

Infrastructure and Development Select Committee

Date: **16 September 2020**

Time: **10am**

Venue: **Microsoft Teams**

[To view the meeting please follow this link.](#)

Members of the Committee and other attendees: **DO NOT** follow this link, you will be sent a separate link to join the meeting.

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

Membership:

Cllr Barry Stone (Chairman)

Cllr Graham Middleton (Vice-Chairman)

Cllr Mick Castle

Cllr Stuart Clancy

Cllr Jess Barnard

Cllr Claire Bowes

Cllr Tim East

Cllr Brian Iles

Cllr Mark Kiddle-Morris

Cllr Beverley Spratt

Cllr Vic Thomson

Cllr Colleen Walker

Cllr Brian Watkins

**For further details and general enquiries about this Agenda please contact the
Committee Officer:**

Julie Mortimer on 01603 223053
or email committees@norfolk.gov.uk

A g e n d a

1 To receive apologies and details of any substitute members attending

2 Minutes

To confirm the minutes of the meeting held on 15 July 2020.

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3 Members to Declare any Interests

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

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

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

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

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

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

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

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

5 Public Question Time

Fifteen minutes for questions from members of the public of which due notice has been given. Please note that all questions must be received by the Committee Team (committees@norfolk.gov.uk) by **5pm Friday 11 September 2020**. For guidance on submitting a public question please visit www.norfolk.gov.uk/what-we-do-and-how-we-

[work/councillors-meetingsdecisions-and-elections/committees-agendas-and-recent-decisions/ask-aquestion-to-a-committee](#)

6 Local Member Issues/Questions

Fifteen minutes for local member to raise issues of concern of which due notice has been given. Please note that all questions must be received by the Committee Team (committees@norfolk.gov.uk) by **5pm Friday 22 September 2020**

7 Highways England – A47 (Presentation only)

Report by the Executive Director of Community & Environmental Services

8 Highway & Transport Network Performance

Report by the Executive Director of Community & Environmental Services.

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9 Waste Disposal Authority Update

Report by the Executive Director of Community & Environmental Services.

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10 Norfolk County Council budget planning 2020-21

Report by the Executive Director of Community & Environmental Services

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11 Forward Work Programme

Report by the Executive Director of Community & Environmental Services

Page **85**

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Date Agenda Published: 8 September 2020



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Infrastructure and Development Select Committee

**Minutes of the Meeting Held on Wednesday 15 July 2020
10.00am, as a Virtual Teams meeting**

Present:

Cllr Barry Stone – Chairman

Cllr Stuart Clancy

Cllr Claire Bowes

Cllr Tim East

Cllr Brian Illes

Cllr Mark Kiddle-Morris

Cllr Beverley Spratt

Cllr Vic Thomson

Cllr Tony White

Cllr Brian Watkins

Cllr Colleen Walker

Substitute Members Present:

Cllr Terry Jermy for Cllr Jess Barnard

Cllr Penny Carpenter for Cllr Graham Middleton

Also Present:

Martin Wilby

Cabinet Member for Highways and Infrastructure

Officers Present:

Tom McCabe

Muspratt, Vincent

Grahame Bygrave

Executive Director of Community and Environmental Services

Director Growth and Development

Director of Highways & Transport

Karl Rands

Sarah Rhoden

Ceri Sumner

Matt Tracey

David Cumming

Tim Shaw

Highway Services Manager

Assistant Director, Performance and Governance

Director of Community, Information and Learning

Growth and Infrastructure Group Manager

Strategic Transport Team Manager

Committee Officer

1A. Apologies and substitutions

- 1.1 Apologies were received from Cllr Jess Barnard (Cllr Terry Jermy substituting) and Cllr Graham Middleton (Cllr Penny Carpenter substituting).

1B Election of A Vice-Chair For The Day

1B The Committee RESOLVED

That, in the absence of Cllr Graham Middleton (who had given his apologies for the meeting), the Committee elect Cllr Mark Kiddle-Morris as Vice-Chairman for the day, to deal with any issues that might arise in this meeting, should the Chairman experience connectivity issues as a result of being unable to maintain an internet connection.

2 To agree the minutes of the meeting held on 11 March 2020

2.1 The minutes of the meeting held on 11 March 2020 were agreed as a correct record and signed by the Chairman.

2.2 In reply to questions, the Executive Director of Community and Environmental Services reported on the following:

- There was a continued reduction in the backlog of reported potholes.
- A full list of sites where haunching was reported to Cabinet would be forwarded to Cllr Spratt after the meeting.
- The Council expected to know in the Autumn if a bid to Government for a free port at Great Yarmouth had been successful.
- School transport was currently provided by coaches with accessibility issues, which meant that the Council might not be in a position in September 2020 to offer spare seats on certain school routes. A note that explained the current position would be sent to Councillors after the meeting.

3. Declarations of Interest

3.1 No interests were declared

4. Items of Urgent Business

4.1 There were no items of urgent business.

5. Public Question Time

5.1 No public questions were received

6. Local Member Issues / Questions

6.1 There were no Local Member Issues / Questions.

7. Infrastructure and Development Response to Covid-19

7.1 The Committee received a report by the Executive Director, Community and Environmental Services which provided a summary of how the County Council services reporting to this Committee had responded to the Covid-19 crisis. The report summarised the work that Norfolk County Council was undertaking in response to the Covid-19 pandemic.

7.2 The following points were discussed and noted

- The Committee's thanks were placed on record to the staff, contractors, volunteers and communities who had worked as part of a huge community and partnership effort to help keep Norfolk people safe and protected throughout the pandemic.
- A Councillor suggested that at the end of the pandemic an independent local enquiry should be held into how all the agencies that had provided a response to Covid-19 in Norfolk had handled the situation and that this should allow the

public an opportunity to express their views. In reply the Executive Director said that it was likely that a public enquiry would be held at the national level.

- In response to questions, the Chairman suggested that should Town and Parish Councils raise concerns with Councillors about how the County Council and its partner organisations engaged with local communities about the pandemic then they might wish to take them up with the Councillor Resources Support Officer.
- The Executive Director of Community and Environmental Services said that the numbers of cases of Covid-19 in Norfolk remained at the lower end of the expected range. Last week there were known to be 15 cases of Covid-19 in Norfolk, a relatively low figure and one that could be managed.
- The Chairman added that a detailed breakdown of the number of recorded cases of Covid-19 in any Electoral Division was available from the Director of Public Health on request. It was also pointed out that the local outbreak control plan provided a great deal of useful information about how the Council was responding to the pandemic.
- Specific lessons continued to be learnt about how to best support voluntary organisations in Norfolk to respond to a possible second wave of the pandemic. At Councillors request, organisations working together through existing partnership arrangements would be supported in obtaining DBS checks where they became necessary.
- It was recognised that the monitoring of the food supply chain was something that needed to be done at the national level as part of the Government's planning for a possible second wave of cases in the winter months.
- At the request of Councillors, it was agreed that officers would examine what level of support could be provided to those individuals who were in financial difficulties because of their volunteering activities where their support had not originated through the formal route of Voluntary Norfolk.
- The Council was working through its existing contracts with partner organisations and the voluntary sector to find new ways to support the most vulnerable in society after the shielding scheme for the vulnerable ended at the end of July.
- Councillors were pleased to hear that the digital offer provided by libraries continued to increase and that there were plans to have mobile libraries back on the streets shortly.
- It was pointed out that no decisions had yet been made at the national level about whether the county elections due in 2021 would take place.
- At Councillors request, details regarding the increase in the number of claimants in receipt of universal credit as a result of the pandemic would be shared with Councillors after the meeting (this would be done via Members Insight).

7.3 The Committee RESOLVED

1.To formally thank all staff involved in the significant effort to keep people safe and protected.

2. To acknowledge the work that has been carried out by NCC, contractors, partners and communities during the COVID-19 pandemic, including the voluntary sector.

3. To note the priority areas for policies and strategies and the work being done to ensure they continued to be shaped effectively and to add them to the Committee's Forward Work Programme.

8 Policy and Strategy Framework – Annual Review

8.1 The Committee received a report by the Executive Director of Community and Environmental Services which provided details of the relevant policy and strategy framework to enable Councillors to have oversight of policy and strategy development work across relevant services and to inform development of the Forward Work Programme.

8.2 Councillors drew attention to the following issues that were mentioned in the policy and strategy framework:

- NCC environmental policy.
- The update on waste disposal policy (that was due to be reported to the Committee in September 2020).
- The education training courses that were provided by both the Libraries Service and the Adult Education Service.
- The Local Transport Plan (work being overseen by a Member Working Group).
- Plans for a Fornsett Railway Station and how to move these forward.
- The timing of changes in road traffic movements near the Longwater Estate where there were road capacity issues.

8.3 In response to questions, officers agreed to look at new ways to present the extensive range of information contained in the policy and strategic framework and to separate out the strategic issues from the more local issues.

8.4 **The Committee RESOLVED to note the policy and strategy framework at Appendix A.**

9 Forward Plan

9.1 The Committee received a report by the Executive Director of Community and Environmental Services which reported on the Forward Work Programme.

9.2 The following points were discussed and noted:

- Norfolk County Council worked very closely with Suffolk County Council in taking a joint strategic lead on economic strategies that would drive forward economic recovery in the LEP New Anglia Area.
- Norfolk County Council contributed to £41M of the £71m of projects for the New Anglia Area.
- Norfolk County Council did not require its own separate economic strategy.
- Councillors noted that there would be an opportunity at a future meeting to examine the work that was being done to promote walking and cycling in Norfolk as part of the development of the Local Transport Plan.

- Councillors also asked that when there were large reports to be presented to the Committee that they should be sent to Councillors in advance of the formal agenda.

9.3 The Committee **RESOLVED**

To agree the Forward Work Programme for the Select Committee as set out in the report.

10 Performance of Key Highways Contracts

10.1 The Committee received a report by the Executive Director of Community and Environmental Services which identified that key highways contracts were all performing well, and that existing robust contract management arrangements would ensure this level of performance was maintained. To illustrate this fact, the contract with Tarmac had been extended to the full 12-year term (to 2026), which reflected their consistent performance in the delivery of highway works. In summary, the key contracts were all performing well and offered good value to the residents of Norfolk.

10.2 The following points were discussed and noted;

- At the request of the Committee, officers agreed to explore whether Highways England would be prepared to enter into contract(s) with the County Council for weed killing and grass cutting on Norfolk's major trunk roads. Officers agreed to speak with Cllr Colleen Walker (who had raised this issue) after the meeting to ascertain her concerns about weed killing and grass cutting on roads in the Great Yarmouth area.
- It was noted that the County Council had a regular maintenance programme of gulley cleaning and further works could be added at Councillors request.
- Officers agreed to take up with contractors the need to ensure potholes were repaired before the application of surface dressing and to speak after the meeting to Cllr Mark Kiddle-Morris who had some concerns in his division.
- There were also signage issues when roads were closed in Cllr Tony White's division that would be taken up after the meeting.
- Councillors noted that the 3rd River crossing at Great Yarmouth was programmed to start on site in January 2021.
- It was pointed out that the County Council was in discussions with Natural England about the next phase of the bats survey in advance of work starting on the Western Link road.

10.3 The Committee **NOTED** the key contract performance and arrangements that were set out in the report.

11 Update from Local Transport Plan Member Task and Finish Group

11.1 The Committee received a report by the Executive Director of Community and Environmental Services that welcomed the Select Committee's comments on the work of the Local Transport Plan Member Task and Finish Group.

11.2 The following points were discussed and noted;

- Councillors discussed the consultation responses and identified issues that should be considered in the final stages of the plan's development, particularly following the Covid-19 pandemic.
- It was suggested that the responses were somewhat urban centric and that the task and finish group should give further consideration to rural transport issues, particularly in relation what more could be done to innovate in a rural county, given the current state of rural bus travel where many transport services were on a knife edge.
- Councillors drew attention to the work that was being done to enhance the environmental performance of the local transport plan, issues of public access to the countryside and issues of disability and suggested that the plan should take on board more views from those people who did not have access to a car who had not responded to the consultation exercise in any great number.
- Some councillors said that they were disappointed at the overall level of public response to the consultation exercise and asked for more to be done on this matter at the local level but recognised that the consultation had generated a greater response than that about the Council budget.

11.3 The Committee **NOTED** the programme and consultation responses and the views contained in the report and about how the consultation might be used to help shape the LTP strategy.

12 **Wymondham Market Town Transport Network Improvement Strategy**

12.1 The Committee received a report by the Executive Director of Community and Environmental Services that summarised the Wymondham transport network improvement study prior to it being reported to Cabinet in August for agreement and adoption.

12.2 The Committee noted that the main objective of the study, agreed with the stakeholders, was to improve walking, cycling, public transport and parking in Wymondham town. The following issues were identified in the study:

- Traffic calming on the Harts Farm estate
- Cycling and walking routes around the town
- Public transport in the town
- Walking, cycling, bus and parking arrangements in the Market Cross area.

12.3 **The Committee NOTED the completed Wymondham market town transport network improvement study prior to it being reported to Cabinet in August for agreement and adoption.**

Chairman

Report to Infrastructure and Development Select Committee

Item No. 8

Report title:	Highway and Transport Network Performance
Date of meeting:	16 September 2020
Responsible Cabinet Member:	Councillor Martin Wilby (Cabinet Member for Highways, Infrastructure and Transport)
Responsible Director:	Tom McCabe (Executive Director, Community and Environmental Services)
Is this a key decision?	No

Introduction from Cabinet Member

Having strong infrastructure is recognised in the Council's 6-year Business Plan – Together, for Norfolk - as an essential requirement for a growing the Norfolk economy. It is therefore imperative that we monitor the performance of our highway assets in order to spend our budgets wisely, react to changing circumstances and use the money where it is most needed.

In an ever-challenging environment it is encouraging that public satisfaction with highway condition in Norfolk remains good. In the 2019 National Highways and Transportation (NHT) Survey we were ranked 1st overall of 28 shire counties, compared with 3rd the previous year. The good public satisfaction result suggests that the current asset management strategy has been effective.

The Council has a statutory duty under the Traffic Management Act to ensure the expeditious movement of traffic on our highway network. This includes taking action to contribute to the more efficient use of our road network as well as the avoidance or reduction of road congestion.

Nationally, we perform well when compared with other local highway authorities. We however recognise that demand on our highway network continues to grow, increasing pressure on our infrastructure. In addition to this, the way our network is being used is changing rapidly with advances in technology. Electric vehicles and e-scooters, as well as connected vehicles are two growing markets, with autonomous vehicles also an emerging market. These new trends will have their own requirements that we need to recognise and act upon in order to facilitate positive changes in the use of our network.

The Select Committee will be reviewing the Transport Asset Management plan at your next meeting November. This report helps the Committee to understand the current performance of the network in advance of this.

Executive Summary

This report provides an annual summary of how we are managing our highway assets and network.

Highway asset performance is assessed on an annual basis against a set of previously agreed service level priorities to inform decisions and make the best use of capital expenditure. Revenue budgets, used for general maintenance and repair, are not part of this report. The capital budget has fluctuated in recent years, some having seen significant in-year additional investment from Government. In 18/19 it was £46m 19/20 was £34m and the current budget for 20/21 is £59.2m.

A commonly used measure to indicate how well the asset is performing is by determining a 'backlog' figure, which is the 'gap' between current condition and our service level. We

use condition surveys to assess the current road condition. The overall highway asset backlog in April 2020 is £45.1m. This has increased from the 2018/19 figure of £36.4m and indicates a slight deterioration in the condition of bridges, footways and 'A' roads. Following the announcements in the Governments Budget in March, there has been a significant increase in funding for 2020/21, this has been applied across all asset types.

The Highway Asset Management Policy and Strategy was endorsed by this committee last July and was agreed at Cabinet in January 2020. Member engagement and monitoring of the Asset Management policy, strategy and performance measures is a requirement of the Department for Transport's (DfT) Incentive Fund to receive the full available allocation. In 20-21 the incentive grant allocation was £4.8m.

Highway network performance is currently the only national indicator produced by the DfT, which calculates the theoretical average journey time to key services Norfolk-wide. Work has successfully been undertaken to develop new local indicators to identify the better and worst performing parts of our 'A' road network in terms of journey reliability and congestion. This objective data can provide strong evidence to support future funding bids for major network improvements, including through the Highways incentive fund.

Actions required

- a) To note the progress against the Asset Management Strategy Performance framework and the continuation of the current strategy and targets (Appendix A, B and C)**
- b) To note the journey time reliability and congestion summary produced in this report (Appendix D)**
- c) To support the development of new local performance indicators to monitor journey time reliability and congestion levels, to be reported annually in future highway network performance reports.**

1. Background and Purpose

1.1. Highway Asset Management

1.1.1. The Highway Asset Management Policy was agreed by Members in July 2014. The Strategy was reviewed by Members in 14 October 2016 who also approved a performance framework. All three documents were refreshed and considered by the Infrastructure & Development Select Committee in July 2019, and Cabinet January 2020.

1.1.2. This enables Members to be informed on whether the strategy is delivering the agreed performance targets and take any necessary action to manage changing circumstances such as annual budgets or the regulatory framework. Evidence is in section 2.

1.2. Managing congestion and reliability

1.2.1. As a local highway authority, we have a statutory duty to manage congestion as set out in the Traffic Management Act.

1.2.2. There are several ways that we meet our duty, including by operating the Norfolk Permit Scheme, Civil Parking Enforcement, delivering an annual highway improvement programme as well as assessing likely impact of major development planning applications.

- 1.2.3. Historically there has been no meaningful and consistent way of monitoring our actual performance in managing congestion and journey times or the effectiveness of the schemes mentioned above. This situation is rapidly changing with the maturing connected vehicles market; it is increasingly becoming more cost-effective to access journey-related data.

2. Proposals

2.1. Highway Asset Performance

2.1.1. Asset Condition

- 2.1.1.1. The existing strategy recognised that the level of funding expected in 2019 made the maintenance of current condition challenging and that in most circumstances the strategy would be to manage a slight deterioration.
- 2.1.1.2. Any shortfall in achieving 2006-07 service levels, or otherwise agreed in 2013-14, is described as a backlog. The overall highway asset backlog at April 2020 is £45.1m. This is an increase compared with £36.4m in 2018/19 and £37.9m in 2017/18. This has been summarised in Appendix A.
- 2.1.1.3. A summary on the performance of individual asset types can be seen in Appendix B.
- 2.1.1.4. A further investment of £20.615m was allocated to Norfolk following the spring budget, after the condition survey had taken place. A report to Cabinet in July 2020 confirmed the distribution of the additional funding to be spent in year, taking the 2020-21 Structural Maintenance Capital budget to £59.2m. This includes significant added investment in bridges, footways and 'A' roads. The latter being boosted by a successful bid to the DfT Maintenance challenge fund of £2.539m.
- 2.1.1.5. Government has stated that the £500m per year national pothole fund will be in place for the remainder of the parliament, however the other funding streams for structural maintenance have not been confirmed beyond this financial year.

2.1.2. Customer Satisfaction

- 2.1.2.1. The National Highways and Transport (NHT) network survey is carried out each summer. For the 2019 survey, 3,300 Norfolk residents, chosen at random, were asked to rate a range of highway and transportation services, including public transport, walking and cycling, congestion, road safety and highway maintenance. It had a response rate of 30%, a good response rate for surveys of this type.
- 2.1.2.1. 111 local authorities took part in the 2019 survey. Norfolk County Council achieved a ranking of 1st out of the 28 county councils that participated. This is an improvement on our ranking of 3rd in the previous year.
- 2.1.2.2. Of those indicators contained in our Asset Performance Strategy Measures in Appendix C we ranked:
- Overall – 1st (previously 3rd)
 - Condition of highways – 1st (6th)
 - Highway Maintenance – 1st (8th)
 - Pavements & Footpaths – 2nd (9th)
 - Street lighting – 2nd equal (17th)
 - Satisfaction with public rights of way – 4th (25th)

2.1.2.3. The survey also gives an indication of the relative importance that Norfolk residents place on the services we deliver. Respondents are asked 'For which of the following service areas is it not acceptable to reduce the level of service'. We know from this and previous results that the service that the public would least want to see reduced continues to be 'Management and Maintenance of roads.' This helps inform our priorities and reflects the results above.

2.1.2.4. The 2020 survey was sent out in June and the results are expected to be released in September/October.

2.1.3. **Future Asset Management Policy and Strategy**

2.1.3.1. To maintain the full allocation from the Department for Transport (DfT) incentive fund, an asset management policy and strategy must have been developed, clearly documenting the links with corporate vision and other policy documents providing the "line of sight" for the asset management strategy. It must have been endorsed by the Executive and published on the authority's website. This document must have been published or reviewed in the past 24 months.

2.1.3.2. The asset management policy was agreed by Members in 2014 and refreshed to align with the Norfolk County Council 6 year Business Plan, 'Together for Norfolk', agreed in May 2019.

2.1.3.3. The asset management strategy, was similarly refreshed together with the performance framework to monitor it, by Members in 2019.

2.1.3.4. As the Government had not conducted its spending review for beyond 2020-21, we made forward projections based upon similar levels of funding. This updated with the 2019-20 results is contained in Appendix C.

2.1.3.5. It is proposed to review the Highway Asset Management Strategy and performance framework in 2021 following the establishment of the funding settlement for the next 5-years following the government spending review planned for the autumn.

2.2. **Highway Network Performance**

2.2.1. **Journey Reliability and Congestion Indicators**

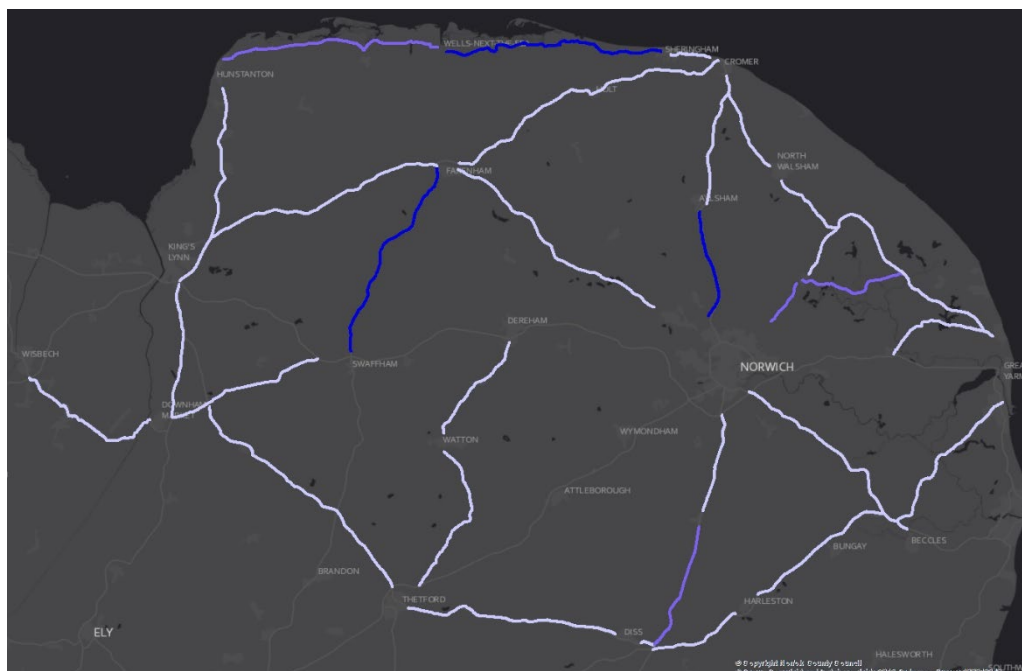
2.2.1.1. There is currently no national indicator for journey reliability on the local highway network, although the DfT do produce statistics for the motorway and strategic road network maintained by Highways England.

2.2.1.2. The recent Local Transport Plan consultation response has shown us that we should look to develop a new local indicator to measure journey time reliability and congestion in the absence of a national one. Respondents have told us that it is an important factor in planning journeys.

2.2.1.3. Work has been undertaken through collaboration between the Highways Network Management and IMT Data Services teams to analyse data from vehicle movement data supplied under a previous project. Further detail on this is provided in Appendix D.

2.2.1.4. The following map shows journey reliability performance as identified objectively through this data analysis exercise. The darker blue shaded lines are parts of the A road network where higher fluctuations in journey times were observed during the morning peak hours, making it difficult for vehicle users to plan their journeys effectively.

2.2.1.5.



2.2.1.6. The next map shows congestion performance as identified by the same dataset. The darker blue shaded areas are parts of the A road network where the network is not operating efficiently during the morning peak hours and vehicles are not free-flowing.

2.2.1.7.



2.2.1.8. However, the dataset is currently limited to just June 2019 and therefore does not show representative, longer term trends. For example, it is expected that there will be seasonal variations associated with tourism traffic through the summer months. As the existing dataset only covers June, the impact of tourist traffic will not have been fully captured in this analysis.

2.2.1.9. The collaborative work between the Highways Network Management and IMT data services teams has demonstrated that it is possible that through innovation we can develop evidence-based tools to support future decision making. This work continues.

2.2.2. Customer Satisfaction

2.2.2.1. The National Highways and Transport (NHT) Network Survey (see 2.1.2.1), also captures responses on transportation services, including public transport, walking and cycling, and congestion.

2.2.2.2. Of those indicators within the 'Tackling Congestion' section, the Council ranked against our peers, as follows:-

- Ease of Access (all)* – 5th
- Traffic levels and Congestion – 1st
- Management of roadworks – 2nd

*The 'ease of access' indicator reports how easily respondents felt they can access services using different modes of transport, including by car, bus and walking

2.2.2.3. In early 2020, a public consultation exercise was also undertaken as part of the refresh of the Local Transport Plan (LTP) for 2020 to 2035. An update from the Member Task and Finish group was presented at the July committee meeting and [is available here](#). Respondents were asked for their views on how we should prioritise network management. There was support for making journey times more reliable, even if this makes journey times slower.

2.2.2.4. Most responders feel that the most useful interventions would be to provide more information about the transport network, such as parking spaces, diversions and accidents, on automatic signs. Having more knowledge would help users better, and more efficiently, navigate the network and make the best choices.

2.2.3. **Use Cases for Vehicle Movement Data**

2.2.3.1. A number of potential benefits have been identified that could be realised with the purchase of additional vehicle movement data on a frequent basis.

- Production of journey time reliability and congestion statistics based on objective, actual journey data.
- Evidence-based, objective cost justification for future highway improvement schemes including external funding bids. Origin and destination data will help identify strong cases for future pinch-point funding bids.
- Monitoring traffic speed and identifying areas of poor speed compliance. Data analyses can then be shared with the Norfolk Safety Camera Partnership Board (which we are members of) identifying areas that would most benefit from increased speed enforcement.
- Negating the need for some automatic traffic counts used to ascertain vehicle speeds as part of investigations, including for network safety. Automatic traffic counts cost approximately £500 per week per site.
- Monitoring the effectiveness of the Norfolk Permit Scheme in managing congestion caused by roadworks and potentially identifying areas of improvement.
- Monitoring the effectiveness of highway improvement schemes as part of the post project review.
- Analysing impact of congestion on air quality levels.
- Providing journey insights for public consumption, including blue light services and even sat nav companies.

2.2.4. **Covid 19**

2.2.4.1. The impact of the Covid-19 emergency on vehicle use in Norfolk can be seen in Appendix E, using sample sites in Norwich, King's Lynn & Gt Yarmouth.

2.2.5. **A performance framework**

2.2.5.1. In order to improve understanding and awareness of network congestion and reliability, it is proposed to establish a performance framework to be reported on annually as part of this report. It would require;-

- Vehicle movement data, including origin and destination trip information, is procured on a regular basis in order to fully realise the benefits outlined in the 'Use Cases for Vehicle Movement Data' section above.
- Local indicators for journey time reliability and congestion continue to be established, to enable performance to be evidenced, initially for the Primary and Main Distributor network.
- Collaborative work between Highways Network Management and the IMT Data Services teams continues to explore ways that vehicle movement and origin/destination data can be further exploited to produce evidence to support future schemes and strategies including funding bids.

3. **Impact of the Proposal**

3.1. The main proposal is to ensure Members engage with the annual results to provide direction or endorsement if change is required. This will help ensure that member support fulfils criteria in the DfT Highway Incentive Fund to ensure we get the full allocation and perform our duties under the Traffic Management Act.

4. **Financial Implications**

- 4.1. The failure to maintain a self-assessed score of 3 within the DfT Incentive fund would lead to the loss of funding of approximately 70% which equates to £3.4m.
- 4.2. The cost of the additional data of £45,000 to enable more robust performance monitoring will be funded from existing highway budgets.

5. **Resource Implications**

- 5.1. **Staff:** None
- 5.2. **Property:** None
- 5.3. **IT:** Resource implications have been discussed with the IMT Data Services team, who have confirmed they can support this performance framework.

6. **Other Implications**

- 6.1. **Legal Implications:** None
- 6.2. **Human Rights implications :** None
- 6.3. **Equality Impact Assessment (EqIA)**
- 6.3.1. The Highway Asset Management Policy and Strategy relates to the overall capital investment in structural maintenance. As part of any plans and strategies under this framework, equality and accessibility implications will be considered as a core element. The EQIA was completed for this at last year's report and has been reviewed and updated.

- 6.3.2. Individual schemes will comply with regulations from engineering design manuals, traffic management and liaison with stakeholders. Design and Streetworks processes picks up appropriate design standards and issues regarding maintaining access during roadworks.
- 6.4. **Health and Safety implications** : None
- 6.5. **Sustainability implications:** The performance framework should aid appropriate interventions to manage the travel experience, congestion, reliability and emissions, resulting in a positive impact on carbon footprint and air quality.
- 6.6. **Any other implications:** None

7. Action required

- 7.1. a) To note the progress against the Asset Management Strategy Performance framework and the continuation of the current strategy and targets (Appendix A,B and C);
- b) To note the journey time reliability and congestion summary produced in this report. (Appendix D);
- c) To support the development of new local indicators to report journey time reliability and congestion levels, to be reported annually in future highway network performance reports;

8. Background Papers

- 8.1.
1. At the I&D committee meeting on 17 July 2019 endorsed the Highway Asset Management Policy, Strategy and Performance Targets in “Highway Asset Performance” [Report](#) to EDT Committee of and [link to minutes](#)
 2. At the Cabinet meeting on 13 January 2020 endorsed the recommendations in “Highway Capital Programme Report and TAMP, containing the Highway Asset Management Policy, Strategy and Performance Targets and [link to minutes](#)
 3. At the Cabinet meeting on 6 July 2020 approved the recommendations in “Distribution of the Department for Transport ‘Pothole Fund’ for Local Roads 2020-212, detailing the additional in year funding [link to minutes](#)
 4. [Local Transport Plan 2011-2026](#)
 5. [Transport Asset Management Plan 2020-21](#)
 6. [Local Transport Plan Member Task and Finish Group update](#) – July 2020 - Infrastructure & Development Committee.
 7. [Norfolk Parking Partnership Annual Report](#) – March 2020 - Norfolk Parking Partnership Joint Committee.

Officer Contact

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

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

Highway Asset Backlog 2020

Appendix A

		Backlog 2018-19	Budget 2019-20	Backlog 2019-20	Budget 2020-21	Steady State estimate
Asset type		£m	£m	£m	£m	£m
A roads		8.795	3.531	10.398	8.664	11.903
B roads		0	1.495	0	3.307	4.221
C roads**		0	3.905	0	7.859	8.969
U roads**		0	3.905	0	4.059	6.767
Machine Patching			0.767		1.615	
Capitalised Patching/Potholes ex revenue			7.582		8.245	7.582
Surfacing match (TCF2,EATF2)					1.024	
Category 1 footways		0	0.561	0	0.468	1.581
Category 2 footways		0.148		1.116		2.713
Category 3 footways		0	1.777	0	3.578	9.970
Category 4 footways		0.165		0.086		3.311
Footways kerbs/small repairs/patch					2.292	
Highway Drainage	Maintenance	0.712	0.584	0.712	0.931	0.931
	Bid Match Pot		0.075		0.075	0.075
	Improvement (Challenge)	18.169	0	18.448		
	Improvement (Town)		0.571			
Capitalised Drainage small repairs			0.33		1.776	1.776
Bridges	Maintenance Bridges	7.8	0.655	13.1	3.682	2.700
	Maintenance Culverts	0.0	0.030	0.0		
	Strengthening	0.280	0.03	0.305		0.305
	Assessment etc		0.085			
	Inspections		0.25		0.25	1.011
small works (ex. revenue)			0.4		0.4	
Traffic Signals	Replacement	0.218	0.5	0.852	0.69	0.675
	small works (ex. revenue)		0.6		0.6	0.6
	system		0.02		0.05	0.05
Signs & Post (ex. revenue)			0.2		1.09	0.34
Condition Surveys			0.15		0.15	0.15
Park and Ride Sites		0	0.04	0	0.17	0.04
Area Manager Schemes			0.14		0.14	0.14
Fencing					0.055	0.055
Vehicle restraint systems - planned works risk		0.06	0.132	0.125	0.032	0.153
Vehicle restraint systems - inspections Tension/condition					0.1	0.094
Vehicle restraint systems - RTA repairs			0.05		0.1	0.075
Contract Cost/Contingencies***			5.655		7.78	2.41
Total		36.377	34.02	45.142	59.182	68.597

Notes

These figures are taken from the price base for each year, not a common price base. 2018/19 Backlog based upon 1-4-19 prices. 2019/20 at 1-4-20 prices.

The backlog figure refers to the end of year, 31/3/2020

* Where service condition is linked to condition surveys, the budget need is to recover service condition not just hold condition in year

1 Condition of Highway Assets Summary

1.1 Roads

- 1.1.1 The results from our condition surveys for 2019-20 were ahead of the asset management strategy and performance targets. All roads have all shown a slight improvement against previous year's results.

	2018/19	2019/20		Local Transport Plan roll-fwd. Target
		Agreed Performance Measure target	Actual	
'A' roads	2.08%	2% (2.15%)	3% (2.56%)	4.2%
'B' & 'C' roads	6.09%	6% (6.45%)	5% (5.4%)	n/a

Note: Lower is better. Figures in brackets are the actual figures, but these are rounded to the nearest whole number when reported.

- 1.1.2 The A roads show a continued increase in treatment costs against are baseline generating a backlog of £10.398m
- 1.1.3 The B & C network treatment costs are still below are baseline comparison.
- 1.1.4 We changed the methodology of the Unclassified (U) road condition indicator in 2019-20. It now uses the same method as the classified road network. This will enable improved comparison across the various classes of our roads. Unfortunately, the Covid emergency prevented the completion of a full network survey and our result of 11.60% represents approximately a quarter of the network.
- 1.1.5 This result is comparable with last years result of 10% (using Coarse Visual Survey method), which was well below the service level, with no backlog.
- 1.1.6 We suggest that this result becomes our new service level, and as a result there is no backlog.
- 1.1.7 For 2019-20 we have a backlog on our 'A' roads. Backlogs are shown in Appendix 1;
- 1.1.8 National Statistics 2018-19 provide the most recent comparative data. Our A roads were average, our 'B', 'C' and 'U' roads better than average and 'U' average. The 2019-20 national statistic have been delayed until September 2021 due to the Covid emergency.

1.2 Bridges

- 1.2.1 The Bridges scores showed marginal decline, from 2018-9 to 2019-20. The Bridge Condition Index Scores were 90.14 and 90.95 on the HGV and non-HGV networks respectively. These scores are currently (April 2020) 89.01 and 90.67.

1.2.2 For 2019-20 we have a backlog on our HGV network of £13.1m an increase of £5.3m.

1.2.3 One bridge still require attention in our strengthening programme and represents a backlog of £0.305 and increase of £0.025m. This is in the forward programme.

1.3 Traffic Signals

1.3.1 During 2019/20 a total of 21 installations were replaced, consisting of 2 like-for-like replacements, and 19 installations were replaced as part of improvement schemes.

1.3.2 The resultant backlog at the end of 2018/19 is 10 installations, representing a budget of £0.852m.

1.4 Footways

1.4.1 Our 2019-20 showed a marginal decline which was expected.

Footway Hierarchy	Frequency	Service Level	Condition Level 4 (structurally unsound)	
			2018-19	2019-20
Cat 1	2-year data	12.5%	12.1%	11.5%
Cat 2		25%	25.7%	30.6%
Cat 3	4-year data	30%	28.7%	36.2%
Cat 4		30%	30.5%	30.5%

1.4.3 There is a backlog against our service level for our lower categories' footway totaling £1.914m and increase from £0.313m

1.5 Drainage

1.5.1 There are not any formal condition surveys of highway drains. Overall condition is assessed from regular road inspections. The identified schemes are a mixture of small-scale local interventions and larger "catchment wide" projects. The Greater Norwich Surface Water Drainage Scheme completed in 2017-18. There is £4,056,478 of identified need remaining in the 'fringe' parishes of Hellesdon, Old Catton, and Thorpe St Andrew. No significant build has taken place against the Capital Drainage backlog. Inflation has been applied at 2.62% on 1st April 2020. The improvement drainage backlog has increased as a result

1.5.2 Our members have approved NCC capital funding of £1.5m on 'Market Town' Drainage over a 3-year period starting 2017-18. The second significant scheme due for construction in North Walsham. It was delayed due to the Covid emergency but should now be completed over the summer months. starting in June 2019-20.

1.6 Park & Ride Sites and Norwich Bus Station

1.6.1 The service level on these sites is, to fully fund any urgent, essential or necessary structural maintenance works identified by an annual inspection.

1.7 Vehicular Restraint Systems (VRS)

- 1.7.1 Our service level uses information from structural integrity surveys carried out on the whole stock over a 5-year period. We have adopted a service measure whereby if those sites assessed as priority 1, through risk assessment were not to be funded then they would represent a backlog.
- 1.7.2 Two schemes have been deferred into 2020-21, with an estimated cost of £125k.

Asset Management Strategy Performance Measures**Appendix C**

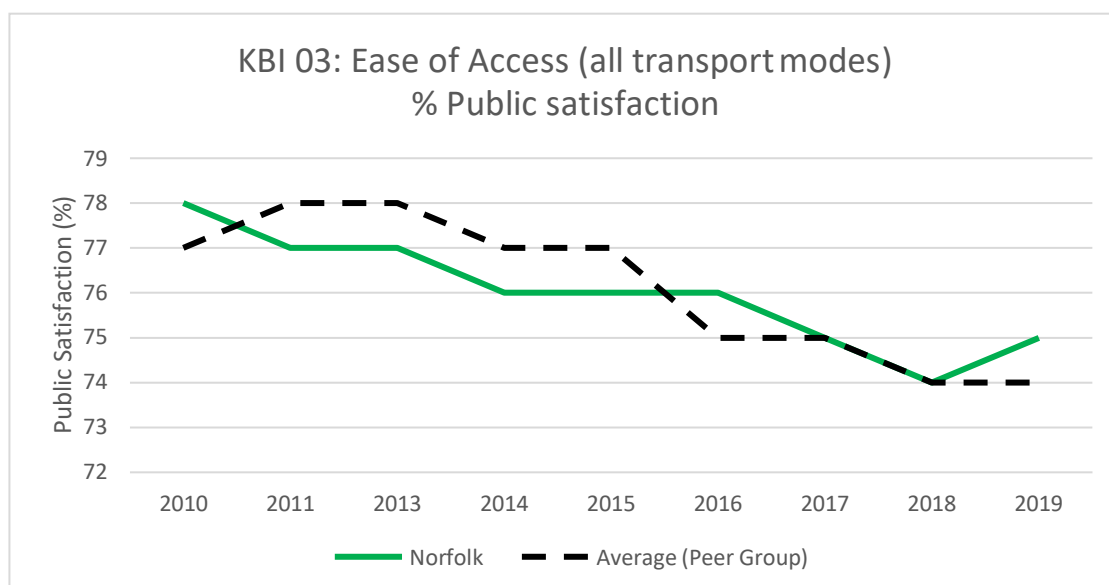
Theme		Indicator Description	15-16	18-19	Context	19-20			20-21	Which is better?
						Target	Actual	Context		
Serviceability	Roads	Condition of Principal roads	2.50%	2.08%	National Average for 2017-18 was 3%	2.15%	2.56%		2.18%	Lower
		Condition of classified non-Principal roads	6.48%	6.09%	National Average for 2017-18 was 6%	6.46%	5.40%		6.77%	Lower
		Condition of Unclassified roads	17%	10.10%		10.80%	11.60%	19-20 first year of SCANNER	11.50%	Lower
	Footways	Condition of Footways 1 - Footway Network Survey (FNS) level 4	16.10%	12.10%		12.40%	11.50%		12.70%	Lower
		Condition of Footways 2 - FNS level 4	32.70%	25.70%		26.40%	30.60%		27.10%	Lower
		Condition of Footways 3 - FNS level 4	28.90%	28.70%		30%	29.00%		31.30%	Lower
		Condition of Footways 4 - FNS level 4	29.50%	30.50%		31%	30.5%		31.50%	Lower
	Structures	Bridge Condition Index Score HGV	89.9	90.14%		89.99	89.01		89.84	Higher
		Bridge Condition Index Score Non-HGV	90.92%	90.95%		90.78	90.67		90.51	Higher
		Bridge Strengthening number of bridges requiring strengthening	2	1		1	5		1	Lower
	Traffic Signals	Traffic Signals controller age no more than 20 years	6	5		15	15		17	Lower
	Street Lighting	% Street Lighting working as planned (lights in light)	99.63%	99.43%		99%	99.33%		99%	Higher
Customer Satisfaction	NHT Overall	KBI 01 - Overall (local)	56.2	53	3rd (Was 7th) best County	53	56	1st (Was 3rd) best County	53	Higher
		KBI 11 - Pavements & Footpaths	58.8	55	9th (was 11th) best County	55	60	2nd (was 9th) best County	55	Higher
	NHT Walking & Cycling	KBI 13 - Cycle routes and facilities	53.8	51	10th (was 20th) best County	51	53	2nd (was 10th) best County	51	Higher
		KBI 15 - Rights of Way	58	54	25th (was 24th) best County	54	58	4th (was 25th) best County	54	Higher
	NHT Highway Maintenance & Enforcement	KBI 23 - Condition of highways	43.6	33	6th (was 10th) best County	33	45	1st (Was 6th) best County	33	Higher
		KBI 24 - Highway maintenance	55.8	51	8th (was 13th) best County	51	56	1st (Was 8th) best County	51	Higher
Safety		KBI 25 - Street lighting	62.6	60	17th (was 23th) best County	60	64	2nd equal (was 17th) best County	60	Higher
		Number of people killed and seriously injured on Norfolk's roads	369	456	Member Working Group looking at Road Safety Strategy and future performance measures. Public Health leading					Lower
		Repudiation Rate of Highway Insurance Claims	81%	71%		81	78%		81	Higher
		Winter gritting - % of actions completed within 3 hours		82%		80	86.25%		80	Higher
		Highway Safety Inspection carried out on time	97.76%	95.30%		98	98.61%		98	Higher
		% Priority A defects attended within response timescale (2 hours)	96%	89.62%		96	99.95%		96	Higher
Sustainability (Economic & Environment)		% Priority B defects attended within response timescale (Up to 4 days)	98%	91%		98	95.11%		98	Higher
		Street lighting – CO2 reduction (tonnes) (Annual emissions)	10517	6154		5969.38	5614		5790.2986	Lower

Network Management Performance

1. Public Perception

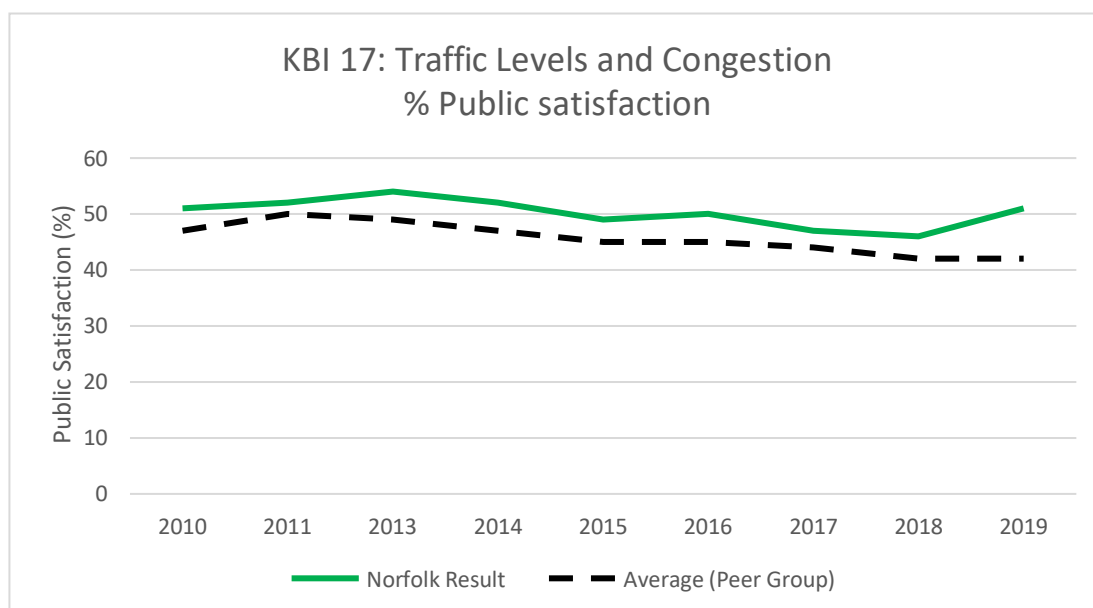
- 1.1. The perception of our road network by highway users is an important indicator of our performance.
- 1.2. We participate in the annual National Highways and Transport Network (NHT) survey, with a sample of residents being asked for their perception of highways and transport services across Norfolk. Their responses feed into several key indicators provided by NHT. This survey was last completed in June 2019.
- 1.3. The 'ease of access' indicator reports how easily respondents felt they can access services using different modes of transport, including by car, bus and walking. In 2019, 75% of respondents felt that accessibility was very good or good (national average was 74%). Prior to 2019, our performance had been on a downward trend since 2010, however has improved compared to the national trend.

1.4.1.4.



- 1.5. Public perception towards traffic levels and congestion is also measured by the NHT survey. Norfolk scored 51%, well above the average of 42% for county councils. Performance has been consistently above the national trend and with an improvement in the 2019 result. A detailed analysis of the results showed that of various types of key services, the ease in being able to visit friends and families had the most positive impact on perception of traffic levels and congestion, followed by access to hospitals and leisure facilities. A more positive perception was also observed amongst respondents who cycled to work weekly or used buses daily. The greatest dissatisfaction was amongst car owners, who found shops, supermarkets, post offices, banks and leisure facilities particularly difficult to access.

1.6.1.6.



1.7. In early 2020, a public consultation exercise was also undertaken as part of the refresh of our Local Transport Plan (LTP) for 2020 to 2035. An update from the Member Task and Finish group was presented at the July committee meeting and [is available here](#). Respondents were asked for their views on how we should prioritise network management. There was support for making journey times more reliable, even if this makes journey times slower.

1.8. Most responders feel that the most useful interventions would be to provide more information about the transport network, such as parking spaces, diversions and accidents, on automatic signs. Having more knowledge would help users better, and more efficiently, navigate the network and make the best choices.

2. Norfolk Permit Scheme

2.1. The Norfolk Permit Scheme was ratified by the Secretary of State in May 2014 and requires any organisation who wishes to excavate and/or place traffic management (including temporary traffic signals, stop/go boards) on NCC's highway network to obtain a permit from NCC at a fee.

2.2. The objective of the scheme is to co-ordinate works between different organisations, including utility companies and NCC Highways themselves, in order to minimise disruption to highway users. Restrictions can be imposed on permits in order to minimise disruption to highway users, e.g. by limiting the timing of works to less busy parts of the day.

2.3. Fixed penalty notices are issued where permit requirements and conditions are not adhered to (including overrunning works). In 2019-20, 3,089 penalties were issued. Inspections are also carried out to ensure that the safety of highway users has been maintained, both during works as well as after completion by checking the reinstatement of excavations in the highway.

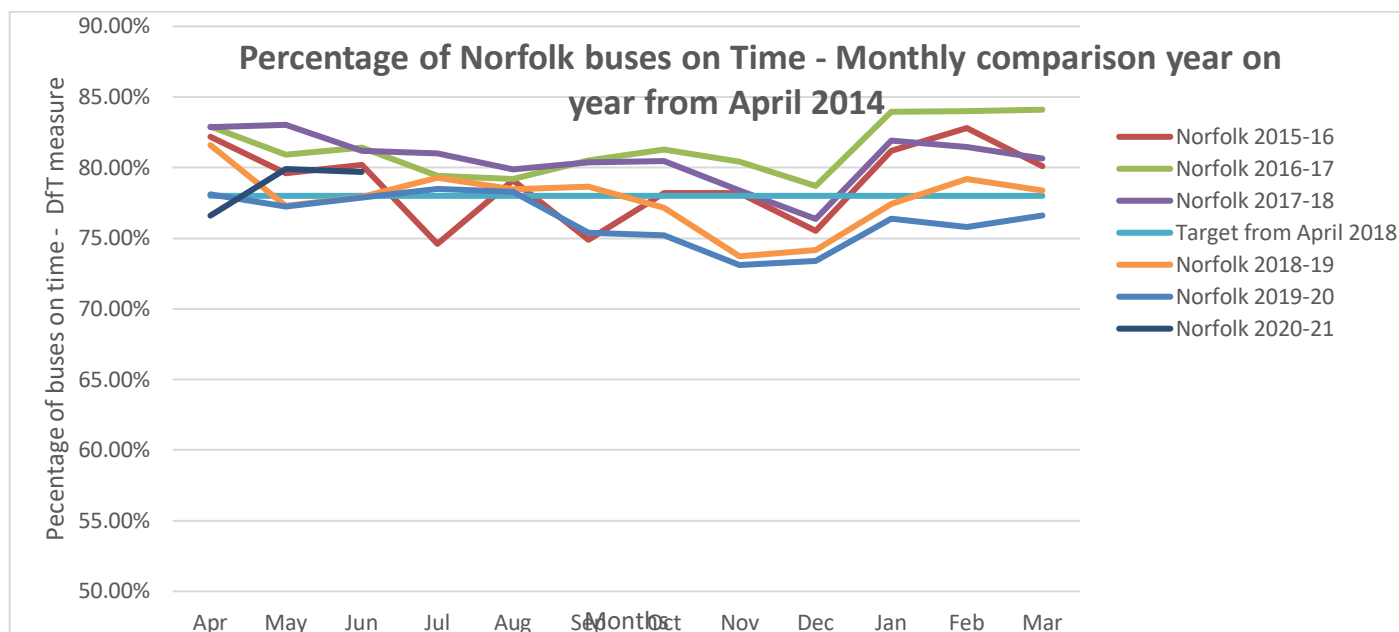
2.4. Performance reports are required to be produced at set intervals throughout the operation of the scheme. This was last produced in 2015/16 and [is available here](#).

3. **Norfolk Parking Partnership**

- 3.1. The Norfolk Parking Partnership (NPP) was formed in November 2011, when on-street parking enforcement was decriminalised with powers transferring from Norfolk Police to Norfolk County Council.
- 3.2. Enforcement is crucial to ensure that parking does not cause safety and/or access issues for other highway users. Enforcement across Norfolk is carried out by King's Lynn Borough Council, Great Yarmouth Borough Council, Norwich City Council and South Norfolk District Council through their membership of the NPP.
- 3.3. A performance report is submitted to committee annually, the latest being in September 2019 and [is available here](#).

4. **Journey Time & Reliability Performance**

- 4.1. The Department for Transport (DfT) publish journey time statistics for each local authority. The latest data available is for 2017 and is based on traffic modelling utilising various data sources including traffic surveys undertaken by the DfT.
- 4.2. These Journey time statistics estimate the average journey time to key services, including education settings, medical facilities, food stores and town centres. In Norfolk, the average journey time is reported to be 12.8 minutes by car, with journey times for cycling and public transport/walking 22.9 minutes and 25.8 minutes respectively. Compared to other local authorities in England, Norfolk has the 8th longest journey time. This is a theoretical statistic based on traffic modelling rather than observational data and therefore does not consider commuter traffic from market towns into Norwich City for example.
- 4.3. Detailed results are not published alongside these journey time statistics produced by the DfT above. We therefore cannot verify the accuracy of this calculation nor produce detailed analysis of performance across the County to identify focus areas to put forward in future highway improvement programmes.
- 4.4. The percentage of bus journeys completed on time has been a local Vital Signs indicator since 2014. This however does not monitor journey reliability for any other modes of transport, nor will bus journey reliability solely be attributable to highway network issues, this can be influenced by external factors such as bus fleet reliability and driver availability. It is therefore a difficult measure to act upon.



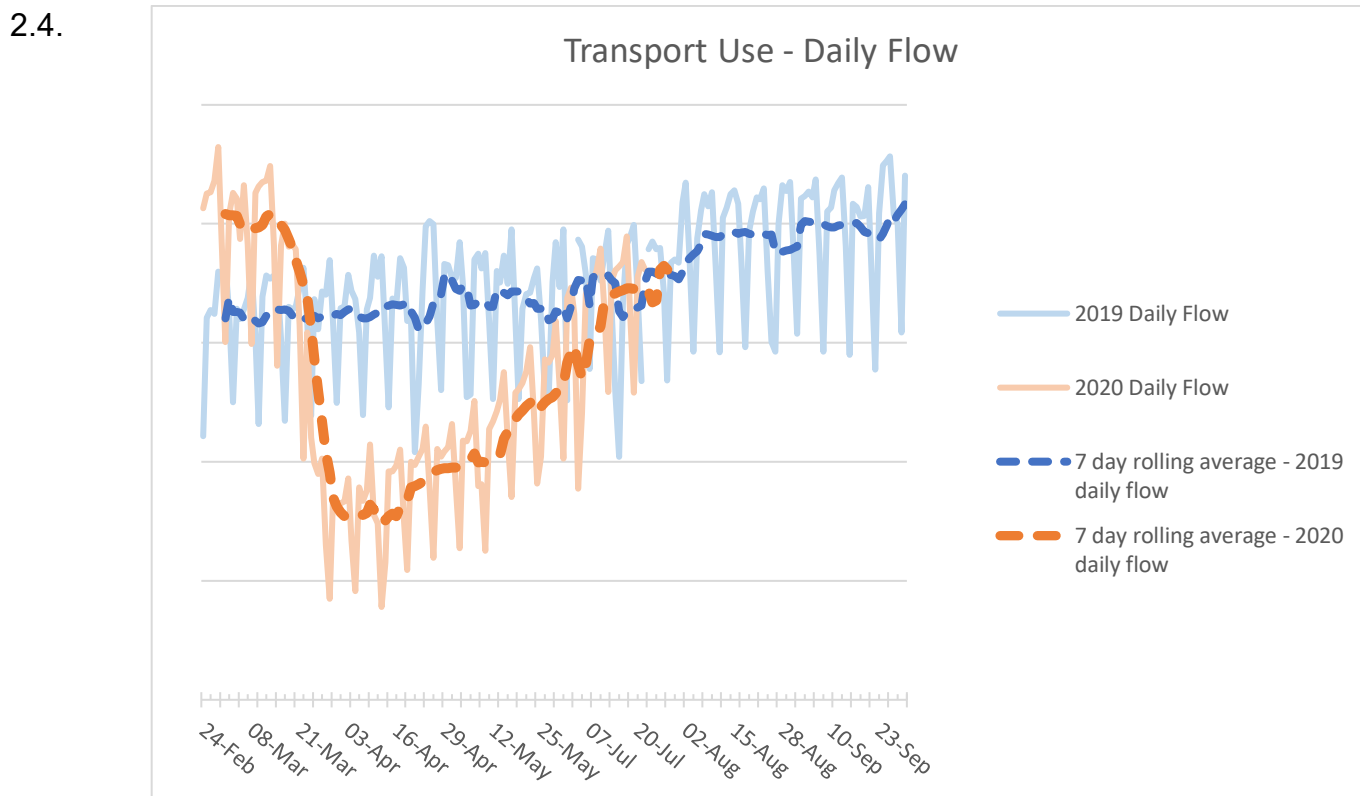
- 4.5. Vehicle movement data for the whole of Norfolk for the month of June 2018 and June 2019 was previously obtained from INRIX as part of a past project investigating congestion issues around the A11 at Thickthorn. The dataset for a whole month comprises of between 50-70 million points of information, reporting vehicle type, speed as well as origin and destination.
- 4.6. Due to its size and complexity, the IMT Data Services Team were commissioned to analyse and assimilate the June 2019 dataset to produce some journey performance statistics for all A roads maintained by NCC (A47 and A11 are maintained by Highways England).
- 4.8. Journey reliability and congestion performance for Monday to Friday 7am to 9am throughout June 2019 between major destination points in Norfolk has been summarised in maps presented in the main report. Green lines indicate journey times that were consistent/less congested, with red indicating routes that were more volatile and liable to disruption.
- 4.7. This exercise has provided a useful insight into journey reliability and capacity across our A road network using evidence gathered from objective, actual vehicle journey data. The journey reliability and congestion information provided in the main report is based on data held for June 2019 only. Assessment of other time periods would require the purchase of additional data (see financial implications section for costings).

1. Impact of COVID-19 on Highway Network Use

- 1.1. On 23rd March 2020, central government imposed a national lockdown in order to protect public health following the declaration by the World Health Organisation on 11th March 2020 that the COVID-19 coronavirus was now a pandemic.
- 1.2. The onset of the lockdown brought about unprecedented changes to the use of the highway network. In Norfolk, these changes were monitored through traffic activity levels recorded by key traffic-signalled junctions in Norwich, Great Yarmouth and King's Lynn, as well as access to data collected by mobile apps.

2. Change in Vehicle Use

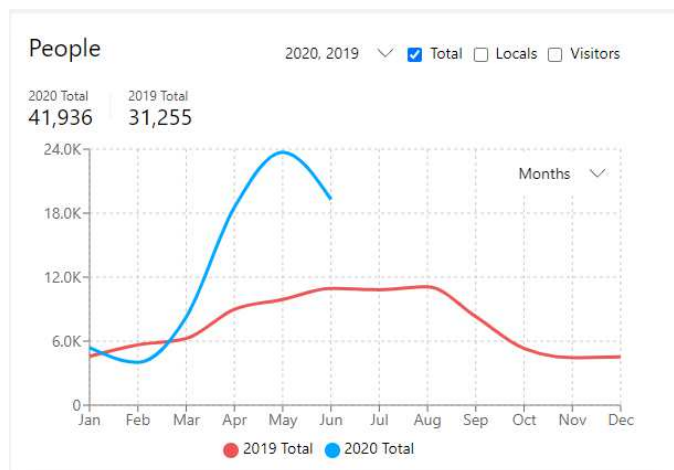
- 2.1. Within the first week following the announcement of the lockdown, traffic levels in these three areas were observed to decline by 70%, before then gradually increasing on a daily basis through the following month. At the end of July, traffic levels were around 11% below the levels observed at the end of February, pre-lockdown.
- 2.2. There is significant variation between the three geographical areas, with traffic volumes in Great Yarmouth back to February levels. Volumes in King's Lynn are still 12% below the baseline, with Norwich 17% below the baseline. It is worth noting that government guidelines encouraged employees to continue to work from home where ever possible up to the end of July, and that visiting tourist areas was permitted from 1st June.
- 2.3. Norwich in particular has a large office-based work community who are likely to be continuing to work from home, such is the case for Norfolk County Council employees who usually work from County Hall. The traffic data shows that morning and evening peaks continues to be largely suppressed.



3. Change in Cycle Use

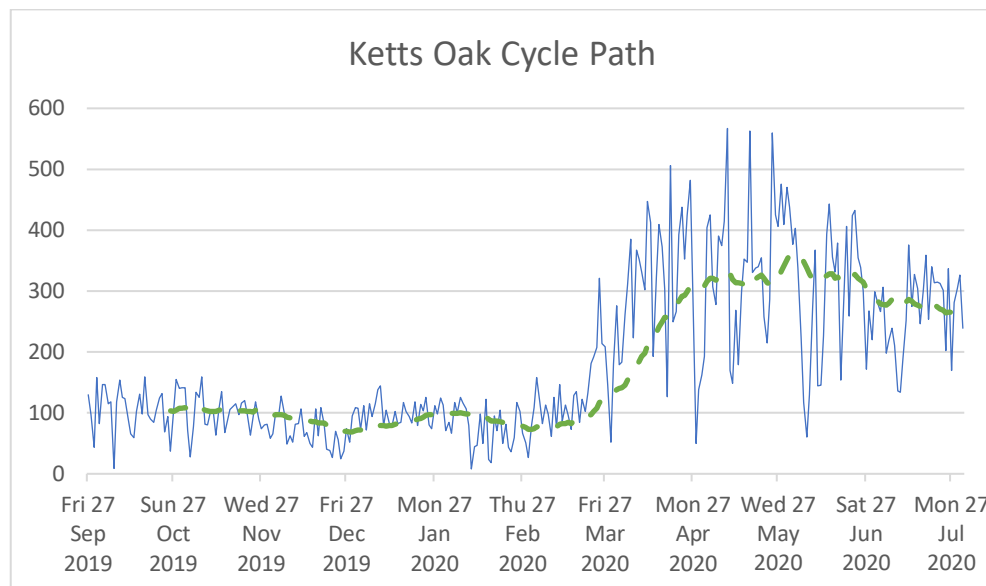
- 3.1. We have obtained access to data collected by Strava, a mobile application designed for use by cyclists and walkers to plan and record their journeys and progress towards personal goals.
- 3.2. The number of people using Strava to record cycling activity increased by 240% in May 2020, compared to May 2019. The total number of cyclist users up to June this year is already higher than the entire of 2019.

3.3.



- 3.4. A number of cycle counters are installed on our highway network. The graph below shows data collected on Ketts Oak Cycle Path (B1172 Hethersett), with a similar trend as identified by Strava data above. In May 2020, 11,000 cyclists were detected, an increase of 320% compared to October 2019 (counter was installed September 2019).

3.5.

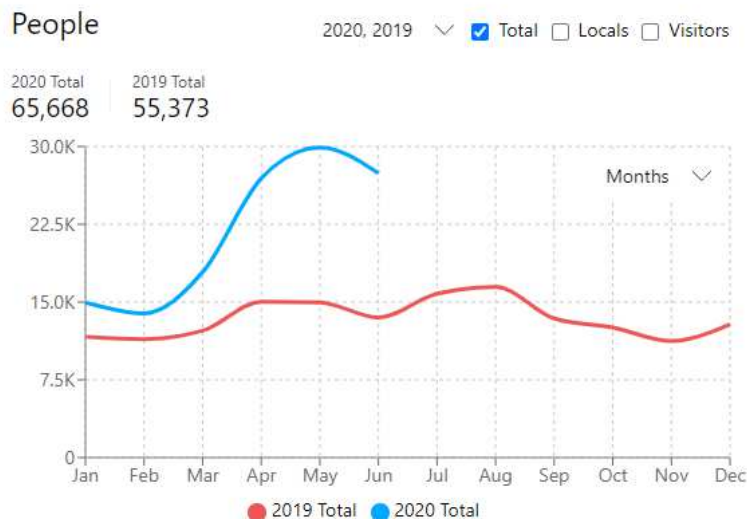


- 3.6. The latest trends available suggests that this increase has now plateaued, and even starting to decrease. Efforts are underway in an attempt to lock in some of these positive changes through phase 2 of the Active Travel fund being made available by the Department for Transport. We are submitting a bid towards this fund and anticipate DfT confirming if we have been successful in September 2020.

4. Change in Pedestrian Use

4.1. Data from Strava also shows that the number of people using their app to record their walking activity increased two-fold in May.

4.2.



4.3. A similar pattern appears to have emerged to that for cycling, with the latest data available suggesting that the increase in walking has plateaued and even started to decline. Walking schemes are included in the bid being made to the DfT's Active Travel Fund.

Infrastructure and Development Select Committee

Item No. 9

Report title:	Waste Disposal Authority Update
Date of meeting:	16 September 2020
Responsible Cabinet Member:	Cllr Andy Grant (Cabinet Member for Environment and Waste)
Responsible Director:	Tom McCabe (Executive Director of Community and Environmental Services)

Introduction from Cabinet Member

As we continue to drive down the environmental and financial costs of waste in Norfolk there is much good work to highlight. For the progress being made we also have to thank our partners the District Councils in the Norfolk Waste Partnership, the volunteers that work with us on valuable initiatives, and the members of the public who all play their part.

The direction set for our waste services is one that will increase recycling and reuse further, bear down on single use products, fly-tipping and waste generation, improve recycling centres for the public, and help ensure that our left-over rubbish isn't sent direct to landfill anymore but used to generate electricity instead.

We are building a waste service that is fit for the future by delivering improvements on the ground and by engaging with Government to help influence emerging national waste policy for the benefit of Norfolk and the wider environment.

I want to highlight that the Select Committee suggestions at its meeting on 11 September 2019 directly influenced the outcome of the recent procurement for services to treat residual waste. The outcome is one which from 2021 will deliver additional recycling, provide a service based on zero waste direct to landfill, deliver improved value for money, savings of £2m a year, and achieve significant carbon savings.

Executive Summary

This report highlights the activities of the County Council in its role as the Waste Disposal Authority for Norfolk, including planned improvements to the recycling centre network, detail on current performance of the recycling centres including the latest on improved customer satisfaction and the response to Covid-19, and the latest on waste reduction initiatives including work on single use products.

Detail of new contracts to treat waste and the latest information on countywide performance on recycling, waste reduction and fly-tipping are provided.

The Government's emerging policy directions on waste are explained, highlighting extended producer responsibility, deposit return schemes and the consistency agenda and what that may mean for future services in Norfolk.

Actions required

- 1. To note and comment on the update.**
- 2. In accordance with the County Council's second Waste Policy to review the arrangements for the *'incineration of waste or fuel derived from waste'* outside Norfolk set out in para 7.4 of this report.**
- 3. To support a strong response to national consultations on emerging waste policy that is in line with the County Council's waste policies and Environmental Policy.**

- 1. Background and Purpose**
 - 1.1 This report provides an explanation of the activities being progressed by the County Council's in its statutory role as the Waste Disposal Authority for Norfolk, which include the disposal of residual waste, provision of recycling centres and the payment of recycling credits.
 - 1.2 The County Council's 2020/21 revenue budget for these services is around £41.5m, which includes around £25.1m for waste disposal, £6.5m for recycling centres and waste reduction activities, and £9.9m for recycling payments to other organisations, predominantly District Councils, for the recycling they do.

1.2 The County Council's 2020/21 revenue budget for these services is around £41.5m, which includes around £25.1m for waste disposal, £6.5m for recycling centres and waste reduction activities, and £9.9m for recycling payments to other organisations, predominantly District Councils, for the recycling they do.

2. Recycling Centre Improvement Programme

2.1 An improvement programme for the recycling centre service is being delivered which includes two new recycling centres planned for the Norwich area that will improve the service provided to the public, deliver improved performance and allow for future growth requirements. These are indicated in the map below as *‘Norwich North Recycling Centre’* and *‘Norwich South Recycling Centre’*.

2.1 An improvement programme for the recycling centre service is being delivered which includes two new recycling centres planned for the Norwich area that will improve the service provided to the public, deliver improved performance and allow for future growth requirements. These are indicated in the map below as ‘*Norwich North Recycling Centre*’ and ‘*Norwich South Recycling Centre*’.



2.2 **Norwich North Recycling Centre**

- 2.2.1 The new Norwich North Recycling Centre will provide the largest County Council reuse shop and remove the need for customers to use steps to place waste in bins because the design features a lower level service yard, which will also mean the site can remain open during bin movements removing the need for service interruptions. The new site was granted planning permission by Planning (Regulatory) Committee on 5 June 2020 and an impression of the site is shown in the image below.



- 2.2.2 An application for a permit to operate the site has been submitted to the Environment Agency and planning conditions are being discharged before contractors commence work on a new access road from the A140. The access road is expected to be completed in spring 2021 and will support the recycling centre and a potential future business park being brought forward by developers. The new recycling centre is expected to open in September 2021 to replace the Mile Cross Recycling Centre in Norwich, which is due to close in September 2021.

2.3 **Norwich South Recycling Centre**

- 2.3.1 The new Norwich South Recycling Centre will replace the existing Ketteringham Recycling Centre and be located on an underutilised part of the Harford Park and Ride site.

The proposed recycling centre will also provide a large reuse shop and is designed to remove the need for customers to use steps to place waste in bins, by using a split-level site with separate and central service yard for the movement and storage of bins and an impression of the site is shown in the image below



- 2.3.2 A planning application for the new Norwich South Recycling Centre was submitted in July 2020 and a separate application for the operational permit is being prepared for submission to the Environment Agency.

Subject to planning approval (a decision is expected in autumn 2020) work to deliver the new site is expected to start by spring 2021 and the site expected to open in autumn 2021.

Following construction of the new recycling centre, Harford Park and Ride would retain around 800 spaces, considered sufficient for peak periods of usage and the park and ride would continue to operate throughout construction.

2.4 **Wider Improvement Programme**

- 2.4.1 Work is progressing on a wider infrastructure programme which includes improvements or replacements for Wymondham, Sheringham and Morningthorpe Recycling Centres. The improvements are to help ensure capacity to deal with future housing growth and to deliver improved performance and customer service, with each new site planned to include a reuse shop and provide a separate operational area to reduce site closures for servicing and bin movements and to further improve the safety of operations.

Once suitable sites are secured, planning applications are expected to be submitted in winter 2020/21 for the new and improved sites for Sheringham and Wymondham. Options for Morningthorpe Recycling Centre are also being considered to ensure that the most suitable solution is taken forward.

- 2.4.2 A refurbishment and improvement is planned for Caister Waste Transfer Station, which is a facility provided by the County Council as a local delivery point for the waste Great Yarmouth Borough Council collects from householders, before it is bulked up and sent for treatment. It is a key piece of waste infrastructure in east

Norfolk and due to the condition of the current building, and increasing demand on the facility, it is proposed to extend the facility with an additional building and refurbish the existing building, whilst continuing to provide an uninterrupted service to Great Yarmouth Borough Council throughout the construction.

A planning application is being prepared and subject to planning permission construction is expected to start in early 2021. The transfer station is owned by the County Council and operated by Norse Environmental Waste Services (NEWS). Work was carried out earlier this year to relocate a highways storage area into the main highway depot area at Caister, in order to vacate the area for the new transfer station building in advance of the main construction works.

- 2.4.3 The wider improvement programme is supported by a capital budget of £12.815m, which is summarised in the table below. This includes reference to a possible relocation of King's Lynn Recycling Centre, which already has planning permission and would occur to make way for the possible expansion of the adjacent gas fired power station if that development is taken forward.

	Cost	2020/21	2021/22
King's Lynn Recycling Centre Relocation	Developer funding	Update expected Feb / March 2021	
Norwich North Recycling Centre (replacement for Mile Cross)	£2.75m	Construction	
Norwich South Recycling Centre (replacement for Ketteringham)	£1.925m	Construction	
Sheringham Recycling Centre replacement	£1.65m		Construction
Wymondham Recycling Centre replacement	£2.2m		Construction
Morningthorpe Recycling Centre replacement	£1.65m		Construction
Caister Transfer Station extension	£2.64m		Construction
Total	£12.815m		

- 2.4.4 Capital funding of £0.3m has also been allocated to replace CCTV and automatic number plate recognition (ANPR) cameras and related software across 19 of Norfolk's recycling centres operated by NEWS, with a new system expected to be in place by the end of 2020/21. The new system will allow important service monitoring, for example in relation to safe operations and dealing with disputes and complaints and also provide valuable data on visiting patterns for each site.

3. Recycling Centres

3.1 Customer Satisfaction

3.1.1 Each year, customer satisfaction at recycling centres is measured through a satisfaction survey and the responses are used to help improve the service. The overall satisfaction rate for this year is 82.5%, an improvement from 79.5% last year, but lower than in 2017/18 which was 84.9% and was prior to the change to the charging policy for DIY type construction and demolition waste.

The 2019/20 survey ran from 14 February to the end of March 2020 and collected 1,975 responses although recycling centres were shut due to Covid-19 during the last week of the survey. Of the responses 7.3% were from customers using Mile Cross Recycling Centre which is provided under a contract with FCC Environment (UK) Ltd, with the remaining responses being for users of the other 19 recycling centres managed by NEWS (Norse Environmental Waste Services Ltd). The survey was promoted via leaflets given out by staff on site, social media promotions and other channels such as website promotion.

3.1.2 Satisfaction levels were high in relation to: opening hours, site cleanliness, materials accepted, helpfulness of staff and ease of use. The three most frequent comments related to: concern about DIY charges, the helpful/friendliness of staff and the unhelpful/unfriendliness of staff, with this latter point being addressed directly in early 2020 with a new wave of customer service training for all staff.

Most people wanted to find information about their service from the website, with newsletters, leaflets and hearing information direct from staff on site also being favoured.

34% of respondents visited their site once every two to three months, with 23% visiting once a month. 35% of respondents fell into the 65 to 74 year age group, with 29% 55 to 64 years and 15% 45 to 54 years.

3.2 Hazardous Waste Day Events

Recycling centres hold annual free household hazardous waste days, when certain hazardous waste items are accepted free from residents. Waste is hazardous if it can cause harm to humans or the environment and includes any waste that needs specialist disposal.

The next hazardous waste day events are scheduled for September and October 2020 and this year all sites will have three days as shown in the table below. This is to help allow for physical distancing measures and to spread the customer numbers out, and traffic management arrangements and marshals will be present to help things run smoothly.

Recycling Centre	Dates and Times
Mayton Wood	4, 5, 6 September, 09:00 to 17:00
King's Lynn	11, 12, 13 September, 09:00 to 17:00

Thetford	18, 19, 20 September, 09:00 to 17:00
Ketteringham	25, 26, 27 September, 09:00 to 17:00
Dereham	2, 3, 4 October, 09:00 to 16:00
Hempton	9, 10, 11 October, 09:00 to 16:00
Caister	16, 17, 18 October, 09:00 to 16:00

3.3 Reuse Shops

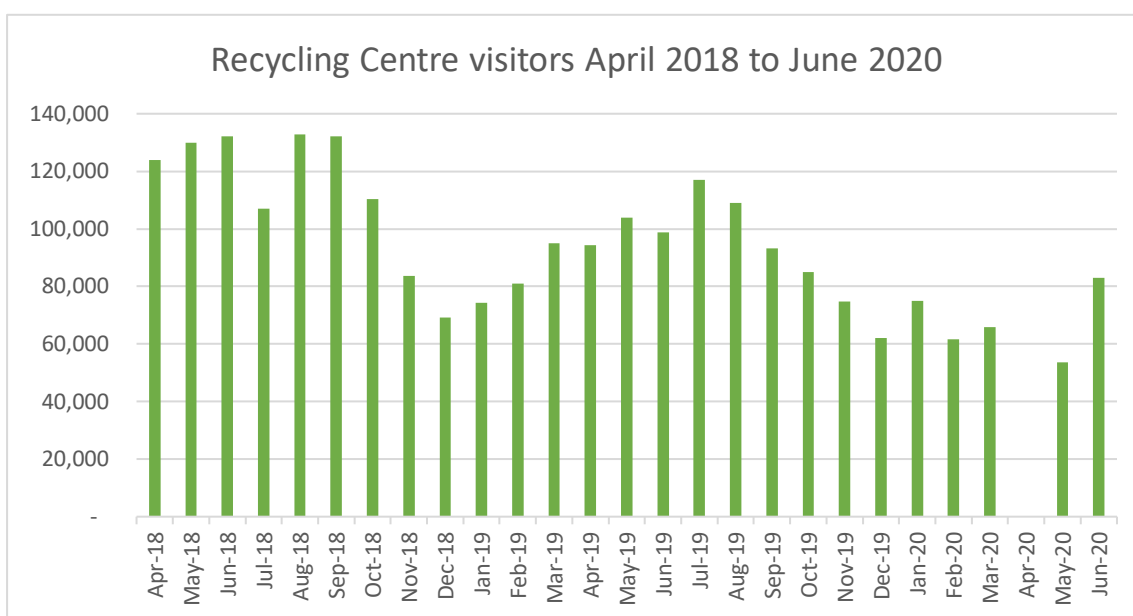
3.3.1 Five new reuse shops were opened in 2019/20 and Norfolk now has 14 reuse shops at recycling centres (<https://www.norfolk.gov.uk/rubbish-recycling-and-planning/rubbish-and-recycling/reduce-your-waste/reuse-shops>). Bergh Apton and Wells Reuse Shops opened in June 2019, Heacham and Wereham Reuse Shops opened in Sept 2019 and Snetterton Reuse Shop opened in November 2019 and the next reuse shop is planned to open at Worstead Recycling Centre in 2020/21.

3.3.2 Reuse shops sell items at 'car boot' prices and help prioritise reuse over recycling, as they sell items that otherwise may have been disposed of and in 2018/19 826 tonnes of items were sold generating an income of £192,000.

Sales from reuse shops also support a charity partner, the East Anglian Air Ambulance, and in 2019/20 the reuse shops raised £9,470 for this popular local cause.

3.4 Service Volumes – Customer Numbers and Throughput

3.4.1 Over a million customers visit recycling centres every year and a monthly break down is shown below, which shows a reduction in April and May 2020 caused by site closures due to Covid-19 and a reduction throughout the summer of 2019 which links to changed customer behaviours and weather patterns affecting garden waste, as no policy changes were made during this timeframe.

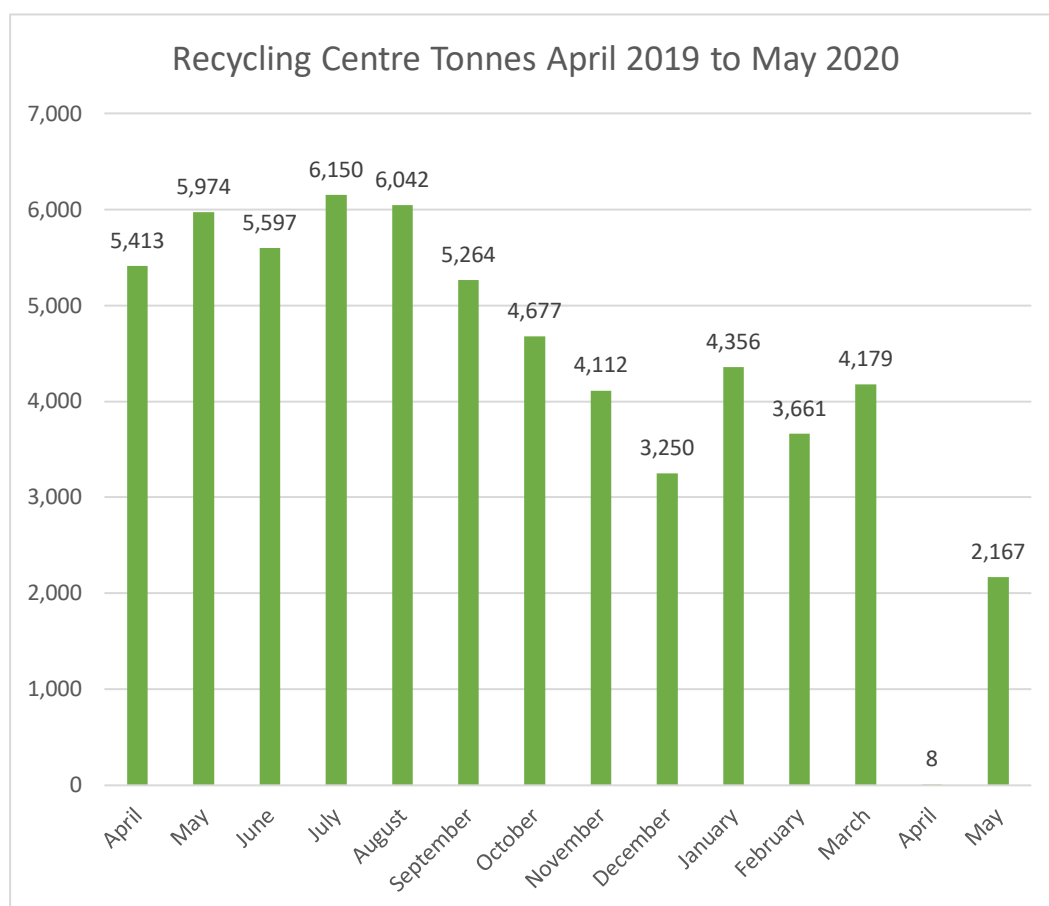


3.4.2 In 2019/20 Recycling Centres had a total tonnage throughput of 58,675 tonnes, with the previous year being 51,362 tonnes, and in 2017/18 the tonnage was 74,737 tonnes.

The significant reduction across the three years was linked to the change to the DIY charging policy in April 2018, which meant that all DIY type construction and demolition would be charged for, whereas previously the charge had only applied to amounts above either one item or a bin bag equivalent per week. Since 2018, the option to accept large amounts of this type of material has been extended to all sites, whereas previously that was not the case.

The change to the charging policy delivered a saving of over £500,000 a year, with charges set to cover costs and not generate a profit. Householders continue to have the option of a private waste company or a skip or bag removal service for dealing with this type of waste, but many continue to use the recycling centres as they provide a convenient and competitive alternative.

The graph below shows the monthly tonnage and seasonal variations linked to green waste and visitor patterns from April 2019 to May 2020, with the reduction in April and May 2020 being caused by site closures due to Covid-19. Since recycling centres reopened after the Government lock down the tonnage has returned to around 86% of the previous year, based on comparing June 2019 and June 2020 unaudited data.



3.5 Recycling Centre Recycling Rate

In 2019/20 the recycling centre service recycled 66.09% of materials which were delivered to sites, which was a reduction from 67.5% in 2018/19 and refers to all waste which is brought to the sites that is recycled, composted and reused.

The overall levels of diversion from disposal in 2019/20 were 75.79%, which is comparable to 76.4% in 2018/19. The diversion rate also includes specialist recovery of materials that have been collected separately, for example timber that is not suitable for recycling that is sent to a biomass plant for energy recovery.

Each recycling centre is measured on a percentage recycling rate and diversion rate with incentives to drive up performance which ranges from 69% to 87%. Performance is also influenced by customer usage, location and the presence of a reuse shop. For example, busy urban sites often have slightly lower recycling rates due to the types of waste that are brought to the sites, whereas rural areas may have a higher ratio of compostable garden waste.

3.6 Pay As You Throw Service

The County Council dealt with around 2,800 tonnes of material through its 'pay as you throw' scheme in 2019/20, which included around 270 tonnes of commercial waste. The total charges applied in the last three years are shown below, which reflect the change to the charges for DIY type construction and demolition waste that was made in April 2018:

Year	Annual income
2017/18	£52,002
2018/19	£293,650
2019/20	£291,940

In April 2020, as a refinement to the charges a half load rate for plasterboard of £4.50 was introduced at all 20 sites, as the cost for plaster board are high for one item at £9 and some customers only have a small amount to dispose of. At the same time the cost charged at Mile Cross Recycling Centre, which operates under different contractual arrangements, was reduced from £15 to £9 so that pricing was standardized across all 20 sites. Other charges remain the same per 80 litre sack or single item:

- Unsorted/non-recyclable DIY waste: £5.
- Flat glass: £5.
- Rubble: £3.
- Plasterboard: £9 or £4.50 for a half bag or less.
- Timber: £3.
- Scrap metal: no charge.

A charge of £4 applies to car tyres and payment over £10 is required by debit or credit card.

3.7 **Classification of Recycling Centres**

Recycling Centres are now classified as either full-time or part-time. Six sites are part-time and open Friday to Monday inclusive (Bergh Apton, Docking, Snetterton, Wells, Wereham and Wymondham), and aim to offer the fullest service possible in the space available, including reuse shops where they can be accommodated. As explained above, in April 2018 the Pay As You Throw service for DIY type construction and demolition waste was extended from larger sites to all recycling centres to deliver a wider service.

Some services, such as for commercial waste, plasterboard and tyre disposal are only provided at larger sites, with a page for each recycling centre on the County Council website allowing customers to check the services available:

www.norfolk.gov.uk/recyclingcentres

4. **Waste Reduction**

4.1 In terms of financial costs, for a Waste Disposal Authority that has reduced the unit cost of disposal and makes large payments to District Councils for recycling, the benefits of waste reduction in reducing financial costs become elevated.

In cost terms, recycling shifts part or all of the costs from one part of a system to another, depending on what the prevailing value of commodities are and the cost of processing is; for example collecting and treating food waste separately is seen to add costs to a total system.

In terms of waste reduction, both for the environmental and financial benefits, the County Council's focus is on themes listed in the table below.

Theme	Activities
Food waste	<p>Food savvy is the brand being used to deliver food waste reduction messages and initiatives (Food Savvy - Norfolk Recycles). Recently the focus has shifted from on the ground activities to a rolling digital campaign focused on making the most of food, including live Facebook events, tips, and Delicious Drawings - a competition for children run in partnership with the East of England Co-op.</p> <p>Norfolk Food Savvy volunteers promote the food waste reduction message within their local communities. Previously volunteers have been attending events and helping with cookery workshops. More recently the volunteers have been creating online recipes to share, writing blogs on reducing food waste and sharing top tips.</p>
Garden waste	<p>Home compost bins are offered to residents at a subsidised rate starting at £10 and can be ordered online or bought from Recycling Centres. A promotional campaign (Compost at Home - Norfolk Recycles) including leafletting, newspaper and magazine advertising, social media and press events is used to boost sales and interest in home composting.</p>

	<p>The Master Composter programme brings together over 60 volunteers to support and promote home composting by providing guidance to the public (Master Composters - Norfolk Recycles). In 2019/20 volunteers attended 45 events and delivered 14 workshops on home composting for beginners. The programme has adapted in 2020/21 and Master Composter volunteers ran the first live County Council Facebook event viewed over 4,500 times. This has been followed by further Facebook events, online public workshops, and volunteer tips, quotes and stories appearing in social media, local press and YouTube.</p> <p>In 2019/20 activities resulted in sales of 2,073 home compost bins, estimated to divert 3,110 tonnes of waste over a ten-year period. The programmes also provide support for many thousands of people who have previously started composting to enable them to continue and improve their home composting.</p>
Litter	<p>The Love Norfolk, Hate Litter campaign was launched in 2019 with the Norfolk Waste Partnership with pledges being made to the campaign and an expanding Facebook group established. The campaign continues to be promoted through the Norfolk Recycles social media and ezines.</p> <p>Allied to this is the County Council's Balloon and Sky Lantern Charter which was launched in 2019 and seeks to guide people and organisations to alternatives and take action.</p>
Single use products	<p>A single use products charter approach has been developed aiming to reduce the number of single use products used and to encourage Norfolk schools, businesses and individuals to take action.</p> <p>Activities have been carried out to reduce single use products at County Hall, notably the shift away from disposable coffee cups, and a format for a single use products charter and an information pack and supporting materials have been developed during a pilot with schools in the spring, which is planned to launch in the autumn.</p> <p>The principle is based on pledges that allow progression through increasingly prestigious achievements based on a bronze, silver and gold for actions achieved, leading to the award of a certificate and electronic logo and in a format that would be compatible with Eco-schools awards.</p> <p>A communications campaign and web page is planned to launch in 2020/21 to build on existing content (Reducing Single Use - Norfolk Recycles) and raise awareness of the new charter and encourage sign up and action amongst individuals, schools, and businesses.</p>

Summer pack for children	A Summer Recycling Challenge invites all primary school aged children and their families to take part to become Recycling Champions and is available on the Norfolk Recycles learning zone . The challenge is made up of a series of six different waste related activities, one to complete each week of the holidays, with themes such as composting, food waste, litter, recycling and waste free picnics, developed into creative activities.
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5. Payments to Districts and Others for the Recycling They Do

5.1 In 2019/20 the County Council paid around £9.1m to District Councils (referred to as recycling credits) for the recycling they collected, whether that was for the mixed dry recyclables, food or charged for garden waste that they collected as below.

Waste Collection Authority	Tonnes	£
Borough Council of King's Lynn and West Norfolk	27,139	£1,687,227
Breckland Council	21,151	£1,314,952
Broadland District Council	25,483	£1,584,267
Great Yarmouth Borough Council	12,212	£759,200
North Norfolk District Council	19,148	£1,190,424
Norwich City Council	18,082	£1,124,189
South Norfolk Council	23,099	£1,436,075
Total	146,314	£9,096,333

5.2 In 201/20 the following payments were made by the County Council to charities, parish councils and other organisations for the materials they collected in each District Council area as below.

Waste Collection Authority Area	Tonnes	£
Borough Council of King's Lynn and West Norfolk	255	£15,393
Breckland Council	290	£17,531
Broadland District Council	701	£42,298
Great Yarmouth Borough Council	135	£8,122
North Norfolk District Council	761	£45,951
Norwich City Council	507	£30,602
South Norfolk Council	295	£17,826
Total	2,944	£177,723

5.3 In 2019 the Norfolk Waste Partnership considered a proposal that offered increased payments from the County Council to District Councils for additional recycling above existing levels or waste reduction, which would be funded from the consequential avoided costs of the County Council.

This work was developed with funding from national waste charity Wrap and delivered by consultants Eunomia. The Norfolk Waste Partnership considered the options identified, which included the County Council making:

- i) Larger payments to Districts for recycling more.

- ii) Larger payments to Districts for collecting less waste.
- iii) Different payments to Districts for different materials.

The proposal considered by the Partnership was that any Waste Collection Authority or group of authorities should be able to progress an alternative funding model with the Waste Disposal Authority without need for a collective approach or endorsement. However, no alternative arrangements have been developed and this area may now be superseded by national policy developments, including an expected review of recycling credit legislation and the expectation that food waste collections will be required from 2023 and that two tier working on waste and waste partnerships will be reviewed a part of the Government's implementation of national policy on waste.

6. Recycling Performance

6.1 The table below shows that the overall recycling rate for Norfolk and the rates for each District Council all increased in 2019/20 based on the latest audited and published data ([National performance data published by Defra](#) is published around November each year for the preceding financial year).

Recycling Rates	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Norfolk - countywide	43.2%	45.8%	46.7%	45.8%	43.5%	44.4%
Borough Council of King's Lynn and West Norfolk	41.9%	44.3%	45.7%	46.4%	42.1%	42.5%
Breckland Council	37.3%	39.9%	40.3%	40.1%	37.4%	38.8%
Broadland District Council	46.8%	50.6%	50.9%	50.0%	48.2%	49.6%
Great Yarmouth Borough Council	26.7%	31.2%	33.3%	31.9%	29.0%	30.0%
North Norfolk District Council	41.4%	41.8%	41.9%	41.6%	39.3%	40.8%
Norwich City Council	35.0%	38.3%	38.3%	37.7%	38.3%	39.4%
South Norfolk Council	40.4%	43.6%	44.9%	42.9%	41.3%	42.5%
England	44.8%	44.3%	44.9%	45.2%	44.7%	Not available

6.2 Recycling rates during the past six years show that overall there has been a gentle increase in recycling which plateaued followed by a small decline.

Norfolk's highest recycling rate yet was 46.7% in 2016/17, which was boosted by a lot of garden waste in that year due to seasonal weather patterns. The latest estimate is 44.4% for 2019/20, which is based on pre-audited and unpublished figures and shows an increase on the previous year. The continuing reduction since the peak in 2016/17 is partly caused by weather patterns affecting the growing season for garden waste and partly down to more material having to be removed from the material District Councils collect for recycling, to help ensure it is marketable which is a development in response to

the global market effects caused by China implementing controls on the quality and quantity of material it would accept for imports.

7. Residual Waste

- 7.1 The County Council is responsible for treating and disposing of around 200,000 tonnes a year of left-over rubbish, which is from collections of kerbside waste by District Councils and from the County Council's recycling centres, and which is in addition to dealing with several thousand tonnes of street sweepings each year.

This is around half of the overall 400,000 tonnes of waste a year that Norfolk's eight local authorities deal with each year, ie for waste and recycling combined, of which around 390,000 tonnes is household waste.

Currently the 200,000 tonnes of residual waste is treated and disposed of via three contracts and an agreement with Suffolk County Council. On 13 January 2020, Cabinet agreed to continue the arrangement with Suffolk County Council beyond 2021 for treatment of initially around 20,000 tonnes a year of this waste.

At the same time, and informed by the suggestions of [Infrastructure and Development Select Committee on 11 September 2019](#) in relation to the item 'Residual Waste Procurement Strategy' at p107 on the agenda, Cabinet also agreed to start a procurement for services to deal with the remaining waste of around 180,000 tonnes a year beyond 2021 (further details are available in the background paper referred to in Section 15 of this report: [Cabinet, 13 January 2020, 'Residual Waste: Procurement and Suffolk Inter-Authority', p554 on agenda](#)).

- 7.2 This procurement process concluded with an award of a six-year contract to Veolia for services to start in 2021, with the option for an extension of up to two years.

The new contract will deliver additional recycling, provide a service based on zero waste direct to landfill, deliver improved value for money and savings of £2m a year, and achieve significant carbon savings compared to landfill by using rubbish as a fuel in incinerators to generate energy within the UK.

Initially this treatment service will be provided at a new facility at Kemsley in Kent, with the expectation that it will be treated at the new Rookery South Energy Recovery Facility near Stewartby in Bedfordshire, due to open in autumn 2021. Further details are available in the background paper referred to in Section 15 of this report: [Cabinet, 06 July 2020, 'Residual Waste Contract Award', p104 on agenda](#).

- 7.3 Linked to the establishment of the treatment services for waste from April 2021, the County Council is also determining suitable arrangements to ensure a wide coverage of local delivery points, generally referred to as waste transfer stations, for use by District Councils to supplement or replace existing arrangements.

7.4 The County Council's second waste policy requires that arrangements for the *'incineration of waste or fuel derived from waste'* outside Norfolk *'should be reviewed by Committee on an annual basis'*. Full Council agreed 20 waste policies on 15 December 2014 and minutes and agenda of that meeting are available in the background paper referred to in Section 15 of this report: [Full Council, 15 December 2014, 'Waste Advisory Group Policy and Strategy Recommendations', p38 on the agenda and p9 on the minutes.](#)

In relation to this requirement the arrangements for the financial year 2019/20 are summarised below (as was also presented to Cabinet on 06 July 2020) and presented alongside this are projections for 2020/21 for comparison, showing how many tonnes were treated by what process via each arrangement.

Contractor	Year	FCC Environment	Mick George / Frimstone	Seneca	Suffolk County Council	Total
Combined Heat and Power	2019/20	48,351	21,100	28,146	-	97,597
	2020/21	95,700	31,300	34,100	-	161,100
Energy From Waste	2019/20	25,288	-	-	38,781	64,069
	2020/21	-	-	-	39,400	39,400
Landfill	2019/20	26,790	12,999	-	-	39,789
	2020/21	-	1,000	-	-	1,000
Total	2019/20	100,429	34,099	28,146	38,781	201,455
	2020/21	95,700	32,300	34,100	39,400	201,500

Current arrangements are based on either:

- Export of bales of refuse derived fuel for incineration in combined heat and power facilities in mainland Europe, where it is used to generate heat and electricity, or
- Incineration in energy from waste plants in the UK where it is used to generate electricity.

However, there has been increased landfill disposal in the UK as contingency, for example in response to lack of available treatment capacity in the Netherlands during 2019/20.

The estimates for 2020/21 in the table above are based on the latest projections, with the reduction in landfill linked to the opening back up of the Dutch refuse derived fuel sector, despite it being affected by the decision in December 2019 by the Dutch Government to introduce a tax to apply from January 2020 on all refuse derived fuel that was imported in to the Netherlands.

- 7.5 The table below compares the performance of existing arrangements to treat waste with the new arrangements due to start in 2021/22, thereby highlighting the reduction to zero of landfill, the increased recycling and the increased amount used to generate electricity as opposed to electricity and heat – which reflects the move from an export based approach to use of facilities in the UK.

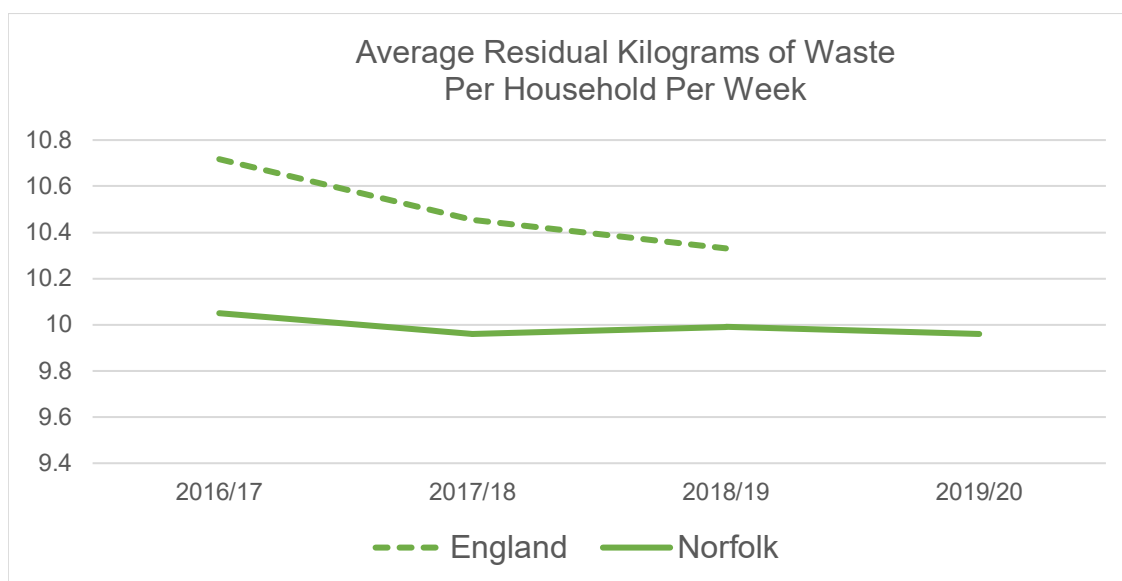
	Existing arrangements (2019/20 actuals)	New arrangements (2021/22 estimates)
Recycled as metals	3,740t	4,278t
Recovered for use as aggregates	31,759t	47,931t
Used to generate heat and electricity	97,597t	0t
Used to generate electricity	64,069t	200,000t
Disposed of directly to landfill	39,789t	0t

- 7.6 The amount of residual waste dealt with by the County Council has dropped over recent years due to less waste being collected by district councils and less waste being generated by recycling centres.

The County Council dealt with 210,372 tonnes of residual waste in 2019/20 (pre-audit figure). This is an increase from 208,743 tonnes in 2018/19 but is lower than 212,850 tonnes in 2017/18 and is also lower than 216,031 tonnes in 2016/17.

- 7.7 The amount of residual waste per household per week is a useful measure for gauging the effects of waste reduction, reuse and recycling, and is a measure which also allows benchmarking across local authorities. Performance is influenced by changes to recycling services by District Councils and the County Council, behaviour change by consumers and the public changing waste habits, and the status of the wider economy, whilst law change and weather patterns also have an effect.

In Norfolk the amount of left over rubbish is lower than the national average and has stabilized at around 10 kg of waste per household per week between 2015/16 and 2019/20. However, this indicator does not link directly to the County Council's costs for residual waste, as it also includes contamination levels in recycling, which is a District Council cost, and contamination levels have risen sharply since 2018 as more material has had to be removed from materials collected for recycling to ensure that they are marketable.



Nationally residual waste per household remained second quartile in 2018/19, and waste to landfill at 4.3% dropped to second quartile up 2.75% on 2017/18. Total household waste per person remained second quartile.

8. Fly-tipping

8.1 The number of reported incidents in Norfolk is on a downward trend as shown in the table below.

Year	Reported Incidents
2019/20	10,353* latest pre-audited and unpublished data
2018/19	11,286
2017/18	15,305
2016/17	17,908

8.2 The total number of recorded incidents across Norfolk in the first three months of 2020/21 is similar to the same period the year before, with 2,592 this year, compared to 2,573 last year although incident numbers are up in four areas, down in two and around the same in one, as shown in the table below, which is the latest pre-audited and unpublished data, as the national data is released each October.

	Borough Council of King's Lynn and West Norfolk	Breckland Council	Broadland District Council	Great Yarmouth Borough Council	North Norfolk District Council	Norwich City Council	South Norfolk District Council	Total
19/20								
Q1	328	251	66	365	123	1,249	191	2,573
Q2	322	180	140	345	135	1,220	162	2,504
Q3	247	204	107	341	109	1,204	193	2,405

Q4	364	349	125	440	150	1,264	179	2,871
19/20 Total	1,260	984	438	1,491	517	4,937	725	10,353
20/21	King's Lynn	Breckland	Broadland	Great Yarmouth	North Norfolk	Norwich	South Norfolk	Total
Q1	298	303	175	500	168	944	204	2,592

- 8.3 The downward trend in recent years is despite concerns that changes to local authority charging policies for waste would lead to significant increases in fly-tipping and is for a number of reasons. A large part of the reduction in 2018/19 was caused by a changed reporting approach by Great Yarmouth Borough Council and more recent changes in performance are in part linked to the launch of the anti-fly-tipping campaign 'SCRAP' in 2019 and the restrictions on movements and activities in 2020 linked to Covid-19.
- 8.4 The SCRAP fly-tipping campaign was launched in 2019 with the Norfolk Waste Partnership to highlight what steps can be taken to help prevent the crime and report it: <https://www.norfolkrecycles.com/home/communityaction/fly-tipping-report/#>. The latest phase of the campaign, which ran between February and March 2020, was split into two themes:
- Waste carriers and their business duty of care, outlining the consequences they could face for illegal practice including vehicle seizure.
 - Householder duty of care and the enforcement/prosecution faced by a householder if their waste is fly-tipped by others.
- The recent focus, due to Covid-19, has been fly-tipping waste outside closed charity shops, near street bins and at closed recycling centres. The next move is the co-ordinated highlighting of actual convictions/prosecutions as a deterrent, combined with the continuation of the active use of social media channels to publicise the SCRAP messages.
- 8.5 In terms of sizes of fly-tipping incidents the majority recorded in 2018/19 were small van load size or larger, totalling 6,021 or 53% of total incidents; the remaining 5,265 incidents being a single item or smaller than a car boot size.
- Approximately 75% of recorded incidents in 2018/19 related to material which could be accepted from householders for free at the County Council's recycling centres. The three largest categories were 'other household waste' (5,586 incidents), black bags of household waste (1,392 incidents) and white goods (740 incidents). These are all items that local authorities either collect free of charge or for a fee from householders and which can be accepted from householders for free in unlimited quantities at recycling centres, which also accept electrical items (483 incidents) and green waste (341 incidents) for free from householders.
- 8.6 All incidents of illegal dumping of waste can be reported to the local District Council for investigation, and larger scale incidents should be reported to the Environment Agency if they involve more than a lorry load of waste, any amount of hazardous waste or are suspected to be by organised gangs. Incidents of fly-tipping are recorded by the District Councils in Norfolk and collated in a national database which is maintained by the Environment Agency and published by Defra

each year. For incidents on public land the District Councils bear the cost of collection, clearance and subsequent investigation and the County Council meets the full cost of disposal.

9. National Policy Directions

9.1 A new resources and waste strategy for England, entitled [Our Waste, Our Resource](#) was published on 18 December 2018. This Strategy supports Government's commitment stated in its 25 Year Environment Plan to leave the environment in a better condition for the next generation and is being supported by a series of consultations ([Resources and Waste Strategy Consultations - Defra](#)) which provide further detail on how proposals could be implemented, with the next consultations expected in early 2021.

The main themes are identified in the table below, and the expectation is that the Environment Bill will be used to provide primary legislation for enabling powers, with further legislation developed during 2021 and 2022 following consultation, as currently the expectation is for a major step change in requirements from 2023.

Theme	Description	Comments
Extended Producer Responsibility (EPR)	Packaging – making producers deal with the full net costs of it, including costs of collection, recycling, disposal, litter reduction, communications and data collection.	<ul style="list-style-type: none"> a) Three elements are proposed for producer payments to local authorities for packaging: <ul style="list-style-type: none"> i) Payment for the cost of providing collections. ii) Payment for the amount recycled. iii) Payment relating to the cost of packaging waste in residual waste. b) It is unclear how this money would be paid to local authorities but it is probably that standards would have to be met for a local authority to be eligible. c) Producers are expected to become important customers for local authorities and may form market competition for commodities.
Consistency	Requiring a standard approach and core of materials to be collected by local authorities.	<ul style="list-style-type: none"> a) 65% recycling by 2035 and a move away from weight-based targets. b) An expectation to collect food waste from 2023. c) Free garden waste collections were proposed. d) A selection of core materials has been identified with a preference

		<p>for glass and fibres to be collected separately.</p> <p>e) Recycling credits will be reviewed, along with waste partnerships and two-tier working.</p> <p>f) Recycling centres services and extending their role are to be reviewed, including the abilities to charge and in relation to the acceptance of hazardous household waste and textiles.</p>
Deposit Return Scheme (DRS)	Placing a charge on drinks bottles and containers which is refunded when it is returned.	<p>a) The scope of items is unclear and could range from only targeting limited 'on the go' type items linked to littering to 'full scope' to include a broader range of containers.</p> <p>b) There is a risk that local authorities could be left with low value items and the cost of providing a service to high cost areas and that producers may not want to meet costs through EPR of items also covered by a DRS if they are also collected by local authorities.</p>
Plastic Tax	A new tax on plastic packaging that doesn't contain 30% recycled content	Expected to come into force in April 2022, set at £200 per tonne, the tax should drive up the value of recycled plastic and lead to alternatives being used.

10. Impact of the Proposal

- 10.1 The report outlines the impact that improvements to the waste service are having with a focus to increase reuse and recycling, reduce waste, improve customer experience at Recycling Centres, fight the blight of fly-tipping and litter whilst reducing the carbon and financial impact of services as well.

11. Financial Implications

- 11.1 Covid-19 is expected to increase the costs of the County Council's waste services. This is because during lockdown the District Councils collected more recycling from householders, meaning payments from the County Council to District Councils will increase.

During the same period waste generated by householders increased whilst the District Council trade waste collections reduced in line with their commercial customers need for services, meaning that although overall levels of waste

collected by district may not change significantly the amount the County Council pays for will increase. This is because the County Council is able to recharge the costs of disposal for trade waste back to District Councils who pass their cost to their commercial customers.

Costs for Recycling Centres have also been affected by Covid-19, with the reduced costs linked to site closures in March to early July expected to be exceeded by additional costs for the traffic management and site security provided to help ensure the service could reopen safely.

These additional costs have been included in the overall budget position and will be managed against the Covid-19 emergency grant received by the County Council.

- 11.2 The potential for the Government's proposal for Extended Producer Responsibility to require producers to meet the full net costs of dealing with their packing is significant for local authorities. The next information on this is expected in a consultation on the detail of the proposal in early 2021.

Elements of the Government's Consistency and Deposit Return Scheme agenda are also expected to affect the County Council's costs, along with the expected review of recycling credit legislation and the Controlled Waste Regulations 2012, which provides the framework for charging at recycling centres for construction and demolition waste.

- 11.3 Costs and the amount of waste collected are expected to increase as housing growth creates greater service demand for collection services, recycling centres and residual waste. In 2020/21 the effects of a Dutch tax on refuse derived fuel imported in to the Netherlands are expected to be significant at around £28 per tonne (depending on prevailing exchange rates), however in 2021/22 the costs for dealing with residual waste are expected to reduce by £2m a year linked to new arrangements to treat waste.

12. Resource Implications

12.1 Staff:

Current activities are being delivered with existing resources.

12.2 Property:

None arising from this report.

12.3 IT:

None arising from this report, although the report refers to the purchase of a replacement CCTV and automatic number plate recognition (ANPR) cameras and related software across 19 of Norfolk's Recycling Centres.

13. Other Implications

13.1 Legal Implications

None arising from this report.

13.2 **Human Rights Implications**

None arising from this report.

13.3 **Equality Impact Assessment (EqIA)**

Equality impacts are taken in to account where policy is reviewed or new developments are proposed.

13.4 **Health and Safety Implications**

- 13.4.1 In response to the Covid-19 pandemic and to protect customers, staff and the wider community, Recycling Centres were closed on 24 March 2020 in line with the Government advice and new Coronavirus Regulations that restricted movements to a limited range of justifications, which did not include visiting a recycling centre.

Recycling Centres were reopened in a phased manner from 10 May, initially in line with Government advice that *'it would be reasonable for residents to undertake a journey to an HWRC if waste or recycling could not be stored safely at home'*, and then subsequently in line with a change to the Coronavirus Regulations that fully legitimised a trip to a recycling centre as *'a reasonable excuse'* for a person to *'leave the place where they are living'*.

- 13.4.2 On 10 May, the eight largest recycling centres were reopened with new procedures and physical distancing requirements, reduced parking on sites, and security and traffic management in place as required. Initially, and to manage demand, vans and trailers were not accepted and this restriction was lifted after a week. From the outset the aim was to provide as close to a 'normal' service as possible, so the fullest range of items were accepted from the outset, including charged for materials.

As well as site staff the public also played a major part in the success of the reopening of the recycling centre service, as May is one of the busiest times of year at the recycling centres and demand for the service was initially very high, as householders were dealing with a back log of materials from their homes and gardens. Despite queues to enter sites customers followed the guidelines and staff instructions on site and also provided some very positive feedback with several writing in to say thank you to site staff and for the organisation and the efficient and safe way the redesigned service was being provided by the County Council.

All sites have been open since early July and a full service is nearly resumed, compost and compost bin sales as well as sales of other outdoor items such as second-hand bikes and lawn mowers have started again and the aim is to reopen reuse shops in autumn or as soon as is possible.

- 13.4.3 Legislation requires local authorities to take on responsibility for sharps waste from self-medicating patients. This waste has been disposed of via NHS contracts serving pharmacies and surgeries but there is no data on how much sharps waste there is and the NHS no longer wants to deal with this waste.

Consequently, a short-term pilot is being undertaken with pharmacies in part of Norfolk to capture volume data ahead of wider roll out across Norfolk as part of a procurement for a longer-term service provided by local authorities covering the whole of Norfolk.

13.5 **Sustainability implications**

13.5.1 The County Council's waste policies established by Full Council on 15 December 2014 and its Environmental Policy provide a clear and strong framework for the design and delivery of waste services. Waste has a significant carbon impact and Government has stated it wants to work with local authorities to develop new performance metrics for waste, to complement and move beyond current weight-based targets to ones which recognise environmental benefits.

13.5.2 A new waste treatment contract with Veolia starts in April 2021 with a solution based on:

- a) Zero waste from Norfolk residents sent directly to landfill.
- b) All of Norfolk's left-over waste being used to generate energy in the United Kingdom.
- c) More recycling, with metals and aggregate recovered from the used fuel.
- d) 47,000 tonnes of carbon emissions saved every year or over a quarter of a million tonnes of carbon emissions saved over the six years of the contract compared to sending the waste to landfill.

13.6 **Any other implications**

13.6.1 There is a risk that overall waste tonnages in Norfolk will increase, for instance linked to increases in the number of households, economic growth, climate change and weather patterns. Furthermore, an expansion of trade waste services by other local authorities or a recycling market collapse could also lead to increases in residual waste.

13.6.2 The possibility of the introduction of an incineration tax has been raised by Treasury in recent years and the effects of such a tax or a change of law could affect prices for residual waste treatment.

14. **Actions required**

- 14.1
- 1. To note and comment on the update.
 - 2. In accordance with the County Council's second Waste Policy to review the arrangements for the *'incineration of waste or fuel derived from waste'* outside Norfolk set out in para 7.4 of this report.
 - 3. To support a strong response to national consultations on emerging waste policy that is in line with the County Council's waste policies and Environmental Policy.

15. **Background Papers**

15.1 [Cabinet, 06 July 2020, 'Residual Waste Contract Award', p104 on agenda](#)

[Cabinet, 13 January 2020, 'Residual Waste: Procurement and Suffolk Inter-Authority', p554 on agenda](#)

[Infrastructure and Development Select Committee, 11 September 2019, 'Residual Waste Procurement Strategy', p107 on the agenda](#)

[Full Council, 15 December 2014, 'Waste Advisory Group Policy and Strategy Recommendations', p38 on the agenda and p9 on the minutes](#)

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Infrastructure and Development Select Committee

Item No. 10

Report title:	Norfolk County Council budget planning 2020-21
Date of meeting:	16 September 2020
Responsible Cabinet Member:	Cllr Andrew Jamieson (Cabinet Member for Finance)
Responsible Director:	Tom McCabe, Executive Director of Community and Environmental Services

Introduction from Cabinet Member

Work is underway to develop proposals which will support the preparation of a balanced and robust Budget for 2021-22. However, the impact of Covid-19, along with continued unprecedented levels of uncertainty about future year pressures and funding, represent a very significant challenge for Norfolk County Council in developing its budget plans for 2021-22. The scale of the budget gap to be closed remains subject to substantial uncertainty and there are a number of issues which could have a material impact on the level of resources available to the Council to deliver services in the future. As part of responding to these challenges, services will need to bring forward balanced, sustainable budget proposals which enable the Council to continue to deliver essential services to Norfolk's people, businesses and visitors.

This report forms an important part of the process of preparing the 2021-22 Budget, and represents a key opportunity for Select Committees to provide views on the approach to developing budget proposals.

Executive Summary

Cabinet has sought Select Committee input into the 2021-22 budget process, in respect of the approach to the development of saving proposals. This report appends the latest information about the 2021-22 Budget in order to support Select Committee discussion and enable them to provide input to the October meeting of Cabinet to inform budget decisions.

Actions required

- 1. To consider and comment on the key issues for 2021-22 budget setting and the broad areas proposed for savings development in relation to the services within the Select Committee's remit, in order to provide input to the October Cabinet meeting and inform saving proposals put forward.**

1. Background and Purpose

- 1.1. At its meeting 8 June 2020, Cabinet agreed that Select Committees should have a role in the 2021-22 budget process and requested that Select Committees consider the areas for savings in the services falling within their remit.

2. Proposals

- 2.1. The reports to the June and September Cabinet meeting together provide an overview of:
- the overarching timetable for 2021-22 budget setting;
 - the key issues being identified in relation to 2021-22 budget setting;
 - the target level of savings to be found by each service department;
 - the impact of the Covid-19 response on services; and
 - the broad approaches and themes for the development of saving proposals by Service.
- 2.2. The Select Committee's views are sought in relation to the services within its remit on (1) key issues for 2021-22 budget setting and (2) the broad areas proposed for savings development, in order to help shape budget and saving proposal development for 2021-22, assist in the identification of key pressures and priorities for the 2021-22 budget, and (ultimately) to inform the budget proposals to be considered by October Cabinet prior to consultation.
- 2.3. Select Committee members may in particular wish to refer to the following sections of the September Cabinet report:

People and Communities Select Committee:

- Section 4 – Service financial strategy and approach to developing 2021-22 Budget proposals – Adult Social Services
- Section 5 – Service financial strategy and approach to developing 2021-22 Budget proposals – Children's Services

Infrastructure and Development Select Committee:

- Section 6 – Service financial strategy and approach to developing 2021-22 Budget proposals – Community and Environmental Services

Corporate Select Committee:

- Section 7 – Service financial strategy and approach to developing 2021-22 Budget proposals – Strategy and Governance
- Section 8 – Service financial strategy and approach to developing 2021-22 Budget proposals – Finance and Commercial Services / Finance General

3. Impact of the Proposal

- 3.1. Select Committee input will support in shaping budget proposals and contribute to the 2021-22 budget setting process. Further impacts are set out in the appended papers.

4. Financial Implications

- 4.1. Highlighted in appended report.

5. Resource Implications

5.1. Staff:

There are no direct implications arising from this report although there is a potential that staffing implications may arise linked to specific saving proposals developed. These will be identified as they arise later in the budget planning process.

5.2. Property:

There are no direct property implications arising from this report although existing saving plans include activities linked to property budgets and assumptions around capital receipts to be achieved. In addition, activities planned within Business Transformation will include further work to deliver property related savings.

5.3. IT:

There are no direct IT implications arising from this report although existing saving plans include activities linked to IMT budgets. In addition, activities planned within Business Transformation will include further work to deliver savings through activity related to digital and IT initiatives.

6. Other Implications

6.1. Legal Implications

Highlighted in appended papers.

6.2. Human Rights implications

No specific human rights implications identified.

6.3. Equality Impact Assessment (EqIA)

Highlighted in appended papers. EQIAs will be undertaken later in the budget process.

6.4. Health and Safety implications (where appropriate)

None identified.

6.5. Sustainability implications (where appropriate)

None identified.

6.6. **Any other implications**

None identified, beyond those highlighted in appended papers.

7. **Actions required**

- 7.1. 1. To consider and comment on the key issues for 2021-22 budget setting and the broad areas proposed for savings development in relation to the services within the Select Committee's remit, in order to provide input to the October Cabinet meeting and inform saving proposals put forward.

8. **Background Papers**

- 8.1. Norfolk County Council Revenue and Capital Budget 2020-21 to 2023-24, County Council 17/02/2020, agenda item 5 ([here](#))
Strategic and Financial Planning 2021-22, Cabinet 08/06/2020, agenda item 12 ([here](#))
Strategic and Financial Planning 2021-22, Cabinet 07/09/2020, agenda item 11 ([here](#))

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Cabinet

Item No: 11

Decision making report title:	Strategic and Financial Planning 2021-22
Date of meeting:	7 September 2020
Responsible Cabinet Member:	Cllr Andrew Jamieson (Cabinet Member for Finance)
Responsible Director:	Simon George, Executive Director of Finance and Commercial Services Fiona McDiarmid, Executive Director of Strategy and Governance
Is this a key decision?	No

Introduction from Cabinet Member

As set out in the Financial Monitoring report elsewhere on the agenda, the Council continues to work to deliver a balanced position for 2020-21. Simultaneously, work is underway to develop proposals to enable a balanced and robust Budget to be proposed for 2021-22. The impact of COVID-19, along with continued unprecedented uncertainty about future year pressures and funding, represent a very significant challenge for the Council in developing its Medium Term Financial Strategy. As set out in this report, the scale of the budget gap to be closed in future years remains subject to substantial uncertainty and there are a number of issues which could have a material impact on the level of resources available to Norfolk County Council to deliver services in the future.

In the face of these challenges, it will be critically important to bring forward balanced, sustainable budget proposals which will enable the Council to continue to deliver the essential services which are relied on by all Norfolk's people, businesses and visitors. This report represents an important milestone in the development of the 2021-22 Budget and provides an opportunity for Members to influence the shape of these emerging proposals.

Executive Summary

The latest estimates of the financial impact of the COVID-19 pandemic are set out in the Financial Monitoring report. This reflects additional costs, lost income and undeliverable savings in the current year, many of which will have an extended impact on the 2021-22 Budget. This report, and the Financial Monitoring paper, together provide an overview of the anticipated financial implications of COVID-19, for both the current year and for the Council's Medium Term Financial Strategy as originally agreed in February 2020.

The Council continues to engage with MPs, the County Council Network (CCN), the Local Government Association (LGA), the Ministry for Housing, Communities and Local Government (MHCLG) and other Government Ministers and departments on the need for

sustainable and long term funding for councils. The latest opportunity to communicate our key concerns is provided by the Comprehensive Spending Review.

The 2021-22 Budget is being prepared in truly exceptional circumstances. These are inevitably having a profound impact on the organisation's ability to achieve planned budget savings and income for 2020-21, as well as on the capacity to develop and deliver new budget proposals for 2021-22, and on the wider budget position, which, as a result, is the subject of extremely high levels of uncertainty. As such, the report forms part of the budget planning process for 2021-22, which has been designed to recognise that there remains a need for ongoing flexibility to respond to changing circumstances. In this context, the report also provides a summary of key areas of wider risk and uncertainty for Cabinet to consider.

The MTFS position will continue to be updated in light of future government announcements and as the scale of the impact on the Council becomes clear. This will be reported to Cabinet and to Scrutiny Committee as the budget setting process progresses.

Recommendations

1. **To comment on and agree key points to be included in the representation to the Comprehensive Spending Review in relation to:**
 - the uncertainty about wider funding allocations and reforms;
 - the urgent need for details to enable 2021-22 budget setting;
 - the need for adequate funding to meet pressures from Covid-19; and
 - the fundamental need to address underlying pressures including adults and children's social care.

Delegate to the Leader and Cabinet Member for Finance to approve the final response for submission on behalf of the Council reflecting the points set out in Paragraph 2.4.
2. **To comment on and agree the key points set out in Paragraph 2.6 to be included in the response to the consultation on Business Rates system and delegate to the Leader and Cabinet Member for Finance to approve the final response for submission on behalf of the Council.**
3. **To consider the updated overall budget gap of £129.779m in the Medium Term Financial Strategy including a latest gap of £45.434m forecast for 2021-22, noting the key areas of risk which remain to be quantified. (Section 3)**
4. **To agree that detail of saving proposals to aid in closing the budget gap should be presented to Cabinet in October, after being developed based on the approaches set out in Sections 4-8, and following input from Select Committees about the overall strategy in each Department during September.**

1. Background and Purpose

- 1.1. This report provides an update on the developing 2021-22 Budget and associated Medium Term Financial Strategy (MTFS). To inform discussion of the budget position it also:
 - Summarises the latest position in relation to some of the significant uncertainties facing local government finances as a result of COVID-19 and other issues.
 - Sets out the latest view of the MTFS position for 2021-22 onwards, updating the assumptions agreed in February 2020. This position will be updated further as part of reporting to Cabinet in October.
 - Provides an overview of some of the key issues facing services in relation to their financial strategy, and proposes the approach being taken in each Department in order to develop saving proposals to seek to meet the targets agreed by Cabinet in July.
 - Details the key points to be made in the Council's representation to the 2020 Comprehensive Spending Review process, and the call for evidence on Business Rates reform, for endorsement.
- 1.2. Ultimately this report is intended to support the Council in preparing the 2021-22 Budget and developing the approach to identifying savings proposals which will assist in delivering a balanced budget for the year.
- 1.3. The content of the report is based on circumstances that are changing frequently and therefore some areas may become superseded by new information on an ongoing basis.

2. Government announcements with potential implications for local government funding

- 2.1. The Chancellor of the Exchequer, Rishi Sunak, announced the **2020 Comprehensive Spending Review** (CSR) on 21 July 2020¹. The CSR, which will be published in the autumn, is expected to set out the government's spending plans for the parliament, covering a three-year period for resource budgets (2021-22 to 2023-24) and a four-year period for capital budgets (2021-22 to 2024-25). Among the areas that the Chancellor stated the CSR will prioritise, the following are likely to have the most relevance for local government:
 - Strengthening the UK's economic recovery from COVID-19 by prioritising jobs and skills;
 - Levelling up economic opportunity across all nations and regions of the country by investing in infrastructure, innovation and people – spreading opportunity, maximising productivity and improving the value add of each hour worked;
 - Improving outcomes in public services, including supporting the NHS and taking steps to cut crime and ensure every young person receives a superb education;

¹ <https://www.gov.uk/government/news/chancellor-launches-comprehensive-spending-review>

- Making the UK a scientific superpower, including leading in the development of technologies that will support the government's ambition to reach net zero carbon emissions by 2050; and
 - Strengthening the UK's place in the world.
- 2.2. Taking into account the wider uncertainty, the Chancellor did not set a "spending envelope" for the CSR but confirmed that departmental spending "will grow in real terms across the CSR period". However, the Chancellor also stated that "there will need be tough choices in other areas of spending at the review. As part of their preparations for the CSR departments have been asked to identify opportunities to reprioritise and deliver savings."
- 2.3. The deadline to submit representations to the CSR is 24 September 2020. This timescale would suggest a Budget or Autumn Statement announcement of some sort in late October or early November. Realistically, this implies that as in previous years, **the Council will not receive detailed information about funding allocations for 2021-22 and beyond until December 2020 at the earliest.**
- 2.4. It is proposed that the Council's representation to the CSR cover the following key areas:
- How the Council contributes to the priorities set out for the CSR;
 - The impact of COVID-19 and the continued uncertainty and further delay of significant planned reforms to local government finance (including the Fair Funding Review and Business Rates Reform) on the Medium Term Financial Strategy.
 - The opportunity for Government to deliver a permanent step change, recognising the importance of children's and adults social care, and adequately funding local authorities to make a key contribution to national recovery.
 - The need for a larger quantum to meet immediate pressures of COVID-19, and to provide a sustainable funding level for the future.
 - The urgent need for clarity and certainty about the support that Government will provide for 2021-22 and beyond to enable budget setting to take place effectively.
 - The need to address underlying key issues including:
 - Investing in infrastructure and delivering "levelling up";
 - Reforming council tax and addressing associated inequalities;
 - Adequately funding children's and adults Social Care pressures;
 - Addressing other unfunded pressures;
 - Providing adequate funding for schools, including addressing the High Needs Block deficit; and
 - Delivering on environmental commitments and supporting effective waste management.

Members' views are sought on this approach, and Cabinet is asked to delegate to the Leader and the Cabinet Member for Finance to agree a final representation for submission.

- 2.5. The Government committed to undertake a fundamental **Business Rates Review** at the Spring Budget, and launched a call for evidence on 21 July 2020². This seeks views on how the business rates system currently works, issues to be addressed, ideas for change and a number of alternative taxes. The Review is due to conclude in Spring 2021. While this timeframe means it will not impact on the 2021-22 budget setting process, the increasing significance of Business Rates income to local authorities means that this Review may be an important issue in relation to the Council's medium to long-term funding position.
- 2.6. The call for evidence asks a number of technical questions about the Business Rates system and its administration. It is proposed that the Council's response to the Business Rates Review address these where they are relevant to an upper tier authority and also covers the following key areas:
- The significant concern that growth in rates will not keep pace with the future pressures faced across the full range of local government services including, for example, the National Living Wage, and the need for any reforms to take account of this.
 - The pressing need to address fundamental issues in the business rates system including the under-taxation of online retailers while traditional "bricks and mortar" businesses bear a disproportionate share of the burden.
 - That the tax base is arguably overly dependent on a relatively small number of businesses and places which means much greater risk, volatility and fragility within the system as a whole.
 - The fact that there is a clear tension between some (entirely understandable) national government policies (for example to support the high street and reduce the rates burden) and an increased local authority share of retained rates and expectation of reliance on these as a source of income to meet demand driven cost pressures. In this context it will be critical that the impact of government policies continues to be fully compensated following any reforms.
 - That government should consider how the tension between continuing central control of business rates and the aspiration of further localisation to councils can best be resolved.

Members' views are sought on this approach, and Cabinet is asked to delegate to the Leader and the Cabinet Member for Finance to agree a final representation for submission.

3. Budget and Medium Term Financial Strategy context

- 3.1. In July, Cabinet agreed the following **principles for 2021-22 budget planning**:
- MTFS Budget planning to cover the period **2021-22 to 2024-25**.
 - **Budget Challenge** meetings for each directorate.

² <https://www.gov.uk/government/consultations/hm-treasury-fundamental-review-of-business-rates-call-for-evidence>

- Allocate the **February 2020 MTFS gap of £38.992m for 2021-22** based on “controllable spend” approach (with no additional corporate / transformation target given the £4.388m already assumed).
- In order to inform revision of 2021-22 MTFS and budget gap in September 2020, Cabinet to undertake a **fundamental review of MTFS assumptions** relating to:
 - council tax and business rates planning assumptions (informed by latest District forecasts).
 - forecast delivery of planned 2020-21 savings programmes and viability of previously planned 2021-22 savings.
 - cost and income pressures, including new pressures resulting from COVID-19.
 - any further Government funding announcements for 2020-21 and future years.
- Seek to identify **proposals to begin to address future years with target £10m per annum**, reflecting need for longer term planning in line with the Financial Management Code.
- Select Committees to have a role as part of the budget-setting process, considering areas for savings in September.
- Final **decisions about the 2021-22 Budget to be taken in February 2021** in line with the budget setting timetable (Appendix 1).

3.2. Taking account of these Government announcements and looking beyond the immediate impacts of coronavirus, the overall level of uncertainty means that the **financial outlook for local government remains extremely challenging** for the foreseeable future. As previously reported to Cabinet, local authorities continue to face a growing gap between funding and service pressures, driven in part by demographic changes, unfunded burdens such as the National Living Wage, and the needs of vulnerable social care users becoming increasingly complex. Children’s services, in both social care and education (particularly the High Needs Block), are also under very significant stress. There is a risk that these pressures increase in the medium-term as a result of additional needs driven by effects of COVID-19 and the associated lockdown.

3.3. The Council approved its 2020-21 Budget and MTFS to 2023-24 on 17 February 2020. This was based on one-year funding allocations for 2020-21 announced at the Spending Round 2019 and ultimately confirmed in the Local Government Settlement in January 2020. As set out in this report, funding for 2021-22 onwards remains a subject of considerable uncertainty. Although there are profound short-term impacts being experienced from the response to COVID-19, it remains to be seen precisely what the medium- and longer-term impact will be, and as such the full implications for the council’s Budget in 2020-21 and beyond remain to be confirmed. However, the pandemic will unquestionably also change the long term shape of some services, in relation to joint working, public expectations, levels of demand, and the underlying cost base. Risks remain that adult social services will incur changed volume and market prices into 2021-22, which are not included within the current budget plans. The key risks are from the cessation of the hospital discharge service arrangements, which are in operation until 31st March 2021. This could mean that above usual volumes and

prices of care, following transition of the NHS funding arrangements, are incurred by the council going forward. In addition, some providers have needed to change their business models to operate services in line with social distancing rules, which will reduce the capacity of some providers and increase unit costs. These additional costs could remain into the next financial year if the pandemic and associated government guidelines continue.

- 3.4. The budget setting principles agreed in July included a proposal that a fundamental review of budget assumptions be completed in September. At this point, a limited number of revisions to the MTFS have been identified, but it remains too early to forecast many elements with confidence. It is highly likely for example that key income sources including council tax (through both the Collection Fund and tax base growth) and business rates will be under significant pressure in 2021-22, requiring revision to planning assumptions. Detailed work is underway with District Council partners to understand the likely Norfolk impacts on both business rates and council tax. At this stage it is appropriate to begin to revise some of the assumptions associated with these elements of the Budget, but it is not yet possible to produce a comprehensive and robust forecast for 2021-22.

- 3.5. Likely impacts on Business Rates continue to include:

- Total business rates collectable will potentially reduce where increased numbers of businesses close (particularly as temporary financial support measures are withdrawn).
- An increase in the number of properties claiming empty property relief where businesses either cease trading or seek to take advantage of changed working patterns to reduce property costs.
- Appeals against rateable values may increase where rental values have been impacted.

Likely impacts on council tax continue to include:

- Tax base may not increase as forecast due to suppressed growth in new properties (reduced to 0.5% in latest assumptions, risk of further reduction remains).
- Council tax support is likely to increase linked to increased levels of unemployment and Universal Credit claims. This will also potentially suppress council tax growth, or may result in a reduction in the tax base.
- Changes in the council tax collection rate where households have experienced a reduction in income.

- 3.6. In addition to COVID-19 cost pressures, the final employer pay offer for 2020-21 has now been confirmed as 2.75%, compared to the budgetary provision of 2%. This will represent a one-off pressure of approximately £1.9m to be addressed in the current year, as well as an ongoing cost pressure that needs to be incorporated within budget planning. The final pay award level for 2020-21 has now been confirmed following union responses, and it is therefore prudent to make provision for this level of pay award in the MTFS.

3.7. The latest MTFS position is shown in Table 1 of this report, which updates the forecast considered in July 2020 for the latest known issues. **The MTFS now identifies a gap of £129.779m, incorporating a gap of £45.434m for 2021-22.** This will be further updated in the report to October Cabinet and kept under continuous review through the Budget process. Details of the approach to Services developing savings to assist in closing the Budget gap are set out in sections 4-8, and as reported in the July Cabinet paper, ultimately options to close the gap will include:

- Government providing additional funding;
- Corporate / centrally identified savings opportunities including the use of capital receipts to support transformation; and
- Service departments identifying further savings or removing budget pressures.

3.8. The current MTFS position is based on a number of further significant assumptions as set out below:

- 2020-21 funding levels will be broadly maintained (i.e. a further rollover settlement).
- Pay inflation will run at 3% from 2021-22 onwards.
- Non-pay inflation provided for on some budgets being reduced from 2% to 1%.
- Council tax will be increased by 1.99% per year, but with no increase in the ASC precept (this remains subject to both Member decision-making and Government announcements about referendum thresholds annually), helping to address pressures across all front line services including social care.
- Continuation of previous increases in the National Living Wage (NLW). The Government could indicate a more significant increase, without additional funding. Announcements about the April 2020 level were made in January this year. Each 1p rise in the NLW increases the costs of care by £0.200m. Many organisations have lobbied central government to make further increases in the NLW and in particular seek higher increases for care workers. Either would increase costs significantly above the current budget assumptions.
- The tax base will increase by 0.5% in 2021-22 and thereafter by 1% each year to 2023-24 (1.39% growth was forecast for 2020-21).
- Collection Fund surplus is assumed as £3m in 2021-22, £2m 2022-23, and £1.5m 2023-24. This remains an area of significant uncertainty and will be reviewed further in the Autumn.

Table 1: Updated Medium Term Financial Strategy 2021-22 to 2024-25

	2021-22	2022-23	2023-24	2024-25	Total
	£m	£m	£m	£m	£m
<u>Medium Term Financial Strategy 2020-25</u>					
Gap as reported to Cabinet 8 June 2020 (Surplus)/Deficit	38.992	24.500	30.203	24.158	117.852
Reduce Tax Base growth to 0.5%	5.624	2.415	2.566	0.319	10.925
Additional pay inflation 2020-21 of 0.75%	1.984	0.060	0.061	0.063	2.168
Children's transport pressure (+3 days 2021-22)	0.617	0.000	0.000	0.000	0.617
Adults grant assumption changes (2020-21 allocations for Local Reform and Community Voices, Social Care in Prisons, and War Pensions Disregard Grant)	0.005	0.000	0.000	0.000	0.005
Review of non-pay inflation assumptions	-1.788	0.000	0.000	0.000	-1.788
Latest forecast gap position as at 7 September 2020 Cabinet	45.434	26.974	32.830	24.540	129.779

- 3.9. A summary of the cost pressures and savings provided for in the February MTFS analysed by Service was reported to Cabinet in July. As set out in that report, the MTFS includes significant unavoidable ongoing pressures from 2021-22 to reinstate Minimum Revenue Provision (MRP) budgets following the saving delivered over recent years. It should also be noted that the level of pressures included in the Children's Services budget for future years is substantially lower than has been provided for in 2020-21 and this may therefore be a particular area of risk for future cost pressures emerging through the remainder of the 2021-22 budget process. As set out above, the Adult Social Care budget for next year is subject to significant uncertainty particularly in relation to ongoing costs of care that are currently funded by health under the Hospital Discharge Service requirements and market prices affected by Covid-19 measures and national living wage. Further savings will be required to close the identified budget gap in addition to the £23.542m identified in the agreed MTFS. It should be noted that the MTFS already assumes £4.388m of savings from business transformation in 2021-22. This is a challenging target and it remains the case that the scope for any further savings in this area may therefore be limited. A report on the delivery of these business transformation savings is due to be considered by the September meeting of the Corporate Select Committee and will be reflected in a future update to the MTFS.

3.10. Cabinet in July noted that the budget setting principles agreed for 2020-21 could result in the saving targets currently allocated to Services being revised (and potentially materially increased) in September. **It is not currently the view of the Section 151 Officer that savings targets should be revised**, however it will be essential that **Service Departments develop sufficient sustainable savings proposals, to achieve the target level of savings set in July**, and ultimately enable a balanced budget for 2021-22 to be proposed. This judgement is naturally subject to any further Government announcements about financial support for both the current year, and for the medium term as part of the Local Government Settlement for 2021-22, and the way in which the Covid-19 pandemic and associated cost, income and saving pressures continue to develop.

3.11. The savings targets by Department as agreed by Cabinet in July are set out in the table below.

Table 2: Allocation of saving targets 2021-22 to 2024-25

Department	2021-22 £m	2022-23 £m	2023-24 £m	2024-25 £m	2021-25 £m	%
Adult Social Services	-17.723	-4.597	-4.628	-4.628	-31.576	46%
Children's Services	-8.782	-2.223	-2.213	-2.213	-15.431	22%
Community and Environmental Services	-8.771	-2.232	-2.207	-2.207	-15.417	22%
Strategy and Governance Department	-0.844	-0.215	-0.213	-0.213	-1.484	2%
Finance and Commercial Services	-1.753	-0.439	-0.430	-0.430	-3.052	4%
Finance General	-1.120	-0.294	-0.309	-0.309	-2.032	3%
Total	-38.992	-10.000	-10.000	-10.000	-68.992	100%

4. Service financial strategy and approach to developing 2021-22 Budget proposals – Adult Social Services

4.1. Financial Strategy

Adult Social Services continues to pursue the Promoting Independence strategy, focussed on delivering six priorities:

- Safeguarding people.
- Strong partners for integrated working.
- Strengthen social work so that it prevents, reduces and delays need.
- Supporting the Social Care market.
- Accelerate the use of technology.
- A positive working culture which promotes people's independence and uses public resources fairly.

4.2. Covid-19 Impact and Context

Covid-19 has caused a seismic and immediate refocus of services, process and planning. The financial consequences of this continue to emerge, but it is having a material impact on the ability to deliver the full level of planned savings in both 2020-21 and 2021-22. Currently, advice still remains to avoid all but emergency visits to care homes and public health advice to avoid transferring people, both mean that much of the previously successful demand management work as part of the Promoting Independence strategy has temporarily stopped. Adult Social Services is working to assess original plans, evolve them where appropriate, and restart areas of change governance where feasibly possible. As a result, alongside the longer term delivery of Promoting Independence, the immediate priority and context for Adult Social Services' financial planning in 2021-22 is the post-pandemic recovery – with services facing unprecedented challenges this year (2020-21) and continued uncertainty – particularly relating to demand, funding and the wider market.

The Covid-19 pandemic has inevitably had a major impact on the provision of support and services to vulnerable adults in Norfolk. The Council continues to support the care market, while recognising that the demand and supply of care services will change in the short, medium and longer term. Options for support for September and beyond are currently being assessed. For some services where future demand is less clear, such as day services, the long term sustainability of the market will be a key issue, and there may also be cost implications for the Council from this. Transport capacity is also creating a pressure and potential emerging cost pressures. For some vulnerable adults, the pandemic has created an escalation in social care needs. Supporting these people, and their families, will continue to be a priority for the Council, and has increased some costs, at least in the short term.

The Covid-19 response has given rise to some opportunities as well through some closer links with health and joint responses around discharge from hospital, but the longer term national plans for intermediate care post discharge is not certain and nationally the story for adult social care is still being written. Sir Simon Stevens has written in the last month to health organisations setting out the phase three plans for the overall health service. As part of this he has signalled the continuation of the hospital discharge services requirements for the remainder of this year, but for only up to the first six weeks of care to be funded by NHSEI from 1 September. In addition there is an expectation from 1 September that previous placements will be assessed and revert back to normal funding arrangements. The council is currently awaiting revised government guidance, but if a transition period is not built in to the changes, this will present a significant cost pressure for the Council. It is also clear that in some areas, where the nature of the supply is changing (for example Day Care), there is a need to understand the financial implications of the changes, how the Council should continue to meet need, and how demand may evolve as a result of new support arrangements. Finally, we need to look at the likely longer term costs for some providers, such as residential care providers and ensure that fees are appropriate but not inflated above genuine Covid-19 related expenditure, such as PPE. Current infection control funding for providers ceases at the end of September and future government support to meet these additional costs will be key.

4.3. Savings development 2021-22

The impact of the Covid-19 response on 2020-21 is therefore affecting decisions for next year and there is a need to be pragmatic about the starting position. In this context, the Service is developing saving proposals under four **new** saving themes as set out below. There will be a need for investment to deliver some of the associated savings in 2021-22.

Savings fall under five main themes.

- **Independence and enabling housing (new)**
Adult Social Services is already working to develop more alternative types of accommodation to give people other choices and more independence. Proposals will look to extend this focusing on making better use of existing accommodation, collaboration with health partners, and putting in place strategic funding arrangements for developing alternative accommodation.
- **Revising the short term out of hospital offer (new)**
Adult social services has historically played a significant role in funding and delivering out of hospital care. New Discharge to Assess guidance, post-COVID, highlights the importance of this for the health and social care system as whole. We want to review what our offer is – as part of a health and social care intermediate care offer. This will allow us to focus more resources on home first services, including greater therapy input, and moving away from reliance on short-term beds.
- **Our commissioned models of care (new)**
We will seek savings from some commissioned services, particularly maximising block contracts and re-shaping those which are no longer value for money. Part of this will include looking at the cost of care, given the significant changes in the market as a result of COVID.
- **Self-direction, prevention and early help (new)**
Our prevention and early help approach has enabled us to achieve significant savings in demand, by preventing, reducing and delaying the need for formal care. We will look to consolidate initiatives, strengthening those which are effective and ceasing some activities if there is duplication.
- **Digital efficiency, value for money (extension)**
We are already delivering significant savings through exploiting digital technology. Proposals will look to extend this, taking up new opportunities to improve productivity and drive out costs.

5. Service financial strategy and approach to developing 2021-22 Budget proposals – Children’s Services

5.1. Financial Strategy

The core strategy and transformation approach remains unchanged and Children’s Services continues to project benefits from existing schemes and new schemes in the same strategic areas:

1. Inclusion
2. Prevention and Early Intervention
3. Quality of Practice
4. Edge of Care and Alternatives to Care
5. Re-shaping the care and specialist support market

These areas are now supported by a major focus on modernisation, efficiency and opportunities to work differently which will be enabled by technology and the cultural shift that is being accelerated by Covid-19. These include:

- Efficient Processes
- Reduced Travel
- Using Buildings Differently
- Exploiting Technology

5.2. Covid-19 Impact and Context

Covid-19 has had a significant impact on Children’s Services. Initially, demand for core statutory services fell by around 40-50%, although this is now returning to normal levels. Numbers of children in care remained fairly stable, albeit with unit costs rising, and some additional costs have been incurred in managing the disrupted care market.

It is very likely that there will be a fairly significant spike in demand in the autumn once schools return – which may translate into higher demand for statutory services and children in care, although this remains highly uncertain.

In a best case scenario, the number of children in care will continue to fall in line with the recent trend – more likely is at least a temporary rise aligned to the surge in demand. Some authorities are projecting a significant rise over an extended period and so this will need to be closely monitored and an additional financial pressure could emerge which is not currently accounted for.

The Service has identified a range of other, less obvious, impacts on demand – including hidden need, trauma, and economic factors. It is hard to know what the experiences of children will have been during lockdown and how that will play out in the medium to longer term. In addition, there has been major disruption to the traded services model, and a review is now underway. Some key external markets are also

under major strain, for example transport, early years, the voluntary sector as well as care.

There are likely to be some opportunities emerging from the Covid-19 response, including:

- The relationship with the school system in particular has been strengthened, creating an opportunity to wrap support around in a preventative way;
- Greater family resilience is being evidenced and family networking is thriving in the current context, and this is an area to build on;
- Increasing responsiveness to meet families' needs at times better for them and professional assessment purposes rather than being constrained by office opening hours;
- The potential to unlock the capacity and budgets normally tied up at the higher tiers;
- Significant opportunity to strengthen recruitment and retention through greater flexible working and opportunity to increase workforce stability;
- In the mental health arena, the crisis has accelerated the move away from the previous clinic-based model;
- Volunteers have come forward in much greater numbers than previously;
- Virtual working is unlocking creative practice and improved relationship and engagement with families and young people that could be included in the overall offer as a "new normal" is established;
- Potential to move 'upstream' together and have more and better 'early help' across cohorts; and
- Partnership working has deepened and accelerated.

5.3. Savings development 2021-22

The impact of Covid-19 is projected to cause delays to the delivery of existing saving plans which will impact on 2021-22 as well as the current year, meaning the Service will need to make up for any potential shortfall on previously planned savings as well as delivering against new targets.

Saving proposals are being developed in line with the themes identified to date and will include expansion of the existing transformation programme in relation to:

- Transforming the care market and creating the capacity that we need
- Alternatives to care
- Prevention, early intervention and effective social care

This represents some continuation of existing programmes and some major new elements such as the "No Wrong Door" model, which is intended to achieve good outcomes at lower long-term cost for the children with the most complex need. The department is continuing to work up new initiatives through the autumn, including potentially a more substantial transformation in relation to children with disabilities –

offering a solution for children who require specialist education, intensive care and who have significant medical needs in an integrated model. That business case is being developed as rapidly as possible.

Proposals also seek to identify areas for efficiency but will require significant support to deliver, for example to drive out the benefits of technology, to enable teams to operate with reduced reliance on buildings, to progress the staff skills agenda. The department is looking to set fairly substantial savings targets in these areas, over and above those to be delivered through the major transformation programme.

The department is also commencing a close internal review of staffing – especially in support and ‘back office’ teams – in an effort to identify non-transformational staff reductions, such as any areas of duplication or where there might be potential for efficiency. This work will take further time to complete and whilst the focus will be upon achieving efficiency without compromising quality and effectiveness of service, there is a risk that the quality and quantity of service that can be provided will reduce to enable the required savings to be delivered in the context of the Council’s very challenging financial circumstances.

6. Service financial strategy and approach to developing 2021-22 Budget proposals – Community and Environmental Services

6.1. Financial Strategy

Community and Environmental Services (CES) has responsibility for the delivery of a wide range of services; there is no hierarchy as each area has a vital role to play in achieving better outcomes for the whole of Norfolk. CES proactively provide information and advice to help people to make better choices that enable them to live fulfilling, independent lives. Teams continue to provide vital services to ensure that residents are safe, both in their own homes and when out and about in the county.

There are large elements of the CES budget where there would be little scope to change or influence (such as capital charges, recycling credits, and concessionary fares), and these are treated as uncontrollable costs for the purposes of seeking savings.

In terms of an overall strategy for developing budget proposals, the broad range of services and outcomes means that a single approach would not be beneficial. Instead, CES is focussing on two general approaches:

- Cost reduction – including through use of new technology and contract renegotiations
- Ways of working – including efficiencies in back office processes and organisational re-design

In previous years, the department has also had a focus on income generation. However, given the current pressures and risks associated with existing income generation targets (as set out in paragraph 6.2) it is not considered prudent for new income generation to be a key strand of the financial strategy for next year.

6.2. Covid-19 Impact and Context

A significant number of staff within CES were redeployed in roles to support the emergency response efforts throughout the county. The service also plays a crucial role in supporting communities and businesses to respond to and recover from the impacts of Covid-19. Key activities have focussed around:

- Supporting Norfolk's businesses and workforce
- Keeping the county moving
- Delivering essential support and supplies to those most in need
- Keeping communities safe, healthy and well

In addition, colleagues in Public Health have continued to carry out significant work to:

- Develop and deliver the Local Outbreak Control Plan
- Deliver local management of outbreaks and contact tracing
- Provide advice on infection control and management
- Media messaging on reducing the risk of infection, reassuring the public and seeking to mitigate the impact of social control measures
- Information and analysis – modelling the likely impact of an epidemic on the population of Norfolk (which started around 10 March, at a very early stage meaning we are now ahead of the curve in terms of epidemiological data and analysis available to plan service capacity)
- Providing mutual aid to Public Health England for infection control

Longer term impacts and potential future budget pressures for CES arising from Covid-19 include:

- Significant work will be needed to support delivery of the Norfolk and Suffolk Economic Recovery Restart Plan, working with New Anglia LEP. A number of projects and measures have been developed to support the Norfolk economy including through advice for businesses, support for the visitor economy, investment in infrastructure and support for individuals to reskill and upskill.
- The department is heavily reliant on generating external income, such as museums admissions income. Given the extended period that services were not able to operate, and new restrictions in the foreseeable future, this will have a significant impact on the income generating activities already built into the budget.
- Higher volumes of residual waste are anticipated due to residents being at home rather than places of work, therefore generating more waste through the kerbside collections.
- Whilst Government have provided support to transport operators, both directly and through the County Council, CES continues to work with operators to ensure there is resilience of the public transport network including home to

school transport. Work is also underway with operators to ensure they have the ability to provide viable services under social distancing measures and through a period where there may be low public confidence in using public transport.

- Increased costs are also expected for the delivery of capital schemes to accommodate safe working practices.
- Some services in the department continue to carry out significant work specifically on Covid-19 response and recovery, in particular the Public Health, Growth and Development and Resilience teams. It is anticipated that there will continue to be a need for significant support from these areas for some time.

6.3. Savings development 2021-22

CES has a very strong track record of securing external income off-setting the cost of service delivery. CES activities are at the heart of communities and further budget reductions will have a significant impact on the ability to continue to generate income and support communities. Some key considerations in relation to saving development are:

- The Fire Service 2020-23 IRMP, agreed by Full Council in March 2020, sets out the budget required for service delivery outcomes including the allocation of resources for the mitigation of risks. It sets out the management strategy and risk-based programme for enforcing the provisions of the Regulatory Reform (Fire Safety) Order 2005. Any deviation from this would require public consultation and approval by Full Council.
- The library service provides front line service in communities across the county with critical computer access to a number of users and forms a fundamental part of the Children's Services Early Years offer as well as providing crucial facilities to support individuals seeking employment and to support the social care demand management agenda.
- Whilst the Museum Service is highly successful in securing external funding, it is based on a level of local authority commitment to the Service and further reductions could undermine the relationships with key external funders such as Arts Council England and the National Lottery Heritage Fund.
- Public Health is funded via a ringfenced grant and opportunities are already being taken to use it to fund activities across the wider Council that meet the criteria of the grant.
- Performance and Governance budgets largely provide centralised support to the rest of CES and wider parts of the organisation, these are constantly reviewed for opportunities for efficiencies and in many instances are delivering services at a lower cost than a decentralised model.

CES have historically delivered savings primarily through service efficiencies, cost reduction, management of vacancies and collaboration activities, and will continue to explore all opportunities, although over time this becomes more difficult. The service will continue to look for opportunities for efficiencies especially through new ways of working as a result of Covid-19.

7. Service financial strategy and approach to developing 2021-22 Budget proposals – Strategy and Governance

7.1. Financial Strategy

The Strategy and Governance department brings together a number of professional services which fulfil different functions, and need to be differentiated in the way they operate and the focus of their advice and support.

The functions provide a **continuum of services** including strategic direction, and resource stewardship as well as support to services, managers and staff.

- A strategic focus - to advise and support the political and managerial leadership of the Council in their strategic approach. At a time when resources are stretched, the organisation is in recovery and there are so many “unknowns” in the financial and government policy space, it is essential to:
 - have the capability to look to the future and anticipate change
 - identify and frame strategic issues for the executive team
 - provide analytical and problem-solving expertise to the executive team and the business units
 - offer **professional leadership** to the organisation in key areas such as strategic communications, intelligence and analytics to drive insights and actions
- A support service focus – to support and enable **transformation change** and seek to drive innovation, as well as operations at departmental and service level. It is important to have capacity to:
 - define transformational solutions to strategic problems
 - implement transformation initiatives
 - provide more responsive internal services to managers and staff, while achieving lower costs through greater use of technology, and simpler and more streamlined processes
- A governance focus – to ensure the organisation is **safe, compliant and governed effectively** and with strategic focus and purpose, with strong stewardship / control systems and processes, joining up across the local government system.
- An **income generating** focus – to create value for NCC through maximising the opportunities provided through public service provision, for genuine fee earning activities which don't deviate from, but enhance, our statutory purpose and core offer.

7.2. Covid-19 Impact and Context

As set out above, services within Strategy and Governance fulfil a key role in supporting the Council to continue to operate in a safe, well-governed and compliant way during the response to the COVID-19 emergency, and have played a key role in supporting the wider organisational response, including:

- Maintaining democratic functions and Member support;
- Ensuring effective communications both internally and with key stakeholders and supporting delivery of key Public Health messaging;
- Providing advice on statutory and regulatory changes arising from the response to the pandemic;
- Maintaining effective HR functions and supporting the wider workforce through a period of radical change;
- Supporting wider organisational capacity and the management of the response to the pandemic.

7.3. Savings development 2021-22

Strategy and Governance provides an integrated set of services that support strategy development, underpinned by insight and analytics, performance management, business planning, HR, communication and engagement with residents and staff delivering critical central services, which drive good governance, change and transformation.

As a consequence, any budget proposals can have significant impact in the bigger service departments.

Strategy and Governance as a whole relies heavily on income particularly Nplaw and Registrars, so proposals to reduce headcount need to balance the loss of fee earners.

Reserves for Strategy and Governance are all committed to supporting Business Transformation.

In this context, saving proposals are being developed which:

- Align to departmental strategy.
- Ensure that we keep the organisation **safe and legal** as **efficiently** and **effectively** as possible.
- **Balance opportunities to maximise income for genuine fee earning services**, against cost savings, without deviating from our core service offering.
- Work to **drive our professional leads model**, in providing support across the organisation to maximise efficiency, and effectiveness.
- Maximise any saving opportunities arising from changed expectations and **working practices** as a result of COVID-19.

8. Service financial strategy and approach to developing 2021-22 Budget proposals – Finance and Commercial Services / Finance General

8.1. Financial Strategy

Finance and Commercial Services provides the capacity to enable the organisation to act swiftly, innovatively and effectively in the context of rapid change. Core departmental priorities include:

- Enhancing financial performance
- Supporting and training service managers
- Effective management of property assets to make best use and maximise the return on investments
- Efficient and effective contract management
- Providing information which supports good decision making
- Reducing the costs of our services whilst improving their effectiveness, utilising new technology and implementing smarter ways of working
- Rolling out technological infrastructure, improving customer service and saving money

8.2. Covid-19 Impact and Context

Services within Financial and Commercial Services deliver essential support functions which have enabled the Council to continue operating during the response to the COVID-19 emergency, and have played a key role in supporting the wider organisational response, including:

- Ensuring safe, effective and appropriate use of property and assets;
- Effective procurement of vital equipment including PPE;
- Provision, development, delivery, and maintenance of effective ICT solutions to enable remote working and organisational resilience;
- Maintaining effective, prompt and secure payment systems, and ensuring appropriate financial control and oversight of decision-making;
- Supporting wider organisational capacity and the management of the response to the pandemic.

8.3. Savings development 2021-22

Savings proposals for 2021-22 are being developed with a focus on:

- Ensuring critical functions and capability are maintained;
- Maximising any opportunities arising from changed expectations and working practices as a result of COVID-19; and

- Protecting the quality of service and level of support provided to front line services and colleagues across the Council.

9. Impact of the Proposal

9.1. This paper sets out further details of the Council's budget planning process for 2021-22, while recognising that significant risks and uncertainties remain. The proposals in this report will:

- set the context for service financial planning for the year to come;
- provide an opportunity for Cabinet to comment on and provide guidance about the development of departmental budget proposals;
- support the Council in continuing its engagement with Government in relation to the Comprehensive Spending Review and Business Rates reform; and
- contribute to the Council setting a balanced budget for 2021-22.

10. Evidence and Reasons for Decision

10.1. The County Council faces an unprecedented financial and public health crisis which has the potential to have significant implications for future budget setting. It will be essential to continue to engage with Government, MPs and other stakeholders to continue to push for adequate and sustainable funding for Norfolk to continue to deliver vital services to residents, businesses and visitors. It is also important that Government issues guidance on financial planning assumptions, particularly indicative funding allocations for 2021-22, as soon as possible. Otherwise there is a significant risk that the Council will be obliged to reduce service levels. The Council's MTFS planning builds on the position agreed in February 2020 and it is important to note that this will need to continue to be updated as more reliable information about cost pressures and funding impacts emerges through the process. Nevertheless, it remains prudent to move forward with planning for savings at the level required to close the underlying gap identified in February 2020.

10.2. The proposals in the report reflect a prudent response to the challenges and uncertainties present in the 2021-22 planning process and will ultimately support the Council to develop a robust budget for the year.

11. Alternative Options

11.1. This report sets out a framework for developing detailed saving proposals for 2020-21 and at this stage no proposals have been agreed, meaning that a range of alternative options remain open.

11.2. In addition, there are a number of areas where Cabinet could choose to consider different parameters for the budget setting process, such as:

- Considering alternative approaches to the development of savings from those proposed.
- Adopting an alternative allocation of targets between services, or retaining a higher or lower target corporately.

- Considering an alternative timetable within the time constraints required to develop proposals, undertake public consultation, and meet statutory deadlines for the setting of council tax.
- Changing assumptions within the MTFS (including the level of council tax) and therefore varying the level of savings sought.

11.3. Final decisions about the overall shape of the 2021-22 Budget, savings, and council tax will not be made until February 2021.

12. Financial Implications

- 12.1. Financial implications are discussed throughout the report. This paper sets out the proposed approach to developing savings proposals to address the targets agreed in July and which will need to be found by each department to contribute to closing the 2021-22 and future year budget gap, subject to formal approval by Full Council in February 2021. The proposals in the paper will require departments to identify further significant savings to be delivered against current budget levels. The scope to achieve savings at the level required may be limited by delivery of the response to COVID-19.
- 12.2. The Council is legally required to set a balanced Budget annually and should plan to achieve this using a prudent set of assumptions. However, Members could choose to vary the allocation of indicative targets between Directorates, or to establish an alternative approach to identifying savings. Work to deliver additional Government funding could also have an impact on the overall budget gap to be addressed. As a result, the budget setting process and savings targets will be kept under review as budget planning progresses. In the event that additional budget pressures for 2021-22 emerge through budget planning, there may be a requirement to revisit the indicative saving targets.
- 12.3. However, the scale of the budget gap and savings required are such that if the Council is required to deliver savings at this level there is a risk that this could result in the Council failing to fulfil its statutory responsibilities. As such the Government's response and decisions about Council funding in 2021-22 will be hugely significant. Government has an opportunity as part of the COVID-19 response to deliver a permanent step change in the recognition of the importance of social care, and to fund local authorities to provide a key contribution as part of the national recovery. Any changes in Government funding could have a material impact on both the level of savings to be identified, and the Council's wider budget process. Fundamentally there is a need for a larger quantum of funding to be provided to local government both to meet the immediate pressures of the COVID-19 pandemic, and to provide local authorities with a sustainable level of funding for future years.

13. Resource Implications

13.1. Staff:

There are no direct implications arising from this report although there is a potential that staffing implications may arise linked to specific saving proposals developed. These will be identified as they arise later in the budget planning process.

13.2. Property:

There are no direct property implications arising from this report although existing saving plans include activities linked to property budgets and assumptions around capital receipts to be achieved. In addition, activities planned within Business Transformation will include further work to deliver property related savings.

13.3. IT:

There are no direct IT implications arising from this report although existing saving plans include activities linked to IMT budgets. In addition, activities planned within Business Transformation will include further work to deliver savings through activity related to digital and IT initiatives.

14. Other Implications**14.1. Legal Implications**

This report forms part of the process that will enable the Council to set a balanced budget for 2021-22 in line with statutory requirements, including those relating to setting council tax, and undertaking public consultation.

14.2. Human Rights implications

No specific human rights implications have been identified.

14.3. Equality Impact Assessment (EqIA)

Any saving proposals with an impact on service delivery will require public consultation and an Equality and Rural Impact Assessment of all proposals will need to be completed as part of budget-setting in due course. The results of public consultation and the findings of all EqIAs will be presented to Cabinet in February 2021 in order to inform budget recommendations to County Council.

No specific EqIA has been undertaken in respect of this report, although the dynamic EqIA in respect of the Council's response to COVID-19 can be found [here](#).

15. Risk Implications/Assessment

15.1. The ultimate impact and financial cost of the response to the COVID-19 outbreak will be highly dependent on a wide range of factors including the length of time that the pandemic continues, the severity of the impact (both nationally and in Norfolk), the impact of any second wave of infection, and the wider actions taken in response.

15.2. Further (non COVID-19) cost pressures may emerge through the 2021-22 budget setting process, these would increase the gap to be closed. Similarly, central Government funding decisions could have a material impact on the level of the budget gap.

15.3. The ongoing COVID-19 pandemic may continue to impact on the county council's budget setting process in a number of ways, most significantly:

- The council's available resources and capacity to plan robust future year savings while responding to a rapidly changing operating environment;
- The ability to adhere to the proposed process and timetable;

- The need to provide for any immediate or ongoing cost pressures emerging for the council; and
- The medium to long term financial implications including the impact on the wider economy and council tax and business rates base and income.

- 15.4. It will be necessary to operate with some flexibility in response to these and any other issues which may arise during the budget setting process.
- 15.5. As set out elsewhere in the report, the overall gap position will be kept under review throughout the budget setting process to inform changes to the MTFS gap. In the event that any other additional budget pressures for 2021-22 emerge through budget planning (for example as funding reductions, non delivery of savings, or additional pressures in services), it should be noted that there may be a further requirement to revisit the indicative saving targets for 2021-22.
- 15.6. Other significant risks around budget setting are detailed in the 2020-21 budget papers to County Council³, and these will continue to apply in 2021-22. Any saving proposals with an impact on service delivery will require public consultation and an Equality and Rural Impact Assessment of all proposals will need to be completed as part of budget-setting.
- 15.7. There remains considerable uncertainty about reforms to local government finance and any funding changes that will be faced in 2021-22 as reflected in the report. The Norfolk County Council Corporate Risk Register details key financial risks in this area, and all risks associated with COVID-19 are also documented in the Risk Register.

16. Select Committee comments

- 16.1. None.

17. Recommendations

- 17.1. Cabinet considers the recommendations as set out in the Executive Summary.

18. Background Papers

- 18.1. Norfolk County Council Revenue and Capital Budget 2020-21 to 2023-24, County Council 17/02/2020, agenda item 5 ([here](#))
 COVID-19 financial implications for Norfolk County Council, Cabinet 11/05/2020, agenda item 9 ([here](#))
 NCC response to COVID-19, Cabinet 11/05/2020, agenda item 8 ([here](#))
 Strategic and Financial Planning 2021-22, Cabinet 08/06/2020, agenda item 12 ([here](#))

Officer Contact

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

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³ [Agenda Item 5](#), County Council, 17 February 2020

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Appendix 1: Budget setting timetable 2021-22

Activity	Date
June Cabinet (to consider 2021-22 budget process and timetable, agree allocation of savings required and framework for service planning).	08/06/2020
Scrutiny Committee	23/06/2020
FFR exemplifications to be published by Government	Originally Spring / Summer, now delayed
Treasury Fundamental Business Rates Review	July 2020 to Spring 2021
Comprehensive Spending Review	July 2020 to 24/09/2020
NCC Financial Regulations update	Autumn 2020
Budget Challenge (Corporate Board and portfolio leads to consider proposals at extended Corporate Board / Budget Challenge session)	July 2020 (Round 1) September 2020 (Round 2)
September Cabinet (to review MTFS assumptions, proposed areas for savings, and agree any revisions to 2021-22 budget gap targets)	07/09/2020
Select Committees to consider proposed areas for savings	September 2020
Scrutiny Committee	23/09/2020
October Cabinet (to consider final 2021-22 savings proposals for consultation, and overall budget position. Key decision – agree 2021-22 budget proposals for consultation)	05/10/2020
Scrutiny Committee	21/10/2020
Public consultation on 2021-22 Budget proposals	22/10/2020 to December 2020
Autumn Budget 2020 and Provisional Settlement (5 December Government's target date for provisional Local Government Finance Settlement)	November-December*
Final Settlement	January 2021*
February Cabinet (to recommend 2021-22 Budget and council tax to County Council).	01/02/2021
Scrutiny Committee (scrutiny of 2021-22 budget proposals, consultation and EQIA)	17/02/2021
County Council Budget Setting (to agree final 2021-22 Budget and level of council tax)	22/02/2021

Notes:

- *Dates or activities to be confirmed.
- Additional reports to Cabinet to be presented through the year as required (e.g. in the event of FFR or CSR announcements, or the ongoing COVID-19 response impacting on the planning assumptions).

Infrastructure and Development Select Committee

Item No. 11

Report title:	Forward Work Programme
Date of meeting:	16 September 2020
Responsible Cabinet Member:	N/A
Responsible Director:	Tom McCabe (Executive Director, Community and Environmental Services)
Executive Summary This report sets out the Forward Work Programme for the Committee to enable the Committee to review and agree it. Actions required 1. To review and agree the Forward Work Programme for the Select Committee.	

1. Forward Work Programme

- 1.1. The existing Forward Work Programme for the Select Committee is set out in Appendix A, for the Committee to use to shape future meeting agendas and items for consideration.

2. Member Task and Finish Groups

- 2.1. At the meeting in May 2019, the Select Committee agreed that, to help ensure a manageable workload, there will be no more than two Member Task and Finish Groups operating at any one time. There is currently one Task and Finish Group: -
- **Local Transport Plan** - Cllr Graham Middleton (Chairman), Cllr Tony White, Cllr Brian Watkins and Cllr Danny Douglas. The terms of reference for this group were approved by the Select Committee in September 2019.

3. Financial Implications

- 3.1. None

4. Resource Implications

4.1. **Staff:** None.

4.2. **Property:** None.

4.3. **IT:** None.

5. Other Implications

5.1. **Legal Implications:** None.

5.2. **Human Rights implications:** None.

5.3. **Equality Impact Assessment (EqIA):** N/A.

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

5.5. **Sustainability implications:** N/A

5.6. **Any other implications:** None.

6. Actions required

1. To review and agree the Forward Work Programme for the Select Committee.

7. Background Papers

7.1. None

Officer Contact

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Infrastructure and Development Select Committee – Forward Work Programme

Report title	Reason for report
Meeting: 11 November 2020	
NCC Environmental Policy	One year one from the agreement of the NCC Environmental Policy, and in light of progress made, to review and consider the Policy document.
Local Flood Risk Strategy	To review the risk strategy
Transport Asset Management Plan (TAMP)	To consider proposed amendments/updates for the TAMP
Norfolk Strategic Infrastructure Delivery Plan (NSIDP)	To review and consider the latest version of the Plan.
CES Enforcement Policy – Annual review	To review any proposed changes to the policy.
Forward Work Programme	To review and agree the Forward Work Programme for the Select Committee.
Meeting: 28 January 2021	
Norfolk Library and Information Service update	To receive an update on activities at libraries, including new and re-shaped activities.
Adult Learning service strategy – annual report	To review and consider the Adult Learning service strategy
Rights of Way Improvement Plan	To review the plan and cycling and walking activity
Local Service Strategy	To consider the Strategy.
Forward Work Programme	To review and agree the Forward Work Programme for the Select Committee.
Meeting: 17 March 2021	
Local Transport Plan strategy	To receive feedback and recommendations from the Member Working Group and to review and consider the emerging Local Transport Plan implementation plan
Trading Standards Service Plan	To review and consider the policy elements of the service plan.
Forward Work Programme	To review and agree the Forward Work Programme for the Select Committee.

Regular reports

Regular items	Frequency	Requested committee action (if known)
Policy and Strategy Framework – annual report	Annually - May	To enable the Select Committee to understand the relevant Policies and Strategies for the relevant services.
Highway and Transport Network Performance	Annually - May	To consider the performance of the network and identify any priorities to be considered as part of the annual review of the Transport Asset Management Plan (TAMP) in the light of this performance.

Regular items	Frequency	Requested committee action (if known)
Performance of key highways contracts	Annually - May	To review the performance of key contracts for the highways service, including customer service.
Transport Asset Management Plan (TAMP)	Annually - November	To consider proposed amendments/updates for the TAMP
Forward Work Programme	Every meeting	To review and agree the Forward Work Programme for the Select Committee.
CES Enforcement Policy – Annual review	Annually – September/ November	To review any proposed changes to the policy.
Trading Standards Service Plan	Annually – March	To review and consider the policy elements of the service plan.