (and within existing revenue and capital budgets), to the Director of IMT and Chief Digital Officer and Director of Community, Information and Learning in collaboration with the Cabinet Member for Innovation, Transformation and Performance and the Cabinet Member for Communities and Partnerships

## **1. Background and Purpose**

There are three key pieces of work the council must prioritise to deliver the customer experience laid out in the Customer Experience Strategy previously approved by Cabinet:

- Refresh the Customer Experience Platform technology
- Deliver a single view of the customer
- Complete an end-to-end review of customer journeys and interactions

These are key to being able to adapt and evolve the council's customer and digital offer to keep pace with expectations, deliver great service and the best outcomes for our customers. They also support and facilitate wider strategic plans, being important enablers for a more streamlined and efficient operating model, transforming what the council does and how it does it.

This document lays out the activity needed to refresh the Customer Experience Platform for approval, together with how we plan to deliver further objectives.

## **2. Proposal**

This paper is seeking approval to commence a procurement exercise to purchase and implement a modern Customer Experience Platform.

The existing technology is aged (some elements date back 7+ years and options have improved considerably in that time), complex, costly to manage and uses expensive support arrangements with external suppliers. The platform will increasingly constrain our ability to adapt and develop the council's customer and digital offer in a rapid, agile, cost-effective and efficient way.

Running costs for 2021/22 were £1.2m and are expected to increase in 2022/23. Market engagement has identified solutions which better meet the council's requirements while delivering significantly better value for money. Implementation of a new platform will require spend on internal and external implementation resources, however as noted in the Financial Implications section this all falls within existing revenue and capital budgets.

Further details of what the Procurement will seek to purchase are available in the Impact of the Proposal section, however the summary of the applications we plan to procure are:

- Customer Relationship Management system – The application that manages front door contacts, customer information and workflow to back-office services
- Content Management System – The application that is used to build, manage and publish websites externally (for example the NCC website) and internally (myNet). Currently 11 different websites are managed in house.
- Other smaller applications we use to engage with customers, including online forms, web chat, chat bots, an online booking service
- Master data management software to manage the single view of the customer across NCC systems.

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

The programme has designed a competitive dialogue procurement with an award being made in Spring 2023. Following contract award, we anticipate a 12-month programme to implement the new platform and decommission older applications.

Fig 1.0 shows the systems the council currently uses to manage customer interactions. It comprises many different elements, built up over several years and some which have been in place since 2015. The components circled in yellow are the ones there is an opportunity to replace, unify and modernise.

*Fig 1.0 – Current customer experience platform*



Procuring a new Customer Experience Platform will modernise, streamline and simplify the technology the council uses to engage with customers and make support and development of the platform easier, quicker and cheaper.

A new, integrated platform will:

- better support an operating model where customer enquiries and workflow – across front and back office – are managed end to end only in the platform or core line of business systems
- reduce customer enquiries that are ‘handed off’ via email or managed in spreadsheets - this currently results in poor customer experience and means customer journeys, end to end, cannot be measured and reported on

Replacing and modernising our Customer Experience technology will deliver a range of benefits for the council and its customers, including:

- Improved customer experience when interacting with the council

- Shorter lead time for development; quicker and easier to create new digital services and respond to changing customer needs
- Bringing the community and partnership working functions currently delivered via the short term 'Norfolk Vulnerability Hub' into scope.
- An opportunity to improve and deduplicate customer records through a thorough data cleansing as part of migration to a new platform
- Improved delivery and measurement of customer experience through end-to-end measurement of service standards
- More resilient support and development model; easier to recruit and retain skills to support and develop the platform
- Moving customer records and workflow into core applications only – no more passing on of front door customer enquiries by email or recording activity in spreadsheets
- Simplified processes for handling customer enquiries
- Enabler to future objectives of the Customer strategy such as Single View of the Customer which will provide benefits such as 'tell us once'
- A better value for money solution will provide flexibility to support the Customer Experience Strategy through supplementary functionality

The procurement exercise will replace existing technologies and supplement the new Customer Experience Platform with functionality to support other aspects of the strategy, for example the Single View of the Customer. We do not currently anticipate that we will need to adjust budgets to accommodate this as a better value for money Customer Experience Platform will provide us this flexibility.

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

- The current platform is old, complex, and expensive to maintain and improve
- A newer, modern platform will enable us to better support the council's Customer Experience Strategy
- There is a savings opportunity through purchasing an alternative Customer Experience Platform
- Costs can be met within existing IMT revenue and capital budgets

#### **5. Alternative Options**

- Remaining on the platform we currently use, though this is costly, difficult to develop and would pass up savings opportunities

#### **6. Financial Implications**

- Anticipated cost for the procurement and implementation of a new platform is £1.1m. This is for a blend of internal and external resources.
- This can be met within existing revenue and capital budgets
- It is expected that cashable savings will be generated after a return-on-investment period expected to be around 4 years

## **7. Resource Implications**

### **7.1 Staff:**

- Some short term (2 year) project posts will be recruited to deliver this programme
- Platform support and development arrangements and how we resource them will be reviewed
- Business process where customer enquiries are distributed from the front door will need reviewing with departments
- Training for all users on a new platform will be included in the programme

### **7.2 Property:**

- No property implications anticipated

### **7.3 IT:**

- IT is a significant part of this programme. IT are jointly leading with Customer Services and will work with our partners to ensure that all IT implications are planned and managed

## **8. Risk Implications / Assessment**

- Officers have considered all the implications which members should be aware of. Apart from those listed in the report (above), there are no other implications to take into account.

## **9. Other Implications**

### **9.1 Legal Implications:**

The procurement of the updated customer experience platform under this programme will comply with the Public Sector Procurement Regulations 2015 (as amended).

### **9.2 Human Rights Implications:**

N/A

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

- This programme has engaged with our Equality lead and compliance with accessibility standards are core aspects of the statement of requirements. An EQIA will be developed when we have selected a new supplier and our Equality lead will be involved in the programme through procurement and implementation processes.

#### **9.4 Data Protection Impact Assessments (DPIA):**

- As this programme will impact systems that are used for the processing of personal data, it is likely to have privacy implications for individuals that will need to be considered. A DPIA will therefore be undertaken before procurement activity begins to identify any privacy risks. A further DPIA will be produced that will cover the implementation projects once a supplier has been engaged. Compliance colleagues have been engaged.

#### **9.5 Health and Safety implications (where appropriate):**

- None identified or likely, though this will be addressed with a new supplier

#### **9.6 Sustainability implications (where appropriate):**

N/A

#### **9.7 Any Other Implications:**

N/A

### **10. Select Committee Comments**

This report has not been taken to a select committee.

### **11. Recommendations**

- To agree that we proceed with a procurement exercise to purchase a replacement customer experience platform within existing budgets
- To delegate award of new contract(s), up to £6m over a period of 5 years (and within existing revenue and capital budgets), to the Director of IMT and Chief Digital Officer and Director of Community, Information and Learning in collaboration with the Cabinet Member for Innovation, Transformation and Performance and the Cabinet Member for Communities and Partnerships

## 12. Background Papers

### 12.1 [Customer Experience Strategy](#)

#### **Officer Contact**

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# Cabinet

Item No: 9

**Report Title: Forum Trust**

**Date of Meeting: 08 August 2022**

**Responsible Cabinet Member: Cllr Margaret Dewsbury** (Cabinet Member for Communities & Partnerships)

**Responsible Director: Tom McCabe** (Executive Director CES)

**Is this a Key Decision? No**

**If this is a Key Decision, date added to the Forward Plan of Key Decisions: NA**

## Executive Summary

The Forum building in central Norwich, which houses the Norfolk and Norwich Millennium Library, amongst other partners, is over 20 years old. It is a Norfolk success story which has no debt and runs without any regular public subsidy. The Trustees believe the Project Purpose, developed as part of the initial funding bids for the project, needs updating and that requires the agreement of the original partners - Norfolk County Council, Norwich City Council, and the Millennium Commission (now the Big Lottery).

Alongside the Project Purpose, the Forum Trustees have set new goals for the Norwich Forum as a strategy to deliver that revised Purpose:

- Investing for success
- Working Towards Net Zero
- Reaching Wider Communities
- Boosting the Norwich and Norfolk Economy

The Project Purpose has already been accepted by the Big Lottery.

## Recommendations:

1. **Approve the revised Project Purpose for the Norwich Forum**
2. **Offer comment and input on the key strategic pledges.**

## **1. Background and Purpose**

1.1 When the Norwich Central Library was destroyed by fire in August 1994, Norfolk County Council and Norwich City Council could either have built another library on the same site or combined their two adjacent city centre sites to create a substantial community project.

1.2 Simultaneous bids were being invited for landmark Millennium Projects and so the initial Forum proposals were jointly developed. After an initial proposal was rejected the Forum's Project Purpose was re-written to secure funding ahead of competing projects from the East of England.

1.3 The Forum became the Millennium project for the East, part of a £2 billion range of buildings, environmental projects and community schemes funded by the National Lottery to mark the year 2000 alongside the Eden Project, the National Space Centre, and London's Millennium Bridge.

1.4 It was officially opened by Her Majesty the Queen in 2002 and is home to the County Council's Norfolk and Norwich Millennium Library, one of the busiest public libraries in the UK, alongside the BBC's regional centre and a mixture of businesses, facilities, open events, and free activities inside and out, all year round. It is a public place, designed to be used and enjoyed by the whole community.

1.5 Many of the Millennium projects did not survive but the Forum remains true to its original purpose, having repaid all its outstanding loans ahead of time, and does not rely on any regular public subsidy or any support from Council Tax payers.

1.6 Since October 1997 it has been managed by The Forum Trust Ltd. an independent educational charity, set up under a legal agreement between Norfolk County Council, Norwich City Council, and the Millennium Commission.

1.7 The Trust was founded to run for a 125-year period. Its income comes from three main sources:

- The underground, multi-storey car park beneath The Forum in Norwich city centre
- Rent from tenants
- Income from hire of spaces and digital facilities for independent exhibitions, events, meetings, performances, and public engagement

All of that is re-invested in maintaining and developing the facilities and a programme of free events for the public.

1.8 The Forum has become a well-loved modern architectural icon. with high recognition regionally, nationally, and internationally. In a non-Covid year it attracts around 2 million people.

1.9 The Forum Trust has created some key Norfolk events in line with its Project Purpose – examples include the multi-partner Norwich Science Festival which showcases Norfolk's expertise in science to a wide audience; the Norwich Games

Festival is a hugely popular event highlighting work in the industry locally; and the Trust leads Norfolk's Heritage Open Days programme, the most successful outside London.

1.10 The Forum is the focus for a wide range of city events including the spectacular opening of the Norfolk and Norwich Festival, the annual Lord Mayor's Weekend, and the Run Norwich 10K, one of the best mass participation sporting events in the county.

1.11 The Forum Trust is based on a series of overlapping and complementary documents. The Trust leases the site for 125 years from the County and City which both own sections of the land. At the core of the setup is the Project Purpose. However, much of that Project Purpose reflected the building phase of the Forum, and that phase is long since over.

## **2. Proposal**

2.1 Twenty years on the Forum Trust Board sees the need to update that Project Purpose and requires approval from the three original partners to alter its Articles of Association and Charitable objectives to reflect an updated Purpose.

2.2 There is no change to the spirit of the agreement, Much of this reflects changes long since agreed and implemented and is simply a tidying up. For example, the existing wording talks about establishing a library. The Millennium Library has been up and running for 20 years.

2.3 It is worded in this way to reflect the lay out on the Charity Commission website. It makes most sense not to radically change the charitable objectives to ensure the Trust retains its charitable status which is important financially and operationally. Best advice also suggests it is preferable to amend rather than completely change. The Forum Board, which includes representatives of both County and City Councils with officers in attendance, has no desire to change the ethos of the Forum while wishing to evolve its offer.

2.5 The Millennium Library remains a central part of that and is embedded in the aims of the Forum Trust.

2.6 The updated Project Purpose is below, showing the existing wording on the left and the proposed new wording on the right.

<b>Governing Document (Project Purpose)</b>	
<b>Existing Wording on Charity Commission site</b>	<b><i>Proposed new wording</i></b>
<p>A) The advancement of public education by the provision of facilities for study, learning and training by the establishment of a Millennium library and other libraries and outreach facilities by the further development of charitable services and activities carried out in or provided at the Millennium building by the charity and by the building's other occupiers and by the promotion and development of art galleries, museums archaeological investigations and other similar resources facilities and activities and in particular by the establishment of a Millennium building in Norwich which shall include:</p>	<p>A) <i>The advancement of public knowledge and learning to include:</i></p>
<p>I. The Millennium library referred to above</p> <p>II. A learning centre providing training advisory and Information Services for the benefit of the inhabitants of Norwich Norfolk and the surrounding area</p> <p>III. A heritage attraction presenting the history of Norwich, Norfolk and the region incorporated with the Tourist Information Centre into a visitor centre</p> <p>IV. A multimedia auditorium designed for educational and training purposes</p>	<p><i>I. Providing facilities for study, learning and training including through the Millennium Library with its links to other libraries.</i></p> <p><i>II. By charitable services and events, activities and outreach carried out at the Forum and beyond by the charity and its partners with a focus on learning for all ages, economic benefit, science, technology, heritage, and community for the benefit of the people of Norwich, Norfolk and the surrounding area.</i></p>
<p>B) The provision of recreational facilities for the benefit of the people of Norfolk and Norwich, including in the context of the Millennium building:</p> <p>1) A covered forum or civic meeting place</p> <p>2) An external public square</p>	<p><i>B) The provision of recreational facilities for the benefit of the people of Norfolk and Norwich, including in the context of the Millennium building:</i></p> <p><i>1) A covered forum or civic meeting place</i></p> <p><i>2) An external public square</i></p>

C) Any other similar charitable objectives for the benefit of the people of Norfolk and Norwich as the trustees may think fit from time to time	<i>C) Any other similar charitable objectives for the benefit of the people of Norfolk &amp; Norwich as the trustees may think fit from time to time.</i>
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## Notes

2.7 As the world of education changed, the Learning Centre mentioned became a private enterprise operation that closed in 2013. The Heritage tourist attraction closed in 2007. It was replaced by a bookable auditorium and a digital gallery which play key roles in overall activity at the Forum. The Tourist Information Centre closed in 2020.

2.8 There is still a multi-media auditorium which fits in with other spaces in the Library and the rest of the Forum. Given any of those could need to be re-configured in the years to come as demand changes it makes no sense to mention them in detail but rather to continue to commit the Forum to its overall successful ethos.

## Updated Strategy

2.9 That first section deals with the legally binding need to get the Council's permission to update the Project Purpose. The next section is about how the Trustees see those Purposes being delivered in the years to come – the Forum's Strategy.

2.10 In line with the original agreements, the Forum Trust continues to have a close working relationship with its tenants, notably the Millennium Library. As part of a regular review of its strategy the Trustees have worked to consult key stakeholders and put together a strategy for the next phase of the Forum. The headline elements are set out here:

### Pledge: Investing for Success

#### **We'll make best use of our assets for the benefit of Norfolk and Norwich**

- We'll look after The Forum building through **long-term maintenance and development**, using the Sinking Fund and the Trust's investment
- We'll maintain **our independence** by prioritising long-term **financial stability**
- We'll **maximise our income** from the car park and our other assets finding opportunities to generate appropriate **additional income**
- We'll **invest** in our **staff, our partnerships, and our relationships** with key stakeholders, notably the library, and our tenants
- Our actions will be **clear, well-structured, and transparent**, making full use of the diverse skills of our Trustees and staff

### Pledge: Working Towards Net Zero

## **We're committed to putting sustainability at the core of everything we do**

- We'll **reduce our carbon footprint**, and our other environmental impacts
- We'll move to **sustainable procurement** for equipment, suppliers, and materials across all the Forum Trust's operations
- We will be a **green champion**, charting our carbon journey, knowledge sharing, and promoting environmental changes across the city

### **Pledge: Reaching Wider Communities**

#### **We will work with our partners to extend the reach of everything we do**

- We will deliver an **inclusive** and wide programme of activities so the whole community can get involved
- We'll welcome more visitors to the Forum, from a **wider demographic**
- We'll create a high-quality visitor experience and continually improve it
- We'll increase awareness of the Trust's work and grow The Forum's reputation

### **Pledge: Boosting the Norwich and Norfolk Economy**

#### **We will boost the local economy through our activities and partnership work**

- We'll bring **more people into Norwich** creating a wider economic benefit
- We'll provide affordable, high-quality spaces for tenants and events nurturing local businesses and supporting and helping create community activities.
- We'll encourage key **new projects** across Norwich and Norfolk, providing resource and expertise

2.11 The aims are firstly to maintain and develop the building and associated facilities at no regular cost to Council taxpayers. All the profits made from the car park, leasing spaces and hire of space for events are re-invested in developing the building and a programme of free events.

2.12 The County Council and the City Council do not pay rent on the spaces they occupy but they do contribute to the Building Sinking Fund for the long-term maintenance of the building according to a Property Management Policy original devised by Norfolk Property Services.

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

3.1 The Forum continues to develop its offer and has a hugely positive impact on vitality of the city centre. It's one of the few large available outdoor spaces for events and the Trust continues to focus on activities and partnerships that improve the lives of Norfolk people

3.2 The Forum Trust works with multiple partners including the Library Service and is a regular partner in key initiatives involving the council including for example the roll out of Changing Places facilities and a wide variety of other initiatives.

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

4.1 The need to update the Purposes and the evidence for it is set out above.

## **5. Alternative Options**

5.1 Doing nothing is an option but it would leave the Forum's public aims and charitable purposes lagging behind what is actually happening.

5.2 Radically changing the aims would be possible but it's clear to the Trustees that the Forum is both financially sound and independent and a popular success with the public. The aim is to continually develop the offer and the facilities at the site in line with the overall Purpose

## **6. Financial Implications**

6.1 None from this proposal. The Forum is run at no cost to the council other than its input into the costs of the Library which occupies the site rent free.

## **7. Resource Implications**

7.1 There are no staff, Property, or IT implications.

## **8. Other Implications**

### **8.1 Legal Implications:**

In meeting its objectives, the Forum Trust has the following powers (amongst others) but needs consent for some changes. For example, the consent of the County, City and the Big Lottery are required before the Forum Trust signs a new lease with a tenant. The Trust's job is to:

- To maintain and manage the Millennium building and the surrounding area whether alone or in cooperation with any local authority or any other person or body for the benefit of the people of Norfolk and Norwich.
- The prior written consent of Norfolk County Council and Norwich City Council are required to alter the Articles of Association.

- The company undertakes, having regard to the Project Purpose and available funding to promote a wide range of activities, events, and exhibitions on a regular basis, both within the building and public plain having regard for the need to ensure access to the project by the whole community; the need to realise the full potential of the multi-media auditorium and the Forum and the concerns of the occupiers of the building.

In the set-up there are obligations on the Forum Trust but also on the Councils. For example: The Library undertakes to make sure it complies with the Project Purpose and the Landmark nature of the building accepting there will be re-interpretation of the Project Purpose over time regarding technology, culture, economy, and other factors.

## **8.2 Human Rights Implications:**

None

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

The Project Purpose sets out a commitment to reach more people. One of the successes of the Forum is that it is seen as a safe inclusive place. As an organisation the Forum Trust has a strong commitment to equality and monitors representation in its workforce, therefore this proposal does not have any detrimental impact on equality.

## **8.4 Data Protection Impact Assessments (DPIA):**

N/A

## **8.5 Health and Safety implications (where appropriate):**

N/A

## **8.6 Sustainability implications (where appropriate):**

The Forum Trust's original purposes did not set any commitment to sustainability. The Trustees have made that a central pledge as part of their strategy going forward and have already made substantial progress on moves to reduce the environmental impact of the Forum Trust's activities.

**Officer Contact**

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# Report to Cabinet

Item No. 10

**Report Title: Finance Monitoring Report 2022-23 P3: June 2022**

**Date of Meeting: 8 August 2022**

**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**

**If this is a Key Decision, date added to the Forward Plan of Key Decisions: N/A**

## **Introduction from Cabinet Member**

This report gives a summary of the forecast financial position for the 2022-23 Revenue and Capital Budgets, General Balances, and the Council's Reserves at 31 March 2023, together with related financial information.

## **Executive Summary**

Subject to mitigating actions, on a net budget of £464.123m, the forecast revenue outturn for 2022-23 at the end of period 3 (June) is **a £4m overspend** after taking into account use of £31.125m Covid reserves brought forward from 2021-22 to meet Covid pressures in 2022-23.

General Balances are forecast to be **£23.840m** at 31 March 2023 following transfers of £0.077m from non-Covid related savings and Finance General underspends at the end of 2021-22. Service reserves and provisions (excluding the Dedicated Schools Grant reserve) are forecast to total **£145.501m**.

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

## **Recommendations:**

1. To recommend to County Council the addition of **£52.146m** to the capital programme to address capital funding requirements funded from various external sources as set out in detail in capital Appendix 3, paragraph 4.1 as follows:
  - £27.292m Department for Education Basic Need Grant funding for 2022-2025
  - £19.321m Department for Education High Needs Grant funding for 2022-2024
  - £4.875m Department for Education Condition Grant Funding profiled into 2023-24
  - £0.989m Department for Education Schools Grant funding for 2022-23

- Offset by £0.330m release of capital budget in Fire Services
2. To recommend to County Council the addition of £0.201m to the capital programme to fund the installation of electric vehicle charging points across the Council estate as set out in the Capital Appendix 3 paragraph 4.4 and £3m for the Kings Lynn Multi User Hub (Replacement Library Lyn LL1058) to fund the additional costs identified by the project team as set out in paragraph 4.5.
  3. Subject to County Council approval of recommendation 1 and 2 to delegate:
    - 2.1) To the Director of Procurement authority to undertake the necessary procurement processes including the determination of the minimum standards and selection criteria (if any) and the award criteria; to shortlist bidders; to make provisional award decisions (in consultation with the Chief Officer responsible for each scheme); to award contracts; to negotiate where the procurement procedure so permits; and to terminate award procedures if necessary;
    - 2.2) To the Director of Property authority (notwithstanding the limits set out at 5.13.6 and 5.13.7 of Financial Regulations) to negotiate or tender for or otherwise acquire the required land to deliver the schemes (including temporary land required for delivery of the works) and to dispose of land so acquired that is no longer required upon completion of the scheme;
    - 2.3) To each responsible chief officer authority to:
      - (in the case of two-stage design and build contracts) agree the price for the works upon completion of the design stage and direct that the works proceed; or alternatively direct that the works be recompeted
      - approve purchase orders, employer's instructions, compensation events or other contractual instructions necessary to effect changes in contracts that are necessitated by discoveries, unexpected ground conditions, planning conditions, requirements arising from detailed design or minor changes in scope
      - subject always to the forecast cost including works, land, fees and disbursements remaining within the agreed scheme or programme budget.
      - That the officers exercising the delegated authorities set out above shall do so in accordance with the council's Policy Framework, with the approach to Social Value in Procurement endorsed by Cabinet at its meeting of 6 July 2020, and with the approach set out in the paper entitled "Sourcing strategy for council services" approved by Policy & Resources Committee at its meeting of 16 July 2018.
  4. To recognise the period 3 general fund revenue forecast of a £4m overspend, noting also that Executive Directors will take measures to reduce or eliminate potential overspends where these occur within services;
  5. To recognise the period 3 forecast of 100% savings delivery in 2022-23, noting also that Executive Directors will continue to take measures to mitigate potential savings shortfalls through alternative savings or underspends;
  6. To note the forecast General Balances at 31 March 2023 of **£23.840m**, assuming the Council will mitigate the overspends reported in P3.
  7. To note the expenditure and funding of the revised current and future 2021-26 capital programmes.

## **1. Background and Purpose**

- 1.1. This report and associated annexes summarise the forecast financial outturn position for 2022-23, to assist members to maintain an overview of the overall financial position of the Council.

## **2. Proposals**

- 2.1. Having set revenue and capital budgets at the start of the financial year, the Council needs to ensure service delivery within allocated and available resources, which in turn underpins the financial stability of the Council. Consequently, progress is 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, including the implications of the Covid-19 pandemic, together with a number of other key financial measures.

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

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

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

- Forecast over and under spends
- Changes to the approved budget
- Reserves
- Savings

**Appendix 2** summarises the key working capital position, including:

- Treasury management
- Payment performance and debt recovery.

**Appendix 3** summarises the capital outturn position, and includes:

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

- 4.2. Additional capital funds will enable services to invest in assets and infrastructure as described in Appendix 3 section 4.

## **5. Alternative Options**

- 5.1. To deliver a balanced budget, no viable alternative options have been identified to the recommendations in this report. In terms of financing the proposed capital expenditure, no further grant or revenue funding has been identified to fund the expenditure, apart from the funding noted in Appendix 3.

## **6. Financial Implications**

- 6.1. As stated above, the forecast revenue outturn for 2022-23 at the end of P3 is a **£4m overspend**, linked to a forecast 100% savings delivery. Forecast outturn for service reserves and provisions is **£145.501m**, and the general balances forecast is **£23.840m**. COVID reserves of **£31.125m** have been brought forward to off-set additional one-off expenditure resulting from on-going infection control measures in place to prevent any further Covid-19 outbreaks in 2022-23.
- 6.2. Where possible service pressures have been offset by underspends or the use of reserves. A narrative by service is given in Appendix 1.
- 6.3. The Council's capital programme is based on schemes approved by County Council in February 2022, including previously approved schemes brought forward and new 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 2022-23 budget, the council has undertaken public consultation and produced equality and rural impact assessments in relation to the 2022-23 Budget. An overall summary Equality and rural impact assessment report is included on page 305 of the Monday 21 February 2022 Norfolk County Council agenda. [CMIS > Meetings](#)

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.

### **8.4 Data Protection Impact Assessments (DPIA)**

DPIA is not required as the data reported in this paper does not drill down to the personal data level.

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

- 9.1. Corporate risks continue to be assessed and reported on a quarterly basis to both Cabinet and the Audit Committee. The Council's key financial based corporate

risk (RM002 - The potential risk of failure to manage significant reductions in local and national income streams) has been reviewed and refreshed in February 2022 to incorporate the 2022/23 budget and Medium-Term financial strategy 2021 - 2026 being set. Key risk mitigations include amongst others regular (monthly) financial reporting to Cabinet, working to the Medium-Term Financial Strategy and setting robust budgets within available resources.

- 9.2. 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. The Executive Director of Finance and Commercial Services believes a balanced budget will be achieved in 2022-23.

## **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. Summary Equality and rural impact assessment [CMIS > Meetings](#) page 305

## **Officer Contact**

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

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## Appendix 1: 2022-23 Revenue Finance Monitoring Report Month 3

Report by the Executive Director of Finance and Commercial Services

### 1 Introduction

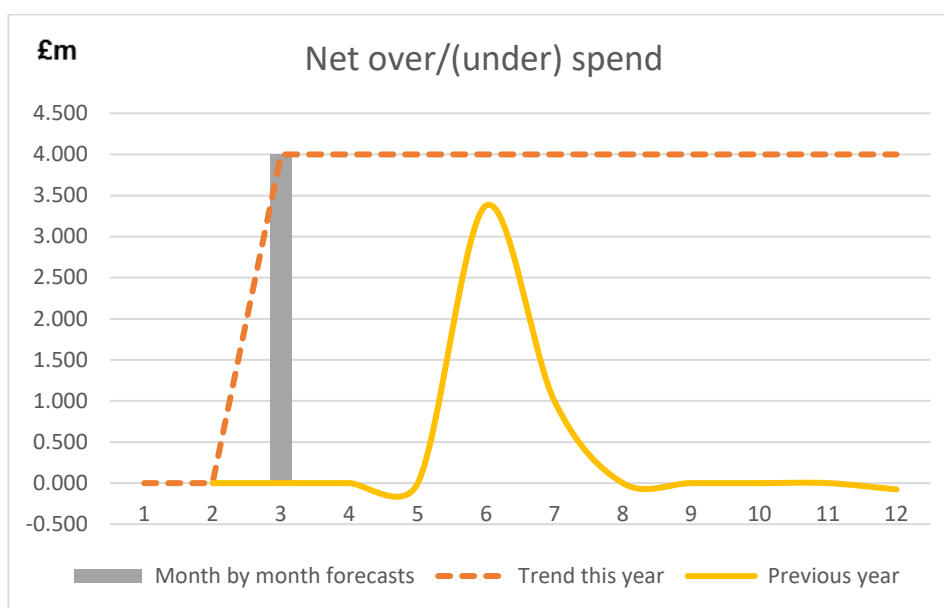
1.1 This report gives details of:

- the P3 monitoring position for the 2022-23 Revenue Budget
- additional financial information relating one-off funding, cost pressures and delivery of savings initiatives
- forecast General Balances and Reserves as at 31 March 2023 and
- other key information relating to the overall financial position of the Council.

### 2 Revenue outturn – over/(under)spends

2.1 **At the end of June 2022**, a £4m overspend is forecast against a net budget of £464.123m.

**Chart 1: forecast /actual revenue outturn 2022-23, 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 overspends for each service are shown in detail in Revenue Annex 1 to this report, and are summarised in the following table:

**Table 1: 2022-23 forecast (under)/overspends by service**

Service	Revised Budget	Cost Pressures	(Under spends/ Savings)	Earmarked Reserves & Provisions Utilised	Net (under)/ overspend	%	R A G
	£m		£m		£m		
Adult Social Care	263.184	0	0	0	0	0%	G
Children's Services	189.065	5.000	0	-1.000	4.000	2.1%	A
Community and Environmental Services	166.135	0	0	0	0	0%	G
Strategy and Transformation	8.759	0	0	0	0	0%	G
Governance Department	1.960	0.100	0	-0.100	0	0%	G
Finance and Commercial Services	33.451	0.908	-0.056	-0.488	0.364	1%	A
Finance General	(198.431)	0.151	-0.515	0	-0.364	0.2%	G
<b>Total</b>	<b>464.123</b>	<b>6.159</b>	<b>-0.571</b>	<b>-1.952</b>	<b>4.000</b>	<b>0.86%</b>	<b>A</b>

Notes:

- 1) the RAG ratings are subjective and account for the risk and both the relative (%) and absolute (£m) impact of overspends.
- 2) Earmarked reserves and provisions were set aside in 2021-22 in order to meet and fund additional pressures in 2022-23.

- 2.4 **Children's Services:** The forecast outturn as at Period 3 (end of June 2022) is overspend position of £4m, presuming use of budgeted reserves and (£1m) of additional reserves to mitigate the in-year pressures.
- 2.5 This early forecast indicates significant pressures within social care placements, £3m, and special educational needs and disabilities home to school transport, £2m. Given the demand-led nature of these services, alongside the medium-term impact of Covid-19 and the rise in fuel prices, the department commenced 2022-23 with significant uncertainty regarding the financial impact of the previously reported operational pressures and challenging market forces. These on-going cost pressures are outside of the Council's control and reflect the national picture for Children's Services.
- 2.6 These forecasts will be kept under close review as the year continues and the data, and trends, crystalise. Given the early nature of this forecast, this may mean that the pressures increase or decrease.
- 2.7 Key financial drivers the service experiences are in line with those pressures experienced last financial year. As anticipated and advised, the pandemic has had a substantial impact. One area causing significant pressure is the court system and the significant delays that continue to be seen. Such delays are resulting in significant additional costs to NCC (for example, lengthier placements pre adoption, additional preparation for court when cases are delayed or postponed, etc.) as well

as affecting the outcomes for children. The department, along with NPLaw, are taking action to mitigate the impact wherever possible.

2.8 Additionally, the factors previously identified have not eased off and, in many cases, have continued to increase, with many elements being unpredictable in nature and close review will be maintained of these:

- Market forces, beyond the Council's control, are significantly impacting our ability to purchase the right placements at the right cost.
  - An unhelpfully rigid approach from the regulator (Ofsted) - challenging care settings in a way which makes them unwilling to work with young people with complex needs or drives a demand for very large packages of additional support.
  - An unprecedented worsening of emotional wellbeing and mental health amongst children, young people and parents,
  - A significant rise in 'extra familial harm', including county lines and exploitation of young people.
  - An underlying trend of increasing special educational needs and disabilities, including some children with complex disabilities surviving into later childhood as a result of medical advances.
  - An additional strain on families as a result of the pandemic and hidden harm with families locked down together.
  - The demand-led aspects of placement and transport provision for children with special needs.
  - The shortage in housing available for post-18 year olds.
  - Ongoing shortages of staff in key professional specialisms
- Furthermore, the cost-of-living crisis is an additional factor that has emerged in recent months, and it is currently unclear what impact this may have upon demand as well as our own workforce.

2.9 In addition to these ongoing pressures, the rate of inflation has increased significantly (as seen across the whole Council) since the budget was set. This is impacting upon a significant number of areas of external spend for Children's Services including social care placement costs and particularly for fuel for transport providers. The impact of these inflationary pressures will be kept under close review as the year progresses.

2.10 Children's Services continues to undertake a substantial transformation programme to both improve outcome for children and young people as well as delivering financial savings. Management action continues to be taken within the department to minimise and, where possible, mitigate the financial risks and pressures faced.

2.11 **Adult Social Services:** The forecast outturn as at Period 3 (end of June 2022) is a balanced position. With Adult Social Care (ASC) being a demand led service, the budget to provide it always operates under a degree of uncertainty, especially in the last 24 months. The ASC service is still managing its recovery from the pandemic alongside delivering significant transformation and planning for the upcoming Social Care Reform. Within its recovery programme there is a significant emphasis on reducing the backlogs that have developed over the past 18+ months. A critical element of the financial position for the department will be the effective management of this work and the financial outcomes that ensue. At present the level of backlogs have not significantly reduced, and therefore much uncertainty remains in the financial implications of the work to reduce these.

- 2.12 As over 70% of the ASC budget is spent with independent providers, it is only right to acknowledge the financial risk the current economic conditions may place on these care markets. Whilst the Council was able to invest £18m into the market as part of its 2022/23 fee uplift, the continued economic uncertainty may well have a destabilising impact on individual providers. The price pressure in the economy comes at a time when Central Government have equally stopped some of the provider grants distributed during the pandemic, such as the infection control grant, that has provided over £50m of funding to Norfolk providers in the last 2 years.
- 2.13 The department continues to work with its partners in the Integrated Care System (ICS) to manage system pressures around hospital discharge both from acute hospital and the wider Transforming Care Programme. The ICS itself continues to operate in a challenging financial environment.
- 2.14 As described in the saving section of this report, whilst at this early stage of the year we are forecasting the ASC savings to be delivered in full, this is not without risk. Our short-term residential placements continue to be high compared to our budget. The health and care system approach to developing intermediate care solutions will be critical to our ability to manage this pressure.
- 2.15 Both internally to the department, and within the wider care sector, availability of staff continues to be a challenge. Whilst in the interim, internal vacancies will continue to produce staffing underspends, longer term the ability to manage the care budget is predicated on good quality social care, undertaken in a timely way to truly prevent, reduce and delay need.
- 2.16 Whilst recognising the uncertainties described above, the level of ASC departmental reserves to manage these risks in the short term remain strong. Longer term, the financial implications of the upcoming reform of Social Care will continue to be unpacked and built into the Medium Term Financial Strategy (MTFS).
- 2.17 **CES:** we are currently forecasting a balanced outturn position, however since setting the budget in February 2022, the significant rise in the level of inflation has created a significant budget risk in a number of areas, particularly Street lighting energy, transport costs and highways maintenance. The continued roll out of the LED replacement for streetlights will partially mitigate the impacts. We will continue to monitor this throughout the year and will report the impacts once they become clearer. The escalating cost of fuel is also creating pressures within Fire fleet, Mobile libraires, public transport and Highways maintenance.
- 2.18 Waste volumes at Recycling Centres and kerbside collections have been highly volatile over the last two years. The budget allows for an increase in waste volumes, we continue to monitor volumes closely and the long term impacts on the budget.
- 2.19 Over the last two years we have seen significant pressures on income budgets due to the pandemic. We have addressed a number of risk areas through the MTFS, however we will continue to monitor income budgets closely.
- 2.20 **Corporate services:** The Strategy and Transformation and Governance directorates are forecasting a balanced position..

- 2.21 Finance and Commercial Services is forecasting an overspend of £0.364m for this period, due to the rise in inflation, petrol and utilities, which have impacted contracts, especially within Property Services.
- 2.22 **Finance General:** Finance General forecast for P3 is an underspend of £0.364m. Savings of £0.391m in interest payable on borrowings were secured from last year's borrowing at the low long term PWLB rates and is offset by additional COVID cost pressures of £0.151m. Miscellaneous savings in other budgets makes up the additional £0.124m saving in P3
- 2.23 The forecast assumes use of £31.125m Covid reserves brought forward from 2021-22 to mitigate Covid related expenditure where appropriate and necessary to maintain a balanced budget
- 2.24 Further details are given in Appendix 1: Revenue Annex 1.

### 3 Approved budget, changes and variations

- 3.1 The 2022-23 budget was agreed by Council on 21 February 2022 and is summarised by service in the Council's Budget Book 2022-23 (page 17) as follows:

**Table 2: 2022-23 original and revised net budget by service**

Service	Approved net base budget	Revised budget P3
	£m	£m
Adult Social Care	263.184	263.184
Children's Services	189.065	189.065
Community and Environmental Services	166.162	166.135
Strategy and Transformation	8.759	8.759
Governance Department	1.960	1.960
Finance and Commercial Services	33.424	33.451
Finance General	-198.431	-198.431
<b>Total</b>	<b>464.123</b>	<b>464.123</b>

Note: this table may contain rounding differences.

- 3.2 There were some minor budget transfers between services in June 22, however the Council's net budget for 2022-23 remains unchanged.

### 4 General balances and reserves

#### General balances

- 4.1 At its meeting on 21 February 2022, the County Council agreed a minimum level of general balances of £23.268m in 2022-23. The balance at 1 April 2022 was **£23.840m** following transfers of £0.077m from non-Covid related savings and Finance General underspends at the end of 2021-22. The forecast for 31 March 2023 is £23.840m, taking into account the forecast balanced budget.

#### Reserves and provisions 2022-23

- 4.2 The use of reserves anticipated at the time of budget setting was based on reserves balances anticipated in January 2022. Actual balances at the end of March 2022

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 2022-23 budget was approved based on a closing reserves and provisions (excluding DSG reserves) of £144.987m as at 31 March 2022. This, and the latest forecasts are as follows.

**Table 3: Reserves budgets and forecast reserves and provisions**

Reserves and provisions by service	Actual balances 1 April 2022	Increase in March 2022 balances after budget setting	2022-23 Budget book forecast 1 April 2022	Latest forecast balances 31 March 2023
	£m	£m	£m	£m
Adult Social Services	45.909	18.738	27.171	16.916
Children's Services (inc schools, excl LMS/DSG)	17.398	8.881	8.517	14.930
Community and Environmental Services	65.814	13.745	52.069	61.332
Strategy and Transformation	2.466	0.725	1.741	1.637
Governance	2.045	1.073	0.972	2.034
Finance & Commercial Services	3.793	1.234	2.559	2.281
Finance General	56.237	18.950	37.287	30.069
Schools LMS balances	17.888	3.217	14.671	16.302
<b>Reserves and Provisions including LMS</b>	<b>211.550</b>	<b>66.563</b>	<b>144.987</b>	<b>145.501</b>
<b>DSG Reserve (negative)</b>	<b>-53.976</b>	<b>0.348</b>	<b>-54.324</b>	<b>-71.881</b>

- 4.4 Covid grants and other grants and contributions brought forward as at 31 March 2022 resulted in reserves and provisions being £66.563m higher than had been assumed at the time of budget setting. However, it is assumed that the majority of these reserves will be used for service provision during 2022-23. The latest forecast net total for reserves and provisions at 31 March 2023 has decreased by £66.049m when compared with the opening balance at 1 April 2022 bringing the forecast closer to the budget book outlook.
- 4.5 **Dedicated Schools Grant (DSG):** The latest forecast DSG Reserve is based on the latest modelling of the Dedicated Schools Grant (DSG) Recovery Plan after the 2021-22 outturn and early data. An in-year deficit of £17.9m is forecast, in line with the budgeted deficit. This will increase the DSG Reserve to £71.881 by 31 March 2023. It should be noted that this is an early forecast, before the new academic year in September when there can be significant changes to placements.
- 4.6 The areas of most significant cost pressure continue to be independent school placements along with post-16 provision and maintained special school placements. These will continue to be kept under close review given the demand-led nature of these budgets.
- 4.7 These budgets will continue to be kept under close review. Officers have also raised concerns about the imbalance in the market with representatives of the DfE and

requested support regarding regulation, to better support the control of costs and improving the outcomes for children and young people within these placements.

- 4.8 Despite the pandemic, significant work by the NCC, Norfolk Schools Forum and the wider system continues to take place as part of the Children's Services Transformation Programme both to ensure that the right specialist provision is in the right place to meet needs (i.e. the capital investment), whilst also progressing work to transform how the whole system supports additional needs within mainstream provision.
- 4.9 NCC reports the forecast position each term to the Norfolk Schools Forum, in line with DfE expectations and feedback from the Forum continues to be sought.
- 4.10 Sustainable funding for the High Needs Block continues to be pursued and NCC responded to a DfE consultation regarding revising the historical basis for the national funding formula for HNB; this consultation suggested that Norfolk has been under-funded for a number of years and, even if the proposals are implemented, will continue to be under funded due to a capping system. The DSG allocations for 2022-23 included the outcome of this consultation; unfortunately, for Norfolk, the final historical adjustment has been capped at a lower level than the consultation, meaning that level of under-funding for Norfolk continues and is exacerbated.
- 4.11 Norfolk has been investing significant capital monies in the creation of additional specialist places in existing state-funded schools alongside the building of new special schools and specialist resource base provision. Without this investment, the deficit position would have been significantly higher on the basis that the independent sector continues to expand in line with demand. Officers have also fed back to the DfE regarding the vital role that capital investment could play in supporting the recovery of the High Needs Block, to enable placements to move from expensive independent provision into maintained / academy / free special schools. Sufficient capital investment has not been forthcoming from central government for many years and whilst there have been recent announcements of some additional monies, these need to be just the starting point if there is to be sufficient supply of state-funded specialist provision to fully meet the place needs of children with high SEND. Additionally, Officers have fed back that it is key that the funding announced is directed to those authorities where it would deliver the biggest benefit.
- 4.12 Due to the significant deficit that Norfolk continues to experience with the High Needs Block, Norfolk has been invited by the DfE to take part in the 'Safety Valve' programme. Officers continue to engage DfE and their advisors to develop a proposal that could take advantage of the potential opportunities offered through the programme for Norfolk. An update will be provided when this is available.
- 4.13 Following significant delay, the outcome of the national major review into support for children with special educational needs following the implementation of the SEND Reform Act 2014 has been published as a Green Paper: [SEND Review: Right Support, Right Place, Right Time](#). The DfE are currently holding a consultation upon the proposals, which the Council will be responding too. If implemented, the proposals could have a significant impact, including financial implications. Further updates will be provided when this is available.

#### 4.14 Provisions included in the table above

The table above includes forecast provisions of £30.790m comprising:

- £10.0m insurance provision,
- £12.914m landfill provision (this provision is not cash backed),
- £5.016m provisions for bad debts,
- £2.681m business rates appeals provision, and
- a small number of payroll related provisions.

### 5 On-going Covid-19 financial implications

5.1 Whilst the pandemic is officially over, there are on-going impacts on service provision and demand for support from Council services. The council has carried forward £31.125m grant funding received from central government in 2021-22 to mitigate any on-going risks and cost pressures associated with addressing the service needs arising from COVID-19.

5.2 Covid-19 funding brought forward is as follows:

Table 4a: Covid-19 funding

Funding	Actual 2022-23 £m
<b>Covid reserves brought forward</b>	
Norfolk Assistance Scheme	0.206
Wellbeing for education recovery grant	0.031
Fire Home Office Grant	0.196
Covid-19 Bus Services Support Grant	1.077
Contain Outbreak Management Fund	9.285
Community Testing Funding	1.223
Omicron Support Fund	0.278
COVID-19 MHCLG Grant Tranche 5	18.829
<b>Funding to be carried forward into 2022-23</b>	<b>31.125</b>

### Cost pressures

5.3 The costs and income pressure relating to Covid-19 vary from the overall Council forecast balanced budget position shown in this report. This is due to non-Covid-19 related actions put in place by Chief Officers to mitigate the financial impacts of the pandemic.

### 6 New / confirmed funding

6.1 **Household Support Fund:** On 29 April 2022 the government set out the basis of the extension of the fund to 30 September 2022. On 26 May 2022, the Chancellor announced an extra £500m funding, extending the fund until March 2023. The objective of the fund is to provide support to vulnerable households in most need of help with significantly rising living costs. The indicative funding allocation for the first

half of 2022-23 is £6.696m. Further guidance is expected soon on the additional funding to be received in the second half of 2022-23.

- 6.2 **Homes for Ukraine Fund:** The DLUHC provided confirmation on 29 April 2022 of funding of £5.618m for 535 individuals across Norfolk. This funding will be initially received by Norfolk County Council and dispersed to the local district councils to provide financial support to refugees and their host families
- 6.3 **Adult Social Care Reform Implementation funding:** The Department of Health and Social Care (DHSC) announced on the 15<sup>th</sup> June 2022 £15.5m of national un-ringfenced Section 31 grant towards supporting the preparation of implementing Governments reform of Social Care. For Norfolk, this is £0.097m of one-off funding in 2022/23.
- 6.4 The costs and income pressure relating to Covid-19 vary from the overall Council forecast balanced budget position shown in this report. This is due to non-Covid-19 related actions put in place by Chief Officers to mitigate the financial impacts of the pandemic.

## 7 Budget savings 2021-22 summary

- 7.1 In setting its 2022-23 Budget, the County Council agreed net savings of £28.434m. Details of all budgeted savings can be found in the 2022-23 Budget Book. A summary of the total savings forecast to be delivered is provided in this section.
- 7.2 The latest monitoring reflects total forecast savings delivery of £28.434m at year end.
- 7.3 The forecast savings delivery is anticipated as shown in the table below:

Table 5: Analysis of 2022-23 savings forecast

	Adult Social Services	Children' s Services	Community and Environmental Services	Strategy and Transformation	Governance	Finance and Commercial Services	Finance General	Total
	£m	£m	£m	£m	£m	£m	£m	£m
Budget savings	10.465	12.088	3.496	0.439	0.200	-0.134	1.880	<b>28.434</b>
Period 2 forecast savings	10.465	12.088	3.496	0.439	0.200	-0.134	1.880	<b>28.434</b>
Savings shortfall (net)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000

### Commentary on savings risk areas

- 7.4 All departments are currently forecasting no variance on the delivery of planned 2022-23 budget savings. Some saving programmes have highlighted risk areas

which will need to be kept under review. Any updates to the forecast delivery of savings will be included in future monitoring to Cabinet.

## **Adult Social Services**

- 7.5 Adult Social Services has a £10.465m savings target comprised of recognising additional benefits from the existing savings initiatives (ASS030), delivering market utilisation efficiencies through contract performance management (ASS031), continued implementation of the Learning Disabilities transformation programme (ASS032) and a strategic refocus of investment in Intermediate Care Services (ASS039).
- 7.6 We are pleased to report that our major departmental transformation “Connecting Communities”, working with our strategic partner, is underway and beginning to shape and pilot new approaches. This programme is working at pace to deliver a new model of care and refocus on early prevention.
- 7.7 At period 3 Adults are reporting full savings delivery however there are emerging risks which may mean in future periods some of the savings will need to have adverse forecasts applied to them. These include:
- Norse Care – where there is currently delay to the transformation programme whilst the whole estate is being reviewed
  - Supported Housing Programme – delays due to Covid and the current planning issues around nutrient neutrality may mean that the timing of savings delivery associated with the Programme is impacted.
  - Short Term Offer - Our short-term residential placements continue to be at significantly high levels compared to our budget due to the amount of pressure the health and care system are under. The system has begun to shift to a community-based recovery model which will be critical in our ability to manage this.

## **Children’s Services**

- 7.8 At this early stage it is anticipated that all budgeted savings within Children’s Services will be delivered in 2022-23. The department has a £12.088m savings target which builds on early intervention and prevention work (CHS001) the transformation work undertaken in 2021-22 (CHS002) and transforming the care market (CHS003).
- 7.9 The forecast continues to assume that savings will be delivered during the remainder of the financial year; significant deviation from these plans could result in an increase to the forecast. Therefore, expected delivery of savings will continue to be kept under close review.

## **2023-24 to 2025-26 savings**

- 7.10 Budget setting in 2022-23 saw the approval of £9.159m savings for 2023-24, £8.200m for 2024-25. The deliverability of these savings, including any 2022-23 savings that are permanently undeliverable, will be considered as part of the budget setting process for 2023-27.

## Revenue Annex 1

### Forecast revenue outturn

#### Revenue outturn by service

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

#### Revenue budget outturn by service – detail

<b>Adult Social Services</b>	<b>Revised Budget</b>	<b>Overspend</b>	<b>Under spend</b>	<b>Forecast net spend</b>
		£m	£m	
<b>Forecast over / (under) spends</b>		<b>0</b>	<b>-0</b>	
<b>Net total</b>	<b>263.184</b>		<b>0</b>	<b>263.184</b>
<b>Children's Services</b>				
Social Care		3.000		
Learning and Inclusion		2.000		
Use of Transport Equalisation Reserve			-0.750	
Use of Business Risk Reserve			-0.250	
<b>Forecast over / (under) spends</b>		<b>5.000</b>	<b>-1.000</b>	
<b>Net total</b>	<b>189.065</b>		<b>4.000</b>	<b>193.065</b>
<b>Community and Environmental Services</b>				
<b>Forecast over / (under) spends</b>		<b>0</b>	<b>-0</b>	
<b>Net total</b>	<b>166.135</b>		<b>0</b>	<b>166.135</b>
<b>Strategy and Transformation</b>				
<b>Forecast over / (under) spend</b>		<b>0</b>	<b>0</b>	
<b>Net Total</b>	<b>8.759</b>		<b>0</b>	<b>8.759</b>
<b>Governance</b>				
Coroners costs		0.100		
Net underspends				
Business Risk Reserve			-0.100	
<b>Forecast over / (under) spend</b>		<b>0.100</b>	<b>-0.100</b>	
<b>Net Total</b>	<b>1.960</b>		<b>0</b>	<b>1.960</b>
<b>Finance and Commercial Services</b>				
Cost pressures in Property and Finance		0.908		
Net underspends			-0.56	
Use of Reserves			-0.488	
<b>Forecast over / (under) spend</b>		<b>0.908</b>	<b>-0.544</b>	
<b>Net Total</b>	<b>33.451</b>		<b>0.364</b>	<b>33.815</b>

	<b>Revised Budget</b>	<b>Overspend</b>	<b>Under spend</b>	<b>Forecast net spend</b>
<b>Finance General</b>				
Interest on balances – <i>updated interest payable forecasts for external borrowing taken earlier in the prior year to secure lower fixed interest rates</i>			-0.391	
COVID-19 additional costs		0.151		
Miscellaneous other over and under spends			-0.124	
<b>Forecast over / (under) spend</b>		<b>0.151</b>	<b>-0.515</b>	
<b>Net total</b>	<b>-198.431</b>		<b>-0.364</b>	<b>-198.795</b>
<b>TOTAL</b>	<b>464.123</b>			<b>468.123</b>

## Revenue Annex 2 – Dedicated Schools Grant Reserve

	<b>Reserve as at 31 Mar 22</b>	Revised Budget (A)	<b>Budgeted Reserve as at 31 Mar 23</b>	Forecast Spend (B)	(Over) / under spend A-B	Forecast Reserve as at 31 Mar 23
<b><i>Dedicated schools grant</i></b>						
High Needs Block		17.924		-17.905	0.019	
Increase in net deficit to be carried forward		-17.924				
<b>Forecast (over) / under spend</b>				<b>-17.905</b>	<b>0.019</b>	
<b>Net deficit (DSG Reserve)</b>	<b>-53.976</b>		<b>-71.900</b>			<b>-71.881</b>

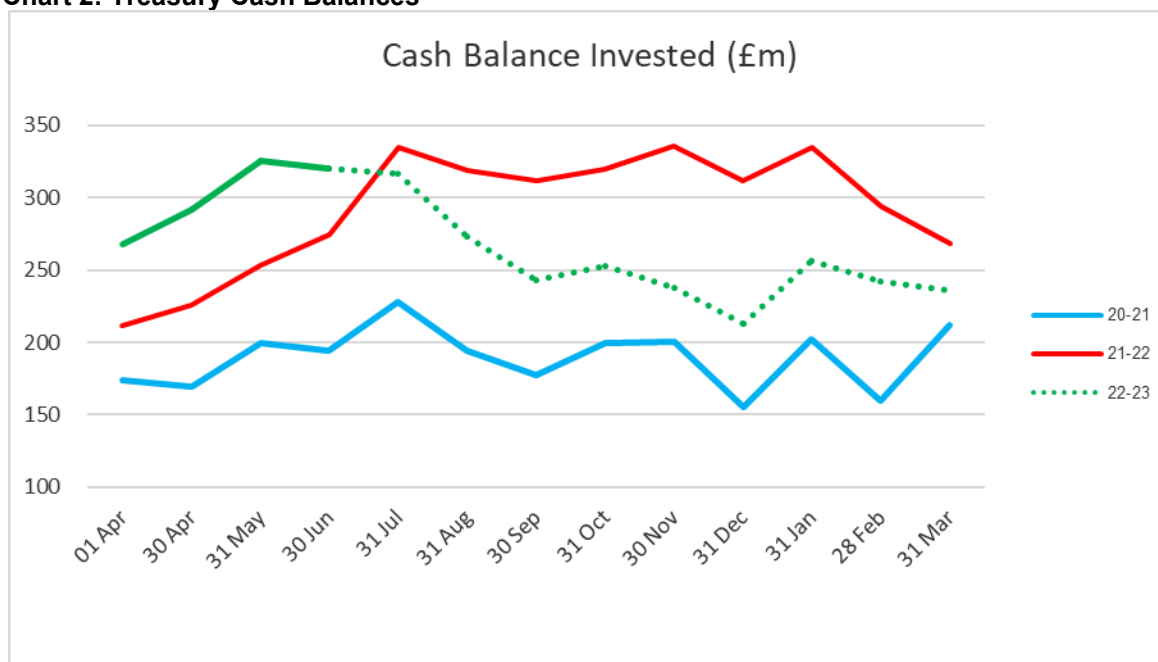
## Norfolk County Council Finance Monitoring Report 2022-23

### Appendix 2: 2022-23 Balance Sheet Finance Monitoring Report Month 3

#### 1 Treasury management summary

- 1.1 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 2022, and projections to March 2023.

Chart 2: Treasury Cash Balances

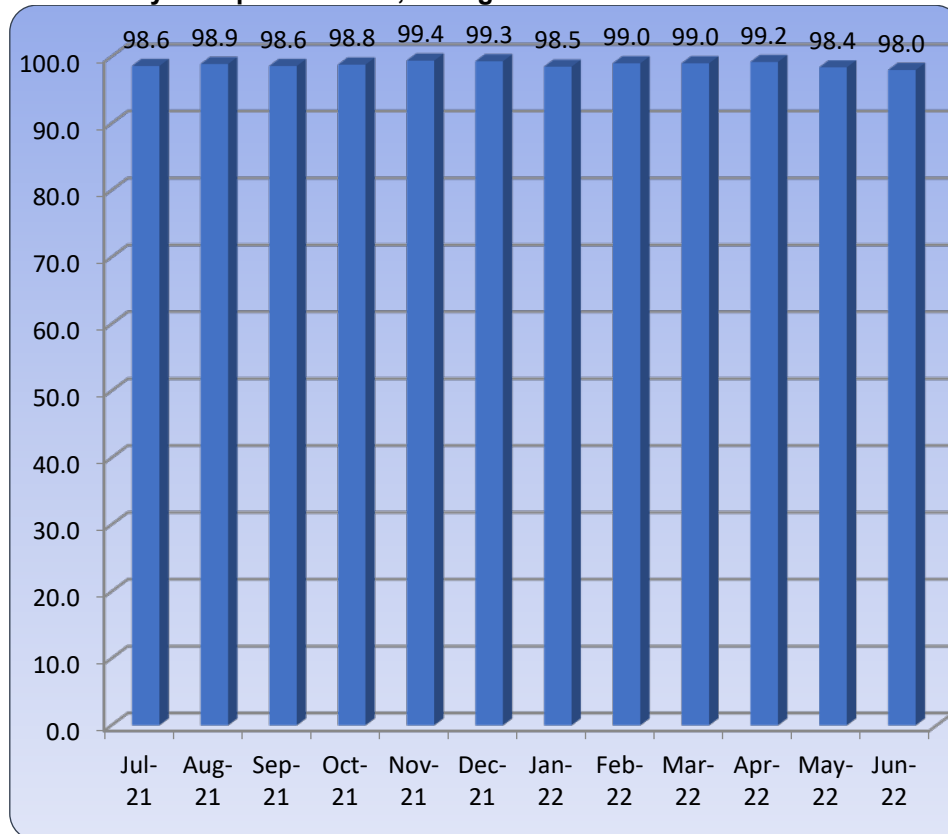


- 1.2 The Council's Treasury Strategy assumes that £80m may be borrowed in 2022-23 to fund capital expenditure in year. The forecast cash flow above assumes that this amount will be borrowed over the course of the financial year, resulting in a closing cash balance of approximately £236m. If in order to minimise the cost of carrying unnecessary borrowing, no borrowing was to take place before 31 March 2023, then the projected year-end cash balances will be approximately £156m.
- 1.3 The Council has healthy cash balances for the immediate future with cash balances of £320.19m as at the end of June 2022. The P3 forecast of Interest receivable from treasury investments held by the Council is £0.656m; in line with budget.
- 1.4 PWLB and commercial borrowing for capital purposes was £853.046m at the end of June 2022. The associated annual interest payable on existing borrowing is £31.379m.
- 1.5 The forecast interest payable for 2022-23 for P3 is £32.651m, against a budget of £33.042m which represents a saving of £0.391m. This forecast assumes the £80m planned borrowing takes place during the year.

## 2 Payment performance

- 2.1 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. 98.0% were paid on time in June 22 against a target of 98%. The percentage has remained above 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.

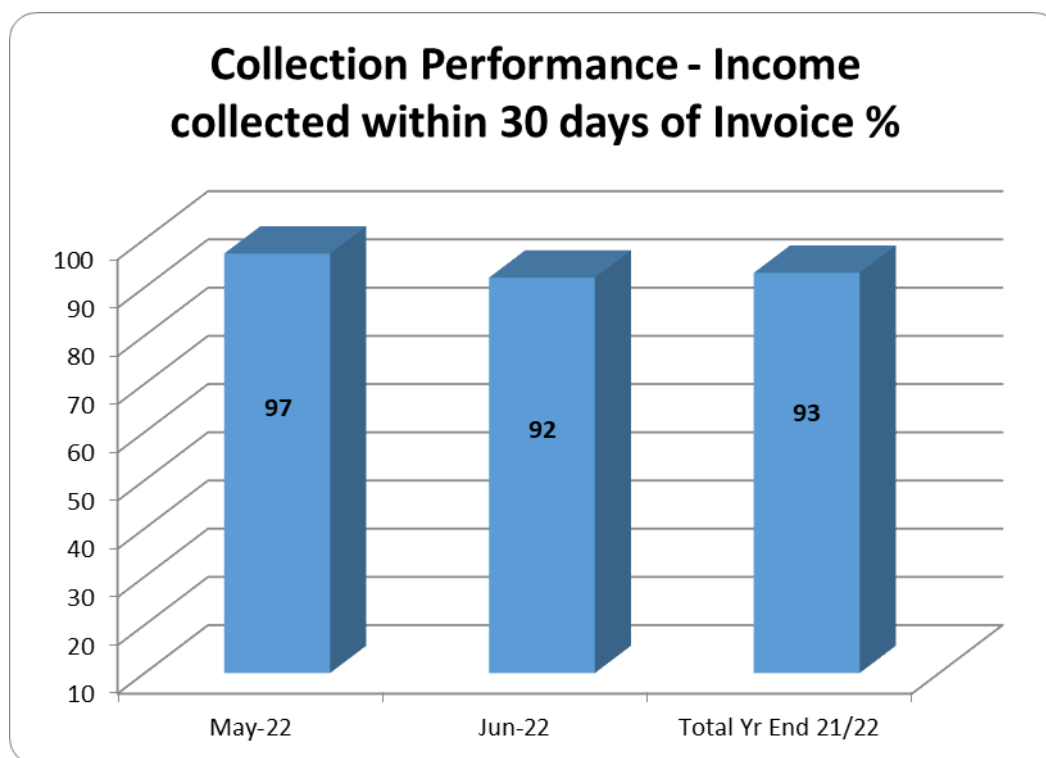
## 3 Debt recovery

- 3.1 **Introduction:** In 2021-22 the County Council raised over 134,900 invoices for statutory and non-statutory services. These invoices totalled in excess of £1.7bn. Through 2021-22 93.4% of all invoiced income was collected within 30 days of issuing an invoice, with 98% collected within 180 days.

### **Debt collection performance measures – latest available data**

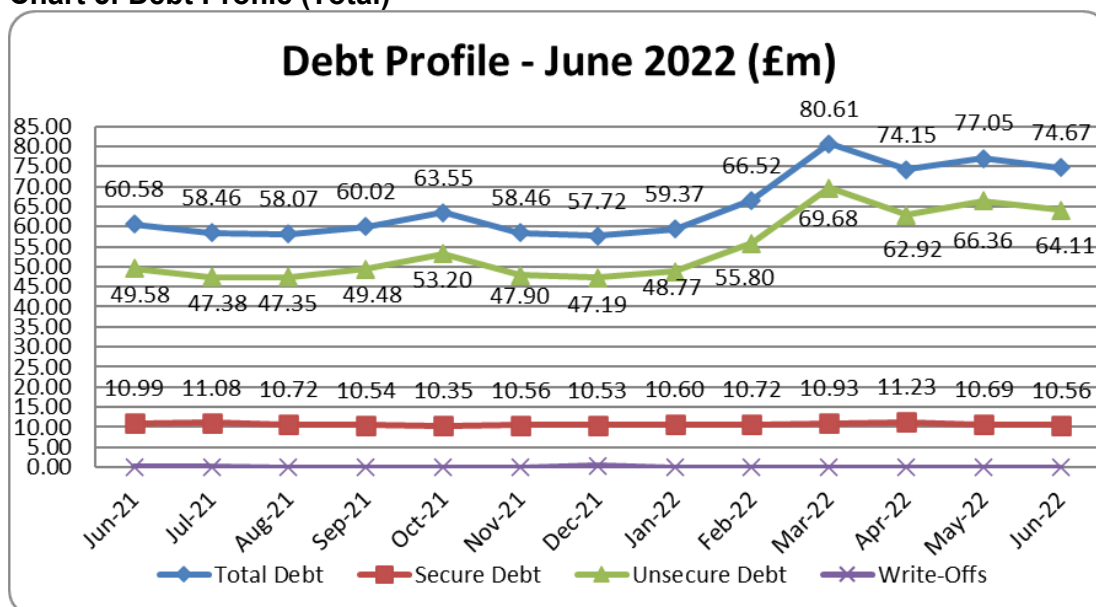
- 3.2 The proportion of invoiced income collected within 30 days for invoices raised in the previous month – measured by value – was 92% in June 22.

**Chart 4 :Latest Collection Performance**



- 3.3 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:

**Chart 5: Debt Profile (Total)**



- 3.4 The overall level of unsecure debt decreased by £2.25m in June 2022. Of the £64.11m unsecure debt at the end of June 22; £11.63m is under 30 days, £1.43m has been referred to NPLaw, £1.16m is being paid off by regular instalments and £7.99m is awaiting estate finalisation. The largest area of unsecure debt relates to charges for social care, £51.72m, of which £7.99m is under 30 days and £23.81m is

debt with the CCG's for shared care, Better Care Pooled Fund, continuing care and free nursing care. The overall debt with the CCGs has decreased by £2.3m in June 2022.

- 3.5 Secured debts amount to £10.56m at 30 June 2022. Within this total £3.15m relates to estate finalisation where the client has died, and the estate is in the hands of the executors.
- 3.6 **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.
- 3.7 Service departments are responsible for funding their debt write-offs. Before writing off any debt all appropriate credit control procedures are followed.
- 3.8 For the period 1 April 2022 to 30 June 2022, 17 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 £1,667.94.

## Appendix 3: 2022-23 Capital Finance Monitoring Report

Report by the Executive Director of Finance and Commercial Services

### 1 Capital Programme 2022-27

- 1.1 On 21 February 2022, the County Council agreed a 2022-23 capital programme of £247.360m with a further £470.396m allocated to future years', giving a total of £717.756m.
- 1.2 Additional re-profiling from 2021-22 resulted in an overall capital programme at 1 April 2022 of £850.766m. Further in-year adjustments have resulted in the capital programme shown below:

**Table 1: Capital Programme budget**

	<b>2022-23 budget</b>	<b>Future years</b>
	<b>£m</b>	<b>£m</b>
New schemes approved February 2022	26.435	64.292
Previously approved schemes brought forward	220.925	406.104
<b>Totals in 2022-27+ Budget Book (total £717.756m)</b>	<b>247.360</b>	<b>470.396</b>
Schemes re-profiled after budget setting	63.977	7.424
New schemes approved after budget setting including new grants received	7.763	1.700
<b>Revised opening capital programme (total £798.620m)</b>	<b>319.100</b>	<b>479.520</b>
Re-profiling since start of year	0.002	-0.002
Other movements including new grants and approved schemes	9.616	42.531
<b>Total capital programme budgets (total £850.766)</b>	<b>328.718</b>	<b>522.048</b>

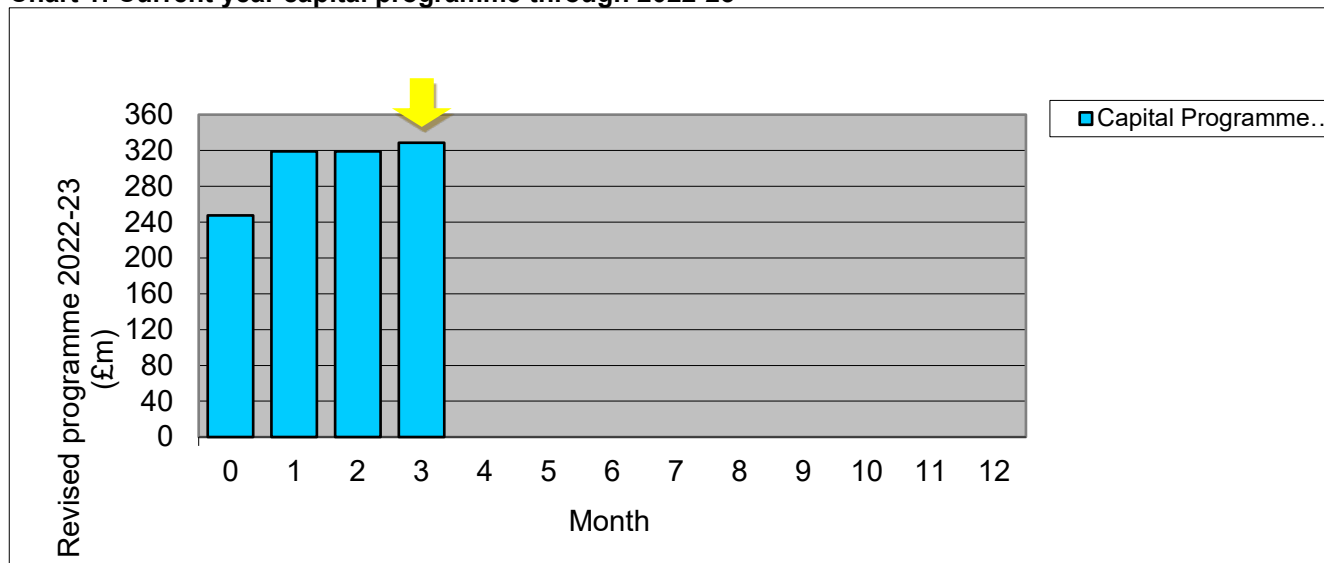
*Note: this table and the tables below contain rounding differences*

- 1.3 The total capital programme budget has increased by £52.146m compared to the budget reported in July to Cabinet (P2 £798.620m) due to:
- Department for Education grant funding received for Basic Need £27.292m, High Needs £19.321m, Schools grants £0.989m and Condition allocation of £4.875m
  - £0.330m reduction in NCC borrowing required for the Fire Services capital schemes following procurement activity to determine the best value for money method for replacing the emergency response vehicle fleet.
- 1.4 The Council is reviewing the forecast for capital grant funding for 2022-23 and will adjust the profile of capital expenditure funded from NCC borrowing accordingly to accommodate the grant funded projects in the current year.
- 1.5 The ongoing review of forecasts has resulted in a small reprofiling of £2k from the future years budgets in Children's Services. A full breakdown of these movements in capital budget are available in Capital Annex 1 below.

## Changes to the Capital Programme

- 1.6 The following chart shows changes to the 2022-23 capital programme through the year.

**Chart 1: Current year capital programme through 2022-23**



- 1.7 Month “0” shows the 2022-23 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.

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

**Table 2: Service capital budgets and movements 2022-23**

	Opening program me	Reprofiling since previous report	Other Changes since previous report	2022-23 latest Capital Budget
Service	£m	£m	£m	£m
Children’s Services	83.850	0.002	9.945	93.798
Adult Social Care	14.232	0.000	0.000	14.232
Community & Environmental Services	157.149	0.000	-0.330	156.820
Finance & Commercial Services	63.437	0.000	0.000	63.437
Strategy & Governance	0.432	0.000	0.000	0.432
Total	<b>319.100</b>	0.002	9.616	<b>328.718</b>
			<b>9.618</b>	

*Note: this table may contain rounding differences.*

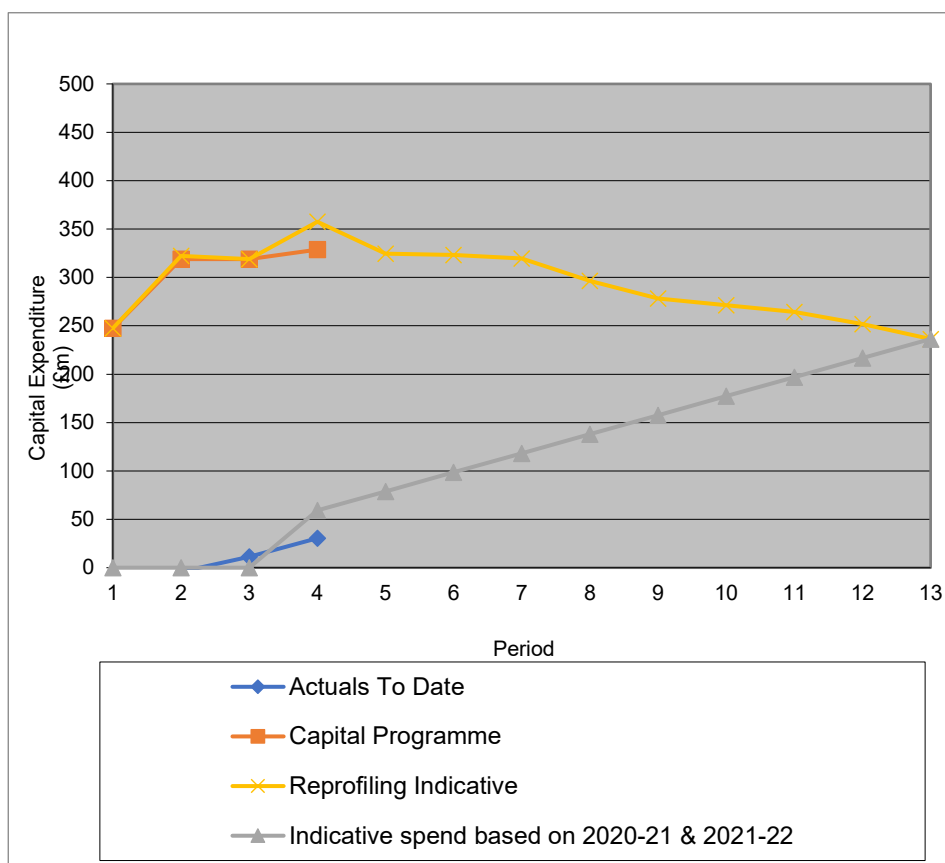
1.9 The revised programme for future years (2023-24 to 2026-27) is as follows:

**Table 3: Capital programme future years 2022+**

Service	Previously reported future programme	Reprofil ng since previous report	Other Changes since previous report	2022+ Future Capital Budget
	£m	£m	£m	£m
Children's Services	135.114	-0.002	42.531	<b>177.643</b>
Adult Social Care	54.286	0.000	0.000	<b>54.286</b>
Community & Environmental Services	246.479	0.000	0.000	<b>246.479</b>
Finance & Commercial Services	43.641	0.000	0.000	<b>43.641</b>
Strategy & Governance	0	-0.002	0.000	<b>0.000</b>
<b>Total</b>	<b>479.520</b>	<b>-0.002</b>	<b>42.531</b>	<b>522.048</b>
			<b>42.529</b>	

*Note: this table contains rounding differences*

1.10 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 ahead of the opening forecast, which was based on the opening capital programme and an indicative calculation based on previous years' expenditure. It also shows that expected reprofiling of budgets to future years as the progress on projects becomes clearer. As a result, capital expenditure of approximately £235.322m is expected to take place in 2022-23.

- 1.11 Whilst the forecast takes into account the historical tendencies for capital slippage, it does not reflect recent inflationary cost pressures in the costs of construction. There has been material increases in the post-COVID cost of construction due to increased demand, higher fuel prices and the impact of the war in Ukraine. These inflationary cost pressures are beginning to impact the following capital schemes:
- Norwich Castle Keep project has experienced some construction configuration delays leading to potential cost pressures, which could be mitigated by the use of CES Business Risk Reserves.
  - Highways schemes where the use of materials requires large energy inputs in the manufacturing and haulage processes
  - Children's Services Schools building programme
- 1.12 We are also currently seeing between 20% and 25% increase in the cost of construction for various schemes. This is significantly reducing the Council's purchasing power and creating significant challenges for programme management and scheme delivery. The Council will continue to monitor this risk and review the potential pressures on the capital programme and proactively manage the schemes, deferring some schemes where possible to minimise the impact of inflation and continue to deliver the capital programme within the budget available. The impact of cost pressures on the capital programme forecast will be picked up as part of the regular capital monitoring process.

## 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**

<b>Funding stream</b>	<b>2022-23 Programme</b>	<b>Future Years Forecast</b>
	<b>£m</b>	<b>£m</b>
Prudential Borrowing	201.83	286.44
Use of Capital Receipts		
Revenue & Reserves		
<i>Grants and Contributions:</i>		
DfE	41.220	68.92
DfT	54.634	145.61
DoH	0.309	-
MHCLG	0.007	-
DCMS		
DEFRA	0.159	-
Developer Contributions	17.952	9.40
Other Local Authorities	0.025	-
Local Enterprise Partnership	3.524	8.23
Community Infrastructure Levy	2.941	-
National Lottery	4.963	0.44
Commercial Contributions	0.465	-
Business rates pool fund		
Other	0.685	3.01
<b>Total capital programme</b>	<b>328.718</b>	<b>522.048</b>

*Note: this table may contain rounding differences*

- 2.2 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. Any proposals to utilise capital receipts to fund in-year capital expenditure are recommended to Cabinet for approval (see section 3 below) and will be applied in line with the Council's Minimum Revenue Provision Statement.
- 2.3 Developer contributions are funding held in relation to planning applications. Section 106 (Town and Country Planning Act 1990) contributions are held in relation to specific projects: primarily schools, with smaller amounts for libraries and highways. The majority of highways developer contributions are a result of section 278 agreements (Highways Act 1980).

## 3 Capital Receipts

- 3.1 The Council's property portfolio is constantly reviewed to ensure assets are only held where necessary so that capital receipts or rental income can be generated. This in turn reduces revenue costs of the operational property portfolio.

- 3.2 The capital programme, approved in February 2022, gave the best estimate at that time of the value of properties available for disposal in the four years to 2024-25, totalling £23.4m.

**Table 5a: Disposals capital programme forecast**

Financial Year	Property sales forecast £m
2022-23	8.103
2023-24	14.523
2024-25	0.801
2025-26	0.000
	<b>23.427</b>

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

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

**Table 5b: Capital receipts and forecast use current financial year £m**

Capital receipts 2022-23	£m
Capital receipts reserve brought forward (revised by £0.133m for year end adjustments on cost of disposals)	5.290
Loan repayments – subsidiaries forecast for year	10.745
Loan repayments – LIF loan repayments to date	6.903
<b>Capital receipts to date</b>	
Capital receipts in year	0.428
Capital Receipts forecasted for asset disposals subject to contract	32.130
<b>Secured capital receipts to date</b>	<b>55.496</b>
Potential current year farms sales	0.811
Potential current year non-farms sales	0.576
Potential development property sales	1.550
<b>Potential capital receipts</b>	<b>2.937</b>
<b>Forecast available capital receipts</b>	<b>58.433</b>
<b>Forecast use of capital receipts</b>	
Maximum flexible use of capital receipts to support transformation costs	1.000
To fund short-life assets – IT and VPE	14.000
Norwich Western Link Reserve	5.061
<b>Total forecast use of capital receipts</b>	<b>20.061</b>

- 3.4 As can be seen from this table, enough capital receipts have been secured to support the use of capital receipts to support transformation costs, short-life capital expenditure and the Norwich Western Link project, previously approved by County Council.
- 3.5 Further sales will contribute to the capital receipts reserve which can be used to reduce the external borrowing requirement, fund debt repayments, flexible use of capital receipts or to directly fund capital expenditure, thereby reducing the Capital Funding Requirement (CFR).

- 3.6 On 10 February 2021, the DLUHC announced that the flexibility granted to local authorities to utilise capital receipts to support transformation costs has been extended for a further 3 years. Table 5b includes £1m earmarked for this in 2022-23 for Adult Social Care.

#### **4 New capital budget proposals**

- 4.1 The additions to the capital budget for July 2022 are primarily externally funded and include:
- £27.292m Department for Education Basic Need Grant funding for 2022-2025
  - £19.321m Department for Education High Needs Grant funding for 2022-2024
  - £4.875m Department for Education Condition Grant Funding profiled into 2023-24
  - £0.989m Department for Education Schools Grant funding for 2022-23
  - £0.275m budget virement in Fire Services to fund the Thetford Fire Station maintenance programme
- 4.2 These uplifts in budget are offset by a release of budget within Fire Services of £0.605m of which £0.182m is being deemed not required and £0.423m relates to the release of budget for Emergency response vehicles, where the procurement exercise has determined that leasing rather than purchasing is the best value for money option for the sourcing of these vehicles.
- 4.3 The breakdown of the sources of funding is set out below in Capital Annex 1

#### **Capital Programme Pipeline**

- 4.4 The Fire Services department will be leasing electric emergency response vehicles in line with the Council's strategy to reduce carbon emissions. To enable this strategy to progress, there needs to be an increase in the provision of electric vehicle (EV) charging points across the Council's estate. Therefore, Cabinet is asked to recommend to Council the addition of £0.201m to the capital budget to facilitate the installation of 57 charging points across 19 identified sites.
- 4.5 The County Council's Libraries Services continues to work with the Borough Council of Kings Lynn and West Norfolk to develop the Multi User Hub in Kings Lynn (LL1058) as part of the schemes part-funded by the Borough's Town Deal funding. The predicted costs of the scheme have increased by £3m due to the identification of additional risks and inflationary cost pressures, bringing the forecast cost of this scheme to £12.4m. Whilst the majority of the additional funds will be sought from the Town Deals fund, Cabinet is asked to recommend to Council the addition of £3m in 2025-26 to NCC's current contribution of £2m, making the total contribution from NCC £5m. The £3m additional contributions comprises of £1m for NCC's share of inflation driven cost pressures and £2m contingency for identified risks. Upon completion, the Multi User Hub will be owned by Norfolk County Council.

## Capital Annex 1 – changes to the capital programme since last Cabinet

			2022-23	2022-23	23-24+	23-24+	
Service	Project	Funding Type	Change(£m)	REPROFILE	Change(£m)	REPROFILE	Reason for change
<b>Children's Services</b>							
EC4695	Basic need pot	DFE Basic need Grant			27.292		Basic need allocations for 22/23 - 23/24 & 24/25
EC4822	Condition pot	DFE Condition Grant			4.875		Condition allocation for 22/23
EC4990	DFE High Needs pot	DFE High needs Grant	8.957		10.364		High needs allocation for 22/23 & 23/24
ECAPFM	DFC Schools grant pot	DFC direct school Grant	0.989				DFC allocation 22/23
EC4829	Thetford new Primary	DFE Basic need Grant		0.002		-0.002	Funding moved back to cover overspend from 21/22
<b>Total Children's</b>			<b>9.945</b>	<b>0.002</b>	<b>42.531</b>	<b>-0.002</b>	
Community & Environmental Services							
<b>Fire</b>							
CF0387	Thetford FS maintenance	NCC Borrowing	0.275				Agreed £275k in Feb cabinet report but missed from list of projects issued for confirming proj codes and loading budgets CF0387.
CF0392	Swaffham FS Area Office Accommodation	NCC Borrowing	- 0.040				Funds returned as Project not going ahead after review.
CF0397	Emergency response Vehicles- Replacing L	NCC Borrowing	- 0.423				Vehicles will be leased through revenue therefore capital no longer required.
CF0503	NCC swipe card access Fire premises	NCC Borrowing	- 0.142				No longer,Project will require other works at stations before this becomes a priority.
<b>Total CES</b>			<b>-0.330</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Overall Total</b>		0	9.616	0.002	42.531	-0.002	



# **Cabinet**

**Item No: 11**

**Report Title: Disposal, acquisition and exploitation of property**

**Date of Meeting: 8 August 2022**

**Responsible Cabinet Member: Councillor Greg Peck, Cabinet Member for Commercial Services & Asset Management**

**Responsible Director: Simon George  
Executive Director for Finance and Commercial Services**

**Is this a Key Decision? Yes, for New Gayton Primary Academy  
No for other cases**

**If this is a Key Decision, date added to the Forward Plan of Key Decisions: 5/5/2022**

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

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

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

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

By adopting a “single estate” approach within the County Council and sharing property assets with public sector partners through the One Public Estate programme, the Council is aiming to reduce net annual property expenditure.

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

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

## **Recommendations:**

### **Cabinet is asked:**

- 1. To formally declare part of the site named Land at Plantation Road, Blofield (5009/105) (hatched red on plan), amounting to approximately 0.52 hectares, surplus to County Council requirements and instruct the Director of Property to dispose of the property. In the event of the disposal receipt exceeding the valuation figure 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.**
- 2. To agree to the appropriation of part of the site named Land at Plantation Road, Blofield (5009/105) (edged red on plan) amounting to approximately 1.2 hectares to Children's Services (from the County Farms Estate).**
- 3. To formally declare Blofield Primary School site, North Street NR13 4RH (5009/011) (edged blue and hatched blue on plan) surplus to County Council requirements.**
- 4. To instruct the Director of Property to agree terms and dispose of part of the Blofield Primary School site, North Street NR13 4RH (5009/011) property (edged blue on plan) amounting to approximately 0.91 hectares to Blofield Parish Council. In the event of the disposal receipt exceeding the valuation figure 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. To instruct the Director of Property to dispose of part of the Blofield Primary School site, North Street NR13 4RH (5009/011) (hatched blue on plan) amounting to approximately 0.41 hectares. In the event of the disposal receipt exceeding the valuation figure the Director of Property in consultation with the Executive Director of Finance and Commercial Services and Cabinet Member for Commercial Services and Asset Management is authorised to accept the most advantageous offer.**
- 6. To approve the acquisition of the additional land north of Farman Way, (shaded pink on plan), amounting to approximately 1.3 hectares on terms agreed and instruct the Director of property to implement the acquisition.**
- 7. To consent to the transfer of the freehold of the new Gayton Primary School building and hard play area shaded pink/orange on plan at nil consideration to the Norwich Diocesan Board of Finance Ltd in return for the proceeds of the sale of the existing school site.**

8. **To agree to the letting of the house and garden at Money Hill Farmhouse, Deopham Road, Hingham NR9 4NL (7055/100) to Tenant RB on the terms agreed as detailed in Appendix A.**
9. **To formally declare the Land at Terrington Fern House Estate (part), Terrington St Clement (2078/108A) (edged red on plan) amounting to 0.93 hectares surplus to County Council requirements and instruct the Director of Property to dispose of the property. In the event of the disposal receipt exceeding the valuation figure limits the Director of Property in consultation with the Executive Director of Finance and Commercial Services and Cabinet Member for Commercial Services and Asset Management is authorised to accept the most advantageous offer.**

## **1. Background and Purpose**

- 1.1 The County Council actively manages its property portfolio in accordance with the Strategic Property Asset Management Framework 2021/22-2026/27. Property is held principally to support direct service delivery, support policy objectives, held for administrative purposes or to generate income. Property is acquired or disposed of as a reaction to changing service requirements, changing council policies or to improve the efficiency of the overall portfolio.
- 1.2 The County Council challenges the use of its property on an ongoing basis. In the event of a property asset becoming surplus to an individual service need there are internal officer led processes to ascertain whether other service areas have an unmet need that could be addressed by re-using the property asset for that service. This may lead to a change of use of individual properties, for example, an office building may be adapted and reused for operational service delivery. Any proposals for retention are only agreed if supported by a robust business case showing the benefits to the County Council and are funded from approved budgets. This assessment will also consider whether a property could be offered at best consideration to public sector or third sector partners.
- 1.3 The above assessments are carried out by the Corporate Property Officer (the Director of Property) in consultation with the Corporate Property Strategy Group (CPSG). Once it is confirmed there is no further County Council requirement, Cabinet is asked to formally declare property assets surplus or re-designate for alternative purposes.
- 1.4 The Corporate Property Officer reviews options for maximising income from surplus properties usually by open market sale to obtain the best consideration possible. These will range from selling immediately on the open market (to the bidder making the best offer overall), enhancing the value prior to sale, strategic retention for a longer-term benefit through to direct development of the land and buildings and selling/letting the completed assets, in the expectation of enhanced income for the Council. Most disposals will be by way of tender or auction. In respect of auctions the contract of sale will be formed at the fall of the hammer and where this approach is selected the Corporate Property Officer will determine a reserve below which the property will not be sold. Most disposals will include

overage/clawback provisions to enable the council to collect future uplifts in value created by alternative uses.

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

## **2. Proposals**

### **Blofield – Land at Plantation Road (5009/105)**

#### **Primary School, North Street NR13 4RH (5009/011)**

- 2.1 The land hatched red and edged red on plan (named “Land at Plantation Road”) amounts to a total area of 1.72 hectares (3.81 acres) in area and is in the freehold ownership of NCC. Previously it formed part of the County Farms Estate, however this land has not been farmed since October 2012.
- 2.2 The area edged red was granted permission on 13 August 2014 for change of use to Community Use/Public open space, this permission was renewed 6 April 2018. The area hatched red was granted outline planning permission on 24 September 2014 for residential development. An application to renew this permission has been registered with Breckland District Council.
- 2.3 This land has been the subject of previous reports to Policy and Resources Committee in 2015.
- 2.4 The land parcels edged blue and hatched blue form the Blofield Primary School site and are in the freehold ownership of NCC and amount to approximately 1.32 hectares (3.24 acres) in area.
- 2.5 The land shaded pink is in the ownership of Broadland District Council (BDC) and amounts to 1.3 hectares (3.2 acres). This land was previously allocated under a

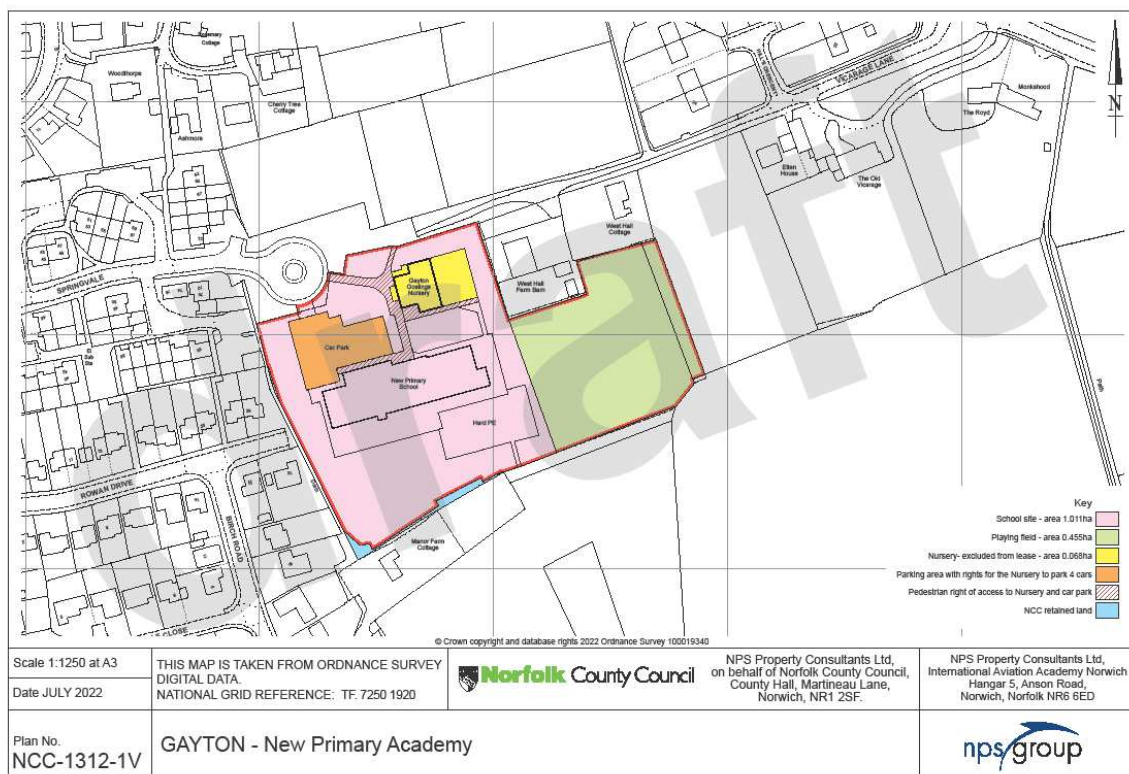


use, following the completion and opening of the new school site. This area also includes an existing electricity sub-station compound.

- 2.10 Following the closure and relocation of the Primary School the area hatched blue will be disposed of through open market sale by tender or auction.
- 2.11 The Council's agent, Norse Consulting, are currently undertaking formal valuations of all the parcels of land and sites.
- 2.12 The Divisional Member has been informed of these proposals.

**Gayton - New Gayton Primary Academy, Springvale, Gayton, King's Lynn, Norfolk, PE32 1QZ (2033/022)**

- 2.13 The new school project in Gayton provides expansion to deliver sufficient accommodation for a 210-place primary school and nursery following on from a reorganisation of area schools to primary from infant and junior status.
- 2.14 The site of the new school is owned by NCC previously having been part of the County Farms Estate and subsequently appropriated for use by Children's services. The whole site is approximately 1.6 hectares (3.95 acres) in area.
- 2.15 The site received planning permission for change of use and erection of a new school and nursery 21 February 2020.
- 2.16 Construction is nearing completion and the new school will be open from September 2022.
- 2.17 The existing school is a Church of England Primary Academy and as such the school buildings and the school playing fields are owned by the Norwich Diocesan Board of Finance Ltd. The site of the existing nursery is in the ownership of Viscount Marsham.
- 2.18 The freehold of the new school building and hard play area (shaded pink/orange on plan amounting to 1.011 hectares (2.5 acres), (excluding the new nursery (shaded yellow on plan) and new playing field (shaded green on plan)) will be transferred to the Norwich Diocesan Board of Finance Ltd at nil consideration. NCC has agreed to proceed with the transfer, subject to receipt of the sale proceeds of the former school site. NCC will ensure the transfer of the new site is subject to a legally binding conditional contract to achieve this. NCC will grant a lease for the new school building and hard play area under the Academies Act to the Diocese of Norwich Education Academy Trust. Once the freehold transfer is completed the academy lease for the new school building and hard play area would be surrendered. This approach provides certainty to the Diocese who need to use the site from 1 September. NCC will benefit from statutory protections imposed on the site after it's transferred in that the Diocese can only dispose of the site with Secretary of State consent and NCC would have 6 weeks to make representations regarding the future of the site.



2.19 With respect to the new Nursery site, shaded yellow on plan, amounting to 0.068 hectares (0.17 acres), the land will remain in the freehold ownership of NCC and will be the subject of a formal lease to the Nursery Provider.

2.20 Regarding the new school playing field, shaded green on plan, amounting to 0.455 hectares (1.13 acres), the land will remain in the ownership of NCC but will be leased to Diocese of Norwich Education Academy Trust under the Academies Act in the usual way.

2.21 The leases under the Academies Act 2010 will be in accordance with the current arrangements and authorisations for all such leases.

2.22 The divisional member has been informed of this proposal.

### **Hingham – leasing out Money Hill Farmhouse, Deopham Road NR9 4NL (7055/100)**

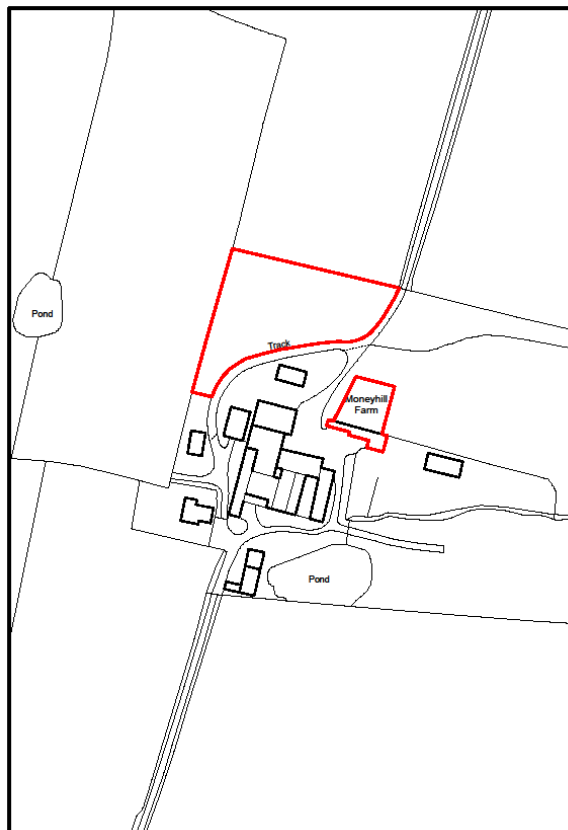
2.23 The House and garden at Money Hill Farm, Deopham Road, Hingham NR9 4NL (7055/100), edged red on the plan, is owned by NCC and is part of the County Farms estate. The site area is 0.34 hectares (0.83 acres).

2.24 The property is currently let with the adjoining farmland and buildings to Tenant RB on a tenancy in accordance with the Agricultural Holdings Act 1986. Tenancies under this act confer lifetime rights.

2.25 The tenant has been unable to farm the land in his own right and has subsequently considered his options in respect of retirement. Following negotiation, the County Council has agreed in principle to the surrender of the whole holding from 10 October 2022 and the waiving of any notice periods. In return the Council will let to Tenant RB the house and garden on a 21 year and 1 day lease on terms as detailed in **Appendix A**.

2.26 The adjacent land amounting to approximately 49.4 hectares (122 acres) will be advertised and let on a Farm Business Tenancy in accordance with Agricultural Tenancies Act 1995.

2.27 The Division Member have been informed of this proposal.



2.28 **Appendix A** is exempt from publication as it involves the likely disclosure of exempt information as defined in Paragraph 1 of Part 1 of Schedule 12A to the Local Government Act 1972. The public interest test has been applied and it is considered that the public interest in maintaining the exemption outweighs the public interest in disclosing the information at this stage. The information is exempt from the Cabinet Report for the lease to Tenant RB.

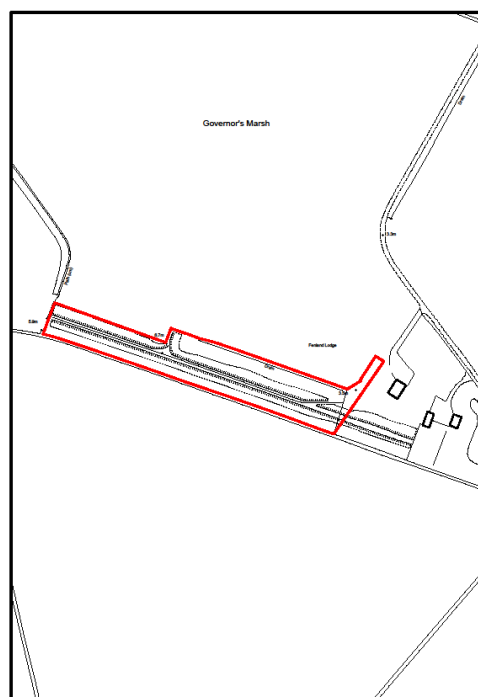
### **Terrington St Clement – Terrington Fern House Estate (part) (2078/108A)**

2.29 This land edged red on plan, is in the freehold ownership of NCC and forms part of the county Farms estate and amounts to 0.93 hectares (2.29 acres).

2.30 The County Farms Team have reviewed this site and determined it is not required for operational use. Following a review by the Director of Property in consultation with CPSG it has been confirmed that the land is not required for NCC service use.

2.31 It is proposed to dispose of this site by open market sale through auction or by tender.

2.32 The Division Member have been informed of this proposal.



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

- 3.1 Releasing surplus land holdings and buildings no longer required for service use will contribute to reducing costs and provides the potential for capital receipts. for the council to support the capital programme and hence service delivery. The County Council will apply the capital receipts to meet its priorities.
- 3.2 In respect of the new school at Gayton the proposal provides certainty to the Diocese to use the site from 1 September 2022.
- 3.3 Lifetime rights under the Agricultural Holdings Act 1986 will be removed from retained land which will then be relet on Farm Business Tenancies under the Agricultural Tenancies Act 1995.

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

- 4.1 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.
- 4.2 In respect of the County Farms Estate lettings the existing tenants can retire with dignity.

### **5. Alternative Options**

- 5.1 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.

### **6. Financial Implications**

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

### **7. Resource Implications**

- 7.1 **Staff:** Nil
- 7.2 **Property:** As described in the earlier parts of this report.
- 7.3 **IT:** Nil.

### **8. Other Implications**

- 8.1 **Legal Implications:** For disposals and leases in the usual way the legal implications are around the parties agreeing to the terms of the agreement for each disposal and lease and entering a contract.
- 8.2 **Human Rights Implications:** No implications.

- 8.3 **Equality Impact Assessment (EqIA):** No specific EqIA has been undertaken in respect of the cases in this report.
- 8.4 **Data Protection Impact Assessments (DPIA):** No data protection impact implications in respect of the cases in this report.
- 8.5 **Health and Safety implications:** No implications for the cases in this report.
- 8.6 **Sustainability implications:** Future possible redevelopment of disposed sites will require planning permission and therefore would be mindful of sustainability measures.

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

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

## **10. Recommendations**

- 10.1 Cabinet is asked to formally declare part of the site named Land at Plantation Road, Blofield (5009/105) (hatched red on plan), amounting to approximately 0.52 hectares, surplus to County Council requirements and instruct the Director of Property to dispose of the property. In the event of the disposal receipt exceeding the valuation figure the Director of Property in consultation with the Executive Director of Finance and Commercial Services and Cabinet Member for Commercial Services and Asset Management is authorised to accept the most advantageous offer.
- 10.2 Cabinet is asked to agree to the appropriation of part of the site named Land at Plantation Road, Blofield (5009/105) (edged red on plan) amounting to approximately 1.2 hectares to Children's Services (from the County Farms Estate).
- 10.3 Cabinet is asked to formally declare Blofield Primary School site, North Street NR13 4RH (5009/011) (edged blue and hatched blue on plan) surplus to County Council requirements.
- 10.4 Cabinet is asked to instruct the Director of Property to agree terms and dispose of part of the Blofield Primary School site, North Street NR13 4RH (5009/011) property (edged blue on plan) amounting to approximately 0.91 hectares to Blofield Parish Council. In the event of the disposal receipt exceeding the valuation figure the Director of Property in consultation with the Executive Director of Finance and Commercial Services and Cabinet Member for Commercial Services and Asset Management is authorised to accept the most advantageous offer.
- 10.5 Cabinet is asked to instruct the Director of Property to dispose of part of the Blofield Primary School site, North Street NR13 4RH (5009/011) (hatched blue on plan) amounting to approximately 0.41 hectares. In the event of the disposal receipt exceeding the valuation figure the Director of Property in consultation with

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

- 10.6 Cabinet is asked to approve the acquisition of the additional land north of Farman Way, (shaded pink on plan), amounting to approximately 1.3 hectares on terms agreed and instruct the Director of property to implement the acquisition.
- 10.7 Cabinet is asked to consent to the transfer of the freehold of the new Gayton Primary School building and hard play area shaded pink/orange on plan at nil consideration to the Norwich Diocesan Board of Finance Ltd in return for the proceeds of the sale of the existing school site.
- 10.8 Cabinet is asked to agree to the letting of the house and garden at Money Hill Farmhouse, Deopham Road, Hingham NR9 4NL (7055/100) to Tenant RB on the terms agreed as detailed in **Appendix A**.
- 10.9 Cabinet is asked to formally declare the Land at Terrington Fern House Estate (part), Terrington St Clement (2078/108A) (edged red on plan) amounting to 0.93 hectares surplus to County Council requirements and instruct the Director of Property to dispose of the property. In the event of the disposal receipt the valuation figure limits the Director of Property in consultation with the Executive Director of Finance and Commercial Services and Cabinet Member for Commercial Services and Asset Management is authorised to accept the most advantageous offer.

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

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